the provision was dropped. Reasonable, legitimate payment limits were a top priority to Iowa's family farmers. It is important to the farmers of Iowa that we fix this shortcoming of the new farm bill.

American's recognize the importance of the family farmer to our Nation, and the need to provide any adequate safety net for family farmers. In recent years, however, assistance to farmers has come under increasing scrutiny.

Critics of farm payments have argued that the largest corporate farms reap most of the benefits of these payments. The reality is, 60 percent of the payments have gone to only 10 percent of our Nation's farmers.

What's more, the payments that have been designed to benefit small and medium-sized family famers have contributed to their own demise. Unlimited farm payments have placed upward pressure on land prices and have contributed to overproduction and lower commodity prices, driving many families off the farm.

The new farm bill fails to address the use of generic commodity certificates which allow large farming entities to circumvent payment limitations. The supposed ''reform'' in the farm bill is worthless due to the lack of generic certificate reform. In recent years, we have heard news reports about large corporate farms receiving millions of dollars in payments through the use of generic certificates. Generic certificates do not benefit family farmers but allow the largest farmers to receive unlimited payments.

Legitimate, reasonable payment limits are critical to family farmers in Iowa. I feel strongly the farm bill failed Iowa's farmers when it failed to effectively address the issue of payment limitations. Hopefully, the proposal I am introducing with Senator ENZI AND SENATOR HAGEL will help to restore public respectability for Federal farm assistance by targeting this assistance to those who need it the most, while providing the much needed disaster assistance for livestock producers.

This new proposal allow for a total of $35,000 for direct payments, $65,000 for counter-cyclinal payments, $150,000 for LDP/MLA payments, and $30,000 over the LDP limit for generic certificates.

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This new farm bill establishes an $80,000 limitation on direct payments, $130,000 on counter-cyclical payments, $150,000 on LDP/MLA payments, and no limitation on generic certificates.

The grand total for the new farm bill payments is $360,000 with unlimited payments through the use of generic certificates. The cumulative payment limit under the Enzi-Grassley legislation is $250,000 plus $30,000 for generic certificates.

There is no ''active participation'' requirement in this proposal, as compared to my farm bill payment limit proposal.

This legislation does not eliminate the three entity rule, but it does eliminate the need for multiple entities by allowing farmers who choose not to participate in multiple entities to participate at an equal level as those that choose to receive the same benefits from up to three entities.

This legislation finally establishes tangible transparency regarding the fourth payment that only the largest farming entities utilize. That payment is the generic commodity certificate payment.

While I believe generic certificates should be eliminated, I understand the importance in developing a fourth payment limitation so that my colleagues realize there is another payment. Currently, generic certificates are an endless stream of funding only limited by the maximum extent of commodity production by the entity receiving payments.

This legislation would help offset the cost of the much needed livestock disaster assistance and help small and medium-size producers nationwide who are tired of the Government subsidizing large farm entities which drive land rent expenses to unreasonable margins due to economics of scale.

## PRESERVE THE PEDIATRIC RULE ACT OF 2002

Mrs. CLINTON. I am very pleased that today the Senate HELP Committee voted unanimously to report S. 2394, the Preserve the Pediatric Rule Act of 2002, out of Committee, as amended by consensus language to assure that, for already-marketed drug, companies have an opportunity to conduct studies voluntarily before the rule is invoked, which is consistent with current Food and Drug Administration practices.

Mr. DODD. Does the Senator agree that with the exception of the agreed-to amendment to allow a manufacturer to voluntarily study an already-marketed drug before the rule is invoked, the legislation we passed tracks the existing language and policy of the rule, and ensures that FDA and HHS will not weaken or undermine current protections for children on drug safety and labeling?

Mrs. CLINTON. I agree.

Mr. DODD. Also, as the Senator will remember, last year's Best Pharmaceuticals for Children Act BPCA, established a mechanism by which drugs that companies did not voluntarily study would automatically be referred to the National Institute of Health, HIH, to be contracted out for study. Is it not Congress's intention that this tool along with the rule should be used to secure safety and efficacy information for kids as quickly as possible?

Mrs. CLINTON. That is correct.

Mr. DEWINE. We are committed to fighting for dollars for these studies, because the contracting process at NIH only works if there are funds available. If there are no funds available, we must have the rule to ensure that we get needed studies done so that the necessary information can be added to the labels of the medicines children use. Would the Senator agree that the language of the amendment allows other tools to be used, but also makes clear that the rule will be available, enforceable, and unencumbered when needed?

Mrs. CLINTON. I would agree.

Mr. DODD. We will continue to examine the contracting process at the NIH to ensure that it works effectively, in conjunction with the rule, so that there is no delay or bottleneck in conducting the studies and securing this information for children.

Mr. DEWINE. That is correct. Congress made several tools, including the contracting process under the BPCA, available, but Congress never contemplated the exhaustion of all the tools under BPCA before the rule could be invoked. This amendment makes clear that as long as the FDA has first asked a company to voluntarily conduct the study, the FDA will be able to invoke the rule.

## TAX RELIEF FOR LIVESTOCK PRODUCERS

Mr. BURNS. Mr. President, I rise today in support of S. 2762, a bill which would provide tax relief to livestock producers who are forced to sell off part of their herds due to drought. I would also like to commend my colleague, Senator THOMAS, for introducing this legislation.

In my home State of Montana, we are currently in our fifth year of drought. Livestock producers are running out of grass for their herds and very few ranchers in Montana have carry over hay. Their choices are limited. If ranchers can find hay, it is expensive and often hundreds of miles away. Their only other option is to sell off part or, in extreme situations, their entire herds.

The effect on Montana's economy can be seen in the numbers. In 2000, we had 2.6 million head of cattle in my State. As of today, after two severe years of drought, we have 2.4 million head of cattle. The drought is equally devastating on sheep numbers. In 2000, we had 370,000 head of sheep. Today we have 335,000 head of sheep in Montana.

When these cattle and sheep leave the State, the effect on the local, rural economies is great. Ranchers aren't buying as much feed, they are buying fewer veterinary supplies, and worse yet, the ranchers may go out of business all together. These are ranches and herds that have been built up over generations and will be extremely difficult to replace. I have heard from many ranchers these animals won't come back to Montana. They are gone forever.

I have been working on getting disaster relief for producers suffering