

flex but I see in a report off the wire that they now support a 2-year freedom to farm experiment and, here is the kicker, with dramatically reduced transition payments. I raise this point because there is simply no consensus alternative. There is, however, consensus in the agricultural community on this legislation and I believe it is time for us to join together to reflect that consensus.

Mr. President, we all share the goal of continuing to provide the safest, most abundant, and the most affordable supply of food and fiber in the world. I know there are some who may call this welfare. As farm State Senators know, we have argued until we are blue in the face that the current system is not welfare but people are not listening.

Farmers know it is not welfare and most Senators do not consider the existing program welfare, but try to pass that off on an editorial board or local chamber of commerce. You cannot argue that the reform program will be accused of welfare when the existing system is accused of welfare.

In my State, farmers are supportive. Over time, more and more of the commodity groups representing farmers have weighed in. Missouri's corn growers were in this week to request that freedom to farm be adopted and a continuation of current law be rejected. Farm Bureau is asking us to move this legislation. The underlying bill represents serious reform, it moves us in the right direction and is fiscally responsible. This is why it has been endorsed by: the U.S. Chamber of Commerce; Citizens Against Government Waste; representatives of the Heritage Foundation; Citizens for a Sound Economy; National Taxpayers Union, Americans for Tax Reform, Consumer Alert; the Cato Institute; and the Competitive Enterprise Institute.

I understand that change is not easy and I congratulate again the efforts of the majority leader, Chairman LUGAR, and the bipartisan negotiators who have been searching for a way to move this legislation forward and get farmers a program that moves them into the next century. I think the President will see that farmers and citizens will be best served if he adopts this legislation and I am hopeful that Congress can continue to work on sensible regulatory reform, capital gains and estate tax relief and other measures that will help our farmers compete in the next century. I urge adoption of the bipartisan compromise.

I urge my colleagues to invoke cloture. The farmers of America deserve better than to be filibustered into uncertainty for the rest of the spring. We need to move forward on this bill.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF THE FRENCH REPUBLIC

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess and proceed to the House of Representatives for a joint meeting.

Thereupon, the Senate, at 11:27 a.m., recessed until 12:45 p.m., and the Senate, preceded by the Secretary of the Senate, Kelly D. Johnston; the Deputy Sergeant at Arms, Joyce McCluney; the Vice President of the United States; and the President pro tempore of the Senate, Mr. STROM THURMOND, proceeded to the Hall of the House of Representatives to hear the address by His Excellency Jacques Chirac, President of the French Republic.

(The address delivered by the President of the French Republic to the joint meeting of the two Houses of Congress is printed in the Proceedings of the House of Representatives in today's RECORD.)

Thereupon, at 12:45 p.m., the Senate reassembled and was called to order by the Presiding Officer (Mr. COATS).

The PRESIDING OFFICER. The Presiding Officer, in his capacity as a Senator from Indiana, suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BROWN). Is there objection? Without objection, it is so ordered.

AGRICULTURAL MARKET
TRANSITION ACT OF 1996

The Senate continued with the consideration of the bill.

Mr. GRASSLEY. Mr. President, how many minutes are left on our side of the aisle on debate of the farm bill at this time?

The PRESIDING OFFICER. There are 18 minutes 45 seconds remaining on the Republican side.

Mr. GRASSLEY. I yield myself 10 minutes. Before speaking, I ask unanimous consent that George Stickels, a fellow in my office, have access to the floor during the debate on the farm bill.

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

Mr. GRASSLEY. Mr. President, the issue before us is one of the utmost importance, the farm bill. We have to debate this now because, as everybody knows, the commodity provisions of the new farm bill were part of the Balanced Budget Act of 1995. That Budget Act was vetoed by the President. The farm bill provisions went down with that. We did not have the votes to overturn the President's veto on the Balanced Budget Act.

Consequently, the farmers of America do not know for the first time in 5 years, since we passed the 1990 farm bill, what the Government policy is toward agriculture. This is necessary information that must be factored in to a lot of business decisions that are made by farmers.

The legislation that is before us will guarantee an investment of \$6 billion in rural America this crop year, an investment in rural America at a time when there is a tremendous transition from the agriculture of the last half of the 20th century to the more free market, international-trade-oriented agriculture of the 21st century. When this transition is going on, this is when we need to bring some certainty to the business decisions of agriculture as best we can.

There has been some fault found, particularly on the other side of the aisle, with the fact that we might be spending \$6 billion in rural America as an investment when grain prices are high, even though there is not a profit in cattle, there is not a profit in livestock generally, particularly cattle and pigs, but right now there is some profit in grain.

Some people have said on the floor of this body that we are giving welfare to farmers at a time when there are high prices. The inclination is to say that there is too much money in this farm bill for agriculture. I have heard some of those same Members say that they could not vote for farm bills in the past because they did not do enough for agriculture. How ironic that we have the same people today suggesting that we might be passing a farm bill that is too good for agriculture. It just does not add up.

Not only does it guarantee an investment in agriculture of about \$43.5 billion over the next 7 years in this transition from a Government-controlled agriculture to a free market agriculture, but it goes from an agriculture system inclined toward domestic production for domestic consumption to a farm program for production to meet the competition and the demand of international trade. There is no more important time to do that.

Also, this legislation locks in the agricultural baseline and guarantees an investment in rural America of this \$43 billion. It is important to have that baseline out there because this legislation, like most legislation, does not provide for a farm program beyond the sunset year of 2002.

There will be plenty of time for Congress to enact legislation beyond that period of time. But if we are not careful, what we do today will preclude agriculture having a baseline, and then when we come up with a farm program beyond the year 2002, it may be impossible to raise the money for that baseline.

This bill before us locks in that baseline, guarantees payments to farmers and for other programs such as conservation programs and export programs. It provides a real safety net by

making sure that there are payments even when we have low yields that push prices higher.

Again, we have an ironic situation here where some people on the other side of the aisle are suggesting that because grain prices are high, there should not be any Government program. Do not forget about those farmers in west central Illinois, the northern third of Missouri, the southern third of Iowa, plus a lot of other places—I only mention those because they are close to the Midwest where I am from—who do have high prices but because of the wet spring and the flooding conditions could not plant their grains last year. They do not have grain to sell at a high price.

This program will help those people as well.

So it guarantees a 7-year payment. It will help a farmer in his cash flow situation have a steady, predictable cash-flow. At least a portion of that would come in Government payments that will allow the farmers and their bankers to make long-term business decisions that are so important to the success of agriculture.

This legislation also maximizes farmers' profit potential. The Food and Agriculture Policy Research Institute—this is a combination research institute of the University of Missouri and Iowa State University—estimates that even though payments from the Treasury will decline 21 percent under this bill from the previous 5 years, gross farm income will increase by 13 percent and net farm income by 27 percent over the next 10 years.

We eliminate this process by which people in the urban areas can say farmers are getting paid for not tilling the soil. This eliminates the set-aside authority so that farmers can send a clear signal to our international competition that we are going to produce on every productive acre what we can to meet international trade demands, to meet the humanitarian demands of a growing population throughout the world that otherwise, without the productivity of the American farmer, could have more instances of famine.

We give increased flexibility to the farmers to make planting decisions. We take that decisionmaking out of the hands of Washington bureaucrats and public servants.

It will be in the mind and office of every farmer to decide how many acres of corn or how many acres of soybeans to plant. Presently, those decisions are made, to the greatest extent, by people in Washington, far removed from the reality of farming, ignoring the marketplace and trying to insert their judgment upon the people on the spot. Full flexibility means plant what you want to plant, not what some Washington bureaucrat says.

This legislation significantly reduces Government regulation and bureaucratic redtape, thus enabling our farmers to compete in the world marketplace. It increases flexibility, or the in-

creased flexibility allows farmers to plant specifically beyond what they would normally plant, moving to other crops, particularly the emphasis in American agriculture today to have value-added products instead of simply the traditional commodities.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. GRASSLEY. I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. I thank the Chair for yielding to me. I ask if the Chair will remind me when I reach the 4-minute mark. At that point, I will yield the floor.

The PRESIDING OFFICER. That is 4 minutes remaining on your time or 4 minutes—

Mr. PRYOR. No, I want to speak only 4 minutes, Mr. President, and then I will yield to the distinguished minority leader.

Mr. President, I was standing here listening a moment ago to my good friend from Iowa, Senator GRASSLEY. He talked about regulations and bureaucrats and freedom to farm and all of those things that we talk about generally when we have an agriculture bill on the floor. For us to have an agriculture bill on the floor for a 1996 program, I might say, is somewhat unique, because the normal process for the first time in 60 years did not work.

We did not draft this legislation in the Agriculture Committee. This legislation, basically, was born and drafted, passed from the Budget Committees of the House and the Senate. But when we talk about regulations and bureaucrats and freedom to farm and all of the constraints placed on farmers today in our country, let us also remember something else: That we today are the envy of the world with the production of food and fiber in our country for the rest of the world. We have the opportunity to feed the rest of the world. In many instances, had it not been for the American farmer and the American farm system, which we are about to annihilate, we would see that many areas of the world would have gone hungry.

I say this in all respect to those advocates for the freedom to farm legislation. If we pass this legislation, we will be going on a cheap drunk. We will be sorry, and we will rue the day that we totally dismantled the farm programs that have served this country and served this world so well.

The two people and the two groups of persons and the two entities, I think, who should be supporting the freedom to farm bill are those competitors of ours in the international market. They should be supporting the freedom to farm bill, because it is going to be a total disruption of farm ownership ultimately in our country. We are going to see the small fail and the large and the powerful prevail.

Second, the big landowners should love the freedom-to-farm bill. They

should love the freedom to farm bill because their farms are going to get bigger, their farms are going to become richer, their farms are going to produce more and more, and the small family farmers are going to be there with less and less.

The other aspect of this legislation—and I hope my friend from Iowa will address this, or some other proponent of freedom to farm—does anyone in this Chamber feel that we can in this calendar year implement, have the regulations and administer a totally new farm program for all of America's farmers? This is not a 7-year farm bill. This is a bill that is going to last until the first show on "60 Minutes" embarrasses us, embarrasses farmers by showing that the farmer no longer has to produce in order to get a big paycheck from the Federal Government. It is a 7-year welfare program.

It is wrong, Mr. President, and we should be no part of it. We should defeat the motion for cloture. We should enact a farm bill only after we, in this Senate, and in the Senate Agriculture Committee, perhaps the House committee, have the opportunity to shape a farm bill that will look beyond 7 years and then to the next seven generations.

Mr. President, today we are considering what will prove to be one of the most important and most disastrous pieces of legislation affecting the State of Arkansas and family farms across this Nation. Agriculture has been and continues to be an integral part of the fabric that makes up rural America and is responsible, directly or indirectly, for about 1 out of every 5 jobs throughout America.

In Arkansas, from Texarkana to Blytheville, from Gentry to Eudora, families all across our State make enormous contributions to the world's food and fiber supply. In 1994 alone, Arkansas farmers harvested over 8 million acres of agricultural products: rice: 1.42 million acres produced over 175 million bushels of rice; cotton: 970,000 acres produced over 1.7 million bales of cotton; soybeans: 3.4 million acres produced 115.6 million bushels of soybeans; wheat: 880,000 acres produced 40.5 million bushels of wheat; and corn: 90,000 acres produced 10.8 million bushels of corn.

With crops, poultry, and livestock combined, Arkansas' farmers and ranchers were responsible for over \$5 billion in economic activity for our State. So why am I concerned? Because, the legislation under consideration before the U.S. Senate is the beginning of the end for farm programs and the safety net function they perform. We can argue over whether it will happen in 2 years or in 7, but the undisputable fact is that the safety net will disappear.

Perhaps some of my colleagues favor this approach. Perhaps some Senators feel that farm programs are not a good deal. I would simply point out that for roughly one-half cent out of every Federal dollar, our farm programs provide

the safest, most affordable, and abundant supply of food and fiber in the world. Americans spend about 10 percent of their disposable income on food—compared to the French who spend 16 percent, the Japanese who spend 18 percent, Chinese who spend 48 percent, and Indians who spend 53 percent—it is hard to imagine a better deal.

My good friends may be wondering—how did this come to be, how could we pay so little and get so much? The answer, in large part, is due to just how productive our farmers and ranchers have become. The U.S. agriculture represents some 3 percent of the world's agriculture labor force, yet it produces about 40 percent of the world's corn, about 15 percent of the world's cotton, about 50 percent of the world's soybeans, about 10 percent of the world's wheat, about 25 percent of the world's beef, and about 11 percent of the world's pork.

Now, I can hear someone suggesting that if agriculture is so productive and costs so little, why do they need any support at all? Why should we help agriculture over other industries? Mr. President, agriculture is unique. It is like no other industry in our economy. Farmers are almost entirely at the mercy of Mother Nature, as well as the actions of foreign governments, both of which are entirely out of their control. But even worse, unlike most businesses, farmers and ranchers have no control over the prices they receive. They are price takers, not price setters. The weather and policy in China could, and usually does, have more control over how well an Arkansas cotton farmer does from one year to the next than anything the farmer could do.

Perhaps, there are other colleagues who are under illusions that agriculture spending has been like most other Federal programs that have grown ever larger. Perhaps they believe agriculture must be one of those programs where we debate what is a true cut or what is just a cut in the rate of increase.

Among many other points, a bipartisan group of Senators pointed out to the Budget Committee that agriculture spending has come down by about 60 percent in the last decade, from \$26 billion in fiscal year 1986 to less than \$11 billion fiscal year 1994.

Mr. President, I wanted to point out all of this information for one simple reason. It makes absolutely no sense to abandon these successes—and successes they are—for a policy that is irresponsible, irrational and, most importantly, indefensible.

The freedom-to-farm bill under consideration would pay farmers whether the market warranted it or not—despite the other side calling this a market-oriented bill. Under freedom to farm, it makes absolutely no difference what the market conditions are. The farmer gets his or her payment regardless. According to economists, prices are supposed to be good for the next

couple of years, but as we all know, few years of high prices are most commonly followed by a few years of low prices as farmers around the world create an oversupply of a commodity chasing that higher price. The tragedy, in this scenario, is as follows: Suppose in 2 years farmers receive payments despite high market prices. The media and the public become outraged by the waste and the 105th Congress responds to the outcry by removing the remaining payments from the farmer. This could happen because the so-called contract doesn't bind a future Congress. The next time commodity prices plummet and farmers need a safety net, it will be gone.

Some proponents have called this a contract modeled after the popular CRP contract which paid farmers to remove land from production. They point out that over the 10-year life of these contracts, Congress always honored them. The difference, Mr. President, is that in return for funding a CRP contract the taxpayers receive a specific public benefit such as conservation, wildlife habitat, or water quality. The freedom-to-farm contract has nothing in it for the public or taxpayer. The taxpayer simply transfers money to the farmer for no other reason than that the farmer was in some sort of agriculture program in at least 1 out of the last 5 years.

The bill we are considering is a perfect script for a "60 Minutes" or a "Prime Time Live" show called the "Fleecing of America," when it's discovered that under this bill a farmer can receive the freedom-to-farm payment and not do anything at all. That's right, Mr. President, under this legislation, a farmer can receive thousands upon thousands of tax dollars and spend the entire growing season in the Caribbean or Bahamas. In fact, the only restriction is that if they grow something it can't be fruits or vegetables. Other than that, sand and sun would be the only worries on the minds of farmers as the taxpayer would foot the bill.

But, a word of warning. For all those that would take this approach, may I suggest they invest your payments wisely. Find a good money manager or investment banker because they're going to need them. If what many predict will happen when word gets out about this program, you will have to make a couple of years worth of promised payments last a very long time.

Mr. President, supporters of this bill tout endorsements by agribusiness companies and big processors. This should not come as a surprise to my colleagues. It is very simple; this freedom-to-farm bill will ultimately drive the price of commodities down. Whether a big company is purchasing feed for livestock or grain to process and mill, they want to pay the family farmer as little as possible. They want to buy low and sell high like Wall Street speculators, with no concern for the future of farming.

The freedom-to-farm bill gets worse. By capping the programs based on economic projections and theoretically locking those in, we give no room for error. I would defy anyone to find an economist anywhere in the world who has accurately predicted the price of a commodity with any accuracy for a full 7-year stretch. It simply cannot be done. Yet, that is the logic embodied in this bill. We are entrusting the future of the farmers of this country with some guess by economists down at the Congressional Budget Office [CBO]. And, if they guess wrong about, for instance, the price of rice in the year 2001, the farmers in my State will be left with little recourse and less help.

The proponents of this legislation have said that it is important because of the baseline problem. Baselines in agriculture only matter in two circumstances: First, if you require ag to come up with unfair and unreasonable cuts, as the Republicans have; or second, if you cap the programs so the baseline can never adjust upward, which the Republicans also have done. So, there is a budget baseline problem, but only if you buy into the rest of the flawed Republican policy.

Although the Republicans did indeed manage to capture the baseline, I am at a loss to understand why they would want to capture it after a decade of reduction—over 60 percent. Conversely, why not wait until this bill forces a decline in market prices that will automatically raise the baseline again before we try to capture anything.

We will rue the day we pass a freedom-to-farm bill. What we must all realize is this ends farm programs. It unilaterally disarms our farmers against the rest of the world. In fact, the only farmers this bill is good for are those in France, Thailand, Argentina, and any other foreign country.

In the first years, this bill will prove to be a taxpayer ripoff. In the later years, it will prove to be false hope and empty promises as the safety net for American agriculture is destroyed. Let us at least change the name to reflect accuracy. Maybe we should call it the bait and switch act of 1995, or as others have suggested, the freedom-from-farming bill or the farmers death assistance act.

For all the reasons I have mentioned today and many more I have not had the opportunity to make, I cannot and will not be associated with ending the necessary safety net our farmers and our consumers depend on. Therefore, I will vote against the freedom-to-farm bill.

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

Mr. PRYOR. Mr. President, I ask unanimous consent that a letter sent to Senator DOMENICI be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,

Washington, DC, February 6, 1995.

Hon. PETE DOMENICI,
Chairman, Senate Budget Committee, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As the Senate Budget Committee begins consideration of the FY 1996 budget resolution, we understand it has under review a number of options, including possible reductions in agriculture-related spending. Difficult challenges are facing your committee as well as Congress as a whole. However, we believe it is important for a number of reasons that agriculture not be unfairly singled out to bear a disproportionate share of any required spending reduction as part of any budget proposal.

First, agriculture spending has already been reduced substantially in recent years as a result of the 1990 Omnibus Budget Reconciliation Act and subsequent legislation which reduced income and price supports; limited eligibility and participation; imposed new or higher fees and other assessments related to certain programs; and reduced the availability of funds for certain export and market promotion programs. As a result, Commodity Credit Corporation (CCC) outlays for farm commodity programs have declined from a high of \$26 billion in FY 1986 to less than \$11 billion in FY 1994, a reduction of almost 60 percent. Outlays are projected to remain below this level for FY 1995–2000. By contrast, total federal spending during this same period increased by approximately 50 percent, and entitlement programs nearly doubled. Such spending is projected to continue to increase significantly in the future.

Second, as a result of legislation relating to USDA reorganization, future agriculture outlays are further expected to decline by as much as \$3.6 billion through FY 1999 with the closing of over 1,200 field offices, eliminating approximately 11,000 employees, and consolidating 43 separate agencies into 29. No other Department or federal agency has undergone such an extensive reorganization.

Third, while there may be opportunities for additional savings, it is important before any further reductions are required to ensure that such action does not jeopardize the continued ability of U.S. agriculture to meet the food and fiber needs of consumers at home and abroad. U.S. farmers are the most efficient and competitive in the world, and our government policies and programs should help maintain the technological advantages that will enable them to stay that way.

Under the recent Uruguay Round GATT agreement, the U.S. along with other countries, is required to reduce its support for domestic farm programs by 20 percent by the year 2000 from the 1986–88 base period. However, the U.S. has already more than achieved such reductions. To make further reductions in such programs without requiring similar corresponding reductions by the European Union and other foreign competitors would be unfair to U.S. farmers.

History has shown that our foreign competitors will utilize every possible resource to maintain and expand their share of the world market. The European Union (EU), for example, continues to significantly outspend the U.S. in terms of its support for agriculture and in competing for foreign markets. In 1994, outlays for domestic farm programs by the EU amounted to more than \$30 billion, nearly three times the U.S. level of outlays.

In terms of export subsidies, the EU has outspent the U.S. 6 to 1 over the past 5 years. Although the GATT agreement will require a reduction in the use of such subsidies, the EU will be able to more than maintain its substantial advantage. Further, as export subsidies are reduced, the EU can be ex-

pected to redirect much of those resources into other GATT-allowable programs to maintain and strengthen the competitiveness of its agricultural sector.

Without assistance from our government, U.S. agriculture will be at a competitive disadvantage. Not only would this adversely affect America's ability to capitalize on potential market opportunities as a result of GATT, but our ability to remain competitive in existing markets, both domestic and foreign, could be affected as well.

This could have significant consequences for both the economy and the budget. Nearly one million Americans have jobs which are dependent on agricultural exports alone. Exports now account for more than a third of total U.S. crop production and total over \$43 billion. This results in a positive trade balance of nearly \$18 billion. Such exports also account for approximately \$100 billion in economic activity and, in turn, helps generate as much as \$8 billion in related Federal tax revenues.

Overall, our agriculture and food industries account for nearly 16 percent of GDP and nearly 1 out of every 6 American jobs. Other sectors of the economy, including input manufacturing, handling, processing, marketing and transportation, are heavily dependent on a healthy agricultural economy. Any significant reduction in agriculture's balance sheet will have a corresponding effect on commercial banks and other lending institutions, including the farm credit system.

Finally, it is important to recognize why we have farm programs. Every nation has a responsibility to ensure that its citizens have access to a dependable supply of food. This is one of the basic purposes of U.S. farm programs. To meet this objective, farmers must receive a fair return on their productivity and investment in an industry characterized by continued subsidized foreign competition and subject to wide swings in production and prices due to weather and other related factors.

By any measure, U.S. farm programs have been successful and cost-effective. Currently, such programs represent less than one percent of the entire federal budget. And, for that, we have an agricultural system that is the envy of the world. It has provided our citizens with a dependable source of reasonably priced food and fiber. U.S. consumers, for example, spend the lowest percent of disposable personal income on food—approximately 11 percent—of any country in the world.

If other federal programs had been reduced by the same percentage as agriculture commodity programs, we would have a budget surplus.

As your Committee examines the options in the budget process, we hope you will consider the interests of U.S. agriculture.

Sincerely,

Thad Cochran, John Warner, Robert Kerrey, David Pryor, Howell Heflin, Jesse Helms, Tom Harkin, Dale Bumpers, Max Baucus, Trent Lott.

The PRESIDING OFFICER. The distinguished Democratic leader is recognized.

Mr. DASCHLE. Mr. President, let me begin by commending the distinguished Senator from Arkansas for his strong statement just now. I wish to associate myself completely with his remarks. I think it is fair to say that we all agree we are in a mess, we are in a big mess, and there are a lot of reasons why we find ourselves in the situation we are in this afternoon.

The last time we failed to produce a farm bill was the year I was born, 1947.

Coincidentally, it was the last time Republicans controlled the Congress. We should have passed this legislation, as the distinguished Senator from Arkansas said, last year, but the bill did not even come to the floor. The bill was not even allowed up for debate. It was the first time in memory, and may be the first time ever—we are checking it now—that legislation this important passed out of the Senate Agriculture Committee on a strict party-line vote.

It was then, as everyone recalls, buried in the budget agreement, and it went absolutely nowhere. And now here we are in February of 1996 considering a farm bill for 1995. Even if we passed a piece of legislation as radical as this is, let there be no mistake, it will take months and months and months for the Department of Agriculture to get set up to administer it.

So the situation is very unfortunate. Farmers are out there clamoring, as the distinguished Senator from Iowa said, for some answers. They need to know the 1996 winter wheat crop has been planted, southern crops are going to be planted this month, and farmers should not be put in the untenable position of making huge investments in their agricultural operations without knowing anything about what farm policy will be this year or the next.

Last year, farmers were prevented from planting due to excessive rain. This year, they will be prevented from planting due to excessive politics.

There is only one option for 1996—only one. I do not like it. Not many people here would consider it their first option. It certainly is not mine. But there is no other alternative right now but to extend for 1 year at least current legislation. We need to extend current law only because we have to provide farmers with that certainty.

It is no secret that we have put a tremendous amount of effort and time into finding an alternative that we feel very excited about. It is no secret that there may not be a resolution between the Farm Security Act and the so-called freedom-to-farm bill. But there is a realization that we have to do something, and there is no possibility of doing anything with the mess we are in right now.

We have to do what the Senator from Iowa has suggested, and that is give farmers the maximum degree of flexibility. We need to extend current law but ensure that those farmers who have to have additional flexibility are given every opportunity to do so. Plant whatever their management dictates, whatever their desires may be given current marketing conditions.

There ought to be no constraints at all on their ability to make decisions for themselves. Farmers are familiar with the current legislation. Prices are relatively high. The administration infrastructure for the current farm bill is in place.

Most importantly, Mr. President, we can do it today. What some of my Republican colleagues want to do at this

late date is to pass the most radical farm bill in 60 years. They eliminate permanent law; they slash the conservation reserve, one of the most successful programs for conservation on the books this time or any time; they cut exports just when we need to expand the export markets abroad; we eliminate the farmer-owned reserve; we ignore completely the need for rural development, and we destroy research. And at the same time we do all of that, there are those on the other side who argue that we ought to be giving huge payments to farmers, whether or not they plant, regardless of whether they have good prices or not.

I would like my Republican colleagues to explain to a small businessman or a working family why a farmer is entitled to a quarter of a million dollar payment while they idle their land and spend a year in Hawaii. If a farmer could idle his land, not do a thing on it for an entire year, go to Hawaii and spend that quarter of a million dollars, why cannot a small businessman or a working family or anybody else do that?

How ironic that at this very time when we are trying to cut back and reduce the tremendous budgetary exposure we have in so many ways, we can find ways with which to give farmers huge payments whether they do anything to farm or not.

Mr. President, the closer you look, the worse this gets. Even with the laudable improvements Senator LEAHY has suggested that we make to the freedom to farm, this bill is a disaster.

I was very pleased for the letter we received just this morning from a large number of very reputable organizations—including the National Audubon Society; Environmental Working Group; Henry A. Wallace Institute for Alternative Agriculture; Sustainable Agriculture Coalition; Natural Resources Defense Council; National Rural Housing Coalition; National Family Farm Coalition—who are saying that even with the Leahy improvements, they are very strongly in opposition to passing this so-called freedom to farm.

Most important, Mr. President, the President has indicated that he will veto this legislation if we were to see it pass and sent to him for signature. He is making the right decision.

I ask unanimous consent that a letter from the Secretary of Agriculture, Secretary Glickman, laying out the President's grave concerns about this bill, be printed in the RECORD at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, February 1, 1996.

Hon. THOMAS A. DASCHLE,
Democratic Leader, U.S. Senate, Washington,
DC.

DEAR TOM: S. 1541, the Agricultural Market Transition Act of 1996, as well as several amendments to it, may be considered in the

Senate today, and I want to take this opportunity to reiterate the Administration's position on a farm bill.

As discussed in the Statement of Administration Policy issued yesterday, I would recommend that the President veto S. 1541 if it were presented to the President in its current form. In my view, the bill fails to adequately address a number of basic requirements I believe should be included in the farm bill. These requirements include the preservation of the farm program "safety net," continuation and enhancement of conservation programs and environmental protection, and enhancement of economic opportunities for rural America and production agriculture.

I understand that Senator Leahy may offer one of the amendments to S. 1541. This amendment appears to be a positive step in the direction of a farm bill that meets the Administration's priorities. For example, it contains authority to sign up new acres in the Conservation Reserve program, continues the option of offering permanent easements through the Wetlands Reserve Program, and reauthorizes food and nutrition programs. However, the amendment fails to address other needed improvements in S. 1541, such as changes to strengthen the safety net for farmers and increase support for rural development. Therefore, I would recommend that S. 1541, as amended by Senator Leahy, be vetoed by the President.

I want to reiterate my willingness to work with the Congress to enact a comprehensive farm bill as soon as possible that best serves American agriculture and the American people.

Sincerely,

DAN GLICKMAN,
Secretary.

Mr. DASCHLE. Mr. President, let us be clear. Win or lose on these cloture votes, we are no closer to an agreement if that is what happens today. Sooner or later, we are going to have to compromise. The House Republicans just do not seem to get it. So far, the 104th Congress could be summed up simply in two words: lost opportunity. On welfare, on reg reform, on the budget, and on appropriations, many in the House seem to think compromise is a four-letter word.

Let us not allow the farms to fall victim to this, too. We can work this out. We can find compromise. We can find a way to ensure that farmers are going to have the certainty that they are asking for this afternoon, and we can begin all of that by defeating both cloture motions in the next hour.

I yield the floor.

Mrs. BOXER. Mr. President, I rise today in opposition to the Lugar-Dole Agricultural Market Transition Act. This bill is not good for my State of California because it cuts and caps export promotion programs; excludes critically important agricultural research and nutrition programs, and phases out farmland conservation programs. The Lugar-Dole bill contains essentially the same provisions, with some changes, as the Agricultural Reconciliation Act of 1995 which was vetoed by President Clinton.

The most important positive aspect of this bill is that it preserves a provision in current law that is of enormous importance to fruit and vegetable

growers in my State of California and across the Nation. Previous versions of this legislation included so-called "flex acre" provisions, which would have permitted the production of fruits and vegetables on up to 15 percent of a program crop farmer's former base acres.

Nationwide, there are approximately 11 million acres planted with fruits and vegetables. This acreage supplies U.S. and foreign consumers with a ready supply of high quality and affordable produce, while allowing fruit and vegetable producers to go about their business free of Government involvement or Federal subsidies.

The "flex acres" language would have resulted in nearly 32 million acres becoming eligible for fruit and vegetable production on subsidized farms that traditionally have been planted to program crops. If even a small number of those acres were to shift into fruits and vegetables, farm prices for many fruit and vegetable commodities were expected to drop abruptly and dramatically.

Republican budget negotiators originally argued that the "flex acres" provision would help balance the budget. However, they now concede that the provisions would have no impact on the deficit. They would, however, help subsidized commodity crop growers at the expense of nonsubsidized fruit and vegetable growers.

The California produce industry recognizes that should a 7-year phaseout of subsidies be enacted, growers will eventually have to compete in the marketplace with one and all. But in the interim, it would be grossly unfair to require unsupported fruit and vegetable growers to compete with their subsidized brethren.

I am pleased that we have won the flex-acre battle by fighting hard to keep current law on the books. Current law has now been reinstated in both the House bill and this Senate bill. However, I remain very concerned about the impact of flexible planting on California farmers in the long run—7 years from now.

Mr. President, we are in unprecedented times. The 1990 Farm Act expired in December, leaving only the permanent 1949 law in place. So clearly, the Congress needs to enact a farm bill.

But the Lugar-Dole bill is a radical departure from an American farm policy which for almost 5 decades has supported the world's most successful agricultural system—one that has resulted in consistently high quality produce and low consumer food prices.

Some changes are necessary in these tight budget times, to ensure that we are getting the most for every taxpayer dollar spent. But changes in a system that has been so enormously successful must be done carefully, thoughtfully, slowly, and responsibly. They must make the system better. We must not take chances that might result in weakening a terrifically successful system.

Farm policy is not just about supporting the growing of our crops. It is also about promoting exports of American farm products; promoting environmentally sound uses of farmlands; emergency food assistance programs; the distribution of surplus farm produce to soup kitchens and food banks; and critically important agricultural research programs such as research on the California Medfly and research on alternatives to methyl bromide.

The Lugar-Dole bill does not achieve these objectives. In fact it excludes most of them. It does not reauthorize nutrition and agricultural research programs; it phases out conservation programs; it cuts and caps export promotion programs.

If nutrition programs are not reauthorized, they will be in jeopardy during the appropriations process. Federal funding for domestic food assistance represents over 60 percent of the U.S. Department of Agriculture's budget and includes the food stamp program, child and elderly nutrition programs, the special and commodity supplemental food programs for women, infants and children [WIC and CSFP], commodities for soup kitchens and food banks, and the Temporary Emergency Food Assistance Program [TEFAP].

I oppose the provisions in the bill that cap the Market Promotion Program at \$100 million per year and the Export Enhancement Program at levels far below the Congressional Budget Office baseline and the Uruguay round permitted levels for fiscal year 1996 through 1999. The Market Promotion Program is an important tool in expanding markets for our agricultural products. The Export Enhancement Program is used to subsidize export sales to more than 80 foreign countries. It is the primary means by which the United States has attempted to meet price competition in world markets when domestic policies supported prices above the world market or to counter subsidies used by foreign competitors.

The Conservation Reserve Program [CRP] is a voluntary program that enables producers to bid to retire highly erodible or environmentally sensitive land for 10 years. It is one of the most important conservation programs in the Nation. To date, about 36.5 million acres have been enrolled in 375,000 contracts. CRP saves soil, enhances wetlands, improves soil and water quality, expands wildlife habitat and populations, encourages tree planting, and helps balance commodity supply and demand.

The Lugar-Dole bill in effect phases out CPR by capping enrollment at the current 36.4 million acres and providing no new enrollment authority. Contracts on 24 million acres expire in 1996 and 1997. If they are not renewed, CRP would be reduced by 56 percent by 1997.

This bill also guts current law which allows acres to be enrolled perma-

nently in the Wetlands Reserve Program. About 335,000 acres are currently enrolled permanently. The bill only allows 15 year easements and places a cap on enrollment. The 7-year savings of \$387 million are false economy. Short term contracts may reduce outlays over next 7 years, but outlays would increase in subsequent years and no protections remain in place after contracts expire. Over half a million acres are bid into the Wetlands Reserve Program each year by farmers who want permanent easements. Congress should not take away this option for farmers.

Finally, I believe that the principal intention of the Lugar-Dole bill—to phase out Federal support for the “program crops”, for example, rice, cotton, wheat, and feed grains—is bad policy for family farmers. Under current law, program crop farmers get “safety net” payments when market prices fall below a certain threshold. Under the Lugar-Dole bill, farmers will receive subsidy payments—decreasing over 7 years—based only on the production history of a farmer—with no relation to market prices or actual output. In other words, the nature of farm payments changes from being a “safety net” received only when prices are low, to a form of direct “welfare payment” received no matter what the market conditions and regardless of how profitable the farming operation. Although “Freedom to Farm” lowers the payment limitation from \$50,000 to \$40,000, it retains the “three entity rule”. So, one farmer could theoretically earn \$120,000 from the Federal Government in 1996 while on a year-long sabbatical.

Farmers need predictability in order to make planting decisions and secure financing from lending institutions. This bill is being sold to the agriculture community as the best vehicle to guarantee an income safety net to farmers through direct payments for 7 years. Many farmers believe that given the Federal deficit and efforts to balance the budget, this bill is the best way to look in Federal support payments. But decoupling makes no sense. Under this bill, one farmer could be receiving windfall gains while another hard-working farmer could go bankrupt in a bad year because of lack of assistance.

I urge my colleagues to oppose the Lugar-Dole bill.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota [Mr. CONRAD] is recognized.

Mr. CONRAD. Mr. President, I rise to urge my colleagues to defeat cloture so that we can come together in a bipartisan way to write a farm program that makes sense for the future. Mr. President, this could be a very dark day for farmers, for their families, and the future of American agriculture, because—make no mistake—if the so-called freedom-to-farm legislation is passed, it will be the death knell for farm programs in this country.

I have just come from my office and talked to a farmer who was urging me to vote for freedom to farm. He told me, “Senator, we need the money and we know that the design of this program is to phase out farm program payments and kill the underlying law that allows us to have a farm program for the future.” He said, “Senator, we know you will not let us down in the future.”

Mr. President, I am just saying to that farmer that that is not what this plan is all about. They are making transition payments. You are getting that money for a reason. The reason is that they then ratchet them down and eliminate them and kill the permanent authority to have a farm program. I am saying to them, despite the best efforts we might make in the future, this will be the end, make no mistake about it. This will be the end. I told him that it is a little like the Rev. Jim Jones, who had all of his followers drink the Kool-Aid that was laced with poison, and then they died. I said it is a little like Reverend Jones and that Kool-Aid. It tastes good going down—just like those couple of years of initial payments look good—but it will kill you.

There is not a farmer I know that does not realize that sometimes prices are high and sometimes they are low. The purpose of a farm program is to be there as a safety net when prices are low. This program provides a payment, regardless of what the price is.

Mr. President, it is a scandal waiting to happen. Wait until “60 Minutes” gets a hold of this one. In the high-priced years, farmers are making good money, and, in addition, they get a payment from the Government. I do not think so, Mr. President. I think it would be a profound mistake, and it would kill farm programs and reduce, according to the State university in North Dakota, farm income by 30 percent.

Mr. President, I yield the floor so that my colleague might have a chance to speak as well.

Mr. DORGAN. Mr. President, it is my understanding that there are about 4 minutes remaining. At that point, the majority leader intends to use the remaining time on the Republican side.

This vote is going to be a cloture vote on a farm proposal. We did not have a debate on the floor of the Senate on a farm proposal last year. Last year was the time when we were supposed to have had a 5-year farm plan debated. We did not have a farm bill debated at all on the Senate floor. A farm bill was put in the reconciliation bill. Right now is the first time we have had a farm bill debated on the floor, and we started about an hour or two ago. We had an hour or two of debate and now there is a cloture vote at 1:30.

The issue is something called the freedom to farm, which is an attractive name. This plan is to disconnect farm program payments from production or prices. The interesting thing about the

freedom-to-farm proposal is you do not have to farm in order to receive payments.

All you have to have is land with a base, but you do not need a tractor. All you need is a bank account and some land, and you can get a payment. It is decoupling the support price from whether or not you produce, decoupling the support price from whether or not market prices are high.

You could have a bumper crop with very high market prices, and you still get a payment under this plan. Or you can have a circumstance where you have no crop because you just went off to Puerto Rico and had a vacation and did not plant a thing, and you can still get a big payment under freedom to farm. It defies logic to me to understand why you want to move in this direction.

For those who want to give a big payment to farmers, I say, fine, sign me up, let us try to recapitalize family farms. But if you want to do that, I disagree with coupling it with the notion that we must then repeal permanent farm law. That is the understanding—as Congressman ROBERTS said last evening on a program I was on—that we are going to transition you out of a farm program, make some payments up front, and there will be no farm program later. I am not willing to agree that there ought not be permanent farm law.

FAPRI says wheat prices go to \$3.22 next year. USDA says grain prices are going down in 1998. What happens when grain prices are \$3 a bushel for wheat and there is no support price at all, none at all? What happens to a family farmer? They are going to be washed away, and all of us know it.

Who will farm then? The big agrifactories will farm from California to Maine. This is great for a corporate farm bill. If you like corporate farms, and you want agrifactories to farm America, this is a great and quick way to get rid of family farmers.

They will get dollars maybe next year, maybe the year after, and every single year after that they will be worse off, and at the end of it they will have no support at all against the risk of low prices. Zero. No safety net at all. This takes a safety net we have had for 50 years and yanks it right out from under family farmers. If you like that, vote for this.

If all of you who want to add some extra money to farmers' pocketbooks, you want to do that now, I will support you in doing that now. However, I want you to join me in retaining some permanent law that provides some safety net for the risks that family farmers will inherit when prices become very low. Why would you want to pull out that rug and say, "Well, the risk is your own; we do not care whether you succeed or fail"?

I had a farmer call me yesterday who said, "I want the Freedom-To-Farm Act but I want you to make sure, that, if prices are low, you give me a farm

program." I had a farm commodity group come in to see me that has endorsed the Freedom-To-Farm Act, and they said, "We endorsed it with one condition: We have a farm program." I said, "You do not understand; when Congressman ROBERTS talks about transitioning, when someone with a white shirt from Washington says we will transition you, you had better get your seat belt on the tractor seat and buckle up. Transitioning means you will get a payment up front in exchange for which they will abolish the farm program down the road."

No debate about that. That is exactly what will happen. That is why many of us cannot support this. No one wants to be more generous than I to family-sized farms. I believe in the future of this country there ought to be a network of family sized farms. I also believe that we will not see a network of family sized farms in America if we decide that when market prices collapse to \$2.50 a bushel there should be no program for a safety net to continue family farming. We will have corporate farming from California to Maine under this proposal.

I hope we will reach a compromise that is much better for the future of family farmers sometime this afternoon.

The PRESIDING OFFICER (Mr. COATS). The time on the Democratic side is expired. There are 8 minutes and 45 seconds remaining on the Republican side.

Mr. DOLE. Mr. President, here we go again, another farm debate. Winter wheat farmers have already planted. They could not wait any longer for Congress to act. It happens about the end of every 5-year farm program. There is always a little gap, and particularly winter wheat producers do not have much choice but to plant fence to fence and hope we will pass the farm bill, and then they can comply with the law at that time.

President Eisenhower was born in Kansas and raised in rural America. He hit the nail on head when he said, "Farming looks mighty easy when your plow is a pencil, and you're 1,000 miles from a corn field." That statement was made a long time ago, but it has not changed over the years.

What I see happening here is we thought we had a pretty good compromise worked out, but now I understand the other side of the aisle, for the most part, has said, "No, we are not going to let it happen. We do not believe in the freedom to farm. We do not believe in transition payments. We do not believe you ought to take a look at many farmers and say, OK, have this 7-year period also be a transition and during that period they will determine whether or not we ought to continue farm programs or whether we ought to bring them to an end."

I must say, as I sat in a meeting here a while back with Secretary Glickman—a good friend of mine who is doing a good job as Secretary—one

thing he said bothered me: "Farm prices are so high in the market, people may not sign up for the program." I thought that was the goal—go back into the marketplace with high prices so farmers could rely on the market rather than the Government. Produce for the market. That is what the freedom to farm act is all about.

I do not know where we go from here if we do not get cloture on the so-called compromise. I want to congratulate the distinguished chairman of our committee, Senator LUGAR, and Senator LEAHY, the ranking Democrat on the committee, and others, Senator CRAIG from Idaho and Senator GRASSLEY from Iowa, my own staff and others who have been working, we thought, in sort of a bipartisan way so we can get to conference. If we do not go to conference, we will not have anything.

I know farm bills are difficult. We have had farm bill debates on this floor before and they are even more difficult on the House side. Normally you can pass a farm bill in the Senate. It is a little easier because most of us represent some farmers. Some may not fully realize it, but there are always a few farmers in every State. I know in my State we have a saying, "if you do not eat, don't worry about the farm." A lot of people do eat, but not many worry about the farm.

We have the best food bargain in the world. We spend less of our disposable income on food in America than any other industrialized nation because of our farmers and ranchers in America, and now we are trying to have a little safety net here, a little farm bill, to make certain that certain things happen and there will be some protection there.

Farming looks pretty easy to some. But we know the tremendous amount of work required by not only farmers but their families. We know there is overregulation, overtaxation, and I have had farmers tell me if we get rid of some of the regulations and other things we could keep the subsidies. We would probably be better off. Farmers make a lot of sacrifices. They have hailstorms, winter kill, a lot of other things to contend with, sometimes they do not have any crop at all, sometimes they live from crop to crop, and sometimes they borrow money every year and every year and every year.

It is pretty important that we move ahead in this Chamber. They have enough uncertainties out there without the uncertainty of whether or not we will act. I believe on this side of the aisle we are prepared almost unanimously to act. It does not mean we think it is perfect. It does not mean we cannot address some of the concerns expressed by my distinguished colleagues on the other side, including the Democratic leader, who also understands agriculture, coming from South Dakota, and hopefully we will be able to work together on this.

While negotiations continue, as I said, Kansas farmers have planted their

crop without knowing any program details, and farmers of other crops will be in the same position unless we take action. We did take action last year, and we attached the legislation to our historic Balanced Budget Act. The legislation would have provided farmers with certainty, simplicity, and flexibility—three key words when you are on the farm. It would have allowed them to plant for the market and not for the Government. It would have set a policy that transitions our farmers into the next century, without disrupting the farm economy or land values. That act was vetoed by the President of the United States. I do not think the American farmer should forget that—or the farm families. That act was vetoed by President Clinton. That is why we are here today. That is why we are late. That is why we do not have our work done.

It seems to me that we ought to get together here, pass the legislation contained—the language we passed last year. That will be the first vote on cloture. I urge my colleagues to support that. I believe the plan is good for farmers and good for taxpayers and good for America. I have some reservations just as some of the others have reservations, that we could address in conference. I probably would be a conferee.

After that vote, we will also have a cloture vote on a bipartisan package, and I congratulate those who put that together. I think it does respond to the crisis. I thought we would have a third cloture vote but the Senator from North Dakota, Senator DORGAN, vitiated cloture, which really started all this—I do not quite understand that—on a 1-year extension. My view is we have two votes, we have two opportunities to move ahead for American agriculture. Stop the uncertainty right now.

I guess the good news for America's farmers is that this bipartisan agreement keeps intact the provisions farmers have overwhelmingly endorsed: Certainty, simplicity, and flexibility. We also have dairy provisions, nutrition, and conservation. I believe the Senate must provide leadership and keep faith with our commitment to rural America and move this farm bill forward. I believe it is good for farmers, it is good for America.

I finally say, if I can take a minute or two of leader's time, over 200 years ago, George Washington wrote: "I know of no pursuit in which more real and important services can be rendered to any country than by improving its agriculture."

I think those words were probably pretty good a couple hundred years ago and I think they are just as true today.

Now, I certainly hope that we could obtain cloture on both bills, if not on the bipartisan efforts put together by Democrats and Republicans—by Democrats and Republicans. Then let us go to conference, let us work together in a bipartisan way in the conference, come

up with a package that the American farmer can live with, the American consumers will benefit from, and that the American taxpayers will also support.

Mr. DORGAN. Mr. President, will the majority leader allow me to respond to the point he made about vitiating?

Mr. DOLE. I thought we had an agreement about voting on yours first, then you vitiated the yeas and nays, and so there is nothing there.

Mr. DORGAN. Mr. President, if I might just mention to the majority leader, the Senate will now have two cloture votes. If cloture is invoked, of course, the issue of extending the current farm program will probably be moot. But if cloture is not invoked, then it would be my desire to offer the Senate an opportunity to vote on the question of whether we extend the current farm program or whether we provide for some Farm Security Act approach. But the only way we will get to that point is if we get past these two cloture votes. So we would still have an opportunity to vote on an extension of the farm program if there is not cloture invoked.

Mr. DOLE. Not today.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I ask unanimous consent I might be added as a cosponsor of both measures, S. 1541 and the Lugar-Leahy bill.

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

CLOTURE MOTION

The PRESIDING OFFICER. All time has expired. Pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on S. 1541, the farm bill:

Bob Dole, Strom Thurmond, Dirk Kempthorne, James M. Jeffords, John H. Chafee, Thad Cochran, Ted Stevens, Trent Lott, Richard G. Lugar, Craig Thomas, Don Nickles, Bob Bennett, Alan K. Simpson, John Warner, Larry Pressler, Dan Coats, Larry E. Craig.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on S. 1541, the farm bill, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from West Virginia [Mr. ROCKEFELLER] is necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia [Mr. ROCKEFELLER] would vote "nay."

The yeas and nays resulted—yeas 53, nays 45, as follows:

[Rollcall Vote No. 7 Leg.]

YEAS—53

Abraham	Frist	McCain
Ashcroft	Gorton	McConnell
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Brown	Grassley	Pell
Burns	Hatch	Pressler
Campbell	Hatfield	Roth
Chafee	Helms	Shelby
Coats	Hutchison	Simpson
Cochran	Inhofe	Snowe
Cohen	Jeffords	Specter
Coverdell	Johnston	Stevens
Craig	Kassebaum	Thomas
D'Amato	Kempthorne	Thompson
DeWine	Kyl	Thurmond
Dole	Lott	Warner
Domenici	Lugar	Wellstone
Faircloth	Mack	

NAYS—45

Akaka	Feingold	Leahy
Baucus	Feinstein	Levin
Biden	Ford	Lieberman
Bingaman	Glenn	Mikulski
Boxer	Graham	Moseley-Braun
Bradley	Gregg	Moynihan
Breaux	Harkin	Murray
Bryan	Heflin	Nunn
Bumpers	Hollings	Pryor
Byrd	Inouye	Reid
Conrad	Kennedy	Robb
Daschle	Kerrey	Santorum
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Simon
Exon	Lautenberg	Smith

NOT VOTING—1

Rockefeller

The PRESIDING OFFICER. On this vote, the yeas are 53, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the cloture motion is not agreed to.

Under the previous order, the clerk will report the motion to invoke cloture.

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

The PRESIDING OFFICER (Mr. SMITH). The absence of a quorum is suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

By unanimous consent the Senator may proceed.

Mr. PRESSLER. The farm bill is the most important legislation we have before us insofar as my State of South Dakota and insofar as our Nation is concerned. We forget that we are an agricultural Nation. Most of our exports in our Nation are agriculture. In fact, we pay our trade bills through agricultural exports.

Many economists have predicted that in the next few years commodity prices will be at an all-time high because of the demand in Asia and elsewhere for our farm products. Therefore, I hope this farm bill will take into account the key role that agriculture plays.

Mr. President, we seem to be split between two approaches here, temporarily: The freedom-to-farm approach and the traditional Department of Agriculture subsidy approach. It appears to me we will have to find a compromise between the two. In the long

run, this Senator likes the concept of freedom to farm, possibly with a cap, because it may be that new crops will be developed. A farmer might well experiment with a totally new crop. Right now with our bureaucratic approach, the Department of Agriculture basically defines what crops are appropriate.

However, I realize legislation is the art of the possible. It appears we will have to reach a compromise. I am very much anxious to be part of that compromise. I look forward to discussing this with my colleagues.

Mr. FORD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AUCTIONING THE TELECOMMUNICATIONS SPECTRUM

Mr. MCCAIN. Mr. President, I am informed that there is going to be, shortly, a unanimous-consent request to take up the telecommunications bill. I will not object to the unanimous-consent request, nor aspects of it.

I would like to point out that there have been letters exchanged between the members of the Federal Communications Commission and Chairman PRESSLER, chairman of the Committee on Commerce, Science, and Transportation, and also between Republican Members of the other body as well as the majority whip, to Senator DOLE, concerning the issue of spectrum auction, and a letter from Congressmen BLILEY and GINGRICH, Senator PRESSLER and Senator LOTT, to the Honorable Reed Hundt, Chairman of the Federal Communications Commission.

Mr. President, I ask unanimous consent these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, DC, February 1, 1996.

Hon. LARRY PRESSLER,
Chairman, Committee on Commerce, Science and Transportation, U.S. Senate, Washington, DC.

DEAR CHAIRMAN PRESSLER: Thank you very much for your letter this morning about the concerns expressed by Senate Majority Leader Dole and others regarding the distribution of additional spectrum to television broadcasters. We share the determination of you, Senator Dole and others to protect American taxpayers. As you know, under current law and pursuant to the language of the Telecommunications Act of 1996 (should it become law), the Commission lacks authority to auction, or charge broadcasters for the use of, the spectrum that has been identified for the provision of these broadcast services. In addition, given the many administrative steps necessary to implement any assignment of digital broadcast licenses, we would

not be in a position to issue those licenses any earlier than 1997.

We recognize the serious policy questions involved, and that you intend to hold hearings and enact legislation dealing with this issue as part of an overhaul of policies governing the electromagnetic spectrum. Any award of initial licenses or construction permits for Advanced Television Services will only be made in compliance with the express intent of Congress and only pursuant to additional legislation it may adopt resolving this issue.

Very truly yours,

REED E. HUNDT, *Chairman*,
JAMES H. QUELLO,
Commissioner,
ANDREW C. BARRETT,
Commissioner,
SUSAN NESS, *Commissioner*,
RACHELLE B. CHONG,
Commissioner.

CONGRESS OF THE UNITED STATES,
Washington, DC, January 31, 1996.

Hon. ROBERT J. DOLE,

Majority Leader, U.S. Senate, Washington, DC.

DEAR MR. LEADER: We appreciate your leadership on telecommunications reform. Clearly the next step in bolstering America's edge as we enter the Information Age will be to overhaul outdated policies governing the electromagnetic spectrum or airwaves.

We agree that you have raised legitimate concerns that must be addressed, and we share your determination to protect America's taxpayers. To this end we are committed to moving comprehensive legislation this year and plan to be ready for floor action this summer. As part of this reform, we believe it is of the utmost importance to closely examine and question the Federal Communications Commission's proposals to give additional spectrum to television broadcasters. Until action is completed on this legislation, we agree that the FCC should not issue any initial licenses or construction permits for Advance Television Services until Congress sets policy in this area.

The Commission is a creature of Congress and our committees have oversight over its operations. In the attached letter, we inform the Commission of our concerns and have requested that the Commission take no further action until instructed otherwise.

We agree this issue should be subject to full, public scrutiny, and we look forward to working with you to ensure that America's taxpayers are fairly compensated for this precious national resource.

Sincerely,

TOM BLILEY,
LARRY PRESSLER,
NEWT GINGRICH,
TRENT LOTT.

CONGRESS OF THE UNITED STATES,
Washington, DC, January 31, 1996.

Hon. REED E. HUNDT,
Chairman, Federal Communications Commission, Washington, DC.

DEAR MR. CHAIRMAN: As you are aware, Senate Majority Leader Dole and others have raised legitimate concerns about giving additional spectrum to television broadcasters. As you are aware, these concerns raise serious policy questions which include providing taxpayers fair compensation for the use of a national resource to the policy implications of giving preference to the broadcasters over all other potential competitors.

We share Senator Dole's determination to protect America's taxpayers, and to satisfactorily resolve this issue. We wish to inform the Commission that it is our intention to conduct open hearings and move legislation to overhaul our nation's policies governing

the electromagnetic spectrum. We request that the Commission not issue any initial licenses or construction permits for Advance Television Services until legislation is completed. Furthermore, your input would be greatly appreciated as we work to solve this complicated issue.

We appreciate your cooperation in advance on this issue of the utmost importance.

Sincerely,

TOM BLILEY,
LARRY PRESSLER,
NEWT GINGRICH,
TRENT LOTT.

Mr. MCCAIN. Mr. President, the interesting thing about this is we are about to see what should have been done, not done, and what may happen is a loss to the taxpayers of, conservatively, about \$30 billion in spectrum that would be auctioned off.

In the language of the bill that we will be considering, there is no authority for the Commission to auction or charge broadcasters for the use of the spectrum that has been identified for the provision of broadcast services.

I want to repeat. In the present bill we are about to consider, there is no provision for spectrum auction. The fair and decent thing to do for the American taxpayer was to strip that language out of the bill, thereby leaving it neutral, and saying that this issue will be taken up and the issue of spectrum auction will be decided through hearings and freestanding legislation.

I have been around here long enough to know what is going on here. What is going to probably happen is that we will not act on this issue this year; that sometime in 1997 the broadcasters will begin to sue for the provision of their spectrum, and in court will probably have standing because of this bill we are about to pass. I am not sure how any court could refuse when in the legislation it does not provide the Commission authority to auction off the spectrum.

I want to tell you what should have been done here. What should have been done is the language stripped out of the bill that does not give them authority and does allow them to give spectrum to the broadcasters.

About a month ago we had a vote around here on some spectrum that was about to be given away to a company. We had a vote here. It ended up, thanks to my colleague from Colorado and his cooperation and assistance, with a vote of 98 to 0 that mandated that this spectrum, which was about to be given away, be auctioned off. The estimates of the value of that spectrum at that time ranged between \$150 to \$170 million. The auction took place a little over 2 weeks ago, and the spectrum was auctioned off for \$682 million.

Now, what we are about to do here is allow, over time, this spectrum to be given away to the broadcasters. I congratulate the broadcasters and their surrogates here in the Senate and the Congress. I congratulate them on prevailing. I congratulate them for their incredible influence that has prevented