

or before July 1, 1978, and said corporation may farm and use said real estate for agricultural purposes until such date. The ownership limitation provided by this section shall be deemed a covenant running with the title and to the land against any grantee, successor, or assignee of a corporation, which is also a corporation.

Section 3. Any corporation, either domestic or foreign, which, on or since the effective date of this Act, has acquired or hereafter shall acquire any rural real estate, used or usable for farming or agriculture, by judicial process or operation of law or pursuant to section 5 hereof, shall dispose of such real estate, except such as is reasonably necessary in the conduct of its business, within ten years from the date it was so acquired. During said ten year period, the corporation may farm and use such lands for agricultural purposes. The ten year limitation provided by this section shall be deemed a covenant running with the title to the land against any grantee, successor, or assignee of such corporation, which also is a corporation.

Section 4. Nothing in this chapter shall be construed to prohibit corporations when at least 75% of the amount in value of the stock is owned by stockholders who are, or 75% of whose members (if a non-stock corporation) are actual farmers residing on farms or depending principally on farming for their livelihood, or non-profit corporations, from acquiring real estate and engaging in farming or agriculture.

Section 5. The title and ownership of any real estate acquired in any manner by any domestic or foreign corporation since the approval and adoption of this Act shall be valid for all purposes notwithstanding any provisions in this law contained, subject, however, to all of the provisions now contained in this chapter. It shall be lawful for any corporation, domestic or foreign, subject to the other provision of this chapter, to take and acquire title to real estate by deed or other conveyance where such deed or conveyance is taken or given in exchange for lands acquired prior to the effective date of this Act, or in partial or in full satisfaction of any mortgage, lien, or other encumbrance held or owned by such corporation on such real estate. Any and all deeds and conveyances of real estate taken by any corporation prior to the effective date of this Act, either in exchange for lands theretofore acquired or in partial or in full satisfaction of any mortgage, lien, or other encumbrance on such real estate, shall be valid for all purposes.

Section 6. In case any corporation, either domestic or foreign, violates any provision of this chapter or fails, within the time fixed by this chapter, to dispose of any real estate to which it has acquired title and which is not reasonably necessary for the conduct of its business, then title to such real estate shall escheat to the county in which such real estate is situated upon an action instituted by the state's attorney of such county, and such county shall dispose of the land within one year at public auction to the highest bidder and the proceeds of such sale, after all expenses of such proceedings shall have been paid, shall be paid to the corporation which formerly owned the land.

Mr. DeCHANT. I'd like now to ask my associate from the home State of this hearing, Nebraska, to make some comments. Elton Berck has been very much interested in this subject for several years and has some interesting figures to present to you, Mr. Chairman.

Senator NELSON. We are very pleased to have you here today.

Mr. BERCK. Mr. Chairman, I believe you have a full copy together with exhibits of my statement. If you do not have, I have one here for you.

Senator NELSON. Yes, we do; and your statement will be printed in full in the record as well as the accompanying exhibits.

STATEMENT OF ELTON L. BERCK, PRESIDENT, NEBRASKA FARMERS UNION, LINCOLN, NEBR.

Mr. BERCK. Very good. I will summarize. I will try not to repeat what has already been covered.

First of all, let me say that Nebraska Farmers Union concurs