

order for the borrower to redeem the homestead the borrower would have to pay the remainder of that \$100,000 or \$99,000 for property which is worth 15. They are saying that makes it impossible for the farmer or the borrower to do that. But what I say is there is never going to be a case where an unreasonably low bid is allowed to stand. I mean, the reason there is only one bidder now in those cases is because the bid is well above the actual value of the property. So, if you come back with a second sale, if it's a bona fide auction, they are not going to...nobody is going to...the people are not going to allow the lender to get away with an unreasonably low bid. There are people out there with money that will bring that up to a reasonable bid if you have a bona fide sale. So, I think the argument that this could be rigged is a bit false and I don't understand it at all and I don't think it's realistic.

SPEAKER NICHOL: Senator Chambers, please.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, before Senator Lamb gets his chair too warm, I'd like to ask him a quick question. Senator Lamb, let's presume that what you say is correct and that this amendment will not really be necessary because it will not achieve anything because, as you propose it, if the land is worth under an appraisal of \$60,000 and the nonhomestead portion is worth 45,000, then the lender...if the lender bid any substantial amount below 45,000, somebody else would be there with money, I guess a speculator, willing to pick it up because most farmers can't get a loan to buy additional land, they are already stressed so farmers are not likely to be doing this. But let's assume such a person is there, so that means that fair and reasonable bids are going to be made even if the lender is the only one making the bid under the two-sale method. Is that correct?

SENATOR LAMB: Yes.

SENATOR CHAMBERS: What would be hurt then if my amendment is adopted putting into law the language that would ensure what you say is going to happen anyway?

SENATOR LAMB: I think the big argument there would be what is the definition of fair and reasonable? I think if you have a bona fide auction, most people are going to agree that fair and reasonable is whatever comes out of that auction. But when you just have those...that phrase in there, fair and reasonable, I don't know what it means. You don't know what it means. What