

to any true family farmer. I will try to prove my case in the few minutes that I have. For anybody wanting to borrow money in this state who does not have a home particularly located on let's say the quarter section that is involved in this legislation, or I mean that is involved in their farm operation, under this bill they will exercise their waiver, they will not declare a homestead and basically you will open up credit to them. So that would be the farmer who already has a farm or wants to expand. It would be a new entrant, an investor that isn't going to live on the farm and is just using this as an investment. That is the one who can waive, who can give up their homestead rights and I guarantee you, absolutely, that is what will occur in all of the mortgages. However, the legislation then has a provision that attempts to save or give, if you would, to the beginning family farmer, and I use the word "beginning" because if you are buying a quarter section or a half section or an eighty and you have the house on it, that is what you are, a true family farmer moving there to live, for that person I would submit to you, if you will read, page 8, Section 4 of Section 3, you will see as follows: If the dwelling house in which the mortgagor or trustor resides will be subject to the lien of such mortgage or trust deed when delivered, such designation shall be made and shall include not less than five acres of the encumbered land on which the dwelling house is situated. So this is 999 all over again for the beginning family farmer and tries to guarantee him something for nothing. But in order to make it absolutely impossible, and I mean absolutely impossible for him to ever get that loan or to give the justification to the insurance company not to make that loan to him, read what that homestead has to include before he can designate it. Go back to page 3 of the bill, designation of homestead shall mean, and then you are going to have such things as, special surveys, statements that all parts of the services for that, the water/sewage system, the sewage line going out are all located on this property, that all the entrance to it is not hindered or does not have to have an easement from any of the rest of the property, on and on and on. My point is very simply this. In all loans in this state, after the date of passage of this bill, you will find that the one you were trying to help, the true family farmer, the one wanting to have a homestead, the one wanting to borrow money and have a house on the quarter or whatever, he is the one you have absolutely shut off for credit. And, the one that maybe could get it otherwise that isn't involved in a homestead, he waives his rights and that is what you are creating with this. This is going to be a bigger monster in terms of its effect upon a narrow class, the beginner