

# BOB DOLE



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## DOLE/MCGOVERN COALITION FARM BILL PASSES SENATE AGRICULTURE COMMITTEE

WASHINGTON, D.C.....A 7-point farm bill put together by a coalition of farm state Senators headed by Sen. Bob Dole (R-Kan) and Sen. George McGovern (D-S.D.) was passed Wednesday by the Senate Committee on Agriculture.

"The bill was designed to soften the impact of the Russian grain embargo on farmers," Sen. Bob Dole said.

The coalition farm bill would require the Commodity Credit Corporation to purchase corn and wheat, would increase loan rates for wheat and feed grains placed in the farmer-held reserve, and set-up a humanitarian food reserve to hold the wheat purchased off the domestic market.

Sen. Dole said, "This is the absolute most we could obtain for farmers given the budget restraints and the lack of cooperation from the Carter Administration."

"Farmers are in a serious financial situation and need assistance immediately. The Carter Administration has failed to keep their promise to the American farmer. The Agriculture Committee could wait no longer for the Administration to act," Dole stated.

The coalition farm bill includes provision to:

--Require the secretary of agriculture to increase loan levels on wheat to not less than \$3.30 per bushel from \$2.50 and on corn to not less than \$2.25 per bushel from \$2.10 for grain going into the farmer held reserve. The increases would be effective for the 1979-81 crop years but would not apply to the regular price support loans made to producers outside the reserve program. The provision would also require that interest charges to farmers be waived on the reserve loans.

--Require the Commodity Credit Corporation to purchase not less than 4 million tons of wheat and up to 10 million tons of corn to help shore up grain prices that have been adversely affected by the suspension of sales to Russia. The purchases must be at prices not less than the averages

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prevailing for the five-day period preceding the embargo and must be carried out by June 1, 1980, in the case of wheat and by October 1, 1980, in the case of corn.

--Authorize the Dept. of Agr. to dispose of wheat purchased as a result of the embargo through a humanitarian food reserve. The reserve would be used for the emergency food assistance programs of the P.L. 480 program. Embargoed corn purchased by the Department could be sold as a feed stock for fuel alcohol production at a "fuel conversion price" but not less than the grain reserve release level, currently \$2.63 per bushel.

--Authorize the secretary of agriculture to implement a set-aside program for price-supported commodities for 1980 and 1981 if warranted to offset the impact of suspension of commercial export sales. The Secretary has announced last fall, several months before the embargo, that there would be no grain set-aside in 1980. He does not have the authority under existing law to reverse his decision.

--Authorize the use of funds, facilities, and powers of the Commodity Credit Corporation to purchase and handle agricultural commodities other than grain--such as poultry--that were under contract for shipment to Russia at the time the embargo was announced.

--Except in the special case of embargoed grain, prohibit CCC from disposing of government-owned wheat and feed grain stocks when a farmer-held grain reserve program is in effect at less than 5 percent above the "call" level, the price at which the farmer must repay the loan or forfeit his grain.

--Require the secretary of agriculture to carry out a study of the potential for expanding U.S. agricultural export markets and using farm exports in obtaining resources such as oil from other countries.