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Senate

The Senate met at 10 a.m. and was called to order by the Honorable RICHARD J. DURBIN, a Senator from the State of Illinois.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, who blesses the Nation whose people pray for their leaders, on this special day of unified prayer, we thank You for hearing and answering the prayers of the American people for the President and Vice President and their families, the members of the Cabinet, the Justices of the Supreme Court, the Joint Chiefs of Staff of the military, the Members of the House of Representatives, and the women and men of this Senate. Here in this historic Chamber, we specifically pray for President pro tempore ROBERT BYRD, for TOM DASCHLE, HARRY REID, TRENT LOTT, and DON NICKLES. In 1 Timothy 2:1, You remind us that we are to make requests, prayers, intercessions, and thanksgiving for those in authority. We claim that at this very moment You are releasing supernatural strength, wisdom, and vision in these leaders. May they never forget that they are being sustained by You because of the prayers of millions of Americans around the clock. May these leaders never feel alone or dependent only on their own strength. We truly believe that prayer is the mightiest force in the world. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable RICHARD J. DURBIN led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 7, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD J. DURBIN, a Senator from the State of Illinois, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. DURBIN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

SCHEDULE

Mr. REID. Mr. President, today the Senate is going to continue work on the farm bill.

ORDER OF PROCEDURE

Mr. President, I ask unanimous consent that the vote on the Durbin amendment occur at 10:15 a.m. today and that the time be equally divided between Senator DURBIN and the manager of the bill for the Republicans.

The ACTING PRESIDENT pro tempore. Is there objection?

The Chair hears none, and it is so ordered.

Mr. REID. Following that vote, Senator DORGAN will be recognized to offer the Dorgan-Grassley amendment regarding payment limitation. We already have an agreement in effect that the debate will take 1 hour 45 minutes. Following the vote in relation to the Dorgan amendment, Senator LUGAR will offer his payment mechanism amendment under a 2-hour time agreement. We also expect to get agreement on a finite list of amendments.

I say to all Senators, the Dorgan-Grassley amendment and the Lugar amendment are very important amendments. That is the reason we have the extended debate time on both of them. Disposing of these two amendments will move us a long way toward finishing this legislation.

Last night the majority had 12 amendments and the Republicans had just a few more. Staff has been working on these through the night, and we are going to try to come up with a finite list very quickly.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1731, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

Daschle (for Harkin) amendment No. 2471, in the nature of a substitute.

Daschle motion to reconsider the vote (Vote No. 377—107th Congress, 1st session) by which the second motion to invoke cloture on Daschle (for Harkin) amendment No. 2471 (listed above) was not agreed to.

Durbin/Lugar amendment No. 2821, to restrict commodity and crop insurance payments to land that has a cropping history

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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and to restore food stamp benefits to legal immigrants who have lived in the United States for 5 years or more.

The PRESIDING OFFICER (Mr. REID). The Senator from Indiana.

AMENDMENT NO. 2821

Mr. LUGAR. Mr. President, I am pleased that in a few moments the Senate will vote on the Durbin amendment that restores benefits to legal immigrants in our country. We had a good debate last evening which illuminated the fact that there are as many as 500,000 Americans who are able to meet the criteria of having lived in this country 5 years or having had a work experience for 4 years who—and most importantly their children—due to confusion of the regulations frequently have not had the Food Stamp Program and the proper nutrition that might come from that. But we are going to change that. It is a strong bipartisan force.

The President of the United States has spoken forcefully on these issues and has commended the activity that is encapsulated so well in the amendment of the distinguished Senator from Illinois.

I am pleased to join him in hoping that we will have if not, a unanimous vote, a nearly unanimous vote. It is both a humanitarian cause and a fairness cause and a considerable extension of the nutrition safety net for all Americans.

This seems to me to be a very important objective of this farm bill because we are the Senate Committee of Agriculture, Nutrition, and Forestry and we have taken the nutrition title very seriously.

The Senator from Illinois has found ways that we can enhance that title very substantially. I commend that effort and ask all Senators to vote in favor of this amendment.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Illinois, Mr. DURBIN.

Mr. DURBIN. Mr. President, I, first, thank my colleague from the State of Indiana. This is a great day. We have this great alliance of two adjoining States—Illinois and Indiana—for the good of people all across the United States. I thank the Senator for his very kind words.

Before I address the merits of the bill, the substance, there are two modifications which have been proposed. I would like to offer one from Senator DORGAN, and I ask the Senator from Indiana if he would do the same for Senator GRAMM of Texas, who has offered a modification.

MODIFICATION TO AMENDMENT NO. 2821

Mr. President, I send this modification to the desk of the amendment which has been offered. I ask unanimous consent it be reported.

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

The modification is as follows:

On page 2, strike line 13 and replace with the following:

''(a) DEFINITIONS.—

On page 2, after line 21 insert the following:

''(3) IN GENERAL.—The term 'considered planted' shall include cropland that has been prevented from being planted at least 8 out of the past 10 years due to disaster related conditions as determined by the Secretary.''

Mr. DURBIN. Let me make a correction for the RECORD. Senator CONRAD offered this modification, I believe, not Senator DORGAN. I believe the Senator from Indiana may offer a modification on behalf of the Senator from Texas.

Mr. LUGAR. I thank the distinguished Senator for that invitation.

FURTHER MODIFICATION TO AMENDMENT NO. 2821

Mr. President, I do send to the desk the modification from Senator GRAMM.

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

The modification is as follows:

On page 6 strike lines 4 through 12 and insert the following:

''(M) FOOD STAMP EXCEPTION FOR CERTAIN QUALIFIED ALIENS.—

''(i) With respect to eligibility for benefits for the specified Federal program described in paragraph (3)(B), paragraph (1) shall not apply, subject to the exclusion in clause (ii), to any individual who has continuously resided in the United States as a qualified alien for a period of 5 years or more beginning on the date on which the qualified alien entered the United States.

''(ii) No alien who enters the country illegally and remains in the United States illegally for a period of one year or longer, or has been in the United States as an illegal alien for a period of one year or longer, regardless of their status upon entering the country or their current status as a qualified alien, shall be eligible under clause (i) for benefits for the specified Federal program described in paragraph (3)(B).

''(iii) Clause (ii) shall not apply to a qualified alien who has continuously resided in the United States for a period of 5 years or more as of the date of enactment of this Act.''

Mr. DURBIN. Mr. President, let me say at the outset that the modification requested by Senator CONRAD is one that merely defines a term within the bill and does it in a fashion that I think is entirely reasonable. It says that if land has not been cropped or planted because it has been in a disaster status, certainly, that will not be covered by the amendment which I have limiting the opportunities for Federal payment. This is entirely reasonable. I am happy to accept it.

On the modification by the Senator from Texas, Mr. GRAMM, I have agreed to this, even though I have serious misgivings about it. But I have the assurance of the Senator from Texas, and all Senators who are now engaged in this debate, that we will continue to look at this extremely closely as we approach the conference committee to make certain we have done something that is fair and reasonable.

But it is in the spirit of moving this forward for the 260,000 legal immigrants who will now be eligible for food stamps in our country that I have agreed to and accept this second-degree amendment.

As the Senator from Indiana has alluded to, what we have done is twofold. What we have said is, if you have cropland in America that has not been planted, or you have not produced on that land at least 1 year out of the last 5, or 3 out of the last 10, in that circumstance, you cannot qualify for Federal assistance.

That is an effort to make certain we don't encourage overproduction for Federal subsidy. The farmer still has the opportunity to plant the land and to harvest the crop and make a profit, if he sees fit. But under this amendment, he would be limited. He would not be able to receive Government subsidy or Government support. We make specific exceptions, which I described yesterday in the debate.

The second part of this amendment takes the savings of $1.4 billion and uses it to provide eligibility for food stamps for legal immigrants. This is something that was changed in 1996. It is a change which has worked a great hardship, particularly on poor children across America. I remind all listening to the debate, we are only talking about legal immigrants being eligible for this relief.

President Bush in his budget message has endorsed this concept. Even former Speaker Gingrich, who was the author of the original legislation prohibiting food stamps, has come around to the position that we should change it. We now have the appropriate moment in time to move forward with what is a very humane and positive thing for children across America, particularly for families of legal immigrants.

We do two things in this legislation. We provide for a limitation on Government spending when it comes to farm programs so that new land is not brought into production to take advantage of Federal programs. We take the savings from that amendment and use it to provide food stamps for children across America.

Last night it was my great fortune to be at an event honoring former Senators George McGovern and Bob Dole for their work in the field of nutrition and their cooperation over many decades. They pointed with great pride to the creation of the Food Stamp Program which has, with the School Lunch Program and a few other commitments by the Federal Government, helped the poorest of the poor in America to receive basic nutrition and sustenance. The purpose of this Durbin amendment, supported by Senators HARKIN, LUGAR, WELLSTONE and many others, is to continue in that tradition.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I stress again that the amendment is identical to President Bush's budget proposal. I think all Senators appreciate that. I want to establish that again.

Secondly, I want to establish that the amendment does not affect in any way a producer's eligibility for conservation programs. It applies only to

commodity programs and crop insurance. I point out that the land which exists in the Conservation Reserve Program would be eligible, and the answer is, yes, CRP land specifically is exempted from the commodity programs and crop insurance.

These questions have been raised because they are material to the savings in the bill that are now to be applied for this important food stamp reform.

Having said that, I commend the amendment again to Senators, and I am hopeful we will have a strong vote in support.

Mr. HARKIN. Mr. President, this amendment is an important expansion of the Committee's nutrition title and I am proud to be a co-sponsor of the Durbin amendment along with Senator LUGAR and others. It builds on our provisions to restore benefits to legal immigrant children without the 5 year waiting period and apply more reasonable food stamp eligibility rules to working, tax paying immigrants. The amendment will correct an aspect of welfare reform that went too far.

Legal immigrants have made countless contributions to our country but many are now in trouble. They are disproportionately represented in the service jobs that have been hardest hit in the current recession. So now is an opportune time to make improvements to immigrant eligibility in the Food Stamp Program.

I also want to focus on children for a minute. We have also heard that from 1994 to 1998, 1 million poor citizen children of immigrant parents, left the program . . . a 74 percent decline for this group. These are children who are entitled to participate in the program but whose parents were confused about eligibility.

Do not be mistaken, this issue affects most States in our country. For example, more than half of all low-income children in California live with a non-citizen adult. Some of these children are citizens and others are immigrants. Between 30 percent and 40 percent of low income children in Arizona, Nevada, Texas, Colorado, Florida, Idaho, and New York live in families with a non-citizen. In my own State of Iowa, approximately 14 percent of low income children live in families with a non-citizen. We have seen time and again that in households where there are Food Stamp eligible children who live with a non-citizen adult, often time the adult does not seek out the assistance for the child.

Taken together, the 1998 bill that restored benefits to some children which I supported, along with this amendment and our immigrant provisions in the underlying bill, will immediately help to prevent many children from going to bed hungry at night. Their parents, will also be able to participate in the program once they have worked in this country for at least 4 years or have resided in the U.S. for at least 5 years.

Now, for anyone who argues that people would move to this country to wait five years to receive a ''generous'' food stamp benefit, I want to remind all of us that the average household received a benefit of $175 per month in 2000. A family of 3 working 30 hours a week in a minimum wage job got just over $250 per month. That same family working 40 hours per week at $7.50 an hour received under $70 per week. In fact, USDA just reported that food stamp recipients spend about 70 percent of their monthly benefits the first week and 90 percent by the end of the second week. People who participate in the Food Stamp Program are not living ''high on the hog'' and they are certainly not coming to this country for that benefit.

Now, others before me have mentioned that 16 States spend their own funds to provide food assistance to legal immigrants made ineligible by welfare reform. Under this proposal, those States would now be able to devote their State dollars to other worthwhile and much needed initiatives.

Finally, I, too, want to commend the President for including this provision in his 2003 budget proposal and Newt Gingrich who indicated that welfare reform went too far when it removed the ability of legal immigrants to participate in the Food Stamp Program.

Again, I am pleased to join Senators DURBIN, LUGAR, and others in co-sponsoring this amendment that will help provide nutrition for this valuable group of people in our country.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I ask unanimous consent that Senators LEVIN and CORZINE be added as cosponsors of the amendment.

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

The Senator from Indiana has 2 minutes.

Mr. LUGAR. Mr. President, I yield back that time and 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. DURBIN. 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. DURBIN. Mr. President, I ask, pursuant to the unanimous consent agreement, that we proceed. I ask for the yeas and nays on the pending Durbin amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second. There is a sufficient second.

The question is on agreeing to amendment No. 2821, as modified. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 1, as follows:

[Rollcall Vote No. 17 Leg.]

YEAS—96

Akaka	Dorgan	Lincoln
Allard	Durbin	Lott
Allen	Edwards	Lugar
Baucus	Ensign	McConnell
Bayh	Enzi	Mikulski
Bennett	Feingold	Miller
Biden	Feinstein	Murkowski
Bingaman	Fitzgerald	Murray
Bond	Frist	Nelson (FL)
Boxer	Graham	Nelson (NE)
Breaux	Gramm	Nickles
Brownback	Grassley	Reed
Bunning	Gregg	Reid
Burns	Hagel	Roberts
Byrd	Harkin	Rockefeller
Campbell	Hatch	Santorum
Cantwell	Helms	Sarbanes
Carnahan	Hollings	Schumer
Carper	Hutchinson	Shelby
Chafee	Hutchison	Smith (NH)
Cleland	Inhofe	Smith (OR)
Clinton	Inouye	Snowe
Cochran	Jeffords	Specter
Collins	Johnson	Stabenow
Conrad	Kennedy	Stevens
Corzine	Kerry	Thomas
Craig	Kohl	Thurmond
Crapo	Kyl	Torricelli
Daschle	Landrieu	Voinovich
Dayton	Leahy	Warner
DeWine	Levin	Wellstone
Dodd	Lieberman	Wyden

NAYS—1

Sessions

NOT VOTING—3

Domenici	McCain	Thompson

The amendment (No. 2821), as modified, was agreed to.

Mr. LUGAR. I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARKIN. Mr. President, for the benefit of the Senators, I have a parliamentary inquiry. Under the unanimous consent agreement we have entered into, what is next?

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from North Dakota, Mr. DORGAN, is recognized to offer an amendment for himself and the Senator from Iowa, Mr. GRASSLEY, regarding payment limitation. There has been an agreement there will be 1 hour 45 minutes of debate prior to the vote in relation thereto.

Mr. HARKIN. The Dorgan-Grassley amendment is next, with 1 hour 45 minutes evenly divided?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. HARKIN. And the vote will occur—at the end of that 1 hour 45 minutes?

The ACTING PRESIDENT pro tempore. It will.

The Senator from North Dakota.

AMENDMENT NO. 2826 TO AMENDMENT NO. 2471

(Purpose: To strengthen payment limitations for commodity payments and benefits and use the resulting savings to improve certain programs.)

Mr. DORGAN. Mr. President, I will be sending an amendment to the desk on behalf of myself, the Senator from Iowa, Mr. GRASSLEY, and joined by cosponsors Mr. HAGEL, Mr. JOHNSON, Mr. Lugar, Mr. FITZGERALD, Mr. NELSON, Mr. ENSIGN, Mr. WELLSTONE, Mr. Durbin, Mr. TORRICELLI, Mr. KOHL, and Mr. BROWNBACK. I send the amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from North Dakota, [Mr. DORGAN], for himself, Mr. GRASSLEY, Mr. HAGEL, Mr. JOHNSON, Mr. LUGAR, Mr. FITZGERALD, Mr. NELSON of Nebraska, Mr. ENSIGN, Mr. WELLSTONE, Mr. DURBIN, Mr. TORRICELLI, Mr. KOHL, and Mr. BROWNBACK, proposes an amendment numbered 2826 to amendment No. 2471.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

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

Mr. HARKIN. I understand there is 1 hour 45 minutes evenly divided.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. HARKIN. I ask unanimous consent that the Senator from Arkansas, Mrs. LINCOLN, be in control of the time in opposition to the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I am pleased today to offer the amendment. I ask I be allowed as much time as I may consume, following which I expect Senator GRASSLEY, who has worked with me in constructing this amendment, will be recognized.

This amendment is about limitation on payments in the farm program. We always have people coming to the floor of the Senate talking about the requirement to help family farmers in our country. The reason I support a farm bill, the reason I fight so hard to try to get good farm policy, is to help family farmers.

What do I mean by family farmers? I am talking about people out there living under a yard light trying to raise a family and trying to operate a family farm and raise food. They go to town and buy their supplies. I am talking about a network of food producers scattered across this country that represents, in my judgment, food security for our country.

This issue of helping family farmers with a safety net in the form of farm program payments during tough times is something that has become much different over a long period of time. It is not the case that we are fighting over farm program payments for family farmers. There is some of that in the farm bill, but all of us recognize there is in this farm bill substantial payments to some of the biggest operators in the country that have nothing to do with families, nothing to do with family farming.

Let me cite some examples of who gets farm program payments. Fortune 500 companies get payments under the farm program; not much about families there. City dwellers who have millions of dollars, who need the farm program the least and do not have anything to do with the family farm, get farm program payments. Chase Manhattan Bank, farm program payments; colleges and universities—the list goes on forever.

This is about family farming, in my judgment. I am sure those who support this amendment, and there are many in the Chamber, are always asked the question: If you talk about family farmers, what do you mean by family? Define a family farm, they say. I defy you to tell me what it is.

If we took 10 minutes, we could agree on what it is not. Michelangelo once sculpted David. They asked: How did you sculpt David?

He said: Easy; I took a block of marble and chipped away everything that was not David.

We can chip away everything that is not a family farm and have a decent idea of what a family farm is not. Is it a New York bank operating land in one of our States? I don't think so. Is a family farmer a piece of ground owned by somebody who has lived in Los Angeles for 40 years and the only time that person has come back to the family farm area is for Thanksgiving, twice in 40 years; is that a family farmer? I don't think so.

Is that where you want farm program payments to go? Or do you want, in small towns on Saturday night, to have a vibrant Main Street where people come to town to buy supplies and park their vehicles? They are families living on the farm and farming our land and raising our food, producing our food and doing it by creating a network of broad-based economic ownership on America's farms. Is that what we are talking about? I think so.

What is this amendment? This amendment provides a $275,000 payment limit. Some will roll their eyes and say: Are you kidding me? Two hundred seventy-five thousand dollars and you think that is a limit? They will say it ought to be much lower than that. We will have trouble getting this passed today because there are people who want it much higher and some want no limits at all.

We propose $275,000. On direct and countercyclical payments there is a $75,000 limit; marketing loan gains and loan deficiency payments, a $150,000 limit; a husband and wife allowance, $50,000—for a total limitation of $275,000.

Now, this Senate bill has a $500,000 limit, but it does not get rid of triple entities so you can collect more than that. Current law is $460,000, which means you can collect more than that because of triple entity rules and other things. The House bill is $550,000, and again we allow triple entities and so on. So these are not real limits. Ours is a real limit.

We just talk about payments going to a tax ID, and we determine who the taxpayer is here—this is not about taxes but it is determining who the individual is—and we have a limitation.

We have seen a lot of these stories—incidentally, these are the kinds of stories which I think will ruin the climate in which we do farm bills in the future. If we do not do something about this, the American people and taxpayers generally are going to say that is not why we are paying taxes. We really support family farms. We believe family farms are important for America. But we believe we are not paying taxes so you can transfer money to the tune of millions, hundreds of millions, perhaps billions of dollars, to those who need it least and ought not be getting farm payments.

This talks about a farm operation, a 61,000-acre spread, $30.8 million in sales last year, receiving $38 million in Federal crop subsidies in 5 years. Is that what we are here for? Is that what this fight is about, to try to help family farmers? I do not think so. That is not why I am interested in this business.

Here is a letter from a North Dakota farmer, a person I have known for some while. He is a good farmer. His son also started farming.

Dear Senator Dorgan: I know you are aware of the really large operations in rural areas that are getting the big farm payments. I feel strongly against these large payments which are set forth in the current law. I hope you can fix this in the farm bill.

The biggest operations keep getting the bulk of the farm benefits while the small farmers are getting squeezed out of the rural areas. When this happens, the family farm operation can't compete with the larger enterprises because of the financial disadvantages. Cash rents go up because of the huge payments to these big operations, causing smaller farms to quit.

In my judgment, if our goal is not to preserve a network of family producers on America's farms, then we don't need a farm program, we don't need a Department of Agriculture; get rid of it all. The Department of Agriculture started under Abraham Lincoln and had nine employees. Now it has become this behemoth organization. But if our goal is not to try to protect, nurture, and assist family farmers over price valleys because they are too small to be able to survive these precipitous international price drops for their crops, if our goal isn't to do that, get rid of the whole thing.

If that is our goal—and I believe it ought to be; I believe that is why the American people support a farm program—then let's shape this farm program in a way that really does target the help to family producers.

I have told so many stories about family farmers and why I believe passionately about what this issue should mean to our country. In Europe they

have a vibrant rural economy. Go to a small town in Europe on Saturday night and see the main street full of pickup trucks and small cars. Do you know why? Because Europe has said we have been hungry before and we don't want to be hungry again and part of our national security is our food security and part of that is rooted in the notion of trying to preserve a network of family producers on the land in Europe. They have a farm program that does it. We ought not to disparage their farm program, we ought to applaud it, to say the goal of keeping small family producers, family operations, on the farm to produce a food supply is a laudable goal.

Some in this Chamber will say this notion of a family farm is like the little old diner that got left behind when the interstate came through. It is really fun to talk about it, but it is not real and it is not today's economy.

We can have the kind of economy we want. We can have the kind of economy we choose. With farm policy, we can decide that our future is in 61,000-acre operations where we give $38 million in farm price supports from the taxpayer to the biggest agrifactories in the country, or we can decide that those people out there—mothers, fathers, sons, daughters—with 500 acres, 2,000 acres, yes, 8,000 acres, 10,000 acres, trying to make a living, families trying to make a living out there on America's farms are what are really important to this Senate and this Congress. We can do that in public policy, but we can only do that if we pass this payment limitation amendment.

There is a lot to talk about. We will have people stand up and say: This is outrageous; you are trying to penalize people who got big. That is not the case at all. We only have a certain amount of money. My point is, let's layer it in from the bottom up to help those who need help the most. It doesn't penalize anybody. It just says: Here is the kind of economy we want. Here is what we want to invest in for America's future. Here is what we want to do to help family farmers in our country.

Let me conclude by saying I represent a farm State. There are some in my State who will be aggravated by this amendment. They are the ones who would be affected by the limit. This is important and good public policy so we can provide the best possible price supports during tough times to families who are farming America's land. That is the purpose. It is not to penalize anybody. It is just to invest as best we can in those family farmers struggling during price depressions, which have existed now for some years, and to say to them: We care about you; we care about the future; we want you to hang on because we want family farming as a part of America's future.

Mr. President, I yield the floor. I reserve the remainder of our time.

I assume the opponents have an equal amount of time. I believe Senator GRASSLEY will be recognized next, on our side, as soon as an opponent is recognized.

The PRESIDING OFFICER (Ms. STABENOW). Under the order, time is equally divided. The Senator from Arkansas controls the time in opposition to the amendment.

The Senator from Arkansas.

Mrs. LINCOLN. Madam President, I rise today in opposition to the underlying amendment on payment limitations. It seems that lately there has been a lot of talk about this issue in newspapers, in the Halls of Congress, and in rural coffee shops around the country. We have all heard the horror stories about plutocrats getting rich off the Federal dole, some of which my colleague has mentioned.

Most of these stories are generated by groups that claim to represent the interests of the family farmer but, in truth, could not care less about the family farmer. Instead, they wouldn't shed a tear to see American agriculture dead and buried and the land that our fathers have farmed left to lie fallow forever.

It is shameful enough that those who spread these stories claim to do so in the name of the farmer while in fact working to remove him from the very land he farms. But it is downright vile that they do so by hawking misleading information and creating a false impression of the persons on the land. This misleading tone has unfortunately served as an undercurrent for these hallway and rural coffee shop debates.

The people hurt by these misleading deceptions are the same farmers and their families that we in Congress say we are trying to protect. These are the families who produce our food and fiber.

I am proud that Arkansas is home to thousands of these families, and I am committed to serving their needs. While America is not the agrarian society it once was, there are still areas of our country, like much of my State, where agriculture is the economy, where whole communities celebrate harvests with festivals—rice festivals and cotton festivals—where farmers take great pride in producing our country's food supply. That is why these false impressions bother me so much. It is not the plutocrat who is getting hurt by these false impressions. He doesn't exist anymore; he is a myth. But even though he is a myth, everyone has been led to believe in him, so much so that now we are literally debating how big a farm is allowed to be in order to receive our dint of approval.

But how can we in Congress decide what size a farm should be? The problem with setting some arbitrary level for farm size, which this amendment would do, is that ''big'' means different things to different farmers in different parts of our country.

One farming couple, Gary and Pam Bradlow of England, AR, are listed by one Web site as the top recipient of farm payments in their area. Surely, then, the Bradlows must operate a huge farm. Surely they are wealthy plutocrats, jet-setting about the Caribbean on their yacht. In fact, the Bradlows are struggling to keep their heads above water. They farm 2,000 acres—probably a large farm in the minds of many people, but in truth, on this farm they barely achieve the economy of scale they need to survive. This is because they happen to grow rice, which is the most expensive, capital-intensive program crop a farmer can grow.

The other most expensive, capital-intensive crop, of course, is cotton, which happens to be the other main crop of my State of Arkansas. In fact, rice and cotton are significantly more costly to grow than any program crops.

As this chart shows, the average input cost of production per acre for rise is $697.

For cotton it is $538 per acre.

What are these input costs? Things such as seed and fertilizer, or a 200 horsepower tractor that costs almost $100,000, or a $125,000 combine; many of these are things that every farmer has to buy. But some of these input costs are specific to rice and cotton cultivation: Things such as a 9976 six-row cotton picker, which costs $285,000 at a dealership in Blytheville, AR; or the tremendous costs required to manage all the water needed to successfully raise a rice crop, a cost which could run into the hundreds of thousands of dollars for even a relatively small farm.

These unique costs are significant and they push the cost of production for rice and cotton to levels far above that for other program crops.

Let's look at another crop, say, sorghum. The average input cost of production per acre for sorghum is only $161 per acre.

Even for corn, the average input cost per acre is only $356, almost half the average input cost to produce rice.

Let me point out that it is not my purpose in showing these disparities to argue that farmers of these other crops do not also deserve support—far to the contrary. Farmers of these other crops need farm support because they also have to deal with rising costs, sinking prices, and unfair trade for overseas. My purpose in pointing out these disparities in the average input costs of production is to illustrate why payment limitations generally affect the farmers of rice and cotton in my state, and across the South, before they affect farmers of other crops. But make no mistake about it, this amendment would devastate farmers of every program crop, and then some. That is why the major commodity associations representing every program crop strongly oppose this amendment.

I have a copy of a letter here signed by these organizations: The American Cotton Shippers Association, the American Society of Farm Managers and Rural Appraisers, the Alabama Farmers Federation, the American

Farm Bureau, the American Soybean Association, the Agricultural Retail Association, the Wheat Growers, Barley Growers, Corn Growers, the Cotton Council, Grain, Sorghum, Sunflower, Rice Millers, Peanut Farmers, Canola, and U.S. Rice Producers Group.

I ask unanimous consent that this letter be printed in the RECORD.

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

FEBRUARY 6, 2002.

Hon. TIM HUTCHINSON,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR HUTCHINSON: The organizations listed below represent a significant majority of the production of food and fiber in the United States. We are writing to urge you and your colleagues to oppose amendments to new farm legislation, which would further reduce limitations on farm program benefits below levels included in the Committee's bill (S. 1731). In testimony presented to Congress concerning new farm legislation virtually every commodity and farm organization opposed payment limitations.

One of the primary objectives of new farm legislation is to improve the financial safety net available to farmers and to eliminate the need for annual emergency assistance packages. If limitations on benefits are made more restrictive than those in S. 1731, a significant number of farmers will not benefit from the improved safety net. Simply stated, payment limits bite hardest when commodity prices are lowest. The addition of new crops (i.e. peanuts and soybeans) to the list of those eligible for fixed and counter-cyclical payments will mean even more producers are adversely affected by new limitations.

Proponents of tighter, more restrictive limitations will argue that farm programs cause farmers to enlarge their operations and that a few are receiving most of the benefits. Farmers expand in order to achieve economy of scale and to be competitive in domestic and international markets. Randomly established limitations and increased regulatory burdens do not promote efficiency or competitiveness, but they do increase costs and increase the workload for USDA employees.

One of the most popular results of the last farm bill was that producers could spend less time at their county FSA office and more time managing their farming operations. Farmers felt the government had stopped micro-managing their business plans. With passage of the Grassley or Dorgan amendments, farmers can look forward to many more trips to their county FSA office. In all likelihood they will be required to provide their private tax records to USDA to prove they do not meet an arbitrary means-test income limit that disqualifies them from participating in all federal farm programs.

Please consider the following:

If row-crop producers are forced to reduce plantings due to tighter payment limitations, acreage will likely switch to specialty crops. Increased production could drastically impact specialty crop markets.

A means test, at any level, disadvantages high value crop producers and livestock operators.

Congress enacted legislation requiring program participants to meet actively-engaged-in-farming rules and established the 3-entity rule to further limit benefits.

Marketing loans are designed to encourage producers to aggressively market crops; limitations on the operation of the marketing loan would contradict its primary objective; there was no limit on the marketing loan program in 1985; since then Congress has reduced the limit to $200,000 (for all crops) and then to $75,000 before temporarily increasing the limit to $150,000 in recent years to ensure that the program could achieve its objectives in times of extraordinarily low prices.

A stringent payment limit amendment will overwhelm FSA employees who will be asked to implement new farm law in record time and administer these draconian new limitations.

The actively engaged provisions contained in the Grassley and Dorgan amendments would prevent many widowed farm wives from participating in government price support programs.

Recent statistics released by environmental groups overstate payments by aggregating 5 years of data and failing to account for the sharing of those payments to individuals in families; cooperatives, partnerships and corporations listed as recipients.

The existing limitations in S. 1731 on direct payments, new counter-cyclical payments and marketing loan gains are not insignificant. Further, the regulations requiring recipients to meet actively engaged criteria remain in place and are enforced by the Department of Agriculture.

We strongly urge the Senate to defeat the Grassley and Dorgan amendments as well as any other proposals to limit eligibility for economic assistance during times of low prices when farmers need it most.

Thank you for your consideration of our views.

Mrs. LINCOLN. Madam President, this letter points out one of the worst things about payment limits, that they bite hardest when commodity prices are lowest.

How would farmers be hurt? One way they would be hurt is because this amendment would discontinue availability of generic commodity certificates which offer farmers better access to the marketing loan program.

Marketing loan support is most important when prices are low. Let's say there is a year in which the global market is swamped, in large part because of foreign farmers who are much more heavily subsidized. American farmers have fewer global markets, so now the domestic market becomes oversupplied. The price plummets, just as it has for every program crop over the past several years. Because the price is lower, the value of loan deficiency payments would be higher, and farmers would hit their new payment limitation sooner. This means that a larger portion of their crop is now unavailable for marketing loan support. Because prices are so low, they cannot possibly recoup their cost of production through the market. If they are lucky, they only fall into deeper debt. If they are unlucky, then they are forced to default on their loans and the bank seizes whatever assets they have: their equipment, their land, their house.

Generic certificates would offer these farmers more access to the marketing loan program, but this amendment would eliminate that benefit.

In what other ways would they be hurt? Well, this amendment would take away the 3-entity rule. Why is that important?

To understand this, let's look back to why the 3-entity rule was created in the first place.

The 1985 farm bill created the marketing loan program with no payment limitations. Later, Congress decided in its infinite wisdom that, even though farmers were going out of business and people were leaving farms and rural towns in dramatic numbers, it had made it too easy for farmers to make a handsome living. So it decided to begin placing dollar limits on payments, even though it unfairly disadvantaged farmers who, with higher value crops, reached these limits much faster than farmers of other crops. But it was apparent that to do that would quickly put even more people out of business, so Congress tried to cushion the blow by allowing farmers to apply for payments through up to three entities. This allowed people who farmed with their wives and children to get enough support to keep the family farm viable.

So, from the beginning, the 3-entity rule was put in place to avoid the massive bankruptcies that would otherwise occur if payment limitations were imposed without it. But even though farmers continued to go out of business, and rural communities continued to decline, Congress decided to lower payment limits again. Then, Congress passed Freedom to Farm and all heck broke loose. Prices plummeted, farmers began dropping like flies, and Congress was forced to begin passing emergency relief bills—4 years in a row—to keep rural America from falling stone dead.

Now, in the wake of all this, comes this amendment that wants to lay that one last straw on the camel's back by taking away the 3-entity rule—the one thing that has kept thousands of farmers hanging on. And it comes at a time when farmers are suffering about as bad as they ever have. It comes at a time when virtually every farmer and every farm organization is coming to Congress in droves begging, pleading with us to increase farm support. And, remember, it isn't just farmers of the high-value crops like cotton and rice who are in need.

It's also the corn farmers, soybean farmers, wheat farmers, and farmers of just about every other crop. They are all suffering. And this is very important to remember, because this amendment will hurt these farmers, too—even the farmers of specialty crops; they don't participate in these programs.

Specialty crop farmers will be significantly hurt because tightened payment limitations force farmers to reduce plantings of the program crops. In many parts of the country where they grow specialty crops, places such as California and the Far West, Florida, and many of the Atlantic States, and many of the Mountain states, much of the land that is currently planted in program crops will soon be switched to specialty crops. When that happens you will see the prices of these specialty crops dive even lower than they are now, and then these farmers will be forced out of business.

So it isn't just farmers of rice and cotton. Nevertheless, it is this disparity in cost of production between the high-value crops such as rice and cotton and the lower value crops that provides the clue to understanding why this amendment is so dangerous, and would be so devastating, to the farmers in my State and to farmers across the country. Yet, this point is only one of the many mysteries and myths that cloud this issue.

I would like to try to paint a clearer picture, to bring some clarity to this confusion, and perhaps it would be easiest to do this by pointing out what freedom to farm sought to accomplish.

The main premise behind freedom to farm was that farmers had become addicted to subsidies, and that they needed to be liberated into the glorious free market that we would soon create within the ambit of the World Trade Organization. Farmers were told they needed to make their operations more market-oriented, that they needed to learn to respond to free market signals.

We set in motion a plan to wean farmers from government support.

We gave them planting flexibility. We told them we would negotiate away the trade barriers overseas competitors erected to block them. We told them the world would follow our example if only we would lead by example and unilaterally disarm.

Well, we disarmed. We began to lower our farm support, but the world did not follow. The result has been 6 years of disaster. Prices have plummeted in virtually every commodity, even while input costs continue to rise. Farmers are going out of business and rural towns are heading for the abyss.

So we, in Congress, have tried to respond with a new farm bill. Chairman HARKIN has introduced a very good bill that seeks to answer the needs of our farmers. I compliment him on his hard work, his diligence, and his patience in bringing us a bill from the Senate Agriculture Committee that does just that in its diversity and its attention to assisting farmers. It is a bill that renews the Government's commitment to farmers in the rural economy, one that offers a bedrock, strong safety net.

But let us not lie to ourselves. This is not a complete fix, by any stretch. Prices are still in the tank. It will take some time for those prices to rebound, even if the rural economy responds immediately and positively to our new farm policy. Until then, our farmers will continue to struggle under the burden of low prices.

How low have the prices sunk? As this next chart shows, the price of cotton last year sank to its lowest level in more than two decades.

For rice—shown on our next chart—the story is even worse. Last year rice prices sank to a level lower than they were in 1947. Yet cotton and rice farmers still have to wrestle with an ever-rising cost of production.

As this next chart shows—and it is actually my favorite chart—input costs have risen steadily while prices have remained flat or even dropped. This point is never mentioned in those horror stories that we see in newspapers and on the Web sites. Talking about the unbelievable amounts of money these farmers are getting, we never hear one single mention of what these producers are spending.

Farmers need more support and higher prices because their costs are forever rising. Let's think about what this means. What products do we buy in our everyday lives for which the prices are just as low today as they were in 1947?

Imagine trying to support your family in the 21st century—with the cost of housing as it is today, with energy prices shooting through the roof, as they did last year, with cars, clothes, everything you can think of that you have to buy costing as much as they do today—imagine doing all of that on the amount of money your father or grandfather earned in 1947. You could not do it.

That is what rice farmers face. And that is what cotton farmers face. And that is what soybean farmers and corn farmers and wheat farmers and all of the others face, too.

That is why every organization, representing every program crop, and several others on top of all of that, strongly oppose this amendment. They know they will have to continue to face the squeeze between plummeting farm prices and the ever-rising farm costs of production. Yet even as they are squeezed, we tell our farmers they must still go out and wrestle with the heavily distorted global marketplace—a marketplace distorted beyond recognition by foreign subsidies so high they would be unrecognizable to us.

We tell our farmers they must still find ways to be market oriented, to be more responsive to the market signals—in a word: to be more competitive.

What does any business have to do to become more competitive? It must find ways to lower its per unit cost of production. To do this, most businesses find it necessary to increase their economies of scale. That is how the marketplace works. That is what our farmers in Arkansas have had to do.

Mr. Greg Day, a constituent of mine who farms in Grady, AR, used to farm cotton on only 1,700 acres. But because of the declining health of the farm economy, because of the changing world in which he lives, he has had to double his acreage to 3,400 acres in order to spread out his costs, just to maintain the level of revenue he needs to keep his head above water.

And now along comes an amendment that tells him that we want to discourage the very course of action he has had to follow to survive. It says to farmers: Do not do what you have to do to become more competitive.

It is as if Congress is, on the one hand, telling farmers to participate in the real business world where the most competitive survive, but, on the other hand, telling them not to do what will make them more competitive.

Congress has sent contradicting signals to farmers because it is still clouded by these false pictures, these myths of what is the average farmer.

We still impose upon farmers this mythic, old-fashioned notion that, while the rest of us live in the 21st century, farmers ought to make a living as our grandfathers did 75 or 100 years ago. But our grandfathers were never asked to meet the regulations of today's EPA or the Corps of Engineers and wetland regulations. Our grandfathers were never asked to meet the regulations for chemical application, fertilizer application—all of the other really positive ideas that have come out of agriculture in ways that we can be more efficient and more sensitive to the environment. Our grandfathers never operated under those restrictions.

And that myth imagines that we ought to stamp out anybody and anything that looks too big, anything that looks too global, anything that looks too corporate. But, colleagues, there are no big, faceless corporations arriving in our small towns from the big cities and pushing our families off the farms, eating up all the land, and ruining the rural landscape. That is just another myth as well.

Many of those mentioned by my colleague—large banks, millionaires—some of them are landowners through a default on loans. Some of them are large landowners because they are age-old families. Some of them have acquired land because they purchased it.

The farm families who are farming these lands are the same families who were farming it back when our grandfathers were farming. They are just families like yours and mine. There are fewer of them, unfortunately, but not because big corporations from big office towers, with wealthy shareholders, took their place. There are fewer farmers because, for too long, we have let inadequate policy and crushing low prices push them out. And you do not remedy this situation by outlawing the farmers who grow higher value crops and who need bigger farms. If you do that, then all we will have accomplished in this body is to create a policy that puts both the smaller farmer and the bigger farmer out of business.

Smaller farmers are not going out of business because bigger farmers are hogging a disproportionate share of Government support. Smaller farmers are going out of business because the world is changing, because we have a global marketplace, because there is global competition from more heavily subsidized farmers overseas.

You are not going to fix that by simply saying: We don't want bigger farms. You are not going to fix the North Dakota wheat farmer's problems by putting the Arkansas rice farmer out of business. The Iowa grain farmer isn't going to do better because the Louisiana cotton farmer went out of business.

But this amendment will make it so much harder on the Arkansas rice farmer and the Louisiana cotton farmer to make ends meet, just as it will eventually hurt soybean farmers in Missouri and Maryland, and corn farmers in Indiana and Kansas, and wheat farmers in Wyoming, and so on. All of these farmers are in this boat together. That is why all of these commodity organizations are banding together to oppose this amendment.

Simply put, approving this amendment will accomplish nothing more than targeting these cotton and rice farmers and making it harder for them to get the farm support they need to simply survive. Who would farm in my State then? It will not be any of the farmers whose stories I have told you today. And it will not be their children.

I come from a seventh generation farm family. I am a sister, daughter, and granddaughter of a rice farmer.

My grandfather passed on to his grandchildren land that had been in our family for generations. Of the nine grandchildren he had, only two of us still want to try and make a go at farming. Once they drop out, the Lambert family will be out of farming perhaps totally. These newspaper articles that have spread misinformation about me and many others never tell that side of the story. These interest groups, Web sites that claim to speak on behalf of the family farmer, all of these editorial writers who publish arguments as if they know anything about farming, they never tell you about the farmer who cannot afford to get out because all of his debt and his only assets are both tied up in land, but who cannot afford to keep farming either because every year a little bit more of his grandfather's legacy slips away into red ink.

They never tell you about the town that will dry up because Congress, in its infinite wisdom, decided to play God and arbitrarily decide that all the farmers in that town should go out of business because somebody up in Washington did not like how they got bigger, even though they got bigger because that same Congress also told them to act like an ordinary business and get more efficient.

Who is going to keep revenue coming into that rural town that is drying up? Who is going to provide jobs and keep the property tax bases low so there is money to fund the schools? I don't think we can afford to take the risk necessary to find out.

I urge my colleagues to oppose this amendment and reserve the remainder of our time.

The PRESIDING OFFICER. Who yields time? The Senator from North Dakota.

Mr. DORGAN. Madam President, when I read the list of the cosponsors, I was mistaken to read Senator COCHRAN's name. He is not a cosponsor of this amendment. The amendment was originally drafted to be submitted as a second-degree amendment to the Cochran amendment to the commodity title in December. I read from a list that included his name on the bottom. He certainly is not a cosponsor. It was my mistake. My apologies to Senator COCHRAN.

I ask unanimous consent that Senator COCHRAN's name be stricken from the RECORD in that section where I identified cosponsors. He is not and has not been a cosponsor.

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

Mr. DORGAN. I yield as much time as he may consume to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Madam President, how much time do we have?

The PRESIDING OFFICER. Forty minutes.

Mr. GRASSLEY. I take the opportunity at this point to yield to the Senator from Nebraska 5 minutes or as much as he might use of that amount.

The PRESIDING OFFICER. Without objection, the Senator from Nebraska is recognized.

Mr. HAGEL. Madam President, I thank my distinguished colleague, the senior Senator from Iowa.

I rise this morning as a cosponsor of the Dorgan-Grassley amendment. We have heard and will hear this morning about large farms, small farms, medium-sized farms, baby farms, grandpa farms, a lot of farms. The fact is, large farms gain additional subsidies for every new acre they buy and every new bushel of grain they produce. In fact, the taxpayer, the Federal Government, subsidizes this transaction.

Recently, the North Platte, Nebraska Telegraph wrote an excellent editorial pointing out the problems with the current farm payment system. I ask unanimous consent to print the full text of this editorial in the RECORD following my remarks.

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

(See Exhibit 1.)

Mr. HAGEL. The North Platte Nebraska editorial stated in part:

> Fortified with subsidy money, the largest farms continue to plant millions of acres of crops, bidding up the price of land to do so. That creates more surpluses, low grain prices, continued low grain prices and a false land market.
>
> Present farm policy discourages small- and medium-sized farm operations, and it discourages young people from entering the business.

Those of us in farm country recall the difficulties of the 1980s and what the agricultural community in this country went through. Partly that was a result of a false floor as a result of inflation in bidding up land prices. When it crashed, everything crashed. I suspect we are heading for such a time, unless we correct and address exactly what the North Platte Telegraph talked about in their editorial.

Consider that since passage of the 1996 farm bill, we have spent a total of $62.3 billion in direct payments to producers, and that in fiscal year 2000, 63 percent of that $62.3 billion in direct payments to producers went to the largest 10 percent of farmers. I don't know, because I wasn't around 70 years ago when we established a farm policy in this country, but I think I do understand that there was a general intent not for this kind of misplacement of taxpayers' dollars to continue. The point is, this was never the intent of farm policy 70 years ago.

A recent poll conducted by land grant universities showed that 81 percent of farmers want stricter payment limits. In my State of Nebraska, 85 percent agreed with tougher limits. This year, the Nebraska Farm Bureau for the first time voted to support payment limits.

The amendment we are proposing would still allow for very generous farm payments, but it would remove the loopholes that allow a handful of large farmers to receive unlimited payments. This amendment will make certain that Federal commodity payments are structured to help those who need it, those whom these programs were in fact intended to help—the real farmers. It will also help ensure that those who receive Federal agricultural payments are actually involved in agricultural production. That would be novel.

That, again, was the original purpose, the intent of farm support programs. This is the kind of reform I believe strengthens a new farm bill.

My colleague from North Dakota, Senator DORGAN, made an interesting point in referencing the Washington Post editorial.

The PRESIDING OFFICER. The Senator has used his 5 minutes.

Mr. HAGEL. I ask unanimous consent for an additional 3 minutes.

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

Mr. HAGEL. The question might be asked: What does the Washington Post know about farm policy? That is a legitimate question. Probably very little. The point made in that editorial is a very real point in that the continued support of the Congress, representatives of the people of this country, to pay for another $63 billion in additional farm subsidy programs isn't going to continue to be there. Until we bring some reality and common sense to our system, to our program, then politically it becomes more and more difficult each year to sustain that subsidy program.

It is worth noting also that this payment limitation reform would save $1.3 billion, according to CBO. And some of those savings would be reinvested in agriculture—increasing funding for the Beginning Farmers and Ranchers Loan Program—that is very important for new farmers and ranchers—expanding the Crop Insurance Program, which is, in fact, the way to eventually go in securing and sustaining the ability of farmers to produce and survive and prosper. It would boost nutrition programs.

Farm support programs are vital, of course, to our farm families and our agricultural communities. We are not arguing that point. But without real payment limitation reform, we will continue to weaken the same farmers we claim we want to help.

I appreciate the work done by my colleagues from North Dakota and Iowa and others on this issue and support their efforts to bring some accountability and common sense to agricultural policy.

I urge my colleagues to support the Dorgan-Grassley amendment. I am proud to stand with their efforts today.

I yield the floor.

EXHIBIT 1

[From the North Platte Telegraph, Dec. 16, 2001]

TO TOO FEW, TOO MUCH—GOVERNMENT NEEDS TO LIMIT FARM SUBSIDIES

As the U.S. Senate debated the farm bill this week, there was at least one thing on which senators seemed to agree: federal farm payments to the largest farmers are too large.

Even farm-state senators decry the problem.

Nebraska Sens. Ben Nelson and Chuck Hagel, along with colleagues from Iowa and the Dakotas, have worked on amendments to curb the excess.

The problem, simply stated, is that more than two-thirds of federal farm payments go to fewer than 10 percent of farms.

Fortified with subsidy money, the largest farms nationwide continue to plant millions of acres of crops, bidding up the price of land to do so. That creates more surpluses, low grain prices and a false land market.

On hearing the news, the first thought is to urge that subsidies be eliminated. That would take care of the abuse and save taxpayers money.

But farm subsidies are necessary. With abundant farmland and hardworking and talented farmers, the United States constantly produces more food than its people can consume.

The excess goes to buyers in other nations. But when foreign markets for farm products fall to materialize, such as in 1999 when Asian economies collapsed, U.S. farmers need federal assistance. That help is vital here in Nebraska, where the economy is dependent on agriculture.

The challenge of federal subsidies is in their design. The law is complex. Flaws are magnified.

Here's a flaw everyone agrees on: virtually unlimited farm payments make for too few farmers.

Once, farming was a lifestyle choice. Now, it has become a big business. Unlimited federal farm payments make the problem worse.

Present farm policy discourages small and medium-sized farm operations, and it discourages young people from entering the business.

For years, farmers and city folks alike have grumbled about the farm program. That grumbling has been amplified by an environmental group willing to get the facts.

At www.ewg.org, the Environmental Working Group lists virtually every farmer in the nation that received federal dollars during the past five years. It lists every dollar the farmer received—and from what federal program.

The list is a stunning achievement, assembled from public records by diligent people. And the content is stunning.

Click on the information for Nebraska and you can see the money received by more than 35,000 farmers.

From 1996 to 2000, the largest farmer received $2.65 million. The 10th largest got about half that amount, $1.32 million. Many received sizable sums. The 100th largest got $625,000.

Hagel, along with senators from North Dakota, South Dakota and Iowa, has proposed an absolute maximum cap of $275,000 in any one year. If farms are big enough to net $2.5 million in profits during three years, they would get nothing.

Those limits aren't enough.

Only a fraction of the nation's farmers could net $2.5 million in three years. Limiting the maximum payment in any one year to about $275,000 would cut funds for only the largest 100 or so farms last year.

Farmers, speaking through a poll taken a few months ago, said a limit of about $60,000 would be fine.

While that limit would drastically cut into large-scale agribusinesses that have grown up around the farm program during times of record-low grain prices, it is a worthy target.

BIG WINNERS IN FARM SUBSIDY POLICIES

(These figures, taken from the Environmental Working Group Web site, show the top-50 recipients of federal farm subsidies in Nebraska for the last four years.)

Here are the top Nebraska recipients of federal farm aid between the years 1996 and 2000.

Rank, name, location, and total.

1. C J Farms Gen Ptnr, Oxford, $2.6 million.
2. Kaliff Farms, York, $2.5 million.
3. Bartlett Partnership, Bartlett, $1.8 million.
4. Danielski Hvsting, Valentine, $1.7 million.
5. Niobrara Farms, Atkinson, $1.7 million.
6. H r-w Farming, Friend, $1.6 million.
7. Merrill Land Co., Gen Ptnr, Ogallala, $1.4 million.
8. Glenn Elting & Sons, Edgar, $1.3 million.
9. Osantowski Bros., Bellwood, $1.3 million.
10. Reynolds Farms, Broken Bow, $1.3 million.
11. Western Neb Farm Comp, Venango, $1.3 million.
12. Woitaszewski Brothers, Wood River, $1.2 million.
13. J D Hirschfeld & Sons, Benedict, $1.2 million.
14. Kason Farms, North Platte, $1.2 million.
15. Marsh Farms, Hartington, $1.1 million.
16. Safranek, Irrigation, Merna, $1.1 million.
17. Schulz-Finch, Paxton, $1.1 million.
18. Shanle Bros, Albion, $1 million.
19. Kck Farms, Scribner, $1 million.
20. Heine Farms, Fordyce, $1 million.
21. Craig & Terry Ebberson, Coleridge, $1 million.
22. Owl Canyon Farms, Madrid, $1 million.
23. Wohlgemuth Farms, Holdrege, $994,420.
24. Wallinger Farm, Stuart, $989,312.
25. J D M Farms, Shickley, $984,687.
26. Ebberson Farms, Coleridge, $975,465.
27. Pospisll Farms, Friend, $974,449.
28. Kracl Family Ptnr, Oneill, $967,331.
29. Orville Hoffschneider & Sons, Waco, $954,950.
30. Bender Bros, Lindsay, $941,679.
31. Rowen J Kempf & Sons, Shickley $941,600.
32. Board Of Regents U of N Lincoln, $920,646.
33. Kirkholm Farms, South Sioux City, $914,320.
34. Cruise Farms Ptnr, Pleasanton, $911,159.
35. Wallin Brothers Gen Ptnr., Imperial, $898,041.
36. Adams Farm Partnership, Broken Bow, $859,111.
37. Bettger Bros, Fairmont, $879,963.
38. Stanek Brothers, Walthill, $870,553.
39. Taake Bros, Tilden, $869,093.
40. B T R Partnership, Nebraska City, $868,185.
41. Alfs Farms Prtnr, Shickley, $865,645.
42. Moore Farms, Cambridge, $852,346.
43. Terryberry Farms G.p., Imperial, $847,856.
44. Andersen Farms, Inc, Dakota City, $847,280.
45. D & B Farms Partnership, Holdrege, $830,156.
46. Hobbs Farms, Ewing, $815,213.
47. Robin & Barb Irvine, Ravenna, $805,978.
48. Sears Brothers, Ainsworth, $805,202.
49. H E Strand & Sons, Imperial, $804,585.

The PRESIDING OFFICER. Who yields time? The Senator from Arkansas.

Mrs. LINCOLN. I yield 10 minutes to the Senator from Arkansas, Mr. HUTCHINSON.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. HUTCHINSON. I thank the Chair. Madam President, I thank the Senator from Arkansas for her excellent statement in opposition to this amendment. I rise in strong opposition.

This past weekend I was in Lawrence County, AR, at a farm auction in Portia where three farmers were selling out. They were selling their equipment. They put it up for auction. As I stood there and heard their stories, these were not—and I emphasize to my colleagues these were not—small farmers, depending on how you define ''small.'' They had a lot of acreage but did not have a lot of income. In fact, the story was they could not make the cash flow, and they were calling it quits.

They told me that within a 6-mile radius of where that farm auction was going on there had been 10 other farmers who had auctioned their farms off, they had gone out of business in the previous month. So when we hear what my colleague calls plutocrats, a few getting these vast amounts of money, it simply does not reflect the reality of rural Arkansas. It does not reflect the reality of what my constituents are facing when we see these Web pages and see how much was received in payments. It does not reflect their net income. It does not tell us what their input cost was. It does not tell us the reality farmers in the delta, the poorest part of this country, are facing today.

Farm programs are not and they have never been considered means testing programs. They were never supposed to be for the benefit of a certain economic class or based upon the size of the farm or upon the size of a person's house or what their bank account balance might be or how much they paid in income taxes or some other measure of financial condition.

That is not the way our farm program was intended to operate. It was to ensure that Americans have a safe, reliable, and affordable food supply and that our farmers, who are some of the most technologically advanced and environmentally sound producers in the world, are able to compete.

It has worked. Is it perfect? No. Are there inequities? Yes. Are there competitions between regions of the country? Yes. But it has provided this country a cheap, affordable, reliable, safe, and environmentally protected food supply. And what the proponents of this amendment are seeking to do is to absolutely pull the rug out from under the producers who have provided this great condition in this country.

In Arkansas, agriculture is 25 percent of the State's economy, but that does not even tell the story because it does not account for the thousands of jobs that are related to agricultural production, such as bankers, car dealers, implement dealers, schools, restaurants, and may I say even churches that are dependent upon the survival of the farm economy. Farming is the lifeblood of my State, as it is with many rural States.

The farm program and the subsidies have been made necessary by a market that is not functioning properly for several reasons: due to high foreign subsidies, high foreign tariffs, and very strict domestic environmental regulations.

Senator CONRAD has reminded us many times that in the European Union producers receive an average of about $360 per acre while U.S. producers receive an average of about $60 per acre, one-sixth what they get in Europe.

U.S. agricultural products are subjected to an average tariff of about 60 percent, whereas agricultural products coming into the U.S. are only subjected to an average tariff of 14 percent. Whether it is subsidies, whether it is the tariffs, or whether it is the environmental regulations—the very stringent environmental regulations, the most stringent in the world with which our producers must comply—they are at this great disadvantage in competition. That is why we have to sustain and preserve these programs.

The United States has two choices: We can support our farmers and retain our position as the world's most productive and environmentally sound producer of agricultural products or we can cede this important market to our European competitors or Third World developing nations and become as reliant on foreign food as we are right now on foreign oil.

In my mind, as a member of the Armed Services Committee, this is not just saving rural Arkansas, this is not just preserving a farm economy; it is a national security issue because if we rip the heart out of our agricultural programs, our farm programs in this country with the kind of payment limitation amendment before us today, we will eventually subject ourselves and make ourselves reliant upon and dependent upon foreign agricultural products, suppliers, and producers.

It appears many of the environmental groups have chosen to support this effort in the hope that if you get the commodity title of the farm bill through this amendment, more money will be available for conservation programs. We need to think about that a little bit.

If we take our productive lands out of production or force our producers into bankruptcy, other countries that are more highly subsidized or Third World developing nations that do not have any type of environmental regulations in place will simply put more land in production, and the end result for our world will be a less environmentally safe place.

It is very shortsighted to adopt this amendment. Basically, taking our producers off the land will cede an important market to our competitors, will lead to more land going into production, will not result in better prices, and, in fact, will lead to greater threats to our environment.

Conservation programs are very good and very practical, but taking our most productive lands out of production and putting our best producers out of business is a misguided and improper policy.

In Arkansas, my farmers, both large and small, my constituents have been very clear that this amendment will spell disaster for farmers in Arkansas. What I saw on Saturday in Portia, AK, will be replicated over and over. The Dorgan-Grassley amendment diverts attention from constructive debate about how to improve farm policy and restore the opportunities for farmers to regain profitability.

This amendment will not help farmers, but it will delay or reduce assistance to them as we will have to at that point oppose a bill that will be counterproductive to agriculture in this country.

This amendment will only result in a divisive debate over which farmers should be eligible for benefits, what constitutes ''need,'' and how large should farms be. They may be issues we need to consider, but this is not going to improve rural communities or address the issues facing our Nation's producers.

I found it interesting that the sponsor of this amendment spoke of the size and the growth of the Department of Agriculture. I say to my colleagues, this amendment will increase USDA's administrative costs, require more Government employees, cause our farmers to spend scarce financial resources on compliance with redtape rather than making them more competitive. This is going to result in the growth of the Agriculture Department and more bureaucracy and redtape for cotton farmers, rice farmers, and peanut farmers.

The adoption of the Grassley amendment will mean the Senate's farm bill will offer far less assistance than current law, which, in itself, has proven to be woefully ineffective in times of low prices.

This is not a free vote for Senators who expect the House is going to fix it. House and Senate conferees will be under extreme pressure to finish the conference quickly, compromise in such a way that we will not see the elimination of this amendment in conference, and it will be disastrous for Southern agriculture.

The means test this amendment includes would require every farmer to take his or her tax return to an FSA office to prove eligibility. Adding another level of redtape and bureaucracy will only compound the problem, limit the support, and make the implementation of a new farm bill almost impossible. Who is that going to benefit? Certainly not the farmers.

This amendment will overwhelm FSA employees who will be asked to implement new farm laws in record time and administer these new limitations.

There are different regions of the country with different needs, but this arbitrary limitation is nothing less than war on Southern farmers. It is aimed at Southern farmers.

I end my remarks by saying we must not turn our backs on rural America. This amendment will gut our Nation's most productive farmers and force rural America into a financial crisis that our Nation has not experienced in decades.

I am glad I was in Lawrence County this weekend. I was glad I was there to see firsthand the suffering, to see farmers who are calling it quits, to see the ads in the newspapers saying four more farmers quitting today; to see hundreds of farmers lined up to see if they could buy a bargain, because they cannot afford new implements, to see if they could buy from those who are going out of business.

I do not know what they may face in Iowa, Nebraska, North Dakota, or South Dakota, but I know what they are facing in Arkansas. I know what they are facing in the South, and it is not as it has been portrayed by the Washington Post.

I ask my colleagues to take a second look before they support a misguided, though well-meaning, amendment. I ask my colleagues to vote against the Dorgan-Grassley payment limitation amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield 6 minutes to the Senator from South Dakota. Senator LUGAR would be the next person I would go to, and then Senator NICKLES wanted some time. I want to make sure he knows I reserved him some time, too. We are going back and forth, I know, but that is the order I want my side to know that I am yielding time.

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

The Senator from South Dakota.

Mr. JOHNSON. Madam President, I thank my friend from Iowa for yielding me this time. I rise to offer support for this bipartisan amendment Senator DORGAN and Senator GRASSLEY have sponsored.

This is truly an astonishing debate. People all around America must be

shaking their heads as they listen to this debate about whether a business that is being subsidized to the tune of $275,000 by the taxpayers should regard that as inadequate, and that we should be told we are pulling the rug out from under a business because they are only getting a $275,000 taxpayer-paid subsidy, that they need a $550,000 subsidy in order to cashflow.

Has it really come to this? Is this what American agricultural policy is all about, half-million-dollar subsidies and anything less is regarded as somehow inadequate? This is amazing. I think it is time for us to recognize the current structure of the farm program payments has in fact failed rural communities and family-sized farmers and ranchers.

The advocates of the amendment, including myself, would suggest that anyone who wishes to farm the entire county is free to do so. This is a free country. Farm however much they wish, but there should be some reasonable limitation as to how much the taxpayers ought to be expected to assist with their cashflow, and $275,000 strikes me as a generous level of support. That is what this amendment is all about.

We are talking about modifications to the 1996 farm bill, which I believe especially hurts beginning farmers because it increases the cost of getting started in farming. As long as huge farms can count on larger and larger Government checks every time they add another farm, they will bid those Government payments into higher cash rents and higher land purchase prices. By reducing the number of middle-sized and beginning farmers, the current payment structure has deprived rural communities and institutions of the population base they need in order to thrive.

I believe the single most effective thing Congress can do to strengthen the fabric of rural communities and family farms across the Nation is to stop subsidizing megafarms that drive their neighbors out of business by bidding land away from everybody else.

This amendment aims to place some commonsense payment limitations on the various price supports contained in the farm bill proposal.

The question of implementation was raised. There are farm program payment limits now that need to be implemented. We do not change that. We simply put the limitation levels at a far more reasonable level.

The distribution of benefits from farm programs has been a hot topic in recent months, as we find that almost half the farm program payments are going to families who make over $135,000 per year. We need to modify that. We need to recognize what we are doing is not working.

I, too, am concerned that the millions and millions of dollars going to individual megafarm operators and absentee landowners will eventually ruin public support for the farm program.

Today, with our amendment, we have an opportunity to close certain loopholes that exist in the farm bill that allow enormously large operators to receive millions of dollars in taxpayer subsidies.

It is our duty, I believe, to tighten the rules on who qualifies for farm programs and to make sure those people who do receive benefits are, in fact, actively farming.

First, it would limit an individual's or entity's total amount of direct payments and countercyclical payments to $75,000 in any fiscal year.

The current farm bill permits individuals to receive $80,000. The House farm bill allows individuals to reap $125,000; and the Senate bill, as it is before us, allows a $100,000 payment.

Second, our amendment limits an individual's or entity's total amount of payments under a marketing assistance loan, or LDPs, to $150,000 per crop per year.

Third, our amendment puts some real teeth into the application of the triple entity rule, which virtually doubles the statutory payment limitation for certain entities.

Our amendment tracks the new limitations on farm program payments through sole proprietorships or individuals, entities, partnerships, or other arrangements directly to the individuals.

With the implementation of a direct attribution of benefits, we eliminate the application of the triple entity rule to participate in multiple entities for the purpose of gaining more and still more subsidies from the farm program.

To address situations where a husband and wife are indeed both active on the farm, we allow for a $50,000 add-on over the combined total of limits for individuals, resulting in this $275,000 limit. Simply put, our amendment cuts by 50 percent the huge subsidies permitted under the House farm bill proposal, and under the 1996 farm bill the total payment limit is $460,000. Under the Senate proposal, it is $500,000; and under the House bill, it is $550,000. We come up with $275,000.

Savings from the payment limits go to an array of needed areas: to help beginning farmers, to help with rural development, to help with nutrition and commodities programs, and to assist with crop insurance—almost $1.3 billion over the lifetime of this effort.

If we want to have a farm program that has credibility with the Nation at large, and if we want to direct farm benefit programs to the people who most need them, we need to pass this amendment. I believe that is one of the key reforms that is required for a farm program to have the kind of public support it deserves to have in this Nation.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mrs. LINCOLN. Madam President, I yield 5 minutes to the distinguished Senator from Alabama.

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

The Senator from Alabama.

Mr. SESSIONS. Madam President, I appreciate the opportunity to talk on this issue. Our phones have been ringing off the hook from farmers in Alabama. I think in the last day or so, we have had 60 calls. People are very concerned about this amendment, and it has become clear it has a real potential to damage agriculture, particularly in the southern region.

The fact is that cotton, one of Alabama's top cash crops—the top cash crop—is expensive to grow, $350 an acre. The cost of a new cotton picker is $300,000-plus. That is a significant investment. As the years have gone by, cotton farmers have realized they cannot make a living on 200 acres, and they cannot pay the cost of their equipment and all the investment in producing cotton on smaller acreage farms.

What has happened is they have leased farms from elderly people who do not have the ability any longer to farm, but renting their land produces some income for them in their retirement age. Widows who do not choose to farm the land make a little income from renting. Then there is the whole infrastructure around it.

My personal history has been in the farm community. That is where I grew up. The first 12 years of my life, my father had a county store. He had a grist mill in that store and actually ground corn for farmers in the neighborhood. He sold them horse collars and nails and everything else, including all their groceries, as they did their farming in the community.

Later, he bought a farm equipment company, sold International Harvester equipment—hay balers, bush cutters, cotton pickers, and all the tractors and line of equipment that go with that, pickup trucks and so forth.

There are a lot of people involved in agriculture. For us to say we are going to limit the size of farms in an odd way by not allowing them to receive the same benefit that a smaller farm does is a mistake if we think that is going to somehow create more small farms.

What will happen? We are going to lose a lot of the infrastructure that goes with agriculture in our rural areas. It will impact the farm equipment dealer. It will impact the grocery store. It will impact the hardware store, the feed seller, the seed seller, the fertilizer seller, the pesticide dealer, the herbicide dealer—all of that infrastructure will be reduced.

I am concerned that through a back-door effort that some have various reasons to support—some because they think it does not impact their region and some because they believe it will reduce production in America and therefore somehow help in other ways—all of these are back-door efforts that ought not to be accomplished in this method.

If we want to debate, let's debate. I don't believe this is the way to accomplish it. I think this amendment will

have a tremendous adverse impact, particularly on the farmers who are calling me. I have talked to them personally. I have been traveling the State and talking with farmers personally. They are very concerned about this amendment. It could hurt substantially.

I join with the remarks of Senator HUTCHINSON and Senator LINCOLN and appreciate their eloquent thoughts. I wanted to share that additional insight. I also appreciate the insight of Senator COCHRAN, who will be speaking on this amendment as well.

We are at a point where we can do some real damage to agriculture in Alabama and the South. I urge the Senate not to do that. I urge Senators to vote no on this amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield 7 minutes to the distinguished Republican leader of this legislation, Senator LUGAR.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, this is a modest amendment. I stress ''modest.'' In the event that Senators still wish to discuss the issue, I will have another amendment following this which has a much more striking possibility for reform.

Nevertheless, this is important. I am surprised at the vehemence and difficulty in the debate I have heard thus far. I say this after trying to determine, at least in my State, what the implication will be from the amendment. I went, as many have, to the Environmental Working Group Web site and reviewed a printout of the last 5 years, 1996 to 2000, and who in Indiana might even be slightly affected by this. The Web site points out there were 98,835 recipients of farm subsidies in Indiana during that period of time. There are 6, out of 98,000, who would be affected by this amendment.

Our State is not inconsequential in agriculture. As a matter of fact, with the number of farmers we have, it does not rank, as it turns out, in the top six States that receive farm subsidies, but we receive quite a bit. To find there are only 6 entities that could slightly be affected by this seems to me to make my point because 98,000-plus others would not be affected.

This is not unique to the State of Indiana. Simply using my own home base to make the point again and again that two-thirds of the subsidies still go to 10 percent of farmers, there is still a high concentration in my State of where the subsidies go, and that is generally reflective, plus or minus in some places 55 percent, up to 75 percent in States across the Union, going to the top 10 percent.

I examined the Web site for the State of Arkansas, having heard the eloquence of my distinguished colleague from Arkansas. There the skewing of the payments is slightly greater: 73 percent of the money goes to just 10 percent of the farms. The database indicates 4,822 recipients average $430,000 each in a 5-year period of time. That took up 73 percent of the money. Arkansas, as a matter of fact, received slightly more money than Indiana during the 5-year period of time—something close to $2.8 billion as opposed to $2.7 billion, with only half as many farmers.

Leaving aside that anomaly of the farm bill, I then went to the same database to try to find out how many farmers would be affected. In Indiana, as I pointed out, only 6 would be above the $275,000 times 5, which would be the relevant standard for the 5 years that are given here, 1996 to 2002. The printout in Arkansas indicates there are 583 farms that would have been affected in the 1996–2000 period. That is quite a few more than six. Therefore, I understand the eloquence of the distinguished Senators from Arkansas who have received calls from each of the 583 recipients who have jammed the switchboard.

Let me point out that even if one accepts the fact that this is quite a quantum leap, there are 48,000 farmers in Arkansas. These farmers represent slightly more than 1 percent of the farmers of that State.

Again and again we will have to face the fact we have a system which is so skewed toward the extraordinarily wealthy, toward the huge farms. I am not one to go into demagoguing because a farm is big, but I think taxpayers have an interest in whether that bigness is rewarded by extraordinary millions of dollars of farm subsidies while, at the same time, all of us plead for the family farmer for retention of that tradition, this honest person trying to till the soil, when in fact we are talking about entities that are sophisticated. Thank goodness that is so. I pray each one of our farms will become more so in world competition. However, it is another thing to move from hopes that we become more sophisticated and competitive to the thought that we ought to subsidize, in a very skewed way, the wealthiest of all farm entities. I think that is fundamentally wrong. I hope it is stopped.

This amendment is only going to clip it at the top. Six farms in Indiana, for example. We are not unique. Taking a look at data in South Dakota, fewer than two dozen farms would find problems. That State receives about the same amount of money in subsidies as does Indiana, and a great many fewer farmers likewise. Even then, in the skewing of South Dakota, the top 10 percent get 55 percent of the payments, somewhat more leveled off, but well over half at just 10 percent. Again and again this is replicated.

There are some distinct benefits of this amendment that have not been illuminated as we have been discussing the wealthy and how they make it in this case. As a matter of fact, the money that would be saved, even from this small clipping, would increase the initiatives for future agriculture and food systems in our agriculture bill from $120 million of research a year to $225 million beginning in fiscal year 2003 and continuing through 2006. In terms of overall agriculture—all the farmers of this country, the competitiveness of our system—clearly that is a better expenditure than putting money on farmers who already have extraordinary success and who are accumulating more as we proceed.

I thank the Chair.

Mr. FITZGERALD. Madam President, I rise today in support of the Dorgan-Grassley amendment regarding payment limitations.

Last year, as many as twenty Fortune 500 companies received farm subsidies, while hard-working family farmers struggled to survive near record low commodity prices. The U.S. Department of Agriculture reports the largest 18 percent of farms receive 74 percent of federal farm program payments, and the Associated Press recently reported that over 150 people were paid more than one million dollars in farm subsidies in 2000. In 1999, 47 percent of farm payments went to large commercial farms, which had an average household income of $135,000.

I believe that these payments disparities need to be addressed. In August of last year, President Bush even recognized this problem. ''There's a lot of medium-sized farmers that need help, and one of the things that we are going to make sure of as we restructure the farm program next year is that the money goes to the people it is meant to help,'' he concluded.

Recently, I joined my colleagues Senators GRASSLEY and DORGAN as an original co-sponsor of the pending amendment to cap annual federal farm payments at $225,000 per individual and $275,000 per married couple.

This amendment would help ensure that only active farmers receive farm payments. Common sense should dictate that you should be required to be an active participant in ''farming'' to receive ''farm'' payments. This requirement should help ensure that corporations and multimillionaire tycoons no longer feed at the federal trough. If you don't till the soil or drive a combine at harvest, you shouldn't be taking advantage of a program intended for farmers who need the assistance.

While the current farm bill establishes caps on government payments to producers, unfortunately, these payment ''limits'' have been circumvented via a loophole known as general commodity certificates. In fact, according to the Congressional Research Service, ''while purported to discourage commodity forfeitures, certificates effectively serve to circumvent the payment limitation.''

Unlimited farm payments jeopardize the long-term viability of the U.S. farm economy by diminishing our competitiveness and artificially inflating land prices and rental rates. Thus, farm payments often go to landowners and not the farm operators who need them most. In fact, these higher land

costs add to producers' cost of production and decrease their competitiveness in world markets. If large commercial farmers know that they can only receive a fixed amount of federal farm payments, they will be less likely to bid up farmland rental rates and be less likely to outbid their neighbors or young beginning farmers at farmland auctions.

Large farm subsidy payments to super-wealthy individuals and companies has led to close public scrutiny of our farm programs and threatens to undermine public support for these programs. I believe this amendment to the farm bill is a positive step not only toward ensuring those families who most need federal assistance receive it, but also to reaffirming public confidence that farm programs are vital to our nation's agricultural community.

We owe it to our nation's farmers to ensure that farm payments are going to those most in need. We owe it to taxpayers to protect their investment in our agricultural economy. The amendment proposed today is a positive step towards ensuring more fairness in our valuable farm subsidy program.

Mr. DURBIN. Madam President, I rise today as a supporter and a cosponsor of the amendment introduced by Senators DORGAN and GRASSLEY.

The Dorgan/Grassley amendment would limit the amount of direct and counter cyclical payments to $75,000 annually, limit marketing loans and loan deficiency payments to $150,000 annually; and provide a husband and wife allowance of $50,000 annually. Also, I might add, individuals who earn more than $2.5 million in adjusted gross income (net) would not be eligible for payments.

In short, the proposal would reduce the ceiling on annual crop payments to individual farmers from $460,000, under current law to $275,000. Furthermore, the amendment is expected to save approximately $1.2 billion over 10 years.

The savings of this amendment would go to important things like: funding for nutrition by raising the standard deduction for food stamp eligibility; farm profitability with emphasis on small and moderate sized farms; risk management for producers of specialty crops that currently have no coverage; and research for programs that provide competitive grants for biotech, genomics, food safety, new uses, natural resources.

In short, the Dorgan/Grassley amendment would level the playing field with regard to the distribution of farm subsidies, and prevent many of the nation's largest farms from getting a lion-share of the federal subsidies.

Thank you, I urge all of my colleagues to support the Dorgan/Grassley amendment.

Mr. KOHL. Madam President, I am pleased to rise this afternoon with Senator DORGAN and Senator GRASSLEY in support of this important amendment to the farm bill regarding payment limitations.

Agriculture is the backbone of America's rural economy, and for Wisconsin it is the backbone of the State's economy. Nearly 18,000 small- and medium-sized dairy farms make up Wisconsin's rural landscape. Their survival in a volatile market is one of my top priorities. I am pleased that the Senate version of the farm bill recognizes the importance of dairy and creates a safety net for producers during periods of depressed prices. One important component of this new dairy program is that payments are capped to a producer's first 8 million pounds of production—that is the average production from a herd of about 400 cows. While I would have liked to see a lower cap—Wisconsin's average herd size is closer to 70 cows—this provision will help to target payments to those who really need the assistance.

The same cannot be said of payments made to producers of traditional row crops under the 1996 Freedom to Farm bill. It was supposed to limit producers of row crops to a maximum of $460,000 in government payments per year. However, loopholes in the law have allowed large producers to receive much more than that. A comprehensive review of past farm payments show that 10 percent of the producers—those with the largest farms—received almost 70 percent of the total assistance. How can we support millions in government assistance to a very few rich farmers in a very few States?

The House-passed version of the farm bill exacerbates this situation. It raises the payment limitation to $550,000 per year without closing the loopholes—loopholes that allow rural reverse Robin Hoods to continue sucking government payments away from family farms and onto million-dollar plantations. The bill that we are debating today in the Senate provides for a limit of $500,000 per year, again preserving the loopholes that allow a few producers to receive much more. The Dorgan-Grassley amendment not only closes the loopholes but also limits total benefits to $275,000 per year per producer.

Current law and both the House and Senate version of the farm bill also allow for payments to go to absentee landlords not living on their farms or involved in their day-to-day operation. The Dorgan-Grassley amendment fixes that injustice by requiring recipients of federal payments to provide 1,000 hours per year in work related to the operation of that farm. Further, individuals with more than $2.5 million in adjusted gross income will not be eligible for assistance. I cannot believe that anyone would oppose this provision. Who advocates making farm payments to farmers who don't farm, or even live on a farm? Who is in favor of providing income security for individuals' with some of the highest incomes in the Nation?

With an uncertain economic future, a possible return to deficit spending, a war on terrorism and an immediate need to strengthen our homeland defense, we have even more of an obligation to spend our farm dollars wisely. Now is the time to make sure farm payments go only to farmers who need the money to farm—not to millionaires who need to make mortgage payments on their city penthouses. The Dorgan-Grassley amendment restores integrity to our farm programs, reduces pressure on land rents and prices, dampens overproduction and raises farm income for our small- and medium-sized family farmers.

I am proud to support this amendment in the name of taxpayers and struggling family farmers in Wisconsin and across our nation, and I urge my colleagues to do the same.

Mr. FEINSTEIN. Madam President, I rise in support of the amendment offered by Senator DORGAN and Senator GRASSLEY that would limit farm support payments.

The best way to think about this amendment is to understand its three components. The amendment would:

(1) Establish a payment limitation ensuring that government support will provide only a true safety net for the needy farmer;

(2) Require individuals receiving farm support payments to be farmers; and

(3) Exclude millionaires from receiving any farm payment.

First, this amendment will reduce already existing payment limitations. A limit on the total annual payments a person can receive was first enacted in the 1970 farm bill and has remained in place since. Under current law, payments are limited to $460,000 per farm. The Senate Farm Bill would slightly increase this payment limitation to $500,000.

Farm groups object to any further reduction in the payment limitation—as the Dorgan-Grassley amendment proposes—because of the high input costs that large farms with high value crops have. For individual farmers, the Dorgan-Grassley amendment would limit payments to $225,000. For married couples, the limit would be $275,000. I believe this is a reasonable amount.

Right now, about 10 percent of the farms get 60 percent of the government payments. Last year, the Federal government paid California farmers $780 million in subsidies, with primarily large cotton and rice-producing farms receiving 51 percent of the money. But only 9 percent of California's farmers get crop payments.

Second, the Dorgan-Grassley amendment requires the person receiving the payment to be a farmer. A tenant must supply at least 50 percent of the labor or 1,000 hours, whichever is less, for a farm in order to collect a payment.

This means family members receiving payments have to be actively farming, not living in New York City and listed as a ''farmer'' for the sole purpose of doubling the current payment limitation.

These farm payments are real dollars paid for by taxpayers. And there have

been a flood of newspaper articles recently to shed light on exactly who is receiving them.

Third, under this amendment, an owner or producer will not be eligible for a payment or loan if the owner's income for the previous 3 taxable years exceeds $2.5 million. Nothing in current law prevents millionaires from receiving federal payments. Farm groups object to this because they object to any ''net income'' test.

This amendment would save $1,295 billion over 10 years, which will alternatively fund the following:

$810 million for various nutrition programs, including: $250 million to raise the standard deduction for food stamp eligibility to households with children. $515 million to increase the shelter expense deduction. And $34 million to help with participant expenses in education and training programs.

$330 million for the Initiative for Future Food and Agriculture Systems, which the University of California benefits from. This initiative provides competitive grants for biotechnology, genomics, food safety, natural resources, and farm profitability.

$101 million for research and development for a specialty crop insurance initiative. $5 million for Beginning Farmer & Rancher Ownership Loan Account Funds. And $46 million for Non-program farm Loan Deficiency Payment eligibility and to Restore Beneficial Interest with regards to LDPs for the 2001 crop.

I will vote for payment limits to restrict millionaires from receiving federal farm payments when they obviously do not need them. I believe we should ensure farm payments provide a safety net for the truly needy.

Mr. KERRY. Madam President, I rise today in support of Senator DORGAN's amendment to the farm bill, S. 1731. This amendment closes a loophole that in the past allowed people who were not farmers to collect subsidy payments. I support farm policy that requires a farmer to supply at least 50 percent of the labor or 1000 hours of work, whichever is less, in order to collect a farm subsidy. In addition this amendment includes a net income test so that farmers who have adjusted gross income of over $2.5 million three years in a row are not eligible for federal payments.

Senator DORGAN's amendment ensures that farm aid will target the people who need it the most, the small family farmers that actually work the land and are the lifeblood or our rural communities. It is a pleasure to support this amendment.

The PRESIDING OFFICER. Who yields time? The Senator from Arkansas.

Mrs. LINCOLN. How much time remains on our side?

The PRESIDING OFFICER (Mrs. CLINTON). The Senator has 13 minutes.

Mrs. LINCOLN. I yield 5 minutes to the distinguished Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. MILLER. Madam Chairman, I have tremendous respect for my colleagues from Iowa, North Dakota, and Indiana. But I must rise in strong opposition to this amendment because it would not only cripple the agricultural community across this Nation, it would wipe out agriculture as we know it in the South. Passage of this amendment would result in many traditional family farms going out of business in many States.

Do you know what this amendment says to the South? It says: Hold still, little catfish, all I'm going to do is just gut you. Hold still. It says to the South: Step right up. Here's a new and improved farm bill. But because you had to expand and because you had to diversify to stay in business, you are not going to be eligible.

This is trying to change the rules in the eighth inning. A change in the rules this late in the game would create tremendous strains on producers to meet the new compliance standards. The Farm Service Agency is already going to be overwhelmed by many of the new programs included in this bill. This amendment would result in increased costs, both to the Government and to farmers.

Supporters of this amendment say that these payments go to the few and the big. I could not disagree more. This amendment punishes the farmer and his family who depend solely on the farm for their livelihood. In my part of the country, a farmer must have a substantial operation just to make ends meet. Don't let these big numbers fool you; these farmers each year take risks equal to or greater than those of their brethren with smaller operations. In fact, I would argue that they are in greater need of support because they are forced to be big in order to be competitive.

Some argue that these payments go to a small number of big farms. Those who say that need to look at the USDA statistics manual. It shows that by far the same big farms produce 80 percent of our agricultural products. We should be supporting those who are fueling this economic engine, not hobby farmers who paint a Norman Rockwell picture of rural America that has passed us by.

We pay a lot of lip service to wanting this country to compete internationally. It is wrong to punish those who pursue economies of scale in order to do what we preach in our speeches.

I hate to say it, but this amendment is not just about changing farm policy; it is about changing social policy. Unfortunately, there are some organizations that want to intimidate or embarrass family farmers by disclosing personal financial information. Then there are some environmental groups that, I am also sorry to say, release statements that are both overstated and misleading.

In the name of common sense, why should anyone want to punish family farmers who have made investments, large investments, in order to become competitive in an international marketplace? Why are we trying to hurt farmers who only wish to provide a decent living for their families, even though they are facing soaring costs of production? They do not deserve that kind of treatment. They are already facing the lowest commodity prices in decades. Why, why, would anyone want to limit assistance during this time, a time when our farmers really need it the most?

This is a diverse and distinguished Senate with Members who have all kinds of experience. But I doubt there is a single Member of this Senate who has ever bought a cotton picker. Do you know what a cotton picker costs today? The average price for a new cotton picker off the John Deere lot in Albany, GA, is about a quarter of a million dollars, and if you are an average farmer in south Georgia, you are going to need two of them—and that is just the beginning of the equipment needs. There are tractors and grain carts and trucks—all are needed to get a crop out.

By the way, do you know where those cotton pickers are made? In a great State—Iowa. I wonder if those employees of that manufacturing plant support this amendment.

The cost of producing crops today is several hundred dollars per acre. Reduced payment limits and increased benefit targeting fly in the face of skyrocketing production costs and record low commodity prices.

The PRESIDING OFFICER. The Senator has consumed 5 minutes.

Mr. MILLER. I ask unanimous consent to have 2 more minutes.

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

Mr. MILLER. I will close by saying this. We have a pretty simple question here, and it really goes to the heart of this amendment, and it goes to the heart of each individual Senator. Are we going to reduce Government support when farmers need it the most? Today, in this land of plenty, our farmers who produce that plenty are looking into a double-barreled shotgun. I plead with this Senate not to pull the trigger. If you vote for this amendment, you will.

In fact, this amendment would give less support to southern farmers than the current farm bill does. It would limit individual rights to pursue an adequate way of life in many regions of the country, and it would result in widespread failure for thousands of American family farmers. Let's face it, this amendment is a poison pill.

I urge my colleagues to oppose this amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Madam President, I yield myself 8 minutes.

Madam President, today in New Hartford, IA, at a local cooperative, the price of our corn would be $1.79.

The price of our soybeans would be $3.96. So, obviously, with these historically low prices, we have to have a farm bill, a farm safety net. I want my colleagues to know I take into consideration the plight of the family farmer when I support legislation such as this.

Since there was the accusation that this might be social engineering, I think I ought to start with my explanation of a family farm. It could be a 30-acre truck farm in New Jersey. It could be several thousands of acres of ranchland in Wyoming, where it takes 20 acres to feed a cow-calf unit. A family farm, to me, is a farm, not judged by size, not judged by income—a family farm is determined by, first, whether or not the family controls the capital; second, the family does most or all the labor—and I would include in that those people getting dirt under their fingernails most of the time—and, third, that they are going to make all the management decisions.

That is as opposed to the nonfamily farm. It could be a corporate farm, but I don't want to denigrate the word ''corporate.'' Anyway, a corporate farm, a nonfamily farm, is where somebody provides the capital, they hire the management, and somebody else does the labor.

So we are talking about, in our family, where I don't get to help much but I try to help, my son does most of the work. He has an 18-year-old son in high school who helps. And once in awhile in the spring and in the fall, there is a neighbor, a young neighbor man who works in town, who will come out and maybe work into the night 1 or 2 hours a night, for that person to earn a little more money but also to help bring the crop in quickly, because you have to.

That is the kind of family farm I talk about when I talk about the family farm. I don't denigrate anybody else's definition of a family farm. I just want you to know what I am talking about.

When I talk about targeting farm programs to medium and small family farmers, I am not talking about something that is new. I am doing it in what is my understanding of the historical approach of farm programs for 70 years. The first 40 years of that 70 years we didn't have dollar limitations, but we really had lost—when 30 percent of the people were farming, we had a lot of small family farms. There was not any need to put a dollar limit on it. But in 1976 we put a $50,000 limit on it. In 1996, there was a $40,000 limit. Then there were people who figured out, How can I get around the $50,000? How can I get around the $40,000?

You can't write a bill, with the English language the way it is, that is perfect, that covers every instance. So we come back now and come back in a way that I think is historically targeting the farm program towards the medium and smaller farmers.

I don't disagree with everything Senator LINCOLN said, because she said there are some groups out there trying to hit family farmers pretty hard while they claim to defend the family farm. But I want Senator LINCOLN to understand where I am coming from and what I define as the family farm. I don't want to be doing something by subterfuge as do people who really want to hurt the family farm. I simply believe that $225,000 is enough.

But, more importantly, I have to ask the question: If we don't do this, where will it stop? The 1996 farm bill, even with the $450,000 limit, had other ways in which you could get up to $460,000. The managers' amendment in the bill that is before us sets this at $500,000. The House version is even worse. A Republican version, let me say, is even worse—$550,000. That doesn't even include the back-door things that can be used, such as through generic certificates that can go way above these already high limits to bring in the millions and millions that have been talked about here for some units.

I think we have to be very concerned in agriculture when we say we want a safety net for farmers. A sound safety net for farmers is good for everything that Senator HUTCHINSON said about social and economic stability. It is all about national security as well. But we are spending lots of taxpayer money.

We have to maintain urban support for our farm safety net. Maybe you can say if we pass this bill that we might not have to worry about it again for 10 years. But if you go on for 10 years with the bad publicity about what farm programs have been receiving because 10 percent of the farmers are getting 60 percent of all the benefit, where are Senator LINCOLN and I going to be, if we are fortunate to be in the Senate, when the next farm bill comes up if we lose public support because of the outrageous payments that are being received?

We have to start asking ourselves: When is enough enough? How long will the American public put up with programs that send out billions of dollars to the biggest farm entities? All this does is damage our ability to help people we originally intended to help—the small- and medium-sized producers.

Look back at the intent of our first farm bills. We have never intended to subsidize every single acre and every single bushel. Our intent was to bolster the agricultural economy and keep people on the farm. Lowering limits to these reasonable levels that Senator DORGAN and I have done will not chase one small- or medium-sized producer off the farm. But the large entities will have to look to the market for their additional income above the $275,000, if you include a spouse.

If you do not believe me, let us turn this question over to farmers and ask them their judgment. You have heard my colleague, Senator LINCOLN, talk about letters of opposition from certain farm commodity groups. But what do farmers actually think?

I had an opportunity during the break in January to hold 10 or 11 town meetings in my State just on the agriculture bill. I went through this amendment as intellectually honestly as I could, explaining to my constituents really what I wanted to do. I had 1 farmer out of those 10 meetings who said he disagreed with what I was trying to do. Do you know what happened after that meeting? People evidently didn't want to say it publicly. They came up to me afterwards and said they heard this other farmer say that he disagreed and that you shouldn't have these limits. He is an example of the very reason you have to have the limits that are in the Dorgan-Grassley amendment.

Probably more to your liking, if I don't talk about just Iowa, or my 10 town meetings, last year 27 of the Nation's land grant colleges from all the Nation's regions came together to poll farmers and ranchers on their opinions on the farm bill on the issue before us today. On this amendment, there was enormous consensus.

Nationwide, 81 percent of the farmers and ranchers agreed that farm income support payments should be limited to smaller farmers. Even when the results from farmers with less than $100,000 income were excluded, 61 percent of the Nation's farmers agreed that farm income support payments should be targeted to small farmers; that is, support across regional lines.

I will maintain the rest of my minute and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mrs. LINCOLN. Madam President, how much time remains?

The PRESIDING OFFICER. Six minutes 21 seconds.

Mrs. LINCOLN. Madam President, I yield 1 minute to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Madam President, I speak in opposition to the Dorgan-Grassley amendment. I have the greatest respect for my colleagues from Iowa and North Dakota. I know they have put forward this amendment in good faith. I oppose this amendment because there is a great balance in this bill which was very difficult to put together. It represents all of our farming interests from different geographic areas of this Nation.

With this amendment, our farmers in the South—particularly Louisiana farmers who have cotton, and soybeans, but particularly our cotton farmers—would be hard hit by this amendment because cotton is an expensive crop to grow. These price caps will be very detrimental to family farmers in Louisiana.

In addition, this amendment, while it attempts to put on price caps, would not necessarily help farmers in other parts of the country. It would simply hurt the farmers in the South and in Louisiana.

Cotton and rice are very expensive crops to grow. We need to have these crops covered when the price turns down.

Finally, while price supports drift over to the larger farmers, it is also the larger farmers who produce most of the crops under the program. I realize some of these numbers are very large, but so is the underlying acreage under production, and so are the ownership interests of these farms.

I support Senator LINCOLN and oppose the amendment on the floor.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

The Senator from North Dakota.

Mr. DORGAN. Madam President, how much time is remaining on our side?

The PRESIDING OFFICER. A minute 35 seconds.

Mr. DORGAN. Madam President, I respect those who disagree with this amendment. They make compelling arguments from their standpoint.

But I would just ask this: If payment limits are not appropriate at any point, then will we end up at some point with no family farmers farming in America but only the largest agrifactories from California to Maine and still be making payments? For what purpose?

My interest in trying to help family farmers survive during tough times is to say to them: You matter because you live out in the country. You are living under a yard light, trying to raise a family and raise crops, taking all the risks, and we want you to be part of our economic future. We want to have broad-based economic ownership on American family farms. That promotes food security in our country. It promotes the kind of cultural and economic society we want. It is not a case of just picking and choosing because we don't have enough money. Let us have the best price support possible, and when we run out of money, we run out of money. That is the purpose of having a payment limit amendment.

The PRESIDING OFFICER. The Senator has run out of time.

Mr. DORGAN. Madam President, is the Senator from Oklahoma ready to be recognized?

Mr. GRASSLEY. The Senator from Arkansas is going to yield time.

The PRESIDING OFFICER. The Senator from Arkansas.

Mrs. LINCOLN. Madam President, I would like to add to what the Senator said.

Obviously, the problem with the bill is that it completely devalues the land for the farmers we represent. The banks are not allowing them to borrow money on the land any longer.

Out of the 130 loans that were presented to one of our local bankers, only 3 of them have been approved. They are waiting to see what happens with this farm bill, particularly this amendment.

Madam President, at this time I yield time to my distinguished colleague and neighbor, the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Madam President, I am pleased the Senate is working to pass a farm bill. We need to complete action on this bill as soon as possible to send a signal that we could have a new farm bill implemented for the 2002 crop-year.

One of the primary objectives of new farm legislation should be to improve the predictability and effectiveness of the financial safety net available to farmers and to eliminate the need for annual emergency assistance. Unfortunately, the payment limitation amendment that we are debating now will have the opposite effect.

If this amendment is adopted, it will be a very serious and unfair—even punitive—act that will be catastrophic for southern agricultural interests. The costs of production of cotton and rice are much higher than corn or soybeans. According to agricultural economics analysts at Mississippi State University, the cost of producing 1 acre of cotton is approximately $550, while the cost of producing 1 acre of corn is about $350, and for soybeans it is only about $100 per acre.

On a 1,000-acre cotton farm, the production costs would be $200,000 a year higher than for corn, and $450,000 higher than for soybeans. This amendment clearly would be unfair to farmers who produce high-cost crops such as cotton and rice.

Since 1985, the marketing loan program has been the centerpiece of our Nation's farm policy. It provides reliable and predictable income support for farmers while allowing U.S. commodities to be competitive in the global market. If this amendment is adopted, the marketing loan program will be undermined and essentially will become useless.

It is expected by the prognosticators that farm commodity prices will remain low and net farm income will be $8 billion less this year than last year. Considering this bleak forecast for our farm economy, it does not stand to reason that Congress should impose new rules and regulations that unduly restrict Government assistance at this time of serious economic distress.

Many southern farmers work larger tracts of land because the tight profit margins lead to efforts to enhance efficiency through economies of scale. And cooperative farming also helps improve efficiency for some.

I heard the complaint that as much as 80 percent of the payments go to only 20 percent of the farmers. But these farmers are producing 80 percent of our Nation's farm output. If limitations on support are made more restrictive, a significant number of farmers will not be able to participate in the farm program. If this amendment is adopted, I predict the pressures for emergency assistance will build and will end up being more costly in the future.

Madam President, I strongly urge the Senate to reject this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. Madam President, I yield 5 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, I thank my colleague from Iowa for his amendment, and also Senator DORGAN as well.

I have great respect for Senator COCHRAN. When it comes to agricultural policy, I look to Senator COCHRAN for advice. I just happen to disagree with him on this amendment. I am going to vote for his substitute. But I do think a limitation is in order.

I was kind of shocked to find out that, in some cases, some farms have been farming the Government quite well, and they make more money from the Government than they do from the marketplace. There has to be some limit. If not, are we going to allow people to just make millions off these programs?

To a lot of us, this agricultural policy is kind of arcane, and maybe it is hard to understand. If you are not from an agricultural State and you do not wrestle with it a lot, it is kind of difficult to understand. I have tried to understand a little bit of it, and I do understand a few things: A few people are doing a lot and getting a lot of money from the Federal Government. That does not mean that their net is good. They may lose a lot of money. They may get a lot of money from the Federal Government and lose a lot of money. I do not doubt that that happens. It happens a lot.

But how much should Uncle Sam be writing in checks to individual farmers and/or their families? Shouldn't there be a limit? I happen to think there should be a limit.

I know I have some constituents who are listening right now who are very disappointed in what I am saying because it is going to cost them a lot of money if this amendment is adopted. They have told me that. I respect them. And some of them are family farmers. But there has to be some limit.

I made my career in business. I did not get Government help and did not want Government help. But if we are getting Government help, there still should be some limit on what Uncle Sam is going to do.

Looking at some of the charts—just looking at the top 10 farm subsidy recipients—my colleague says, a couple of those are co-ops, but they were averaging almost $10 million a year. And it goes on down to different farms. Maybe some of those are individual farms, but they are in the millions of dollars a year.

Should Uncle Sam be writing checks to different groups, organizations, family farms, and so on, in the millions? I have a couple of Oklahomans getting in the millions. I do not think we should do that.

Let's look at the present farm bill. The present farm bill has basically a

cap of about $460,000. You have the flexibility contracts of $80,000, loan deficiency payments of $150,000. That is $230,000. You can have two other farm entities and get half of those again, and so that is another $115,000. Adding $115,000 twice to that totals $460,000.

But also under the present farm bill some people may say, wait a minute, I thought some people were getting millions. You have no limits on what are called certificate gains, so you can get well above $460,000. That is present law. That is the reason we find some recipients doing quite well. I say ''doing quite well,'' meaning getting a lot of money. They may not be doing very well, but they get a lot of money from Uncle Sam.

Looking at the proposal by Senator HARKIN, the underlying bill, they can do better. Present law is $460,000. Now that level goes up from $75,000 to $100,000. So now it is $250,000. You still have the two other farms that can get 50 percent of that. So the combination of three farming entities can get $500,000.

Also, under Senator HARKIN's bill, there are no limits on the certificate gains, no caps, so they can get more than $500,000.

So if you look at the charts from the Environmental Working Group that say some people are making this much, they can get a lot more under the Harkin bill than they could last year, and there is still no limit, no cap. So you have almost unlimited payments. If somebody happens to be farming—and you have market prices below loan prices—they can get hundreds of thousands of dollars.

Let's look at the Grassley amendment. The Grassley amendment says we ought to have a limitation. So he has flexibility contracts at $75,000, loan deficiency payments of $150,000, for a total of $225,000, and if you made another $50,000, that would be a total of $275,000. But guess what. The certificate gains are included in that $275,000, whereas under the Harkin bill, and under present law, the certificate gains are not counted.

So there is a cap under present law. Under the Harkin bill, there is no cap. This is saying $275,000. Well, $275,000 is a lot of money. Granted, if somebody is losing $400,000, they may say: I am still losing money.

I am sympathetic to that. I just don't think there should be an unlimited amount we are going to be writing in checks. Somebody can say: Write us a check for $5 million; I just lost $6 million. Where are we going to stop? I am not a big fan, as some people know, of loan guarantees, whether we are talking about steel or airplanes. I have some reservations about the Federal Government making loan guarantees, subsidizing business, and so on.

The amendment of the Senator from Iowa makes good sense. I urge my colleagues to adopt it.

I ask unanimous consent to print in the RECORD a chart that shows the percentage of payments made by income. It shows the upper 1 percent getting 19 percent of the payments, and the upper 10 percent getting 67 percent of payments in agriculture.

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

Concentration of payments for farms in the United States—from 1996 through 2000, the top 10 percent of recipients in the United States were paid 67 percent of all USDA subsidies:

Percent of recipients	Percent of payments	Number of recipients	Total payments, 1996–2000	Payment per recipient
Top 1	19	24,111	$13,470,787,292	$558,698
Top 2	29	48,221	20,841,600,894	432,210
Top 3	37	72,331	26,561,357,813	367,219
Top 4	44	96,441	31,231,049,012	323,835
Top 5	49	120,552	35,155,503,844	291,621
Top 6	54	144,662	38,515,289,723	266,243
Top 7	58	168,772	41,427,212,217	245,462
Top 8	61	192,883	43,974,881,921	227,987
Top 9	65	216,993	46,228,199,437	213,040
Top 10	67	241,103	48,231,602,648	200,045
Top 11	70	265,213	50,023,935,434	188,617
Top 12	72	289,324	51,637,374,388	178,475
Top 13	74	313,434	53,094,589,890	169,396
Top 14	76	337,544	54,416,196,177	161,212
Top 15	78	361,654	55,619,113,574	153,790
Top 16	79	385,765	56,717,246,985	147,025
Top 17	81	409,875	57,722,841,911	140,830
Top 18	82	433,985	58,646,414,190	135,134
Top 19	83	458,096	59,497,316,971	129,879
Top 20	84	482,206	60,284,320,451	125,017
Remaining 80 percent of recipients	16	1,928,821	11,245,676,109	5,830
All recipients	100	2,411,027	71,529,996,560	29,667

Mr. NICKLES. I yield the floor and thank my colleagues.

The PRESIDING OFFICER. Who yields time?

Mrs. LINCOLN. Madam President, how much time remains?

The PRESIDING OFFICER. There is no time remaining in opposition. There is 1 minute 36 seconds remaining on the proponents' side.

The Senator from Iowa.

Mr. GRASSLEY. Madam President, I yield myself the remaining time on our side.

We have an opportunity to do what has been a part of farm programs for 70 years: try to target the safety net for farmers to medium and smaller family farmers. We have an opportunity to save the taxpayers some money that would go to big corporate farms. We have an opportunity to bring money into the Food Stamp Program, and we are adjusting the formulas to reflect higher payments for shelter and for utilities and for heating homes so that the Northeast of the United States will be able to help some of their low-income people to a greater extent than they have been through the present formula, the Food Stamp Program. That is the use of the money.

The most important thing is targeting assistance to the family farmers. The legislation before us disproportionately benefits the Nation's largest farmers and in most cases nonfamily farmers. In fact, this farm bill unnecessarily increases payment limitations established in the present farm program which already allows up to $460,000.

We have a chance to do a very good thing from the standpoint of bipartisanship that has traditionally been such a part of the farm program. We have had several bipartisan amendments—for concentration and arbitration, and now for the payment limitation. Let's see what we can do to develop a bipartisan farm bill. Voting for this amendment will be one more bipartisan amendment to be adopted.

The PRESIDING OFFICER. All time has expired.

Mrs. LINCOLN. Madam President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table amendment No. 2826. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

The result was announced—yeas 31, nays 66, as follows:

[Rollcall Vote No. 18 Leg.]

YEAS—31

Akaka	Frist	Lieberman
Allen	Graham	Lincoln
Baucus	Helms	Lott
Bingaman	Hollings	Miller
Bond	Hutchinson	Nelson (FL)
Breaux	Hutchison	Reed
Burns	Inhofe	Sessions
Carnahan	Jeffords	Shelby
Cleland	Kyl	Thurmond
Cochran	Landrieu	
Edwards	Leahy	

NAYS—66

Allard	Dorgan	Murkowski
Bayh	Durbin	Murray
Bennett	Ensign	Nelson (NE)
Biden	Enzi	Nickles
Boxer	Feingold	Reid
Brownback	Feinstein	Roberts
Bunning	Fitzgerald	Rockefeller
Byrd	Gramm	Santorum
Campbell	Grassley	Sarbanes
Cantwell	Gregg	Schumer
Carper	Hagel	Smith (NH)
Chafee	Harkin	Smith (OR)
Clinton	Hatch	Snowe
Collins	Inouye	Specter
Conrad	Johnson	Stabenow
Corzine	Kennedy	Stevens
Craig	Kerry	Thomas
Crapo	Kohl	Torricelli
Daschle	Levin	Voinovich
Dayton	Lugar	Warner
DeWine	McConnell	Wellstone
Dodd	Mikulski	Wyden

NOT VOTING—3

Domenici	McCain	Thompson

The motion was rejected.

Mr. REID. I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. MILLER). The question is on agreeing to the amendment of the Senator from North Dakota, amendment No. 2826.

The amendment (No. 2826) was agreed to.

Mr. REID. I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2827 TO AMENDMENT NO. 2471

The PRESIDING OFFICER. Under the previous order, the Senator from Indiana is recognized to offer an amendment regarding payment mechanism. There will be 2 hours of debate prior to a vote in relation thereto.

The Senator from Indiana.

Mr. LUGAR. Mr. President, I alert all Members and staff as they prepare to go to lunch, we will have a debate for the next 2 hours and vote at approximately 3:05.

This amendment is a radical adjustment. I am hopeful Senators will be alert to the particulars as well as to the general philosophy of the amendment. It deals with the commodity title. As I have stated on other occasions, the other titles of the bill have had strong bipartisan support. As a matter of fact, we have improved them in the amendment process, especially a nutrition amendment that Senator DURBIN addressed this morning in his amendment.

My criticism of the commodity area of the farm bill is substantial. It comes down to the first point that we are debating this bill at a time in which our Nation is apparently in deficit finance, which means essentially we are spending more money as a government than we are taking in. That means each dollar of additional deficit comes from the Social Security trust fund. Most lament that; both parties, through a lockbox strategy or through pledges, want that sacrosanct and recognize the public as a whole does not like the idea of the Social Security trust fund being invaded. That dislike is compounded by predictions that it will occur perhaps for many years, not simply for the year we are in or, as a matter of fact, the year we just concluded.

I make that point not to say we should not proceed with the farm bill. We are going to do that. I support that. We are working with the distinguished chairman to try to finalize amendments and get a roadmap of how to do that. We are prepared to spend some money. However, we had better be thoughtful and prudent. I am suggesting that the current commodity title that lies before the Senate, plus or minus whatever adjustment amendments are brought to it, is about a $44 billion expenditure over 5 years of time. It is frontloaded into those 5 years of time. The Secretary of Agriculture already has expressed objection on the part of the administration to that.

The amendment I will offer today is a $25 billion payment for a 5-year period, as opposed to $44 billion. This is for 5 years. It is a very substantial change. It is a prudent change, in my judgment.

Now the second point I want to make is, if the first was not imperative enough in terms of deficit finance and money we do not have, the money that would be spent in the Daschle-Harkin bill would go—as we have heard again and again in the debate, approximately two-thirds of the money would go to approximately 10 percent of the farmers.

It is even more concentrated than that. In fact, the bills we have had in the past, and this bill, essentially deal with the basic row crops of cotton, rice, soybeans, corn, and wheat. That has been the case since the New Deal days in the 1930s and still remains the case in this bill. There are smaller amounts of money, from time to time, to vegetable crops—to dairy, to tobacco, to peanuts—but essentially the money is on the row crops.

That means that essentially six States receive half of the money because these are large States and they have row crops as opposed to agriculture of different sorts. So the bill is highly skewed. It is not original in that respect. That has been true of this legislation for many years. Nevertheless, we compound that problem in this bill.

To lay it out so all of us can understand it, 60 percent of farmers, more or less, do not receive any subsidies; 40 percent receive all the subsidies. Of the 40 percent, 10 percent of those receive two-thirds of the subsidies.

As I illustrated in debating the last amendment with regard to the limitation of $275,000 for a husband and wife or $225,000 for a single farmer, in my State of Indiana we have a very different result than was the case in the State of Arkansas, the proponents of the legislation. But in either case there are very few people who benefit—who receive, actually, more than $275,000 now. Only six farmers in Indiana, apparently 583 in the last iteration in Arkansas. We have 98,000 recipients of subsidies in Indiana; Arkansas has 48,000. So any way you look at it, 6 or 583, those particular farmers receive extraordinary sums of money, which skews the payment situation in a way that strikes most persons who are talking about retaining the family farm and supporting the modest farmer as very strange.

If in fact our intent was to save the family farmer, to cashflow those farms that are in trouble, it would appear that we could probably do better than have one-third of the money going to 90 percent of the farmers. As a matter of fact, it becomes even more progressive in the other way as you proceed down through the ranks.

So I add that thought. Not only are we in deficit finance, but we have a formula that, by its very nature, is going to reward those who are very large. Some would say, Why is that a bad idea? Is it not the American ideal, as a matter of fact, to succeed, to accumulate more land, to have more crops? Indeed, it is. The basic question is not one of merit. No one is being prohibited from becoming big and succeeding. The question is whether subsidies that were meant to save family farms contribute to that process.

The third point I want to make is there is strong evidence that our past farm bills—the immediate one we are working on now, the bill of 1996, the one of 1991 before that—have offered incentives to produce more. Why is that bad? Because we almost guarantee that, absent a huge weather problem or a total breakdown in the world trading system because of war or pestilence or disaster, we will have more of each of the basic row crops almost every year.

There are good incentives, in fact, to produce more, because each bushel of production brings its reward in higher subsidies. Therefore, Senators come to the floor and lament the fact that prices have never been so low. Well, of course. The very bills that we are passing almost guarantee they will be stomped down every year. It is impossible to think of a scenario in which we are more likely to have this problem.

Mr. President, I got so carried away in my arguments, I failed to call up the amendment. So, as a result, I will do that at this point, hopefully having whetted the appetite of the Chair.

I call up the Lugar amendment and ask the clock start running on debate time.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 2827 to amendment No. 2471.

Mr. LUGAR. I ask unanimous consent the 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.'']

Mr. LUGAR. Mr. President, the dilemma for the small farmer is compounded because, in essence, as overproduction occurs, prices remain very low. That hurts large farmers, too. But, as a matter of fact, many large farmers are large because they are efficient farmers. They do the research. They learn about the marketing tools available in futures contracts, forward contracts. They employ the proper conservation procedures and have the capital to do so.

As a result, it is not surprising that despite each of our farm bills—and the argument has been made every 5 years or 6 years, or however often we do this, that we are going to save the family farm—that in fact there are fewer family farms each time around. That, some would point out, has been true from 1900 onward—perhaps before that time.

One of the strange things about farm statistics presently—and I will not analyze this in depth—is there has been an increase in farms that are fairly small. These apparently are farms that are purchased by professional persons who want some room around their residences. If they produce on those premises at least $1,000 worth of agricultural produce or animals, then they qualify as a farm in the sense of this

definition. So this has led to a certain expansion, in some States, in which this would be counterintuitive.

But the heart of the matter is that about 350,000 farmers out of the 1.9 million who do at least $1,000 or more, those 350,000 do roughly five-sixths of the bill, all of it, in terms of crops or livestock. So essentially some have said farm policy is aimed toward them.

But at that point, very clearly, Senators rise and say: Hold on. That leaves 1.6 million entities out there, and some of these are family farmers. I know them. They are my constituents.

I would simply say the degree of concentration, often lamented, continues fairly rapidly. It does so, in part, because our farm bills, with very generous subsidies, support loans from banks and they have apparently led to an increase in land values in most States. That I witnessed with regard to estimates and appraisals on my own property in Indiana from 1956 onward. I have had responsibility for that farm. It is exciting to watch. Thank goodness we did not have to buy and sell during that time; we could simply watch the changes in the balance sheet.

But clearly it was an exciting experience throughout the 1970s, watching land values, as Purdue estimated them, go up and go up, sometimes by double digits in a single year. So as I took a look at my 604 acres and began to multiply by 2 or 3 those values, that was pretty exciting.

It was pretty depressing; after Paul Volcker and others put the skids on interest rates to try to take the Federal Government off in a different way, the value of farmland in Indiana plunged by as much as 50 percent to 70 percent.

That kind of jarring situation, many farmers who have lived a long time have become used to. But we are now, much more mildly than in the 1970s, but progressively, seeing those land values increase. For the general public, this seems strange.

The general public looks in on farming, and they ask: Why are farmers coming into the Senate pointing out that the prices have never been so low? The prospects have rarely been so dim with people lined up at the country banker failing to get loans, and all the signs are that even farmers who appear to be fairly prosperous are near bankruptcy.

The USDA illustrates this fine point. They point out that as you look at the balance sheet for all of American agriculture, the assets have been rising throughout the last 5 years. As a matter of fact, the net worth of farmers has been increasing. How can this be if operating results are so dismal?

In fact, operating results have not been that dismal. In the year we just finished, 2001, it appears that cash income is $59 billion for all of American agriculture. That is plus-$59 billion—not negative. But the real change comes in the asset value of farmland. With the pricing of land moving up, it is apparent that on paper the net worth of farmers is increasing substantially.

I make that point because many bankers, as you visit with them—as the distinguished Presiding Officer certainly has—would say we are counting on these farm bills to keep those values up. Why do you think we are prepared to loan more money or even any money without some assurance that farmland not only retains its value but nevertheless has a robust quality to it?

We then get into a problem in which farmers say: Hang on. Whatever may be the justice or injustice of the farm bill, if you tinker around with that bill very much, you are going to create anxiety with country bankers. They may not make loans. At that point, then we have a real problem.

It is not my purpose today to try to precipitate a decline in land values. That would be destructive not only of my own farm but to all my neighbors. I just observe, however, that without describing a bubble phenomenon—because it is not that; farms are not dot.coms and not electronic situations—there is value there. But we need to be thoughtful in terms of our policies as to how much steam we want to generate into what some would call false values—increases clearly not justified by implied income flow coming from those properties.

The dilemma, of course, for the young farmer we have talked about—we have a section in our farm bill that tries to address credit for young farmers—is that it is extremely important if we are to have entry of our young people. As most have pointed out, the average age of farmers seems to increase every year. Demographers indicate it has been true for quite some time. It has been proceeding towards the high 50s. That is not a healthy situation. That is not a healthy situation for a growing, prosperous industry, but it reflects the realities of young people coming through our agricultural schools.

The vast majority go into what might be loosely called agribusiness—not production farming. They are dealing with products that come from that, or marketing, or the espousal of farm interests in foreign trade, what have you. These are valuable skills. But the number of persons heading back to head up these family farms to keep the continuity going appears to be fairly limited. Some years are better than others.

The distinguished Presiding Officer has visited the excellent agricultural facilities with educational opportunities in Georgia, as I have at Purdue in our State. We encourage young people to farm. Some do. Some years are better than others. But for some years, there appears to be very few candidates for that.

One reason is it is very hard for a young farmer to get credit and to establish a landhold. If you are in a family farm now, that is your best bet. As inheritance tax reforms have occurred, many of us have pointed out they needed to occur because the family farmer is 15 times more likely to be visited by the inheritance tax than other ordinary citizens. The assets are tied up in the land, in the buildings, the visible assets. But if a family can work that out, there is some possibility for the young person. These are fairly small percentages of situations. I think that is a disturbing trend but one that current farm bills, I believe, have accelerated.

There is also the fact that as we discussed the last amendment on limits, some pointed out that farmers, in fact, are renting land from those who have estates, or elderly persons, retired farmers, and others. Indeed, a lot of renting does go on.

The 120-page USDA booklet indicates that 42 percent of farmers who are now involved in production are renting land. Only 58 percent own the land they are farming. That is a fairly large number.

Our farm bills have the tendency to raise the rents in the same way that they have raised the land values; in the same way they raise the possibility for larger loans for expansion or for accumulation of other farmland. None of these trends are new and none should be shocking. Many farmers, as well as Senators, say that is just the way the world works. These are trends that are in place, and we are only going to tweak the system a little bit and hopefully not disturb it a lot, although some Senators have greater ambitions for the farm bill.

They believe, in fact, that a very sizable change is going to occur if over a 10-year period of time, as the House of Representatives looks at it, you put $73.5 billion of additional money into American agriculture on top of the baseline of the regular programs we now have. So a lot of our debate in November and December revolved around the $73.5 billion, as Budget Chairman Conrad said it is. Ultimately, the Bush administration said: Well, we are going to acknowledge that it is there now, and in this year, and so forth. But there now appears to have been an argument over the situation. But some of us looking into this—I am one of them—said it wasn't in November, and it isn't there now. We do not have the money, and, therefore, we have to be thoughtful about it.

I simply add that everybody—the President and Senators in both parties—wants a farm bill. The question we are discussing today is not whether we should have a bill or not.

The amendment that I have offered substituting for the total commodity package still, by my own admission, is that it is going to cost $25 billion over 5 years—not $44 billion over 5 years but $25 billion. But it is still a sizable sum.

The basic difference in my approach is that I take seriously the thought that we ought to have equity in the payments. By that, I mean they ought to be available to any farm family wherever that family may be in America and whatever that family produces.

That would be a revolutionary step. That is what I am proposing.

I started by saying 60 percent of farmers are outside the game altogether. I want to bring them in.

They will occasionally come in when we have disaster relief debates—perhaps a strawberry crop in a State or a peach crop or a problem of cranberries in New England comes to the fore. Senators in that State say we have had a disaster brought about by weather, usually, or some other problem. Therefore, we need relief.

On an ad hoc basis, the Senate from time to time in the appropriations process plugs in some money for what is known as specialty crops or crops other than these five major row crops. From time to time, we have done something for livestock but not very much. We had a debate yesterday about the EQIP program. This has been a way of trying to bring some money so that manure could be controlled and other environmental circumstances surrounding a livestock operation.

The bill that the distinguished occupant of the Chair and I have been involved in on the Agriculture Committee does a lot more for the EQIP program. There has been a long line of people waiting to make those changes, so that will be helpful both to production in livestock as well as the environment and the counties that surround it. But at the same time, livestock people, aside from the pork dilemmas of 2 or 3 years ago when prices reached rock bottom, have not gotten the subsidy.

Sometimes people have wondered historically, why not? They were back in the 1930s when all this began to be passed out. Why haven't we been in that tradition? But, nevertheless, some, by diversifying, have corn farms, say, and get the money in that route, by spreading at least the risk, and they have imbibed in the farm subsidies in some fashion. All I am saying is, there is no equity, farm by farm, in the farm bill as we have known it. So I want to provide that.

I want to say, in essence, three things. One is that my bill would send money to any farm entity that has at least $20,000 of gross agricultural income coming from it, not the $1,000 which has been the definition of the family farmer. That is too low. It picks up what I think are clearly the so-called hobby farms or the almost incidental farming that occurs.

Some might say: But $20,000 is not much of an activity. Nevertheless, in some parts of the country—and given the history of some farms—that appears, to me, and to many economists who have looked at the subject, a reasonable threshold point.

So let's say I am a farmer—male or female—on a farm anywhere in America, producing anything I want to produce, and I can sell it for $20,000. I would qualify, under my amendment, for a $7,000 payment from the Federal Government each year for 4 years, starting with fiscal year 2003, and going through 2006, so long as I continue in the business. I would have to do the $20,000 each of the 4 years. This would not be a historical record but an actual record that I am a farmer and I am doing that kind of business.

And the question is raised, what if you have a situation in which there are two factors here—one a landlord and one a tenant or two farm families, one owns the land and the other provides the machinery and some of the labor, or what have you. Both of these entities could qualify for the $7,000 payment if both are at risk. If the landlord is simply getting the rent, without risk, then the landlord does not get the $7,000. The tenant gets the $7,000. He has the risk. So it is a question of being at risk and with at least $20,000 of income. Then you receive $7,000.

I make the point that this finally, then, gets us to the threshold question of why we have farm bills and why we have income security. My idea is that we provide income security for the vast majority of farmers in this way. It means the very large farmer still gets the $7,000. We will not be having a debate about $275,000, however. That really moves off into past history. I am talking about $7,000 for each farm family at this point.

That raises the question for skeptics of all programs: Why do you send $7,000 to a person in America because he or she is a farmer? We have settled that, I suppose, by all of us saying, several times, that we understand there are abnormal risks from weather, from foreign trade, from all the vagaries of history. It may or may not be totally just to those people who make their money at the retail store on Main Square or to those who venture capital into new businesses and lose it or to a whole lot of people who make livings in various ways, but what we are saying is we believe it is important to have a safety net.

What I am saying is, it should be just that, a safety net, not an incentive to produce more and, thus, depress prices, or an incentive to accumulate land using abnormal land values to borrow money, knowing that at some point this cascade is almost bound to lead to difficulty.

It ought not to be a program that excludes young farmers and one that is purely prejudiced against those who rent. And it ought not to be a program in which six States receive 50 percent of the money. This really does indicate in every State there are agricultural interests, but they are diverse and they are different. Where there are more farmers, the State will get more money. That is true of distributions of all sorts.

Having sort of recited the outline of where I am headed with this, let me say I believe the amendment I have offered will achieve each of the goals I have in mind: less money paid by the taxpayer, greater equity to all farmers, a genuine safety net, a policy that does not distort land values, does not depress prices, and, finally, does not lead to real problems with our trading partners, whether it be in the WTO or any other trading arrangement.

We debated that issue yesterday as to whether the current text of the farm bill, before amendment, leads to bumping up against the $19 billion cap. In my judgment, and that of many others, we risk that. The FAPRI group—the research people at Iowa State and Missouri—said there is a 30.3-percent chance that will occur in 2002, as a matter of fact. That really does jeopardize American agriculture.

We can say we do not care what the rest of the world thinks about all this and, after all, that the Europeans are subsidizing in a big way—maybe some others—but we need every dollar of export income. We cannot have countervailing suits or retaliatory mechanisms that abnormally affect certain crops as countries try to find where we are vulnerable and arbitrarily knock out one group of farmers while they are trying to hit the whole system.

Furthermore, we are the leaders in world trade. We are the people who really want to expand this. We have to do that if we are genuinely thoughtful about the future of American agriculture. To take some type of a myopic view that we simply deal with ourselves leads, finally, to the fact that is all we will be doing, and it is a limited market.

So given the extra incentives, prices will inevitably go down and stay down because there is no outlet in terms of American agricultural genius.

Let me point out that agricultural subsidies have been distributed according to acreage. Some have said that is the way it ought to be: You do more, you get more. I understand that. To some extent, I recognize, as the Presiding Officer does, that this has led to a situation of roughly two-thirds of the payments going to 10 percent of the farms. USDA—more graphically getting down to this 350,000 I talked about—says 47 percent of all the money went to them, almost half to a very isolated group of people. They are very good farmers, but if that is the purpose of the farm bill, that is not what the rhetoric we have been hearing would bring about.

The Daschle-Harkin bill spends the bulk of $120 billion on new fixed farm payments, on new countercyclical payments, on higher marketing assistance loan rates for program crops. It, likewise, extends, for dairy, the milk price support of $9.90 per hundredweight through 2006. It also creates a new national income support program. Overall, the dairy provisions are expected to cost $2.3 billion over and above the baseline.

A new target price is created for peanut producers, and that is expected to cost $4.2 billion over 10 years, and nearly $700 million more than the House-passed peanut provisions.

The CBO projects the Daschle-Harkin bill may cost $120 billion over 10 years,

but its actual cost could be 25 percent or even 50 percent larger if commodity prices fail to rise. That is a pretty good bet. I don't see how they rise under these conditions.

I am going to have another amendment in due course in the debate that will suggest we take the average payments of the last 3 years of the farm bill. Those have included not only the regular payments, baseline, AMTA, and so forth, but the supplemental legislation we passed each summer. These have been pretty heady sums of money all told. I am going to offer an amendment that will suggest that the payments, if we adopt the Harkin-Daschle approach, shall not exceed that average of the last 3 years, just so there are some stoppers with regard to some fiscal sanity in this bill.

This becomes an entitlement. If you are out there and you produce the bushel, you expect to get the loan or the payment and not a lecture that, after all, we only budgeted $120 billion.

That is not a part of this amendment, part of the next one, in the event I am not successful with this amendment. But if I am successful with this amendment, we have solved the problem. There is no doubt as to what the cost is going to be at that point, nor any incentive to overproduce. In fact, it is very likely that prices will rise as people make rational decisions on what to plant.

Let me conclude this initial presentation by pointing out, for those who have not followed it from the beginning, that this is a complete substitute for the commodities title of the bill. That means all the programs involved in the commodities title would no longer be there and, in fact, in place is a payment of $7,000 to each farmer in America or each entity at risk of $7,000 for a 4-year period of time, providing the safety net I believe we want, with strong bipartisan support for that in a very predictable and equitable manner.

I yield the floor and suggest the absence of a quorum. I ask unanimous consent that the time be equally charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUGAR. 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. LUGAR. Mr. President, I am pleased to announce I have received a letter from the Council for Citizens Against Government Waste, dated February 7, 2002. The letter states:

DEAR SENATOR LUGAR: On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste, I am writing to inform you of our support for your amendment to S. 1731, the Farm Bill, which would replace current farm program payments with fixed annual equity payments to eligible farmers beginning in 2003.

Your amendment provides equitable Federal assistance to all U.S. farmers and ranchers, and it saves taxpayers approximately $20 billion over the next five years. Current farm policy allocates two out of every three farm subsidy dollars to the top 10 percent of subsidy recipients, while completely shutting 60 percent of farmers out of subsidy programs.

Your amendment will provide a more equitable farm program, a significant improvement over the present system, which provides the overwhelming percentage of government payments to large farms rather than smaller farms that are most in need of assistance.

[The Council for Citizens Against Government Waste] will consider a vote on your amendment in the 2002 Congressional Ratings.

It is signed by Mr. Thomas Schatz, president.

I yield the floor and suggest the absence of a quorum, with the time equally charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUGAR. 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. LUGAR. Mr. President, USDA's Economic Research Service estimates that in calendar year 2000, the latest year for which this data is available, there were, in fact, 764,000 farms in America with an annual gross farm income of $20,000 or more. I cite that figure to give some idea of the number of farms that, given this threshold, we are discussing in this amendment.

As I mentioned, on some of these farms there are at least two entities—maybe more—sharing production risk and having $20,000 at stake in terms of gross income. Each of these entities would qualify for a $7,000 payment.

This means that those who have been scoring the amendment estimate there could be, under the widest interpretation, as many as 1.3 million payments of $7,000 a year.

That is the basis upon which we arrive at the $25 million sum for all of the commodity section over a 5-year period of time. I make that point simply to undergird, for Senators who are listening to the argument, the financial aspects.

I think it is of interest as to how this works out in real life. I cite once again the Environmental Working Group Web site with regard to my home State of Indiana. For the years 1996 to the year 2000, it breaks down the annual payments, not the 5-year total but the annual payments of farmers in my State. I cited earlier that in this particular situation, almost 100,000 farms receiving some payment have been identified. It is interesting that in Indiana about 75,800 of these farms received no more than $5,000 on an annual basis during this period of time. So this means, even if one extrapolates up into the next group, $5,000 to $10,000 where there were 9,500 more farmers, splitting that in half, roughly 80 percent of the farmers of Indiana, 80 percent who were receiving farm payments, received less than $7,000 in this period of time. That is why $7,000 per farm entity makes a significant difference to a large majority of farmers in my State.

I think most Senators will find, if they do the arithmetic, $7,000 for a farm entity of $20,000 at risk, $20,000 gross but the farmer at risk, means anywhere from three-quarters upwards of actual farmers in the Senator's State will do better under my amendment than under the Daschle/Grassley bill.

I hope Senators understand that. I am certain at some point farmers will understand that, and farmers presumably will hold Senators responsible for looking after their interests.

So to underline the obvious, again, my statement is that roughly 75 to 80 percent of farmers who now would receive $7,000 in each of 4 years if they continue in farming will do better than the payments they would receive under the farm bill that is now before us. Clearly, if we are deeply interested in the majority of American farmers, especially those farmers who are most in jeopardy of losing their enterprises, we will be interested in this group. This is the safety net that is provided by my amendment.

I yield the floor, and I ask unanimous consent that the time be equally divided against both sides.

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

The Senator from Iowa.

Mr. HARKIN. Mr. President, might I inquire of the situation. I understand the pending Lugar amendment is 60 minutes evenly divided. Could the Chair inform us about how much time is remaining on both sides?

The PRESIDING OFFICER. The Senator from Iowa has 52 minutes, and the Senator from Indiana has 70 minutes.

Mr. HARKIN. Mr. President, I yield myself such time as I may consume.

Mr. President, I have, as the Senator from Indiana knows, great respect for him. We have had a great working relationship on the Agriculture Committee. I daresay, without any fear of contradiction, that perhaps in most, if not almost all, of the present focus that we have on agricultural research and the changes that were made in research were because of the leadership of Senator LUGAR.

My friend from Indiana has been unafraid in what I call pushing the envelope in trying to think outside the box on agriculture, and maybe in some ways we find ourselves in a box on agriculture. I might be one of the first to admit that. We have over 60 years of Federal farm programs that have been designed, in essence, to try and support our farmers, our farm families, during periods of low prices, during periods when their income would fall basically due to no fault of their own.

A lot of times my urban friends will ask me why do I have all of these farm

programs. There is not the same thing for a hardware store, or the dry cleaning shop, or a number of other main street businesses. I always have to bring them through the process of why we are where we are, and that agriculture is really unlike a Main Street business in that there are so many variable factors beyond the farmer's control.

We know the classic ones, of course: weather, the droughts, the hail, the rain, the cold, the heat, whatever it might be, those vagaries of weather. Now, to a certain extent we have over the years attempted to protect the farmer from those vagaries with different forms of insurance programs, but then sometimes those insurance programs do not meet all the needs.

First, it was hail and fire. Now, we have gotten into all-crop, all-peril, all-risk insurance. We are doing that now so that has been helpful.

So there is weather. Then there are the other vagaries of agriculture, and that is basically on the world market in which we now find ourselves. What one country might do, as in Brazil, in Argentina, or the countries of Europe, might drastically affect what happens to the farmers in this country. We do not have much control over that.

Then there are the other vagaries of disease and pestilence, and so forth, that affect our livestock industries in this country. Of course, we continue to do research and to support APHIS, the Animal and Plant Health Inspection Service, and others, to help us in our continual battle against the infestation of either disease or pests in our crops and livestock. Put all of these things together and that individual farmer has literally no control over the marketplace, none whatsoever.

It has often been said the farmer is the only person who buys retail and sells wholesale and pays the freight both ways. That basically is true. So we build up this elaborate network of farm support programs, to me, different vagaries of farming as we go through the years; different now than it was 30, 40, or 50 years ago.

Our programs change, but they have the essential underpinning of ensuring that, No. 1, we will have an adequate supply of food and fiber for the citizens of this country, that we will have that food and fiber in a way that will ensure no one really goes hungry in this country. On that side of the ledger we have built up quite a system, also, of nutrition programs. The most famous is school lunch. But there are a lot of others. So we made it possible for this country to be the best fed and to have the largest variety and the most quantity at the cheapest prices of all sorts of food, especially wholesome food. There is some food that is not too wholesome, but at least in the wholesome foods that is true.

That is a reason we have dairy programs. We found through the history of the dairy programs, when we had the spring flush, prices would go to nothing. A lot of farmers found that they could not make it. But in the middle of the winter, the price of milk would skyrocket and kids would be left without milk. We wanted to even this out. We came up with dairy programs to even that out. They have worked quite well overall.

It is true we have an elaborate system of support programs. If we were starting over and we had a clean slate, we might start a system of equity such as the Senator is talking about. We are not starting with that clean slate. We have to take into account what has happened with land prices, what has happened in the local communities, what this would mean if we were to yank the rug out all of a sudden from under these programs.

If our experience under the last farm bill, under the Freedom to Farm bill, had been different and we had some reason to believe that farm programs would be phased down and eliminated, maybe this would have been the right approach. We saw that was not going to happen under Freedom to Farm. So all of these programs have been woven into the fabric not only of our farms but of our rural communities, our schools, our businesses, our colleges, our transportation.

Earlier we mentioned the value of land. Some may argue, rightfully so, we have a land bubble out there; we have prices of land, and the value of the commodity for that land cannot support that price. This is not speculative land, land near a city waiting to be developed. To a certain extent, some of the payments we have put out there in the past, in the last farm bill and the one before that and the one before that, going back for quite a ways, have had a more perverse effect than what we intended. It has, in fact, increased the price of land beyond what the productive capacity of that land could support. This has not created a good situation.

We just had a vote on payment limitations, which I support. What has happened—I see it in my own State the way the farm program is structured—the bigger you are, the more you get; the smaller you are, the less you get. The payments go to the larger farmers. They then go out and bid up the value of the land above what the smaller farmers can get, or a beginning farm can do, and you get bigger and bigger farms.

Since I was a kid, I have been watching farms get larger in my backyard. I come from a town of 150 people. I still live there. All the farms around my hometown are getting bigger all the time. Some of that was inevitable, due to mechanization, better equipment, better seed, better fertilizer, better control over pests. So the production kept going. That kept the price of our food very cheap in this country. It was inevitable that farmers would not stay with 40 acres and a mule; farms would get bigger.

Over the last few years—I don't know if I could use a cutoff date, maybe 15 or 20 years—our farm programs have accelerated the process and have added to it and have made it worse, exacerbated it. We do have a land bubble. One might say we should not have a land bubble; land ought to be worth what it can produce or whatever it can bring on the market for speculative purposes but not based upon Government payments. I can accept that argument.

What I cannot accept is pulling the rug out right now. We cannot do that. This has been built up over 60 years of time, and accelerated over the last perhaps dozen years, 15 or so years, maybe more. We have to be very careful how we approach modifying and changing what we do in agriculture and how we support our farmers. To make this drastic change right now would cause a collapse of land prices which would devastate a lot of farmers.

In rural America, it is often said most farmers live poor and die rich. That has basically been true throughout my life. That is their retirement. The farm they have is their retirement. If we pull that out from underneath them, it will be like all the people with their pensions in Enron. Pull the rug out from underneath our farmers, let those land prices collapse, and we have treated them like Ken Lay treated the people at Enron. We do not want to do that. That would devastate our public schools that rely on the property tax in rural areas and our small towns.

What to do, then, if that is the situation? Do we take a drastic turn, as my friend from Indiana wants to do? I hope not. That would be devastating. In other words, what we ought to do is try to work within the structure that we have and start to move this engine a little bit, just to move it a little bit, and start to change the way we do support agriculture. The bill before the Senate is a balanced bill in that regard. Yes, we do spend more money on commodity programs. We do because farmers need it.

The Department of Agriculture estimated a couple weeks ago there will be a 20-percent drop in net farm income this year unless we come in with some kind of a payment. I ask anyone listening or watching to think of your own situation. What would you do for your family if this year you had a 20-percent drop in your net income? What would you do with your lives? What would happen to your kids? What would happen to your car? What would happen? Think of the farmers with a net income drop of 20 percent this year. I wish it were not so, but that is the fact.

So we have more money on the commodity programs this year. However—and this is a big but—this bill, developed with a lot of bipartisan input, through the committee process, amended on the floor as it has been amended and probably will be in the next couple of days, this bill puts more money in commodity programs, but we spend more on a broader agricultural constituency. We provide new—and more—conservation spending. That is

income to farmers in a way that has never been done before.

Before, we would say to the farmer: If you take your land out of production, we will pay you for it. That has sort of reached its limits. So now we say to the farmer: You be a good steward of the soil, you keep your soil from running off; you, livestock producer, make sure you don't have the manure runoff that is killing fish in the streams and fouling underground water; you, row cropper, cropping the hills, put in some buffer strips along the streams, put in some grass waterways; you on the plains, cut down on the wind, put in some windbreaks, do things like that, rather than plowing up the land; do ridge tilling, hold the soil down—we will pay you for it.

That is a conservation security program to begin paying farmers to be good stewards.

Many farmers are already doing that and this bill would not cut them out. This would not say they would have to do anything different. They would just have to continue what they are doing and they will get paid for it.

That is a change. There are some in this Chamber—there were some in our committee—there are some who do not want to do that. The Cochran-Roberts bill that was offered as a substitute took that conservation out and threw it out the window. Fortunately, it only received 40 votes. But I think there is great support for that movement of beginning to pay all kinds of farmers, whether they grow row crops or livestock, orchards, vegetables, fruits—whatever it might be—to support their income in a way that provides a payoff and a better environment. So that is in this bill.

We also have, for the first time, an energy title in this farm bill. If September 11 taught us anything, it ought to have taught us that we have to cut the oil pipeline to the Mideast. Again, do we want to cut it this year? No, we can't do that this year or next year because our energy system in this country is too dependent on it. But we ought to begin planning and doing things now that will get us off that oil pipeline.

I daresay drilling for oil in the Arctic National Wildlife Refuge is not one way to do that. That will still keep us hooked up to the oil pipeline. What we have to do is begin to look at our farms and our fields as the substitutes.

Anything that can be produced from a barrel of oil can be produced from a bushel of soybeans or cottonseed or corn and other products.

I visited a relatively small farm in northeast Iowa last weekend. The farm family there had agreed with the University of Northern Iowa that they would participate in a project to make axle grease out of soybean oil. If you look at it, it looks just like grease. Already they are working with large trucking companies to buy this grease for their fifth wheel, and working with I think the Norfolk Southern and other railroads to grease the railroad tracks with it. Why? Because it is totally biodegradable. Hydraulic fluids can all be made from soybean oil. In Cedar Rapids right now we have over 30 buses running on soy diesel.

I think we have broken through a little bit on soy diesel, I say to my friend from North Carolina, because last week—I didn't see this, but I heard about it—on ''West Wing'' the television show ''West Wing'' that has to do with the President, I guess the President in ''West Wing'' was taking a trip to Cedar Rapids, IA. He said to his staff: Are we going to get picked up by one of those diesels running on soybeans?

So we are making a breakthrough. People are now beginning to pay attention that buses can run on soybeans. It is all biodegradable.

We have an energy title in this bill to try to start moving in that direction, $550 million, half a billion dollars in 5 years—I hope we can keep it—again, to begin to develop that, whether it is diesel or hydraulic fluids, grease, or ethanol. We haven't even scratched the surface on ethanol use in this country. We can do a lot more with ethanol, and the feed co-products can be used in feedlots.

Biomass energy—we have a project in Iowa right now that we started a few years ago. I was able to get a modest change in the law to allow biomass production on conservation reserve program land, we set aside 4,000 acres in southern Iowa to grow switch grass. That switch grass is cut and then it is taken over to the Ottumwa, IA, coal-fired powerplant and put right in there with the coal to burn at the powerplant.

See, a pound of switch grass has more Btus than a pound of coal. The problem is, a pound of switch grass is this big, and a pound of coal is that big. But they burned it last year in the boiler. It worked just fine. So now John Deere is working on developing new kinds of equipment that will cut the switch grass and put it in little bundles so it will make it easier to transport and put in the furnaces. Biomass energy, renewable every year. It will cleanup the environment and give farmers some additional source of income.

Wind energy—the largest wind farm in the world is located in Iowa. Interestingly enough, it was built by Enron. But it is there. So there are provisions in our bill—we have an energy title in our bill to begin to promote that and give a new market for farm products.

That is what we have to do. We have to find new markets for what these farmers grow. One of the biggest markets out there—a huge market that can absorb a lot of our commodities—is the energy market. So why should we be paying all this money to Saudi Arabia and the Mideast or go up and drill in the Arctic National Wildlife Refuge, when we have it right here on our lands. So that is another part of the bill that begins to move us in some different directions.

We have a strong rural development program in this bill to provide for broadband access to our small towns and communities. Those are things that will help bring jobs to smaller towns in rural America.

All in all, what I am trying to say is in this bill we tried to balance a lot of things. I say to my friend from Indiana, if I were a dictator, would I have written a different bill? I probably would. He would have, too. But we have a lot of interests here that we have to try to balance.

All in all, I believe the bill is a balanced bill and it will support farm income with countercyclical payments. That is another new provision in this bill, a countercyclical program. When prices go down, we support farm income. We don't let farm income go below a certain level. Then we have direct payments also, which we hope will phase out, phase down, and bring in the countercyclical. That was the problem with Freedom to Farm. They were phasing down the direct payments, but they never replaced them with anything, so every year we would come in and appropriate new money. In our bill, if prices fall, the countercyclical payments would kick in.

So I will oppose the amendment of my friend only because of that reason. I think to make that big of a change right now could really disrupt a lot of rural America. I say to my friend, I think sometimes—what is that old saying?—when you are up to your eyeballs in alligators, it is hard to remember who forgot to drain the swamp. You just want to get out of there.

Maybe it is a little hard to think about how did we get in this mess. We are faced with a situation where we have to save our farms and rural America, and that is what we are attempting to do in this bill. I hope, working together this year, next year, and in the ensuing years, we can begin to examine some other changes that we might make in the structure of agricultural programs, with the goal being, I hope, continuing to provide abundant food and fiber to our people at a reasonable price but also with the goal of enlivening and rebuilding rural America. In every poll I have ever seen, when people are asked if they would rather live in a large city or a smaller community, all other things being equal, overwhelmingly people would rather live in the smaller community. But if you do not have good schools, decent jobs, decent recreation, and decent transportation, then things aren't equal. So people tend to gravitate towards larger communities.

I hope our view for the future is of enlivening and rebuilding rural America, and enabling younger people to go into farming. We have some of the finest agricultural schools in America—including those in Indiana and Iowa. When you go to those agricultural schools, you see young people who are smart. They know how to do things. A lot of them have experience working on

the farms—maybe their family farms, or lives in a rural area. They are taking animal or plant science courses, or farm management courses. Ask any one of them if they are going to go into farming, and if they are going to be a farmer—only a very few, if they have parents with a farm free and clear that they hope to inherit—will they say yes. But if their parents have a little bit of land and they are renting more land, they are not going to be farmers. They are going to go into some kind of management, or some kind of agribusiness management. But they are not going to be a farmer.

Ask them if they want to be a farmer. Would you like to be a farmer? Would you like to have land out there and do the things your parents and grandparents did? Almost 100 percent say yes. But the decks are stacked against them.

I hope that is what we can look at as to how to revise and rebuild some of these farm programs in the future.

I listened to the distinguished Senator from Indiana, my good friend. He went through his long dissertation on his amendment. I thought it was very thoughtful. As I say, there are a lot of things on which I agree with him. But I just do not think this is the time to do that. I think we ought to be thinking about how to change some of these things. But, as usual, my friend from Indiana is very thoughtful and provokes our thinking. In that way, I think this adds to this debate. But I hope that all in all we will not approve of the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I thank the distinguished chairman for his generous comments about my work and about my amendment, even though he has risen in opposition.

Let me try to offer a word of assurance to the Senator as to the implications because it is certainly not my purpose to try to bring land values down or banking crises.

I make this point once again citing from the Environmental Working Group Web site because it has very detailed figures on how much money people get now.

For example, in my home State of Indiana, during the 1996–2000 period, 76,000 farmers out of the 100,000 who received money received less than $5,000. By definition, under this program, if they have $20,000 of income—that is the threshold—they are going to get $7,000. As you reach into the next bracket of $1,000 to $10,000, if you take half of those, we are up to 82 percent who are going to do better and 18 percent will not do so well.

The fact is, if there are to be changes profoundly useful to four-fifths of my farmers, the other one-fifth might say they can't count on this subsidy. Indiana is not as skewed as many States are with abnormal payments, as I cited in the last debate. Only six farmers in Indiana would be affected by the $275,000 limit—not more than that. But out of 100,000, we affected six farmers.

We are talking, it seems to me, in ranges that are not as cataclysmic as they may seem, but they do benefit three-quarters to four-fifths of the farmers of my State. The farmers I hear the most from are the other fifth. That may be true of the distinguished Senator from Iowa. Understandably, they are more aggressive, more articulate, and they have greater resources. If fact, their influence with the major farm groups seems to be substantially greater than the other three-quarters or four-fifths of my farmers.

But, nonetheless, for Senators who are trying to decide what kind of jarring change this makes, I think it makes a sizable change for a large majority of farmers. Others would have to accommodate to the fact that they are already more successful, and the safety net was not meant for them specifically.

Let me also mention that although I admit to the fact that all the money we are talking about is in deficit finance, I still indicated that I am prepared to advocate spending money. I would say that the farm bill—I may have left some confusion, and I want to clarify this—I am in favor of. That would include all the titles the chairman talked about, plus the commodity title comes out to $25 billion in my amendment for 5 years at a time. The commodity portion of that turns out to be a net increase of only $7 billion. That is true because we are phasing out a whole raft of programs but not adopting many programs that are in the Daschle-Harkin bill escalating the current baseline.

It is a fair question to always ask. Even if on paper the economics and the equities are right, what sort of jarring effect does this have on society? Probably there are people who want to walk around this a bit. Of course, that is the purpose of their debate: to define what we have to try to find. At least something is likely to be better not only for farmers—I think this amendment is better for three-quarters of the farmers—but also for taxpayers and for the general fiscal condition of the country. We are in a war and recession.

I would simply ameliorate the associations made that this is likely to cause very jarring changes. I think there will be changes, but I think they are constructive. Essentially, we move the money in a safety net to a large majority of farmers, those whom I think are probably most in need and are most likely to go out of farming, as a matter of fact, without some type of subsidy.

The distinguished chairman and I have generally agreed—and we had witnesses before the committee—that there is some equity at least in paying these moneys only if somebody is actually farming. That is one provision. In order to receive the $7,000, you have to produce $20,000 of gross income from the farming operation. You can't drop out for 2 or 3 years and on the basis of past history continue to collect the money.

I am not going to argue about the philosophy of the AMTA payments and the idea that those would be phased out from one type of farm philosophy to another. It may not have worked out that way. But that was the general idea. I am not talking about a phase-out, but the idea that you really need to farm and be a productive farmer at risk in a farm entity to collect the money.

I think that makes more sense to the American people as opposed to the many stories of moneys going to persons who have been out of the farming business for some time but had a history that fits these last farmers.

Mr. President, I yield the floor.

Mr. HARKIN. Mr. President, if I may respond to my friend, I understand what he is saying. Only a fifth of the farms in Indiana would be affected by this. It is probably about the same, I suppose, in Iowa. I do not know. But I still see that, again, these tend to be the bigger farms that have a lot of land. I still submit this could cause some derogation in the land values, and even though those at the bottom are getting a little bit more, their land prices might be affected by the bigger ones. So if those land prices go down, I think it might have a cascading effect on this.

I say to my friend—I think we discussed this in the past—some land prices may be inflated by farm programs, but if the support has to be brought down, I think it has to be brought down over maybe a several year period of time, or something such as that. That is why I was hoping to get away from some kind of direct payment system to a countercyclical payment that is only based on prices at the time and to put more into conservation, put more into energy, and put more into programs that require producers to act.

If there is something you have to do, then you can get paid for it, but it does not build into the land value. Because if you sell it to somebody else, and they do not do it, they do not get the payment. We have to try to get off the programs that continue to provide for an artificial land bubble out there—it is there; we have to recognize it—but I would be very careful about how we try to bring it down to some level in regard to what the productive capacity of that land is.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I appreciate this colloquy with the distinguished Senator because I think we are probably dealing with values and issues which are very important even in the midst of an empty Chamber. I am hopeful other colleagues are listening in from time to time to this dialog.

The dilemma we face, it seems to me, is not that the land values are going to

come down, but rather that farmers will now have to plant for actual markets as opposed to planting for the Government. I think the prices, in fact, have some chance, under my idea, of going up again, in large part because I believe the policies we might adopt in the Daschle-Harkin bill are likely to depress prices. The hope is that will not be so and maybe world conditions or weather conditions, or something, might change. But it seems to me there is a history of stimulating overproduction and lower prices. That affects big farmers as well as small farmers.

As I take a look at my own operation, we are somewhere in between. I sort of fit into the group that, according to the Environmental Working Group, would get about $9,000 a year under the current situation. I think the Web site lists the Lugar farm as 22nd in the batting order in Marion County, but that is in the Indianapolis area where there are just 240-some farms involved. But it is roughly $9,000 a year over a 5-year period of time we are talking about. It is a 604-acre farm, probably in the top sixth barely of the size of farms in the State.

This is sort of the cutting edge when I am talking about the beneficiaries being maybe 80 percent. We are a little above that, and so, as a result, we are likely to lose a little money.

My own view is that I am likely to make money because I think that probably the price of corn is more likely to go up, likewise the price of soybeans; therefore, in regular markets, as opposed to markets that are subsidized or have artificial stimulants in them, I am going to make more money. I think that will sustain my land value without a bubble and will make that price a healthier one. Of course, there are other factors in land values: proximity to cities, whether highways go through them, as the chairman knows—all sorts of reasons why that happens. But, nevertheless, our two States—Iowa and Indiana—have many characteristics. During my more intense experiences in Iowa in 1995 and 1996, I discovered that going county by county.

I am sympathetic to the thought that change which is really ridiculous ought not to be entertained. It seems to me we are at a point where the idea that I have brought forward benefits a very large majority of farmers, and I think without harm to those who are more efficient because my guess is they will benefit the most from higher prices. They, by and large, have lower costs through research and through the methods they have adopted. This is likely to lead to more of a golden age for agriculture than what might be sort of a descending situation that many of us have been describing.

Mr. HARKIN. If my friend would yield for a little colloquy, I just ask my colleague again if he will elaborate a little longer on why the prices would tend to go up under the scenario he just described. I would think they would go down. But why does the Senator think the prices will go up?

Mr. LUGAR. My theory is that less will be planted; fewer acres of corn will be planted and fewer acres of soybeans will be planted.

I believe the current system, plus the additions that your bill would provide, offer incentives to plant more acres. I believe, given new, modern methods, and the research that we are both for, that is going to lead to higher yields—besides more acres—more bushels, and lower prices. That could change if we had a worldwide boom and our exporting thing works or El Nino knocked out half of one country's production. So these things happen from time to time.

My guess is, to answer the Senator truthfully, many farmers, despite the Freedom to Farm, still have incentives to do basic row crops. That is where the money is.

Mr. HARKIN. I say to my friend from Indiana, I believe what he is saying is that farmers will get market signals. In other words, they are out there, and if the price goes down, they will plant less. So then you have a drop in prices, and farmers will plant less, and then the price will go back up. I assume that is what the Senator is saying.

Mr. LUGAR. Yes. For example, on my farm, we know that a bushel of soybeans is going to get about $5.43 no matter what the market price is. People lament that beans have been down close to $4 a bushel. Indeed, they are, but not for our farm, or for anybody else who really is involved in the farm program involving soybeans. So I want to maximize production irrelevant to whatever the market signals are because I know for every bushel of those beans I am going to get the $5.43.

This is the way the world works. This is one reason why soybean production has been booming while prices have been falling. It need not always be the case. If there were no such loan, if I were not guaranteed the $5.43, then I really would have to be thoughtful about how many acres of soybeans I would plant. I would really have to begin to calculate how the world works in terms of markets as opposed to Government programs.

Mr. HARKIN. I ask my friend: OK, if you are not going to plant that, what would the Senator plant? You have land. You have fixed costs.

Mr. LUGAR. Yes. I would have to find an alternative crop that looked better for me. For the moment, my guess is that I would probably go to more corn, just as a practical matter. Corn is not so heavily subsidized. The $1.89 I am guaranteed is not as attractive as the $5.40 for the other situation. On the other hand, other farmers have calculated that, too. So they have planted less corn, not added more beans. They all might shift back, so it makes agriculture interesting.

Mr. HARKIN. That is the concern I have.

Mr. LUGAR. Yes.

Mr. HARKIN. In a system such as that, my concern is the boom-and-bust cycle: Prices go all to heck for soybeans. So farmers say: OK, we are not going to plant soybeans. We are going to go to corn. So the price of soybeans booms up and then the price of corn goes down, and then they jump out of that and, say, get back into beans again. So you get these huge fluctuations.

Mr. LUGAR. Yes.

Mr. HARKIN. So we are trying to keep at least some stability in there so you do not have those wild swings in prices.

Mr. LUGAR. I will make another radical suggestion. This is purely anecdotal from our farm experience. But I planted, over the last 18 years, 60 acres of black walnut trees. This is on acreage that I found was submarginal. We used to plant more, but it appears that sort of is a grandfather's dream. I will not be there.

But you have, at least it seems to me—by all the calculations by the foresters who measure the growth year by year—more of a return from the walnut trees than I am getting from the corn. That is a very long-range vision.

Mr. HARKIN. Sometime down the road.

Mr. LUGAR. Yes. You asked for alternatives. Clearly, there are a good number of people who are family farmers who intend or at least hope that their farms will be family farms for a long time. They are doing alternative planning.

Mr. HARKIN. I agree, to the extent there are alternatives people can use. Obviously, though, as the Senator has said, the return you get off that is sometime down the road, not right now.

And I think, just again, being a little bit parochial about it, in our area of the country, in the upper Midwest, there is a reason why we plant corn and beans.

It is very suitable for that. There is some wheat, a little bit, some smaller grains, maybe up in Minnesota, the northern part up there, but in our area we are corn and beans. We plant those crops because that is what the land is productive for in that area of the country. It is very hard. We don't grow rice. Wheat is OK. We can get wheat, but that will just depress the price of wheat. We could grow wheat. But there is just not much else.

When I was a kid—I am sure for the Senator as well—we had orchards. We had a lot of orchards, vegetable gardens, a short growing season. It was OK for the family, but to really make a living out of it wasn't too viable. So we are sort of stuck on corn, beans, maybe alfalfa, some hay, things like that, some sorghum—basically corn and beans. And then you have all your land tied up. You have your land and then your machinery, your equipment. You have all that fixed cost already there. I have a big combine. I put a lot of money in it, and it doesn't do much to plant black walnut trees. I can't get much money out of that to do that.

I ask the Senator to think about something that was said to me at one time. I don't know if it is true, but it made sense to me economically—why agricultural economics is a little bit different.

The farmer is sitting out there—think about your own land—the farmer is sitting out there, fixed land, has his equipment. Let's just take the farmer who doesn't have all the land paid for, may own some, and rent some. That is usually the case. He has equipment, some paid for, probably some he is still paying for. If the price of the commodity he is growing—let's say in this case corn or beans—goes down, the normal thought process is, other people would say, if the price goes down, the farmer would be a darn fool to plant any more of that.

But the farmer goes out and plants more corn. Is he a darn fool? My response is, no. Because what he is thinking is: OK, I have my land out there. I have my equipment. I have all those fixed costs. The marginal cost of planting an additional acre always approaches zero. He doesn't know that, but that is what it is. So if I plant 100 acres, my cost may be whatever. If I add an additional 10 acres, the cost to plant that additional 10 acres is not as much as the first 100. If I plant an additional acre on the side of that, its cost is even less because I already have my equipment and all that stuff. The time involved is not that much.

The farmer says: I have all that equipment. So if the price is down, I have to produce more. So if I was getting $2.50 for my corn, and now I am getting $1.80, I will just grow more corn.

So it really is a perverse economic kind of thing, sort of counter intuitive—I ask my friend from Indiana if that might not be the case—because farmers don't have control over everything. If I controlled everything, like General Motors, I could say, yes, I will cut down production. But each individual farmer out there with that fixed land, the equipment, his costs, his sunk costs, he says: If prices are down, I had better grow more.

Does the Senator from Indiana have some sense that that happens sometimes?

Mr. LUGAR. I would respond to my friend that that probably frequently happens. Probably a majority of farmers will continue to plant about what they are doing now. What I am discussing really is at the margins, that overproduction has seemingly continued and maybe accelerated as the farm bill has progressed—not just the one we are in but the one before that. The control factor is something that the Senator and I have considered during our work on the Agriculture Committee with the crop insurance innovations.

For example, this gives the farmer a lot of control. I would say in my own situation, I purchased the 85 percent crop revenue insurance this year. Before I planted, I knew I was going to get 85 percent of the income from my beans and corn of the last 5 years or the average period that was a part of the premium I paid. That is a lot of assurance. Then I can go more aggressively into the futures market, sell corn that I don't even have in the ground, or not planted it in the event that it appears to me circumstances are adverse.

Farmers in the past didn't have those sorts of options. Some are not taking advantage of them now. Nothing in this amendment affects the crop insurance situation, which remains a very important part of this management of risk and control that we now have.

Mr. HARKIN. I understand. The Senator is right. His amendment doesn't touch crop insurance. I understand that. I am concerned about this idea that somehow farmers will get these market signals and they will plant accordingly. I still think there has to be a role for the big bad government to play through the Department of Agriculture, through us here in the Senate and House, to help to try to stabilize it somewhat, and to provide for some constancy out there in terms of what to expect in terms of price supports.

I guess it is my own personal belief, based upon my studies and being here for a long time and looking at what has happened to agriculture, we could get into a period where we have some violent swings. Then I think we might be in a situation where we would find—I am loath to say this to my friend from Indiana because it always sounds as if we are doing the bad foreign baiting type of thing—if we don't do this, the foreigners will do it.

I don't necessarily buy that, but to a certain extent I think we get into a situation where we have those fluctuations like that. We might encourage more of our competitors around the world to be growing these crops and maybe taking some of their marginal lands out of production in growing crops, which I don't think would be good for the environment or anything else. I wonder about that also.

Again, as I said, those are just the concerns I have with the amendment of the Senator in terms of land prices and violent swings in commodity prices. And perhaps we just have a different philosophy on what the role should be. I believe there should be a role for the Government to try to keep wild swings from happening and prop up these prices a little bit in the marketplace. I don't want to provide the ultimate security, but some security out there, to say, it will go down, but it is not going to go any lower than this.

Mr. LUGAR. The chairman and I have been in entire agreement that we ought to be devoting more of our resources in this bill to research, to agricultural community development—really the bulk of the rural people are not farmers who are going to benefit.

Mr. HARKIN. That is true.

Mr. LUGAR. The educational process for the young, as well as loans, and this important energy research. Clearly, if our country adopted an energy policy that featured the biomass, the ethanol, or other products that come from that, we would have a different farm scene. I pray that will occur, as does the Senator. But it won't, really, without a great deal of effort on our part.

These are hopeful signs for the future. I think we both agree, we don't want to bump up against the WTO ceilings because that really would jeopardize our export position. And I have offered a prudent step that takes us way back from that apparently. I have a lot of government still here: $7,000 for maybe 1.3 million entities is a lot of government but, at the same time, a level that I think will not perversely accelerate the land value, overproduction, and really finally does cost a lot less money at a time that we are in deficit finance.

I appreciate the Senator's thoughtful objections to this, but I persist nonetheless and ask for support of the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, I suggest the absence of a quorum with the time evenly divided. How much time remains on both sides, if I may inquire?

The PRESIDING OFFICER. The Senator from Indiana has 2 minutes 8 seconds; the Senator from Iowa controls 14 minutes 26 seconds.

Mr. LUGAR. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative 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.

Mr. HARKIN. Mr. President, I say to my friend from Indiana, I want to be honest, so for the record, according to my staff who did this research, about two-thirds of those receiving payments in Iowa get less than $7,000. The Senator's is one-fifth? Ours is one-third.

Mr. LUGAR. At least three-quarters receiving less than $7,000.

Mr. HARKIN. We have about 160,000 farmers or entities receiving payments. Iowa farmers who get more than $7,000 are about 55,000 out of that 160,000—that is about a third—farmers getting less than $7,000, 105,000; farmers getting more than $15,000 are just under 30,000; and farmers getting less than $15,000, fewer than 130,000. It would be 105,000 farmers getting less than $7,000, and about 55,000 would be getting more than that.

The PRESIDING OFFICER (Mr. CARPER). The Senator from Nevada.

Mr. REID. Mr. President, I have determined from conversing with the two managers of the bill that they are going to yield back their time on this amendment. That being the case, I ask unanimous consent that the time be considered yielded back and that following 5 minutes for the Senator from

New Jersey on an unrelated matter, the Senate begin voting on the Lugar amendment.

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

The Senator from New Jersey.

(The remarks of Mr. TORRICELLI are printed in today's RECORD under ''Morning Business.'')

The PRESIDING OFFICER. The question is on agreeing to the Lugar amendment No. 2827.

Mr. HARKIN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Texas (Mr. GRAMM), the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 11, nays 85, as follows:

[Rollcall Vote No. 19 Leg.]

YEAS—11

Chafee	Gregg	Santorum
Collins	Kyl	Smith (NH)
Corzine	Lugar	Voinovich
Ensign	Murkowski	

NAYS—85

Akaka	Dorgan	Lott
Allard	Durbin	McConnell
Allen	Edwards	Mikulski
Baucus	Enzi	Miller
Bayh	Feingold	Murray
Bennett	Feinstein	Nelson (FL)
Biden	Fitzgerald	Nelson (NE)
Bingaman	Frist	Nickles
Bond	Graham	Reed
Boxer	Grassley	Reid
Breaux	Hagel	Roberts
Brownback	Harkin	Rockefeller
Bunning	Hatch	Sarbanes
Burns	Helms	Schumer
Byrd	Hollings	Sessions
Campbell	Hutchinson	Shelby
Cantwell	Hutchison	Smith (OR)
Carnahan	Inhofe	Snowe
Carper	Inouye	Specter
Cleland	Jeffords	Stabenow
Clinton	Johnson	Stevens
Cochran	Kennedy	Thomas
Conrad	Kerry	Thurmond
Craig	Kohl	Torricelli
Crapo	Landrieu	Warner
Daschle	Leahy	Wellstone
Dayton	Levin	Wyden
DeWine	Lieberman	
Dodd	Lincoln	

NOT VOTING—4

Domenici	McCain
Gramm	Thompson

The amendment (No. 2827) was rejected.

Mr. HARKIN. Mr. President, I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa.

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

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

VISIT TO THE SENATE BY THE PRESIDENT OF ROMANIA

Mr. HELMS. Mr. President, I ask that it be in order for the Senate to stand in recess in honor of the distinguished guest we have today. He is the President of Romania. He is in his second term. His name is Ion Iliescu. Welcome, Mr. President.

RECESS

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate stand in recess for about 6 or 7 minutes.

There being no objection, the Senate, at 4:05 p.m., recessed until 4:10 p.m. and reassembled when called to order by the Presiding Officer.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001—Continued

Mr. HARKIN. 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. 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.

Mr. HARKIN. Mr. President, I understand under the procedure agreed to earlier, this side will now be recognized to offer an amendment. I understand Senator CARNAHAN has an amendment to offer. I understand we are ready to proceed to the Carnahan amendment. I was going to ask for a time agreement, but obviously we cannot proceed with a time agreement at this time.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

AMENDMENT NO. 2830 TO AMENDMENT NO. 2471

Mrs. CARNAHAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mrs. CARNAHAN], for herself and Mr. HUTCHINSON, proposes an amendment numbered 2830 to amendment No. 2471.

Mrs. CARNAHAN. Mr. President, 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:

(Purpose: To permanently reenact chapter 12 of title 11, United States Code)

At the appropriate place, insert the following:

SEC. . REENACTMENT OF FAMILY FARMER BANKRUPTCY PROVISIONS.

(a) REENACTMENT.—Notwithstanding any other provision of law, chapter 12 of title 11, United States Code, is hereby reenacted.

(b) CONFORMING REPEAL.—Section 303(f) of Public Law 99–554 (100 Stat. 3124) is repealed.

(c) EFFECTIVE DATE.—This section shall be deemed to have taken effect on October 1, 2001.

Mrs. CARNAHAN. I ask unanimous consent Senator HUTCHINSON of Arkansas be added as a cosponsor to this amendment.

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

Mrs. CARNAHAN. Mr. President, let me commend the two managers of this bill, Senator HARKIN and Senator LUGAR. Trying to forge a consensus on a farm bill is a daunting task. The work is absolutely critical for family farmers in Missouri and throughout the Nation.

This amendment is designed specifically to help ailing family farmers. It will make permanent chapter 12 of the bankruptcy law. Chapter 12 offers an expedited bankruptcy procedure to family farmers in an effort to accommodate their special needs. It was first enacted in 1986 and has been extended several times since then—in fact, twice last year.

The provisions of chapter 12 allow family farmers to reorganize their debts as opposed to liquidating their assets. These provisions can be invaluable to farmers struggling to stay in business during difficult times. Unfortunately, chapter 12 expired on October 1 of last year. The Carnahan-Hutchinson amendment seeks to make permanent these bankruptcy provisions and reinstates them retroactively to the date when they last expired. The retroactivity will ensure there are no gaps in availability of these procedures.

The larger bankruptcy reform bill currently pending before the House-Senate conference committee includes a permanent extension of chapter 12. Nevertheless, America's family farmers should not have to wait for us to complete our work on the bankruptcy reform bill. Farmers and farm groups across Missouri have urged me to try to get these provisions reenacted as quickly as possible. They stress how important chapter 12 can be during tough times.

This amendment is also important because the retroactivity will eliminate uncertainty for farmers who have cases already pending.

Legislation extending these provisions passed the House of Representatives twice last year by votes of 411 to 1 and 408 to 2. These laws were both subsequently approved by the Senate by unanimous consent. It is my hope we can approve this amendment and complete our work on the farm bill quickly.