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DOLE TALKS WITH YEUTTER ABOUT DISASTER AID
OPTIMISTIC ON FLEXIBILITY FOR FARMERS WHO PLANTED
REPLACEMENT CROPS

WASHINGTON -- After visiting by phone with Secretary of Agriculture Clayton Yeutter, Senator Bob Dole (R-Kans) said today he is optimistic the Department of Agriculture (USDA) will allow deduction of planting expenses when determining the value of replacement crops. The recently passed disaster bill contains a provision to protect against so-called "double benefits" from disaster legislation by offsetting disaster payments with the value of a second crop.

"I told the Secretary it would be unfair to calculate the value of the second crop based on a producers' gross receipts because many farmers incurred heavy production expenses and may not get much of a second crop on their failed acres. The Secretary felt USDA would be able to accommodate producers administratively without a lot of red tape and we should have a final decision later this week," said Senator Dole.

"The Department agreed that it would be unfair not to deduct out reasonable production expenses when determining the value of a replacement crop since many producers tried to protect their land from erosion and tried to ensure some means of livelihood by planting failed acres to a spring seeded crop such as milo. It is apparent the sponsor of this provision only intended to protect against providing an economic windfall in cases where producers would get both a bumper replacement crop and large disaster payments, but we should not swing the pendulum too far the other way by penalizing farmers who made sound management decisions," concluded Dole.

Dole, Sen. Nancy Kassebaum and Congressman Pat Roberts wrote the Department in mid-August urging maximum flexibility when determining the value of replacement crops. They also urged the Department to make disaster payments as soon as possible to assist producers with fall planting. Dole and Congressman Roberts have been discussing the problem with USDA for several days.

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