

## News from Senator

# BOB DOLE



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### DOLE APPLAUDS OPENING OF FEEDGRAIN RESERVE

WASHINGTON --"The decision by Agriculture Secretary John Block to open the farmer-held reserve for feedgrains will provide much-needed support for farm prices in the face of record harvest prospects," Senator Bob Dole (R.-Kan.) said this afternoon. "With the corn harvest moving into major production regions, the secretary's action today may well prevent a massive forfeiture of grain under government loan and an equally large cost to the treasury."

The Kansas senator's remarks followed announcement by the Department of Agriculture that farmers may place 1981 crop feedgrains in the three-year reserve program once they have applied for price support loans from the Commodity Credit Corporation (CCC). Immediate entry was provided for wheat during harvest in July. Feedgrains harvested in 1980 which are under loan but were not entered in the reserve program for that year's crop are also eligible for the new program.

Under the program, producers will receive an additional loan of 15 cents per bushel above the base loan rate (\$2.20 per bushel for 1980 crop corn; \$2.40 per bushel for 1981). Storage payments of 26.5 cents per bushel per year will be paid by CCC, and interest will be charged at cost-to-government only for the first year of participation.

The quantity of grain to be allowed in the reserve will be limited to 15 percent of annual production. The reserve release price, at which storage payments are suspended and interest charges increase, will be triggered when the national average price of corn reaches \$3.15 per bushel.

"With corn prices well below national average production costs," Dole said, "farmers should be ready to make substantial use of the reserve program to reduce free stocks and restore profit to the marketplace. Combined with the decision last week to offer an additional 15 million metric tons of corn and wheat to the Soviet Union, today's action clearly demonstrates the Reagan Administration's resolve to provide every incentive possible in order to raise prices for basic agricultural commodities."