

News from Senator

BOB DOLE



(R - Kansas)

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DOLE WELCOMES KANSAS DROUGHT ASSISTANCE REQUEST,
ASSURES PROMPT ACTION BY USDA

WASHINGTON -- Kansas Senator Bob Dole today welcomed Governor John Carlin's request for federal assistance to drought-stricken Kansas farmers and indicated that "the necessary steps have already been taken in Washington to ensure prompt consideration of this formal application."

Dole added that, while the Farmers Home Administration had not yet received the request as of today, "the seriousness of the drought in Kansas has been known for some time and well documented in Washington as a result of a series of meetings with top USDA officials. I am confident that approval will come after normal processing, which takes about eight working days after the request is received."

Once approved, farmers in counties which have suffered at least 30% total crop loss will be eligible for low interest loans of up to \$500,000. For producers with no alternative credit sources, the interest rate on the first \$100,000 will be 5% in accordance with a decision by President Reagan after reviewing the severity of the worst drought in 50 years. The rate on the balance will be 8%. Farmers with alternative credit will be charged the standard rate of 13-3/4%.

Noting that the request covers 41 counties in the eastern third of the state, Dole added "I know that other counties in central Kansas suffered major losses due to the drought, and that their status is being reevaluated by state FmHA officials. In addition to further county designations, we hope to pass legislation to allow state Farmers Home Directors to designate individual producers as eligible for disaster aid. This change would drop the current requirement that, in order to receive assistance, farmers claiming more than 30% loss must live in a county that also demonstrates 30% loss.