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

February 24, 2005 LB 71

understand that. But I did want to also make a comment to Senator Chambers. This bill is not about saving the family farm and ranch. And it's specifically in here, page 3, starting with line 10, project mean any activity in the area specified in Section 7: "Project does not mean, and grant funds shall not be used for, any activity primarily designed to contribute to a single business, enterprise, or individual or designed to subsidize an existing farming or ranching operation." line 10 to 15 on page 3. And then it goes on to say, toward the it's to support the development of agricultural bottom, nd economic opportunity through innovative among farming and ranching operations, rural communities and partnerships communities, and businesses for the development of value-added project...agriculture products. And that's what I wanted to say If there is any salvation to agriculture, I think about this. most are starting to agree it's in the value-added area. Commodity production is either going to be gigantic, the thing most of us abhor, although the trend is there, where one person is going to be farming 5 to 10 to 15 to 25 to 50 to 100 thousand acres. In fact, in Brazil, those size of operations are now not uncommon at all, 50,000 acres on up. If you're going to be in commodity agriculture, that's where it's going to be to compete. Whether we're going to go there in Nebraska to that extent, none of us know. But there is some opportunities, I think many of us feel yet, in niche or value-added areas, and if agriculture producers can capture some of that value added through some of these kinds of enterprises, I think there's still hope for some areas in rural Nebraska. And so I see agriculture as going maybe several ways, but particularly two: You're either going to be a large, very large commodity producer, strictly low cost--you're going to produce corn as cheap as you possibly can and do it on a giant volume; or you're going to have some opportunities off the farm using yours, a neighbor's, you will, adding value such as ethanol community's, if production that KAAPA has done, such as perhaps sunflower production, such as perhaps fiber production, some areas that we don't even know about. And one of the reasons research and development is in this, because there's some real opportunities, I think, in the future for research and development. It's in another bill I have, by the way, that Senator Landis referred to. Research and development: Why can't we have some research