La. grain farmers don’t like disaster aid rule

By DICK WRIGHT

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A large number of Louisiana wheat growers and other grain farmers are being cut out of the government’s current farm disaster assistance program by the way the U.S. Department of Agriculture is reading the rules, according to the Louisiana Farm Bureau Federation.

The Farm Bureau is pressing Louisiana senators and congressman to get Secretary of Agriculture Edward Madigan to change the interpretation of rules.

Farm Bureau president Ronnie Anderson also has written President Bush to protest the way the program is being implemented and ask him to authorize spending an additional $275 million. Present implementation calls for spending $95 million to help American farmers with their 1991 losses due to weather extremes.

Rogel Wallace, the Louisiana Farm Bureau’s information director, said he believes Louisiana is not the only state affected by the way the disaster program is being carried out.

Hearing set

The House Agriculture Committee holds a hearing March 5 on implementation of the crop disaster assistance program. “This hearing will focus on how USDA is carrying out the crop disaster program and whether the program is being operated fairly and equitably,” Chairman Kika de la Garza, D-Texas, said Thursday.

“This is not just a Louisiana problem, but a problem throughout the Southeast,” Wallace said. He also said he believes President Bush will hear from the region’s farmers when he campaigns in the South.

Farmers object to the yield figures the USDA is using as the standard for determining the amount of a farm’s disaster payment eligibility. They also disagree with the department’s decision to use quantity losses only, rather than taking into account damage to the quality of the product.

Wheat farmers are especially hurt by the USDA implementation of the rules, said Kyle McCann, Farm Bureau assistant commodity director.

“Wheat farmers grew a crop, but it was had damaged, or ruined by last spring’s heavy rains at harvest time,” McCann said.

Quality was off and wheat grains spouted. In many cases elevators refused to take the grain at all or only for it very low. Some farmers burned their fields rather than try to harvest, he said.

Wheat is planted in late fall and harvested the following spring in Louisiana.

“In wheat, while the quantity was down, the biggest problem was quality,” McCann said. “A lot of people didn’t even bother to harvest wheat because of rain damage to the crop. It was virtually worthless.”

“The secretary has at his discretion the ability to make quality reduction payments. He has chosen not to implement that section, however,” McCann said.

McCann said provisions of the current program also may cut out Louisiana corn and soybean farmers, or leave them with small checks at best.

Under the program, a farmer “rate” the first 40 percent of his loss, McCann said.

After that, federal agricultural officials have decided to base disaster payments on “program payment yields,” which McCann said is a yield assigned to a farm by the Agricultural Stabilization and Conservation Service, the USDA agency that administers farm programs.

Farmers would have preferred payments based on “county average yields,” McCann said, because those yield figures are higher. The “program payments yields” were set some years ago and are unrealistically low compared to the amounts farmers grow today, he said.

McCann said a program payment yield for farmers in a Baton Rouge area parish might be 60 bushels an acre, but county average yields could be 120 bushels. McCann said some farmers make 150 to 170 bushels of corn an acre today because of improved varieties and better growing methods.

Official figures from the Agricultural Statistics Service put Louisiana’s average per acre yield of corn in 1991 at 85 bushels, or 31 bushels under the 1990 average yield due largely to the excessive spring that stunted or killed corn.

McCann said if a farmer shows he intended to plant a crop but was prevented by the weather and therefore had no yields at all, he will be eligible for some assistance under the current program, though it would probably be small.

A Farm Bureau news release quotes the Louisiana Cooperative Extension Service as estimating more than 100 farms in southwest Louisiana may go out of business because of last spring’s flooding. It said the extension service estimates 300 to 400 farms in the south-central part of Louisiana are in serious trouble, and another 400 are in some financial trouble.

Besides wanting to change the implementation of disaster program provisions, Anderson calls for President Bush to authorize the second phase of the disaster bill, which would release another $75 million.

The currently authorized $995 million is not expected to cover all losses claimed by farmers nationwide, according to agriculture officials. In that case, payments will be pro-rated, so that eligible farmers get at least a partial payment, they said.