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NEWS from

U.S. Senator Bob Dole

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CONTACT: JANET ANDERSON

(R.—Kans.)

New Senate Office Building, Washington, D.C. 20510 (202) 225-6521

Joe Reppert—Press Secretary

MONEY ALLOTTED FOR FHA LOANS TO KANSAS

WASHINGTON, D.C.--Senator Bob Dole announced today that the U.S. Department of Agriculture has, in three separate actions, allotted over 11 million dollars to be made available as loans to Kansas in Fiscal year 1974. Loans will be administered through the Farmers Home Administration.

The largest amount, \$7.5 million, was allotted for rural water district and waste disposal loans. \$3 million was allotted for business and industrial guaranteed loans and \$620,000 for essential community facility loans such as community centers fire stations and other community facilities.

Kansas has also received \$155,000 for industrial development grants available to public bodies, Senator Dole said.

Dole said that one of the major purposes of the FHA rural credit program is to install water and waste disposal systems and other community facilities that will help rural areas upgrade the quality of living and promote economic development and growth. "Kansas has severe water problems in some areas," Dole said, "and adequate funding for rural water districts through these loan programs is the only solution." The loan funds should be adequate to meet the needs in Kansas during Fiscal 1974 and will help the economic development of rural Kansas, he added.

Dole explained that the business and industrial loans are used to develop or finance business or industry in order to increase income and employment in rural areas. This is the first time the FHA has had the authority the guarantee business and industrial loans. The new authority was contained in the Rural Development Act of 1972. The guaranteed loans are used to further business and industrial development and to establish business enterprises in rural areas or cities up to 50,000 with priority to applications for projects in open country, rural communities and towns of 25,000 or smaller, Dole said.