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NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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WASHINGTON, D.C. -- Senator Bob Dole today announced that Don Steffes, President of McPherson State Bank has been named to a Secondary Market Study Group appointed by Senate Agriculture chairman Herman Talmadge.

The study group, composed of 13 rural bankers and representatives of 13 major financial institutions, has been charged with determining a means of increasing the flow of business capital to rural areas.

Dole said the group has been asked to determine the feasibility and desirability of establishing a private organization to bring together buyers and sellers of government-guaranteed rural business development loans.

"The Rural Development Act of 1972 authorized the Farmers Home Administration to guarantee loans made by banks and other local lenders for expansion or establishment of businesses in communities with populations of less than 50,000. Recent testimony before our Rural Development Subcommittee indicates that even with this guarantee sufficient capital will not be available for rural community development without a secondary market for these loans," Dole said.