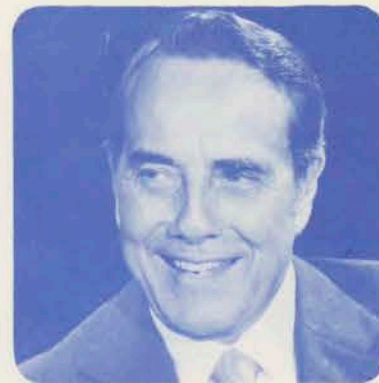


News from Senator

BOB DOLE



(R - Kansas)

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FOR IMMEDIATE RELEASE
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WHEAT EXPORT ENHANCEMENT

DOLE HELPS LIFT SPENDING CAP ON "EEP"; A LATE NIGHT VICTORY FOR KANSAS WHEAT FARMERS

WASHINGTON -- LATE LAST NIGHT, SENATOR BOB DOLE (R-KANSAS) WON A HARD FOUGHT VICTORY FOR KANSAS WHEAT FARMERS, WHEN HE CONVINCED THE SENATE/HOUSE APPROPRIATIONS CONFERENCE COMMITTEE TO REMOVE THE \$425 MILLION CAP ON AMERICA'S MOST IMPORTANT AGRICULTURAL EXPORT PROGRAM, CLEARING THE WAY FOR FINAL SENATE AND HOUSE APPROVAL FRIDAY TO BOOST FUNDING FOR THE EXPORT ENHANCEMENT PROGRAM TO OVER \$900 MILLION FOR FISCAL YEAR 1991.

"THIS IS A BIG WIN FOR AMERICAN PRODUCERS, ESPECIALLY OUR WHEAT FARMERS. WITH CURRENT EEP FUNDING ABOUT TO DRY UP, WE HAVE TO PLAY TO WIN BECAUSE THE FOREIGN COMPETITION IS LOADING UP ON JUICY SUBSIDIES. LIFTING THE CAP WILL REVIVE THIS VITAL PROGRAM WHICH FARMERS KNOW IS THE BEST WAY TO PUT MORE MUSCLE IN OUR ONGOING BATTLE IN THE INTERNATIONAL MARKETPLACE," DOLE SAID.

DOLE CREDITED EXCELLENT TEAMWORK FOR GETTING THE JOB DONE. WORKING WITH AGRICULTURE SECRETARY ED MADIGAN, HOUSE SPEAKER TOM FOLEY (D-WA), AND SENATORS THAD COCHRAN (R-MS), PETE DOMENICI (R-NM) AND DON NICKLES (R-OK), DOLE KEPT THE PRESSURE ON THROUGHOUT THE LONG DAY AND NIGHT OF NEGOTIATIONS, UNTIL THE DOLE-BACKED SENATE INITIATIVE FINALLY PREVAILED. THE HOUSE VERSION, WHICH DID NOT REMOVE THE CAP OR PROVIDE ANY INCREASE IN THE PROGRAM, WAS REJECTED BY THE CONFERENCE COMMITTEE. DOLE ALSO NOTED THAT THE SENATE INITIATIVE INCLUDED REPORT LANGUAGE URGING THE USDA TO INCLUDE MORE DAIRY PRODUCTS -- PARTICULARLY MILK AND BUTTER -- IN THE EEP.

SENATOR DOLE -- ONE OF THE CHIEF ARCHITECTS OF "EEP" -- HAS BEEN PUSHING THE ADMINISTRATION AND CONGRESS TO RAISE THE PROGRAM'S CAP IN THE FACE OF STIFF COMPETITION FROM HEAVILY-SUBSIDIZED FOREIGN GOODS. ACCORDING TO THE ADMINISTRATION, THE COST OF THE INCREASE WILL BE ZERO, BECAUSE INCREASED EXPORTS WILL MEAN DECREASED DEFICIENCY PAYMENTS.

UNDER THE EEP, IMPORTING COUNTRIES SUBMIT BIDS WHICH ARE COMPETITIVE WITH EC PRICES. IN ORDER FOR AMERICAN EXPORTERS TO FACILITATE TRADE AT THIS DISTORTED PRICE LEVEL, THE USDA AWARDS AN "EEP BONUS" TO THE EXPORTER TO MAKE UP THE DIFFERENCE BETWEEN DOMESTIC PRICE LEVELS AND THE BID PRICE. DUE TO RECORD CROPS AND SUBSEQUENT WORLD PRICE DECLINES IN 1990, EEP BONUSES HAVE REACHED RECORD HIGHS, EXPENDING ALMOST ALL OF THE \$425 MILLION APPROPRIATED FOR FISCAL YEAR 1991 IN LESS THAN SIX MONTHS.

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