

News from Senator

# BOB DOLE



(R - Kansas)

SH 141 Hart Building, Washington, D.C. 20510

FOR IMMEDIATE RELEASE  
JUNE 28, 1988

CONTACT: ROBERT BORTHWICK  
(202) 224-6521

## SENATE APPROVES DOLE AMENDMENT TO KEEP DROUGHT OUT OF PLANT CLOSING BILL

Washington, D.C. -- Moving to save businesses hard hit by the drought from costly plant closing notification requirements, the Senate today approved by a vote of 95-0 an amendment by Senate Republican Leader Bob Dole which will have a wide impact in states experiencing some of the worst weather conditions in over 50 years. Dole's statement follows:

MR. PRESIDENT, TODAY I AM OFFERING AN AMENDMENT WHICH STIPULATES THAT PLANT CLOSING NOTIFICATIONS WOULD NOT BE REQUIRED IN CASES WHERE BUSINESSES SHUT DOWN DUE TO THE DROUGHT.

WE HEAR ABOUT THE DROUGHT EVERY DAY AS LACK OF RAIN AND RECORD TEMPERATURES LEAD TO GREATER DISTRESS AND MISERY IN RURAL AMERICA. THIS PAST WEEKEND I MET WITH FARMERS IN OHIO, IOWA AND SOUTH DAKOTA AND A COMMON COMMENT WAS THE POTENTIAL HARDSHIPS THAT WOULD OCCUR NOT ONLY TO FARMERS BUT ALSO TO THE BUSINESSMEN AND WOMEN ON MAINSTREET.

### ECONOMIC IMPACT

IT WON'T TAKE LONG FOR THE REST OF THE ECONOMY TO REALIZE THE RIPPLE EFFECT CAUSED BY HARD TIMES DOWN ON THE FARM. WE ARE TOLD WHAT SOME OF THE EFFECTS OF A PROLONGED DROUGHT ARE EXPECTED TO BE: LOWER NET FARM INCOME DURING THE NEXT TWO YEARS, AN INCREASE IN FARM DEBT OF OVER \$3 BILLION; STAGNANT FARM LAND VALUES; SHRINKING GRAIN RESERVES; RISING FEED COSTS FOR LIVESTOCK CAUSING HERD LIQUIDATIONS; AND THE LOWEST WATER LEVELS IN THE MISSISSIPPI, ILLINOIS AND OHIO RIVERS EVER RECORDED.

THE LOW RIVER LEVELS GIVE A GOOD EXAMPLE OF HOW A DROUGHT FIRST AFFECTS FARMERS BUT RESULTS IN AFFECTING OTHER SECTORS OF THE SOCIETY. WITH BARGE MOVEMENT AT A STANDSTILL, RATES WILL GO UP AND LESS CARGO TONNAGE WILL BE SHIPPED PER BARGE. RAIL RATES WILL GO UP AND TRANSPORTATION EXPENSES WILL INCREASE AND SOME BUSINESSES DEPENDENT ON TRANSPORTATION WILL FAIL.

FERTILIZER DEALERS, ELEVATOR OPERATORS, PROCESSORS, AND MANUFACTURERS WILL ALSO BE HARD-HIT. WE ARE TOLD THAT 60 MILLION AMERICANS LIVE IN RURAL AMERICA AND THAT 40 PERCENT OF PERSONAL INCOME COMES FROM MANUFACTURING JOBS ALONE.

MR. PRESIDENT, A DROUGHT LOWERS FARM INCOME, AND WHEN THE FARMER DOESN'T MAKE MONEY, NEITHER DOES ANYONE ELSE WHO DEPENDS ON THE FARMER'S PURCHASING POWER.

IF WE ARE SERIOUS ABOUT ALLEVIATING THE IMPACT OF THE DROUGHT ON THE ECONOMY THEN WE SHOULD AGREE NOT TO HIT BUSINESSES WITH BOTH BARRELS. MANY BUSINESSES WILL BE HARD-PRESSED TO SURVIVE THE CONSEQUENCES OF THE WORST DROUGHT IN 50 YEARS. THEY DO NOT NEED THE ADDITIONAL EXPENSE RESULTING FROM THE PLANT CLOSING LEGISLATION.

### SUMMARY

WE WILL ALSO BE ASSESSING THE EXTENT OF THE DROUGHT OVER THE NEXT SEVERAL WEEKS. IT IS CLEAR THE DROUGHT COULD BE A NATIONAL CATASTROPHE. I WOULD HOPE WE COULD ACCEPT MY AMENDMENT IN AN EFFORT TO DEFRAY ANY ADDITIONAL COST RESULTING FROM THE NEED TO BAIL OUT BUSINESSES WHO COULD NOT WITHSTAND THE TWO-EDGE SWORD OF DROUGHT AND PLANT NOTIFICATIONS.

MR. PRESIDENT, WE CAN'T CONTROL THE WEATHER, BUT WE CAN CONTROL THE EXTENT OF OUR ACTIONS UPON THE ECONOMY. I WOULD URGE MY COLLEAGUES TO SUPPORT WHAT I BELIEVE IS A COMMON SENSE EFFORT TO GIVE BUSINESSES THAT WILL BE HURT BY THE DROUGHT A LITTLE NO-COST RELIEF.