

FEBRUARY 17, 1976

Office of the White House Press Secretary

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NOTICE TO THE PRESS

The President has signed H.R. 8529, - Rice Production Act of 1975. This bill eliminates direct Federal controls on rice production and provides income protection to certain producers through guaranteed target prices, minimum loan levels, and disaster payments.

Under existing law, the Secretary of Agriculture controls the production and sale of rice through price supports, acreage allotments, and marketing quotas for each crop year in an attempt to balance supply and demand.

The bill will:

1. Set higher target prices -- at 8¢/lb. -- and higher loan rates -- 6¢/lb. -- with annual adjustments reflecting the change in farm production costs;
2. Establish a 1,800,000 acreage base for payments to the old allotment holders.
3. Require disaster payments for allotment holding rice producers who are prevented from planting or if they suffer losses after planting because of natural disasters. As in the case of support payments, new rice growers could not receive such protection.
4. Limit support or disaster payments to any individual in one crop year to \$55,000.

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