

PRESIDENT MOUL: Senator Hefner.

SENATOR HEFNER: Madam President and members of the body, that is a tough act to follow but I am going to try and follow it. Senator Schmit, this is a good amendment. This covers the dairy herds that we have in our rural areas, and I know that you have a lot of those in your district as well as I do. But let me tell you, these dairy farmers invest a lot of money in these dairy herds and, of course, when they invest a lot of money, they put them on a depreciation schedule because they bought those, they purchased those. And LB 1063, as it stands right now, would be very detrimental to these young dairy farmers. The initial investment is very great, and I tried to get the amendment to remove breeding livestock off on General File and I lost, but this would just partially take part of that breeding livestock off, and so I think that's very good. Now in 1063, we have the state depreciation, or we will use the state depreciation schedule, and Senator Schmit says, well, the bill that we had last year, LB 829, where did we take that 2 percent depreciation, that surcharge on depreciation? Where did we take that off of? We used the IRS or anyway they are in the process of using that right now, so it looks to me like if it works on LB 829 why wouldn't it work on 1063? And maybe Senator Warner or some of the others can discuss that when they have an opportunity to talk. Also right now, the price of wholesale milk is real low. These dairy farmers are barely making a go of it, and I don't know when the price of milk is going up. It has been fluctuating a little bit. It goes up a little bit, but then the next week or the next month it comes back down. So they are having a hard time making a go of it and I am concerned, if we put another cost of doing business, another tax on these dairy farmers,...

PRESIDENT MOUL: One minute.

SENATOR HEFNER: ...that they won't be able to make it, and so, therefore, I would urge you to join Senator Schmit and support his amendment. Thank you.

PRESIDENT MOUL: Thank you, Senator Hefner. Senator Elmer.

SENATOR ELMER: Thank you, Madam President. I hope there have been a lot of people in here really understand what this depreciation values that Nebraska is going to require people to use means. I sincerely believe much of the support from