

Ms. CANTWELL. Mr. President, I commend my colleague from Connecticut for his fine remarks on election reform, a very important issue, indeed, and one I am sure we will be addressing when we resume after our summer recess.

#### WASHINGTON STATE AGRICULTURE

Ms. CANTWELL. Mr. President, the Senate is about to adjourn for a summer recess, clearly doing so after having moved this morning on an Agriculture supplemental bill that does not truly understand the plight of American farmers and the impacts in my home State of Washington.

The impact on Washington State farmers and the impact they have on our State economy and the national economy is clear. There are over 40,000 farmers in our State covering 15 million acres of land. Washington State apples are 50 percent of our Nation's apples, and Washington State is the third largest wheat-producing State in the country. We export about 90 percent of that wheat internationally.

Farmers in our State have been struck by a series of disasters this year. They have suffered a drought, they have suffered a destructive storm, and this morning they are left with an Ag supplemental bill that does not do enough for the farmers in my State. In fact, this bill we have passed, compared to the Harkin bill, leaves my State with hundreds of millions of dollars less resources for both wheat and apples.

I ask unanimous consent to print in the RECORD a document produced by the State of Washington that details the elements and impacts of the drought.

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

##### HOW IS AGRICULTURE AFFECTED

The drought largely is the result of reduced snow pack in the Cascade Mountains, which acts as storage for water that is released during the spring and early summer. This water is captured in rivers and reservoirs where it is distributed via irrigation systems to farmers. This relatively reliable water supply has allowed the arid fields of eastern Washington to become some of the most productive and diverse agricultural lands in the United States.

The drought affects not only the water available from rivers and reservoirs for irrigated crops, but may affect non-irrigated crops as well. Insufficient soil moisture of prolonged dry conditions will reduce yields for those crops.

Agriculture is the core industry of rural Washington and supports the small towns and cities of eastern Washington. In 1997, the food and agriculture industry—farming, food processing, warehousing, transportation and farm services—employed over 183,000 people. Farming, excluding farm owners and families, employs about 84,000 people in Washington.

In 1999 farmers harvested over \$5.3 billion while food processors sold \$8.9 billion worth of products. Washington's food and agricultural companies exported \$3.5 billion of products. The most valuable of these crops come from irrigated land. About 27 percent of Washington's cropland is irrigated, yet this acreage produces more than 70 percent of the total value of all of Washington State's harvest. This includes the most valuable crops: apples; cherries and other tree fruit; vegetables; onions; and potatoes. All of the 20 most valuable crops, by harvest value per acre, are irrigated.

Agriculture also is potentially affected by disruptions in transportation, especially barge traffic due to lower river levels. In the case of wheat, for example, there is insufficient truck and rail capacity to absorb the load if barge transportation is curtailed.

The current drought, unlike other recent droughts, is occurring at a time when farmers are facing many other serious challenges. Many smaller farms are likely to face bankruptcy or leave farming. The weak condition of many segments of the agriculture industry in the state makes the industry more vulnerable to the effects of the drought. Most farmers are in their third year of net losses due to poor market conditions. Many farmers lack the credit to either survive a year without a harvest or make the investments necessary to mitigate the impacts—such as drilling deep wells or upgrading irrigation and distribution systems.

Impacts on the production of crops also may affect the market prices for those crops, which will affect farmers in different ways. For example, Washington produces half of the U.S. apple crop and a significant reduction in harvest may increase the price for those farmers who remain in business. Therefore, some farmers may suffer while others who have water may actually see improved revenue.

The extraordinary rise in energy costs exacerbates the problem for farmers. Farmers rely on diesel fuel for their equipment. Current diesel prices are up 20 percent to 30 percent over last year's levels. The cost of electricity to run pumps is expected to rise as much as 150 percent. The price of natural gas, which is used to make fertilizer, has risen sharply. Most of the irrigated crops are either stored in controlled atmosphere warehouses or processed (canned, dried, frozen, etc.) Cold storage and processing require large amounts of energy (especially electricity and natural gas) and water. If these costs force closure of the processing plants, farmers may have no place to sell their products.

Increased risk of disease, insects, noxious weeds, erosion, and fire resulting from abandoned fields, are also concerns. Without maintenance of the fields or removal of abandoned orchards, the risk of damage to adjoining fields is significant. The Washington State Department of Agriculture (WSDA) has requested funds to assist local Weed Boards to deal with these problems, while state and federal fire officials are preparing for a potentially record year for forest and range fires.

Ms. CANTWELL. It reads in part:

The current drought, unlike other recent droughts, is occurring at a time when farmers are facing many other serious challenges. Many smaller farms are likely to face bankruptcy or leave farming altogether. The weak condition of many segments of the agriculture industry in the state makes the industry more vulnerable to the effects of drought. Most farmers are in their third year

of net losses due to poor market conditions. Many farmers lack the credit to survive another year without a harvest or make the investments necessary to mitigate these impacts—such as drilling deep wells or upgrading irrigation and distribution systems.

From Ritzville to Yakima, from Chelan to Wenatchee, the family farms in my State are hurting. Just this past week I met with farmers from Ritzville; they are wheat farmers. Wheat farmers are seeing a 14-year low in wheat prices. They made it clear they need help and they need help now.

Part of our discussion is what is the sentiment for support of the family farms across our country.

I ask unanimous consent to print in the RECORD an article from a local Walla Walla newspaper about the impacts.

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

##### POLL: VOTERS SUPPORT FARM AND RANCH CONSERVATION EFFORTS

WALLA WALLA.—America's farms and ranches are important to the nation's voters, and not just for their locally grown food.

A new poll released today shows that voters value farms and ranches for the conservation benefits they provide, such as cleaner air and water and wildlife habitat. And not only do voters want the federal government to support programs that secure those values, by linking conservation practices with farm payments, but voters are willing to pay to ensure conservation benefits from farms and ranches.

A poll, a telephone survey of 1,024 registered voters nationwide, uncovered strong support for American agriculture, with 81 percent of voters saying they want their food to come from within the United States.

Americans professed a close connection to farmers and ranchers, with 70 percent reporting that they have bought something directly from a farmer during the last year, such as at a farm stand or a farmers' market. Voter concern about farm environmental issues registers almost as high as for current "hot" political issues.

For example, 71 percent are concerned about pesticide residues on food and 69 percent of American voters say they are concerned about loss of farmland to development, compared with more than 80 percent of voters concerned about public education and gas prices.

Seventy-eight percent of the American electorate report they are aware of government income support programs for farmers. Voters strongly approve of these programs when they are used to correct low market prices or in cases of drought or flood damage.

The addition of conservation conditions to farm supports, however, received overwhelming approval, as 75 percent of American voters feel income support to the American farmer should come with the stipulation that farmers are required to apply "one or more conservation practices," such as protecting wetlands or preventing water pollution.

"We were struck by how many voters make the link between agriculture and conservation benefits," said Ralph Grossi, president of American Farmland Trust. "The public feels strongly about all the values they see in American agriculture; not only do they appreciate America's bounty on their

tables, they also realize farms and ranches provide environmental benefits and they are willing to share the cost."

Several programs exist to support conservation on farms and ranches, among them the Farmland Protection Program, Environmental Quality Incentives Program, and the Wetlands Reserve Program.

For each of these programs, demand has far outstripped federal funding in 2001. For WRP alone, unmet requests from farmers totaled \$568 million. This year FPP was only allocated \$17.5 million in funding—leaving a gap of \$90 million and hundreds of farmers waiting in line to protect their land.

"As expected, when we asked voters about how they wanted to increase federal spending, they placed a high priority on addressing pressing needs like finding cures for cancer, educating our children and ensuring adequate energy supplies," said Grossi. "What we did not expect was the finding that a majority of voters—53 percent—feel increasing funds to keep productive farmland from being developed should be a national priority."

And voters are willing to spend their own money to help farmers protect the environment. When asked whether they would like to get all or some of possible \$100 tax refund, 63 percent said they'd forego some of that money to protect waterways, wetlands or wildlife habitat.

"With such strong support for agricultural conservation, policymakers should triple conservation spending in the next farm bill," Grossi pointed out. "The programs are there, and they work. With \$21 billion allocated annually to farm support payments by the budget agreement, half should be reserved for conservation programs. It's just a question of putting some financial muscle into making conservation happen."

"Over the past 19 year I have repeatedly surveyed farmers and found them very willing to conserve natural resources. These new results strongly indicate that conservation-oriented farm programs will please not just farmers, but most voters," said Dr. J. Dixon Esseks, a political scientist from Northern Illinois University who directed the poll.

The telephone survey of 1,024 registered voters nationwide was conducted June 2-21, 2001, with a margin of sampling error of +3.1 percent in 95 out of 100 cases.

Ms. CANTWELL. This article discusses what Americans really want to do to help family farmers. Actually, a poll was taken to understand American support for what we might do in the Senate. It said that 78 percent of the American electorate report that they are aware of government income support programs for farmers, and voters strongly approve of these programs when they are used in a fashion to correct low market prices or in case of drought or flood damage. We should be secure in knowing that our constituents want to help family farms.

The family farms in my State are on the brink. They are on the brink because our Governor has declared a drought in Washington State. The drought, along with an energy crisis, is having a catastrophic effect on agriculture. In many cases water is not available for irrigation; the farmers have been unable to get the irrigated water supply they need. Right in the middle of this trouble, a severe storm

occurred and greatly impacted the fruit tree industry in the State, ruining various orchards throughout the central part of Washington.

I ask unanimous consent to print in the RECORD an article from the Yakima Herald that reads in part:

Silent and unyielding, drought stalks Central Washington. . . . Crops are wilting, jobs are evaporating, income needed to sustain family farms and rural communities is vanishing, stolen away by this drought like a thief in the night.

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

[From the Yakima Herald-Republic, July 29, 2001]

DRY, DRY AGAIN  
(By David Lester)

Silent and unyielding, drought stalks Central Washington during this unsettling summer of 2001. Crops are wilting, jobs are evaporating and income needed to sustain farm families and rural communities is vanishing, stolen away by this drought like a thief in the night.

The drought could mean staggering losses, estimated in one analysis at more than \$270 million in reduced income for farmers, lost jobs and less money circulating through the local economy.

Some of those effects already are being felt. Farm employment is down. Farm service businesses are reporting steep declines in sales and have laid off workers to compensate.

Land has been idled in some parts of the Yakima Valley because there isn't enough water to go around, or the water has been transferred to another district suffering a worse shortage. The Roza Irrigation District, among the most severely affected, has drained its reserves of \$2 million to buy precious water.

And like victims of theft, area residents are sensing a loss of confidence and an eroding optimism about the future.

They also are grieving. Carelessness may have lit the match, but drought fueled the fire that took the lives of four young area firefighters July 10 in a tinder-dry and remote part of the Okanogan few people had ever heard of.

The entire Northwest has many weeks yet during which it must deal with the threat of raging forest fires, much as during the Chelan-area Tye Creek and the Lakebeds complex fires in Klickitat County in 1994.

"Locally in Central and Eastern Washington, we have the potential to have fires like the ones in Montana last summer," said Mick Mueller, an ecologist for the U.S. Forest Service's Leaveworth Ranger District.

Wildfire blackened more than 600,000 acres in Montana and a similar amount in Idaho last year. It was the worst wildlife season in the West in 50 years.

PREPARING FOR THE WORST

When Gov. Gary Locke declared a drought emergency March 14, the outlook statewide was bleak for municipal water supplies, irrigation, migratory fish and power production. But spring rains eased drought worries in Western Washington and the dryland wheat country in the far eastern part of the state.

Doug McChesney, state Ecology Department coordinator for drought response, said the Yakima Basin continues to suffer because of its reliance on a limited water-storage system that places a premium on a

healthy snowpack every year. Also, a greater percentage of Central Washington farmland relies on junior water rights than the rest of the state.

When the snowpack doesn't come during the winter, the basin suffers, as it has this year.

The numbers tell the story: As of June 1, the amount of water in the snow was just 22 percent of average. All snow was gone by July 1. The total amount of water produced in the watershed through July was just 46 percent of average and the second-lowest in 75 years, second only to 1977. Reservoir storage on July 1 was just 66 percent of average, the second-lowest in 60 years.

"The west side of the state is clearly better off. It's the band down the middle of the state from the Cascade crest to the east where the worst of the problems are," McChesney said.

When higher energy costs, higher fertilizer costs and three years of poor marketing conditions for apples and other crops are added in, Central Washington farmers are carrying most of the burden for the rest of the state.

"They are getting clobbered. There is no doubt about that," McChesney added.

The region went through a nearly identical drought in 1994, but as McChesney suggested, this year's record drought couldn't have come at a worse time.

SEARCH FOR STORAGE

Already reeling from several years of poor market prices, the 2001 drought is staggering the area with another body blow.

"Farmers are survivors, but they are being pushed about as far as they can be pushed," observed Tom Carpenter, a longtime Granger farmer on the Roza Irrigation District.

Carpenter and other basin farmers are once again pushing for new water storage to insulate the basin from drought. The five Cascade lakes in the Yakima Irrigation Project can store less than half the water used in the basin each year.

No new storage has been constructed since 1933. In the intervening years, the basin went through a natural maturing process with the planting of more perennial crops like apples and other tree fruits, mint, grapes, and hops that must have water every year to survive. Also, a relatively new demand for water to protect threatened fish is taxing the system further.

Carpenter, a diversified grower and an active player in basin water issues for many years, said the people who built the basin found ways to get things done.

"I wonder what's wrong with us. Why don't we have the vision to do what we need to do and take care of everyone's interests?" he asked. "We are just fighting over the crumbs."

The impacts aren't being felt solely on the 72,000-acre Roza or the 59,000-acre Kittitas Reclamation District, where farmers are receiving barely a third of a normal water supply.

They are at the end of the line in a water-rights system that favors those who were here first. The first homesteaders have what are called senior water rights. Their rights are satisfied first when there isn't enough to go around. Later arrivals, known as juniors, share what's left.

It is a system that has led to the most restrictive rationing in the Yakima Irrigation Project's 96-year history. In 1994, junior users were limited to 38 percent of a full supply.

But because the large irrigation divisions in the 464,000-acre project have a combination of senior and junior rights, farmers in

other parts of the basin, like the sprawling Wapato Irrigation Project, are struggling with too little water to have a successful harvest.

#### ADDING UP THE DOLLARS

A 4-year-old economic-impact analysis prepared by Northwest Economic Associates of Vancouver, Wash., an agriculture and natural resources economics consulting firm, suggests a water shortage like 2001 would cut farm income in the Yakima River Basin by \$136 million, or 13 percent of the total in an average year.

When the effect of smaller crops on processors, farm suppliers, trucking and retail are included, the figure balloons to more than a quarter of a billion dollars.

The firm prepared the report for the Tri-County Water Resource Agency, a Yakima-based consortium of counties, cities and irrigation districts working to meet all water needs in the three-county basin.

William Dillingham, a senior economist for the state Employment Security Department, said the agency is trying to track the effects of a historic water shortage on employment in Central Washington counties.

"Yakima County has a huge amount of its employment associated with agriculture. When you tie in food processing, transportation and ag services, that number begins to get pretty big, pretty quickly," he said.

State officials have taken a stab at just how big. Using the Northwest Economic Associates study as a basis for their estimate, four state agencies in late June projected the 2001 drought could cut statewide farm production by up to \$400 million, or about 12.5 percent of total farm production. In addition, up to 7,500 farm jobs would be lost, as would up to 1,400 jobs in the farm-related processing, trucking, wholesaling and warehousing industries.

The projection recognizes the local losses would not be mirrored statewide because other parts of the state have near-normal water supplies and would have average crop production.

In the midst of all this, Central Yakima Valley fruit growers suffered millions of dollars in crop damage from a freak and powerful wind-and-hail storm in late June, with gusts clocked at 108 mph in one Zillah orchard.

Looking at the growing tale of woe, a state official asked privately: "What's next, a plague of locusts?"

#### FISH ARE SUFFERING, TOO

River flows depleted to record lows in some places because of too little winter snow are threatening the Northwest's multimillion-dollar investment in savings its declining salmon and steelhead runs. More water is being used to turn Columbia River power turbines to generate needed power, exposing more fish to a near-certain death.

The Yakima Valley's celebration of a huge returning run of adult spring chinook this year, the largest in at least 50 years, is tempered by the prospect that some of these fish won't spawn successfully in low September river flows.

Also, young chinook salmon and threatened steelhead trout starting their dangerous journey to the Pacific Ocean are being subjected to higher water temperatures and more predators as the Lower Yakima River, southeast of Prosser, rides along slightly above minimum streamflows.

Higher fish losses this year would mean a smaller run of adults in two to three years. Dwindling numbers could turn up the pressure for more fish protective measures.

"Rising water temperatures may not kill fish by itself, but predators are more active eaters when temperatures are higher," said Dale Bambrick of Ellensburg, the Eastern Washington habitat team leader for the National Marine Fisheries Service. "It's a double whammy. The salmon and steelhead critters aren't functioning well."

#### DROUGHT EFFECT REACH FAR

The struggle on the farm is being felt in town, too.

City residents in parts of Yakima and Kennewick are being required to rotate water use to make an inadequate supply stretch.

Workers in industries that supply farmers and process the commodities they produce are being laid off because there is too little work.

Duane Huppert, who has owned Huppert Farm and Lawn Center in Ellensburg for 17 years, said he canceled a farm implement order this spring when the initial water forecast came out in March.

"When that came out, it was like turning off the business as far as ag sales are concerned," Huppert said. "It really stops any farmer from buying anything when you look at a year like this."

"As a farm equipment dealer, our sales were cut drastically," he added.

Huppert, who sells John Deere products, said he is concerned about the lingering effects of this drought into next year and beyond.

"This community is an ag community whether people like it or not," he said. "We get a lot of income from farmers, and the money they spend goes through a lot of businesses."

In the heart of the Yakima Valley in Sunnyside, Bleyhl Farm Service, a supplier of feed, fuel, fertilizer and equipment to farmers, also is feeling the pinch.

Verle Kirk, the firm's Sunnyside store division manager, said the firm cut its work force in Sunnyside by about 14 percent to some 70 employees in response to a cut in sales.

Sales of irrigation equipment dropped when the Roza shut down for three weeks in May to stretch its water supply. Sales have not recovered, Kirk said.

Farmers are also buying less nitrogen fertilizer because of higher costs for natural gas used to produce it. Corn seed isn't moving because the crop requires more water.

"It seems like these guys are shopping harder. Profitability hasn't been good the last two years," he said. "It hasn't been good this year. If they don't make money, it won't get any better next year."

Ms. CANTWELL. Mr. President, the article goes on to state that the drought could mean staggering losses of more than \$270 million in reduced income from farmers, lost jobs, and less money circulating through our local economy.

The most critical stories are emerging from my State, including those of the apple industry. An agricultural assistance bill such as the one we passed that does not support apple growers fails to understand a very important part of our agricultural sector. You heard from many of my colleagues from New York, Michigan, and Maine about the fact that we need to do something to help America's apple growers who are experiencing the worst economic losses in more than 70 years.

Currently prices are as low as 40 percent below the cost of production. Between 1995 and 1998, apple growers lost approximately \$760 million due to questionable import practices involving such countries as China and Korea, in addition to the stiff export tariffs.

Growers like to be self-sufficient and would not ask for help if it did not mean their survival. Many growers in financial crisis are being pushed off their farms. One study has estimated that the numbers of those leaving their farms could be as high as 30 percent.

We need to stop this exodus from the family farms by providing farmers this year with the support and money they desperately need. The Harkin bill would have done that. Instead, as the Senator from Iowa stated earlier, with a gun to our head and without the recourse of getting cooperation and support from the President or from our colleagues on the other side of the aisle, we passed an Ag supplemental bill that will mean hundreds of millions fewer dollars to the State of Washington and to family farmers. We need to do better.

Many of my colleagues have talked about the shortcomings of this legislation. So as we prepare for adjournment, as wheat farmers begin their harvest, as apple growers deal with drought and suffer from storm loss, as communities throughout Washington State and the country deal with the economic impacts being felt by the agricultural industry, I hope my colleagues will think hard about these issues and return in September to do more for family farmers and to show our appreciation for that industry.

I yield back the remainder of my time.

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

Ms. CANTWELL. 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.

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

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

The PRESIDING OFFICER. The Senator from Louisiana.

#### FAMILY FARMS NEED ASSISTANCE

Ms. LANDRIEU. Mr. President, before leaving for the recess, I, too, wanted to address a couple of points on my mind and I am sure on the minds of the people of Louisiana. We have enjoyed, as a State, some success this session on many different issues. Of course, some of them are not resolved.

Senator BREAUX and I have been very involved with the issue of education