

there and why we did it. And I think, ladies and gentlemen, that we ought to take some time. We have spent a lot of time on nonsense bills on this floor and we're more than halfway through the session. This is a major piece of legislation. I begged the farm organizations to spend a few hundred thousand dollars to hire some expertise to help us write a bill and, if necessary, a constitutional amendment. They said, we couldn't afford it, couldn't raise the money.

PRESIDENT: Time.

SENATOR SCHMIT: How, in the heck, when you can't raise the money for that kind of a study, can we afford to spend \$50 million of new taxes the first year that we go out of the block? Thank you, Mr. President.

PRESIDENT: Thank you. Senator Chambers, please, followed by Senator Abboud and Senator Hall. Senator Chambers, please.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, there are some very hard realities that have to be faced by the farming community. One of those is demonstrated by the fact that in 1987 over 60 percent of the total farm income in this state came as a result of direct federal payments to farmers. That does not happen in the city. Senator Schmit correctly mentioned and detailed for you years when the value of land went up, up, then it came down. There has always been, since the beginning of this country, speculation in land, especially speculation in farmland. And if you look at the leverage buying that was occurring during the seventies, you can see why land values were artificial' inflated. Lenders knew this and some borrowing farmers knew this. There was a Secretary of Agriculture who encouraged farmers to plant from fence row to fence row. And if you want to say that farmers are children of the soil and don't really understand the vagaries of economics and speculation in land values, you can give them an excuse for having planted to excess creating surpluses that drove down the prices. Whenever there are high interest rates and the cost of production is very high and those two items make it cost more to produce an item than you can get in selling it, then it is no longer feasible to engage in that activity as a commercial enterprise. We were talking about a tax on fuels yesterday and I had mentioned that in Texas, Louisiana and Oklahoma it costs more to drill a barrel of oil from the ground than...pump it from the ground than they can sell it for. So they don't pump