

FROM: OFFICE OF U.S. SENATOR BOB DOLE
NEW SENATE OFFICE BUILDING
WASHINGTON, D.C. 20510
(202) 225-6521

FOR RELEASE 12 NOON, TUESDAY, MAY 20, 1969

WASHINGTON, D.C., MAY 20 -- U. S. Senator Bob Dole (R-Kans.) introduced a bill today which Dole said "could improve telephone facilities for six million rural Americans".

Cosponsored by twelve other U.S. Senators, the bill is designed to solve the problem of supplemental financing for the REA Borrower Companies and redirect them from government subsidized loans to loans using commercial money and reflecting bank rate interest.

In a statement on the Senate floor, Dole said, "Loans under the present REA Program are for the purpose of getting telephone service into rural America and are made at the rate of two percent interest from monies specifically appropriated for the REA Telephone Program annually by Congress."

Dole continued, "Appropriations are insufficient. Loan needs for fiscal 1969 are over \$500 million with appropriations for fiscal 1969 at only \$125 million. Supplemental financing is necessary, and this bill is the best vehicle to provide such financing."

Dole said the bill would create a rural telephone bank. He cited the advantages of the bill as:

(1) A rural telephone bank would reduce the amount of money needed to be loaned at two percent.

(2) The bank would eventually use all commercial rather than treasury money, and would assist the government to a large extent in getting government out of the telephone loan business.

(3) The rural telephone companies would go to the telephone bank rather than compete individually in the commercial money market.

#####

FROM: OFFICE OF U.S. SENATOR BOB DOLE
NEW SENATE OFFICE BUILDING
WASHINGTON, D. C. 20510
(202) 225-6521

FOR RELEASE 12 NOON, TUESDAY, MAY 20, 1969

ANNOUNCER LIVE:

Today U. S. Senator Bob Dole introduces a bill in the Senate which could improve telephone facilities for six million rural Americans. Dole said:

SENATOR DOLE: (on tape)

12 seconds

The bill is designed to solve the problem of supplemental financing for the R-E-A borrower companies and redirect them from government subsidized loans to loans using commercial money and reflecting bank rate interest.

ANNOUNCER LIVE:

Dole said that loans under the present R-E-A program are for the purpose of getting telephone service into rural America and are made at the rate of two percent interest from monies specifically appropriated for the R-E-A telephone program annually by Congress. He said appropriations are insufficient and supplemental financing is necessary.

SENATOR DOLE: (on tape)

27 seconds

This bill is the best available vehicle to provide such financing. It would create a rural telephone bank. The bank would reduce the amount of money needed to be loaned at two percent and it would eventually use all commercial rather than treasury money. It would assist the government to a large extent in getting government out of the telephone loan business. And finally, the rural telephone companies would go to the telephone bank rather than compete individually in the commercial money market.

ANNOUNCER LIVE:

U. S. Senator Bob Dole