

Nattle
GASOHOL COMMISSION

STATEMENT OF SENATOR BOB DOLE

TUESDAY, JUNE 13, 1978

I AM PLEASED TO HAVE THE OPPORTUNITY TO MAKE A FEW COMMENTS TO THIS GROUP ON THE POTENTIAL OF GASOHOL FUEL. MY INTEREST IN GASOHOL DATES BACK TO 1970 WHEN I WORKED WITH CONGRESSMAN TOM KLEPPE TO URGE PRESIDENT NIXON TO CREATE A SPECIAL TASK FORCE INVOLVING ALL THE RELATED DEPARTMENT OF THE ADMINISTRATION TO STUDY THE POTENTIAL OF GASOHOL AS A FUEL.

MY PROPOSAL WAS THAT THE DEPARTMENTS OF INTERIOR,
AGRICULTURE AND COMMERCE JOIN TOGETHER TO STUDY THE CONCEPT.
IT WAS THOUGHT THAT THE CONVERSION OF GRAINS TO ALCOHOL NOT
ONLY WOULD HELP SOLVE THE PROBLEM OF CLEAN AIR, WHICH WAS
THE ISSUE AT THAT TIME, BUT WOULD PROVIDE A TREMENDOUS
ECONOMIC STIMULUS TO RURAL AMERICA. RURAL COMMUNITIES
WOULD HAVE A BOOST TO THEIR ECONOMIES AND THAT IMPROVEMENT
WOULD HAVE MAGNIFIED THROUGHOUT THE NATION.

THE CONCEPT, HOWEVER, WAS TURNED DOWN BY THE PRESIDENT'S
OFFICE OF SCIENCE AND TECHNOLOGY DUE TO THE ADVERSE CALORIC
CONVERSION RATIO. THE CONSUMPTION OF CALORIES UTILIZED TO
PRODUCE THE NECESSARY ANHYDROUS ALCOHOL EXCEEDED THE AMOUNT
OF CALORIES PRODUCED. ALSO, THEY POINTED OUT THAT THE ENERGY
BEING USED WAS FOSSIL FUELS OF SOME SORT, AND THAT ALTERNATIVE
FUEL SOURCES DID NOT EXIST. IN CHECKING WITH TECHNICIANS
AND ECONOMISTS AT KANSAS STATE UNIVERSITY THIS POSITION WAS
SUBSTANTIATED. THEY DID INDICATE THEY WERE ATTEMPTING TO
DERIVE ALTERNATIVE FUEL SOURCES.

SUBSEQUENTLY, FROM TIME TO TIME I HAVE PARTICIPATED
IN EFFORTS TO DEVELOP THESE ALTERNATIVE SOURCES, SUCH AS
WHEAT STRAW, BUT IN THAT CASE WE LEARNED THAT THE
TRANSPORTATION OF THE STRAW TO THE PROCESSING PLANT WOULD
CONSUME FOSSIL FUELS AND THEREBY ADD TO THE ADVERSE
CONVERSION RATIO.

IN 1973 I WAS SUCCESSFUL WITH AN AMENDMENT TO THE
1973 FARM BILL ELIMINATING THE WHEAT CERTIFICATE PAYMENTS,
WHICH WERE AN ADDITIONAL DETERENT TO THE DEVELOPMENT ON
NON-FOOD USES FOR WHEAT.

I AM AWARE OF RECENT RESEARCH BY THE UNIVERSITY OF NEBRASKA AND AM STILL HOPEFUL THAT WE WILL BE ABLE TO OVERCOME THE SCIENTIFIC AND ECONOMIC BARRIERS THAT ARE THRUST UP TO BLOCK THIS CONCEPT, NOT THE LEAST OF WHICH IS THE STRONG OPPOSITION WE HAVE ENCOUNTERED DIRECTLY OR INDIRECTLY FROM FOSSIL FUEL PROCESSORS AND AUTOMATIVE MANUFACTURERERS.

IN SEPTEMBER, 1977, I INTRODUCED AN AMENDMENT TO THE ENERGY TAX BILL THAT WAS ACCEPTED BY THE FINANCE COMMITTEE PROVIDING ELIMINATION OF THE FEDERAL 4¢ GAS TAX ON A GASOHOL BLEND. THIS BILL IS NOW PENDING IN A JOINT CONFERENCE COMMITTEE.

IN THE FOOD AND AGRICULTURE ACT OF 1977 I JOINED WITH SENATOR CARL CURTIS ON AN AMENDMENT TO PROVIDE FOR GUARANTEED LOANS FOR UP TO \$15 MILLION EACH FOR PILOT PROJECT RESEARCH ON THE USE OF AGRICULTURAL COMMODITIES IN THE PRODUCTION OF INDUSTRIAL HYDROCARBONS IN ALCOHOL. THAT AMENDMENT WAS ACCEPTED AND IS NOW CONTAINED IN SECTION 1419 OF PUBLIC LAW 95-113. THE DEPARTMENT OF AGRICULTURE IS JUST NOW IMPLEMENTING THOSE PROVISIONS AND MUCH INTEREST HAS BEEN SHOWN IN THE PROVISION.

THERE ARE MANY AGRICULTURAL COMMODITIES CAPABLE OF ASSISTING IN DEVELOPING OUR INDEPENDENCE FROM OIL AND OTHER FOSSIL FUELS, FOR THESE COMMODITIES, ARE, OF COURSE, RENEWABLE RESOURCES AND ARE NOT LIMITED AS OUR NATURAL RESOURCES SUCH AS OIL, GAS AND COAL.

YOU MAY BE ASSURED THAT AS A SENATOR FROM KANSAS I SHALL CONTINUE MY SUPPORT AND INTEREST IN THE DEVELOPMENT OF GASOHOL OR ANY OTHER FUEL DEVELOPED FROM AGRICULTURAL COMMODITIES.

Food & Ag

Dole-Curtis
act of 1977
ag 1977

4 loans
for pilot projects
economic benefits

1. pilot prog

1. economics
2. price controls on oil, price controls, alcohol not competitive

it's happening
corporations
guarantee

1419

4

offsetting benefits in ag.
econ & feasibility

15 million
guaranteed
loans
to find out what
cook to cook