



NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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AG COMMITTEE REPORTS BILL TO AID HARD HIT LIVESTOCK PRODUCERS

WASHINGTON, D.C.--Senator Bob Dole today announced that Department of Agriculture loan guarantee program for bona fide livestock producers and feeders was reported to the Senate by the Agriculture Committee. A \$1 million limit on guaranteed loans, as proposed by Senator Dole, was included in the bill. Other provisions that had been proposed by Dole which were included in the bill reported today ~~were~~ that guarantees may be made up to 90 percent of the value of the loan, with loans being made by commercial or other approved lending agencies at market interest rates.

"To their credit, cattlemen and other livestock producers are not asking for a handout or an expensive federal assistance program," Dole said. "This measure will not resolve the basic problem of depressed prices, but hopefully will keep livestock producers and feeders in business until the market recovers. It should also help protect consumers against overly high priced beef and a shortage of beef in future months."

The guaranteed loan program would be administered by the Secretary of Agriculture with repayment terms of 7 years, and a possible extension of up to 5 years, subject to his approval. The program is scheduled to expire within one year. A total limit on loan guarantees will not exceed \$3 billion.

"The \$1 million loan limit was included by the Committee to prevent excessive dependence on the program. The eligibility criteria were specifically aimed at those primarily engaged in cattle, hog, poultry, egg and dairy production and excludes those investing from outside the industry.