

propound a unanimous consent request. I hope this has been cleared on both sides. That will basically bring us back to the farm bill. In other words, it will take down the so-called tree that was filled and take down all amendments that are pending, and the bill, as a substitute, will be pending, but then it is open for amendments at that point, for any amendment that has already been filed.

As the agreement was reached last night, there will be 20 amendments on each side. I am telling Senators if they have an amendment to the farm bill, they probably ought to get over here and offer an amendment. Senator CHAMBLISS and I are going to try to work together to try to make an even flow of this, to get the amendments up and reach time agreements and things like that so we can move the farm bill as expeditiously as possible.

On behalf of the majority leader, I ask unanimous consent that the House message on H.R. 6 be returned to the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FARM, NUTRITION, AND BIOENERGY ACT OF 2007

Mr. HARKIN. Mr. President, what is the pending business?

The ACTING PRESIDENT pro tempore. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (H.R. 2419) to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

Pending:

Harkin amendment No. 3500, in the nature of a substitute.

Reid (for Dorgan/Grassley) amendment No. 3508 (to amendment No. 3500), to strengthen payment limitations and direct the savings to increased funding for certain programs.

Reid amendment No. 3509 (to amendment No. 3508), to change the enactment date.

Reid amendment No. 3510 (to the language proposed to be stricken by amendment No. 3500), to change the enactment date.

Reid amendment No. 3511 (to amendment No. 3510), to change the enactment date.

Motion to commit the bill to the Committee on Agriculture, Nutrition, and Forestry, with instructions to report back forthwith, with Reid amendment No. 3512.

Reid amendment No. 3512 (to the instructions of the motion to commit to the Committee on Agriculture, Nutrition, and Forestry, with instructions), to change the enactment date.

Reid amendment No. 3513 (to the instructions of the motion to recommit), to change the enactment date.

Reid amendment No. 3514 (to amendment No. 3513), to change the enactment date.

Mr. HARKIN. Mr. President, I now ask unanimous consent that all pending motions and amendments, except the substitute, be withdrawn.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. HARKIN. As I understand it now, Mr. President, the farm bill is before

us. There are no pending amendments, also, whatsoever?

The ACTING PRESIDENT pro tempore. The Harkin substitute is pending.

Mr. HARKIN. That is what I mean. The substitute is there, but there are no other pending amendments to it.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. HARKIN. I yield to my colleague.

Mr. CHAMBLISS. Mr. President, let me say to the chairman that I am very appreciative of the discussions and negotiations we have had ongoing over the last several weeks. He and I have both been very frustrated by the lack of activity on this farm bill. We know very well that we have worked in a bipartisan way to craft a farm bill that is going to be a great benefit to farmers and ranchers across America over the next 5 years. This is a critically important piece of legislation that was passed out of the committee by a unanimous vote, with only one person who was not there saying he would not have voted for it. That is significantly unusual. It is also unusual to complete the markup of a farm bill in a day and a half, which we did. I credit the chairman's leadership for that and the fact that we were able to work in a strong bipartisan way to make sure we got a bill that is not exactly like any of us would want it if we were the sole authors of the bill, but that is the way it is supposed to work in this body.

I do truly want to thank Chairman HARKIN and his staff. I see Mark Halverson sitting over there, who has worked very closely with Martha Scott Poindexter on my staff to clear so many of these almost 300 amendments that popped up over the last 4 weeks. Without the staff doing the work they have done, we simply would not be where we are today.

I also wish to say to Senator CONRAD that I appreciate very much his work—again, in a very bipartisan way—to come together and make sure we get relevant amendments. There are going to be some that are going to be irrelevant that may be considered, but, again, that is part of the way this body works; and to the two leaders for their discussions, their negotiations in allowing us ultimately to get to the point where we have now reached an agreement that we have 20 amendments offered by the Democrats, 20 amendments offered by the Republicans, and over the next several days we are going to debate these amendments, have votes on them, and move ahead with the conference with the House on a farm bill that is desperately needed by our farmers and ranchers. I think at the end of the day it is going to be a farm bill that will have a very positive influence on American agriculture.

I thank the chairman for his cooperative spirit and for the fact that we have been able to come together with this farm bill now, get it to the floor, now get it debated, and you and I are going to work very hard to make sure we get

it done in short order. I look forward to a discussion of the amendments.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. HARKIN. Mr. President, let me thank my friend and colleague and ranking member, Senator CHAMBLISS, first for starting the process. It was under his leadership on the Agriculture Committee that a lot of field hearings were held across the country in preparation for this farm bill. Then, by dint of the elections last year, I then took over as chairman this year, and we worked very closely to continue the great progress Senator CHAMBLISS had made moving the ball forward. We had some bumps along the way, obviously. I shared the frustration of my friend over the last few weeks. But we came out of the committee with a good bill, a good bipartisan bill.

It is a bill that really responded to agricultural needs around the Nation and also responded to nutrition needs. A large part of this bill, over 50 percent of this bill goes for nutrition, food stamps, things like that. We took some great strides in the committee to make sure we updated some of the exemptions, things like that, so people who are on food stamps, people who need that kind of help are not hurt by inflation over the past number of years and that sort of thing.

There are good provisions in this bill on energy, on conservation. I think there is a good, strong safety net for all of our agricultural producers across the country. Obviously, there is a lot in here for specialty crops, kind of a new part of our bill this year, reaching out to get more people involved in our process here—specialty crops all across the country.

There is a lot of good in this farm bill for everyone in this country. I never like to dwell on the past. We have had some problems over the last few weeks, but we are through that. I thank Senator CHAMBLISS and his staff for working with us to get to this point. I think we have a manageable bill now, with 20 amendments on either side. I am hopeful that as we get amendments we will be able to get some reasonable time agreements. I have already spoken to some people about that. Most of the people with amendments are agreeable to certain time limits on their amendments. That, hopefully, will expedite matters also.

We are here, and I hope we are going to start moving the bill. As we know, there are no more votes today, but amendments can be offered and laid down and debated today, and, of course, they will be in the queue for voting when we get back here next Tuesday. If anyone has any amendment, I suggest now might be the time to come forward, on either side, and talk either to Senator CHAMBLISS or to me about getting in the queue to offer those amendment also.

We have a very important bill. Hopefully, we can get it done. I remain hopeful that before the end of next

week—I don't know, maybe that is a little optimistic, but I believe in optimism—perhaps by the end of next week we might actually bring this to a close and get to conference.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, after consultation with the ranking member, Senator CHAMBLISS, and because of the structure of this before, it was assumed that the Dorgan-Grassley or Grassley-Dorgan amendment would be the first amendment. I am going to call up that amendment, but then, under the agreement we have, we will be setting it aside for any other amendments that come up.

AMENDMENT NO. 3695 TO AMENDMENT NO. 3500
(Purpose: To strengthen payment limitations and direct the savings to increased funding for certain programs)

Mr. HARKIN. Mr. President, I call up amendment No. 3695 and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa (Mr. HARKIN), for Mr. DORGAN, for himself and Mr. GRASSLEY, proposes an amendment numbered 3695.

(The amendment is printed in the RECORD of November 15, 2007, under "Text of Amendments.")

Mr. HARKIN. Therefore, the pending amendment would be the Grassley-Dorgan amendment, and I ask unanimous consent to set that aside.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I see our distinguished leader here, Senator DURBIN, but I know Senator KLOBUCHAR has been waiting to offer her amendment.

Ms. KLOBUCHAR. The Senator may go forward.

Mr. DURBIN. Mr. President, I ask unanimous consent to speak as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. DURBIN are printed in today's RECORD under "Morning Business.")

Mr. DURBIN. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Ohio.

AMENDMENT NO. 3819 TO AMENDMENT NO. 3500
(Purpose: To increase funding for critical Farm Bill programs and improve crop insurance)

Mr. BROWN. Mr. President, I ask unanimous consent the pending amendment be temporarily set aside, and I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

The Senator from Ohio [Mr. BROWN], for himself, Mrs. MCCASKILL, Mr. MCCAIN, Mr. DURBIN, Mr. SCHUMER, and Mr. SUNUNU, proposes an amendment numbered 3819 to amendment No. 3500.

Mr. BROWN. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. BROWN. Mr. President, this amendment, in essence, moves money from the overpayment of huge subsidies of crop insurance to McGovern-Dole, a long-term bipartisan program this Congress has supported, and a few other things I will outline in more detail on Tuesday.

I ask unanimous consent that the amendment be set aside.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 3810 TO AMENDMENT NO. 3500

Ms. KLOBUCHAR. Mr. President, I call up my amendment No. 3810 which is at the desk. I will set it aside after I say a few words about it.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Ms. KLOBUCHAR], for herself, Mr. DURBIN, and Mr. BROWN, proposes an amendment numbered 3810 to amendment No. 3500.

Ms. KLOBUCHAR. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To improve the adjusted gross income limitation and use the savings to provide additional funding for certain programs and reduce the Federal deficit)

Beginning on page 210, strike line 15 and all that follows through page 214, line 9, and insert the following:

(c) MODIFICATION OF LIMITATION.—

(1) IN GENERAL.—Section 1001D of the Food Security Act of 1985 (7 U.S.C. 1308-3a) is amended by striking subsection (b) and inserting the following:

“(b) LIMITATION.—

“(1) COMMODITY AND CONSERVATION PROGRAMS.—

“(A) COMMODITY PROGRAMS.—Notwithstanding any other provision of law, an individual or entity shall not be eligible to receive any benefit described in paragraph (2)(A) during a crop year if the average adjusted gross income of the individual or entity, or the average adjusted gross income of the individual and spouse of the individual, exceeds—

“(i) \$250,000, if less than 66.66 percent of the average adjusted gross income of the individual or entity, or the average adjusted gross income of the individual and spouse of the individual, is derived from farming, ranching, or forestry operations, as determined by the Secretary; or

“(ii) \$750,000.

“(B) CONSERVATION PROGRAMS.—Notwithstanding any other provision of law, an individual or entity shall not be eligible to receive any benefit described in paragraph (2)(B) during a crop year if the average adjusted gross income of the individual or entity, or the average adjusted gross income of the individual and spouse of the individual, exceeds \$2,500,000, unless not less than 75 percent of the average adjusted gross income of the individual or entity, or the average adjusted gross income of the individual and spouse of the individual, is derived from farming, ranching, or forestry operations, as determined by the Secretary.

“(2) COVERED BENEFITS.—

“(A) IN GENERAL.—Paragraph (1)(A) applies with respect to the following:

“(i) A direct payment or counter-cyclical payment under part I or III of subtitle A of title I of the Food and Energy Security Act of 2007.

“(ii) A marketing loan gain or loan deficiency payment under part II or III of subtitle A of title I of the Food and Energy Security Act of 2007.

“(iii) An average crop revenue payment under subtitle B of title I of Food and Energy Security Act of 2007.

“(B) CONSERVATION PROGRAMS.—Paragraph (1)(B) applies with respect to a payment under any program under—

“(i) title XII of this Act;

“(ii) title II of the Farm Security and Rural Investment Act of 2002 (Public Law 107-171; 116 Stat. 223); or

“(iii) title II of the Food and Energy Security Act of 2007.

“(3) INCOME DERIVED FROM FARMING, RANCHING OR FORESTRY OPERATIONS.—In determining what portion of the average adjusted gross income of an individual or entity is derived from farming, ranching, or forestry operations, the Secretary shall include income derived from—

“(A) the production of crops, livestock, or unfinished raw forestry products;

“(B) the sale, including the sale of easements and development rights, of farm, ranch, or forestry land or water or hunting rights;

“(C) the sale of equipment to conduct farm, ranch, or forestry operations;

“(D) the rental or lease of land used for farming, ranching, or forestry operations, including water or hunting rights;

“(E) the provision of production inputs and services to farmers, ranchers, and foresters;

“(F) the processing (including packing), storing (including shedding), and transporting of farm, ranch, and forestry commodities;

“(G) the sale of land that has been used for agriculture; and

“(H) payments or other income attributable to benefits received under any program authorized under title I or II of the Food and Energy Security Act of 2007.”.

(2) INCREASED FUNDING FOR CERTAIN PROGRAMS.—In addition to the amounts made available under other provisions of this Act and amendments made by this Act, of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out—

(A) the grassland reserve program established under subchapter C of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838n et seq.), an additional \$20,000,000 for the period of fiscal years 2013 through 2017;

(B) the provision of assistance for community food projects under section 25 of the Food and Nutrition Act of 2007 (7 U.S.C. 2034) (as amended by section 4801(g)), an additional \$10,000,000 for each of fiscal years 2013 through 2016;

(C) the beginning farmer and rancher individual development accounts pilot program established under section 333B of the Consolidated Farm and Rural Development Act (as added by section 5201), an additional \$5,000,000 for each of fiscal years 2013 through 2017;

(D) the program of grants to encourage State initiatives to improve broadband service established under section 6202, an additional—

(i) \$40,000,000 for the period of fiscal years 2009 through 2012; and

(ii) \$30,000,000 for the period of fiscal years 2013 through 2017;

(E) the organic agriculture research and extension initiative established under section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b) (as amended by section 7104), an additional \$10,000,000 for each of fiscal years 2013 through 2014;

(F) the beginning farmer and rancher development program established under section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f) (as amended by section 7309), an additional \$15,000,000 for each of fiscal years 2013 through 2017;

(G) the biomass crop transition assistance program established under subsections (b) and (c) of section 9004 of the Farm Security and Rural Investment Act of 2002 (as amended by section 9001), an additional \$40,000,000 for the period of fiscal years 2009 through 2012; and

(H) the Rural Energy for America Program established under section 9007 of the Farm Security and Rural Investment Act of 2002 (as amended by section 9001), an additional \$40,000,000 for the period of fiscal years 2009 through 2012.

(3) EXTENSIONS.—Notwithstanding any other provision of this Act, or an amendment made by this Act—

(A) the authority to carry out the grass-land reserve program established under subchapter C of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838n et seq.), is extended through September 30, 2017;

(B) the authority to carry out the provision of assistance for community food projects under section 25 of the Food and Nutrition Act of 2007 (7 U.S.C. 2034) (as amended by section 4801(g)), is extended through September 30, 2016;

(C) the authority to carry out the beginning farmer and rancher individual development accounts pilot program established under section 333B of the Consolidated Farm and Rural Development Act (as added by section 5201), is extended through September 30, 2017;

(D) the authority to carry out the program of grants to encourage State initiatives to improve broadband service established under section 6202, is extended through September 30, 2017;

(E) the authority to carry out the organic agriculture research and extension initiative established under section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b) (as amended by section 7104), is extended through September 30, 2014;

(F) the authority to carry out the beginning farmer and rancher development program established under section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f) (as amended by section 7309), is extended through September 30, 2017;

(G) the authority to carry out the biomass crop transition assistance program established under subsections (b) and (c) of section 9004 of the Farm Security and Rural Investment Act of 2002 (as amended by section 9001), is extended through September 30, 2012; and

(H) the authority to carry out the Rural Energy for America Program established under section 9007 of the Farm Security and Rural Investment Act of 2002 (as amended by section 9001), is extended through September 30, 2012.

Ms. KLOBUCHAR. Mr. President, I first wish to acknowledge the great leadership of Senator HARKIN and Senator CHAMBLISS on this farm bill. I am proud to be a member of the Agriculture Committee and to be involved in this forward-looking farm bill. I also wish to thank the many authors we have on this amendment that I am going speak on today, including Senator DURBIN and Senator BROWN, both of whom were in here in the last few minutes.

This amendment includes some reasonable income eligibility limits for subsidies under the farm bill. The focus of this amendment is to make sure the subsidy and the safety net in the farm bill go to the people whom it will most help; that is, the family farmers of this country, not to real estate developers in Florida or art collectors in San Francisco. The focus is on family farmers throughout this country.

America's farm safety net was created during the Great Depression as an essential reform to help support rural communities and protect struggling family farmers from the financial shock of volatile weather and equally volatile commodity prices. Almost 75 years later, the reason for maintaining that strong safety net still exists.

The 2002 farm bill has spurred rural development by allowing farmers in Minnesota and across the country to take risks to expand production. Because of productivity gains and innovation, including advances in renewable energy, the farm support programs in the 2002 farm bill are projected to come in at \$17 billion under budget.

So as we debate this current farm bill, as we will in the coming days, it is important not to underestimate the value of a strong bill to our country, to agriculture, to the rural communities throughout the Nation.

That is why, as a member of the Ag Committee, I strongly supported this farm bill and voted for it. It includes an increased focus, as the chairman mentioned, on energy, including cellulosic-based ethanol, continued support for a strong safety net, permanent disaster relief, so important to our farmers, and additional funds for conservation and nutrition.

Of particular importance, the country should know we balanced our budget in this bill, with every dollar of new spending fully offset. So there is a lot of good for Minnesota and the rest of the country in this farm bill.

There is, however, one critical area where I believe we can do some more reform; that is, to make sure the urban millionaires do not pocket the farm subsidies that are intended for our hard-working farmers. Here is a fact in my State. Minnesota is the sixth largest agricultural State in the Nation.

Naturally, however, 60 farmers have collected more than \$1 million each under the 2002 farm bill. None of those farmers are in my State.

The top 20 business recipients in the country have each gotten more than \$3 million under this farm bill. Yet the average income of a farmer in Minnesota, after expenses, is \$54,000. But under the current system, a part-time farmer can have an income as high as \$2.5 million from outside sources and still qualify for Federal farm benefits.

I do not believe we should be handing out payments to multimillionaires, when these payments should be targeted to family farmers. Big payments to big-city investors threaten to undermine public support for the farm bill as a whole, even though people should know the commodity programs are projected to be just under 15 percent of the total farm budget over the next 5 years.

A poster boy for what needs to be changed is Maurice Wilder, the Florida-based developer who is the Nation's top recipient of farm payments—not conservation payments but commodity payments—for properties in five States, even though his net worth is estimated to be \$500 million. This man is not a farmer. He is independently wealthy. He is a real estate developer, and he should not be getting Government checks. We have examples from all over the country of people who have been getting these checks, from David Letterman to Paul Allen.

But the problem doesn't stop with the extremely wealthy. Checks that are intended for farmers are being sent all over urban areas. Since enactment of the 2002 farm bill, \$3.1 million in farm payments has gone to residents in the District of Columbia, \$4.2 million to people living in Manhattan, and \$1 million of taxpayer money under the farm bill of 2002 has gone to Beverly Hills 90210. Last time I checked there wasn't a lot of farmland in these communities. We can fix this problem and do better for our farmers by using the new farm bill to close loopholes, tighten payment limits, and enforce tougher income eligibility standards.

Again, I am a strong supporter of this farm bill. I believe the 2002 farm bill did some wonderful things for our country in terms of expanding production and revitalizing rural communities. What we want to do is build on the 2002 farm bill, fix some things, and make sure we go forward with a strong rural economy.

One thing was already fixed in the bill that came out of committee, and that is the three-entity rule. The current Senate and House—and this has actually gone through the House floor—proposals eliminate the three-entity rule. This will cut down abuse by applying payment limits strictly to individuals and married couples and ending the practice of dividing farms into multiple corporations so they can multiply payments. Second, as already

mentioned by our chairman, the long-standing amendment proposed by Senators DORGAN and GRASSLEY would limit annual payments under this bill. This amendment would also bring meaningful limits to the marketing loan program and close enormous loopholes that allow millions of dollars to flow to individual recipients under the current law. I support the Dorgan-Grassley amendment, and I urge my colleagues to do the same.

I believe a third kind of reform is also needed. Congress should act to prevent payments that are intended for hard-working family farmers from going to urban millionaires. We can do this by placing reasonable limits on the incomes of people and businesses that participate in the commodity program. Under current law, if you are not a full-time farmer, meaning that less than 75 percent of your income comes from farming, you are eligible to get commodity payments as long as your adjusted gross income is less than \$2.5 million per year. This is part-time farmers under current law.

Let's figure out what that means. You can live in a city, have a job as an investment banker, make \$2 million a year, and still get Government checks if you own shares in a farm. If you are a full-time farmer or farm corporation, meaning that more than 75 percent of your income comes from farming, under current law there is absolutely no limit on how much net profit you can have in a given year and still get farm payments. What we are talking about is, expenses are actually deducted for us to get to these numbers. Even with the expenses deducted, you can make, for part-time farmers, \$2.5 million per year, and there is no limit for full-time farmers, and you are still eligible for these subsidies.

It also means mega farms that span entire counties can bring in untold millions in revenue and still get these kinds of payments. This flies in the face of common sense. It is against the intent of Congress and, along with two other amendments I support—one that is already in the bill, the Dorgan-Grassley amendment and this one—it will allow us to address these problems that have given rise to scandals that have already provided ammunition to those who say we should not have a farm bill. I believe we must have a farm bill. I have been pushing for this. I am glad we finally reached agreement on a total number of amendments so we can actually move forward with this farm bill next week.

I am offering this amendment, along with Senators DURBIN, BROWN, and many others, to place reasonable limits on the incomes of those who receive farm payments. Here is how the amendment works. If you are a full-time farmer, meaning that more than two-thirds of your income comes from farming, you can participate in the farm program, and you can get the subsidies, as long as your income after you deduct expenses does not exceed

\$750,000. If you are a part-time farmer or farm investor, and you have substantial sources of income off the farm, you can participate in farm programs if your income does not exceed \$250,000. It is that simple.

I will note it is somewhat similar to some of the reforms the House enacted off the floor in their bill. Their amendment puts it at \$1 million for a full-time farmer and then \$500,000 of income for a part-time farmer. Right now the bill that came out of the Senate committee places no limits on the income of full-time farmers, and then places a limit on a part-time farmer at \$750,000. What we are doing is trying to put the limits at \$750,000 for a full-time farmer and \$250,000 for a part-time farmer. This is better than the original proposal by the administration which sort of lumped part-time and full-time farmers together. This makes more sense, having talked to farmers in my State and across the country.

Some of my colleagues have said \$750,000 is too low; that some farmers have a high cost of production and they need a higher income. Again, I remind my colleagues the income limit is applied after your farm expenses are deducted, including all your labor, your equipment, your fuel, and your fertilizer. We are talking about how much profit you have made at the end of the year.

If you own a farm that has netted \$1 million in a single year after all your expenses are paid, I salute you. That is wonderful. There is nothing wrong with that. I would love it if every farmer in Minnesota had \$1 million in the bank at the end of the year. But if they did, this amendment says they can't get the subsidy. But if you have received \$750,000 in income, if you are a full-time farmer—\$250,000 if you are part time—then you would be eligible.

Some of my colleagues have said the \$750,000 limit on part-time farmers and nonfarmers is too low. If you live in the city and you own shares in a farm and you have a substantial source of income outside of farming that puts you over \$250,000 a year, that is great for you. That is a good thing. Lots of Americans would love to be in that position and have that problem. But they do not necessarily want to provide their tax dollars to give subsidies for these people who are living in Beverly Hills 90210 or New York and simply have investments. Vast Americans don't believe that is where farm subsidies should be going. They should be going to family farmers who make their income off farming, who are facing volatile weather and volatile prices that could basically put them under. We don't want to have that happen. Not only for the economy but also for our national security, we must have farming and we must have a strong agricultural sector.

In conclusion, the intent of this amendment is to strengthen the farm bill. All Americans have a vital stake in the fortunes of our farms and rural

communities. Agriculture remains central to our Nation's economy, especially our prosperity in the global marketplace. That is why I support this farm bill, a basically national security bill. I intend to support it. I supported it out of committee, and I intend to support this legislation when it comes to a vote.

But it is not enough to have the support of just farm State Senators. I believe it is important to have the support of the entire country. We need this kind of reform because we need to have support from the entire country if we want to pass this bill. Inertia may be the most powerful force in the political universe, but after 75 years, the best interests of America's rural economy demand that we correct the abuses of the past so we can move forward to ensure a strong safety net for our hard-working farmers.

I urge my colleagues to support my amendment. I ask unanimous consent that the amendment be laid aside.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Georgia.

Mr. CHAMBLISS. Mr. President, I want to respond quickly to the Senator from Minnesota who has filed one of two amendments to the issue of payment limits in this bill. It is important we understand the history of payment limits. This has always been a controversial issue in every farm bill. This is my third farm bill, and certainly we had significant reform in the 2002 farm bill over the 1996 farm bill. Here we are again with the same argument being presented, that farmers ought not to be entitled to significant payments from the Federal Government in very tough times when prices are low or yields are low, which is absolutely the direct intention of a farm bill.

My friend from Minnesota referred to two things I want to agree with. The first is, the 2002 farm bill spent approximately \$17 billion less through the first 5 years than what was originally projected. The reason there was less money spent than was projected by the pundits in 2002 is the fact that the 2002 farm bill was market oriented. We provided farmers and ranchers with tools through utilizing their credit measures, as well as crop insurance measures, as well as other marketing tools that were incorporated into the 2002 farm bill that caused prices to not necessarily rise, but when supply rose, demand was there to meet that supply. Therefore, the ultimate amount of money coming from Washington into the hands of farmers and ranchers was \$17 billion over 5 years less than what was projected.

How does that impact payment limits? It has a direct impact on the payment limit issue because that simply is a part of the reason that an additional amount of money within that \$17 billion was not spent. We made significant reforms in the 2002 farm bill to ensure, with every precaution we could

possibly take, that payments going from Washington to any State in the Union went into the pockets of farmers. We did everything we could to ensure that. But in spite of trying to do that, there were abuses and I acknowledge that. There are always going to be abuses. This doesn't apply to just farm programs. It unfortunately applies to about every Federal program.

I see my friend from Arkansas on the Senate floor. She and I have worked diligently over the last several months to try to make additional reforms to the payment limit issue from the 2002 farm bill into this farm bill. Once again, we have made significant reforms. We have reduced that AGI limit down to \$1 million in 2009 and \$750,000 for each year after that. So somebody who is a hobby farmer who has a high income that, in our opinion, does not deserve payments is not going to get those payments. Somebody who gets dirt under their fingernails and, frankly, if they make more than \$750,000 a year, it means they have worked hard as a farmer to generate that kind of income on an operation. I assure you, if they make \$750,000 this year, they could lose every bit of that next year.

So to say we ought to take a farmer who makes \$750,000 in 1 year, where he has gambled all of his life's savings to invest in his crop, which undoubtedly would have been millions and millions of dollars for him to generate that kind of income, that we are going to strip him of any entitlement to payments in the next year, when he may lose everything he has saved up all of his life, I don't think is looking out for the best interests of farmers and ranchers from an overall standpoint.

We did make changes in the bill this time on payment limits. We reduced the \$360,000 cap down to \$100,000. We eliminated the three-entity rule. If you had told me 10 years ago that in 2007 we were going to be eliminating the three-entity rule in the payment limit provision, I would have told you that you were as crazy. If you told me that 5 years ago, I would have said there is no way we would eliminate the three-entity rule. That has kind of been a standard under the payment limit provision. But we have decided it is in the best interest of agriculture that it be eliminated.

We worked very hard to make sure we try to be fair to farmers and try to encourage family farmers to continue. The main reason we have always had the three-entity rule is to allow for the children of farmers to begin operating as farmers without having to worry about the significant capital investment that their parents have had to make over the years because they simply cannot do it. A young farmer simply cannot make that investment.

Well, we have eliminated that three-entity rule that has been very advantageous to young farmers. We are replacing it with some other measures that will allow young farmers to get into the business with their parents

and come back to that family farm, which I think all of us would like to encourage.

My family happens to be the beneficiary of that exact situation—not my immediate family but my son-in-law. I am very excited about the fact that he is back in his family farming operation.

We did add a \$2.5 million AGI test to the 2002 farm bill in response to media criticism that high-income individuals were receiving conservation and commodity program payments. We sought to ensure that benefits were denied to wealthy individuals who did not rely on farming for their livelihood but that they remain available to farmers and ranchers so long as—and I emphasize this: so long as—75 percent of their income is derived from farming, ranching, or forestry. In the bill reported out by the Senate Agriculture Committee, there is a provision that reduces the income level for determining program eligibility by 70 percent over a period of 2 years. By 2010, if income exceeds \$750,000—down from the current level of \$2.5 million—the individual is not eligible for payments unless two-thirds of that individual's income is derived from farming, ranching, or forestry.

Through a deliberate and balanced approach, the Agriculture Committee brought reform to the AGI means test by further targeting program benefits to those individuals who depend on farming for their livelihood. Even though the committee has approached this matter with caution, there are simply no reliable statistics that determine the actual impact of the new AGI level.

Further modifications of the AGI means test beyond those approved by the committee would be risky and very disruptive to the American farmer. Specific concerns with an even more restrictive AGI means test would include the following:

An overly restrictive AGI ceiling disregards the financial reality of commercially viable farms. The Senator from Minnesota mentioned that AGI is basically the net profit, that it covers all payments for fuel and nitrogen and equipment. That does cover the cost of fuel and nitrogen and all the labor and all the other input costs. But out of AGI no equipment payments are covered, no land payments are covered, no interest payments are covered, no payments for the purchase of any additional real estate are covered.

So \$750,000 is a lot of money—there is no question about it—but here you have an individual who has invested millions of dollars into their farming operation, who has generated \$750,000 of AGI, and without looking at the books of that individual, I can tell you from my almost 40 years of experience in agriculture that individual has either a cotton picker that costs \$250,000 they have to pay for, a corn combine that costs \$200,000 they have to pay for, a couple of tractors that probably cost in the range of \$100,000 they have to

pay for. They have land rent—well, rent would be deducted. They have land payments that have to be made. So to say that somebody who has that kind of income just ought to be severely penalized because they are a big farmer is not the way farm bills have ever operated, and I do not think it is the way this farm bill needs to operate. Do we need to make sure farm payments go the farmers? You bet we do. We are doing everything we can to see if we cannot make sure that happens.

Secondly, a problem with the AGI test is that if the exclusion for people who depend on farming and ranching is ended, then it indicates that the purpose behind the means test has changed from excluding millionaires who happen to own a farm to specifically targeting farmers and ranchers. Thirdly, an unreasonable AGI means test creates uncertainty for growers and their lenders by creating a ping-pong effect of being eligible 1 year and being ineligible the next, making it difficult or impossible for lenders to measure with any degree of certainty the future cash flow of thousands of farm and ranch families in order to make both short- and long-term lending decisions.

I have already discussed that in some detail, and I will not go into that any further, but that is a critical aspect of this when you have folks who are gambling all of their life savings that the Good Lord is going to provide them with enough rain and that the prices are going to be there at the end of the day to be able to justify the annual investment they have just made.

Again, proponents of an AGI means test state: Of all schedule F filers, only 1.2 percent—or 25,000—had an AGI of \$200,000 or more and received farm program payments. This statistic fails to reflect the fact that most operations that could be most directly impacted by the AGI means test do not file schedule F tax returns. Therefore, this statistic seriously underestimates the number of producers and, perhaps more importantly, the share of acres or production that would be left unprotected. Furthermore, those percentages are deceptive because the population of schedule F filers is not limited to producers currently eligible for title I program benefits.

Next, building on the information provided by the Internal Revenue Service, a recent study by USDA's Economic Research Service used survey data to estimate the impact of the AGI means test on producers organized as partnerships and corporations. The study estimates that 2.5 percent of farm partnerships and 9.7 percent of farm corporations could be subject to the proposed cap. Furthermore, the ERS estimates that 9.3 percent and 8.5 percent of cotton and rice farms, respectively, would exceed the AGI limit. It is important to note that these impacts are estimates based on a small sample of producers and not based on actual IRS data.

An unreasonable AGI means test would make U.S. farm policy unpredictable, inequitable, and punitive for thousands of American farm and ranch families, especially tenant and beginning farmers and ranchers, as well as lenders, landowners, Main Street businesses, and rural communities.

One statistic you will hear me talk about again during the course of this debate comes from a study done by the College of Agriculture in my home State at the University of Georgia, where, according to the research recently produced in a study, it was determined that \$1.05 in taxes—taxes—is returned to the Federal Government for every \$1 of agricultural farm payments that have been made across America. That is a pretty significant statistic when you think about what happens on Main Street rural America as a result of farm payments that are made.

An overly restrictive AGI rule would make it difficult or impossible for farm and ranch families to lease land where their eligibility for any 1 year may be in doubt and force a change to cash rent, shifting all risk to the tenant as opposed to a share rent that allows the landlord to share in the production risks. If a landlord wants to help out a young farmer, under this amendment they simply would not be able to do so because they are not going to take that risk. They would be foolish to take that risk.

Further tightening of the AGI rule severely inhibits ordinary commercial activity involving the sale of land and other assets, which would jeopardize benefit eligibility. AGI rules clamp down on spouses who take off-farm jobs to help provide family income, especially in years where little or no take-home pay is generated from the farm or ranch, to provide health insurance for the family, or simply to continue a profession, such as teaching.

Lastly, estimates of the impacts of an AGI means test focus on the percentage of producers who will be affected. However, these estimates do not address the true impact of the means test because they fail to address the percentage of acres or production that will be affected. For example, the Census of Agriculture indicates that the largest 10 percent of cotton and rice producers account for 30 percent to 50 percent of cotton and rice production in many States.

I would dare say, the statistic, again, you will hear as we continue further debate on this amendment—as well as the Dorgan-Grassley amendment—is that about 80 percent of production agriculture in the United States is generated by approximately 20 percent of America's farmers and ranchers. So who should get the biggest benefit of agricultural programs that are available to farmers? Is it the 20 percent that take the least risk, have the least chance of suffering a significant loss, or should it be those farmers who are willing to take the risk, invest all of

their life savings on an annual basis in their operation, with the idea they will have that safety net underneath their operation in the event they suffer a disaster as a result of weather, a disaster as a result of price, or a disaster as a result of insect infestation or some other disease infestation that might occur?

So this amendment simply is not realistic when it comes to American agriculture production for either a small farmer or a large farmer because if you take an AGI test and you look at how much money that farmer—be it a small farmer or large farmer—has to pay for land they hope they will own one day, for equipment, and the other deductions that have to come out of that AGI, all of a sudden there is an entirely different picture out there that is actual and is not imagined.

So I am opposed to this amendment. At the proper time, I am sure we will talk more about it. We will look forward to additional debate and for an ultimate vote on this amendment.

Ms. KLOBUCHAR. Mr. President, if I could briefly respond to Senator CHAMBLISS. I see my colleague from Idaho is here.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota is recognized.

Ms. KLOBUCHAR. Mr. President, as Senator CHAMBLISS said, we will be discussing this more in the week to come. I think Senator CHAMBLISS and I agree that the last farm bill was successful for our country. People do not often realize when you read some of these reports in the paper that it came in \$17 billion under budget. That money went back to the Government.

Also, we had a lot of success with that bill. I do not think that success stemmed from the fact that some of the scandals were occurring, with a million dollars going to Beverly Hills 90210 and some of these other places.

I appreciate the efforts we have made in the committee toward reform. As Senator CHAMBLISS mentioned, getting rid of the three-entity rule was a very important step, also making some movement on the part-time farmers. To go to \$750,000 for the income limit for part-time farmers is a very important step. What I am trying to do with this amendment, and my colleagues who support it are trying to do, is simply take a step further because we believe this money should be more targeted to family farmers.

Mr. President, as you know, as we discussed, this amendment does exclude expenses. When you are looking at the number \$750,000 for full-time farmers, we are talking there about profit. Even for a large farm, deducting all their expenses, \$750,000 would be a very good year. So I believe if you look at this as a whole, people have to understand we are talking about profits and not expenses. The same with the part-time farmers. The definitions we use in this bill are similar to the ones that, in fact, the committee used to de-

fine expenses. So if it is good enough to define expenses for an agreed-upon committee standard at \$750,000 for part-time farmers, then I believe if you look at going down to \$250,000 in profits for part time, \$750,000 for full time, the expense definition should be the same.

I also wanted to respond to the remarks about the USDA study on the AGI limits. My colleagues should understand that was based on the administration's proposal—that study, the President's proposal—which actually put part-time and full-time farmers at the same number, which was \$200,000. Clearly, we have worked with our farmers, talked to them across the country. This amendment is different. It differentiates between the part-time farmer and the full-time farmer, understanding that they are in different positions. I would also note the USDA study found no regional bias in those who would be affected by this AGI limit.

So I believe as we go forward we have to keep in mind that those of us who support this amendment from States such as Minnesota and Illinois support a strong farm bill. We believe we have to have a strong safety net for our farmers, but the money shouldn't be going to Beverly Hills 90210 and it shouldn't be going to art collectors in San Francisco and it shouldn't be going to investment bankers in New York or to real estate developers in Florida. It should be targeted in a reasonable way to those who actually farm and to those part-time farmers who make a reasonable income, not to people who are making \$1 million, \$2 million, \$3 million, \$4 million a year. That is what this is about: making sure the safety net is there for those who need it.

By the way, if you have a large farm that has a bad year, and your profits go down, they could well qualify for the subsidies under that scenario. That is what we are talking about.

I wish to also add that the House bill that came off the House Floor does have some income limits. It has \$1 million for a full-time farmer, \$500,000 for a part-time farmer. We have no income limits for a full-time farmer in the existing Senate bill—no income limits at all. For a part-time farmer, our limits at \$750,000 are significantly higher than the House bill.

So what my colleagues and I are trying to do with this bill is to get it in line so that it shows some actual reform of income limits—slightly lower than the House but still in the ballpark—so that we are actually doing some reform and not just giving lip service to it.

I appreciate the work of Senator HARKIN and Senator CHAMBLISS and the reforms we have made so far. I think we need to go a step further so we target the money on those family farmers and not urban multimillionaires.

Thank you very, Mr. President. I look forward to this debate as we go forward.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, does the Ranking Republican of the Agriculture Committee want to introduce an amendment on this side before I speak? I understand he has an amendment he would like to introduce and set aside before I speak.

Mr. CHAMBLISS. I thank the Senator from Idaho.

AMENDMENT NO. 3711 TO AMENDMENT NO. 3500

On behalf of Senator LUGAR, I ask unanimous consent to set aside the pending amendment and call up amendment No. 3711.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Georgia [Mr. CHAMBLISS], for Mr. LUGAR, proposes an amendment numbered 3711.

Mr. CHAMBLISS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The amendment is printed in the RECORD of Thursday, November 15, 2007, under "Text of Amendments.")

Mr. CHAMBLISS. Mr. President, I ask unanimous consent that the amendment be set aside.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, many of us in the Senate have been waiting now for well over a month for this document, S. 2302, to come to the floor and begin what is a right and responsible approach toward legislating: offering it up to amendments, allowing Senators to work their will under the rules of the Senate, and to complete it on time. The Democratic leader thought he could short-circuit that, that he could what we call "load up the tree" and not allow these kinds of amendments, only to find out in the end that wasn't about to happen; that both Democrats and Republicans alike would not allow the rules of the Senate to be thwarted and to deny the responsibility of each and every Senator, if they choose, to offer an amendment.

Later on in the course of this debate next week, I and Senator DOMENICI and Senator THUNE will be offering an amendment that relates to RFS—renewable fuels standard. It is with that in mind that I come to the floor today to talk about a farm bill in a substantially different context.

We believe, and we have always felt, that agricultural policy was critical for America—for American farmers, yes, but for America's consumers of food and food products, most importantly.

There is no doubt the average consumer in America today spends less on

high quality food than any other consumer in the world. America's food supermarkets are full of food. There are no shortages. There is great abundance. There is phenomenal variety. Without question, our food supply is the safest in the world. I believe, in large part, that is as a result of a combination of two things happening: the phenomenal capability of America's free and independent farmers, as well as a government that has been consistently willing, down through the decades, down through the Depression and the droughts and the hurricanes and the hail storms and all of that, to work with its farmers to ensure that they could stay on the land and produce. But rarely in the course of all of these decades of farm policy have we thought in the context that we are beginning to think today, which is that America's farmers can become, or are becoming, one of America's largest suppliers of energy. It is not a new phenomenon; it is a rapidly growing diversity in the American agricultural portfolio that is doing what we have wanted done for a long time, but simply because of a combination of program and price in the market didn't see happen.

So for a few moments this afternoon I would like to talk about the farm bill but in the context of energy and energy supply. Farmers, we have always believed, and know, if you have been one—and I have—are large consumers of energy. It takes a lot of diesel to plow a field, to run a combine, to run a corn dryer. It takes a lot of natural gas to produce nitrogen and phosphates and all of the necessary supplies and input costs that the Senator from Georgia was speaking to and about a few moments ago. America's agricultural producers are very large consumers of energy. But it has only been in the last decade that they have begun to become large consumer producers of energy. As that has happened and as we have changed and shifted policy in this country to incentivize and reward that production, we have watched that production grow very rapidly. We are now producing around 8 billion gallons of ethanol annually.

We encouraged it in the 2005 Energy Policy Act, and America's farmers went to the task of building the ethanol distilleries and beginning to supply the market as we allowed ethanol to enter the market at ever-higher volumes.

Now, an old farmer told me not long ago: You know, this is nothing new for American agriculture. Before we had tractors, farmers supplied all of their fuel for their farming. I hadn't put it in that context. I grew up on a farm and a ranch where one side of a barn once housed—I am talking a horse farm—once housed teams of horses that pulled the plow, that pulled the harvesters, and did all of that, and it was energy from our farm that fed the horse that produced the energy of the horse. We were not importers of energy to our farm. We were producers of en-

ergy. But that was 90 years ago. Then, American farming changed dramatically, and we became increasingly more productive. We began producing our own energy, and we started consuming it from outside sources, and it became gasoline and diesel. It isn't that we will see a reversal, but we are seeing a phenomenal new opportunity of production, and that is in combination a result of farm policy. This bill is a good farm bill, and the Senator from Georgia and the Senator from Iowa need to be congratulated for the cooperative effort in which they have worked to produce it. It will be, if you will, in part, one of the directives of American agriculture for the next 5 years, when it is passed.

What is important now is to try to look down the road and talk about a role for America that we must increasingly play if we are going to continue to be the strong power we are for ourselves and our citizens, but also for the world. What has happened from that time when horses once pulled the plow until now with that big tractor out there with hundreds of horses under the hood, if you will, pulling multiple plows, is that we began to become a nation of energy importers. Since I have been in Congress over the last 27 years, we went from 30 percent to 40 percent to 50 percent to 60 percent dependent on foreign countries producing our energy for us. I did say countries. I didn't say companies because the bulk of the oil in the world is owned by governments, not companies, and almost every one of those governments today is less than concerned and, in many instances, hostile to America.

So it seems only fitting to me that as we shape public policy in this country, we do so in a way that begins to move America toward energy independence. The American farmer, more than ever before, can become that producer of energy and help in that equation of energy independence in a way that even a decade ago we didn't think possible at all. With the passage of the Energy Policy Act of 2005 and the expansion of entry of ethanol into the market, we saw that market begin to take off and we saw production of ethanol begin to take off. We saw the distortion that always occurs in a market when a new demand begins to occur for a commodity that isn't overly abundant. In that case, it was corn, and we saw our dairy farmers and our feeders of beef cattle and hog farmers begin to be concerned about the high price and the high cost of that import because corn had been shifted from the feedlot to the distillery to produce ethanol. We are continuing to encourage that.

One of the things we will do with a renewable fuels standard in the farm bill is begin to shift that equation to stabilize the use of the inputs to produce ethanol. Right now, ethanol is produced by corn almost exclusively in this country, and many of us believe with the new science that is coming, with the new loans and guarantees that

are coming out of the Energy Department because of the Energy Policy Act we passed in 2005, we will begin to see a shift toward a combination of ethanol fuels, both corn-based and cellulosic-based. Cellulose, fiber, not only could it be the grain of the corn itself producing, but it could become the ear of the corn and the stock of the corn and grasses and other kinds of fibers where cellulose is dominant but could become a major producer.

In the Energy Act the Senate passed this year that went to the House—and the House largely destroyed it by trying to use it as a taxing mechanism more than a production mechanism—we had placed in it a renewable fuels standard that did the combination of things I am talking about. We said we could take corn up to about 15 billion gallons a year, and we could take cellulose-produced ethanol up to about 15 billion gallons a year by the year 2020, and by the year 2022 we would add another 6 billion gallons of cellulose-based ethanol as that science, as that technology began to be increasingly more efficient and refined.

Here is a reason why we would want to do that. Right now, corn-based ethanol only reduces the output of CO₂ into the environment by about 19 percent, compared with conventional fossil fuel. It is a help, but it is not where we want to be if we want a clean world out into the future. I know a lot of farmers and I have always said in my life that farmers are probably the finest environmentalists in the world because they are phenomenal stewards of the land, and they want to make sure the land is viable and the water around it is sustained. They want to produce a better quality product.

What we are suggesting is that we increasingly shift the equation in America agriculture, in its participation, in the production of energy, to make us more energy independent and help us find new and cleaner sources. In the end, when we shift this production portfolio of ethanol from corn-based to cellulosic, in the outyears—25 or 30 years out—cellulosic-based ethanol fuel will be 86 percent cleaner. That is what we want. That is what we ought to ask for.

That is why, for the first time, at least in my time in the Congress, America's farm bill, America's agricultural policy, is, in part, an energy policy because agriculture is looking at not only its input costs of energy but its opportunity to produce energy. There are a lot of other things I could talk about as it relates to taking biomass and animal waste and converting them into energy. All of that is starting to happen. But the big production—the production that makes the difference, the production that makes America and America's energy consumers more independent from a Venezuela or from the Mideast—is this right here: ethanol, both corn-based and cellulosic. That is what we are about. That is what we have to be about as a country.

There is every reason for the American consumer to say: Why can't we be energy independent? We should be. But our policies have not taken us there. In part, it is because I think we didn't think we could get there but largely because there was all kinds of bias out there in the whole energy arena. The bias is quite obvious. We all like big cars, we like our SUVs, and we all like what we like—until we cannot afford liking them anymore because the cost of feeding them has gone up dramatically. That has helped us a little bit to develop changes.

For the first time this year, I introduced a bill, with Senator DORGAN, to have mandatory CAFE standards. The auto industry was quite upset with me. I have always defended them not changing that standard. I have been here 27 years and we have not changed the standard in 27 years and they have not changed. I wish to change that standard and force the American marketplace and the American producer to look at what can happen if they become more realistic in auto consumption efficiency. Oh, what a difference a day makes when a car gets another mile or two to the gallon nationwide in the consumption of oil. So it is a balancing part, a total picture, the big portfolio of production.

I will be back to the floor all during 2008 talking about energy independence, talking about drilling offshore, talking about ethanol, cellulosic and corn-based ethanol, talking about all the kinds of things America must do to get independent of foreign sources of energy and to get clean. My children, who are all adults now and are pretty conservative folks, say: Dad, why can't we produce clean energy? Why can't we be energy independent? Why are we allowing a dictator in Venezuela to jerk us around?

What is wrong with this great country that we cannot do for ourselves what we have always done for ourselves—stood up and be counted and be independent and strong, and we can. America's farmers now, for the first time, have a phenomenal role to play beyond putting food on the consumers' shelves, which they have done so beautifully for 200 years. Now they have a role to play of putting fuel in the fuel tank. We ought to encourage that in every way but balancing the policy, as I think this final bill will do, to make sure we don't distort the markets, that we allow them to grow responsibly, that we allow them to work their way into a 15-billion-gallon-a-year production of corn-based ethanol and, by 2026, a 15- to 20-billion-gallon-a-year production of cellulosic-based ethanol. It is doable. We know how to do it. We are putting programs into place to promote it and advance it.

America's auto fleet will adjust to it, and America will be a stronger Nation. But more importantly, it will be an independent Nation from the small countries who have, underneath their geologic strictures, large bodies of oil

they now see as tools for diplomacy, tools to shape a world, and tools to control this great country called America.

I will be back next week, along with my colleagues, to make new changes in the farm bill. S. 2302 is a good work product. I am pleased that finally the majority leader of the Senate has said: OK, put it on the floor and let it work its will. By the end of next week, we will have a farm bill. It is about a month late. That could have happened a month ago. It will happen now. I guess patience counts. Many of us have been patient. America's farmers need a new farm bill, and I believe the Senate Agriculture Committee has done a worthy job in producing it.

The RFS that was included in the Senate passed Energy bill this summer, and that was similarly filed as an amendment to the farm bill, reduces our dependence on foreign oil and reduces our carbon footprint, by emphasizing the importance of developing cellulosic biofuels. The RFS is, by definition a clean fuel standard, and the House has offered some additional language which endorses this low carbon fuel approach. This week in the Environment Committee we marked up a climate bill that seeks to regulate fuels with a cap on all emissions, including transportation. At the markup, Senator ALEXANDER offered an amendment that is now layed on top of having fuels already covered under a "cap and trade" program by subjecting them also to a low carbon fuels standard. I and other members of the minority strongly opposed this amendment because it was offered in addition to the cap-and-trade, rather than as a substitute, which would have made much more sense, so as not to double-regulate the industry. In addition, however, and most importantly it also conflicts and overlaps with what we are now doing as part of the Energy bill and the farm bill as it relates the Senate RFS language, and certainly raises serious questions of jurisdiction. Senator ALEXANDER indicates that he supports a sector approach, as do I, and I hope we will be able to move in this direction together.

Trading carbon credits between transportation sector fuels and other industry sectors is unprecedented and could lead to high fuel price volatility, supply issues including possible disruptions, and a level of market uncertainty that could discourage critically needed investment in new and innovative technologies. The EU-ETS has not included transportation fuels in its cap-and-trade program for stationary sources for this very reason. The U.S. transportation and electric power sectors are subject to very different national and international market forces and forms of regulation. Mixing these two dissimilar markets under a common cap can lead to unpredictable and potentially intractable conflicts in how each market will respond to this untested economic combination.

Studies conducted by the Energy Information Agency and the University of California on economy-wide cap-and-trade programs show that carbon reductions are less cost-effective in the transportation sector as compared to other industry sectors. Mixing transportation fuels with other fossil fuels under a common cap simply raises the cost of transportation fuels without a guarantee of significantly decreasing their carbon emissions, at least until much more cost-effective options have been exhausted for reducing emissions in other sectors. Studies by EIA indicate that this will generally not occur until after 2030.

There is a better approach for technology development for advanced transportation fuels. Technology development is driving a separate lower carbon transportation fuel standard rule that is being developed by the administration and expected to be proposed later this year. The bill should have a separate approach for transportation fuels that recognizes the confluence of these policies to ensure this sector is not subject to overlapping or conflicting requirements.

I am concerned that the fuels amendment offered by Senator ALEXANDER during committee markup conflicts with provisions regarding low carbon fuels and the renewable fuels standard that are already included in the Energy bill now being considered by the House and Senate. Cellulosic ethanol is key and will substantially reduce the carbon content of fuels and this is included in the Renewable Fuels provisions. The Alexander amendment overlaps, and is conflicting and also raises questions regarding fuels jurisdiction with the Senate Energy Committee. In addition, the amendment develops a low carbon fuel standard that is fundamentally flawed and well beyond the bounds of current technology and science. Developing and advancing technology, not mandating a "wish list," is a superior approach to meeting the challenges of providing affordable and clean fuels that American consumers need.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask unanimous consent to proceed as in morning business for up to 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. KENNEDY are printed in today's RECORD under "Morning Business.")

The ACTING PRESIDENT pro tempore. The Senator from Arkansas is recognized.

Mrs. LINCOLN. What is the present business of the Senate?

The ACTING PRESIDENT pro tempore. The Chambliss amendment to the Harkin substitute is the pending business.

Mrs. LINCOLN. Mr. President, I am very proud to come to the floor again

to discuss and debate and talk about something that is critically important to this country, the working families of this country, and to the well-being of the entire world, frankly, and that is the Food and Energy Security Act of 2007.

Much has already been said, and I know that as we progress through the rest of this week and next week, there will be much discussion about what is the best way to proceed with the Food and Energy Security Act.

Having looked back at what we did in 2002, we worked hard to be more focused on how we could do a better job in this country of providing the kinds of support and safety net that producers in our Nation needed, so they could be competitive in the global marketplace but also encouraging the appropriate and proper way of production in this country, as Americans would want to see; not only making sure there is an abundant source of food and fiber in this country but that it would be produced in a safe way to the environment, safer to the consumer, and that it would be affordable so our farmers would be the most efficient they could possibly be. We took a big step in 2002 in producing a bill that moved us very much in that direction.

As we look at what we have done in the Senate Agriculture Committee, I am very proud of the product that the committee has produced and brought to the floor in Senator HARKIN's amendment. A lot of time and energy was put into that committee bill to ensure we maintain the enormous blessing in this country that is American agriculture, the hard work that goes into American agriculture from hard-working families, the farm families, the businesses that support them, the rural community that supports them, to be able to produce the most affordable, abundant, safest supply of food and fiber in the world. That is what our American farm families do. They do it very proudly, they do it very distinctly, and they do it very differently in each region of this great country.

My message today is the same as it has been for weeks and months and the years I have served in both this body and the other. That is, we have an opportunity to reinforce those farm families, to reinforce the values we feel as Americans, that not only do we want an affordable supply of food and fiber, we want it to be safe for our families and for those we share it with globally, and we want to make sure we are doing that with respect to the environment. Through the years, we have expanded this bill to make sure it is obvious we want to do that in the nutrition programs, in the conservation programs, in the rural development portions of the bill, and now in a new energy title we started in 2002, to show our commitment to American agriculture and what it does, not just for the farmers, not just for the farm community, not just for the children and the families whom we feed in this country but glob-

ally, in terms of what we do in feeding these who are hungry and also pushing the envelop a little bit each time with our competitors globally that they, too, will produce in a responsible way toward the environment.

Our message today is this is a good bill. This is a good bill that has been produced in the Senate Agriculture Committee, and we need to pass it.

The farm bill does so many good things that I have already discussed and about which many of us will continue to talk. Our investments in nutrition are tremendous, conservation, rural development, energy programs—they have all been dramatically increased and will benefit our country greatly.

Take nutrition as an example. I know how important nutrition is in our lives from looking at my own children and my own family but particularly in working families, the poorest among us whom we need to put first, and we need to make sure we are acting responsibly.

I was pleased to see in the committee bill that we provide an additional \$5 billion in increases in programs targeted at reducing food insecurity. Can we do better? We are going to work hard each and every year to do better, but that is a great start toward where we can be.

With respect to conservation, Chairman HARKIN and many other Members—I know my State is a huge user of the conservation programs—the chairman has been a tireless advocate for conservation programs, and I am pleased that once again he has produced a bill that assures progress in this area. It ensures we are the best stewards of the land that anyone can be globally and that we will leave our children the environment they deserve, that we will try each time to do better, but in conservation dollars, the 4 billion-plus extra dollars we have put into conservation are meaningful in terms of what we have achieved in this bill.

With respect to rural development, broadband is such an incredible tool in rural America. Senator STABENOW and I have worked together and had a hearing not too long ago with telecommunication folks from all across the country as to how do we get rural America connected to the rest of the world, how do we ensure they are connected, whether it is for the educational benefit, whether it is the economic development they need but making sure they have access.

In this bill, through broadband and some of the other rural development programs—we find, unfortunately, that disproportionately people in rural areas are lower income, particularly our seniors—nutrition programs that exist but also the delivery mechanism, the community programs that deliver those nutritious meals to our seniors, many of those are supported by community development that comes through the rural development section

of this bill, all very critically important, whether it is economic development, caring for individuals in rural America, health care and the advancement of health care, technologies—a whole host of things we do in rural development.

On energy, my colleague, Senator CRAIG, brought up the issue of reducing our dependence on foreign oil and how important it is. It is critical. It is critical we become more dependent on ourselves for the energy we need and we are responsible in how we do that—responsible to the environment, ensuring that the renewable fuels we can invest ourselves in are the fuels that will take us through the 21st century, not just through the next 5 years.

We begin in this energy title of this farm bill to see those renewable fuels that are going to make a difference in lessening our dependence on foreign oil and also cleaning up our environment. Look at what else they do. They provide a secondary market for our producers so we are not as hemmed in and dependent on the global marketplace but that we once again begin to depend on ourselves and that we give those secondary markets to our farmers so they can be competitive, continuing to provide a safe, abundant, and affordable source of food and fiber but also at the same time marketing their crops in a way they can also draw from that, whether it is the cellulosic value and others, but an energy source that will make us independent.

Most importantly to me as the mother of twin boys, the farm bill does something I think we should all be very proud of, and that is what I mentioned earlier. It ensures us of a safe domestic food supply that is the envy of the world. Yes, we want to share it with the rest of the world, but we also want to make sure our children, our families have the confidence that when they are able to get the products from this country, grown by the responsible farm families of this Nation, that they can be assured of the safety of those foods.

Many of my colleagues and most, if not all, of the media seem to take a lot of that for granted, unfortunately. One day they are reporting about the dangers our Nation is facing with unsafe foods that are entering the country or the atrocities of outsourcing jobs and what that means to working families, and then the next day they are on the floor or on the front page of the paper or in the news on the television criticizing farm programs, our agricultural programs that allow us to ensure that safe and affordable supply of food for our children and our families.

The overall farm bill budget is one-half of 1 percent of the whole budget. But if you look at the portion of this bill that provides the safety net to our producers so they can stay in business, so they can stay competitive with the growers all across the globe who don't meet those environmental regulations, who don't meet those safety regula-

tions, who are not meeting the kind of regulations we put into place to make those safety assurances, 15 percent of this farm bill—only 15 percent—is what we use in those safety net programs. That is a huge return on our money. That is a small investment to be assured that when our families go to the store, the grocery store shelves are not empty or, when we serve those foods at our table, that we are assured of the safety of our children and our families in what we are bringing to that table.

It is amazing to me as we see, again, all the confusion about the unsafe imported foods and what we have there and the same people who are worried about that who criticize these farm programs. Yet if we don't provide those safety net programs, there is no way we can keep that production at home unless we block our markets to the imports from other countries, which we have done in some commodities. But in the sustenance of life, if you go down to the Botanic Gardens, you will see a display that talks about rice and wheat and these types of grains that are the staple and the sustenance of life.

If we can't produce those competitively in this country, we will lose ourselves to other countries and their production, which again is not done in the safe and reliable way that we do.

The level of disparities, in terms of global agricultural trade U.S. farmers face abroad—I know from my standpoint as a region where rice is a big crop for us because we are suited to grow rice. It is an expensive crop to grow, but we are suited to do that and our farmers do it more efficiently and effectively than any farmers on the globe. Yet we are shut out from trade agreements and markets all across the globe. Yet our markets are open to them and to their commodities.

We are a very diverse nation. Our crops are different in each region of our country, and that is something we should be proud of, that our Nation is so large and so productive and so fruitful that we can produce all those diverse crops from across this land of ours. For that reason, we have several different programs to support individual commodity needs. I am very proud of that diversity and I am proud to support initiatives for farmers all around our country. I fight for the ones who are important to the farmers and producers in my region, but I also know farmers in other parts of the country are important, too, whether it is the production of milk or sugar or other types of crops that we don't grow as well in our region. But I don't just support those that are programs for me. I support those programs because I believe that as a team, as one country we must support the programs that produce all of these incredible commodities that we enjoy in this country.

I have also fought hard to ensure that American agriculture gets the respect it deserves in the world marketplace because, as the Budget chairman has pointed out with his now very fa-

mous charts, the world market for our farmers isn't free or fair.

My message is simple: We should meet our global competition and we should not unilaterally disarm our farmers in the global marketplace. We have worked hard in this bill to bring about reforms people have clamored for, but if we want to go in the direction of my colleague from Minnesota, Ms. KLOBUCHAR, and to unilaterally begin to disarm some of our growers, it is not to say we don't want reform—there is tremendous reform in this bill—but to say we are not going to look at the diversity of production and how commodities are produced in this country and we are not going to understand that each of those has to be a little bit different.

She talked about how important it is for these reforms and the reforms we have in the bill. That is good. She wants to go one step further. But we need to stop and think how dangerous is that next step and does it throw out hard-working families who have made huge investments.

To farm 1,000 acres of cotton, you have to take out a \$5 million operating loan. That is a big chunk to sign your name to. If you are a hard-working farm family and you don't know what is going to happen this year, you may have lost a good bit last year, you may lose some more next year, you may have a profit this year, but to sign your name on a \$5 million operating loan for a 1,000-acre farm which is not that much if you are going to try to recoup and make a little money that year is a tough decision to make. Oftentimes, it means sharing your risk with other people. Maybe it is family members. But that is critically important for us to remember in terms of the diversity of this country.

You know, it is an unfortunate reality that our global agricultural competition is heavily subsidized—more subsidized, certainly, than we are—and their markets are closed to the agricultural goods that my State produces particularly. Certainly, we have to negotiate those in trade agreements. But when my commodities are completely shut out of the markets in other countries and yet our markets are open to their goods, I have a huge disadvantage from the very get-go, not to mention the subsidies that might be provided or are provided particularly to the developed countries across the globe.

As a result, we have grown our operations in our States because we don't have a lot of those protections in trade to create an economy of scale that allows us to be competitive. If we are not careful, with the tighter payment limits that are being talked about and certainly the AGI limits that the Senator from Minnesota mentions, we are going to make our producers of staple commodities, such as rice, less competitive internationally. When we put them out of business, they are not going to go to another area of our country. They are not going to go grow their rice in Indiana because the environment is not

sued for that. They are probably not even going to go to Maryland to grow their rice. What we are going to do is end up with our markets open, importing that staple commodity from countries that don't regulate how it is grown or don't care what types of fertilizers or water sources they use in farming that commodity.

Mr. President, I didn't invent global subsidies in agriculture, but I am committed—I am very committed—to ensuring that the Senate helps our farmers meet the kind of global competition they see. To not do so will simply result in an outsourcing of our food supply and our jobs in rural America.

Within the WTO negotiations, we have asked our trading partners to reduce subsidies and their tariff levels on U.S. agricultural products we are shipping. What we have said is we will come down further and we will come down faster in our subsidies. But the response from the rest of the world has been abundantly clear. They have continued to say to us: No, thank you, America. We want you to bring yours down, but we are not going to bring ours down. We have to maintain a domestic supply of food. You go right ahead and lower your subsidies, and we are going to hang on to ours because it is really important to us.

Well, for the first time in the history of this country, a trade deficit in agriculture is being predicted for the next couple of years. We need to stand up and say what those other countries are saying, and that is that it is very important to us as well.

Here at home, I have heard some of my colleagues and most media outlets say that we need to lower the caps on programs. And we went around to talk to folks, after seeing what the 2002 farm bill did, how productive it was in terms of the savings that were realized, which Senator CHAMBLISS mentioned. We did what we heard people were looking to see happen, and the committee bill lowers the overall caps from \$360,000 to \$100,000 for individuals—\$100,000, Mr. President.

We also heard that we needed to address the loopholes that allow producers to avoid the caps, and the committee bill eliminates both loopholes most frequently cited; that is, the three-entity rule and the generic certificates—two things people have tried to abuse in the past. They were very necessary tools, in many instances, for hard-working farm families who used them correctly, but there was room for abuse, and so we eliminated them. We eliminated them because people wanted good reform in this bill.

I heard we needed transparency, so the committee bill added direct attribution, which will track payments directly to an individual farmer, direct attribution so you can follow that payment. But remember that this is only applicable to the commodity programs, the three commodity programs that are most used—obviously, the direct payment, the countercyclical, and the

marketing loan. This doesn't include some of the other specialized programs we have developed for specialized commodities, such as the Milk Program or the Sugar Program or the ethanol tax programs and conservation programs, for instance. So we haven't done this across the board; we are just focusing on a few of our growers—not a few, probably the majority in terms of grains, but the commodity programs that are the most traditional.

We also heard that we needed to disqualify millionaire nonfarmers walking around Fifth Avenue or Hollywood, and again my colleague from Minnesota continues to bring those up. So in the committee bill, we moved the adjusted gross income means test from its current level of \$2.5 million to \$750,000 despite the fact that a recent GAO report brings to us the information that this administration isn't policing the current payment limit regulations effectively. I would be willing to bet that the millionaire real estate individual whom Senator KLOBUCHAR continues to bring up in her debate probably is certainly covered under the existing committee bill but more than likely under the existing law, quite frankly. The problem is we are not seeing those payment limits that exist being implemented by this administration. Well, what good is it to go ahead and implement even stricter rules if we don't even implement the ones that are existing? And if it is not something that he is already breaking the law on and the rule should be implemented on—it is probably the Tax Code, for some reason. But the fact is, we all want to ensure that hard-working farm families across this country are going to get the support they need, that they are going to get the safety net they need in whatever the particular crop is they grow in a sound way.

It is interesting as well that when we talk about the GAO study and the implementation of these restrictions that exist, so many of the stories we hear are about individuals, maybe celebrities or what have you, who are maybe getting a conservation payment. Well, they are not going to be corrected by this amendment because we don't extend this AGI test to everybody. They are just targeting it to one specific group. I would beg to differ that there are a lot of things. Does that mean we are going to say to large medical practices: We are going to give you an AGI means test before we are going to allow you to accept Medicare payments. If you are over the AGI means test, you are ineligible for Medicare. I don't think we are going to do that, and we are talking about sustenance of life. We are talking about keeping our farmers competitive in the global marketplace.

My sincere hope is that the committee bill will be seen as what it is—a tremendous good-faith effort on my part and a host of other members in the Senate Agriculture Committee to address concerns and to recognize that

this is the most significant reform in the history of farm programs. We have done a tremendous job in dealing with both what Senator DORGAN and Senator GRASSLEY wanted to do as well as what Senator KLOBUCHAR wants to do in reining in some of those things. You can safely say to anybody that there is more reform in this bill than we have ever seen.

Mr. President, I am enormously appreciative of this time we have now to debate what the farm bill does for this country and what it does for farm families all across the Nation. I know it is not particularly glamorous. I know for a lot of Members it is not a lot of fun to talk about the farm bill. It is not a glamorous something that is intricate and detailed in terms of what they can take home and talk about, and yet it is intricate and detailed. It is very complicated.

The programs we have designed to provide the support for our growers, the safety nets that still meet the kind of guidelines in our trade agreements and a whole host of other things are very difficult to understand. A lot of times, Members don't want to take the time to understand them. They do not want to understand the differences that are affected to all the different regions and all the different growers, but it is critical. We have come to a critical time in our Nation's history that we have to recognize how important this bill is.

I think many of us on the Agriculture Committee are not there necessarily just because somebody put us there, but we are there because we asked to be there. We asked to be there because we know how important it is to our States and we know how important it is to this country.

We, as a country, are fortunate. We are very fortunate to have this bounty, and I am not going to let anyone in this Senate Chamber forget that. I may drone on and on, but it is critically important, whether it comes from me as a Senator who represents an agricultural State, whether it is me, a daughter who grew up on a farm in an agricultural operation and saw all of the unbelievable dilemmas, whether it was weather or trade or farm programs or whatever, all of the things that agricultural farm families are up against and that they have no control over, or whether it is me as a mother looking into the 21st century and knowing how critically important it is not just that our children of today will have the opportunity to farm or to carry on that legacy but that the children of all American families will have a safe and abundant and affordable supply of food.

There are multiple reasons for every one of us to get excited about this bill, and I hope we will. So I am hoping that no one in this body will again take for granted this enormous bounty we have, what it does for us, and what it does for foreign lands as well, the peoples all across this globe.

I appreciate the time now, and I look forward, as we move ahead, to reminding my colleagues that we have done tremendous reform in this bill. We have done tremendous reform. Most of it is levied on farmers who come from my region. A lot of that reform is not extended to other regions of the country. And that is okay because my farmers are strong, and they are proud of who they are and what they do, and they are going to be willing to lead the charge in terms of reforms. But I do say that as we look at the bill we have produced, it is a good, balanced bill. We have made huge investments in things that are important to us and the values we hold as Americans, and we have made a huge step in terms of the reforms that make a difference to many Americans, and we are doing it as efficiently and effectively as we possibly can.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. TESTER). The Senator from Montana is recognized.

ENERGY BILL TAX PROVISIONS

Mr. BAUCUS. Mr. President, I very much appreciate the statement of my good friend from Arkansas, Senator LINCOLN. I am also very happy we are on the farm bill. It is a long time coming. We have finally worked it out. I do think American farmers and the industry will basically be happy, frankly, when we finally do pass this farm bill, hopefully next week.

While we are here, though, I want to address another subject, and that is the tax package in the Energy bill. Not too long ago, a month or two ago, when the Energy bill was before the Senate, there was a tax package as part of that Energy bill. It was voted on and did not get cloture. There were 58 Senators who voted for it. It was clear that Senators were absent, and had they been back here in the Senate, they would have voted for it and we would have invoked cloture on that and it would have become part of the Energy bill.

The tax title has strong support. When we brought it up in the Finance Committee, it passed by a vote of 15 to 5. And again, on the floor, there were at least 58 Senators who voted for it. I am quite confident 60 would have voted for it had they all been present.

We are now faced with a larger energy bill which includes CAFE renewal portfolio standards, fuel standards, as well as a tax title, and I wish to remind Senators how important this tax title is and how important it is to the Energy bill. We have an obligation as Senators to help make our country as energy independent as we possibly can, for a whole host of reasons.

One, clearly, is for national security. Our future is somewhat in the hands of people in other parts of the world—OPEC countries, Venezuela—and that is not good. With oil prices today as high as they are, that is clearly not very good. We want to be in control of our destiny as Americans as much as possible, and energy is such a key com-

ponent that we should do whatever we can to help make ourselves more energy independent. The CAFE provisions in the bill go a long way in that direction.

Some of the other provisions in the bill also help, but the tax title, I dare say, goes as far as any other part of that bill to help make us energy independent. When that bill was before the Senate some time ago, it was about \$32 billion. Again, that would have gotten 60 votes here in the Senate had all Senators been present. We now have scaled that back significantly. We cut it back by a third. So it is now about \$20 billion. So the tax title that is in the Energy bill is about one-third less than the tax title that was in the Energy bill months ago, which, as I mentioned, got almost 60 votes.

I would like to remind Senators what some of those provisions are and why it is so important that we pass the tax title.

First of all, it is a minor matter to some, but it is pretty significant to others; the CAFE provision itself will cost about \$2 billion out of the highway trust fund. That is \$2 billion fewer dollars that will go into the highway trust fund as a consequence of the CAFE standards. Our highway trust fund is already in trouble. We need to add more to the trust fund if we are going to rebuild our Nation's roads and bridges. The tax title now includes about \$2 billion to replenish losses to the highway trust fund that would otherwise occur because of the CAFE standards. We have to get that \$2 billion back into the highway trust fund to pay for our roads and bridges. That is not well known, but it is part of the tax title. It is important.

In addition, there are some renewable provisions, so-called section 45 credits for electricity from wind, biomass—that is a 4-year extension. We need that. I need not tell you the number of times all of us have heard from energy people around the country—whether it is renewables, whether it is alternative forms of energy, biodiesel, clean coal, cellulosic—people need lead time, investors need lead time. They want to invest in these technologies. It will make America more independent. But we need to have these provisions in the law so investors can know what the tax provisions are, what the incentives are, and how long they are going to be in place. If we don't pass the tax title, we are going to dramatically cut back on investors' willingness to invest in biodiesel, alternative forms of energy, other renewable forms of energy. I mentioned cellulosic—and others.

It is imperative those provisions be available so we can help make ourselves more independent.

Commercial solar extension, that is in the tax title. It is an 8-year extension of the business solar credit. We all know we need solar energy. Add to that clean renewable energy bonds. What is that? Those are basically ways for non-profits, whether it is counties, co-ops,

or Indian tribes, also to develop clean renewable energy. The private sector can do it, for-profits can because they get a tax deduction. This provision enables nonprofits, that is the counties, municipalities, co-ops also have that available to them.

Residential solar credit—I mentioned the commercial solar extension. There is also a significant residential solar credit in this legislation.

Clean coal projects—half of the power we are consuming in America today is generated by coal. We all know that coal is very important to generate energy. We all know coal is part of the climate change problem. But we need to have clean coal technologies. This tax title has about \$2 billion worth of clean coal technologies, so we can help make ourselves more independent but in a way that is totally compatible with climate change.

Cellulosic ethanol—there is a credit in this tax title for cellulosic ethanol so we can make fuel from switchgrass, wood chips. Again it doesn't take a rocket scientist to know why that should be enacted this year.

Biodiesel, renewable diesel—there is a credit there that extends that through 2010.

There is the plug-in hybrid credit. We all see these hybrids driving around, but there is no way to plug them in to get them recharged. The thought is, if we can have plug-in credits so the hybrid cars can be driven into your garage and plugged in, that is going to extend the battery life of those hybrids. That will enable them to get close to 100 miles a gallon. If we had more cars getting 100 gallons a mile, we would be doing pretty well as we become more independent.

The commercial buildings conservation credit helps commercial buildings install conservation provisions to save energy.

To add it all up, there is a lot in here. It is extremely important. We have an obligation to help make ourselves more energy independent. These are provisions that do so but also in a way that is compatible with climate change. If we enact this tax title, it will lay the foundation for lots and lots of entrepreneurs, with lots of new ideas, to develop all kinds of new ways to develop energy. Let a thousand energy technologies bloom. We are not saying which technology works better compared to others, but at least let's get these provisions in place so entrepreneurs and developers and investors who want to make a buck—this is the American way—are given an opportunity to make a little money while producing some energy in the United States. We are going to accomplish lots of objectives with one provision in this Energy bill.

I am working with my colleagues, if they have any objection to this tax title, to figure out a way to modify it to make it work. Our goal, frankly, is, together in the Senate, to become more energy independent. This tax title will go a long way to make that happen.

I thank my colleague from Montana who is presiding, the only Senator on the floor but for two others. We will make this work.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 3687 TO AMENDMENT NO. 3500

Mr. CHAMBLISS. Mr. President, on behalf of Senator CORNYN, I ask unanimous consent to set aside the pending amendment and to call up amendment No. 3687.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

The Senator from Georgia [Mr. CHAMBLISS], for Mr. CORNYN, proposes an amendment numbered 3687 to amendment No. 3500.

Mr. CHAMBLISS. I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To prevent duplicative payments for agricultural disaster assistance already covered by the Agricultural Disaster Relief Trust Fund)

Beginning on page 1391, strike line 24 and all that follows through page 1392, line 7, and insert the following:

“(1) IN GENERAL.—There are appropriated to the Agriculture Disaster Relief Trust Fund amounts equivalent to the excess of—

“(A) 3.34 percent of the amounts received in the general fund of the Treasury of the United States during fiscal years 2008 through 2012 attributable to the duties collected on articles entered, or withdrawn from warehouse, for consumption under the Harmonized Tariff Schedule of the United States, over

“(B) the sum of any amounts appropriated and designated as an emergency requirement during such fiscal years for assistance payments to eligible producers with respect to any losses described in subsections (b), (c), (d), or (e) of section 901.

Mr. CHAMBLISS. I ask unanimous consent the amendment be set aside.

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

Mr. CHAMBLISS. Mr. President, I see she has left the Chamber now, but to my colleague from Arkansas, who has been such a great fighter for farmers and ranchers all across America for all my years in the Congress—and I had the privilege of serving with her in both the House and the Senate—I associate myself with her earlier comments. She is dead on target when it comes to not just the issue of payment limits, which she spoke a lot about, but the issue of the underlying bill, the substance of this bill and the benefits of this bill to farmers and ranchers all across America. I appreciate her great work. In a bipartisan way, she and I have worked on virtually every part of

this bill. She is a true champion for the American farmer.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHAMBLISS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WEBB). Without objection, it is so ordered.

AMENDMENTS NOS. 3807, 3530, AND 3632 TO AMENDMENT NO. 3500, EN BLOC

Mr. CHAMBLISS. Mr. President, I ask unanimous consent to temporarily set aside the pending amendment and call up amendments Nos. 3807, 3530, and 3632 on behalf of Senator COBURN, en bloc.

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

The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. CHAMBLISS], for Mr. COBURN, proposes amendments numbered 3807, 3530, and 3632, en bloc.

Mr. CHAMBLISS. I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 3807

(Purpose: To ensure the priority of the farm bill remains farmers by eliminating wasteful Department of Agriculture spending on casinos, golf courses, junkets, cheese centers, and aging barns.)

On page 1362, between lines 19 and 20, insert the following:

SEC. 1107. EXPENDITURE OF CERTAIN FUNDS.

None of the funds made available or authorized to be appropriated by this Act or an amendment made by this Act (including funds for any loan, grant, or payment under a contract) may be expended for any activity relating to the planning, construction, or maintenance of, travel to, or lodging at a golf course, resort, or casino.

Strike section 6023.

Strike section 6025 and insert the following:

SEC. 6025. HISTORIC BARN PRESERVATION.

Section 379A of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008o) is amended—

(1) in subsection (c)(4)—

(A) by striking “There are” and inserting the following:

“(A) IN GENERAL.—There are”; and

(B) by adding at the end the following:

“(B) LIMITATION.—If, at any time during the 2-year period preceding the date on which funds are made available to carry out this section, Congress has provided supplemental agricultural assistance to agricultural producers or the President has declared an agricultural-related emergency—

“(i) none of the funds made available to carry out this section shall be used for the program under this section; and

“(ii) the funds made available to carry out this section shall be—

“(I) used to carry out programs that address the agricultural emergencies identified by Congress or the President; or

“(II) returned to the Treasury of the United States for debt reduction to offset the costs of the emergency agricultural spending.”; and

(2) by adding at the end the following:

“(d) REPEAL.—If, during each of 5 consecutive fiscal years, Congress has provided supplemental agricultural assistance to agricultural producers or the President has declared an agricultural-related emergency, this section is repealed.”.

AMENDMENT NO. 3530

(Purpose: To limit the distribution to deceased individuals, and estates of those individuals, of certain agricultural payments.)

At the appropriate place in title XI, insert the following:

SEC. ____ . PAYMENTS TO DECEASED INDIVIDUALS AND ESTATES.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall not provide to any deceased individual or estate of such an individual any agricultural payment under this Act, or an Act amended by this Act, after the date that is 1 program year (as determined by the Secretary with respect to the applicable payment program) after the date of death of the individual.

(b) REPORT.—As soon as practicable after the date of enactment of this Act, and annually thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and post on the website of the Department of Agriculture, a report that describes, for the period covered by the report—

(1) the number and aggregate amount of agricultural payments described in subsection (a) provided to deceased individuals and estates of deceased individuals; and

(2) for each such payment, the length of time the estate of the deceased individual that received the payment has been open.

AMENDMENT NO. 3632

(Purpose: To modify a provision relating to the Environmental Quality Incentive Program)

On page 394, after line 25, add the following:

(d) INCOME REQUIREMENT.—Section 1240B of the Food Security Act of 1985 (16 U.S.C. 3839aa-2) (as amended by subsection (c)) is amended by adding at the end the following:

“(i) INCOME REQUIREMENT.—A producer shall not be eligible to receive any payment under this section unless not less than 66.66 percent of the average adjusted gross income of the producer is derived from farming, ranching, or forestry operations, as determined by the Secretary.”.

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

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

MORNING BUSINESS

Mr. HARKIN. Mr. President, it looks as though we have no other amendments to be offered to the farm bill at this time, so I ask unanimous consent that the Senate now proceed to a period of morning business for the rest of the session today, with Senators being permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Is there objection?