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#10/06 STANDING COMMITTEES:

FINANCE POST OFFICE AND CIVIL SERVICE SELECT AND SPECIAL COMMITTEE

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FARM BULLETIN

FROM SENATOR BOB DOLE

As we near the sixth month of the 94th Congress, it's a good time to look back on what the Senate and the Senate Committee on Agriculture and Forestry have accomplished, and what agriculture legislation will be coming up in the near future. Positive action has been taken on many measures, and while most of these are still pending, Committee Chairman Herman Talmadge and I, as the ranking Republican member, are both hopeful that final passage of the most urgent legislation will be accomplished during the summer months.

## FOOD SECURITY

In the past, exports have proven beneficial to the domestic farm market and a tremendous boon to U.S. balance-of-payments. One way to help strengthen our export market would be to permit foreign nations to establish their own food reserves in the United States, using our abundant storage and production capacity. Under the proposed Food Security Bill, if a foreign country or company buys and stores an agricultural product 12 months or more and certifies it to be part of their own reserve, that purchase would be exempt from any U.S. export controls or restraints. Hearings on this measure took place May 22 in the Subcommittee on Foreign Agriculture Policy, so full Agriculture Committee action could be forthcoming soon.

# BEEF AND DAIRY IMPORTS

Another important component of a healthy farm market is reduction of beef and dairy imports. Seventeen Senators recently joined together to urge President Ford to prevent any increase in meat imports. A bill is also pending which would require a reduction of quotas in proportion to any decline in the amount of available grainfed beef, which in Kansas has declined approximately 20% from last year. Senator Russell Long, Chairman of the Finance Committee which must consider this legislation before it is referred to the full Senhas been urged by several Agriculture Committee members to schedule hearings on the matter as soon as possible.

# NATURAL GAS PRIORITY

In recent years, natural gas has become a vital factor in agriculture -- for production of fertilizer and agricultural chemicals, crop-drying and irrigation. In the past six months, natural gas curtailments have cost American farmers an estimated 530,000 tons of fertilizer. A very real danger also lies ahead in the possible curtailment of natural gas for irrigation engines. Legislation has been proposed which would prevent curtailment of those agricultural uses of natural gas. A modified version of this legislation was approved by the Senate Commerce Committee. However, that bill would continue the price controls that have previously discouraged new and expanded natural gas production.

#### FARM EXEMPTION FROM CONSUMER AGENCY

A majority of the Senate recently went on record as opposing more government intervention in agriculture. Fifty-five Senators voted for my amendment to exempt farm production from the jurisdiction of the proposed Agency for Consumer Advocacy (ACA). The ACA would still have authority to oversee the biggest source of food increases -- non-farm food costs.

#### EXPAND AUTHORITY TO INCLUDE SILOS

Another proposal being considered in the Senate would provide authority for the Department of Agriculture to make loans available to farmers for construction of silos and other on-the-farm storage structures for high moisture grain and silage. Such loans have been available intermittently at the discretion of USDA, and while this legislation would not increase funding, it would broaden the law to include silos whenever other storage loans are made available. Besides giving farmers an opportunity to improve their operations, it would have the added benefit of conserving some of the fuel used in drying grain.

## GRAIN INVESTIGATIONS

At the request of Senator Hubert Humphrey and myself, Chairman Talmadge has directed the Subcommittee on Foreign Agricultural Policy to make an in-depth investigation of the U.S. system of inspection for grain export shipment. It is essential—in the wake of indictments of federally licensed grain inspectors in Houston and New Orleans on charges of accepting bribes in exchange for certifying ships as acceptable for grain loading—that we take every precaution to establish and insure the absolute integrity of our export transportation system. Subcommittee investigators will coordinate their investigation with the Federal Bureau of Investigation, the Internal Revenue Service, and the General Accounting Office. Hearings which will begin early in June, should also help to determine whether legislation is necessary to improve the inspection system.

I have heard from many Kansas farmers this year, and hope you will continue to share your concerns. If you have any specific problems, let me know.

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