

sides wanted. It is optional, but as I say I cannot imagine any buyer of grain, or buyer of livestock, or equipment, or whatever not utilizing the new system. Now I would like to address one particular thing and that is Senator Haberman's intention to change the penalty. There is a very profound reason for that penalty. To make the system work you need the cooperation of the county attorney. The county attorney and law enforcement becomes an integral part of the working mechanism of this system because unless there is a true and reasonable fear on the part of the farmer that the law will be enforced against him, you may have individuals lie or falsely fill out these forms with impunity, in other words, with no fear of punishment.

SENATOR BEUTLER: One minute.

SENATOR DECAMP: If you put the punishment at a felony, it is feared by all sides, bankers, lenders, grain elevators, grain buyers, that the law will not be enforced. The county attorneys simply will think the penalty is too severe just for falsely filling out the form. Additionally selling mortgaged grain falsely is already a felony, so you have the felony in the other thing already. But to get enforcement of this portion we need a high grade misdemeanor, which is what we have. With respect to the offset language I would like to read into the record the answer to that question. The answer is, a co-op or buyer could accumulate a bill against a seller, under this proposal a buyer would take free of liens. If no liens are present a buyer could exercise the common law right of offset, set off. The intent is not to allow such a right to affect a legitimate lien priority, or to decide such priority.

SENATOR BEUTLER: Time is up, Senator.

SENATOR DECAMP: I bet nobody understood that, including me. At least it is in the record. That is what the bankers want. It is the answer to that question. I'm supposed to quit now.

SENATOR BEUTLER: Senator Sieck.

SENATOR SIECK: Mr. President, members of the body, Senator DeCamp, will we need the central filing if this takes place?

SENATOR DECAMP: This whole system revolves around the