

News from Senator

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STATEMENT BY SENATOR BOB DOLE
RURAL RECOVERY AND REVITALIZATION ACT OF 1987

WE ARE ALL WELL AWARE OF THE PROBLEMS WHICH HAVE CONFRONTED FARMERS IN THE LAST FEW YEARS. YET, MANY OF US FEEL THAT WE HAVE MORE THAN JUST A FARM PROBLEM. WE HAVE A RURAL PROBLEM AND IT'S TIME FOR THE FEDERAL GOVERNMENT TO BECOME MORE RESPONSIVE TO THE NEEDS OF CITIZENS UP AND DOWN THE MAIN STREETS OF OUR SMALLER TOWNS AND COMMUNITIES.

IN RECENT YEARS AMERICAN FARMERS AND THE SMALL TOWN BUSINESSMEN AND WOMEN WHOSE LIVELIHOODS DEPEND ON A HEALTHY RURAL ECONOMY HAVE SEEN THEIR TRADITIONAL WAY OF LIFE THREATENED. OUR RURAL SOCIETY HAS SUFFERED FROM EXPENSIVE CREDIT TERMS, A PRECIPITOUS DECLINE IN FARM EXPORTS, AND AN EROSION OF BASIC SERVICES.

WE NEED TO FIND WAYS TO DIVERSIFY THE ECONOMIES OF FARM COMMUNITIES AND IMPROVE EDUCATION AND VOCATIONAL TRAINING OPPORTUNITIES FOR FARMERS AND OTHER RURAL CITIZENS. WE MUST KEEP BASIC SERVICES IN RURAL AMERICA TO ATTRACT NEW BUSINESSES AND CREATE NEW JOBS AND GREATER ECONOMIC ACTIVITY.

TO ADDRESS THESE PROBLEMS I AM SPONSORING THE "RURAL RECOVERY & REVITALIZATION ACT OF 1987", LEGISLATION WHICH FOCUSES ON FOUR PRIMARY AREAS. FIRST, WE NEED TO PROVIDE ADEQUATE CAPITAL TO RURAL AMERICA WHILE MINIMIZING THE FEDERAL GOVERNMENT'S BUDGET EXPOSURE. MY LEGISLATION WOULD REQUIRE THE SECRETARY OF AGRICULTURE TO ESTABLISH A "RURAL FUND FOR DEVELOPMENT" TO GUARANTEE OVER \$1 BILLION IN LOANS TO ENHANCE PRIVATE SECTOR INVESTMENT IN RURAL AREAS. BOTH THE FEDERAL AND STATE GOVERNMENT WOULD SHARE IN THESE LOAN GUARANTEES.

THE BILL GIVES THE SECRETARY THE OPTION TO USE CCC-OWNED COMMODITIES AS COLLATERAL IN THE EVENT OF A DEFAULT ON THE LOANS. WE WILL BE SPENDING OVER \$10 BILLION IN STORING CCC-OWNED AND FARMER-OWNED-RESERVE COMMODITIES THROUGH FISCAL YEAR 1990. IT DOESN'T MAKE A LOT OF SENSE IN A TIME OF FISCAL CONSTRAINT TO SPEND BILLIONS OF DOLLARS SIMPLY STORING COMMODITIES. I SUGGEST WE COULD USE THESE COMMODITIES TO HELP RECAPITALIZE RURAL AMERICA.

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THE BILL ALSO WOULD CREATE A RURAL DEVELOPMENT AUTHORITY (RDA) WITHIN THE USDA TO IMPROVE THE MANAGEMENT AND COORDINATION OF RURAL DEVELOPMENT PROGRAMS. THE RDA WOULD CONSOLIDATE EXISTING PROGRAMS AND FUNDING SOURCES UNDER ONE ADMINISTRATIVE UMBRELLA.

WE ARE TOLD THAT ABOUT 25 PERCENT OF OUR POPULATION LIVES IN RURAL AMERICA. WE RECOGNIZE THAT MAJOR SECTORAL DECLINES WITHIN THE ECONOMY HAVE CREATED A NEED TO REBUILD AND DIVERSIFY LOCAL AND REGIONAL ECONOMIES. I FEEL THAT RURAL AMERICANS SHOULD GET A PROPORTIONATE SHARE OF FEDERAL DOLLARS AND THAT WE SHOULD DO A BETTER JOB AT THE FEDERAL LEVEL OF TARGETING FUNDS TO RURAL AREAS. THIS INCLUDES THE NEED TO ADDRESS THE UNIQUE SITUATIONS OF DISPLACED FARMERS AND FARM WORKERS.

THE BILL URGES GREATER COORDINATION AND COMMUNICATION ON RURAL SET-ASIDES BETWEEN USDA AND OTHER EXECUTIVE AGENCIES TO ENSURE RURAL AMERICA RECEIVES A "FAIR-SHARE" OF FEDERAL PROCUREMENT IN DEFENSE, RESEARCH AND CONSTRUCTION PROJECTS.

THE BILL WOULD SET UP A NATIONAL CLEARING HOUSE TO PROVIDE EASY ACCESS TO THE PUBLIC ON AVAILABLE PROGRAMS AND SERVICES FOR RURAL COMMUNITIES INCLUDING JOB TRAINING, HEALTH CARE, ECONOMIC DEVELOPMENT, EDUCATION AND COUNSELING. IN ADDITION, MY BILL WOULD SET UP PILOT PROJECTS FOR RURAL TECHNOLOGY CENTERS TO COLLECT, TEST AND DISSEMINATE INFORMATION ON NEW SERVICES AND PRODUCTS TO ENHANCE RURAL DEVELOPMENT.

AND THE BILL CREATES AN "ASSISTANT SECRETARY" POSITION FOR THE RURAL DEVELOPMENT AUTHORITY WITHIN THE USDA AND A POSITION OF "SPECIAL ASSISTANT FOR AGRICULTURE AND RURAL DEVELOPMENT" AT THE WHITE HOUSE TO BRING A NATIONAL FOCUS TO RURAL DEVELOPMENT ISSUES.

IT HAS BECOME CLEAR THAT THE FEDERAL GOVERNMENT CAN PROVIDE A HELPFUL HAND IN COORDINATING LOCAL AND STATE EFFORTS IN THIS AREA AND OFFER INCENTIVES TO FOSTER NEW BUSINESS VENTURES IN LOCAL AREAS. THE PROPOSAL I AM SPONSORING IS AN ATTEMPT TO PROVIDE A WELL-BALANCED APPROACH TO RURAL DEVELOPMENT WHILE BEING FISCALLY RESPONSIBLE. IT IS AN EFFORT TO FASHION LEGISLATION THAT WILL BEGIN A NEW ERA OF PROSPERITY AND HOPE FOR ALL RURAL AMERICANS.