

land and it is worth this much and I want this much. Now, what you have done to artificially alter the system is to say with LB 3 we want to protect you so we are not going to let you offer the collateral. We are going to make you pay for this collateral in advance. Where you get the money, we have no idea but you pay for it in advance and, in effect, set it aside so that when you go broke you have a house to live in. But that destroys the fundamentals of a normal economic system. Let me use a very practical example to illustrate my point as to how this bill works and how it will discriminate. Senator Morehead is a nice big farmer living in a nice big house and she lives next to Senator DeCamp, on his little farm with his little quarter section, and Senator DeCamp decides he is going to sell his farm. Over here is Senator Lowell Johnson who is a young family farmer wanting to get into the farming business. Senator Farmer (sic) comes to the loan company and says I want to buy DeCamp's farm and they say, well, are you going to live there. Yeah, he says, I am going to start out a farming operation. I just graduated from the University, got \$10,000 in my pocket as my down payment, and they say, well, you are going to live there, huh? He says, yeah. And they say, well, yeah, we can loan you the money but because of the Nebraska law that says this homestead has to be set aside and all these other rules, you have to pay \$50,000 down and then we will loan you the balance. He says I ain't got 50, I have got 10, and they say, well, Senator Morehead over there who is not going to live on that farm but is a neighbor, we can loan her all the money she needs with only a \$10,000 down payment because she is in a different category. She isn't "living on it". You have done the exact reverse of what you said you were doing with Initiative 300.

SENATOR CARSTEN: One minute.

SENATOR DECAMP: You said you were going to try to keep farmers on there. Here you are guaranteeing they aren't going to get on there in the first place. You guarantee that only investor type loans are going to be made. You are guaranteeing that new starting farmers, average people, aren't going to get in the business of farming, at least not with financing. If they are rich enough, they can do it. When you say you can't pledge the collateral, then you say the loan won't be made. That is what you are doing. It is just like if Kitty here goes down to borrow money on a car. She gets ready to go to the bank. She says I need \$5,000 to borrow, I mean, to buy this car, and she says but I want you to know something. If I do go belly up