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LB 384

that means that it will probably never hit the floor and I feel very strongly in support of this measure. I do not want to see it send back to committee. I've got friends that are in real serious financial trouble and some of them have pretty decent net worths in agriculture, moderate or average sized farmers maybe net worth of two, three, four or five hundred thousand dollars with debt structures chasing them at 18% interest rates. At the same time they are operating in a business that has had for almost the last twenty years an average return of approximately 3% on the total investment that is setting out there. If they have two or three hundred thousand chasing them at 18% interest there is no way they can have a cash flow left for themselves. Now, if you bring this down to a hundred thousand or less, you have allowed it to be used for loans that can not pay their way. I would like to bring up some personal circumstances. My son has wanted to buy one of my sister's eighties at lower rates than this. It won't pay off under current market prices and current interest rates any way in the world, even if I loan him my machinery to use on that operation for free. It won't pay off. All you can grab on is the inflation rate of land to justify that investment, the cash flow can not support the interest bill and have one cent left for the operator to live off of. It is that simple when you figure out these additional units in agriculture. So if we set this loan up, what we can do, is save some moderate income farmers by providing them some moderate and actually low income farmers from paying possibly 16 and 18% interest and bring it down to eleven or twelve that can bail some of these people out. Then in a couple of years if interest rates fall so this loan could bring it down to five or six percent, then it could help start up farmers without any assets. But if the present rates, if you are providing eleven and twelve percent money you are giving no assistance to a young farmer starting up with the substance of the money being borrowed there because he can't buy land at current interest rates. He might, if he's offered some rental properties help himself with a rather small investment if he has land that he can rent on some of his equipment and use it there. But why saddle it down today where it really is not of any help to anyone if you narrow this down too much. Now the motion that we are talking about is to send it back to committee. I would like to tell you that means a kill motion for this year. I think that this is a bill where we can really help out agriculture, help out some low income farmers and keep it within reason where we are