

News from Senator

BOB DOLE



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DOLE URGES BERGLAND TO LOWER INTERESTS RATES TO FARMERS

WASHINGTON, D.C.....Senator Bob Dole (R-Kan) today urged Sec. of Agriculture Bob Bergland to lower the interest rate charged to farmers by USDA on commodity loans, farm facility loans, and farm real estate, farm operating and economic emergency loans.

In a letter to the Secretary, Sen. Dole said, "Interest rates have fallen considerably in recent weeks and the U.S. government is now borrowing money at less than 10%. A lowering of interest rates by USDA would be welcome news for farmers. It would be some of the best news farmers have had from USDA this year."

Sen. Dole said USDA is now charging 13% interest for commodity and farm facility loans, and is charging 12% for farm real estate loans, 12.5% for farm operating loans and 14% for economic emergency loans.

Dole wrote Sec. Bergland, "I believe it is imperative for all banking institutions, farm credit banks and government agencies to lower interest rates to farmers as fast as economically feasible. Farmers can use the reduced interest rates immediately."

"I believe with the cost of money coming down the interest rates on USDA programs should be lowered immediately. I urge you to use the authorities you have to see that new lower rates are put into effect as soon as possible."

"USDA should be a leader in giving farmers the advantage of the best rates the government can obtain for money. I believe the time has come for USDA to lower rates and set the pattern for helping farmers survive the present economic crisis. I hope the Secretary will act immediately."