

News from Senator

BOB DOLE



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FOR IMMEDIATE RELEASE
WEDNESDAY, OCTOBER 19, 1983

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DOLE CALLS FOR END TO AG CREDIT IMPASSE;
DISPUTE THREATENS FARM EXPORTS

WASHINGTON -- Fearing disruption of farm exports, Kansas Senator Bob Dole today called on the Administration to end an internal dispute over the level of credit guarantees for farm exports.

In a letter to OMB Director David Stockman, Dole argued that "importing countries are now looking to secure their requirements for the fourth quarter and beyond. We should not allow differences over the level of credit assistance to interrupt our aggressive export sales program during this crucial period. We should take advantage of immediate sales opportunities."

Dole's letter was prompted by a continuing disagreement within the Administration over the final level of government-backed loans to finance export sales of U.S. agricultural products during the 1984 Fiscal Year under the USDA's GSM-102 program. The level for FY-83 was \$4.8 billion, part of which was used in combination with direct, interest-free loans in the popular blended credit program. The Reagan Administration has allocated \$3 billion for GSM-102 in its FY-84 budget; however, the USDA has been pressing for a major increase to \$8 or \$9 billion. After several high-level meetings, the issue has still not been decided.

In his letter to Stockman, Dole stated "I strongly encourage the Administration to select an interim assistance level that will be adequate in meeting the potential for increased U.S. farm exports during the next six to nine months. Our export prospects will be much clearer in several months, and a final decision could then be made on the level of loan guarantees needed for the balance of the year."