

May 5, 1981

LB 184

the corporations that came in from the outside did not buy from the local merchants. I urge you to support this bill, pass it off General File and proceed on to the next legislation. Thank you.

SPEAKER MARVEL: Senator Lamb and then Senator Wiitala and then Senator Sieck. Senator Lamb.

SENATOR LAMB: Mr. President and members of the Legislature, up until this year I served on the Agriculture Committee and I believe this bill has been before us everyone of the four years that I served on that committee. I guess I sympathize with the objectives of Senator Burrows. I have problems with the implementation, in my analysis in a nutshell, I guess. One of the criticisms of this bill is that some people would be limited in their ability to form corporations. Even though many of us think of them as family type farmers, they may not exactly work the land. They may be retired, but they would be precluded from forming a corporate entity under the terms of this bill unless they had a relative, a close relative, who actually lived on the place or farmed it. This is spelled out on page 3, section 5 toward the bottom of the page. The...of course, I recognize that toward the back of the bill there is a section, section 12, which purports to take care of the situation when a so-called family farm no longer becomes a family farm because of some change in the family status. Within fifty years this entity can return to private ownership without the corporate status or requalify as a family farm. Now fifty years is a long time, I recognize that. Perhaps that would take care of that situation. But I guess I really have problems with the part of the bill which would preclude a person who has owned this farm or ranch for a number of years has now come to the place where he or she would like to incorporate but cannot qualify as a family farm corporation because of the certain family characteristics that they just by luck have inherited. So at this point I do not support the bill as I have not supported it in the past, although I recognize that Senator Burrows is sincere in trying to deal with a problem that many of us recognize is a severe one. However, I would say that probably one of the most important reasons that there are getting to be big corporate farms is related more to the federal income tax situation than anything else, and it may behoove us to look in that direction rather than in specific legislation such as this to deal with that same problem.

SPEAKER MARVEL: Senator Wiitala.

4561