

people fleeing despotic regimes are quite often unable to obtain travel documents before leaving—they must move quickly and cannot depend upon the government that is persecuting them to provide them with the proper paperwork for departure. In the limited time that expedited removal has been in operation, we already have received reliable reports that valid asylum seekers have been denied admission to our country without the opportunity to convince an immigration judge that they faced persecution in their native lands. To provide just one example, as Archbishop Theodore McCarrick described in an op-ed in the July 22 Washington Post, a Kosovar Albanian was summarily removed from the U.S. after the civil war in Kosovo had already made the front pages of America's newspapers. I believe we must address this issue in this Congress.

In addition to questioning expedited removal and detention, I hope that Mr. Ziglar will work with us to address some of the other serious due process concerns created by passage of the Antiterrorism and Effective Death Penalty Act and the Illegal Immigration Reform and Immigrant Responsibility Act in 1996. Through those laws, Congress expanded the pool of people who could be deported, denied those people the chance for due process before deportation, and made these changes retroactive, so that legal permanent residents who had committed offenses so minor that they did not even serve jail time suddenly faced removal from the United States. The Supreme Court has recently limited some of the retroactive effects of those laws, in INS v. St. Cyr, but we must do more to bring these laws into line with our historic commitment to immigration. Many of us have attempted throughout the last five years to undo the legislation we passed in 1996—it remains a high priority and I hope we can find areas of agreement with Mr. Ziglar and the Administration.

Mr. Ziglar did not present himself at his confirmation hearing as an expert on immigration and immigration law—he said frankly that he has much to learn. He did offer his expertise in management and promised to work hard to solve some of the problems the INS has faced over recent years. We in Congress want to be partners in this effort, and I hope that the excellent working relationship we have had with Mr. Ziglar over the years will continue in his new capacity.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, I note that Jim Ziglar is on the floor. I want to be the first among all of our colleagues to congratulate him publicly.

(Applause, Senators rising.)

#### LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### EMERGENCY AGRICULTURAL ASSISTANCE ACT OF 2001—Continued

Mr. HARKIN. Mr. President, we are still on the agriculture package. After having had this last vote, I think it is the wish of the Senate that we move ahead on this bill so we can go to conference.

Again, I remind Senators, as others have reminded them today, time is running short. We would like to finish this bill if at all possible today so that we can go to conference tomorrow, hopefully finish the conference tomorrow at some reasonable time, and come back with the conference report either late tomorrow or early on Thursday so we can finish the conference report and get it to the President before we leave at the end of the week.

It is going to be touch and go because the checks have to get out in September. We will not be here in August. We will be on recess in August.

We do have to complete our work on the bill and get it to the President. This Senator is convinced that if we get this bill done today, we could probably finish conference tomorrow. I don't anticipate a long conference with the House. We would have to work out some disagreements on spending levels. I believe that could be done fairly expeditiously.

If any Senators have further amendments they would like to add, I hope we can reach some agreement on time limits. I hope there is not going to be any effort to string out the bill or to delay it. We just can't afford to delay this bill. We have to get it done, and we have to get to conference. We have to get the conference report back and get it to the President.

I am not saying Senators should not offer amendments. I am just saying if they offer amendments, let's do so right now. Let's have some reasonable time agreements, and then let's finish the bill so we can get to conference tomorrow.

I hope we can move ahead expeditiously and finish this bill yet today.

The PRESIDING OFFICER. The Senator from Pennsylvania.

#### AMENDMENT NO. 1191

Mr. SPECTER. Mr. President, I call up amendment No. 1191.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for himself and Ms. LANDRIEU, proposes an amendment numbered 1191.

Mr. SPECTER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted and Proposed.")

Mr. SPECTER. Mr. President, I am proposing this amendment on behalf of Senators LANDRIEU, COLLINS, SCHUMER, SNOWE, LEAHY, ALLEN, BIDEN, BOND, BREAU, CARNAHAN, CARPER, CHAFEE, CLELAND, CLINTON, COCHRAN, DODD, EDWARDS, FRIST, GREGG, HELMS, HOLLINGS, JEFFORDS, KENNEDY, KERRY, LIEBERMAN, LINCOLN, MIKULSKI, MILLER, REED, ROCKEFELLER, SARBANES, SESSIONS, SHELBY, SMITH of New Hampshire, THOMPSON, THURMOND, TORRICELLI, and WARNER.

As the distinguished manager, the Senator from Iowa asked for a time agreement—if I might have the attention of the Senator from Iowa.

Mr. HARKIN. I am sorry.

Mr. SPECTER. I am surprised that the Senator from Iowa was not listening. We have a close partnership on the Subcommittee on Labor, Health and Human Services, and Education.

Mr. HARKIN. I am always delighted to respond to the Senator from Pennsylvania.

Mr. SPECTER. I was saying I would be glad to agree to a time limit.

Mr. HARKIN. I would, too. I hope we can enter into a reasonable time limit. I have to consult with my ranking member, Senator LUGAR, to see what might be a good time agreement. Does the Senator have anything in mind he wants to propose?

Mr. SPECTER. I would be agreeable to 4 hours equally divided.

Mr. HARKIN. I am hopeful we do not have to go that long, I say to my friend. I am hopeful we could have a shorter debate than that. That is a pretty long period of time.

The PRESIDING OFFICER. The minority leader.

Mr. LOTT. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mr. LOTT. Will the Senator from Pennsylvania yield?

Mr. SPECTER. I do.

Mr. LOTT. I have a couple of observations. Before we lock in any time agreement, we want to make sure we check with the leadership on both sides for when the next vote will occur. If we agreed to 4 hours, we are talking about a vote occurring at 20 minutes to 8 tonight, and I am not sure Senator DASCHLE or I want to do that. We need to do some checking.

In terms of the time, I do not know what the advocates or the opponents of this amendment want. I do think this is a very important issue. We need to make sure everybody has been contacted and sufficient time is available to the proponents and opponents because this could be—well, this is one of the two issues that will determine

whether or not this legislation goes forward. The other one is the dollar amount.

We already have a problem with the fact that the Lugar amendment was not adopted, and that causes me a great deal of concern because I am worried now that this could lead to the necessity of having a conference and concern about when we get to conference and worried about the funds being available for the needs of agriculture in this country in August or in September.

We have a major problem on our hands, and now this dairy compact being offered on this bill significantly complicates it further. All I say to the Senator from Pennsylvania is that before he locks in the time we have a chance to check on both sides of the aisle with opponents and proponents—and they are on both sides of the aisle—for a reasonable amount of time and a time for a vote will be necessary.

Mr. DOMENICI. Will the Senator yield?

Mr. SPECTER. I do.

Mr. DOMENICI. Mr. President, I say to the distinguished Senator, the Senator from New Mexico objects to a time limit. I will be in the Chamber to object to a time limit an hour from now, 2 hours from now. I want the ag bill to pass, but I am not at all sure it is the right thing to put a dairy compact on at this late hour. This Senator needs to know a lot more about it. So my colleagues know, I do not agree with the one being discussed, and I will not agree to one when it is proposed.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, this amendment is being offered in a very timely way. This is the first time on this bill that the amendment could be offered, so I do not think it is accurate to say it is being offered at a late hour. The issues involved with the dairy compact are well known. The matter has been debated extensively recently in the Senate Chamber. The Northeast Dairy Compact is due to expire on September 30. The pending legislation dealing with the farm issue makes it preeminently appropriate to offer this amendment.

The dairy compact, as envisioned in this bill, would reauthorize and extend the Northeast Interstate Dairy Compact which consists of Maine, New Hampshire, Vermont, Connecticut, Rhode Island, and Massachusetts to include Pennsylvania, New York, Ohio, Delaware, New Jersey, and Maryland. It would authorize the Southern Dairy Compact for Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

It would authorize a specific Northwest Dairy Compact within 3 years for the States of California, Oregon, and Washington, and would authorize an Intermountain Dairy Compact within 3

years for the States of Colorado, Nevada, and Utah.

A dairy compact creates a regional commission of delegates from each of the participating States. Each State delegation would have three to five members, including at least one dairy producer and one consumer representative, all of whom would be appointed by the Governor of the State.

The commissioner would have the authority to regulate farm prices of class I fluid milk. It may establish price regulation by way of a formal rulemaking process. The commission would take formal testimony to assess the price necessary to yield a reasonable return to the dairy producer.

One of the principal concerns this Senator has is the wide fluctuation there has been in dairy pricing. The price has fluctuated from less than \$10 a hundredweight to \$17 a hundredweight. In my State of Pennsylvania, it is a constant source of concern really putting many small dairy farmers out of business.

The compact does not cost any money. There is no drain on the Treasury. It is friendly to the consumer and I think has a great deal to recommend it.

The commission takes into account the purchasing power of the public, and any fluid milk price change proposed by the commission is subject to a two-thirds approval vote by the participating State delegations. The compacts receive payments from processors purchasing class I milk and returns these funds to farmers based on their milk production.

It is very important to note that the compacts are self-financed and require no appropriation of tax revenues—State, local or Federal. Legal challenges to the current dairy compact have been decided in its favor. It is constitutional. The underpinning is article I, section 10. Twenty-five States, all of which are included in this legislation, have requested dairy compact authority from Congress, and there have been pre-compact activities in as many as 10 of the other States.

Compacts are needed because the current Federal milk marketing order pricing system does not fully account for regional differences in the cost of producing milk. The Federal order program relies on State regulation for an adjustment in fluid milk prices to account for regional differences. However, since milk now almost always crosses State lines to get to the markets, the courts have ruled that individual States do not have the authority to regulate milk prices under the interstate commerce clause.

Dairy compacts recognize the economic benefits that a viable dairy industry brings to a region, and dairy farms are an integral component to the region's economy. Dairy compacts ensure customers have a continuous adequate supply of quality milk at a stable price. This stability gives consumers money in the long run by pro-

tecting them from retailers that profit from volatile milk prices by fattening their profit margins when the price of milk rises and then keep their prices inflated long after wholesale prices have already fallen.

Dairy compacts' main benefit to consumers is ensuring a local supply of fresh milk and a stable price. Dairy compacts help maintain dairy farms which in turn preserve the environment and open space.

I realize there are substantial regional differences and there are people who have deep-seated opposition. I recently conducted a hearing for the Agriculture Subcommittee of the Appropriations Committee. I have served on that subcommittee during my 20-year-plus tenure in the Senate. I convened that hearing in Pennsylvania and conducted it because of the concerns I had heard from so many dairy farmers in Pennsylvania and, for that matter, in other States whereas, I say, the prices fluctuated from less than \$10 per hundredweight to more than \$17 per hundredweight, which hardly gives a dairy farmer any stability as to what is happening.

At the same time the milk prices are falling precipitously, I know as a consumer that I am paying more for a half gallon of milk at the convenience store.

The issue of milk pricing is a very complex issue which goes all the way back to New Deal legislation in the 1930s. When I was admitted to the bar, one of my first jobs as a beginning lawyer with Barnes, Dechert, Price, Myers and Rhoads was to help represent national dairy products, such as Sealtest, before the milk control commission of Pennsylvania. The issue was having a minimum price, an adequate price, to assure the farmer that the price would be adequate to have a sufficient supply of wholesome, clean, safe milk. Milk is one of the most basic commodities in our society. We have seen Agricorps proliferate in America so that the local family farmer is in real jeopardy.

One of the cases I recall studying in law school was a case of *Nebbia v. New York* which established the authority to establish minimum prices. The constitutional scholar from my law school, Walton Hale Hamilton, made it a practice just for a brief moment of levity by going back to the sites where major constitutional cases had arisen. The case of *Nebbia v. New York* arose because Leo Nebbia, who ran a store, had sold a quart of milk and a loaf of bread for the price of a quart of milk. Walton Hale Hamilton went to Leo Nebbia's store and walked to the dairy case and picked out a quart of milk. As he was about to pay for it, he then asked Mr. Nebbia if he would throw in a loaf of bread. Professor Hamilton was promptly thrown out of the store, as the story goes.

But this compact, I believe, is very important. It was a very contentious issue when it was authorized for the Northeast region. I was disappointed

personally that my State and other States were not included at that time, and the day of the dairy compact is going to come. I think today is a good day.

I yield the floor, and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I have spoken to the two managers of the bill. There is an amendment that is of interest to Senator ALLARD that he wants to offer. Senator MILLER wants to be here to vote against the amendment. It is my understanding we will do this with a voice vote. I ask unanimous consent the Specter amendment be set aside. Senator ALLARD be recognized for up to 10 minutes following his offering of the amendment, followed by a voice vote on the matter.

Mr. WELLSTONE. Reserving the right to object, I don't want to take much time, but I wanted to have about 5 minutes in response to Senator SPECTER.

The PRESIDING OFFICER. This is not on the Senator SPECTER.

Mr. REID. We are going to Senator ALLARD and then back to Senator SPECTER.

Mr. WELLSTONE. I ask, after the Allard amendment is disposed of, we come back to the Specter amendment.

Ms. LANDRIEU. Reserving the right to object, it is my understanding we will move off of this amendment—

Mr. REID. For 10 minutes.

Ms. LANDRIEU. That Senator SPECTER and I offered, and I ask unanimous consent to speak after Senator WELLSTONE when we get back on that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Senator SPECTER has 5 minutes. How long do you wish to speak?

Ms. LANDRIEU. Twenty minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1188

Mr. ALLARD. Mr. President, I call up my amendment numbered 1188.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. ALLARD] proposes an amendment numbered 1188.

Mr. ALLARD. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title VII, add the following:

SEC. 7. INTERSTATE MOVEMENT OF ANIMALS FOR ANIMAL FIGHTING.

(a) REMOVAL OF LIMITATION.—Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is

amended by striking subsection (d) and inserting the following:

“(d) ACTIVITIES NOT SUBJECT TO PROHIBITION.—This section does not apply to the selling, buying, transporting, or delivery of animals in interstate or foreign commerce for any purpose or purposes, so long as those purposes do not include that of an animal fighting venture.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the date that is 30 days after the date of enactment of this Act.

Mr. ALLARD. The amendment I am offering is a bill I have been working on for over 3 years in the Senate. It is commonly known as the cockfighting bill.

The bill amends the Animal Welfare Act to remove a loophole that permits interstate movement of live birds for the purpose of fighting to States in which animal fighting is lawful.

Currently, the Animal Welfare Act makes it unlawful for any person to knowingly sponsor or exhibit an animal in any animal fighting venture to which the animal was moved in interstate or foreign commerce.

Therefore, if an animal crosses State lines and then fights in a State where cockfighting is illegal, that is a crime.

The law further states, the activities prohibited by such subsections shall be unlawful with respect to fighting ventures involving live birds only if the fight is to take place in a State where it would be in violation of the laws thereof.

This means that the law applies to all animals involved in all types of fighting—except for birds being transported for cockfighting purposes to a State where cockfighting is still legal. Because of this crafty loophole, law enforcement officers have a more difficult time prosecuting under their State cockfighting bans.

As introduced, this legislation will close the loophole on cockfighting, and prohibit interstate movement of birds for the purpose of fighting from States where cockfighting is illegal to States where cockfighting is legal.

Illegal cockfighting is rampant in this Nation. All over the country, birds are affixed with razors and knives, pumped full of steroids, stimulants, and blood clotting agents, and made to fight to the death—all for sport and money.

Not only are most of the fights themselves illegal—gambling, money laundering, assaults, and even murders are not uncommon activities that accompany cockfights.

I simply do not see any place for any of this in American society.

Having said that, I want to make it clear I am a strong proponent of smaller government and of States rights. I do not believe you will find a stronger supporter of States rights in the Senate today than myself. While I do not personally approve of cock fighting, my bill clearly protects the rights of States to make or keep cockfighting legal if they so choose. I would not have introduced this bill if it did not. Three States currently allow cock-

fighting, and under my bill these three States would still be allowed to have cockfighting.

This bill is much more than a humane issue. It is a serious law enforcement issue. I know so because my bill has received the endorsement of 70 law enforcement agencies from all over the Nation. In States such as Texas, Arkansas, California, Oregon, Pennsylvania, Ohio, Iowa, Mississippi, Georgia, North Carolina, and many others, they recognize that this Federal loophole is undermining their ability to enforce their own State and county laws. Federal law is being thrown in the faces of citizens in 47 States and used as a shield for criminals to hide behind.

As a veterinarian and supporter of States rights, I believe it is time to bring parity to the laws governing animal fighting and give law enforcement greater leverage to enforce State laws. I appreciate Chairman HARKIN and Ranking Member LUGAR's assistance to my efforts.

Mr. BYRD. Mr. President, today, I thank the Senator from Colorado for proposing his amendment on the issue of cockfighting. He is a veterinarian and speaks with special credibility on the topic of the humane treatment of animals, given his academic training and professional experience in service to animals and their well-being. I understand that the distinguished Senator from Colorado has retained his veterinary credentials and license in Colorado, continuing to practice on occasion and giving periodic check-ups to some of the dogs who are the companions of U.S. Senators. I am also so pleased to note that one of our newest Senators, the distinguished junior Senator from Nevada, is a veterinarian. This may be the first time that two veterinarians have served in the Senate.

About 2 weeks ago, I took to the floor of the Senate and spoke about disturbing trends in our culture with respect to the inhumane treatment of animals. I decried wanton, barbaric acts of animal cruelty, spending some time recounting the awful circumstances of the small dog, a Bichon frise named Leo, who was yanked from a car after a minor traffic accident and thrown into oncoming highway traffic, in an act of terror directed at both the dog and his horrified and traumatized owner. The innocent creature met a brutal and painful death as a consequence of this hate-filled act. In this case, I am happy to report that some measure of justice prevailed in the end. The man who perpetrated this appalling and indefensible act of animal cruelty was apprehended, tried before a California court, convicted of animal cruelty, and sentenced to the maximum penalty allowed under California's anti-cruelty code—3 years in prison. It is interesting to note that this same man was convicted earlier this week of stealing a vehicle—indicating once again to me that there is a link between acts of animal cruelty and other types of criminal conduct.

Two weeks ago, I also spoke about the transformation in American agriculture. In all too many cases, we have moved away from small farms, where animals are treated with dignity and respect, to large corporate farms where animals are treated as nothing more than unfeeling commodities. Pregnant pigs confined in two-foot-wide gestation crates for years at a time; egg-laying hens crammed into battery cages and also deliberately starved in order to induce a molt so that they will produce bigger eggs; young male calves jammed into two-foot-wide crates to produce veal, which is tender because the animals are so completely immobilized in the crate that they cannot move and, as a consequence, their muscles don't develop. I also spoke of the abuse of cattle and pigs in slaughter lines, in which animals are disassembled before they are killed.

I don't think that there is a person among us who can countenance these acts of cruelty—whether they are random acts of violence against animals or institutionalized agriculture practices.

It is one thing to determine as a culture that it is acceptable to raise and rear and then eat animals. It is another thing to cause them to lead a miserable life of torment, and then to slaughter them in a crude and callous manner. As a civilized society, we owe it to animals to treat them with compassion and humaneness. Animals suffer and they feel. Because we are moral agents, and compassionate people, we must do better.

In our society, there are surely some activities or circumstances which cause us to weigh or balance human and animal interests. In terms of food production, most people choose to eat meat but insist that the animals are humanely treated. That is a choice we make in our culture, and it is grounded on the notion that we must eat in order to survive.

Breeding animals just for the pleasure of watching them kill one another cannot be justified in a society that accepts the principle that animal cruelty is wrong. It brings to mind the days of the Colosseum, where the Romans fought people against animals or animal against animal in gladiatorial spectacles, and the people in attendance reveled in the orgy of bloodletting. Yet, even then, in an age known for its callous disregard for animals, there were pangs of remorse and even revulsion. The great orator Cicero, after a day at the Colosseum during which gladiators spilled the blood and eventually killed more than a dozen elephants, recalled that the crowd was moved to tears by the sheer cruelty exhibited.

In the same way, our country is turning against spectacles involving the injuring and killing of animals for the amusement of spectators. Placing dogs in a pit, instigating them, and watching them fight to injury or death for our amusement is wrong. If dogfighting

is wrong, then surely cockfighting is wrong, too.

These hapless birds are bred to be aggressive, pumped full of stimulants, equipped with razor-sharp knives or ice-pick-like spurs on their legs, and placed in an enclosed pit, which bars their retreat or escape. They fight to the death, hacking one another to death—with punctured lungs, gouged eyes, and pierced eyes the inevitable consequence of the combat.

Mr. President, today, I speak in support of the amendment from the Senator from Colorado, a veterinarian and a humane-minded person.

Pitting animals against one another and causing them to fight just so that we can witness the bloodletting presents a clear moral choice for us. There can be no confusion on this issue. As decent people, we must act to stop it.

The law must bar this activity, and impose penalties upon those who would flout this humane standard. I thank the Senator from Colorado and offer my support of his amendment. I yield the floor.

The PRESIDING OFFICER. If all time is yielded back, the question is on agreeing to amendment No. 1188.

The amendment (No. 1188) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Will the RECORD reflect in that voice vote the Senator from Georgia, Mr. MILLER, voted no?

The PRESIDING OFFICER. Without objection, it is duly noted.

The Senator from Colorado.

Mr. ALLARD. Mr. President, with the passage of this amendment I thank the Members of the Senate. We have strong sponsorship on the bill as it goes to conference committee. I hope the conferees, when they deliberate this bill in conference committee, will keep in mind the strong support we have had in the Senate.

I yield the remainder of my time.

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota is recognized.

AMENDMENT NO. 1191

Mr. WELLSTONE. Mr. President, I ask the Chair whether there are any time constraints at all.

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator would be allocated 5 minutes at this time.

Mr. WELLSTONE. Mr. President, I do not remember asking for only 5 minutes. I do not intend to speak for very long but if that is the agreement at the moment—5 minutes?

The PRESIDING OFFICER. That is correct.

Mr. WELLSTONE. Before I proceed further, I ask whether or not each Senator who is speaking this afternoon is limited to 5 minutes. Is that it?

The PRESIDING OFFICER. The only sequence at this point was the Senator

from Minnesota had 5 minutes and the Senator from Louisiana asked for 20 minutes.

Mr. WELLSTONE. Mr. President, I do not remember asking for only 5 minutes. Could somebody check on exactly where this came from?

Let me ask unanimous consent I be allowed to speak for 15 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. TORRICELLI. Reserving the right to object, could I add, when the Senator from Minnesota has finished, following the remarks of the Senator from Louisiana, Ms. LANDRIEU, I be recognized to speak for 5 minutes?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I do not know if I will need to take 15 minutes. There will be plenty of time for debate. I may be back to the floor again.

Let me, first of all, put my comments in some kind of context. These are hard times for a lot of dairy farmers, and I understand that full well. I am not terribly sure the idea of a compact or the idea of balkanizing dairy farmers around the country with different compacts is the answer. In fact, I do not think it is the answer at all. As we write a new farm bill, I wish the focus would be for our farmers, corn growers and wheat growers and other crop farmers and livestock producers and dairy farmers. I think the focus should be on a way for our independent producers to be able to get a decent price in the marketplace. That is what I think this should be about.

In Minnesota, just to give Senators some reason as to why I come to the floor with a lot of determination and oppose the Specter amendment—I do not mean that in a disrespectful way. I mean the amendment proposed by my colleague from Pennsylvania, Senator SPECTER—the dairy industry is a big part of our State's economy. We have 8,000 dairy farmers in Minnesota. We rank fifth in the Nation's milk production. The milk production from Minnesota farms generates more than \$1.2 billion for our State's farmers each year. Frankly, it adds an additional \$1.2 billion by way of a multiplier effect to Minnesota's overall economy.

I am not talking about big giants. The average herd size in Minnesota is 60 cows per farm. We are talking about family operations. We are talking about family businesses with total sales of \$1.2 billion. But between 1993 and the year 2000, we lost about 5,000 dairy farms. That represents a loss of over one-third of our total dairy farms. That is second only to the State of Wisconsin, among the 50 States in our country.

If you look at the upper Midwest States, including Minnesota and Wisconsin, Iowa, Illinois, Nebraska, North Dakota, and South Dakota, our region lost 49 percent of all the dairy farmers between 1992 and 1998. These are not just statistics; these are people's lives.

I hope, as I said earlier, we will actually write a new farm bill which will give dairy farmers in all regions of the country, especially the family operations, a decent price. I am not talking about these big conglomerates. I am talking about farms where the people who work the land are the people who make the decisions, and they live there. There is no reason in the world why we cannot have a family-farm-based dairy system, a dairy system which promotes economic vitality in our rural areas.

I have said it many times. The health and vitality of rural America, which is a part of America and a part of Minnesota that I love, is not going to be based on the amount of land owned. Somebody is always going to own the land. Someone will own the animals. But the health and vitality of the communities is not based upon the amount of land that is owned by someone or the number of animals. It is the number of family farmers who live there, dairy farmers included, who live in the community, who buy in the community, who support schools in the community; that is what is of key importance.

As if dairy farmers were not struggling with enough already in the Midwest, in 1996 Congress assisted and in some ways has made the price for many dairy farmers much worse. That is what has happened in the Midwest.

Again, I did not support the Freedom to Farm bill. I have always called it the “freedom to fail” bill. But the whole idea was you were going to de-couple farmers—you were going to de-couple the payments to family farmers from the Government. Of course, that is not what has happened. But this compact fixes fluid milk prices at artificially high levels for the benefit of dairy producers in one region. Now, there may be other regions, according to this amendment. This is a different set of rules.

There was a study at the University of Missouri. A dairy economist, Ken Bailey, found that Minnesota's farm level milk price would drop at least 21 cents per hundredweight if the Southeast Dairy Compact were allowed to be expanded, to attach to an expanded Northeast Dairy Compact.

That is a \$27.2 million annual reduction of Minnesota farm milk sales.

Some of my colleagues say: Why doesn't the upper Midwest form its own compact? Minnesota and Wisconsin farmers would benefit from organizing their own compact. A compact price boosts supplies only to fluid milk. The percentage of upper Midwest milk sales going to fluid products is so low that any compact would do little for Minnesota's farm income.

What happens is a negative—the surplus of that milk gets dumped in our State and competes with our cheese and butter market.

We are talking about trade barriers in our country. We are talking about a compact that is not good for con-

sumers. Quite frankly, I don't know whether or not there is a way to keep dairy farmers in business in any part of the country. We transferred millions of dollars from millions of consumers to New England dairy farmers, but the dairy farmers continue to go out of business at an equal or even faster rate than prior to the compact. The Northeast Dairy Compact has not slowed the loss of dairy farmers. There are less New England dairy farmers. Four-hundred and sixty-five have left business in the 3 years since the compact than before the compact. It was 444 before.

I could go on and on, but I think expanding the dairy compact sets a terrible precedent. We can start doing this for other American agricultural products as well.

The question is, Where do we go with all of this? The current dairy policy in this country is putting dairy farmers in Minnesota at great risk—not just in Minnesota but across the country.

I think what we should do is establish a national equitable dairy system for all. I don't know why in the world Senators from different States with dairy farmers and with family-run operations cannot work together to make sure we have a safety net and a decent price and some kind of income for dairy farmers that would help people especially during the time of low prices. Also, I think we could end a half century of discrimination against the Midwest as well.

We will have the vote on this. I assume Senator KOHL will move to table this amendment. I know we will be joined by Senator FEINGOLD, Senator DAYTON, and myself. This is what is so unfortunate about where we are right now.

First of all, the compact is quite inconsistent with what many Senators believe in terms of what we should be doing. I heard my colleague from Wisconsin refer to it as a “cartel.” That is strong language. But there are an awful lot of Senators in the Senate who do not believe in fixing prices this way. That is point one.

The second point is a different point. There are a lot of Senators who support this whom I like as friends; good people. But why in the world are we now basically balkanizing all of the dairy farmers and Senators who are supposed to be supporting dairy farmers, cutting deals, and basically saying, OK, Northeast, now we will add the Southeast? Now we will go to the Northwest—keep cutting deals trying to bring people in, further balkanizing and forgetting that we are really in the same boat together.

Yes, I come to the floor to fight for the upper Midwest. I come to the floor to fight for dairy farmers in Minnesota. But, for God's sake, I don't understand why some Senators want to go in the direction of administering prices, cutting deals, balkanizing dairy farmers, balkanizing agriculture, balkanizing Senators, and balkanizing the country.

This isn't a step in the right direction. It is a great leap backwards.

I am speaking as a Senator from Minnesota. Yes, I am speaking for dairy farmers in Minnesota. Yes, I am doing everything I can to fight for dairy farmers in Minnesota just as other Senators would do when it comes to representing people you love.

I don't even think what is being proposed is good for the country at all. This makes no sense. I hope Senators—consistent with what they have always said they believe in, consistent with promises that have been made to Senator KOHL and others, consistent with the idea of how we can work together rather than basically being pitted against one another—will vote to table this amendment.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Louisiana has 20 minutes.

Ms. LANDRIEU. Thank you, Mr. President.

I rise to support the amendment offered by Senator SPECTER from Pennsylvania and myself along with 39 co-sponsors—actually Democrats and Republicans from many different parts of the States—who see this as an excellent way to help dairy farmers, to help consumers, to be fair to retailers, and to make sure children and families and people in every region of the United States have access to fresh milk at a reasonable price.

In addition—as the Senator from New Jersey will speak after me—there are compelling environmental reasons in terms of preservation of land and green space and open space that are at issue as well.

Let me address some of the concerns that the Senator from Minnesota raised. Let me begin by saying that if, in fact—I am certain it is true because he brings a lot of wisdom and experience to many of these debates—it is true that many of the dairy farmers in Minnesota have gone out of business, or in his area, he may well want to look into the benefits of this compact. If this compact doesn't work because of the difference in the grades of milk, perhaps a similar kind of compact for his dairy farmers might be helpful. In the area of the Northeast where this compact has now been in existence for several years, benefits are obvious. They are clear. They have worked to preserve farmers in business to hold down prices to a fair level but providing profit margins for the farmers.

There has been some real success. As many times as we deal with many issues on a variety of subjects, sometimes we don't create a national program all at one time. I am fairly familiar with the details of how this started. But it is often that we will start a pilot program, if you will, in one part of the Nation to test and see if it works. I know that was not exactly the way this started, but the end result is that we have compacts in the Northeast which have worked very well. This is an effort to expand it to the southern region, to the Pacific region, to the Midwest region—all voluntary. It is totally up to

the States if they, in fact, want to join. No one is forced to join this compact. It is the States themselves.

In the last year, I have been made aware—not 2, not 10, not just a few in one region but 25 States in the Nation—that State legislators and their Governors have petitioned for Congress to allow them to basically use this self-help mechanism.

The second point I will make before I get into my prepared remarks is, it is a wonder we have not adopted it sooner. The Senators from Vermont—Senator JEFFORDS and Senator LEAHY—are effective spokespersons. The fact is the dairy compact doesn't cost the taxpayers any direct subsidy. We spend hours on this floor passing many farm bills, which I have supported because agriculture is important in Louisiana. It costs billions of dollars. We ask taxpayers every year to put up money out of their hard-earned tax dollars to support a very complex system of subsidies for farmers. Louisiana farmers benefit in many ways. But this doesn't cost the taxpayers a penny.

So you would think there would be 100 Senators rushing to this Chamber to vote for something that is really all American. It is about self-help. It is about risk management. It is about people coming together in voluntary compacts with all of the parties equally represented—no one is shut out—in public meetings to set a price that works for everyone. I think it has a lot of merit.

State officials and dairy producers across the country are concerned that the current Federal milk marketing order pricing system does not fully account for regional differences in the cost of producing milk. The U.S. dairy industry is transporting ever-increasing amounts of milk over increasing numbers of miles to supply the fluid market. This is especially true in the South. That is why I am so interested in this issue, as is the senior Senator from Louisiana, Mr. BREAUX, who joins me in this effort.

In the South, all the dairy-producing States are milk deficient. We are milk deficient. We need to be able to produce more milk to supply our own customers in the South. We can only do that if our dairy farmers stay in business. If not, we will be importing milk from outside of our region.

It is the sense of this Congress that milk be produced in the region so it can be fresh because it is quite perishable. It can be produced and transported easily in the region. It is perishable, so it is expensive to ship and refrigerate.

In the past 10 years, nearly a quarter of the dairy farmers in my State have gone out of business. Many more are in danger of shutting down. This compact is their way to come to us to say: We found a way out. We don't need a direct subsidy. Just allow us this compact, and we can do it.

So compacts are a solution. As a result, as I mentioned earlier, 25 States

have now passed legislation—almost a majority in the country—for this particular approach.

Let me take a moment to explain how the compact works. Compacts are formal agreements between three or more contiguous States to determine a price for fluid milk sold in that region. This price is determined by a regional commission of delegates from each of the States appointed by the Governor. It has to include at least one dairy producer and one consumer representative.

So let me just make one point. Critics have said: This is a cartel and we do not want cartels.

A cartel is dangerous because usually people who get into a cartel are people of all one perspective, people producing an item, and they want to run up the price. But on these commissions—which are not cartels because they are not created the same way as you would think of a regular cartel—the people who drink the milk, the people who sell the milk, and the people who produce the milk are all in a room together, not in a back room smoking a cigar but out in a public meeting, with a public record, discussing a price that works for them all. That is not a cartel. That is the opposite of a cartel. That is kind of a committee—an arrangements committee; the American way, a Democratic process—to come to a win-win solution. So I reject the idea that this is a back room cartel. It is exactly the opposite.

The commission holds public hearings to assess the price necessary to yield a reasonable return to the farmer. Any proposed price change is subject to approval by two-thirds of the State delegations. Any State may leave the compact without penalty. So this is quite a voluntary measure, not a mandatory measure.

Payments are made by the commission and are countercyclical, meaning when the Federal milk marketing order prices are above the compact commission order price, farmers don't receive compact payments; when the Federal milk marketing order price falls below that of the compact commission, farmers receive compact payments.

I show my colleagues a chart. It is the best chart I have seen to explain this situation. I thank the Senator from New Jersey for helping me display this chart. I appreciate his help.

As you can see from the chart, the compact helps to try to stabilize prices. Shown on this chart is the price of milk as it moves up and down. Shown is the set price. The compact operates so that when the Federal milk marketing order price falls below that of the compact commission, the compact actually pays the difference to the farmers. When it goes above, the farmer pays into the compact.

Again, it is no cost to the taxpayer. It is a way to stabilize the price. Farmers need certainty, just as any businessperson. Sometimes people can

live with low prices. Sometimes they can live with low prices if they are certain of the price. It is the uncertainty in any business market—whether you are talking about farming or health care or transportation or high-tech businesses—that causes people to have great difficulty.

So the compact is a real answer to that. Again, it is sort of a novel approach, and one that has been tried. It is not any longer experimental. We can actually see that it is working.

I also want to just run through a few of the facts and the fictions about dairy compacts.

I mentioned this, but it is worth repeating: The critics say dairy compacts cost taxpayers money.

Dairy compacts are self-financing. There is no impact on State or Federal treasuries. Let me repeat: No impact on State and Federal treasuries.

Critics say the dairy compacts are not constitutional.

I do not have my copy of the Constitution with me, as the Senator from West Virginia usually carries with him, but I can tell you, if you flip to article I, section 10, clause 3, of the Constitution, it clearly allows for interstate compacts, provided they are approved by State legislatures and ratified by Congress.

So our action by law, ratifying a compact, and then having States voluntarily entering into it, is absolutely within the framework of the Constitution.

Third, our critics will say that dairy compacts create overproduction.

Let me show you the next chart. The Northeast Compact has a very effective supply management measure which would be included for all of the regions. It provides an incentive for farmers to limit production. It works like this: It takes 7.5 cents for every 100 pounds of milk produced and places it in a reserve, which is distributed to the producers who did not increase production by more than 1 percent from the previous year.

Louisiana, and all other potential Southern dairy compact States, are net importers of fluid milk, so overproduction is not in the foreseeable future. So overproduction is just not foreseeable.

However, in the 4 years since the compact was created, milk production in New England has increased by only 2.2 percent, while the increase in the rest of the country was 7.4 percent. So based on that information alone, you can argue that the efficiency mechanism to hold down production is actually working. Why? Not because the Senator from Louisiana says it is working or the Senator from Vermont, but because the statistics show that it is working because the production has been held to a reasonable level.

While the U.S. average is 7.4 percent, the production in New England has been held to a low, you could say, of 2.2 percent—but also meeting the other laudable goals. So this is a very important fact to note.

No. 4, the critics will say that a dairy compact is a trade barrier “balkanizing” the dairy market. Let me please reiterate that dairy compacts regulate all fluid milk sales in the compact region, regardless of where the milk is produced.

So if a farmer in another region had a relatively low price, and thought the compact price was higher, that farmer is not at all prohibited, in our legislation, from selling their milk into this market. So it is not a barrier. It encourages free trade, fair trade, among the regions.

Fifth, our critics say dairy compacts will raise retail milk prices. Let me concede this point. It does raise milk prices slightly. The Agriculture Department’s Economic Research Service has done a study on this, and the facts are in. It does raise prices to consumers slightly. That price is \$1.06 per person—\$5 a year for a family of four.

I can honestly say I do not know of a family in America that would not be willing to pay \$5 a year so they can have available to them a supply of regionally produced milk that is fresh and healthy, and knowing that they are doing something to help their farmers that is fair to their retailers and does not in any way hurt low-income consumers. Let me repeat, there is not a family in America, I don’t believe, who would not be willing to pay \$5 a year for the benefits this compact provides.

Six, the fiction that the dairy compact will hurt low-income consumers. One of the programs I have supported, as have many of the Senators, is WIC, the Women, Infants and Children’s program, a Federal program that is very successful and that supplies milk to low-income moms and their infants in the School Lunch Program. People representing WIC and consumers representing the school lunch program are on these compacts within the region. Their voices are heard and well represented.

Finally, as I conclude—the Senator from New Jersey will speak more eloquently and in greater length and detail about this particular issue—this is also an environmental issue. As our dairy farmers basically serve now as rings of green around many of our urban areas, this is true in Louisiana, but it is particularly true in States such as New Jersey or New York, and what farms are left in places such as Florida and in California. If we can do something to help the dairy farmers stay in business, we keep this land green; we keep it open; we keep the possibility for the proper kind of development in the future. If we don’t step in and help our dairy farmers, we will not only lose dairy farmers potentially over the long run, driving up the price of milk, being unfair when there is a fairness to be reached here, but we will see some of these farms plowed under in additional development.

Let’s do the right thing by instituting voluntary compacts that will

help not only the States in the South but also in places around the country. There is a tremendous amount of support.

I believe I have exhausted the time I have. There are many more Senators who want to speak. I yield for a question to the Senator from Vermont.

Mr. LEAHY. If the Senator will yield without losing the right to the floor, I ask first, how much time does the Senator have?

The PRESIDING OFFICER. Three minutes.

Ms. LANDRIEU. I am happy to yield without losing the floor.

Mr. LEAHY. I think the Senator from Louisiana would agree with me that one of the problems we have is the huge growth of one major processor. We are talking about a situation where we have a program that should be embraced by everybody. The cost to the taxpayers is absolutely nothing, I believe the Senator from Louisiana will agree. The cost to the taxpayers is absolutely nothing.

We are being asked to take huge amounts of tax dollars from various parts of the country, a lot of it from the eastern seaboard, to pay for programs in the Midwest. This is a program that costs taxpayers absolutely nothing. You might wonder why the big processors have spent millions of dollars to try to beat it through lobbying and every other possible effort. One of the reasons is, we see in our part of the world in New England, Suiza Foods is trying to get a stranglehold on prices.

When Suiza started in Puerto Rico, it was down here with three plants. That is the way it started. But then Suiza started moving, and in the year 2000, look at the area they cover with their plants. Now they want to combine with Dean Foods. Here is a company that, if they could get rid of all competition, if they could control the price the dairy farmers get, if they could tell the consumers, you are going to pay this much and, by the way, dairy farmers, because we are the only game in town, we are only going to give you this much, that is competition? They call us a cartel.

What we are saying is, let the consumers and the producers within the region decide what they are willing to pay. It has worked out well for us. We pay less, for example, in New England, where we have the compact. We pay less than they do in Minnesota and Wisconsin, if you go to the grocery store for the milk.

Where is the pressure coming from and why do they want to get rid of this compact? Why do they want to get rid of the dairy farmers having any say over it? So that Suiza and Dean Foods, which are becoming a monopoly and want to control all of it—it is actually a “Suizopoly,” I would call it, at this point—can say just how much can be spent, where it can go. In fact, when we checked into this, we found that 90 percent of the cost increase goes to them.

The PRESIDING OFFICER. The Senator’s time has expired.

Ms. LANDRIEU. Mr. President, I still have the floor.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Ms. LANDRIEU. Mr. President, I ask unanimous consent for 1 additional minute so I may finish. Senator LEAHY was asking me a question. Could I have 30 seconds?

The PRESIDING OFFICER. Is there objection?

Mr. DAYTON. I object.

The PRESIDING OFFICER. Objection is heard.

Under the previous order, the Senator from New Jersey is now recognized.

Mr. TORRICELLI. Mr. President, for purposes of a unanimous consent request only, I yield to the Senator from Pennsylvania.

AMENDMENT NO. 1191, WITHDRAWN

Mr. SPECTER. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

Mr. SPECTER. Mr. President, just by brief explanation, there is not going to be time to debate this amendment adequately this evening. We are calculating a vote count, and I want to give my colleagues notice that this amendment may well be introduced tomorrow. I do have the absolute right to withdraw it, as the Chair has recognized, and therefore the amendment is withdrawn.

The PRESIDING OFFICER. The Senator from New Jersey is recognized under the previous order.

Mr. TORRICELLI. Mr. President, for purposes of a unanimous consent request only, I yield to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. I thank the Senator from New Jersey.

Mr. President, I ask unanimous consent to be given 5 minutes after the Senator from New Jersey.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TORRICELLI. Mr. President, I yield 1 minute to the Senator from Louisiana so she may conclude her remarks.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I thank my colleague from New Jersey. I so appreciate the comments of Senator LEAHY from Vermont, who has been one of the great leaders and spokespersons on this issue. I wanted 30 seconds to wrap up to say how important this issue is for farmers not only in the southern part of the Nation. Of course, Louisiana is the State I represent. I have heard loudly and clearly from our farmers about how important this is.

Frankly, Mr. President, this is an issue of fairness for the whole Nation. We are not attempting to be unfair to any particular area. This is about competition. It is about free and fair trade.

It is about self-help, managing risk, and about an idea that a compact can be beneficial to all parties involved.

The Northeast Dairy Compact, enacted in 1996, and due to expire this year, has proven extremely successful in balancing the interests of consumers, dairy farmers, processors, and retailers, by maintaining milk price stability, and doing so at no cost to taxpayers.

We have an opportunity to assure consumers in other states an adequate, affordable milk supply while maintaining positive balance sheets for our farms, whose social and economic contributions remain so critical to the vitality of our country's rural communities. It is long past the time for us to permit states the opportunity to provide their farmers the stability they so desperately need.

I thank the Senator from New Jersey for allowing me to finish my remarks.

**THE PRESIDING OFFICER.** The Senator from New Jersey.

**MR. TORRICELLI.** Mr. President, the Senator from Pennsylvania has withdrawn his amendment for the moment. But the Senate should be under no illusions. The amendment will return, and this fight will go on. It will go on tonight. It will go on tomorrow. It will go on next week. It will go on.

There are States in this Union that have asked, to protect their own interests, to be able to be in dairy compacts—States in the South, States in New England, and States in the Northeast.

As sovereign members of the United States of America, the legislatures in our States have voted to join these compacts. It is a right that no one should deny us. We have a right to it; we have a need for it; and we are going to insist on it.

This can be an important day in agricultural policy in the history of this country. For a long time, States such as my own, because we care about the Union and we care about farmers across America, have remained silent. I have voted for wheat programs and corn programs and peanut programs and cotton programs. I have voted for crops I have never heard of.

I do it because it is in the national interest. It is usually not in the interest of the State of New Jersey. This is in our interest, a \$17 billion agricultural appropriations bill. If one takes the entire Northeastern part of the United States, the most densely populated part of the country which pays the highest taxes in America, we have \$200 million worth of appropriations of \$17 billion. Enough. Enough.

Every time there is an emergency, every time there is an agricultural disaster, every time some farmer has a problem, the Senators from Maryland, New Jersey, Pennsylvania, New York, Vermont, and Maine come to this floor to do our duty because we want to support the country.

Now we want support. Our dairy farmers are not in trouble. They are

out of business. We ask for no money. We want a compact.

This compact will not cost the American taxpayers a dollar, not a dime. It supports prices, because without those price supports we cannot remain in the dairy business. The price of land in New Jersey where dairy farmers operate is \$10,000 an acre, \$25,000 an acre. The taxes dairy farmers pay could be \$100,000. Their labor costs are high. Their energy costs are high.

What is it we are to do, have no farmers left in New England, none in the mid-Atlantic, close down agriculture in the South? That is what this is about. What is it we ask that is so unreasonable? We are not asking for any money. We take nothing away from any other State. We only ask the actions of our own legislature be recognized.

America is changing. From Washington, D.C., to Boston, MA, the Nation is becoming one massive suburb. Shopping centers follow shopping centers, malls follow malls, highways upon highways. We do not fight for agricultural prices. This amendment is not just about how much a dairy farmer earns; it is about not losing the last of our agricultural land. It is about the great environmental issue of this decade, stopping the destruction of open space.

Since 1961, New Jersey, which had 128,000 dairy cows, is down to 20,000 cows, a loss of 108,000 producing dairy cows. Since 1950, when the State of New Jersey had 26,900 farms with 1,200,000 acres, we have lost a quarter of the acreage and have but a little more than 9,000 farms left from 26,900.

It is about saving land. It is about a way of life. It is about a local culture. A quality of life depends upon more than suburban row house upon suburban row house. It is a chance to drive with one's child through some open space. A healthy life and a good community is about not having to buy milk that comes in on a railroad car from halfway across the country but a local farm, with a fresh product, whether it is tomatoes or corn or fresh milk.

For 200 years, from Maryland to Maine, people who have lived in the Northeast and New England have enjoyed that quality of life. It is being lost, and that is what this is about.

Two years ago, I came to the Chamber to wage the same fight. Since I spoke 24 months ago for this same amendment, when we lost, the number of dairy farms in New Jersey has declined from 168 to 138, another 17 percent loss.

In the last decade, we have lost 42 percent of our remaining dairy farms. I was here 2 years ago. I am speaking about it again tonight. If necessary, I will speak about it 2 years from now. It is clear to me, if we fail tonight, there will be no one left to defend. This is our last stand.

I hand it to my colleagues in the Midwest. Win this fight one more time and we may never have to raise it

again. There will be no dairy farmers left in my State. Give it another 10 years, there will be none left in New York. Give it 20 years, there will be none left in Vermont.

It will be a success. Congratulations; some working class people, who have lived on the land for 200, 300 years, produced fresh produce for their neighbors, were put out of business. They were not put out of business to save the Federal Government money, because the amendment costs no money, but just to deny our own State the right to set a price so a farmer can get a decent return on his money.

What is the real price? It is the 138 dairy farmers who remain. It is the loss of a quality of life from the fresh produce for local people and fresh milk. It also means this: Next year, like this year, another 10,000 acres of New Jersey will be plowed under to suburban development. We have lost 600,000 such acres in recent decades.

For almost 2 years, this has accelerated because the USDA has repeatedly announced plummeting milk prices that have directly lowered the ability of dairy farmers to earn a living. Prices have dropped as much as 40 percent in a month, and middle class farmers with high costs have had to absorb this cost.

The result is known. I have already told it. They go out of business. There is no other answer but to allow this compact to go ahead.

I cannot say it might not cost consumers some money. One estimate is it could cost 4 cents, though, indeed, in New England, after they joined, their prices actually declined. It may be 4 cents more; it may be 4 cents less if the State is in the compact, but it does provide price stability.

I do not know a person in New Jersey, if it did cost 4 cents, who would not pay it to know that the last of our agricultural land is not going to be lost. It would be a fair bargain for consumers and for our quality of life.

There are those who will argue maybe it does not cost consumers more money, maybe it saves the land, but it does cost Federal benefit programs money, programs such as WIC for children, for families, or school milk programs. The compact, by law, is required to reimburse Federal nutrition programs such as WIC and school lunch programs that use 68 million pounds of milk per year, many in my State, to ensure they do not have higher costs. They are protected under these provisions.

Nothing I am suggesting to the Senate is theoretical in its benefit. The compact is not new. New England has had a compact. It worked. It stabilized retail milk prices and provided a safety net for producers. Indeed, New England retail milk prices were 5 cents per gallon lower on average than retail milk prices nationally following the Northeast Dairy Compact initiation. It did not cost consumers money. It saved consumers money, while costing the Federal Government nothing.

On September 30, the compact for New England expires. The consequences are enormous, and it will help my colleagues to understand why we come to the Senate across the South, across the mid-Atlantic, across New England, to insist on its reauthorization, because the price is so high and the consequences so devastating that no matter what it takes, we cannot allow this legislation to go forward without Senator SPECTER's amendment.

Mr. SCHUMER. Will the Senator yield?

Mr. TORRICELLI. I will be happy to yield to the Senator from New York.

Mr. SCHUMER. I thank the Senator for his excellent remarks. I wish to say, before I ask him a question, I join with him. This is of vital importance to the close to 8,000 dairy farmers in New York in countless communities.

I say to the good Senator from Indiana—and I respect his view—his corn farmers and his soybean farmers get plenty of subsidy. We are never going to get a dairy subsidy to that extent. So if we do not get this compact, I ask my colleague from New Jersey, is it his opinion that the dairy farms in the Northeast will eventually just die and we will have no dairy industry whatsoever?

Mr. TORRICELLI. I respond to the Senator from New York, as I indicated perhaps before he entered the Chamber, 40 percent of the dairy farms in New Jersey in the last 10 years have been lost. I am not certain any will survive the next 10 years if there is not a dairy compact.

The situation in my State is somewhat more acute than New York, but certainly the pattern of the rate of decline is the same.

Mr. SCHUMER. If the Senator will yield, we have lost half of our dairy farms in the last 10 to 15 years, and if one talks to dairy farmers, one will find they are all in such desperate shape that they will go under as well.

I say to my friend, the Senator from New Jersey, it is an anomaly: We have all sorts of price supports, taxpayers' money for so many of the row crops that dominate the Middle West, that are prevalent in the South and other parts of the country. I do not know why dairy was left out of that, but it was.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. SCHUMER. I ask unanimous consent he be given 2 additional minutes so he can answer my question.

The PRESIDING OFFICER. Is there objection?

Mr. DAYTON. Mr. President, I object. I will agree if I and Senator KOHL can have 5 minutes by unanimous consent.

The PRESIDING OFFICER. Will the Senator so modify his request?

Mr. SCHUMER. I modify my request that the Senator from New Jersey be given 2 minutes, and I believe Senator

KOHL is to be given an additional 5 minutes, because I think he has 5 right now.

Mr. DAYTON. Right.

Mr. SCHUMER. I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. I thank my colleagues from Minnesota and Wisconsin.

The bottom line is very simple, and that is that we will never get under this situation, or any other, the dollars we need, and so the choice is the dairy compact or the death of dairy farms in the Northeast. Does the Senator disagree with that analysis?

Mr. TORRICELLI. It is the loss of dairy farms, and we are not doing in our region what other States did and by right we are entitled to do. When their farms and products were in trouble, they asked for Federal appropriations. We asked for no appropriation. We asked for the right for a fair price for our dairy farmers.

When I began my remarks, I quoted the remarks of the Senator from New York in the caucus that there is a \$17 billion appropriations bill and our entire region of the country is getting \$200 million in appropriations. In the next couple days, when we object to the bill and Senators ask how can you jeopardize this entire legislation for the whole country, recognize this is what matters for us, and it may be all that is in the bill that matters, and that is why we are going to take a stand here and do what is required across the region, across the South to ensure these few remaining farms can survive.

I thank the Senator from New York for his support and leadership, and I thank the Senator from Pennsylvania for offering the amendment. We will be back to fight another day.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I rise in opposition to the dairy compacts that exist and are being proposed, and it is for very good reason. We have never had price-fixing arrangements in the history of our national economy.

When the Articles of Confederation were proposed, they understood we needed a national unified economy, and the beauty of our economy today, which makes it the envy of every country in the world, is that in the United States of America, since we started, every product and every service has unimpeded access in all 50 States. That promotes competition, that promotes excellence in quality, and that promotes the best prices for our consumers.

What they are proposing right now is that we invalidate that concept and we start going down the road of price-fixing cartels, arrangements that will allow for no competition pricewise and, as a result, for access basically from one market to another in the case of milk.

Once we start doing that, then we have to recognize that other commodities and other products will come to the Senate asking for the same consideration. If we allow that for milk, then we certainly have to recognize that other commodities and other products have the right to make the same arguments.

What will happen 10 years from now or 20 years from now when we balkanize the American economy by virtue of price arrangements between States based on commodities that they share? We will have an economy in which the consumer will pay. When we have price-fixing arrangements and allow producers to get more than what the market would normally allow them to get, inevitably, always the consumer pays and inevitably, we will begin to destroy this great national economy we have built up over the past 200-plus years.

With respect to the loss of dairy farms, I come from the Middle West, and statistically we have lost as large a percentage of our dairy farms as they have in the Northeast. We have lost between 30 and 40 percent of our dairy farms over the past 20 years. That is statistically exactly what has happened in the Northeast. Their situation is not unique.

The answer is not to balkanize that industry or any other industry and pit one region against another. The answer is to have a national policy that covers the existence and the proposed prosperity of all dairy farmers everywhere, not just in the Northeast. The answer will never be, in my judgment, price-fixing arrangements because, as I said, under those conditions, inevitably the consumer pays, and that is not what we do in this country. That is not how our economy operates.

I am suggesting the reason this amendment has been pulled, basically because it does not have the votes, is because a majority of the Senators—and this is bipartisan—a majority of the Senators recognize that price-fixing arrangements between States on commodities is not the way in which we want this economy to begin to progress into the future.

I urge my colleagues to consider in the days ahead what may or may not occur by way of trying to balkanize the dairy industry from one State to another. I do not think it has ended yet. I think it is going to be discussed again. But if there is an honest and fair vote in the Senate, which is the only way to determine policy on any issue but certainly on an issue as important as this one, we will not support dairy compacts. They do not make any sense. There are other ways to deal with the problem, not just in the dairy industry but in the agricultural industry because we have to recognize that it is not just the dairy industry which is in trouble in America; it is the entire agricultural sector, one product after another, one commodity after another. It is not just in the Northeast; it is in the

Middle West, it is in the Plains States, it is in the North and in the South.

The agricultural industry has not found a way to provide prosperity for all of our farmers. We have been struggling with it. We all know that as Senators. But now the dairy industry comes along and says: Let us balkanize our industry and let us be allowed to set prices for which the consumer will pay more.

That is a huge step, and before we take it, we need to have much more extensive debate on the agricultural industry in this country and how we are going to deal with that, including the dairy industry.

I thank the Chair, and I yield 5 minutes to the Senator from Minnesota. I ask unanimous consent that if there is no objection, the Senator from Wisconsin be allowed to speak after the Senator from Minnesota.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Minnesota.

Mr. DAYTON. Mr. President, how much time do I have allotted?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. DAYTON. Mr. President, I commend the distinguished Senator from Wisconsin for his leadership on behalf of the dairy producers of his State and my own State on this matter. I thank also the chairman of the Senate Agriculture Committee, Senator HARKIN, and the ranking member, Senator LUGAR, who have collaborated on this legislation with some disagreements.

What has been important in this undertaking is a recognition that timeliness of this legislation to benefit all the farmers of America in some form or another is very critical. It is unfortunate, in my view, that this matter has been offered at this time.

I say that with all due respect to my distinguished colleagues who have sponsored and who have cosponsored this amendment. It is terrible economic policy; it is terrible agricultural policy; and it is terrible national policy.

The Northeast Dairy Compact as it exists today confers a substantial status on six States. It is a cartel. It is legalized price fixing, and it is economic discrimination against States such as Minnesota and our dairy producers.

Now, according to this amendment which has been withdrawn but which may be brought forward again or inserted into the conference committee deliberations, in order to protect their own special deal, they propose to make a series of Faustian pacts with other States. We learn today that under this proposed legislation, the Southeastern States of our country would get their special deal; the Pacific Northwest States would get their special deal; and other States in the country would get their special deal. I guess the theory is if you make enough deals, maybe it will add up to 51 votes on the Senate floor.

It is a siren song, the false awareness of brief economic advantage at other

people's expense. It is a beggar-thy-neighbor approach to economic and farm policy, and it will be the death knell, if successful, of a national farm policy. It will be the death knell to a national unified dairy program, which is what should be the focus of the new farm bill.

Instead, it will result, as my distinguished colleague from Wisconsin and my distinguished friend from Minnesota have said already, in the balkanization of the United States dairy industry, pitting one region of the country against another, with everybody conniving and conspiring to undercut everyone else, the direct opposite of what we need in order to have a sensible national agricultural policy, which is what the chairman and the members of the Agriculture Committee are trying to put into place.

We have had hearings for the last several weeks on the supplemental Agriculture bill, and this subject has never been brought forward. We have had hearings even on the new farm bill, which we will be taking up in the fall. There are differences of opinion from one group to another. There are different economic interests at stake. But not a single other commodity group has proposed a program which benefits the producers of one region of the country at the expense of others.

Now there is one exception where the dairy producers of one region are trying to bring in others on their side who see a market in balance between supply and demand that is temporarily to their benefit, saying we want our own cartel. Our producers are included; their producers are excluded.

The proponents say—I have heard it on the Senate floor—we have a right to this. We are not asking for anything. We have a right to this kind of economic policy. I could not disagree more. The proponents are asking for the right to violate the U.S. Constitution. They are asking for the right to violate the basic principles, both economic and social, of one nation comprised of 50 States, not one State comprised of 50 countries, not one State balkanized into eight separate economic regions, each one looking out only for itself.

The economic problems afflicting American dairy producers are very real. The problems afflicting Vermont dairy producers, New Jersey, and Pennsylvania farmers are very real. The economic problems afflicting Minnesota dairy producers are very real, as they are in our neighboring State of Wisconsin. To the States which have supported this amendment, and others who think they might benefit temporarily from these arrangements, let's work together on behalf of all of our dairy producers over the next few months. Let's work together on behalf of the entire U.S. dairy industry over the next few months and incorporate this national interest, a common national interest into the new farm bill.

I yield to my distinguished colleague, the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I thank the Senator from Minnesota. It is wonderful to have a new and strong ally on this issue from Minnesota. I thank my senior colleague, Senator KOHL, for his tremendous leadership on this issue. It is a great concern to everyone in our State of Wisconsin.

I rise today in opposition to this effort to expand and extend the Northeast Dairy Compact. As the senior Senator from Wisconsin has said many times, it is a price-fixing dairy cartel that hurts dairy farmers outside the compact region.

In fact, a few days ago, the Judiciary Committee, on which I serve, held a hearing on the record of the dairy compact. I do commend the chairman of the Judiciary Committee for allowing both those for and against the compact to have a chance to testify. I was there for the whole hearing. Sometimes we have hearings around here that maybe we can do without, but this was very useful.

It clearly showed Congress should not renew or expand the compact.

I thought that the most compelling testimony came from two people: Richard Gorder, a Wisconsin dairy farmer, who spoke about the compact's impact on dairy farmers outside the compact region, and Lois Pines, a former Massachusetts State Senator and former compact supporter, who detailed her opposition to the compact.

Mr. Gorder outlined better than any other witness the true impact of the dairy compact on dairy farmers outside that region. Given that Mr. Gorder was the only dairy farmer to testify at the hearing, I think it would benefit my colleagues to hear how he described how the compact operates.

According to Mr. Gorder:

Regional dairy compacts place a floor under the price of milk used for fluid purposes in the compact region. This artificial price increase creates an incentive for more milk production in the region, yet represses the consumption of fluid milk in that area. The surplus that results finds its way into manufactured milk products such as cheese, butter, and milk powder.

While dairy compacts insulate that market from competition by placing restrictions on milk entering the compact region, they impose no restrictions on the surplus milk and milk products that must leave the region in search of a market. As a result, the market distortions of dairy compacts have a negative effect on prices of producers in non-compact states.

Mr. President, an expanded compact will cause Wisconsin dairy farms to lose between \$64 million and \$326 million per year. Whichever number is used, the long range consequence would be even greater if you were to calculate the economic impact to our rural communities.

I thought that former Senator Pines' testimony was also incredibly compelling. Here is a former state senator—the chairman of the committee that

helped push through the compact—who is now calling the dairy compact a failure.

She detailed how the Northeast Dairy Compact hasn't even stopped the loss of small farmers in the Northeast. According to the American Farm Bureau Federation's data, New England has lost more dairy farms in 3 years under the compact—465—than in the 3 years prior to the compact.

Let me read from former Senator Pines' statement:

The evidence clearly shows that Compact supporters were wrong about how the Compact would save small family farms and protect the region's consumers . . . the claims made by compact supporters have had two debilitating impacts on state and federal policy process:

(1) they have grossly misled hundreds of lawmakers in Congress and state legislatures, including myself, and persuaded them to mistakenly give their support to compacts; and

(2) they have diverted lawmakers' attention from developing and implementing policies that could rally help to keep small dairy farmers on the land, genuinely protect consumers, and effectively preserve open space in rural New England.

Not only does the Northeast Dairy Compact not help save New England farmers because it gives the vast majority of its subsidies to large dairy farms, it also aggravates the inequities of the Federal milk marketing order system by allowing the Compact Commission to act as a price fixing entity that walls off the market in a specific region and hurts producers outside the region.

The Northeast Interstate Dairy Compact Commission is empowered to set minimum prices for fluid milk higher than those established under Federal milk marketing orders. Never mind that farmers in the Northeast already receive higher minimum prices for their milk under the antiquated milk pricing system.

The compact not only allows these six States to set artificially high prices for specific regions, it permits them to block entry of lower priced milk from producers in competing States.

This price fixing mechanism arbitrarily provides preferential price treatment for farmers in the Northeast at the expense of farmers in other regions who work just as hard, who love their homes just as much, and whose products are just as good or better.

It also irresponsibly encourages excess milk production in one region without establishing effective supply control. This practice flaunts basic economic principles and ignores the obvious risk that it will drive down milk prices for producers outside the compact region.

The dairy compact is unconstitutional. Compacts also are at odds with the will of the Framers of our Constitution. In Federalist No. 42, Madison warned that if authorities were allowed to regulate trade between States, some sort of import levy "would be introduced by future contrivances."

I would argue that the dairy compacts are exactly the sort of contriv-

ance feared by Madison. Dairy compacts are clearly a restriction of commerce, and, in effect, they impose what amounts to a tariff between States. The Founding Fathers never intended the States to impose levies on imports such as those imposed by one nation on another's goods.

At the recent judiciary hearing, we heard this same argument from Professor Burt Neuborne, who has taught constitutional law for 25 years. Professor Neuborne said:

[the compact] violates the commerce clause, as well as the Privileges and Immunities Clause of Article IV, section 2, as well as the 14th Amendment . . . and is an inappropriate and possibly unconstitutional exercise of Congress' power.

Mr. Neuborne continued to say that:

The Founders abandoned the Articles of Confederation in favor of the Constitution in order to eliminate the rampant protectionism that threatened to destroy the United States.

The compact is exactly the type of protectionist barrier the Founders worried about.

More than anything, the compact debate is about fairness to all dairy farmers. Over the past 50 years, America's dairy policy has put Wisconsin dairy farmers out of business by paying Wisconsin dairy farmers less for their milk. In 1950 Wisconsin had approximately 150,000 dairy farms and we are now down to about 18,000.

Do we pay sugar growers more in Alaska? No. Do we pay orange growers more in New York? No. Do we pay avocado farmers more in Indiana? No, and we shouldn't. We have one nation, one dairy market, and we should pay all dairy farmers—regardless of where they live—the same price for their milk.

As I said earlier, dairy farmers in the northeast and southeast already receive more for their milk. The compact makes the situation worse by walling off the majority of the country from receiving milk from outside the compact.

I urge my colleagues who support compacts to go to a farm in Marathon County, WI, and explain to the family who have owned their farm for three generations that they have to sell their farm simply because they will be paid less for their milk because of some political game.

Instead of focusing on regional dairy policies Congress must turn its attention to enacting a national dairy policy that helps all farmers get a fair price for their milk. Congress needs to follow the lead of people like my senior Senator, Mr. KOHL, who has demonstrated that if we work together, we can provide meaningful assistance to America's dairy farmers.

I believe Congress must enact a national dairy policy such as the one envisioned by Senators KOHL and SANTORUM. This legislation brings a national, unified approach to a national problem.

Who can defend the dairy compact with a straight face? This compact

amounts to nothing short of Government-sponsored price fixing that hurts producers outside the compact region. It is outrageously unfair, and also bad policy.

I hope that Congress will turn its attention away from dairy compacts which ultimately hurt both consumers and farmers. Its high time to begin to focus on enacting legislation that helps all dairy farmers. America's dairy farmers deserve a fair and truly national dairy policy, one that puts them all on a level playing field, from coast to coast.

I yield the floor.

Mrs. CARNAHAN. Mr. President, the Southern Dairy Compact is an issue of tremendous importance to many Missouri farmers. Missouri has been losing its dairy industry. Last year, we lost 171 herds and 5,000 cows. Some estimate this economic loss at up to \$40 million.

Just over 2,000 class A dairy farms remain in Missouri. To survive, they need milk prices to remain stable. Without assistance from a dairy compact, farms in Missouri are likely to disappear at an even faster rate. Last year, the Missouri General Assembly passed legislation allowing the State to join the Southern Dairy Compact. My late husband, Mel Carnahan, signed the legislation into law. Missouri dairy producers and the Missouri Farm Bureau support this measure as well.

I do not agree with critics of dairy compacts, who contend that compacts encourage farmers to overproduce milk. Look at the track record of the Northeast Compact. Last year, only one State in the Northeast Compact, Vermont, saw its production increase. The increase was by 2.8 percent, which is below the national average increase of 3 percent over the same period. Milk production in the other States in the compact actually decreased.

Further, there have been practically no surplus dairy products purchased from the Northeast Compact region since the Compact was established. In spite of this, the Northeast Compact has taken aggressive steps to discourage overproduction by providing incentives for farmers not to overproduce.

We will do the same in the Southern Dairy Compact, even though overproduction is improbable in the Southern Compact States. Most of the southern States, like Missouri, are net importers of milk.

Saving our small and mid-size family farms is an important issue for us in Missouri. Allowing Missouri to join the Southern Dairy Compact could help many of these farmers. I hope that the Senate will be able to vote on this important issue in the near future.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CORZINE). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

THE PRESIDING OFFICER. Without objection, it is so ordered.

MR. REID. Mr. President, I know the Senator from Ohio wishes to offer an amendment this evening. We have talked to him, and he indicated he wants to do that tonight. That is fine.

What I wanted to talk about a little bit, as someone who is not heavily involved in farm policy but heavily involved in the legislation, is I understand how the Senate works. I have no doubt in my mind that this legislation is being given the perennial slow dance. We are waltzing into nowhere. We tried to move this legislation last week, Friday. We were on it on Monday. We were forced to file a cloture motion just to be able to move on the bill, the motion to proceed.

This bill is very important to the breadbasket of America. The people who raise and produce our food and fiber all over America need this very badly. This is an emergency appropriation, an emergency Agriculture bill. Why? Because there are emergencies out in the farm country that we have heard talked about here in the last 2 days. The legislation is going nowhere. I am very concerned about that.

We have an August recess coming up. We are told by the powers that be downtown that this legislation has to pass or the farmers will lose the money that is set forth in this bill, billions of dollars around America that will make the difference between farms staying in business, farmers being able to stay on their farms, or, as one Senator talked about today, whether another farm, another farm, another farm will be leveled off and a shopping center will be built, or homes.

Family farms in America are threatened. They will become an even more threatened species if we don't do something about this legislation.

It was interesting to me to hear the wide support for this legislation. New Jersey is a heavily populated State. The Senators from New Jersey are concerned about this legislation. All over America people are saying: We have to do something to help the farmers.

Yet the Senate is, as my friend from North Dakota has said, walking as if we are in wet cement. It is really hard to pull one foot out and get the other one in. We are going nowhere with this legislation.

The American public should understand that we understand that this legislation is being stalled for reasons I do not fully understand. It is being stalled. I hope everyone understands we have waited around here. An amendment was offered. We in good faith offered a motion to table that amendment. It was tabled. What do we know, that amendment is going to be offered again. We can have another long debate and another tabling motion and proceed. I guess they could do it again and again.

It appears to me that the majority leader is going to have to arrive at a point where he is going to have to file cloture.

Everyone knows—I shouldn't say everyone knows, but I hope that this discussion tonight will help a lot of people understand, especially those people in farm country, the States that are so dependent on these farm programs, this is being held up by the other side, by the minority.

We are going to come to a time where we are going to have to wrap things up for the August recess and, in effect, the farmers will end up getting nothing.

MR. DORGAN. I wonder if the Senator will yield.

MR. REID. I am happy to yield to my friend, without losing my right, for a question.

MR. DORGAN. This has been a very frustrating time for a number of reasons. The Senate seems to have begun moving in slow motion, if that, in recent days and weeks. Last week I recall we had the Department of Transportation bill on the floor. We had very few workdays remaining before the August break and very important legislation to get finished or completed by then. Despite this, during proceedings on the Department of Transportation bill, the Senate was in quorum call after quorum call. No one would bring amendments to the floor. What we had, it appeared to me, was kind of a deliberate slowdown.

Now, we have brought an emergency Agriculture bill to the floor of the Senate—an emergency supplemental. I understand some people would prefer to provide less money to family farmers who are in some trouble, some real trouble because of collapsed grain prices. They would like to provide less money. I understand that. They have a right to offer amendments to reduce the amount of help for family farmers. We had one such amendment today, and the amendment lost.

It is a rather frustrating time because even to get to the emergency bill to help family farmers, we had to file a cloture motion to proceed, for gosh sakes, not even on the bill. It was a debate on whether or not we should debate the bill. This is an emergency supplemental appropriations bill. That was on Friday. Then on Monday, we had to vote on the cloture motion. Now we are at the end of the day on Tuesday.

I ask the Senator a question, perhaps more appropriately answered by the manager of the bill, the Senator from Iowa: Are we facing a prospect of seeing an end to this so we might be able to get this passed, have a conference, and get it completed by the end of the week? Are there amendments still pending? Are there amendments on our side?

I am told we are done with the amendments, we are ready to go to third reading, and yet we were in a quorum call before we took the floor. I understand the next amendment has nothing to do with this bill. Apparently there is one more amendment ready that is totally extraneous to an issue dealing with family farmers.

It is also the case, I understand, that there are other amendments but no one knows what amendments or how many amendments or when we might finish.

Are we in a circumstance where there is kind of a slow-motion march going on, not necessarily in the right direction? I might ask the Senator, if he knows, is there an end date we might expect the minority to be helpful to us in passing this legislation?

MR. REID. I say to my friend, the distinguished Senator from North Dakota, the reason I am a little personally troubled about this, the Senator will recall last year, before the August recess, we passed eight appropriations bills. How were they passed? Because we, as a minority, helped the majority pass those bills. My friend will remember the many times the majority leader assigned the Senator from North Dakota and this Senator to work through amendments, and we did that. We worked through hundreds of amendments in an effort to pass an appropriations bill.

The reason I feel personally concerned—I will not say my feelings are hurt because I am an adult and I understand how things work, but we are not being treated the same way we treated the majority, when we were in the minority, in passing these appropriations bills. We thought it was important to get them passed, get them to the President. It seems to me that same philosophy is not here.

We have appropriations bills. For example, the Senator mentioned the Transportation appropriations bill. The House passed a bill, and the Senator from North Dakota wanted to offer an amendment. In effect, it outlawed Mexican trucks. I am being a little more direct, but basically that is what it did. The two managers of the bill, Senators SHELBY and MURRAY, offered a compromise, a midpoint. We could not even get that up. There was a filibuster on that, recognizing that if the President was concerned about it, the time to take care of it was in conference.

In the Transportation appropriations bill, it appears they did not want it passed. It did not matter how reasonable or unreasonable something was; they simply did not want it passed. We now have a situation, I say to my friend, where we are not allowed, on the energy and water appropriations bill that I worked very hard on with Senator DOMENICI, to even get a conference on that.

MR. DORGAN. Mr. President, if the Senator will yield further for a question, I know my colleague from Iowa perhaps wishes to inquire as well. I understand—and I think the Senator from Nevada understands—we cannot get anything done in this Chamber without cooperation. There is no question about that. Unless we all cooperate and find a way to compromise, with some goodwill, the Senate will not get its work done. We must get through certain legislation by a certain time. Unless we find a way to cooperate, it does

not happen. That is because the levers in the Senate are substantial and can slow things down.

As I said yesterday, no one has ever accused the Senate of speeding on a good day, but the ability to slow the Senate down or stop it is an ability that almost any Senator has.

I also understand this is a difficult time in a lot of ways, and I understand there are some who are pretty negative about some of the things we propose to do; for example, the transportation and the trucking issue. On the legislation dealing with emergency help to family farmers, the Senator from Iowa has put together a bill that I think is terrific legislation, and I am proud to support it. It is very helpful and very important to family farmers. I know there are some who take a negative view of it and I respect that.

I must say, when I think of that, I think of Mark Twain who was asked once to engage in a debate. He said: Of course, as long as I can have the negative side.

They said: We have not yet told you what the subject is.

He said: It does not matter. The negative side requires no preparation.

It is very easy to oppose almost anything. What we need to do is to ask for some cooperation.

We are going to have to pass an emergency supplemental bill to help family farmers. We know that. We have provided for it in the budget. We know we need to get this done, and everyone in this Chamber knows it has to be done this week. We ask for some cooperation. We have so much more to do than just this bill.

Is it not the case that we also have to do the VA-HUD appropriations bill; we need to finish the Department of Transportation appropriations bill; we have to get this emergency supplemental appropriations bill done; we have the export bill we have to get done—all of this between now and the end of this week?

My great concern is there seems to be no activity in the Chamber, and it is not because we do not want to get to a final conclusion on this legislation. It is because those who want to thwart us from making progress can easily do so, and at least have been doing so now for some number of days, beginning at least at the start of last week and perhaps partly the week before.

I ask the Senator: Is there a prospect of being able to make some progress with this emergency legislation? If so, how can we do that and how can we enlist the cooperation of the other side and say we need to have our amendments and have our shot at these amendments and have a vote? if we lose we lose, but we at least move the bill and go to conference. I ask my colleague from Nevada, how can we accomplish that?

Mr. REID. I say to my friend, who is a veteran legislator, we can only get legislation passed when one is willing to compromise. Legislation is the art

of compromise, the art of consensus building. We do not have anyone willing to compromise at all. It is all or nothing, their way or no way.

It is too bad because the Senator is absolutely right. We have four things the majority leader has said he needs to do before we leave. It is not that he is being arbitrary. First of all, the Export Administration Act expires the middle of August, and the high-tech industry of America needs that legislation very badly.

He did not drum this farm bill out of nowhere. It is something that has to pass the experts downtown. The Office of Management and Budget has said the money is lost if we do not pass this bill so it can go to family farmers. We have to do it, they say, by the August recess. The Transportation appropriations bill, we need to get that done. It is almost all done anyway. Then, of course, there is VA-HUD. I was here today when the House sent this over. It is done in the House. We could do that. Senators MIKULSKI and BOND have both come to me, they have come to the minority leader and the majority leader, saying: When can we do this? It will not take very long. But we are being prevented from moving forward on legislation. I think it is too bad.

I see my friend from Oklahoma, my counterpart. I can reflect back this past year, when we were in the minority, and Senator LOTT said on a number of occasions he appreciated our help in getting these things passed. We worked very hard to get bills passed. It does not seem there is reciprocity.

If it is payback time, we are not being paid back the way we paid out, and I hope there can be something done. For example, the Senator from Ohio believes very strongly about this issue. I have great admiration for the Senator from Ohio. He was a great Governor. He is an outstanding Senator, and this is an issue in which he believes very strongly. We have to get our financial house in order. I do not know how many times we have debated this issue. When he and Senator CONRAD came the last time, they each received 42 votes. His amendment received 42 votes; Senator CONRAD's received 42 votes.

We can go through that same process again, and I am willing to do it. It is an important issue, but it is not moving the legislation forward at all that is before this body.

Mr. NICKLES. Will the Senator from Nevada yield for a question?

Mr. REID. The Senator from Iowa had a question first, and then I will yield. I did not respond to the Senator from Iowa, who has a question.

Mr. HARKIN. I appreciate the Senator yielding. I do have a question, and I want to proceed by saying we do not have any amendments on this side to the agricultural emergency bill. We are ready to go to third reading. We are ready to pass the bill right now.

We had a debate today on whether or not we wanted one level or another

level. It was a good, honest debate. We had the vote. One side lost and one side won. It would seem to me then we should move ahead.

I was dismayed this afternoon when the Senator from Pennsylvania offered the dairy compact amendment, which by the way is not even germane to this bill. The dairy compact belongs in the Judiciary Committee, not the Agriculture Committee. The Senator has a right to offer an amendment.

They yanked the amendment, but they are going to come back tomorrow. I am beginning to sniff something here. What I am smelling does not smell very good. It smells like a deliberate attempt to slow down, if not stop, this emergency Agriculture bill. I did not think that until just a little while ago. I hope I am wrong. I hope we can come in tomorrow and wrap this up in a short time, have a final vote and see which way the votes go, and then move on.

My question to the Senator from Nevada, our distinguished assistant majority leader, is simply this: Is it not true that we in the Senate should do what we think is in the best interest of the country to have the votes and let the President decide what he wants to do at that point in time?

The Senator spoke about this idea of working together. President Bush came into office saying he wanted to work in a spirit of compromise. That is what we have to do around here. We do have to compromise. We have to work things out. But now there is some talk that the President has said—I have not heard him say it, and we do not have a letter from the President, but we have something from OMB saying his advisers will recommend he veto the committee-passed bill which is before the Senate.

I say to the Senator from Nevada, is that what we are reduced to, we cannot do anything here unless the President puts his stamp of approval on it?

Mr. REID. I say to my friend from Iowa, I mentioned briefly the Transportation appropriations bill. The President said he did not like it. If he did not like what was in the Senate bill, he must have hated the bill which was passed by a Republican House.

In the Senate, we have a compromise worked out by Senators MURRAY and SHELBY, and we are told they are not going to let us do that; the President will veto it.

The Senator from Iowa has been a Member of Congress longer than I have, and the Senator from Iowa knows the way the President weighs in during the conference stage of legislation. That is why I have talked off the Senate floor to my friend from Iowa indicating: TOM, I think they are trying to stall this bill. The Transportation bill, obviously, they are doing that, and here we have the same thing.

If the President does not like this legislation, that is fine; he has veto power, and it is obvious his veto will be sustained. So why doesn't he let us go

to conference and the Senator from Iowa and his counterparts in the House, with Senator LUGAR, can work this out and bring it back? That is the way things are done.

If the President is going to say, unless the Senate does what I want, the bill is going nowhere, and he instructs his people in the Senate the bill is going nowhere, if that is the case, then we might as well be taken out of it and have him declared the King.

Mr. HARKIN. We might as well have a dictatorship if we cannot do anything unless the President first says we are allowed to do it. I hope I am wrong. I refrained from saying anything about it since this afternoon, but it appears to me there may be a deliberate slowdown here.

Again, I say to my friend from Nevada, I hope I am wrong. I hope we come in tomorrow morning and dispose of amendments. I hope we can propose a time agreement tomorrow so we can vote on final passage of this Agriculture emergency bill. Doesn't that seem like a logical way to proceed, I ask the Senator?

Mr. REID. I have heard from the Senator from Iowa and the Senator from North Dakota that their States are so dependent on agriculture. It is difficult for me to comprehend. In Nevada, we grow garlic, a few potatoes, and lots of alfalfa. The States of Iowa and North Dakota are two examples. I heard the Senator from North Dakota say over 40 percent of the economy of the State of North Dakota is agriculture related. Iowa is a huge part of that economy.

Mr. HARKIN. It is our biggest industry.

(Mrs. CARNAHAN assumed the Chair.)

Mr. REID. Madam President, both Senators have said, if this legislation does not pass, what it will do to their States and what it will do to their farmers. That, to me, indicates the President should allow us to move this bill along.

It appears to me this is all coming from the White House. The Senator does not have to agree. I understand. But it appears to me this is all coming from the White House. We are being allowed to move nothing. Nothing. We have had no conferences. The few bills we were fortunate enough to pass, we have had no conferences.

The President wants us to write the legislation he thinks is appropriate. The last measure we worked on, the Transportation appropriations bill, is a perfect example. It appears he wants it his way or no way.

I say to my friend from Iowa, I hope I am wrong. I told you earlier today I thought it was being slowed down, that it was going nowhere. I hope I am wrong.

Mr. HARKIN. I hope so, too.

Mr. REID. I hope people say: Let's agree to go to final passage at 5 o'clock and go to conference. The House is trying to adjourn Thursday. We can have the conference Thursday. We will spend

all night doing it. We can do it. That is the way we used to legislate.

Mr. HARKIN. I am informed on this go-round I will be chairing the conference. I spoke with both the chairman and ranking member of the House Agriculture Committee today. They said we can go to conference and wrap it up in short order. I think that is true. Given a good morning or afternoon, I believe we can work this out and come back with a package that will be widely supported, but we cannot get there if we cannot get to a final vote on the bill.

Mr. REID. I say to the Senator, I saw the chairman of the House Agriculture Committee in the Senate Chamber today.

Mr. HARKIN. And the ranking member.

Mr. REID. I did not recognize him.

Mr. DORGAN. Will the Senator yield further?

Mr. REID. I will be happy to yield.

Mr. DORGAN. Madam President, there is a pretty wide gap between what Washington thinks and what farmers know. This, after all, is about family farmers. That is what the issue is: emergency help for family farmers. There are a whole lot of folks in the country struggling to make a living. Prices family farmers receive—the price for commodities—have collapsed to 1930 levels in real dollars.

I heard some people say: Things are improving. Yes, the price of cattle has improved, there is no question about that, but I guarantee, there is no one who serves in the Senate who has seen their income diminished in any way that resembles what has happened to family farmers. Grain prices are still at a very significant low.

When one takes particular grains and say they are at a 17-year low or 25-year low and then say they have improved slightly from that, the improvement "slightly" does not mean very much. It doesn't mean much to family farmers if slight improvements in the prices they receive means they are going to go broke probably a few weeks later.

The fact is, our family farmers are in desperate trouble.

The point I make is this is an emergency supplemental bill dealing with agriculture. It is in the budget, it is provided for, and we are trying to get some help out as soon as we can to family farmers.

Last Friday, inexplicably we were confronted with the question of having to file a cloture motion on the motion to proceed. In plain English, that means the other side said we had to have a debate about whether or not we were going to have a debate on this issue. We said: This is an emergency issue to help family farmers. These are, pardon me to others, America's last heroes, in my judgment. These are families out there struggling, working under a yard-light trying to keep it together. They are harvesting a crop—if they are lucky enough to get a good crop—and trucking it to the elevator

only to find they are getting pennies on the dollar, 1930s prices in real value.

The fact is, they are hanging on by their financial fingertips trying to stay alive. And then when we came to this issue, we were told we have to debate whether we are going to be able to debate.

I am sorry, there is something wrong with that. There is something that misses the urgency of what ought to be done by the Senate to help families who are in trouble.

I help a lot of people. I am someone who believes I have a responsibility to invest in other States, in other regions. I support mass transit. We do not have a subway system in Bismarck, ND, but count me as a supporter because I believe it is important for our country to do that for other areas. I support programs in virtually every other area in this country because I think it strengthens this country. Investment in family farmers strengthens our country as well. This is just a small bridge. We have to build a bigger bridge for them in the new farm program which comes next.

To get from here to there, we are trying to do this emergency supplemental for Agriculture. It is just inexplicable to me that we even had to debate whether we would be allowed to debate. Once we got cloture, which says, "It is OK, you won the debate; we can now debate," we find ourselves at a parade rest. It is like watching paint dry, except paint seems to dry more quickly than good debate on this bill.

I ask the Senator from Iowa—if the Senator from Nevada will yield to him—on other appropriations bills we have traditionally worked with each other, have we not? Both sides say all right, how many amendments do you have; this is how many we have; can we get time agreements; can we work them out; can we find an end date so we can get these done?

We have always done that. I hope we can do that on this piece of legislation because it is so important.

The only way we are going to accomplish anything, I fully understand, is to be able to elicit cooperation from both sides. We have to cooperate. I understand that. Anybody can stop this place. Throw a wrench in the crank case and it comes to a stop quickly. That is easy to do in the Senate.

Are we in a position, I ask the majority whip, where we are able to get perhaps the other side to say to us, and our side to say to them: Here are the total amendments we have. Let's work through them and find ways to reach an understanding of how we will get this bill passed.

Are we able to do that? If not, why not?

Mr. REID. I proposed earlier today that we have a time for filing amendments. No need to write it up. It will not happen. For those watching, that means if we have an agreement, usually we have very competent staff write up a unanimous consent agreement so we can propound it. There was

no need to write this up because there was no chance the other side would agree in any way to limit amendments. We have no amendments on this side.

We are not a bunch of farmers over here. I say that in a positive fashion. We are not a bunch of Senators representing only farm States. We have a wide range of interests. We have been convinced the family farmers are so important, agricultural interests are so important to this country, we all support an emergency Agriculture bill. That is why all 51 on this side of the aisle support this bill. We want to move it quickly. If there is something wrong with it, I have enough confidence in the legislative process, and I recognize the President will be involved in it, that a different product will come back than what we pass. We are not being allowed to pass anything out of here. That is a shame. It hurts the institution. It hurts the legislative process. Most of all, I am convinced after 3 days of debate, the family farms, the agricultural interests in the country are being hurt, and hurt badly, and some irreparably damaged if we do not pass this legislation by this coming Friday or Saturday.

Mr. HARKIN. Will the Senator yield?  
Mr. REID. I am happy to yield.

Mr. HARKIN. It is important to keep in mind what we are trying to do, and I will preface that with a statement. We are trying to provide the payments to our farmers all over America the same basic rate of payment they got last year. It is not more, just the same basic rate. We know input costs have gone up; fuel is higher.

Mr. REID. "Input" means production costs.

Mr. HARKIN. Production costs are higher. We want to get them the same amount as last year. This is so important to my State. The difference between what the committee bill has and the amendment offered today by Senator LUGAR is about \$100 million. That is how much we are hurting in my State.

If that amount of money is taken away, if we don't get that payment out, think of all the small town banks that have loans to farmers. These are not Bank of America and Wells Fargo. These are small, country banks. They have extended credit to these farmers. They have to pay back their depositors, too, just like any bank. Yet \$100 million they would not get; that would be less than what they got last year.

Think of the damage that would do to our economy in the State of Iowa. In North Dakota, it is roughly half of that, \$51 or \$50 million in North Dakota. That is a big hit in a State such as North Dakota. Think of all the independent people, small town banks, implement dealers, feed stores, the seed companies, all the people up and down the Main Streets who, in many cases, have extended credit to family farmers, believing we are going to come in and do what the budget allows to be done. We are not asking for any more than what we got last year.

If I understand correctly, the President says we have to take less. Somehow we can afford to get hit harder in rural America. We cannot afford to get hit harder. We have been hit hard in the last few years, pretty darned hard. All we are asking is to make the same payments we did last year. The budget allows for that—the budget passed by the Republican Congress, I point out. The Republicans passed that budget. In that budget, there is money to allow farmers to get 100 percent of the market loss and oilseeds payments that were made last year.

If the budget allows it and the money is there, why should we not at least get the payments out for our family farmers on the same basis we did last year?

Mr. REID. The chairman of the Budget Committee has been on the floor for the last 2 days we have been on this bill. Each day he has said, citing line and verse of the Budget Act, that the budget resolution that was passed and the activity that has been generated by this bill do not in any way violate the Budget Act. He talked again this morning about this.

People are saying it is \$2 billion over what it should be. I say to my friend from Iowa and anyone within the sound of my voice, we had a vote on that today, in effect. The vote was, no; it is fine. The vote was 52-48, as I recall. A close vote, but we have a lot of close votes, just like the Supreme Court makes a lot of close decisions. Even though they are close, that is the law. A vote that is 52-48 carries the same weight as a vote 99-1.

For anyone who says this bill is a budget buster, I offered a motion to table the amendment of my friend from Indiana. I moved to table that amendment because I felt the Senate should be able to speak as to whether or not they felt it was too much money. Clearly, the Senate said it was not too much money.

I repeat, this matter should be passed out of the Senate so we do have the opportunity, for the good of the farming community, agriculture all over America, for their benefit we should be able to go to conference with the House immediately. It should be in conference in the morning.

Mr. HARKIN. We could be. We could be in conference tomorrow.

Mr. THOMAS. Will the Senator yield?

Mr. DOMENICI. Could I ask a question?

Mr. REID. I yield to my friend from New Mexico without losing my right to the floor.

Mr. DOMENICI. I have been waiting to be heard for 6 or 7 minutes. How much longer before the Senator might be able to speak? The Senator has the floor.

Mr. REID. I understand that. I am about wound down. I think the Senator from Iowa is just about finished. Does the Senator from Wyoming have anything to say?

Mr. THOMAS. I was going to say if you wanted to hear from the other

side, a Senator is standing here. I wondered if you would give the Senator a chance to speak.

Mr. REID. I will yield the floor in a minute. Having served with my friend from New Mexico for the years I have, no one ever has to worry about his having the ability to speak. He always figures out a way to do it. I have no problem yielding the floor in just a minute.

For the information of Senators, it appears clear there will be no more votes tonight. I also say the Senator from Ohio wishes to offer an amendment, and we will talk to the staff and perhaps we can work something out so when he finishes we can adjourn for the evening.

I am happy to yield to my friend, the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I thank the distinguished majority whip for yielding, and Senator HARKIN. I will take only a few minutes. My friend from Ohio has been waiting for a long time.

I am listening tonight about how urgent matters are and how urgent it is we pass this measure tonight. I just want to make sure everybody understands that our farmers are in need of emergency relief provided in this bill. I hope my friend from Iowa is listening.

This Harkin measure was voted out of committee on July 25. The House bill came to the Senate on June 26—1 month before it was voted out by the Ag Committee, which you chair, I say to my good friend, the distinguished Senator from Iowa. So if there is 1 day's delay on the floor because somebody really thinks that dairy compacts are important to their State, should it actually, in reality, even be insinuated they are the cause for delay when, as a matter of fact, the House bill has been here for 1 month?

The House bill is still something that is possible. If we pass the House bill, everything our farmers need is completed. This bill that is before us in the Senate, has the House relief and then it adds additional spending into the next year—I am not arguing that the next year is against the budget resolution, but why do we have to, in an emergency, do next year's spending when the emergency we are worried about is this year?

I do not intend to stay here very long and debate the issue. I just thought it might be of interest to some, what the real facts are with reference to delay.

Having said that, I understand the great concern of the Senator from Iowa about agriculture. I understand the Senators on the other side who have gotten up and spoken today about agriculture. I do not want anyone to think that in the past 6 years while we were in control of the Senate we did not put very many billions—billions of dollars into emergency relief for the farmers. We did.

When I was chairman of the Budget Committee, on which I am now ranking member—obviously, you can just go

back and add it up—some years it was \$8 billion in emergency money, other years we voted for \$6 billion and \$8 billion and \$12 billion. So it is not anything new to have to vote or to be in favor of emergency relief for our farmers. One of these days we need a better system, but for now the world economy and a lot of other things are imposing on our farmers in such a way that they do need help.

I am sure if the House bill were before us, with all of the emergency relief that is needed for this year, without which many farmers will not get what they are entitled to—if that were before us, it would probably get no negative votes. We could pass it and be done with it.

Having said that, why did the Senator from New Mexico today object to proceeding with the amendment, with reference to dairies?

I am pleased to note that even though I objected to a time limit, it was not the Senator from New Mexico who caused the delay. For some reason, the other side decided to pull the amendment. That is their own strategy. I didn't have anything to do with that. I compliment them for their arguments in favor of the compact that was before the Senate as offered by the distinguished Senator from Pennsylvania.

I would just like to say, all of us come here because from time to time we are worried about legislation and its impact on our States. I came to the floor earlier because I have been very busy and I was not totally familiar with the compact amendments that were on the floor. I did know, when I came to the floor, that they might impact my State. I have now found they would impact my State in a dramatic way. All I want to do is tell the Senate what is happening to dairy in the United States.

We are here talking about compacts protecting States as if that is the only way to get milk products for American consumers. The truth of the matter is, New Mexico and one other State are shining examples of a total departure from the idea of compacts, and a departure that says: Innovation. Let's do new things. Let's save real dollars for those who are consuming. We want to save on transportation, and under the compact approach you do not save on transportation.

New Mexico's dairymen are competing in their part of the country with new technologies. They have new ways of treating milk before it is transported. They make it lighter. When it gets to where it has to go, it is returned to its original form, and who benefits? There is no change in the milk, and the beneficiaries are those who buy cheaper milk and those who producer more and more milk in the herds that are now grazing the landscapes of New Mexico and Idaho.

I want to say how important it is we let that happen, that we let this innovation and competition happen. I am

quite sure those who have compacts feel just as strongly about their States and about what they are doing with small herds and the like, as I do about what is happening in my State. I believe what is happening in my State and a few others like it is the wave of the future. Innovation and competition are changing the face of business in all our States and it is going to change the production of milk and milk-related products, just as sure as we are standing here tonight.

In the year 2000, the dairy industry contributed over \$1.8 billion to New Mexico's economy. The producers had about 150 individual dairy farmers, over 250,000 cows. That has grown since the early 80's and 90's. These are just the numbers we have for the year 2000. New Mexico ranked 9th, believe it or not, in the total number of dairy cows; 10th in the total production of milk—5.23 billion pounds; 5th in the production per cow, 20,944 pounds.

Some listening from other States probably cannot believe that is really happening, but it is. Yes, it is. We continue to be the first in the United States in the number of cows per herd, with New Mexico dairies averaging 1,582 cows per operation.

I am very sorry if in some States they have small operations. But I think in the custom and tradition of the Senate that a Senator from New Mexico who has this happening in his State, which is otherwise a rather poor State, should have enough time to come to the floor and discuss something as complicated and detrimental to our State—probably as detrimental as any other legislation directly affecting New Mexico this whole year.

New Mexico dairymen have a dramatic impact on local and regional economies, from the hiring of labor to feed purchases. According to the New Mexico Department of Labor, New Mexico dairies currently employ up to 3,183 people with an estimated payroll of \$64.8 million. Additionally, NM processors currently employ up to 750 people with an estimated payroll of \$25.5 million. This is an industry that I am committed to fighting for.

Regional compacts could threaten this vital New Mexico industry. New Mexico has a small population and with the numbers I just mentioned, it produces a vast amount of milk. The future of the New Mexico dairy industry depends on mechanisms that are conducive to allowing NM milk to be transported to other areas. Compacts prohibit this type of activity.

The Northeast Dairy Compact was established in mid-1997 as a short term measure to help New England dairy farmers adjust to a reformed Federal milk marketing order system. Even though market order reform was completed in late 1999, the Northeast compact was extended 2 additional years. It does not need to continue.

The “experiment” with a Northeast Dairy Compact in the New England states has provided evidence against

existing dairy compacts and potential expansion of compacts into other regions. I would like to take a moment and discuss why the Northeast dairy compact has been a failure.

The stated goal of the Northeast compact was to reverse the steady decline in the number of dairy farms in this country. The numbers simply state the opposite has proved true. American Farm Bureau data indicates that New England lost more farms in the three years under the compact 465 than in the 3 years just prior to the compact 444.

Most importantly, compacts are unconstitutional. Compacts blatantly undermine the commerce clause. One of the central tenets of the U.S. Constitution and a basic foundation of our nation is a unified economic market. We have never advocated for the right of States to unravel this central tenet of the U.S. Constitution, by allowing States to erect economic walls against one another.

The higher prices paid by processors are passed on to consumers at the retail level. Economic studies, including one ordered by the Northeast Compact Commission itself, have confirmed the pass-through costs to consumers. These studies put the retail impact of the Northeast compact anywhere from 4½ to 14 cents per gallon of milk.

Additionally, compacts discourage farmers and cooperatives from finding efficiencies in marketing, transportation and processing such as ultra-filtration and reverse osmosis technologies currently being used and improved upon by New Mexico dairymen.

This is definitely a commodity and an industry worth protecting. If compacts are designed to protect dairy farmers and dairy farmers need protection, then do it with a national, not a regional program. If there are problems with the program, let's consider a national solution rather than expanding and extending divisive regional policies. A national alternative will address the concerns of all dairy farmers, not just those in compact States.

Compacts establish restrictions and economic barriers against the sale of milk from other regions, increase milk prices to consumers in the compact region, and lead to a reduction in the price of milk paid to farmers outside the compact area. This is a quick fix not a national solution. We need a policy that addresses the concerns of producers in all regions, without pitting farmers in one region against those in other regions, or interfering in the marketplace through artificial price fixing mechanisms.

I fear the Northeast dairy compact has set some kind of precedent for regional price fixing for an agricultural commodity. This cannot continue. If we do not stop this right now, where will it stop? Will we soon see a regionally fixed price for wheat to make bread? Or how about fruits and vegetables? Or will we soon see unelected regional commissions fix prices for gasoline? Or coal? Or even lumber? These

are all commodities that have a regional imbalance of production and consumption, somewhat similar to milk, and the producers of these commodities have seen hard times in recent history. I suggest regional price fixing should end immediately.

To reiterate, I challenge the constitutionality of the compacts. I believe they will be challenged sooner or later. I believe the U.S. Supreme Court is moving in a direction where they will be declared to be monopolistic. I think that is what is going to happen. But I do not want to debate that as a lawyer or constitutional expert here on the floor. I just want to say clearly I must, in all good conscience, defend my State against what is going to happen if we proceed too quickly and we do not have a chance to thoroughly understand this matter.

As I said, I have even studied the history of how we first got involved in these compacts. Actually, it was accidental. It was an emergency situation, and it was supposed to last for only 2 years. Two years has led into many years beyond, and instead of just the Northeast, it is spreading throughout. So what we have are these kinds of compacts among States all over America except for States such as New Mexico and perhaps Idaho.

We want to be competitive. We want to provide the very best products to as many American people as we can.

It is very important that we had this discussion today. I do not believe it is fair to characterize what has gone on here on this bill as any kind of excessive delay. You have a bill that exceeds what the President asked for and what the House passed by almost \$2 billion. Use of that \$2 billion will not occur until a year from now. It is not an emergency. Yet we have those saying if you do not let it pass, and let it pass quickly, you are unduly delaying what our farmers need.

It is very easy to decide how to fix this. Just take the 2002 money out of this bill and have it address a real emergency and let's vote up or down on it. That means we would not even have to go to conference. All the farmers in our country who need their checks this year will get them, and they will get them on time. Otherwise, it is very doubtful whether they will.

Pass this bill with the 2002 money. That is not an emergency. Try to pass it with anything like the compact and who knows where it will end up. The President isn't telling this Senator what to do. But I understand he will veto the bill. I understood where I was before I knew where he was, if anybody is interested on that side. Clearly, it did not come from the President. My concern is as it affects New Mexico.

I close by discussing what has happened in the last 10 years in the United States of America. It is a new economy. The United States has basically changed the underpinnings of its economy. President Clinton said it. Our new President says it. Alan Greenspan

says it. It is a new economy in capital letters. It means we are changing. We are being innovative. We are becoming more competitive. We are inventing and putting more things on the market. What does that increase? It increases our productivity. Productivity is the key to the Social Security trust fund and to paying our seniors in the future. It is the key to having surpluses in the future. Productivity can apply to every industry, including dairy cows and milk production.

That is what we think ought to happen in America. We would like to continue to do it in our States. We would like for the Senate not to impose upon them a cartel. States can in a sense in their own circuitous way fix the product. Maybe you should strike "fix the price" and make arrangements for what it will cost so we will not be losing any pejorative words.

I am ready to discuss this tomorrow. I have been thoroughly apprised of the compact issue. I understand it, and I am willing to use a reasonable amount of time to discuss this tomorrow, and then proceed. But what we think on this is not going to get this bill cleared and say it will pass and it will go to the President. It has a lot of hurdles. The farmers need their money very quickly. We have already had a month when we could have produced a bill—at least 3½ weeks—for reasons which might be good. We didn't do that. But to complain right now that this 1 day on the Senate floor is what is hurting our farmers is just not true.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, I have heard it said on the floor a couple of times today that the Agriculture Committee is not moving this bill quickly enough. The fact is, the Agriculture Committee did not have a reconstituted committee until June 29. Following that, it did not have its full membership until July 1. Following that, the committee worked 8 days. In 8 days, the bill came out of committee. It sounds like pretty good work to me. Within 8 days we had a major piece of legislation such as this coming out of the committee. Senator HARKIN and Senator LUGAR did a pretty good job.

I repeat: It could not move forward until the committee was reconstituted.

Last year we passed a bill similar to this. The agricultural community has problems in different places every year. But they always have problems. Last year we passed a bill with \$7.1 billion. It was very close to what we are trying to pass this year.

AMENDMENT NO. 1212, WITHDRAWN

Mr. LUGAR. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 1212.

Mr. LUGAR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide a substitute amendment)

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agriculture Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool, and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

- (1) \$500,000,000 to each of the several States; and
- (2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term 'specialty crop' means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) **CONDITIONS ON PAYMENT TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments”.

“(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 51 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined as provided in such section) that—

“(1) Incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims.”.

“(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOCAL DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

“(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

“(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

“(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

“(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) This section shall be effective one day after enactment.

Mr. LUGAR. Mr. President, I ask unanimous consent that the amendment be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. VOINOVICH. Madam President, I have had an opportunity to listen to my colleagues talk about what is happening in the Senate in terms of procedure. I had an opportunity to sit in the Presiding Officer's chair for a lot of time during my first 2 years in the Senate. In fact, I was the first member of the Republican Party as a freshman to get the Golden Gavel Award for 100 hours in the Chair.

I have to comment on what I am hearing on the other side of the aisle that this side of the aisle is delaying the passage of bills. The same complaints being lodged against the Republican side of the aisle are the same complaints the Republicans lodged

against the Democratic side of the aisle during my first 2 years in the Senate. It is deja vu all over again.

The fact is, some of us have some major concerns that we would like to have discussed in the Senate. We would like to have our point of view listened to and taken into consideration. For example, the dairy compact was brought up and then withdrawn. I was very upset when this was brought up last time. My State was opposed to the dairy compact because we thought extending it was not in the best interest of our State, but I never had a chance to vote on it because it came up in conference. It was done in that way.

I think some of us who are concerned about the dairy compact think it is unfair to the farmers in our respective States. For example, my State legislature would never have granted permission for Ohio to be involved in the dairy compact. We ought to have an opportunity to talk about that in the Senate if we think it is something that is very relevant, and we should at least have a chance to vote on it on the floor, if that is the consensus of the Members of the Senate.

In addition, I have heard that this amendment I am bringing up this evening is not relevant to this farm bill. I happen to believe it is very relevant to this farm bill. The farmers in my State are not only interested in money for farmers and for agribusiness, but they are also very interested in fiscal responsibility.

For example, I was at a meeting of farmers in Ohio a couple of weeks ago. One of them asked me: Senator, why did you vote against the education bill? My response was that the education bill increased spending by 64 percent. There was not another question about it in the room. Someone said: Well, if you are going to increase education 64 percent over what you spent last year, that means there is not going to be money for other priorities facing the Federal Government.

The Agriculture Supplemental for FY 2001, in my opinion, could be passed immediately tomorrow if my colleagues on the other side of the aisle would agree to the \$5.5 billion that the House passed and to which the President agreed to sign. One of my great concerns is that because of the disagreement over the amount of money this might be delayed. If it is not done before we go home, there is a good possibility that our farmers won't get the \$5.5 billion that we want to provide for them.

I suggest to my friends on the other side of the aisle that they agree to the \$5.5 billion. Let's get it done, and let's get the money out so we can help our farmers.

In my opinion, to add another \$2 billion that is going to come out of the FY 2002 budget when we have a very tight budget situation already is fiscally irresponsible.

We know that the House provided \$5.5 billion. If we put in another \$2 billion

for next year, that means that in order to revise the farm bill, we are going to have to put even more money in there. And I would argue that we are very close right now to spending the Social Security surplus in the 2002 budget.

So I believe this amendment that I am bringing to this Senate is relevant. It is an amendment that I brought up a couple of weeks ago, and it is an amendment I am going to continue to bring up. I am going to repeat the same words I heard from some of the Members on the other side of the aisle, where the Republicans, they felt, did not give them a chance for an up-or-down vote, whether it was on minimum wage or whatever else it was. I want an up-or-down vote on a pure Social Security lockbox. I do not want to see it tabled. I do not want to see it objected to on some procedural matter. I want an up-or-down vote on this. I think it is extremely important to fiscal responsibility for this country.

I think if we do not pass this lockbox legislation, that indeed we will spend the 2002 Social Security surplus of \$172 billion.

So I am here to offer an amendment that will lockbox that Social Security surplus and force the Senate and the House to make the necessary hard choices that will bring fiscal discipline to the Government and keep the Social Security surplus from being used.

I am also offering this amendment because it is part of the covenant that we made to the American people when we passed the budget resolution and reduced taxes.

I refer to that covenant as the "three-legged stool." One leg allows for meaningful tax reductions. One other leg reduces debt. The third leg restrains spending. The Presiding Officer may not know this, but in the last budget that we passed in the Senate, we increased budget authority for non-defense discretionary spending by 14.5 percent, with an overall increase in the budget of about 9 percent over what we spent in the year 2000.

I believe this amendment I am offering guarantees that the tax reduction will continue, that we will continue to pay down the debt, and that we will control spending. As I mentioned, if we do not get an up-or-down vote on this, I am going to continue, every opportunity I have, to bring this amendment to this Senate Chamber.

I think my colleagues should know that the softening economy and the inexorable growth of Federal spending are putting us perilously close to spending the Social Security surplus. I think that has been enunciated by Senator CONRAD on several occasions, that we are close to spending the Social Security surplus.

Until CBO and OMB issue their budget reports in August, we will not know for sure, but the early economic barometers are worrisome, and the primary barometer—tax receipts—is down.

In addition, I am concerned that the money in the fiscal year 2001 Agri-

culture supplemental bill—the bill we are talking about, including the more than \$2 billion that the Senator from Iowa is looking to spend in 2002 funds—will, I fear, push us over the top towards spending the Social Security surplus.

So that my colleagues understand what is going on with spending in the Senate, let's just look at this chart. I call it the "here we go again" chart. The President came in with a budget recommendation of a 4-percent increase over last year. Our budget resolution came back with an increase of about 5 percent. But after the Senate has passed three appropriations bills, and if you take into consideration if we kept the other 10 appropriations bills at their 302(b) allocations, and you add in the \$18.4 billion that the President proposes for defense spending, we are now at an increase in spending of 7.1 percent. And who knows where we are going to be going in the future.

So here we are in the middle of the appropriations season, and we are on track to increase discretionary spending in fiscal year 2002 by more than 7 percent.

But we are not done yet. We have 10 appropriations bills to go, and that does not include conference reports. By the time we are all done, who knows what the final fiscal year 2002 budget will be increased by?

Just look at how much we are increasing some of the specific appropriations bills already. I call this chart: "old spending habits die hard."

Here are the three appropriations that we have passed already: Legislative branch, 5.6 percent over last year; Energy and Water, 6.4 percent over last year; Interior, 7.9 percent over last year.

Now let's look at the other bills that have been reported out: Foreign Operations looks like it is OK, 2 percent; Transportation, 3.6 percent—but I am sure it is going to be more than that before the Transportation bill gets out of the Senate—Commerce-Justice-State, 4.4 percent; VA-HUD, 6.8 percent; Treasury-Postal, 6.8 percent; Agriculture, 7.1 percent. So when you add all of this together, there is a very good chance that our spending could be 8, 9, 10 percent higher than last year.

So I think we have a problem. As I mentioned, if you take into consideration that we increase education—that is, if we appropriate a 64-percent increase—we are really in trouble. I think a 64-percent increase for education, is \$14 billion more than we would be spending ordinarily.

So I am trying my best, I am trying my very best, to avoid the spending "train wreck." The amendment that I am offering will keep that train on track.

When I was Governor of Ohio, I was faced with a \$1.5 billion budget deficit. When I came into office, my colleagues in the House and Senate, the President of the Senate and the Speaker of the House, said to me: George, don't worry

about it. Everything is going to work out fine.

I did not think it would work out fine, and I began almost immediately to start cutting spending. Over a 2-year period, we decreased spending by almost \$1 billion. If I had not gotten started early with that process, we would have had a catastrophe.

My feeling is, the sooner the Senate understands we have a real problem that needs to be dealt with, the better off we all are going to be.

So the amendment I offer will guarantee we stay the course toward fiscal discipline. It contains two enforcement mechanisms: A supermajority point of order written in statute, and an automatic across-the-board spending cut to enforce the lockbox.

The amendment creates a statutory point of order against any bill, amendment, or resolution that would spend the Social Security surplus in any of the next 10 years. And waiving the point of order would require the votes of 60 Senators.

In addition, if the Social Security surplus was spent, OMB would impose automatic across-the-board cuts in discretionary and mandatory spending to restore the amount of the surplus that was spent.

I want everyone to understand that this amendment specifically protects the Medicare Program from any cuts.

The only exceptions to the lockbox would be a state of war or if we have a recession.

Some of my colleagues are probably thinking that we don't need this amendment; that the spending excesses I have outlined earlier just will not happen; that we won't spend so much, that we won't dip into Social Security. I disagree. We only need to look at our recent history to see how addicted to spending Congress really is.

If my colleagues will look at this chart, they will see how much Congress has spent on some of the appropriations bills for fiscal year 2001 according to the Senate Budget Committee. We can see Agriculture, a 26.2 percent increase over FY 2000; energy and water, 10.1 percent; Interior, 24.7 percent, Labor-HHS, 25 percent; Transportation, we spent 26.6 percent over fiscal year 2000; Treasury-Postal, 13.4 percent; and VA-HUD, a 13.5 percent increase over FY 2000. You can see, when you look at the numbers, that we have increased budget authority for nondefense discretionary spending by 14.5 percent in fiscal year 2001.

It is amazing to me. I will talk to colleagues who were here during the last 2 years and say to them: Do you realize how much we increased spending? Some of them seem to be shocked that we increased spending 14.5 percent. When I go home and tell people in Ohio that this is what Congress did, they think it is incredible. They just cannot believe it.

I have said to them on many occasions, if I had spent money as mayor, as commissioner, as Governor of Ohio

the way we have here in the Senate, they would have run me out of office. They would have literally sent me home.

What are we going to do? What we need to do is wall in Congress. And by "wall in," I mean we are not going to spend Social Security and we are not going to increase taxes, we are going to live within our means.

It is very important that we face up to this reality. My recommendation to my colleagues is that we ought to get out the Defense and the Labor-HHS bills and bring them to the floor now and not wait until the very end as we did last year for the pork-athon.

We have to live within the budget we have. I know that if we keep going one appropriation after another, say we do 11 of them and wait until the very end of the fiscal year for the last 2, we are going to have the same situation we had last year. It is time we got those 13 appropriations bills on the table simultaneously and looked at them with the administration and indicate how much we intend to spend overall—5 percent, or maybe at 6 percent, whatever it is, but work it out so that we don't end up with this great train wreck at the end of this year as we did last year.

I implore my colleagues, the best way we can help our budgetary situation is to formally lockbox the Social Security surplus, simply take it out of the spending equation. It is the best thing we can do relative to our economy.

I realize we have a number of pressing needs facing our Nation. Agriculture is one of them. One of the things about which I have always felt good was even though I am from Cuyahoga County, a big urban county, I was referred to as "the agri-Governor." I am interested in agribusiness. I care about my farmers and I have spent a great deal of time with them. I want them to have that \$5.5 billion. I want them to have it now and they can have it now if we can get an agreement with our colleagues from the other side of the aisle.

Let's get it done. Let's not go home and not have it done and have it disappear when the OMB or CBO comes out with their numbers.

I support a strong defense. I support education. However, the money to pay for whatever increases Congress makes to these and other programs has to come from somewhere. We either prioritize our spending or we take the easy way out and reduce the Social Security surplus.

That had happened for 30 years before I came to the Senate. It was not until 1999 that we stopped using the Social Security surplus to subsidize the spending by Congress and by the administration.

I am asking this body to put their money where their mouth is. If my colleagues do not want to spend the Social Security surplus, then I urge them to join me in support of this lockbox amendment.

Before I ask for the amendment to be read, I would like to make one other point in regard to the discussion prior to my speaking that I heard relating to the Transportation bill.

I was one of the Senators who stuck around here last Friday until the very end to find out what would happen. I had an event in Cleveland to which I had to go, but I did not go because I really thought it was important that we get some dialog between Members of the Senate in regard to that Transportation bill and the provision of it that deals with truck traffic coming out of Mexico.

I sincerely believed that that legislation interfered with NAFTA and that we ought not to be doing that in the Transportation appropriations bill. I believed it was wrong. I believed my colleagues from the other side of the aisle should have sat down with Senator McCAIN and Senator GRAMM of Texas and worked out some language that was satisfactory to the Senate and to the President of the United States and which did not violate the NAFTA agreement.

I would like to read an editorial from the Cleveland Plain Dealer, the largest newspaper in Ohio, which I think really captures what happened here last Friday. The title of the editorial is: "Protectionism in High Gear."

The Democrat-controlled Senate, with the help of enough Republicans to block a filibuster, decided last week that equal protection under the law doesn't apply to Mexico under NAFTA.

Beneath a veneer of safety concerns, the Senate refused to eliminate the trade barriers that keep Mexican trucking companies from carrying freight beyond a 20-mile border zone, no matter that among their fleets are some of the most modern, best-equipped trucks on any nation's roads.

It's a witches' brew of protectionist politics disguised as precaution, fueled by the demands of organized labor, that gives off a stench of old-fashioned ethnic prejudice. What's more, it invites a trade war of retaliation, should Mexico decide to close its borders to U.S.-driven imports. Combined with an even harsher House-passed version incorporated in the Department of Transportation appropriations bill, it invites a veto by President George W. Bush.

No one supporting Mexico's rights under the North American Free Trade Agreement ever has argued that American roads should be opened to unsafe vehicles. But in the years since NAFTA was passed, Mexico has made giant strides to improve its fleets. Some of its largest trucking companies now have rigs whose quality surpasses those of American companies.

But safety is little more than a stray dog in this fight. What this is about is the \$140 billion in goods shipped to the United States from Mexico each year, and the Teamsters Union's desire that its members keep control of that lucrative trade.

Labor—which documents gathered in a four-year Federal Elections Commission probe show has had veto power over Democratic Party positions for years—has never accepted the benefits of expanded hemispheric trade. It has been adamant in its opposition to allowing Mexican trucks, no matter how modern the equipment or well-trained the drivers, access to U.S. highways. It was this opposition that kept President

Bill Clinton from implementing the agreement, and it is this opposition that yet drives labor's handservants, who now control the Senate.

This position should be an embarrassment to a party that makes a show of its concerns for the poor and downtrodden. It is a setback to U.S.-Mexican relations, and an insult to Mexico's good and earnest efforts to improve relations with its northern neighbor. It is an abrogation of our treaty responsibilities, and it must not be allowed to stand.

At least from the perspective of Ohio's largest newspaper, looking in on what happened last Friday is a pretty good indication how many Americans feel about what happened last week. It wasn't some effort to delay the Transportation bill but a legitimate concern on the part of many people in the Senate that we sit down and try to work out language that would guarantee safe trucks in the United States, the safety of the people in the United States of America, and at the same time guarantee that we not violate the NAFTA agreement.

AMENDMENT NO. 1209

Mr. VOINOVICH. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. VOINOVICH] proposes an amendment numbered 1209.

Mr. VOINOVICH. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. CARPENTER). Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To protect the social security surpluses by preventing on-budget deficits)

At the appropriate place, insert the following:

SEC. \_\_\_\_\_. PROTECT SOCIAL SECURITY SURPLUSES ACT OF 2001.

(a) SHORT TITLE.—This section may be cited as the "Protect Social Security Surpluses Act of 2001".

(b) REVISION OF ENFORCING DEFICIT TARGETS.—Section 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 903) is amended—

(1) by striking subsection (b) and inserting the following:

"(b) EXCESS DEFICIT; MARGIN.—The excess deficit is, if greater than zero, the estimated deficit for the budget year, minus the margin for that year. In this subsection, the margin for each fiscal year is 0.5 percent of estimated total outlays for that fiscal year.';

(2) by striking subsection (c) and inserting the following:

"(c) ELIMINATING EXCESS DEFICIT.—Each non-exempt account shall be reduced by a dollar amount calculated by multiplying the baseline level of sequesterable budgetary resources in that account at that time by the uniform percentage necessary to eliminate an excess deficit.'; and

(3) by striking subsections (g) and (h).

(c) MEDICARE EXEMPT.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 253(e)(3)(A), by striking clause (i); and

(2) in section 256, by striking subsection (d).

(d) ECONOMIC AND TECHNICAL ASSUMPTIONS.—Notwithstanding section 254(j) of the

Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 904(j)), the Office of Management and Budget shall use the economic and technical assumptions underlying the report issued pursuant to section 1106 of title 31, United States Code, for purposes of determining the excess deficit under section 253(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, as added by subsection (b).

(e) APPLICATION OF SEQUESTRATION TO BUDGET ACCOUNTS.—Section 256(k) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906(k)) is amended by—

(1) striking paragraph (2); and

(2) redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively.

(f) STRENGTHENING SOCIAL SECURITY POINTS OF ORDER.—

(1) IN GENERAL.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by inserting at the end the following:

"(g) STRENGTHENING SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend section 13301 of the Budget Enforcement Act of 1990.'.

(2) SUPER MAJORITY REQUIREMENT.—

(A) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(B) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(3) ENFORCEMENT IN EACH FISCAL YEAR.—The Congressional Budget Act of 1974 is amended in—

(A) section 301(a)(7) (2 U.S.C. 632(a)(7)), by striking "for the fiscal year" through the period and inserting "for each fiscal year covered by the resolution"; and

(B) section 311(a)(3) (2 U.S.C. 642(a)(3)), by striking beginning with "for the first fiscal year" through the period and insert the following: "for any of the fiscal years covered by the concurrent resolution."

(g) EFFECTIVE DATE.—This section and the amendments made by this section shall apply to fiscal years 2002 through 2006.

Mr. VOINOVICH. I apologize to the majority leader for taking more time than I expected. I hope he will forgive me.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There does not appear to be a sufficient second for the yeas and nays.

Mr. DASCHLE. Will the Senator from Ohio yield for a unanimous consent request at this time?

Mr. VOINOVICH. Yes, I yield.

The PRESIDING OFFICER. The majority leader.

ORDERS FOR WEDNESDAY,  
AUGUST 1, 2001

Mr. DASCHLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Wednesday, August 1. I further ask unanimous consent that on Wednesday, immediately following the prayer and

the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the Agriculture supplemental authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DASCHLE. Mr. President, on Wednesday the Senate will convene at 9:30 a.m. and resume consideration of the Agriculture supplemental authorization bill. To ensure that all of our colleagues are given adequate notice, I will make the motion to proceed to the reconsideration of the Transportation appropriations bill, the bill that the distinguished Senator from Ohio has just been addressing. We will do that tomorrow at 9:30. There will be the likelihood of more than one vote. That will begin at 9:30, and we will stay on the bill for whatever length of time it takes.

If cloture is invoked, it is my intention to complete our work on the bill. If necessary, we will stay through the night, and we will be in session. We will not have the opportunity to go out, but we will take that into account tomorrow morning.

My hope is we can complete our work on the bill, and that we can also take up the HUD-VA bill at an appropriate time. That will be the schedule tomorrow.

I thank the Senator from Ohio for yielding.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, the distinguished Senator from Ohio had asked for the yeas and nays on his amendment. We are prepared to again pose the question.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now stand in a period of morning business, with Senators allowed to speak therein for a period of up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.