Chesapeake Bay

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conservation districts in a six-county area of the lower Susquehanna basin. About half the money is available to farmers for instituting Best Management Practices aimed at preventing erosion and water pollution. Such practices include the construction of manure storage facilities, no-till systems, terraces and buffer strips along waterways.

Seif pointed out that Pennsylvania's role in the cleanup effort is crucial, since the Susquenhanna River delivers one half of the Bay's freshwater supply.

DeBenedictis said that since farmers began submitting applications in June response to the program has been heartening. 'I've been honestly surprised at the reaction of the farming community," DeBenedictis commented. "They're the biggest supporters of the program."

DeBenedictis said that the increase in funding will mean more educational, technical and financial assistance to farmers, particularly in Lancaster and York Counties. Lancaster County alone received 40 percent of the initial (1984-85) $1 million allocated for BMP's.

Lancaster Conservation District administrator Robert Gregory noted that 34 farms have signed up for this first allocation. "I have several that have already begun work," he said. Gregory noted that the funding limit for each farm is $30,000.

According to an EPA statement, the latest allocation would be channeled into four areas:

1. **$1.2 million**, together with a matching state allocation, will be used for instituting BMP's.

2. **$239,300** will fund monitoring efforts by the Susquehanna River Basin Commission, as well as the planning necessary to target key areas for soil erosion and nutrient control.

3. **$435,000** will support agricultural education and demonstration programs.

4. **$304,500** will be used to expand USDA's field staff in an effort to assist more farmers in planning and implementing BMP's.

Wednesday's session at the County Park capped a two-day Citizens Advisory Committee meeting that began with a business meeting and educational seminars at Lancaster's Treadway Resort on Tuesday.

Wednesday morning's agenda included tours of two Lancaster County farms where, according to committee director Frances Flanigan, members gained insight into the difficulty and costs involved in controlling runoff.

'We're dealing with long-term problems," said Flanigan, indicating that her group will not allow the Bay's problems to become a "here today, gone tomorrow" political issue

Senate begins Farm Bill debate

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rice export prices and all cotton prices to competitive levels.

Target price income protection would operate alongside whichever loan system was used; and any reduction below the basic initial loan rates would be offset by increased target price deficiency payments.

Target prices for grains, cotton and rice, which protect farmers' income with direct payments when market prices are below the target rate, would be frozen at current levels through 1987 to prevent any reductions in returns to farmers. For 1988, 1989 and 1990, the bill includes formulas which would permit declines of no more than 5 percent a year in target prices, but no cut could actually be put into effect unless the Secretary of Agriculture first certified that farm costs for the crop involved had declined by 5 percent from the previous year.

When commodity surpluses are above designated levels, producers who want price supports would be required to comply with acreage control programs including a 30 percent reduction for 1986 wheat, a 20 percent cut for 1986 feed grains, and cuts of up to 25 percent for cotton and rice (although producers who have to plant 1986 wheat and feed grain crops before official program announcements are made would get diversion payments for 10 percent of the cutback). For 1987 through 1990 crops, if wheat and feed grain supplies are above designated levels, the Secretary would have to require at least a 20 percent acreage cut for wheat and a 10 percent cut for feed grains. If these reductions are not enough to cope with the surplus problem, the Secretary would have authority to require additional diversion–with or without payments for the extra wheat and feed grain acres but with payments in kind required for cotton and rice diversions of more than 25 percent. To make those programs work more effectively, the bill includes a permanent new system for establishing acreage bases and yields, and further permits multi-year acreage-idling agreements to quality farmers for support programs. Also, the bill includes discretionary authority for export certificates to help promote sales of grains.

--FOR DAIRY PRODUCTS AND LIVESTOCK. The bill links future government supports to changes in market demand and dairy farm production costs. The bill moves toward reducing surpluses and government costs by providing a farmer-funded surplus reduction program for use when heavy overproduction is predicted. Farmers under this program could scale back their production or, alternatively, take entire herds out of production. The cost of the diversion program, plus the cost of government purchases of surplus milk above 5 billion pounds annually, would be financed by farmer assessments. (To protect livestock producers in case of heavy dairy cow sales into the meat market because of a milk diversion program, the bill provides for additional government purchases of 250 million pounds of red meat annually for domestic donation and includes new authority for farmer-funded beef and pork promotion. In a related area, the bill requires that imported meats, livestock and poultry comply with American standards and residue regulations.)

--FOR SOYBEANS, the bill extends the existing market-oriented price support system. This sets each year's support at 75 percent of the average of market prices for three of the past five years, with a floor of $5.02 a bushel. The bill continues provisions of existing law permitting the Secretary to go below the initial rate (by up to 10 percent and not below $4.50) in any year following a season in which market prices failed to rise past 105 percent of the loan level. In addition, a provision applying only to the 1986 crop allows the Secretary to reduce the final support to no more than 5 percent below the formula-produced level if he determines that the initial rate was too high to be competitive on world markets. No target price or acreage control mechanisms are provided.

– PAYMENT LIMITS in the bill include continuation of the present $50,000 annual per producer ceiling for program payments. Exempt from the ceiling would be: (1)- target price payments required to offset discretionary support loan cuts below the basic formula levels for any year; (2)- any cuts below the old 55-cent loan floor for cotton, and (3)- any land diversion patments under an in-kind program for cotton and rice. The bill also includes a $250,000 per producer limit on non-recourse support loans for wheat, feed grains, soybeans, tobacco and peanuts. A separate $250,000 limit is provided for non-recourse loans on honey. (In both non-recourse loan limitations, producers could obtain loans in excess of the ceilings but the amounts above the ceiling would be on a recourse basis which does not permit forfeiture or commodities to the government)

-TRADE-

The bill authorizes a payment-in-kind bonus export promotion program designed to make American commodities fully competitive in world markets where they have been undersold by other exporters in recent years In the export credit area, the bill requires the Secretary of Agriculture to make available not less than $5 billion in short-term export credit guarantees in fiscal 1986 and authorizes him additionally to use $325 million in Commodity Credit Corp. funds for direct export credits in connection

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