

May 13, 1981

LB 184

from Senator Beyer's District some 51 fourth grade students from Westmont Elementary School in Springfield, Nebraska, 7 adults and Mrs. Kay Sieck, teacher. They are up here in the North balcony. Would you kind of wave to us up there so we know where you are? There they are. Welcome to the Nebraska Legislature. Now, Senator Burrows, if you would close on your motion to advance LB 184.

SENATOR BURROWS: Mr. Chairman, members of the Legislature, first I would like to correct a problem or cover the problem that Senator Peterson brought up with the bill. He was afraid insurance companies might not want to make loans in the state. I think this is not founded. In Section 10, subsection (9), it allows insurance companies to take possession of land or any other lenders for up to a ten year period, and in that ten year period, again dispose of that land. This is similar to similar provisions in most of the surrounding states and none of the surrounding states have shown any indication that there has been a problem of lenders continuing to loan on the land with similar provisions of law. As I have stated before, we are an island now in this midwest that does not have a corporate farm bill and it has not adversely affected the amount of money available for loans in those states. So this is an argument I think that was founded without understanding the bill. What it would do though is create a situation and if you parallel the 1930s, if there was a massive takeover of land by insurance companies, in the '30s they did not want to retain the land because the technology of that time did not provide potential continued ownership and they desired to put it back in the family farm unit. With existing technology, they might, if not required by law, continue the ownership and take it on a share deal and control that product onto its final end. This is a potential that exists without setting something up by law to prohibit this and this just gives a redistribution system for that within a ten year time frame. Free enterprise has been used very strongly in opposition to the bill. This bill is for the protection of the free enterprise system with a competitive agriculture, with many participants for the future in agriculture, the most efficient family farm system, human efficiency, the most efficient in the world, and to turn it over to corporations that historically have been inefficient on production costs in agriculture would be the biggest mistake this country could make, the most costly to the consumers of the United States. If they get the concentrated ownership, they don't have to be efficient in production to end up getting their profit because they price it on through when they get a large enough percent of the production in small hands. I would like to reference on the large corporate structures of this nation to the Federal Trade Commission report of 1970