

News from Senator

BOB DOLE



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DOLE CONGRATULATES COLDWATER BANKER JAMES HERRINGTON
FOR LEADERSHIP ROLE IN USDA APPROVED LENDER PROGRAM

WASHINGTON -- Kansas Senator Bob Dole today congratulated Coldwater banker James Herrington, national president of the Independent Bankers Association of America, for his part in the successful negotiation of a new U.S. Department of Agriculture program for processing guaranteed farm loans.

The program, announced this week by Agriculture Secretary John Block, emphasizes the role of private lenders in processing Farmers Home Administration guaranteed loans to speed up service to farmers.

Under the program, qualified private lenders will be approved in advance to process Farmers Home Administration operating, farm ownership and economic emergency guaranteed loans. The agency is authorized to guarantee up to 90 percent of those loans made by private lenders.

"In his role as president of the Independent Bankers Association, Jim has provided an important leadership role in this effort," said Senator Dole. "The Approved Lender Program will speed up the processing time for guaranteed farm loans. This is especially important now, as we enter the planting season in most areas of the country."

An approved lender will be familiar with FmHA requirements, will collect needed credit information and will prepare the application package. The Farmers Home Administration will continue to make final decisions on farmers' eligibility, use of loan funds and creditworthiness.

The new program is the result of recommendations made by a study group of government and private credit specialists. The group was made up of representatives of the Farmers Home Administration, the American Bankers Association, the Cooperative Farm Credit System and the Independent Bankers Association of America.