

be limited to real property, farmland. This Section 5 which defines agricultural or agricultural enterprise is a key part of the bill because it is these types of enterprises that can be financed or subsidized through this program. So what I am seeking to do is to limit it to real property. First of all, I wanted to step back and clarify my position on this type of financing. You may recall that last year in the Legislature I opposed something that was called tax increment financing. It really is the same type of indirect subsidies that this bill proposes. That type of financing was proposed specifically in the context of the Cornhusker Hotel here in Lincoln and I opposed it nonetheless. So I just want to be clear that my position on this doesn't have anything to do with agriculture, it has to do with the program that we are setting up which I feel hurts us all in the long run, and with regard to the mortgage finance funds to clarify a statement that was in the paper yesterday, Senator Schmit, I was not here when that bill was passed which probably is the reason I didn't speak up. At any rate the amendment that I am offering...the amendments that I am offering you today again go to different aspects of the bill, not to killing the bill but to making it narrower in scope and more reasonable in my opinion. First of all, with regard to limiting just to farmland, I would point out that of the six different programs that I have any information on at all, four of those limit it strictly to farmland and the other two...one of the other two has a severe limitation on personal property and the last one, the one in Georgia, has no limitation but includes personal property. But it is my feeling that we are just getting into this program, we don't know everything that is going to be involved or how it might turn out and that it would make sense to limit it at the beginning, I think, just to real property. Another point that I wanted to make and a reason that I feel basically that this type of financing is different from even those other types of taxes and bonds that we have allowed to be issued before in this very important respect. In the case of tax increment financing, in the case of industrial development bonds you could very well make the argument that what we are doing is trying to keep our competitive position vis-a-vis other states, that is if we didn't offer these incentives that maybe the industry would set up in another state and we would thereby lose the enterprise. But this is going into a new area. We aren't going to lose any enterprises. The land is here. The land is going to be farmed one way or another. So it is a completely new area. It can't be justified as we