

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

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The majority leader.

AMENDMENTS NOS. 3396 AND 3398 WITHDRAWN

Mr. REID. Mr. President, I ask unanimous consent that the following amendments be withdrawn: Nos. 3396 and 3398.

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

MORNING BUSINESS

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

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

THE "DAIRY CLIFF"

Mr. LEAHY. Mr. President, I have spent time on the Senate floor this week talking about the emergency supplemental appropriations bill to address Hurricane Sandy. But today I remind the Congress of another impending disaster. Unlike Sandy, but exactly like the fiscal cliff crisis, this is a man-made disaster that can and must be averted by December 31. Unfortunately, this calamity has been artificially created and forced upon us by forces of stalemate and obstruction in the House of Representatives. This disaster involves the Farm Bill and what happens on the first of January if the House continues to hold the Senate-passed Farm Bill hostage.

The American people have heard again and again about the fiscal cliff. Today, once again, I am talking about the "dairy cliff" that awaits us if the House continues to block action on the Farm Bill. A full six months have passed since the Senate approved a strong Farm Bill with bipartisan support. We came together in the Senate and passed a 5-year Farm Bill that contains some of the most significant reforms in agricultural policy in a generation, while providing \$23 billion in real deficit reduction.

After we passed the Senate Farm Bill, the House Agriculture Committee held a markup of their bill in July and passed a bipartisan bill out of Committee. Regrettably, that is where their work ended. The leadership in the House has refused to even bring their bill to the floor for debate, something that has not happened in the past 50 years.

Inaction by the House caused the Farm Bill to expire on September 30, terminating authorizations for a long list of important programs that benefit farmers, rural communities, consumers, and the 16 million Americans whose jobs depend on agriculture. Chairwoman STABENOW was on the floor earlier this week to point out the

fact that it has been 80 days since the Farm Bill expired. That is 80 days that our farm families and small businesses have been waiting and holding their breath. This is artificially generating untold uncertainty that is costing farmers, consumers and our entire economy in very real and highly unpredictable ways. This not only is unprecedented, it is legislative malpractice. It threatens great harm to the Nation and the American people. And it is wrong. Yet the Nation, including Vermont dairy farmers, incredibly enough are now on the verge of plunging over the dairy cliff.

By failing to even consider a Farm Bill, the House leadership has driven us straight to the edge of this dairy cliff and now is refusing to turn the wheel or put a foot on the brake. This is a pointless and dangerous game of chicken, dragging all Americans along for the ride.

On January 1—a mere 11 days from now—the final shoe will drop when the U.S. Department of Agriculture will be required to implement what is known as "permanent law" for our Nation's dairy industry. The Secretary of Agriculture and his staff have been—quite literally—dusting off old paper files and mimeographed notes from the 1940s and 50s to review the Agricultural Act of 1949. Without a new Farm Bill, on January 1 the Nation will be forced to revert to the parity pricing that was part of that long-ago law that was passed a few short years after the end of World War II.

The House's inaction on its own version of the Farm Bill, and its obstruction of the Senate bill—a Senate bill that saves taxpayers \$23 billion—will force the Secretary of Agriculture to implement a law from the middle of the last century. This archaic law will force the Federal Government to spend billions of dollars to buy and store dairy products to help raise the price of fluid milk for dairy farmers. The Secretary will have to keep spending until he is able to raise the price of fluid milk by 60 or 70 percent. This is pointless and wasteful Federal spending. And it is even worse than that. Taking those products off the market will drive up consumer prices—prices that struggling families must pay, from coast to coast, just to put food on the table—as early as next month. And that's not the end of this needless waste. The Department of Agriculture then will have to pay still more taxpayers' dollars to store all of these dairy products.

So rather than pass the Senate Farm Bill that saves \$23 billion, the House is choosing to put the Secretary of Agriculture on a path to having to spend billions of dollars on dairy products, paying to store those products, and driving the price of milk through the ceiling for consumers. This is not even to mention the effects this could have on world prices and the harm it will cause for the vulnerable millions worldwide who rely on dairy products

for their basic nutrition. That, in summary, is what the dairy cliff is all about.

Every 5 years for the last 60 years, Congress has passed a Farm Bill. Never before has the Farm Bill expired like this. And now on January 1 we will implement market-distorting dairy policy so old that 49 current members of the Senate—including the Chairwoman of the Senate Agriculture Committee—were not even born when it was signed into law by then-President Harry Truman.

Market chaos will erupt if we do not divert from this disastrous, reckless, needless, man-made path. Chaos, from the fact that farmers will be pressed to increase production at this inflated price, and chaos as we see an influx of imported dairy products as processors in other countries would divert products to the U.S. It is a rollercoaster of milk prices that, in the end, will benefit no one and hurt everyone. It is the kind of rollercoaster of dairy prices that the reforms we included in the Farm Bill are designed to address. As milk floods the market, the USDA will have to buy even more milk to keep up. Economists at the USDA say that implementation of permanent law for dairy would cost at least \$12 to \$15 billion per year. That does not include the cost of storing these dairy products. The USDA may not have enough storage space, and once USDA fills every warehouse at its storage facility in Kansas City, it will have to bring the rest to Washington and fill every closet at the Department of Agriculture's sprawling South Building with cheddar cheese and powdered milk.

The effects of these purchases will reverberate throughout the economy, and time is running out. The cascade of damage will be felt by our farmers, our food processors, our grocery stores, and by American consumers and taxpayers. It will also be felt by the 16 million Americans with jobs in agriculture. All at a time when they can least afford it.

Farmers in Vermont are very concerned that we are headed over this dairy cliff, and inaction on the Farm Bill has left the Nation's dairy farmers with no safety net, since the Milk Income Loss Contract Program expired on September 30.

The House of Representatives is not giving our farmers, and especially our dairy farmers, a fair deal. We have been sent here to do a job, and it is not asking too much that Congress pass a five year Farm Bill, and on time. We heard Senator STABENOW speaking earlier this week about the agricultural disaster programs that have expired, in a year when we have experienced record droughts, terrible freezes, and then historic damage to farms as Hurricane Sandy stormed through the Garden State.

Also at stake are eight important energy programs that have expired and programs to support America's organic farmers, specialty crop producers and beginning farmers. Close to my heart