

And then you give them all away before they start to rot." This quote says a great deal about Henry Knott. He saw his wealth as a way to make life better for others. He never lost sight of this goal.

I mourn Henry Knott's death along with his family and the rest of Maryland. We will miss him greatly. However, I am very grateful that he was with us for 89 years, and I rejoice that he left Maryland and our Nation a better place than he found it.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, REGARDING EDUCATIONAL TRAVEL

● Mr. MCCONNELL. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee received notification under rule 35 for Kari Austin, a member of the staff of Senator KASSEBAUM, to participate in a program in Germany sponsored by the Konrad Adenauer Foundation from November 11-18, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Austin in this program.

The select committee received notification under rule 35 for Kevin Wilson, a member of the staff of Senator PELL, to participate in a program in Germany sponsored by the Konrad Adenauer Foundation from November 11-18, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Wilson in this program.

The select committee received notification under rule 35 for Eric Burgeson, a member of the staff of Senator DOLE, to participate in a program in Korea sponsored by the Korean Economic Institute from November 18-26, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Burgeson in this program.●

DOMESTIC SUGAR POLICY

● Mr. CRAIG. Mr. President, I find it necessary today to set the record straight on the issue of domestic sugar policy. My remarks are in reference to comments made on November 17, 1995, by my good friend from Nevada, Senator REID, and on November 18, 1995, by my colleague from New Hampshire, Senator GREGG.

EVERYONE BENEFITS FROM FAMILY FARMERS

First, let me tell you about the significant importance of sugar to my

State of Idaho; 1,800 family farms raise sugar beets on an annual basis. These farms combine to grow over 200,000 acres and produce over 5 million tons of sugar beets. Sugar beets are the third largest crop in Idaho after potatoes and wheat.

Sugar-beets are also important to the communities where these family farmers live. Farmers generate sales at local businesses for their vehicles, fuel, farm implements, irrigation materials, fertilizer, and other inputs.

These sugar-beet farmers are also efficient. Of the 31 countries around the world that produce beet sugar, the U.S. beet-sugar industry is the second lowest cost producer. While these farmers are efficient, they need the stability of U.S. sugar policy to compete against unfair subsidies and trade practices used by foreign countries.

Sugar beets provide direct employment opportunities in Idaho communities. There are three processing facilities in Idaho—plus one in nearby Nyssa, OR—owned by the Amalgamated Sugar Co., that combine to pay in excess of \$45 million in salary and wages to their employees. There are 1,200 people employed year round and at the seasonal peak total employment approaches 4,000 people.

The Amalgamated Sugar Co., also pays \$50 million annually to the truck and rail transporters of raw beet sugar and the finished products.

ERRONEOUS GAO REPORT

My colleagues cited an erroneous figure of \$1.4 billion in annual consumer costs. This figure is based on an April 1993 General Accounting Office report. The U.S. Department of Agriculture recently admonished the GAO report for its flawed estimates, omitted data and ambiguous results.

In an October 24, 1995, letter, Under Secretary Gene Moos wrote that

Some data were used incorrectly and important data and sugar market issues were not considered . . . Based on this world price estimate and an average U.S. sweetener price over 1992-1994, a more normal price period, it can be shown using GAO's methodology, that there are no costs to domestic users and consumers.

Mr. Moos continues:

The estimated effects of the U.S. sugar program are highly sensitive to expected world prices if global sugar trade is liberalized. GAO's analysis, in my judgement, does not adequately consider the complexities and dynamics of the U.S. and global sugar markets.

The erroneous GAO results have been misinterpreted by my colleagues. First, the mistaken \$1.4 billion cost is not a payment to beet or cane producers. Sugar is not like the wheat or corn program; sugar farmers do not receive a Government payment. Rather, sugar growers pay a marketing assessment on their sugar that goes directly toward deficit reduction. Over the course of the Balanced Budget Act of 1995, the sugar assessment will provide \$287 million in deficit reduction.

Mr. President, at the conclusion of my remarks, I ask that the text of the

letter from Mr. Moos of USDA to Representative PATSY MINK regarding the erroneous GAO report be printed in its entirety.

WORLD AND U.S. SUGAR PRICES

To fully understand the selling price of sugar here and abroad, my colleagues need additional insight and information.

It is important to realize that the world sugar market is very volatile due to the small quantities traded and large number of countries with protectionist policies. According to USDA, all 110 countries producing sugar subsidize their sugar production, consumption, and/or trade in some way.

The world price of sugar has ranged from more than 60 cents per pound in 1974 and more than 40 cents per pound in 1980 to less than 3 cents per pound in 1985.

This world price does not correspond with the world cost of production. In fact, a 1994 Landell Mills study showed that the world price average of 8.4 cents per pound between 1982-92 and the average cost of production was estimated at 17.5 cents per pound during the same period.

This obvious presence of a world dump market does not and would not allow foreign needs to meet domestic demands at the suggested lower price. U.S. consumers use about 9 million tons of sugar each year, which is equal to more than a third of the total sugar traded on the world market each year.

PROGRAM EXTENSION

The gentleman from New Hampshire also took issue with the fact that the sugar program was extended for 7 years. Mr. President, for the record I would like to note that all agricultural commodities were extended for 7 years. Yes, every single commodity in the ag title of the Balanced Budget Act. This includes not only sugar, but wheat, cotton, rice, peanuts, corn, and barley.

I would point out that the Balanced Budget Act of 1995 was designed to achieve a fiscal balance by 2002 and thus most, if not all, of the bill's provisions were approved in 7-year timeframes.

RECORD OF COMMITTEE REVIEW

For the record, I would also like to review the process of hearings and committee markups that the sugar section of the bill underwent prior to final inclusion. To suggest that the sugar program slipped into the bill is an insult to the members of the Senate Agriculture Committee.

Last December, the Agriculture Committee chairman, Senator LUGAR, asked 53 questions about domestic agriculture and rural policy that began an extremely comprehensive schedule of committee hearings. Eight full committee hearings were held between March and June to form the foundation of the 1995 agricultural legislation. Four subcommittee hearings were also held in May and June. In addition, I personally chaired a field hearing in Pocatello, ID, on August 15 to thoroughly review farm policy, including