

News from Senator

BOB DOLE



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DOLE'S GRAIN ELEVATOR BANKRUPTCY PROVISION PASSES CONGRESS

WASHINGTON -- Kansas Senator Bob Dole declared a victory for the American farmer today when Congress finally passed his grain elevator bankruptcy reform legislation after years of being bottled-up by the House Judiciary Committee.

"This bankruptcy reform has been a long time coming for American farmers," said Senator Dole. "I'm glad the House finally moved on this vital legislation. Unfortunately, the new protection came too late to help some farmers who lost their property in bankrupt elevators during the last several years."

Both Houses of Congress today passed a House-Senate Conference Report of an omnibus bankruptcy package including the Dole grain elevator provisions. The Senate first passed the Dole provisions in July 1981, and subsequently passed the bill on four other occasions. This is the first time the provision made it past the urban Democrats in control of the House Judiciary Committee all the way to a final vote in Congress.

Senator Dole is the senior Republican on the Senate Agriculture Committee, and the Chairman of the Senate Judiciary Subcommittee on Courts, which has jurisdiction over bankruptcy.

The Dole grain elevator bankruptcy provisions will establish new procedures to guide the courts in handling a case involving an insolvent grain storage facility:

- Require the bankruptcy court to distribute grain that has been stored in a bankrupt elevator to the farmers who own it within 120 days of the filing of the bankruptcy case;
- Require the courts to accept valid warehouse receipts or scale tickets as proof of ownership of grain;
- Grant a lien against assets of the elevator to farmers who have sold grain to the elevator operator but have not received payment at the time of the bankruptcy filing;
- Bring state regulatory agencies, which have experience in liquidating insolvent elevators, into the bankruptcy proceedings to assist the Court and expedite the determination of ownership questions.

The omnibus bankruptcy package now goes to the White House for President Reagan's signature.