

News from Senator

BOB DOLE



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(R - Kansas)

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PRESIDENT SIGNS FARM BILL AND CREDIT SYSTEM REFORM; DOLE, KANSAS GUESTS AT WHITE HOUSE CEREMONY

WASHINGTON -- Kansas Senator Bob Dole today hailed enactment of the 1985 farm bill and a bill to restructure the Cooperative Farm Credit System as "essential first steps in restoring hope and confidence in rural America".

Dole made his remarks following a White House signing ceremony where President Reagan put his signature on a massive omnibus five-year farm package and a measure that will reform the ailing farm credit system. Joining Dole at the ceremony were Doyle Rahjes, President, Kansas Farm Bureau; Gerald Riley, Kansas Wheat Growers Association; and Dale Hermreck, member, Dole Farm Advisory Board.

"It's not a perfect farm bill, but given the pressures of federal deficits and politics, it's a tremendous achievement to have this legislation on the President's desk today," Dole said of the \$52 billion three-year farm plan. "We've come a long way from when the skeptics predicted Congress would only come up with a short-term extension of the current programs or when we were told \$35 billion was the bottom line for the troubled farm economy over the next three years."

Dole, senior Republican on the Senate Agriculture Committee, was the only Kansas representative on the House-Senate Agriculture Conference Committee that hammered out the new farm legislation.

"The credit system reform bill is also a real achievement and goes hand-in-hand with the farm package. It is essential in restoring full confidence in the system throughout the farm belt, especially during the next several months before spring planting," Dole said. "There's no doubt there's real trouble out there, but Congress shouldn't throw money at the problem. We want the system to put its own house in order, and I believe this legislation will help accomplish that goal."

Pointing to the flexible price support loan rate program which the new bill will establish with 1986 crops, Dole stated "U.S. farmers have for several years been non-competitive in world markets at prices below their production costs. It's time to decide whether we are truly going to compete and move these commodities out, or just continue to build surpluses."

"The new farm bill will protect producer income while we respond to the need for aggressive pricing, forced on the U.S. by global overproduction, subsidized competition, and the high value of the dollar in recent years. We simply must turn the corner and assert U.S. competitiveness in the next two or three years."

Dole indicated that the current level of farm income would be held constant for at least the next two years, with 1985 target prices effective for 1986 and 1987 crops. "If we don't start seeing results by then," Dole said, "we may have to try something new. As it is, Congress has written new farm legislation about every two years. If competitive pricing doesn't show results, there's little doubt Congress will be back at it again in 1987."

Dole also cited a number of new provisions in the 1985 farm bill that represent important changes from current law, including the new 40 to 45 million acre conservation reserve; resolution of the clear title, or mortgaged commodities issue; passage of an industry-sponsored compromise that breaks the year-long deadlock on whether cargo preference will apply to USDA's commercial export programs; and a new plan for establishing production bases.