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NEWS from U.S. Senator Bob Dole

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HEARINGS BEGIN ON DOLE FOOD SECURITY BILL

WASHINGTON, D.C.--The Senate Subcommittee on Foreign Agriculture Policy begins hearings today on Senator Bob Dole's Food Security Bill. Dole, top Republican on the Senate Agriculture Committee and a member of the Subcommittee, said his bill would provide exemption from any export controls to foreign countries who purchase agricultural commodities, certify them to be part of a reserve and store them in the United States for 12 months or more.

In testimony prepared for delivery during today's hearings, Dole said "foreign buyers have expressed an interest in buying storable commodities for their own national reserves and storing them here. However, in view of the fiasco of the soybean export control experience in 1973, they express concern about the possibilities of a recurrence and the possibility that they may be prevented from exporting."

"This legislation could boost our domestic market by increasing exports and would incur no additional cost to U.S. taxpayers," the Kansas Senator said. "Its stabilizing effect on the market, I believe, would result in lower food prices for American consumers. So at no additional cost to ourselves, we could greatly enhance our own and the world's food security."

Dole, who has opposed U.S. government-owned grain reserves, pointed out that all commercial transactions would be in the private sector as far as the U.S. is concerned. "Some foreign entity owns the commodity, pays for the storage and interest, and has certified that it is being held for a reserve. Under the current situation, all of the above can be accomplished -- except the assurance of export after a 12 month storage. My bill would provide that assurance."

Under Dole's bill, a country or company wanting to establish reserves here would apply to the Department of Commerce for exemption of the stocks from any future export restraints and would certify the purchase to be a reserve. The Department of Commerce, after reviewing the purchase and certification in cooperation with the Department of Agriculture, would issue a document authorizing shipment of the reserve, regardless of export restraints that might be instituted. The Secretaries of Commerce and Agriculture would have discretionary authority to review the size of purchases.

During his testimony, Dole summarized the following benefits that would result from his legislation:

- Encourage importing nations to make long-term coverage of their food needs;
- Increase U.S. effectiveness in easing world food shortages without additional cost to U.S. taxpayers and consumers;
- Transfer foreign food requirements planning from this nation to countries in need;
- Strengthen U.S. farm commodity markets; Stabilize our farm commodity market;
- Facilitate better crop planning by U.S. producers;
- Increase food security for the United States;
- Preclude the need for U.S. government food reserves;
- Put U.S. storage facilities to use;
- Improve operating costs planning for domestic processors.