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

March 22, 2006 LB 990

course, a lot of that then is the addition for the waste control facilities. And then toward the bottom is, if you were...if it was possible at all to get additional land, I wanted to show the additional costs and why it makes ... what I think makes livestock look more feasible. Cash rent for dryland farming today is running \$120 to \$140 an acre. Under normal or average crops, you would barely make a profit at that level, paying that cash Cash rent for irrigated farmland is running \$160 to \$175 an acre, and that when, comparing to purchase of land if available, 160 acres at \$3,000 per acre, which it has surpassed that in my area now, and at \$4,000 an acre it would be \$640,000. So you compare that to what an investment in getting land, if you could get it, which is very difficult to do, versus the opportunity to expand with livestock, and that's the reason I put that in there. So a \$200,000 investment becomes somewhat reasonable if you want to go into livestock. This incents a person, particularly a young farmer I would say, to make that investment and would...it would be actually a more moderate investment. And if everything would work right and he would do what his banker said, so to speak, have a good business plan, he probably could do fairly well under these circumstances, so I felt it was appropriate to incent that. This not only speaks to this issue for those that are involved, but it does take advantage of the infrastructure we have in Nebraska for the packing companies, the transportation facilities, all...the availability of grain, the availability of water, all of the things that we're known for in Nebraska agriculture. It gives that opportunity for them to take advantage of it and it allows our agriculture to grow and expand. The other thing that...and I will support it...is what the Revenue Committee did, is limiting it to \$300,000. That does make it a very modest-sized That does make it for a young person or a investment. father/son operation, father/daughter operation, going into an expansion phase. It is fairly modest and you can see what those So this is not for the large operator investments are. particularly. This is for those that are doing a somewhat modest expansion having to do with questions with the livestock waste control, a bill that we just passed. It makes an effort to accommodate the modest-sized operations so they can be competitive and thrive. And so with that, that will be my opening and I will...we can...I'm ready to take up the