



NEWS from U.S. Senator Bob Dole

(R.—Kans.)

New Senate Office Building, Washington, D.C. 20510 (202) 224-6521

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CONTACT: JANET ANDERSON
MORGAN WILLIAMS

SENATOR DOLE JOINS SENATOR TALMADGE IN INTRODUCING EMERGENCY AGRICULTURAL ACT OF 1978

WASHINGTON, D.C. -- Senator Bob Dole (R-Kan) joined Senator Talmadge (D-Ga) today in introducing the Emergency Agricultural Act of 1978. Senators Dole and Talmadge, the ranking Republican member and the Chairman of the U. S. Senate Agriculture Committee, introduced the bill at a press conference today in Washington.

The bill would provide emergency assistance to producers of wheat, feedgrains, upland cotton, and soybeans. Payments would be made to producers who set-aside additional acres to approved conservation uses.

Senator Bob Dole said, "I am joining Chairman Talmadge in introducing the bill to demonstrate a continued bipartisan effort by the Agriculture Committee to assist the Nation's farmers and consumers. We want farmers and the Administration to know that this Committee intends to act, and act quickly."

The following is the text from Senator Dole's statement:

We have now been conducting full Agriculture Committee hearings, since February 23. As these hearings continue it becomes more obvious that there is general agreement that a farm crisis exists.

It is also more and more evident that if corrective actions are to be taken that Congress must mandate them. These corrective actions must be measures of both an immediate kind and those which will address the longer term situation.

I am joining Chairman Talmadge in offering, on a bipartisan basis, a bill which hopefully will gain quick passage in the Congress. If this bill should be passed quickly it offers an immediate positive impact in the market for wheat, corn, cotton and soybeans. Additionally, payments of this "Additional Set-Aside Program" will infuse capital into the farm sector of our national economy immediately.

After having said this I hasten to add that my endorsement and support of this bill is a bipartisan effort to get a legislative initiative underway immediately, I would hope that the bill finally reported by this Committee will include increased crop support levels and emergency credits.

Legislative Authorities Available

As Chairman Talmadge pointed out when he presented his Senate Resolution calling on the Administration to adjust loan levels on feedgrains and wheat, the Administration has a great deal of flexibility under existing authorities to take actions that are being called for by farmers.

The Secretary of Agriculture has the legislative authority to increase loan levels for most of the basic commodities, except cotton, to 90 percent of parity and even to 100 percent in some cases, should the Administration decide to do so. The Secretary has the authority to increase the incentives to farmers to participate in the farmer-held grain storage programs, by adjusting interest rates and storage allowances.

The Secretary has the necessary authorities to bring commodity supplies more in line with demand by the use of acreage set-asides and land diversions. Incentive to make these measures effective could be provided without new legislation.

While basically, I believe the additional set-aside bill is a good bill, the minority members of the Committee have some reservations about the inclusion of soybeans, also I have insisted that language be added to the bill for the Secretary in determining the acceptability of contract offers and the rate of payment, to take under consideration, among other things, the total acreage of cropland set-aside from the production of wheat. This is more equitable for wheat growers who must set aside a greater percentage of their production than any other producers before they become eligible for the paid set-aside.

Also, at the request of minority members of the Committee the bill permits grazing and hay production on any acres included in the additional set aside program.

This bill, of course, does not address a number of problems such as higher support levels on non quota peanuts or other commodities.

Legislative

Now I do not want farmers to feel that this proposed bill preempts or precludes action on the other legislative initiatives that my colleagues and I have taken.

I have introduced the following nine bills:

- (1) S. 2481, Flexible Parity Act of 1978.
- (2) S. 2482, Interest Charges on Commodity Loans.
- (3) S. 2483, Increasing of Title I, Public Law 480 Financing.
- (4) S. 2488, Social Security Tax Credits for Small Business and Farms.
- (5) S. 2492, Amendment to the Meat Import Act Quota Act of 1964.
- (6) S. 2504, Export Stimulation Act of 1978.
- (7) S. 2531, Rural Credit Service.
- (8) S. 2532, Economic Emergency Loan Act of 1978.
- (9) S. Res. 355, Export Import Bank Financing of Agricultural Commodities.

I recommend that Senate Bill S. 2146, Amendments to the Consolidated Farm and Rural Development Act and the Emergency Livestock Credit Act of 1974, be considered in its entirety by the full Committee on Agriculture at their meeting next Wednesday.

This bill, as marked up, was ordered reported to the full Committee by the Subcommittee on Agricultural Credit and Rural Electrification last October.

The bill, S. 2146, contains amendments to the law that are needed by the Farmers Home Administration in order to adequately serve farmers. The farm credit programs administered by the FmHA cannot meet the credit crisis experienced by farmers in 1978. Every day I receive letters and telephone calls from farmers who are having to refinance or are facing foreclosure. They cannot receive assistance from FmHA because of low loan ceilings.

The credit crisis is real and the legal amendments contained in S. 2146 are needed now.

I also plan to offer next Wednesday, S. 2522, The Economic Emergency Loan Act of 1978, as an amendment to S. 2146. The Farmers Home Administration needs an emergency loan program for farmers who are suffering from economic disaster due to low farm prices. S. 2522 creates an Emergency Loan Program that would significantly help farmers thru the credit crunch.

I will also offer S. 2531, the Rural Credit Service Act, as an amendment to S. 2146. I recommend that the Farmers Home Administration name be changed to the Rural Credit Service (RCS). I do not support the name, Farm and Rural Development Administration (FRDA) as recommended by U.S.D.A.

I shall continue to acquaint my colleagues with the content of these bills and I hope to get them reported by the Committee, and passed into law. I know that others who have introduced legislation want the same for theirs. However, in the interest of time I join with Chairman Talmadge in presenting this legislation which hopefully will clear the Committee quickly and become law at an early date in order to focus on immediate farm problems.