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HOUSE DROUGHT BILL IS "NEAR DISASTER" FOR WHEAT PRODUCERS;
ADMINISTRATION THREATENS VETO; DOLE BILL BEST APPROACH

WASHINGTON -- Senator Bob Dole (R-Kan) called today's House passed drought bill a "near disaster for wheat producers because it fails to give our farmers the priority attention they desperately need, and is so potentially expensive that it has no chance of ever winning the President's approval."

Agriculture Secretary Clayton Yuetter announced today that the Administration is opposed to the House drought plan.

"If we stick with the House bill, Kansas farmers will be looking at another drought -- no federal assistance!" Dole said.

"The House bill sets the precedent of extending aid to crops with potential disasters of minor scope rather than targeting crops with major, documented losses, in spite of the fact that spring-planted crops are now soaking up recent rains. Unfortunately, this means far less relief funds for Kansas wheat farmers because the payments are pro-rated between the more than 640 crops covered in last year's bill," Dole said.

"We know what the President wants -- the Senate bill that carefully targets relief to crops with widespread losses: winter wheat producers. The administration recognizes the trouble in the Wheat Belt and is ready to help. The House should get behind a bill that targets crops planted in 1988 rather than passing the hat for every crop in sight."

"If the House bill is fully implemented it could cost up to \$1.5 billion, according to Department estimates. The bill tries to side-step these outlays and their associated budget problems by pro-rating payments, which really means subtracting from winter wheat savings. All the House rhetoric about limits and targets and cost-effectiveness won't wash: It's a direct hit to the pocketbooks of Kansas wheat farmers," noted Dole.

"The Administration has made it clear they do not want a wide-open disaster bill, but the House has gone in the opposite direction with its lavish multi-crop, multi-peril, multi-bucks bailout for 600 crops.

Dole also noted the Administration's concerns that the House bill's provision requiring producers of spring-planted crops to sign up for federal crop insurance in 1990 has too many loopholes to be effective.