

REFERENDUM FOR BURLEY TOBACCO

by

Herbert Hadley and Wallace Barr, Extension Economists
Ohio State University

Burley tobacco growers will have the opportunity to vote on Tuesday, May 4, 1971 on whether to have farm poundage quotas and price supports-- or no marketing quotas and no price support for the 1971 crop.

Congress has amended the tobacco marketing quota law. Beginning with the 1971 crop there will be no acreage allotments for burley tobacco.

Under the amended law, if the price support program is to be continued on burley tobacco, poundage quotas must be approved by two-thirds of the growers voting in the May 4 referendum. THE REFERENDUM IS TO DECIDE BETWEEN POUNDAGE QUOTAS OR NO PROGRAM AT ALL.

Acreage allotments have not controlled production effectively in recent years as per acre yields have increased sharply. Average yields rose from about 1,600 pounds per acre in 1960 to nearly 2,600 pounds in 1970. While yields have risen, usage has declined. As a result, burley tobacco has accumulated in C.C.C. loan stocks. On March 1, C.C.C. loan holdings totaled 500 million pounds.

HOW POUNDAGE QUOTAS WOULD OPERATE

Each farm's poundage quota for 1971 is 95 percent of its 1970 acreage allotment multiplied by the farm yield. The farm yield is the simple average of the four highest yields obtained in the last five years (1966-70). However, no yield can exceed 3,500 pounds per acre.

If the farm did not produce burley tobacco in all 5 years, the farm's yield is the average of the yields for the years grown. If no burley has been grown during the 5 years, the county committee establishes a yield based on the yields of similar farms in the area.

WHO CAN VOTE (Qualifications)

- all voters in the referendum must be 18 years of age or older.
- in landlord cases, both husband and wife are eligible if one or both shared in the produced crop in 1970.
- in tenant cases, the tenant must have produced burley in 1970; both husband and wife are eligible if both have agreed to the lease or rental agreement; if only one agreed that person is eligible.
- displaced owners with pooled allotments (eminent domain cases) may vote in the referendum.
- owners with burley history preserved in 1970.

VOTING PROCEDURE

Eligible growers will vote Tuesday, May 4 at polling places in the burley tobacco growing areas. Polling places and hours will be announced by the county ASC committees. All polling places in Ohio will be open from 8:00 a.m. to 6:00 p.m.

UNDERMARKETING AND OVERMARKETING

The poundage quotas provide an insurance feature for burley growers. If marketings from a farm are less than the farm's quota in any year, the difference will be added to the farm's quota for the following year.

A farm may also overmarket its quota by up to ten percent without penalty and with price support. The excess is deducted from the farm's quota for the following year. This feature protects growers in the event of a crop failure, and also protects them from marketing penalties in a year of unusually high yields.

LEASE AND TRANSFER OF QUOTAS

Under the amended law, burley quotas can now be leased and transferred to other farms within the same county -- with a limit of 15,000 pounds to any one farm.

EFFECT OF REFERENDUM

If two-thirds of the growers voting in the May 4 referendum approve the poundage quotas, they will be in effect for the 1971, 1972, and 1973 crop-years.

If voters approve the poundage quotas in the May 4 referendum, burley tobacco prices will be supported at 90 percent of parity.

If poundage quotas are not approved on May 4 there will be no marketing quotas and no price support for the 1971 burley crop. A similar referendum on the same question would then be conducted in 1972.

ADDITIONAL INFORMATION

For further details, and to resolve any question of eligibility to vote, contact your county ASGS office.

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