

News from Senator

BOB DOLE



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DOLE INDICATES PROGRESS ON AG BANKS

WASHINGTON -- Senate Majority Leader Bob Dole (R-KS) said today that he saw "major progress" being made in addressing the problems of lenders and borrowers in the agricultural community. Senator Dole made his remarks following a meeting in his office with Senate Banking Committee Chairman Jake Garn and representatives of three major bank regulators: the Federal Reserve, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation.

On March 11, the same three bank regulators announced a plan to aid agricultural lenders by showing more flexibility in regulating accounting procedures and enforcing minimum capital requirements for problem banks in rural America. Senator Dole indicated that today's meeting was designed as a follow-up to that announcement.

"I am pleased that our bank regulators are taking the initiative on the agricultural credit problem, rather than waiting for problems to get worse," Dole said. "The important thing is that these regulatory innovations will help borrowers as well as lenders by enabling banks to keep credit flowing to hard-pressed farmers. That has to be our top priority, because keeping farmers solvent and farm operations going is critical to the health of our national economy."

Senator Dole indicated that the Senate stands prepared to back-up the new regulatory initiative on agricultural credit. "I know Jake Garn is ready and willing to give the farm community reassurance that we will be responsive to their credit problems, and I agree with him wholeheartedly," Dole said. "We will be happy to work with our friends at the Fed, the FDIC, and the Comptroller's office to make sure that their initiative pays off. The American farmer, and farm lenders, deserve no less."