



NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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SENATOR DOLE URGES PASSAGE OF DOLE/BELLMON FARM CREDIT BILL

Washington, D.C.--Senator Bob Dole (R-Kan) today urged the passage of the Dole/Bellmon Farm Credit Bill of 1977, S. 312.

In testimony Tuesday, before the Senate Subcommittee on Agricultural Credit of the Committee on Agriculture, Nutrition, and Forestry, Senator Dole said, "The time has come to move quickly to amend the Consolidated Farm and Rural Development Act to provide adequate farm loan legislation for farmers. I would hope this legislation could be acted upon no later than early in the next session of Congress."

Senator Bob Dole (R-Kan) and Senator Henry Bellmon (R-Okla) introduced legislation in January of 1977 to amend the laws governing the farm loan program of the Farmers Home Administration of the U.S. Department of Agriculture. Major provisions of the Bellmon/Dole credit bill will:

- 1) Raise the direct farm operating loan limit from \$50,000 to \$100,000 and the guaranteed operating loan limit from \$50,000 to \$200,000;
- 2) Raise the direct farm real estate ownership loan limit from \$100,000 to \$200,000 and raise the guaranteed limit to \$300,000, and eliminate the \$225,000 farm real estate indebtedness limit;
- 3) Allow farm loans to be made to partnerships and corporations who operate not larger than family size farms; and
- 4) Raise the interest rate on farm real estate ownership loans from 5 percent to the government cost of money for the purpose of providing increased funding for the program.

Senator Dole said, "Kansas farmers cannot finance adequate farms with the present farm loan ceilings. Kansas farmers cannot operate satisfactorily with \$50,000 farm operating loans in today's economy."

Senator Dole stated before the Agricultural Credit Subcommittee, "Many years of high rates of inflation has been the biggest disaster faced by the farmer. Inflation has greatly enlarged the need for credit and has increased the farmers expenses for interest on that credit."

"If America is going to provide a large portion of the world's food supply in the last quarter of the 20th Century, adequate loan funds for land ownership and farm operation must be available," Senator Dole testified.