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March 11, 2005 LB 71

SENATOR CUDABACK: Thank you, Senator Beutler. Senator Louden, followed by Senators Wehrbein, Stuhr, Mines, and Beutler.

SENATOR LOUDEN: Thank you, Mr. President and members of the body. I rise in support of this amendment. When this bill was before us in the Banking Committee, it was quite extensive and got into some veterans...or, not veterans, but military housing, and we thought there were probably other ways that that could be addressed. And it was all one bill, so we more or less sunk the whole...the whole thing. It raised that net...the cap from \$250,000 to \$500,000, and also changed the net worth. I think it took the net worth out of there. And I've had some young farmers contact me over the last of couple years to find out ways that they could start farming, and with the system we had at the present time, it was nearly useless what we had. The time they...if they had any net worth, such as any machinery or anything like that, the time they got any capital to raise, why, they were usually over the limit and wasn't allowable. If they had inherited some land and wanted to go purchase machinery so they could start farming, their net worth was then over the top so that that really didn't help beginning farmers get started into the business. I think this is something that will really help the industry and we certainly need to encourage people to get into the farming and ranching business. And this really isn't a giveaway. It's mostly a guarantee on their loan, is my understanding, so that there is a way that they can get financing through banks and participating lending institutions that do this. So I'm firmly in favor of this amendment to LB 71. Thank you.

SENATOR CUDABACK: Thank you, Senator Louden. Senator Wehrbein.

SENATOR WEHRBEIN: Mr. President, members, I hesitate to get involved. I don't know whether Senator Beutler is kind of tied up, but I think the real response to this is, Senator Beutler, it takes such an enormous amount of capital today that if...I'm trying to get at the heart of your question and I'd be willing to have you ask it again or at least what you're getting at. But the caps, when...just say you even by a simple 80 acres, which doesn't do much for you anymore, it's easily \$200,000, probably more like \$204...more like \$3,000 an acre, and