

consideration. Drainage is absolutely necessary in the Red River Valley, and necessary drainage of farmland in the swampbuster provision is compatible with it if administered properly.

Mr. Chairman, I want to close these remarks with a few comments on the current sugar program. The current sugar program has been a very successful part of the 1985 farm bill. It has provided the consumers of America with a dependable supply of sugar at a stable price. I cannot think of a better recommendation for a farm program than that.

I could go into much more detail on the economic impact of the sugar industry here in Minnesota and eastern North Dakota, but in the limited time you have today I will leave a recently released report from North Dakota State University with you. The report indicates that the sugarbeet industry in eastern North Dakota and Minnesota has an economic impact of \$1 billion. It provides 14,898 full-time equivalent jobs, and in excess of 15,000 part-time jobs.

One comment on the impact of the drought. If the present dry conditions continue, the 1988 sugarbeet crop will be impacted just like all the other crops growing here. If rain comes soon, and timely rains continue through the months ahead, a fair crop can still be realized. The NDSU report explains the economic impact in great detail.

We want to emphasize to you and your committee the need to continue the present sugar program in the 1990 farm bill. Thank you, Mr. Chairman, for the opportunity to appear today, and thank you for coming to Moorhead.

[The prepared statement of Mr. Sylvester appears at the conclusion of the hearing.]

The CHAIRMAN. Thank you very much, sir.

Mr. Rudningen.

#### STATEMENT OF GARY W. RUDNINGEN, PRESIDENT, MINNESOTA ASSOCIATION OF WHEAT GROWERS

Mr. RUDNINGEN. Mr. Chairman, and members of the committee, my name is Gary Rudningen. I am a wheat farmer from Murdoch, Minnesota. I am president of the Minnesota Wheat Growers Association, and I am also today speaking on behalf of the National Association of Wheat Growers.

I much appreciate the opportunity to comment on the conservation title of the farm bill, and to explain some of the problems farmers are encountering with the implementation of the swampbuster and conservation compliance provisions of the law.

As a farmer, I am well aware of the need to maintain and conserve our land resources which are basis for the largest industry in our country, agriculture. But there are many different views on how we should maintain these resources. These different views have been addressed, and the choice has been made to use legislation to require the majority of U.S. farmers to maintain these resources.

I am here today in order to report to you on how this new and far reaching legislation will affect wheat farmers, and also be present to testify the case for minor changes in this legislation. I would like this testimony to be put in the Federal registry in com-

pletion, but would like to highlight a couple of situations from the testimony, and some information that I have compiled since writing the testimony.

A situation in west central Minnesota farmer finds himself in is an example of the possible problems associated with swampbuster. This particular farmer rents land. In 1958 was ditched the soil conservation specifications. In 1981 a heavy rainfall washed silt into the ditch and rendered the ditch ineffective. Because of the yearly weather conditions, and the crop rotations that followed, he has been unable to remove the silt with his equipment until the summer of 1987. The ditch was cleaned out last year, and it has since been determined to be converted wetland because it was classified as abandoned. In effect, a farmer has lost 5 acres of productive land due to unreasonable interpretation of this regulation.

And to compile some statistics on this from my own farm, in 1984, or June to September, normal rainfall in our area is approximately 15 to 20 inches, and in 1984 we had 46 inches; 1985, 52 inches; in 1986, 48 inches, and so far this year in the month of June we have had eight-tenths. So we have a drastic change, and because of this we have had areas that would grow hydric type of plants on top of hills with this type of moisture. So as you can see, some of the determinations become very difficult to adhere to within the regulations.

Also, I have made 56 phone calls in our area; 46 of these farmers have said they have a wait and see attitude on both swampbuster and conservation compliance. If it fits into their program they will go along with it. Two of them it did not make any difference because they are going to sell their farms and retire anyway, so they were not overly concerned about it, and nine of them said they had to go along with the program because of having to comply with, or go along with, the farm program as far as being in the program.

So, as you can see, there are a wide variety of different reasons why some of these things need to be addressed because in our understanding, in a letter, or at the time of its writing, that this was going to be that they were going to not bring any new land into production, and that we feel is very important also, that they do not go out and drain new lands. But these nuisance spots that we are talking in the fields because of the sizes of the farms, and the larger equipment, become a problem to have to come back after 2 or 3 weeks and replant those small areas. And these areas we feel should not be considered wetlands but rather nuisance spots.

Now to address something having to do with the drought, we would ask that—we have three issues that Minnesota Wheat Growers have brought to the attention of a number of people in Washington, and one of those proposals would be to protect our advanced deficiency payments. And I believe there is something that is already being done on this. But with the situation we are looking at out there today, that we may not have any crop, and there are a number of farmers that have already found out they do not have any crop because the crop is standing at 6 inches and turning brown, and more is already brown. Some of us are a little more fortunate in different areas.

The second thing we would like to do, and this is a situation where we are getting to be less and less—the second thing we are

looking at, and it is becoming much more difficult to do anything about, and would be to allow planting of a nonprogram crop on set-aside acres, but because of the time and that in our area up here we have less—each day it becomes less and less an opportunity to do this. Further south they have some other opportunities because of their growing season.

And also one thing that was brought to my attention because of the short crop for those that may have had oats planted on their set-aside acres, to allow those to be harvested because of the short oat crop. It was just brought to my attention in the last couple of days.

And the third thing that we are looking at, or a step we would like to see considered, is the reopening of the 0/92 on failed acreage, and also the possibilities of looking at the 0/92, or guaranteeing the deficiency payment even in allowing people to harvest the crop that is there because I do not think that you are going to see too many yields beyond the 15 bushel area in the State of Minnesota, and even with the high price at 15 bushel plus a deficiency, we still look at a very low return to the producer this year, and everybody is looking at this year as hopefully being a year that we cannot afford to lose anything because of the restructurings that have gone on with farm credit, and FmHA, and local banks, and whatever. We need that income there to pay what was borrowed this spring, our input costs.

Thank you for your time and opportunity to address this committee.

[The prepared statement of Mr. Rudningen appears at the conclusion of the hearing.]

The CHAIRMAN. Thank you very much.

Mr. Gustafson.

#### STATEMENT OF OWEN GUSTAFSON, MEMBER, MINNESOTA CORN GROWERS ASSOCIATION

Mr. GUSTAFSON. Thank you. Mr. Chairman, members of the committee, my name is Owen Gustafson from Maynard, Minnesota, a member of the Minnesota Corn Growers Board, and speaking today on behalf of the Minnesota Corn Growers Association.

I would like to thank you for inviting us to today's hearing. The Corn Growers have a strong interest in the sodbuster and swampbuster provisions of the 1985 farm bill, and as each day passes without significant rainfall, our concerns about the drought of 1988 become even more urgent.

My remarks will be quite brief, and will address both the topics of the swampbuster and sodbuster and then the drought.

I begin my remarks by restating the national Corn Growers provisions under the swampbuster and sodbuster provisions. The Corn Growers support the concept of the sodbuster and swampbuster bills. The swampbuster provision of the 1985 FSA should not apply to lands cropped or considered cropped during any 1 year of the 1981 to 1985 period. We stress the need to reinstate the provision that all Federal program benefits be denied only to those lands broken after the enactment of the bill. We believe this position to

Statement of  
Gary Rudningen, President  
Minnesota Association of Wheat Growers

Before the  
House Committee on Agriculture  
at the  
Full Field Committee Hearing  
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Mr. Chairman and Members of the Subcommittee: My name is Gary Rudningen, and I am a wheat farmer from Murdock, Minnesota. I am president of the Minnesota Association of Wheat Growers, and I am also today speaking on behalf of the National Association of Wheat Growers. I very much appreciate the opportunity to comment on the conservation title of the farm bill, and to explain some of the problems farmers are encountering with the implementation of swampbuster and conservation compliance provisions of the law.

As a farmer, I am well aware of the need to maintain and conserve our land resources which are the basis for the largest industry in our country - agriculture. But, there are many different views on how we should maintain these resources. These different views have been addressed and the choice has been made to use legislation to require the majority of U.S. farmers to maintain these resources. I am here today in order to report to you on how this new and far reaching legislation will affect wheat farmers and also to present a justified case for minor changes in this legislation.

It is important to point out that the final conservation rules published in the Federal Register on September 17, 1987, stated that the USDA "has sought to implement and administer the

Act's requirements in a reasonable manner." We agree that the two agencies responsible for implementing the conservation title of the Food Security Act, the ASCS and SCS, have indeed done their very best to implement this program in a manner that is reasonable to farmers and at the same time meet the objectives established in the farm bill. However, their ability to reasonably adjust to certain situations has been obstructed by a few unreasonable provisions in the conservation provisions of the Food Security Act of 1985.

Swampbuster. The first obstacle to reasonable implementation of wetlands rules is the language in the law that defines a wetland to be any lands that have a predominance of hydric soils which are saturated by water long enough to support hydrophytic vegetation under normal circumstances. This has been interpreted by organizations that take a narrow view of the legislation to include lands that are usually farmed under normal circumstances. This we contend to be unreasonable because it prevents farmers from improving certain fields that as food sources for waterfowl provide very little benefit and are in fact a major nuisance to farmers throughout the duration of our short growing season in Minnesota.

The type of fields that I am talking about are usually relatively flat with intermingled depressions that contain water for a few weeks in the spring or during unusually wet periods of time. These depressions can be classified as wetlands even if the only plants that are allowed to grow there are the ones we plant. Because these areas are classified as wetlands we are unable to improve our fields through management of the land contour in an effort to make our operations more efficient.

You may be wondering why we have not improved these areas before this time. There are several reasons for this. The first is that the farming operations are becoming larger and land is sometimes located significant distances from the central homestead, uncharacteristic of the past. This has caused a greater outlay of time and operational expenses for farmers who can seed the majority of a field, but because of these nuisance spots, have to delay planting a few areas. A farmer cannot wait for them to dry out, but must move to another field that is often a considerable distance away. He then must later return with all his equipment to the first field so he can seed the nuisance spots that dry up in about 10 days. Some farm programs require a farmer to plant the precise amount of his base. Since small areas of less than 2 acres cannot count as set-aside, they must be planted. In cases such as this, it has become a wise economic decision to clean these spots up. As these situations become more common farmers will need to continue improving their operational efficiency, which is not possible under current rules.

Another reason why improvements have not been made in the past is because of smaller equipment. The current trend toward larger equipment is reducing the costs and time needed to maintain these areas. Furthermore, we have a very short period of time that fields can actually be worked, when you consider growing seasons and the early arrival of freezing temperatures.

I would like to explain my earlier claim that these nuisance spots are not as good a source of early high protein food for waterfowl, as some believe. Because these areas are routinely tilled each year and kept in productive condition to

eliminate unwanted plants, there are very few insects that could live in such an environment, according to several experts in the field of entomology. These observers indicate it would be very unlikely that high populations of insects would be found in these areas. This, therefore, is why we content that these areas present a nuisance to farmers and are of questionable benefit to waterfowl.

Another major problem we have observed in the existing legislation is that the same excessive penalty of no program benefits on any crop base is accessed for both major and minor violations. The law is intended to stop the intentional drainage of valuable wetlands. However, under the current law, small inadvertent mistakes in land management or unintentional planting on a converted wetland will carry the same penalty as a major violation. Moreover, wetland boundaries will be determined by using aerial photos, which many observers question as a method of precise measurement. In the case of boundaries of converted wetlands and prior existing ditch depth, it would seem that it would be quite easy to inadvertently get out of compliance.

A situation that a west-central Minnesota farmer finds himself in, is an example of the possible problems associated with the swampbuster. This particular farmer rents land that in 1958 was ditched to Soil Conservation specifications. In 1981 a heavy rain fall washed silt into the ditch and rendered the ditch ineffective. Because of the yearly weather conditions and crop rotations that followed, he was unable to remove the silt with his equipment until the summer of 1987. The ditch was cleaned out last year and it has since been determined to be a

converted wetland because it was classified as abandoned. In effect the farmer has lost 5 acres of productive land due to unreasonable interpretation of the regulations.

Conservation Compliance. SCS is in the process of consulting with farmers on the development of conservation plans which must be approved by 1990 for highly erodible cropland. At present, very few plans have actually been approved because of the enormous complexities involved in devising systems which are economically and technically feasible for the farmer to implement, and which at the same time meet specific conservation objectives set by SCS. These objectives are not often clearly defined by local agents when working out plans with farmers, so that application of the guidelines contained the "field office technical guides" can vary tremendously from one soil conservation district to another.

In our view, such inconsistency is emerging as the most significant problem that must be solved in the implementation of conservation compliance rules. In order for the conservation policies established in the farm bill to be accepted by farmers, the cropping and conservation practices required of them must be reasonable and cost effective, and must be implemented in an equitable fashion. In addition, the appeals process established by SCS must be used effectively to override decisions that impose unachievable compliance requirements on farmers. We also urge SCS authorities to seek to identify local agents who are applying conservation guidelines in an overly stringent manner.

A second problem that we believe must be solved before the compliance deadline is the offsetting compliance requirement, and its repeal is one of the most important changes we urge the



Congress to consider. Offsetting compliance means that tenant operators must obtain the consent of each of their landlords to implement any management practice required by a conservation plan. In effect, the law makes the tenant operator responsible for the decisions of his landlord, and requires him to pay an enormous penalty - loss of all commodity program benefits - if the landlord disagrees with a specific conservation practice required by SCS. The only other alternative is for the tenant to withdraw from the lease, if he can, and give up his right to farm that land.

Sodbuster. We agree with USDA's recent sodbuster rule which will require producers farming "sodbusted" land to implement more stringent conservation practices than for other highly erodible lands. Under the rule, sodbuster will not be allowed to qualify for program benefits under alternative cropping systems, but will have to reach "T" on the broken out land. We believe sodbusters should be further restricted under ASCS program rules, so that they would not be allowed to use their planted acres history during the years they are not in compliance under conservation rules to determine commodity program base.

Conservation Reserve Program. Over 25 million acres of highly erodible land will be enrolled in the conservation reserve when USDA announces the results of the sixth signup held last month. We believe the program to be a very beneficial one, and encourage USDA to operate the program in such a way that the annual enrollment goals set by Congress can be met.

Furthermore, proposals to expand eligibility for lands that will be forced into non-productive uses by environmental statutes should be given favorable consideration.

A final issue relating to the conservation reserve is the maintenance of commodity program bases upon expiration of the reserve contract. Present rules would require the farmer to plant his CRP acres within one year of the contract expiration in order to maintain his ASCS cropping history. Although it is difficult to predict what supply conditions will be when contracts begin expiring in a few years, we believe continued conserving use should be encouraged by allowing the farmer to maintain his crop base as long as he maintains an adequate cover crop on the reserve lands.