

# **One Hundred Fourth Legislature - First Session - 2015**

## **Introducer's Statement of Intent**

### **LB515**

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**Chairperson: Senator Jim Scheer**

**Committee: Banking, Commerce and Insurance**

**Date of Hearing: February 23, 2015**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The Nebraska Investment Finance Authority (NIFA) administers the Beginning Farmer and Rancher Loan program in accordance with the Nebraska Investment Finance Authority Act (Sections 58-201 to 58-272) and Section 147 of the Internal Revenue Code of 1986. Working closely with Nebraska banks, this program provides financing to beginning farmers and ranchers for the acquisition of farm land, equipment and, in some cases, livestock.

Currently, the Nebraska Investment Finance Authority Act provides that the aggregate amount of the loan received by the farmer or rancher through the program may not exceed \$500,000. The aggregate limit provided for in the federal Internal Revenue Code, which limit is adjusted annually for inflation, for this program is currently \$517,700.

To better provide affordable financing to Nebraska's beginning farmers and ranchers, LB515 would amend Section 58-242 of the Nebraska Investment Finance Authority Act to adjust the limit on the aggregate amount of the loan received by a beginning farmer or rancher through the NIFA program to \$517,700 and further adjust that limit for inflation in accordance with Section 147(c) of the Internal Revenue Code.

**Principal Introducer:** \_\_\_\_\_

**Senator Joni Craighead**