

the \$100,000 limitation would allow us to make loans that are really only impractical to make in the general terms of it. Because current earnings of agriculture are running about 3% on national investment. When we talk about, maybe what Senator Sieck wants to prevent, I do not on this score. I know a lot of neighbors and friends who do have financial troubles that have no cash flow with reasonably good assets and I do believe that an upper limit on net worth should be established. I picked \$600,000 because I think larger sums than this of net worth can sell down and maintain a viable operation. But, pulling at national earnings a \$600,000 net worth with other debts against it may very well not pull over \$15,000 or \$18,000 as a maximum income and we are using this for a maximum potential income on that farm operation. Now they may be in a position where they are going at a situation. We are talking about a half a section of land at \$2,000 an acre, an irrigated half section as a limitation on this with maybe a debt structure running behind it with the rest of the operation of several hundred thousand dollars running at 18% and potentially taking the guy out of a cash flow situation where he has been paying more interest than he is getting when he takes the rest of his expenses and his gross sales. I think that we should have a limitation but put it up there where a guy can sell down to liquidate debts and leave it up at say \$600,000 or five, I wouldn't care on this but we have got a lot of people in trouble in the state and if we set up this loan fund why shouldn't we be more concerned with people that are being run out of business paying 17 and 18% interest today that are in there, good operators, but interest running them out, keeping them in business than to try on a small loan that really doesn't have a chance. I don't mean this as an intention not to provide the small loan if it can have a chance to survive. They are going to have first if they have that chance. But, the present interest rates of 12% do not set a person in where they can buy 80 acres and have any reasonable potential of making it. If we pass the bill and the interest rates drop a little bit, then, and the farm earnings go up a little bit, then maybe it can start up the young man. But until these changes are made and unless he gets substantial help from home, he is out of it with the national policies towards agriculture and interest rates that exist today. I would urge you to adopt the amendment. Look toward moving it up there where... we are talking a ceiling, not a floor, a very top limit. Allow us the opportunity of bailing out some people that may otherwise not be in business. The FHA does not have adequate funds. The Federal Land Bank wants very solid loans. Alternative credit sources are not widely available in the State of Nebraska today. Anybody that tells you they are kidding themselves. The FHA funds are very limited in the state today, the potential for farmers moving in there. The Federal Land Bank is not going to take loans unless they are very solid coming in there. I urge you to use this fund for something it can really do. Take up the