

# News from Senator BOB DOLE



(R - Kansas)

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## USDA LOWERS INTEREST RATES-DID NOT GO FAR ENOUGH USDA Rips-Off Farmers

WASHINGTON, D.C.....Sen. Bob Dole (R-Kan) said today, "USDA has finally lowered their interest rates to farmers. They did this only after much pressure was applied by myself and other farm state senators and congressman. I am glad the rates have come down but believe the action by USDA did not go far enough."

USDA this week lowered crop loans from 13% to 11½%, farm operating loans from 12.5% to 10.5%, farm ownership loans from 12% to 11%, natural disaster emergency loans for real estate from 14% to 12.5%, natural disaster emergency loans for production from 14% to 13.5%, economic emergency production loans from 14% to 11%, and economic emergency operating loans from 14% to 11½%. Interest rates on rural housing loans were also lowered.

"Three weeks ago I wrote Sec. Bergland and urged him to lower interest rates to farmers. It took USDA three weeks to analyze the money markets and take action. When they did take action it was too little, too late. The government is borrowing money at less than 10% at this time."

"USDA did not lower interest rates far enough. USDA seems to be trying to make money for the government out of the hides of economically distressed farmers. This was not the purpose of these programs when they were established by the Congress."

"USDA could have lowered most of the rates another 1% to 2% and still met the formulas established by law. I just don't understand why USDA wants to rip-off the farmer, especially during hard times. The action by USDA this week was a start, but I'm going to continue my efforts to get USDA to lower interest rates to the lowest level possible."