

TALKING POINTS ON THE FARM BILL

KANSAS

- . WHEAT PROGRAM--ARP LEVEL FOR NEXT CROP YEAR IS A BIG CONCERN. USDA ANNOUNCED IT WOULD BE WITHIN 10-20% RANGE.
- . CROP INSURANCE--ALSO A BIG CONCERN. BANKERS PARTICULARLY VOCAL IN SUPPORT OF THE PROGRAM. IN THE MOVE TO ACTUARIAL SOUNDNESS, PREMIUMS PAID BY WHEAT PRODUCERS IN WESTERN KANSAS WOULD DECLINE.
- . RANKING OF CASH RECEIPTS--CATTLE, WHEAT, SORGHUM, SOYBEANS, CORN.

DOLE--

ACCEPTED AMENDMENTS ARE TO:

- . EXPRESS THE SENSE OF THE SENATE REQUIRING OUTLAY REDUCTIONS TO BE SHARED EQUITABLY AMONG COMMODITIES SUPPORTED BY THE TREASURY.
- . EXAMINE THE FEASIBILITY OF REDUCING AND SIMPLIFYING PAPERWORK REQUIRED OF AGRICULTURAL PRODUCERS.
- . PRIORITIZE REPORTING REQUIREMENTS.
- . REQUIRE BUDGET NEUTRALITY OF THE TOP PROGRAM.

KASSEBAUM--

ACCEPTED AMENDMENT IS TO:

- . CLARIFY THE TREATMENT OF MULTIYEAR PROGRAM CONTRACT PAYMENTS.

MEMORANDUM

TO: SENATOR DOLE  
FR: GREG SCHNACKE  
DA: AUGUST 9, 1990  
RE: KANSAS TRIP BRIEF

TAIWAN WHEAT BUYING MISSION - BACK IN MARCH YOU WROTE OFFICIALS OF THE TAIWAN GOVERNMENT ENCOURAGING THEM TO COME TO KANSAS AND EXPLORE POSSIBILITY OF COMING TO KANSAS TO PURCHASE WHEAT. A GOVERNMENT/INDUSTRY GROUP FROM TAIWAN WILL BE IN TOPEKA AUGUST 27 TO BEGIN THE BIDDING PROCESS FOR 92,000 METRIC TONS OF WHEAT, ROUGHLY 3.4 MILLION BUSHEL, APPROXIMATELY \$10 MILLION DOLLARS WORTH. DETAILS OF THE MISSION WILL BE RELEASED BY THE TAIWAN GOVERNMENT IN THE NEXT COUPLE OF DAYS. KANSAS IS ONE OF SEVEN STATES ON THE \$100 MILLION DOLLAR PURCHASING MISSION.

SANTA FE RAILROAD ABANDONMENTS - WE HAVE BEEN IN CONTACT WITH SANTA FE OFFICIALS REGARDING FUTURE PLANS FOR KANSAS. YOU HAVE EXTENDED AN INVITATION TO CHAIRMAN ROBERT KREBS TO COME TO WASHINGTON FOR A MEETING. WEDNESDAY, SANTA FE ANNOUNCED IT WOULD CLOSE ITS WASHINGTON OFFICE. THE CONCERN HAS REMAINED PRIMARILY WHETHER LARGE NUMBERS OF SANTA FE EMPLOYEES WILL BE LAID OFF, MAJOR OPERATIONS WILL BE CLOSED OR MOVED OUT OF STATE, AND, IF SHORT-LINE BUYERS CANNOT BE FOUND, THAT RAIL USERS WILL BE FORCED TO FIND EXPENSIVE ALTERNATIVE TRANSPORTATION MAKING THEM LESS COMPETITIVE.

WRIGHT AMENDMENT - SINCE THE HOUSE HAS BLOCKED ACTION THIS YEAR, SECRETARY SKINNER HAS CHOSEN TO STUDY THE IMPACT ON AIR TRAVEL OF THE WRIGHT AMENDMENT. YOU AND SENATOR KASSEBAUM HAVE WRITTEN SKINNER SEEKING HIS CONCLUSIONS BEFORE CONGRESS ADJOURNS.

FEMA DISASTER RELIEF - SBA HAS MADE A FEDERAL DISASTER DECLARATION FOR SEDGWICK, BUTLER, COWLEY, HARVEY, KINGMAN, RENO AND SUMNER COUNTIES. THIS WILL PUT INTO PLACE A LOW INTEREST LOAN PROGRAM FOR BUSINESS AND HOME DAMAGE. AN OFFICE IS EXPECTED TO OPEN IN WICHITA NEXT WEEK. LYON COUNTY, AFTER BEING SURVEYED, DID NOT QUALIFY FOR THE SBA PROGRAM. ONLY 9 INSTANCES OF UNINSURED DAMAGE THAT WERE GREATER THAN 40 PERCENT WERE FOUND (MINIMUM OF 25 ARE NEEDED TO QUALIFY). FARMERS HOME ADMINISTRATION CONTINUES TO SURVEY 17 COUNTIES PHYSICAL AND CROP PRODUCTION DAMAGE FOR THEIR LOW INTEREST LOAN PROGRAM.

FLOODING IN ELLSWORTH, RUSSELL, OTTAWA AND LINCOLN COUNTIES - COUNTY OFFICIALS ARE SURVEYING DAMAGE AND WILL MAKE A REPORT SOON TO THE STATE EMERGENCY PREPAREDNESS OFFICE WHO WILL EVALUATE.

TALKING POINTS  
COLEMAN/ASSET REVERSIONS  
(KANSAS, NEBRASKA)

- O EARLY THIS YEAR, I LEARNED THAT 6,000 KANSAS EMPLOYEES OF COLEMAN, INC. WERE BEING GIVEN ANNUITY CONTRACTS FROM A TROUBLED INSURER, EXECUTIVE LIFE, IN EXCHANGE FOR THEIR RIGHTS IN THE COMPANY'S SECURELY FUNDED PENSION PLAN.
- O SENATOR KASSEBAUM AND I WERE ABLE TO DELAY APPROVAL OF THE TERMINATION OF THE COLEMAN PENSION PLAN BY THE PENSION BENEFIT GUARANTY CORPORATION UNTIL THE NEW OWNERS OF COLEMAN REPLACED EXECUTIVE LIFE WITH A TRIPLE A RATED INSURANCE COMPANY HAVING NO EXPOSURE IN THE JUNK BOND MARKETS. THUS, THE RETIREMENT BENEFITS OF THE COLEMAN EMPLOYEES WERE GUARANTEED.
- O IN ADDITION, OUR EFFORTS HAVE LED THE PBGC BOTH TO UNDERTAKE A REEVALUATION OF ITS ROLE IN APPROVING PENSION PLAN TERMINATIONS WHERE THE BENEFICIARIES' RIGHTS MAY BE JEOPARDIZED AND TO CONSIDER EXTENDING ITS INSURANCE OF RETIREMENT PLANS TO COVER ANNUITIES PURCHASED TO FULFILL OBLIGATIONS PREVIOUSLY HELD BY AN INSURED PLAN.
- O I HOPE THAT THIS REVIEW PROCESS WILL EXTEND TO ALL PENSION PLAN BENEFICIARIES THE ASSURANCES THAT OUR INTERVENTION WAS ABLE TO SECURE FOR THE COLEMAN EMPLOYEES, AND I INTEND TO FOLLOW UP WITH BOTH THE PBGC AND THE DEPARTMENT OF LABOR UNTIL A COMPREHENSIVE SOLUTION IS REACHED.