

News from Senator

BOB DOLE



(R - Kansas)

SH 141 Hart Building, Washington, D.C. 20510

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CONTACT: BRENT BAHLER
(202) 244-6521

DOLE ASKS FOR SPECIAL HEARINGS ON FARM CREDIT SYSTEM WOES

(Washington, DC) -- Kansas Sen. Bob Dole today asked the Senate Agriculture Committee to hold special hearings on the troubled farm credit system. The request was made in a letter to Sen. Jesse Helms, chairman of the committee, in hopes of having a new credit policy in effect before farm planting begins next spring.

Sen Dole, in his letter, wrote, "Some form of federal assistance will be needed to prevent eventual insolvency" of the farm credit system. The Farm Credit Administration (FCA) "is currently reviewing the outlook for both short and long-term debt held by farm credit system member institutions, and will have an assessment and proposal for addressing the situation by the end of this month.

"I do not believe the credit issue should be addressed within the context of the 1985 farm bill, which will be pending before the Agriculture Committee when the Senate reconvenes next week. Both issues are of critical importance to U.S. farmers and the rural economy, and should be dealt with comprehensively in separate considerations. In addition, we need to examine in detail how the present difficulties in the credit area have developed, how extensive they may become, and how all affected parties can work together in resolving them.

"As a result, I strongly encourage and request the Agriculture Committee schedule oversight hearings on the farm credit issue as soon as the farm bill is reported and the current FCA review is completed. We will then be able to put an effective credit policy in place prior to the renewed demand for Spring planting financing early in 1986," said Dole.