



NEWS from U.S. Senator Bob Dole

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DOLE CHARGES ADMINISTRATION SHOWING INEPTITUDE IN CONTINUING DIRECT SUGAR SUBSIDIES

WASHINGTON -- Sen. Bob Dole (R-Kan.) today blamed the Carter Administration for "ineptitude" in continuing its direct subsidy payments to sugar processors.

On April 27, a federal district court in Iowa ruled that sugar processors who entered into contracts for the sale of sugar after Oct. 1, 1977, should not be eligible for direct subsidy payments. The Administration's direct subsidies would seemingly violate that ruling. The court's conclusion was based on a ruling by the court that the Department of Agriculture's efforts to continue a subsidy indefinitely, in light of the de la Garza loan program established in the Food and Agriculture Act of 1977, "falls outside the statute's authorization."

"The court's decision affirms the position that I and several of my colleagues took in late 1977 when we called upon the Secretary of Agriculture to immediately implement the de la Garza loan program," Dole said. "At that time we informed the secretary of our judgment that the Administration 'did not have the legal authority to delay implementation of the sugar price support system' which involved fees, quotas, and a loan and purchase program. Unfortunately, it took this extra congressional follow-up as well as a lawsuit to force the Administration to finally implement the program as Congress instructed in the Food and Agriculture Act of 1977.

"The intransigence of the Administration in establishing an effective sugar program has been baffling. We have had to drag them into the de la Garza program kicking and screaming. We have to fight the Administration tooth and nail to force it to use existing fee and quota authority to regulate sugar imports and the price of sugar. Why is there this infatuation with using the taxpayers' money to support sugar returns when the law and pure economic sense says 'Use the marketplace?'

"The history of subsidy payments to sugar processors by this Administration has been marked by ineptitude, waste of tax dollars, suffering by our sweetener industry and now unlawful conduct. How long will it take before the Administration realizes that the use of direct subsidy payments in a sugar program is a liability that the American taxpayer, and the American consumer can do without?"