BOB DOLE 1ST DISTRICT, KANSAS

COMMITTEE:

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BOX 31 RUSSELL, KANSAS

## Congress of the United States House of Representatives Washington, D. C.

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For Immediate Release

Room 244, Cannon H.O. B. CA 4-3121, ext. 2715

Washington, D. C. Friday, June 21, 1963

Congressman Bob Dole (R-Kansas), a member of the Wheat Subcommittee of the House Committee on Agriculture, who represents the biggest wheat producing District in the country, released the text of a letter mailed to secretary of Agriculture Orville Freeman today.

The text of the letter follows:

June 21, 1963

The Honorable Orville L. Freeman Secretary of Agriculture Department of Agriculture Washington 25, D. C.

Dear Secretary Freeman:

This letter is directed primarily to questions concerning the operation of the 1964 wheat program in the event Congress does not enact new wheat legislation this year. A month has passed since the wheat referendum and thus far, the Administration's attitude with respect to either temporary or permanent wheat legislation for the 1964 crop appears to be one of indifference. I therefore seek to ascertain your position on questions relating to wheat because, as you know, American wheat growers, especially in the winter wheat areas need answers now.

Initially, is it fair to assume the Administration does not favor and will not encourage enactment of a voluntary wheat program applicable to the 1964 crop?

If a decision has not been reached, or cannot now be divulged, I respectfully request your views on possible changes in existing law as well as an indication of your attitude toward administrative actions you are presently authorized to undertake.

First, would you object to applying the so-called "Anfuso Amendment" (the history loss provision of the Agricultural Adjustment Act of 1938) only in the event of marketing quotas? It would appear that Congress did not contemplate the application of this provision in the event farmers disapproved marketing quotas. It should also be pointed out that producers of other basic commodities are not subjected to a similar penalty.

June 21, 1963

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Second, since there will be no marketing quotas for the 1964 wheat crop, what objections, if any, have you to deleting the cross-compliance provisions from Conservation Reserve contracts now in effect on farms having a wheat allotment? Again, was not this requirement imposed under the assumption that marketing quotas would be in effect?

Third, do you now have statutory authority to require cross-compliance by farmers who produce both wheat and feed grains in 1964? It has been unofficially reported that the Department is contemplating issuance of a regulation requiring producers to comply with wheat acreage allotments as a condition of eligibility for price support and diversion payments on feed grains. Since Congress did not specifically authorize such action, can it be taken without further legislation?

Fourth, in order for the United States to meet is commitments under the International Wheat Agreement, and as a means of strengthening 1964-crop wheat prices, what objection, if any, would you have against establishing CCC's domestic resale price for wheat at 115 percent of the current support price, plus carrying charges? This, as you know, is the formula used in reselling cotton. You could, of course, take such action administratively under Section 407 of the Agricultural Act of 1949. Your announcement following the referendum to the effect that CCC would not "dump" wheat at less than 105 percent of the support price, plus carrying charges, reflects the statutory minimum below which you could not go, even if you wished to do so. It seems to me that wheat growers are fairly entitled to something more than minimum protection against dumping.

Five, would you favor a limited emergency program under which wheat growers could receive payments in kind for voluntarily retiring from production a portion of their 1964 wheat allotments? Such a proposal, it seems to me, could be enacted. It would help to hold down the wheat surplus and it would bolster wheat prices and farm income in 1964. Provisions authorizing this could easily be incorporated within the framework of existing law.

Many wheat farmers are understandably concerned over what they believe to be a lack of official concern about their problems. There are steps which can be taken administratively, and by Congress, to alleviate, at least in part, some of the inequities. We all have a clear obligation to act quickly and constructively as farmers indicate they have had enough political manuevering. They now want expressions of hope that Congress, and the Administration, are prepared to move in the direction of less government control and toward a free market when prices will be made in the market place through operation of the law of supply and demand.

Farmers recognize there will be a transition period with lower price supports; however, they have a right to expect, and we have a responsibility to insure, that all possible steps will be taken to develop a favorable climate for a free market. Referendum post-mortems should yield now to aggressive, constructive action to make certain wheat will continue a major factor in the nation's economy.

Sincerely yours, s/ Bob Dole BOB DOLE, M. C.