

News from Senator

BOB DOLE



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DOLE CALLS AG SECRETARY TO HILL TO PUSH FOR "SECOND CROP" FIX;
AFTER MEETING, DOLE PREDICTS CHANGES AND MORE FAIRNESS IN
DROUGHT ASSISTANCE FORMULA

WASHINGTON -- After calling Secretary of Agriculture Clayton Yeutter to a bipartisan meeting on Capitol Hill, Senator Bob Dole (R-Ks) today predicted the Department would modify its recent ruling on the controversial "second crop" provision in the 1989 drought bill.

After the meeting in Dole's office -- which included Kansas Senator Nancy Kassebaum -- Dole said the Department would be more flexible in establishing the value of a replacement crop. The disaster relief 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.

"No doubt about it, this one needs fixing. I believe we have convinced USDA to take another look at how they will calculate the net value of the second crop. The Secretary promised to review the issue and get back to us. We suggested it would be more fair to simply establish a net value based on a realistic cost of production for a county or multi-county area to ensure that producers who tried in good faith to produce a good second crop but get a low yield for their efforts would not be unfairly penalized," said Dole.

"We pointed out it would be unfair to offset disaster payments if producers also have a disaster on their second crop. USDA needs to give greater consideration to those cases where production of the replacement crop will be below normal, since the intent of the legislation is to prevent windfall profits, not penalize good management practices," said Dole.

The senators also urged the Department to only offset disaster payments from an equal number of acres as those replanted rather than from gross disaster payments.

In attendance at the meeting were Secretary Yeutter, Under Secretary Dick Crowder, Deputy Under Secretary John Campbell and Senators Dole, Kassebaum, Bentsen, Gramm, Domenici, Pressler, Daschle and Lugar.