

News from Senator

# BOB DOLE



(R - Kansas)

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## KANSAS ENERGY CONSUMERS TO BENEFIT FROM DOLE INITIATIVES

WASHINGTON -- Kansas energy consumers will benefit from approximately \$45 million in low-income assistance and tax credits as a result of initiatives proposed by Senator Bob Dole (R-Kan.) and adopted by the Senate Finance Committee as part of the windfall profits tax bill. The bill was reported out of committee today.

In order to help the poor pay increased heating costs, the Finance Committee adopted a major program of \$3 billion in annual direct cash grants to AFDC, SSI and food stamp recipients. The final version was a plan very similar to a low-income assistance proposal made by Senator Dole on behalf of all committee Republicans. Of the \$3 billion in assistance nationwide, Kansas stands to receive \$30 million annually, an average of \$435 per year per eligible household.

Dole, ranking Republican on the Finance Committee, said, "With the rising fuel oil costs brought on by decontrol and higher and higher OPEC demands, it will become even more difficult for our low-income citizens to meet these additional energy costs. The committee's action is designed to alleviate some of that burden. It will provide direct assistance to the poorest and most needy, rather than rely on participation by utilities, fuel oil dealers and other energy suppliers."

The Finance Committee also adopted a modified version of a home heating oil tax credit which Senator Dole cosponsored with Senators Ribicoff and Moynihan. This provision gives a non-refundable tax credit for residential users of heating oil, propane and Canadian natural gas during 1979, 1980 and 1981.

"In Kansas, this will mean from \$11 million to \$12 million per year in tax credits for middle-income families," Dole said. "Increases in energy prices are pushing the cost of residential heating and utility bills to unacceptable levels. For instance, it is estimated that the price of propane will increase by 60 percent over last winter, and similar prospects will face consumers of home heating oil. In Kansas and the colder areas of our country, this makes the spectre of winter even harsher for working men and women."

The amendment calls for a tax credit, up to a maximum of \$200, applied to the increased price of home heating oil, propane and imported natural gas. The credit would be gradually phased out for those earning incomes of more than \$20,000.

### Stripper Well Exemption

In addition, an amendment of Senator Dole's adopted by the committee exempts independent stripper oil wells from the windfall profits tax. A stripper well is one that produces less than 10 barrels per day. Exempted are the first 1,000 barrels of oil per day produced from a qualifying well by an independent producer.

"This amendment provides for more production for the United States and a healthier oil industry in Kansas," Dole said. "In turn, it will provide more job security for employees of smaller oil companies. Kansas is the fourth largest producer of stripper oil in the country, and 11,000 Kansans are directly employed in the production of oil. This will give an additional incentive to these small well operators to explore under difficult circumstances."