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FLOOR DEBATE

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LR 2

will tell you one thing, and I will say it again. This is a cash cow for the bankers. Why do you think they would support something like this? Do you think that bankers are altruistic? Why, most bankers, if a farmer is coming to get a loan and says, I want to borrow a dime, the banker says, if you got 11 cents collateral, I will lend you a dime. And they're quick to come and foreclose when it's to their benefit. But banks don't like to be in the real estate business. They don't want to be a holder of used farm equipment and implements. So they encourage, and they've done this...I was here and I was trying to help the farmers see it. They were encouraging them to borrow and borrow and plant from fence post to fence post, and just keep leveraging and buying and buying land if you could. So it's like buying a piece of land and, instead of adding to it in a straight-up vertical fashion, you had less collateral of your own. The first piece would be place. The next piece kind of overlapped the first one and was partly hanging out over it. The third piece was hanging out a bit over the second piece, the fourth piece hanging out a bit over the fifth...over the one preceding it, and pretty soon you had such a slanted, heavy weight that it collapsed of its own weight. Not enough collateral, this loan is classified, put some more collateral in it. I don't have any more. Then you know what I got to do, because I'm going to have some examiners in here; I got to foreclose. Well, why are you going to do that to me? Now, Farmer Brown, you understand the world of finances. You understand the role of the bank. Then poor Farmer Brown says, but when you were encouraging me to borrow this money, we sat down together and we had doughnuts and coffee, friendly conversation; you smiled. To take a play on a little rhyme I wrote the other day, you were "Banker Jekyll." And then the little banker shrinks as Mr. Hyde did, because Mr. Hyde was very small; "Heh, heh, heh, well, now I'm Mr. Hyde." And he's going to take his property and sell it, and some farmers help cannibalize their brothers and sisters. Instead of recognizing that they were all in the same boat together, that they were all in a mere holding action, because farmers one, two, three, four, five, six, seven, eight, nine were similarly situated to farmer ten, so why would the hammer fall on Farmer Ten but not on all the other nine who were similarly situated? Because they were in holding actions. The bank didn't want all that land with