

you can use that to redeem as much 15,000 will redeem, and if it turns out that that's enough for the family farm, the homestead, the house, then you can stay there.

SENATOR SCHMIT: You're saying in effect then, that if I'm in default and the entire amount is due, under a deed of trust that if I could scrounge together, if I go to my friendly banker Senator Chambers and come up with \$40,000, I could say, all right, we will arbitrate what the value of the homestead is and X number of acres and then the original lending institution would be required to accept that or would they negotiate that?

SENATOR HOAGLAND: Well, you're able to partition off whatever you can afford and the banker has got to accept that, is my understanding.

SENATOR SCHMIT: In the past...

SENATOR HOAGLAND: If you've got equity to cover that.

SENATOR SCHMIT: Yes. In the past, especially at the present, given the poor market for real estate and the large number of farms that are on the market, have you had instances of where an individual farmer might be able to make partial redemption and the offer has been rejected? Do you know?

SENATOR HOAGLAND: Senator Schmit, I don't have personal experience of those. I'm not in the business where I would, but we're told by the proponents of the bill that there could very well be situations out there where a farmer could afford that and the bill is intended to take care of that situation.

SENATOR SCHMIT: Well, thank you, Senator Hoagland. I want to commend Senator Rod Johnson. I think they have worked very hard on this bill and I think that they have tried to address an issue...I think that the matter of partial redemption is not nearly as serious as we might think it to be if the farmer has some resources.

SENATOR SCOFIELD: One minute.

SENATOR SCHMIT: One of my principal objections to the bill is that to a certain extent it seems to be that we accept