

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

April 4, 2000

LB 1223

existing law that qualified beginning farmer has to have a net worth of not more than \$100,000, including any holdings by a spouse or dependent, based on the fair market value. That Senator Wehrbein had proposed to the committee be struck. We disagreed with Senator Wehrbein. We believe that that's appropriate. Anybody with a net worth of over \$100...\$100,000 probably doesn't need the kind of boost that this bill is designed to give. There was a provision in the bill that provided for confidentiality of material. That would appear on page 10 of the bill. It said that no information furnished to the board should be disclosed in a report in such a way as to reveal private or confidential information regarding any person. Well, you think about what it is that we're talking about here, it's assets, real estate, farm machinery, maybe some other things, it's assets. And the county assessor knows who they are, what it is; everybody that drives by knows what it is. What's the confidentiality issue? Now there might be some confidentiality issues related to income and other items, so we're providing that anything that would be confidential, that was on an income tax return, would not be disclosed, but really we couldn't figure out what else would be or should be confidential. We also suggest that we add to the existing law a requirement that the agricultural assets be rented to a beginning farmer, that those be located in Nebraska. May sound like a strange requirement, but literally you could have it qualified and be outside the state of Nebraska. We want to add language, and there was a significant addition of language, as I've indicated, dealing with the pass-through issue. You have to get, again, all of the entities right and make sure that all of the credits that could accrue would pass-through to the proper parties, to one of these pass-through organizations. You heard a little bit of that discussion this morning on Senator Landis' bill. I expect the language that we've developed for the Beginning Farmer Act you'll see again, because you've got to take into account, not only all those multiple forms of ownership, but you also have to take into account that some of them aren't taxable entities in and of themselves; they pass-through credits, income, losses, other items. And for those pass-through entities you have to get the language right. We hope we've gotten it right in the amendment that we're proposing to you. That's the extent of the committee amendment, Mr. President. I'd urge your support for it.