

News from Senator

# BOB DOLE



(R - Kansas)

2213 Dirksen Building, Washington, D.C. 20510

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CONTACT: WALT RIKER  
(202) 224-6521

## DOLE RENEWS CALL FOR HOUSE ACTION ON GRAIN ELEVATOR BANKRUPTCY REFORM

WASHINGTON -- Senator Robert Dole (R.-Kan.), Chairman of the Senate Judiciary Subcommittee on Courts, today reiterated his call for congressional approval of a Senate proposal sponsored by the Kansas Senator that would bring sweeping reform to grain elevator bankruptcies.

The remarks came during a subcommittee hearing on bankruptcy reform chaired by Dole.

"Here we are beginning another congressional session and once again the news for American grain farmers could be the same bad news we heard last year: The House Judiciary Committee for two years has failed to take action on a Senate bill that would reverse the inequities now plaguing farmers who have their crops locked-up in protracted grain elevator bankruptcies," Dole said. "I hope the House will reconsider this proposal early in the 98th Congress. Each week of delay intensifies the economic strain and legal uncertainties already threatening grain elevators, farmers, banks, and other vital aspects of American agribusiness."

At the hearing, Dole noted that the Senate grain elevator bankruptcy bill has already passed the Senate on four previous occasions.

"Despite the broad endorsement of this bill, the House committee--for reasons known only to itself--refuses to consider this desperately needed legal relief the Senate has overwhelmingly approved four times," Dole said. "Even with the nationwide publicity created by the Wayne Cryts affair last year, the House subcommittee could only push-out an impotent proposal that offered little assistance to farmers. And even that measure went nowhere," Dole said.

Under the Dole bill, farmers would substantially improve their lot in bankruptcy proceedings through three key elements: 1) Farmers would become secured creditors in the distribution of assets following a bankruptcy, thus giving farmers equal status as banks in the proceedings; 2) A timetable would be established for bankruptcy proceedings, thus eliminating the indefinite period of time now associated with resolution of an elevator bankruptcy; and 3) Farmers who have yet to receive payment for stored grain would have a lien on their warehoused crop.