

Approved Fred KerrDate 1/11/84MINUTES OF THE JOINT COMMITTEE ON HOUSE AGRICULTURE & LIVESTOCK
SENATE AGRICULTURE & SMALL BUSINESSThe meeting was called to order by Senator Fred Kerr at
Chairperson9:30 a.m./~~p.m.~~ on Wednesday, January 11, 1984, 19 in room 313-S of the Capitol.All members were present except: Senator Jim Allen (E)
Senator Ross Doyen (E)Committee staff present: Raney Gilliland, Research DepartmentConferees appearing before the committee: Congressman Dan Glickman, Washington, D.C.

Senator Fred Kerr called the meeting to order. After a word of welcome, he returned the meeting over to Congressman Dan Glickman. Congressman Glickman stated the key current issues were the 1985 Farm Bill, the 1983 passage of the Dairy Bill and the current 1984 wheat PIK program situation. He noted that the 1984 wheat program is inadequate and additional penalties have just been announced. Other items given attention were the farm credit program improvement, the rural electric and telephone programs, the food distribution program providing food for needy people; and in connection with the grain elevator bankruptcy situation, there are three bills pending:

1. A grain insurance package
2. Improvement in Federal bank code
3. Give additional authority to the Department of Agriculture to determine the financial condition of grain elevators, mentioning a certified financial statement.

Congressman Glickman said his recommendation to the Department of Agriculture for the 1985 Farm Bill would be to junk the acreage controls and go to bushel allotments. The current program has not brought down bushels--he is recommending dealing with bushels rather than acres. He said it would not have to be mandatory. In all likelihood there will be no major farm legislation in 1984. There will be a payment limitation this year and lower loan rates.

Senator Kerr asked Congressman Glickman about the possibility of Congress making the 1984 wheat program more attractive given the apparent low compliances. Congressman Glickman stated the possibilities are less than 50/50.

Representative Fuller questioned what can be done to improve the image of the agriculture program. How can we get away from the image of handing money to farmers for not producing? Congressman Glickman stated the many voices speaking out relative to the ag program does not help--we should have a consistent predictable ag program. A national commission is needed to elevate the ag policy as has been done relative to the industrial policy. Ag voices need to get together. Policies that will do what we want to do should be implemented.

In answer to an inquiry, Congressman Glickman said no payment limitations had been put on the dairy program. Answering an inquiry by Senator Gannon, Congressman Glickman stated payments themselves come out of reduced support prices. He stated if we want to get government out of ag we have to look beyond Washington. Policy decisions come from grass roots organizations. Congressman Glickman feels national forums on agriculture would be beneficial in determining a long-term program.

(MORE)

CONTINUATION SHEET

MINUTES OF THE JOINT COMMITTEE ON HOUSE AGRICULTURE & LIVESTOCK
SENATE AGRICULTURE & SMALL BUSINESS

room 313-S, Statehouse, at 9:30 a.m./~~a.m.~~^{p.m.} on Wednesday, January 11, 1984, 19

Representative Hamm questioned the emphasis on exports and if we cut our production other countries might benefit; and inquired regarding the adulteration of our grain when it reaches other ports. Congressman Glickman stated no study had been made in 20 years and the inspection force has been cut. There are hearings in Congressman Roberts' committee.

Senator Karr mentioned the interest rate is the key element affecting prices. Congressman Glickman stated if there would be enough public support to raise some taxes and restrain the growth of the medicare, program, put off cost of living adjustments and lower the growth of defense spending in 1984, \$15 billion could be saved and this would keep interest rates from going up. Unless something is done, interest rates could go up to 20%.

Answering Senator Thiessen's comment, it would be very helpful if we had the cooperation of Canada on exports--he mentioned Canada as having obtained a good portion of the 115 metric tons of grain recently ordered by China.

The meeting adjourned.

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