News from Senator

BOB DOLE



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FOR IMMEDIATE RELEASE FRIDAY, AUGUST 3, 1979

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DOLE AND KASSEBAUM INTRODUCE NEW FARM BILL

WASHINGTON -- Kansas Senators Bob Dole and Nancy Kassebaum today introduced a bill in the U.S. Senate to improve and expand the present farm program legislated in the Food and Agriculture Act of 1977.

"I believe some adjustments to the 1977 farm bill are necessary to update the legislation and give the secretary of agriculture additional authorities in order to respond to current market and crop conditions," Dole said. "This bill makes needed legislative changes to provide price and income protection for farmers and assure consumers of an abundance of food and fiber at reasonable prices."

The Dole-Kassebaum bill would:

- 1. Set the 1980 target price for wheat at not less than \$3.40, up from the current minimum of \$3. For the first time, the \$3.40 minimum rate must be adjusted by the secretary to reflect any change in the inflation rate. The current cost-of-production formula which was designed to give the farmer price protection is dropped because of ineffectiveness.
- 2. Authorize the secretary of agriculture to require farmers to plant within their normal crop acres when there is a zero set-aside as a condition of eligibility for program benefits.
- 3. Authorize the secretary of agriculture to increase the target prices for the 1980 and 1981 crops of wheat, feed grains, upland cotton and rice above what they would otherwise be whenever the secretary requires farmers to plant within their normal crop acres.
- 4. Set the 1980 target prices of feed grains, upland cotton and rice at not less than their 1979 target prices, with an adjustment to reflect any change in the inflation rate.

"This bill will raise target prices, will discourage farmers from planting marginal land and planting fence-row to fence-row, and will give the secretary the flexibility he needs when a set-aside is not in effect," Dole said. "I believe legislative steps are needed to discourage planting crops on fragile land and to provide additional income protection to farmers."

Kassebaum said, "It is important to note that this legislation provides more than the minimum \$3.40 target price. It directs the secretary of agriculture to increase the target price to keep pace with inflation. For instance, we now have an annual inflation rate of about 12 percent. With this bill the target price could be raised accordingly, so that the farmer would not be unfairly penalized, as he is now."

The legislation in detail would:

- 1. Require that the target prices for the 1980 and 1981 crops of wheat, feed grains, upland cotton and rice be not less than the target prices for the crops of the respective commodities for the previous year, adjusted to reflect any change in the inflation rate.
- 2. Authorize the secretary of agriculture to require as a condition of eligibility for loans, purchases and payments for the 1980 and 1981 crops of wheat, feed grains, upland cotton and rice that producers not exceed the acreage on the farm normally planted to crops designated by the secretary (under existing law, the secretary may require compliance with the normal crop acreage only when a set-aside is in effect for the respective commodity).

(more)

- 3. Authorize the secretary to increase the target prices for the 1980 and 1981 crops of wheat, feed grains, upland cotton and rice above what they would otherwise be whenever the secretary requires that producers of the commodity not exceed the acreage on the farm normally planted to crops designated by the secretary (under existing law, the secretary may increase the target price only when a set-aside is in effect for the respective commodity).
- 4. Continue existing law under which the secretary may increase the established price for any of the other target price commodities in such amount as he determines necessary for the effective operation of the program whenever he adjusts the target price for one of such commodities (however, under existing law, the authority to adjust other target prices may be exercised only when an increase is made in the target price for a commodity for which a set-aside is in effect).

Other sponsors of the bill include Sens. McGovern, Young, Zorinsky, Melcher and Boschwitz.