

News from Senator

BOB DOLE



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DOLE SAYS CRYTS IMPRISONMENT SHOULD SPUR CONGRESS TO ACT ON GRAIN ELEVATOR BANKRUPTCY

WASHINGTON -- Senator Robert Dole (R.-Kan.) today called the imprisonment of Missouri farmer Wayne Cryts for civil contempt "unfortunate". Dole's response comes after a decision by a Federal Judge in Little Rock, Arkansas to jail Cryts for refusing to divulge the names of farmers who helped Cryts remove his soybeans from a bankrupt grain elevator in February 1981.

"Breaking the law can not be tolerated under any circumstance, but this personal tragedy serves notice that there is an urgent need for major reform of grain elevator bankruptcy law," Dole said. "As I have said before, the relationship between a farmer, his grain, and a grain elevator is a unique one. The Cryts incident is unfortunate proof that current bankruptcy procedures are incapable of resolving the trauma farmers face when an elevator goes under."

The Cryts case last year prompted Senator Dole to draft major legislation in the Senate Subcommittee on Courts, of which the Senator is Chairman. The Dole bill would give farmers a secured creditor position in the distribution of assets following an elevator bankruptcy. The measure would also establish a timetable for bankruptcy proceedings and give farmers a lien on stored grain in the event the farmer has not received payment for the grain before the elevator filed for bankruptcy.

However, House action on the Dole bill has been delayed by opposition by banks and consideration of a watered-down version of the elevator bill which would not grant farmers secured creditor status in bankruptcies.

"The Cryts imprisonment has sharply focused national attention on the elevator bankruptcy issue. Farmers like Wayne Cryts are painfully aware of the inadequacy of present bankruptcy law. The stakes are high and it is time Congress moved quickly to enact legislation that will give America's grain producers the protection they deserve," Dole concluded.