

has contributed so much to our economic stability and prosperity, we need to provide short-term support to our agricultural producers now.

Congress needs to pass a realistic and a responsible emergency agriculture bill. The Congress must act this week.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HAGEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE REGULATORY OPENNESS AND FAIRNESS ACT

Mr. HAGEL. Mr. President, last week, 20 of my colleagues of both parties joined me in introducing the Regulatory Openness and Fairness Act, a bill to amend the Food Quality Protection Act to ensure that the EPA used sound science in its evaluation of pesticide uses. This legislation is particularly relevant given yesterday's announcement by the EPA that they will ban two important pesticides.

Let me begin by saying that a safe food supply is, of course, in everyone's best interests. We all want to ensure that our children and American consumers continue to have access to abundant, safe agricultural products. It is in the best interests of consumers and agricultural producers that decisions on pesticide uses are based on sound scientific analysis—sound scientific analysis. That was the intent of the law which passed, with strong bipartisan support, 3 years ago. In 1996, Congress passed the Food Quality Protection Act to ensure the safety of our Nation's food supply. It passed with the overwhelming support of the agricultural industry and was seen as a much-needed modernization of laws governing all pesticide use.

As written and signed by the President, the FQPA requires the EPA to reassess all of the Nation's pesticides, using more data, taking more factors into account, and allowing greater margins of safety. The FQPA also requires that these standards be based on hard data and sound science, not arbitrary assumptions or computer models.

Under the FQPA, next week the EPA faces its first deadline for announcing its evaluation of some 3,000 uses of pesticides. As EPA prepares for its deadline, it has not fully used the sound scientific analysis called for in the 1996 FQPA bill. Instead, the EPA has relied on theoretical computer models and worst case scenarios in many of these cases. The EPA frequently prefers this approach, partly as a result of not having the resources or the time to focus. But this is not what Congress intended in 1996. We did not intend for farmers to lose the use of safe and effective pesticides. We did not intend for public

health officials dealing with pest control issues to lose the products that help them protect the public.

The bill my colleagues and I have introduced, the Regulatory Openness and Fairness Act, makes sure that EPA follows what was the intent of Congress 3 years ago. It will lessen the chance that safe and effective pesticides would be removed from the market without scientific justification; it provides a clear and predictable regulatory process based on scientific data; it streamlines the process for evaluating new pesticides; and it provides Congress with facts on how the act, as applied by the EPA, affects agriculture exports.

We cannot forget that crop protection allows our farmers to produce the grains, the fruits, and the vegetables that feed not just our Nation but the world. Unnecessary regulations have a dampening effect on the engine that has fueled America's economic growth. That engine is called productivity. If the FQPA is not implemented fully and fairly, based on sound science, we will unnecessarily place our agricultural producers at a very great competitive disadvantage in world markets. Production prices will increase, productivity will decrease, and consequently our farmers will see their exports decline. This is hardly the time to be placing extra, unnecessary burdens on America's farmers.

This bill is good for both consumers and agricultural producers. Consumers will continue to have safe, affordable, and abundant agricultural goods and farmers will continue to have the tools they need to produce safe, quality food products and to compete in the world market.

In Nebraska, we call that common sense. I am proud to join my 20 colleagues in a strong bipartisan effort to introduce the Regulatory Fairness and Openness Act.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I ask unanimous consent to be recognized in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

LITTLE CONGRESSIONAL ACCOMPLISHMENT

Mr. DURBIN. Mr. President, we are coming to the end of one segment of this Congress. We are about to break for an August recess which is an opportunity for Members to be back in their States and with their families. I am looking forward to that, as I am sure are many of my colleagues. But it is a good time for us to reflect on what we have done and what we have failed to do in the last several months.

Each of us is elected with a responsibility to come to Washington and try to respond to some of the challenges facing families and individuals and businesses across America. I am sad to report as of this moment we have little

to show for our efforts this year. The Columbine shooting, which focused the attention of America on violence in our schools, rallied the Senate in a rare bipartisan fashion to deal with violence in schools. We passed the Juvenile Justice Act, which had sensible gun control provisions contained in it, and tried as well to attack this culture of violence which is becoming more dominant in our society.

If you will recall, it was a tie vote, 50-50. The tie was broken by Vice President GORE, the bill passed, it went over to the House, and was hopelessly mired down by the efforts of the gun lobby because of their resistance to any changes in gun control. So we are here today, the first part of August, with literally nothing to show for this whole issue of school safety. By the time we return, our kids will be back in school, another school year will have started, and this Congress will have failed to react to a problem that is on everyone's mind.

The second issue, one that continues to haunt us, is the issue of the Patients' Bill of Rights. Yesterday, I was in Bloomington, IL, and met with a group of doctors and nurses at hospitals to talk about what is happening with health insurance, how families feel so helpless when health insurance clerks are making decisions that doctors should make. When we tried to address it on the floor, sadly, we were defeated by the health insurance lobby, a lobby which continues to spend millions of dollars to overcome our efforts on behalf of patients and families. That, again, is another issue with which we failed to deal.

Finally, of course, we will be talking a lot this week about the tax break as well as the whole question of the budget. There are many of us who think the action by the Senate last week was not a very wise one. We have a chance now, if our economy recovers and continues to grow, to generate a surplus. Then we have to decide what to do with it. First and foremost, I think we should do no harm to this economy. The economy moves forward, creating jobs and businesses and new housing starts. Yet Alan Greenspan, the Federal Reserve Chairman, warns Congress on a weekly basis not to pass the Republican tax cut package, a \$800 billion tax cut primarily for wealthy individuals, which could fuel the fires of inflation and raise interest rates, jeopardizing home mortgages, business loans, and family farmers, who are trying to stay in business.

First and foremost, we ought to be cautioned that Alan Greenspan, who has no partisan interest in whose ox is gored in this battle, has warned us do not do it. Second, even when I go home and speak to the most conservative Republicans in my home State of Illinois, they say: If you have a surplus, Senator, for goodness' sake, the first thing you ought to do is get rid of the national debt, the \$5.7 trillion we have amassed in debts over the last, well,

two centuries plus, most of it in the last 10 or 15 years. That debt costs us \$1 billion a day. All across America we collect payroll taxes and income taxes—for what? To pay the interest on the debt, not to do something good and new for this country; not to improve education or the safety of our streets or to build new highways or mass transit. No, it is interest on the national debt.

So on the Democratic side, we think the highest priority, if there is to be a surplus, is to eliminate that debt. What legacy do we want to leave to our children? Wouldn't it be great to leave them a debt-free America and say to them: You have it here, the best country in the world, a history and tradition you can be proud of, and you do not have to pay for the debts of our generation.

That to me is so basic, so sound, in opposition to the concept that we are somehow going to give tax breaks to the wealthiest people among us as an alternative.

If we are going to do that and reduce the debt, we can do it in a fashion that is fair to everyone and do it in a way that preserves Social Security and Medicare. Many senior citizens are not even aware of the fact the Medicare system is in trouble. Yet it is. They would like to see Medicare expanded, as I would, to cover prescription drugs and to be even a better program so seniors can remain healthy and independent for a longer period of time. But, sadly, the Republican approach to this includes no money for Medicare, no money for Medicare out of this surplus. Do you know what that means? Seniors who are striving to be independent and healthy will not get a helping hand when they should. That is what this budget and tax debate has been about.

Sadly, that is where we find ourselves as we head toward the August recess—our failure to enact the juvenile justice bill to make our schools safer; our failure to enact the Patients' Bill of Rights so that people across America who have health insurance can believe they have a doctor they can trust and a doctor who is making decisions for them and their family; our failure to enact a bill to deal with our surplus which is responsible, a bill that will not jeopardize the economy, a law which, in fact, will make sure we reduce our debt and reduce these interest payments which we have to pay; and something that deals with the whole question of the solvency and future of Social Security and Medicare.

When I look at this Congress, it is sad, with all the talent we have on both sides of the aisle, Republican and Democrat alike, that we have been unable to come to any conclusion where we can go home in the month of August and point with pride to what we have accomplished.

Unfortunately, there is little we can point to.

Mrs. BOXER. Will the Senator yield for a question?

Mr. DURBIN. I would be happy to yield to the Senator from California for a question.

Mrs. BOXER. I thank the Senator for crystallizing where we are. When the Senator says we will go home and there is nothing we can point to, he is right. What happened to the juvenile justice bill and all the sensible gun control measures? Every day we wake up to some other horrible incident, and we are doing nothing to protect our children and our people from gun violence. It strikes me that the same thing happened with the Patients' Bill of Rights—nothing. The kind of sham bill that came across this place and passed isn't going to make any lives better.

But then, it seems to me, when our colleagues on the other side of the aisle do something, they do something bad. My friend was alluding to it. I just want to ask a couple questions on that point.

Is it not a fact that the tax bill which we passed did not allocate one slim dime for Medicare?

Mr. DURBIN. That is a fact. It has been a sad commentary that we know in the year 2015, if I am not mistaken, the Medicare system, as we know it—this current system—is going to go bankrupt, be insolvent. Many seniors want additional benefits to help them stay healthy and independent, like the prescription drug program which we support. When we made an effort on the floor, in a vote just last week we could not rally any support from the Republican side of the aisle for the prescription drug program so that seniors can stay independent and healthy. That, I think, is a shame.

I would like to go home this August and say to seniors and those of us soon to be in the program: We have done something positive. You can live a longer, more independent, and healthier life. But we can't even point to that. Instead, the Republicans suggest we can give tax cuts to wealthy people and special tax breaks to certain businesses.

Mrs. BOXER. I want to pick up on that Medicare question. Because when my friend said seniors want to live fuller lives, this is so true. That is where we are now. We have come such a long way with our health research and with our ability to take certain prescription drugs that help us live fuller lives; that when we look out into the future, with the demographic changes that are coming, this is our biggest challenge. How do we make sure that when we pass age 60, 65, 70, 75, we are living full lives?

This tax bill turns its back on this whole matter by doing zero for Medicare. They can say: Oh, we left a whole lot of money over here, and we can possibly use it, but the fact is, it is zero for something we know is coming down the road at us and something that is very important.

So it seems to me—and I would just ask my friend to comment; then I will yield the floor—that when we go home,

assuming this Republican tax bill continues to roll—and from what we can tell it may well continue to roll right through—what will have been done will be bad for Medicare, bad for paying down the debt, and threatens this economy. Just listen to Alan Greenspan. He is the one my friends from the other side of the aisle have followed very religiously.

Suddenly, Alan Greenspan gets up and says: You better not now. Don't stimulate this economy now. You could threaten recovery. They roll right over Alan Greenspan, and they are going to roll right over us. So we are going to go home and probably say they didn't do what they should have done on juvenile justice, sensible gun control, HMOs—fighting against them—and what they did do threatens this economic recovery and does nothing for Medicare. It is a bad deal all the way around.

The PRESIDING OFFICER (Mr. CRAPO). The time of the Senator has expired.

Mrs. BOXER. I ask for 1 additional minute.

Mr. DURBIN. I ask unanimous consent for 1 additional minute in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DURBIN. In response to the Senator from California, I agree with her. The sad thing is, if we give these tax cuts to the wealthiest among us, as proposed by the Republican bill, we are going to ultimately shortchange, in the outyears, some critically important programs for America, such as education.

Think about it. As we go into the 21st century, with all the demands on our children, what they need to learn to be competitive and succeed is the very best educational system. The Republicans, with their tax bill to create shortfalls in spending on education, are really shortsighted.

So as you look at it, here we stand on the third day of August, about to adjourn at the end of this week, with precious little to point to. We have been here for months. We have not listened to the American people. We have not responded to them. As we go home, I hope that we can build up some bipartisan approach as we conclude this year to address safety in schools, the Patients' Bill of Rights, and a sensible approach to using any budget surplus that is good for the long-term needs of America.

I thank the Senator from California for joining me on the floor.

Mrs. BOXER. I thank my friend.

The PRESIDING OFFICER. Under the previous order, the Senator from Rhode Island, Mr. REED, is recognized for up to 10 minutes.

PRIVILEGE OF THE FLOOR

Mr. REED. I ask unanimous consent that a fellow in my office, Ms. Barbara Murray, be granted floor privileges during the pendency of my discussion on the child care quality incentive bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. REED pertaining to the introduction of S. 1475 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. REED. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. CONRAD. Mr. President, I ask unanimous consent that I may be permitted to continue past the hour of 10:30 in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

THE FARM CRISIS

Mr. CONRAD. Mr. President, I wanted an opportunity to talk about the farm crisis that is now facing our country, and certainly facing my State. I represent North Dakota, which is one of the most agricultural States in the Nation. There is no question that our farmers are facing a crisis of really unprecedented proportion.

As I go around my State, every place that I have a farm meeting, farmers have a sense of hopelessness. One of the reasons is that is happening to farm income. I have just come from a hearing where the Secretary of Agriculture is testifying. We were talking there about the pattern of farm income. It is very interesting, if you back out Government payments, which have been increasing now in the last several years in response to this economic calamity—in 1996, farm income absent Government payments was \$46 billion.

This year farm income, absent Government payments, is estimated to be \$27 billion. Farm income from the prices that farmers receive for the commodities they sell is in a virtual free-fall.

This chart shows headlines from the newspapers back home talking about what is happening to farm prices. The first one is from the major paper in our State: "Going down, down, down. USDA sees lower prices for wheat, corn, soybeans, and other major crops."

Another major story: "Lower crop prices predicted."

Again, the story is the same—collapsing farm prices.

Farmers have been hurt by more than low prices. They have been hurt by what I call the "triple whammy" of bad prices, bad weather, and bad policy.

The bad prices are right at the heart of what is causing this farm collapse.

This chart shows farm prices of two major commodities, wheat and barley, for a 53-year period. It really tells the story.

These are inflation-adjusted prices. So we are comparing apples to apples.

These are what farmers have been receiving for these major commodities from 1946 to 1999. You can see that the blue line is wheat. Wheat has gone from almost \$18 a bushel back in the 1940s to about \$2.50 a bushel today—a long-term price decline without many real interruptions, although we saw a major one back in the 1970s. We all remember that period when farm prices skyrocketed. But absent that, we have really been in a long-term price decline for wheat, barley, and many other commodities as well.

I think this chart tells a very important story because it compares the prices farmers receive for what they sell and the prices they pay for what they buy.

The green line goes back to 1991 and shows what prices farmers are paying for the inputs that they must buy to produce crops. You can see that the prices farmers pay have been going up very sharply. On the other hand, prices that farmers have been receiving went up to a peak in 1996—interestingly enough, right at the time we passed the last farm bill. In fact, we were told at the time we would see permanently high farm prices. That proved to be absolutely wrong. Those permanently high prices lasted about 90 days. Since then, we have seen a virtual price collapse.

Just as I indicated before, prices farmers have been receiving have been dropping dramatically, and the prices for the things they pay have been rising inexorably. That creates this enormous gap between the prices they are paying and the prices they are receiving. That is what has led to that reduction in farm income I talked about in my initial remarks. This is a crisis by any definition.

If we look at what is happening to individual commodities in relationship to the prices farmers receive and the actual costs of producing those commodities, we can see it very clearly.

This is what has happened with respect to wheat prices. The green line is the cost of production. The red line is the prices farmers are receiving for their product. You can see the prices farmers receive are far below the costs of producing the product. That is what has led to this cash flow crunch. That is why farmers are telling us: If you do not take dramatic action, tens of thousands of us are going to go out of business.

In my State, the estimates are that we will lose 20 or 30 percent of our farmers in the next 18 months unless we act. Let me repeat that. In North Dakota, we are being told by the experts at the State university and major farm organizations that unless we act we will lose 20 to 30 percent of the farmers in my State in the next 18 months. That is a crisis.

It is not just in wheat. You see the same pattern. This is soybeans. We don't grow many soybeans in North Dakota. Soybeans are grown further south and to the east. But you can see the same kind of pattern.

Here is the cost of production. Here is what the farmers are receiving. Since 1997, farmers are well below the cost of production with respect to soybeans. In wheat, the pattern is the same, and in soybeans. But there are other crops as well that are critically important.

This shows what has happened in corn. The red line again is the price. The green line is the cost of production. Since 1997, we have been below the cost of production in corn.

You can't stay in business very long in that circumstance. You can't stay in business very long when you are getting less in terms of a price for your product than what it costs you to produce that product. You can hang in there a while as you give up equity and as you go backwards on your balance sheet, but at some point the banker comes calling. He says: Mr. farmer, you are out of business. You can't continue to lose equity.

The result has been that we have started to lose farm families in my State in a very dramatic way. Back in 1989 we had over 28,000 family farmers in our State. We can see that we held that in 1990, and in 1991 we saw a drop of about a thousand farmers. Then, in 1992, we actually got some recovery. In 1993, we dropped down to about 26,000. Since then, it has been a constant erosion, so that now we are down to about 22,000 family-sized farms in our State. It is really a dramatic decline in the last 20 years—almost a 20-percent drop.

Remember what I said. The experts are telling us now that we could see another 20-percent drop in just the next 18 months—perhaps even more than that; perhaps even as much as a 30-percent loss unless we act.

What are the reasons for this? Part of the reason is the financial collapse in Asia and the financial collapse in Russia because those were major customers for our farm commodities. But there are other reasons as well.

I believe one of the key reasons is the budget decisions that were made at the time of the last farm bill. The last farm bill had some strengths to it, some pluses. The biggest strength, I believe, is the flexibility it provided to farmers to plant for the market rather than a farm program. But we also made some budget decisions at the time that made it very difficult to write any kind of reasonable farm bill.

This chart shows what I am talking about. It shows the resources that were provided to agriculture under the previous farm bill. That averaged \$10 billion a year. The new farm bill provided \$5 billion a year. In other words, the support for agriculture was cut in half at the time of the last farm bill.

That has special implications because if we look at what was happening