

## News from Senator

# BOB DOLE



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### DOLE AMENDMENT PROVIDES RELIEF FOR TWO KANSAS ALCOHOL FUEL PRODUCING PLANTS

Washington, DC -- ESE Alcohol, a small business employing eight persons in Leoti, KS, will be able to stay in business for another year - thanks to Sen. Bob Dole who has won Senate approval for a change in federal regulations applied to alcohol fuel production plants.

Sen. Dole learned at a recent Town Meeting he sponsored that a requirement by the Bureau of Alcohol, Tobacco & Firearms (ATF) would force ESE Alcohol to close its operations. The regulation mandates alcohol fuel producing plants to furnish bonds guaranteeing the payment of federal distilled spirits taxes on any alcohol produce. Dole's reaction was immediate: the regulation was unnecessary.

In offering the amendment, Sen. Dole said, "It seems counter-productive that this rule can result in the closing of a company which provides jobs and generates tax revenues for the government."

He added, "Here was a clear example of having too many unnecessary regulations on the books, since the federal government already has a law that sets out specific criminal penalties for illegally producing distilled spirits. My amendment clears away an unneeded regulation, and will mean a Kansas business can stay in business."

At Sen. Dole's Garden City Town Meeting, the owners of ESE Alcohol said they were being forced to furnish a bond which their local bank could not offer. The result, they said, would mean closing their company and laying off the eight workers.

Under the ATF regulation, any alcohol fuel plant which produced more than 10,000 proof gallons of fuel was required to furnish a bond. The Leoti plant, producing approximately one million gallons of alcohol fuel annually, was to post a \$110,000 bond.

The Dole amendment, which raised the bonding threshold level to 5 million gallons for alcohol fuel producing plants that have been in business for two or more years, will also aid Reeve Agri-Energy in Garden City. The firm produces more than 2 million gallons of alcohol fuel annually, and was required to furnish a \$200,000 bond.

Sen. Dole noted that the unnecessary ATF regulation could have gone unnoticed had it not been for the forum of his Town Meetings. "By meeting with constituents and listening to their problems, I learned about a regulation that could have closed down a Kansas business and meant a loss of income for eight families. It's important to me to hear of these kinds of problems, and I'm pleased that we could act swiftly and decisively on behalf of the company and its employees," concluded Dole.