Our task force was directed to do more than just sound the alarm about corporation farming. We were urged to review corporation farm restrictions in Minnesota and other States; and make a realistic appraisal of the situation of Minnesota's family farmers and their possible vulnerability to displacement by corporation farms; and recommend legislative drafts of such bills and outline such administrative actions as might be important in achieving a climate in which family farms can survive and prosper.

As our first activity, we have conducted a study of the extent of farmland ownership in Minnesota by corporations. We have made studies of the situation in our own respective counties, we have obtained reports from Farmers Union county and local officers. We are in the process of cross-checking our information with the results of the surveys made by the U.S. Department of Agriculture, Agricultural Stabilization and Conservation Service and in verifying some of the ownerships by inquiries to the county auditors of the counties involved.

It appears to us presently, although the study has not yet been completely tabulated, that there are about 230 corporate owners of farmland in Minnesota and that more than half are family-type corporations which have adopted this type of legal organization for the sake of income or inheritance tax considerations. Some regard this as an advantage; many other farms feel that they can achieve the same objectives in a better manner with family partnerships.

The USDA, ASCS survey, which has not yet beeen published, will apparently show about 173 total farm corporations of which 59 are described as nonfamily type. However, the USDA survey took into consideration only farms which were both owned and operated by corporations and therefore did not enumerate farms which were owned by corporations and operated by someone else.

Our report will, therefore, show an appreciably larger number of both family and investor corporations owning farmland.

Thus far, the acreage involved in the corporate ownerships is not huge. It appears to be in the neighborhood of about 337,000 acres, which would be only about 1 percent of the total farmland area in the State.

However, the important point is that about half of the acquisitions of land by nonfarm investors have taken place in the last 3 years and that these purchases by 41 business corporations since 1965 total almost 100,000 acres.

This indicates that the trend is undoubtedly continuing. There is a timelag between the time a land transaction is made and the time it appears officially on the county records. Therefore, it is difficult sometimes to obtain immediate documentation of new acquisitions. It also appears that there is some effort by some buyers to conceal the ownership by having the purchase made for them by an agent who appears to be at the time a farmer buying land for his own personal use.

There appear also to be some instances in which landholdings which seem to be all in one basic ownership are held in several different names. The purpose undoubtedly would be to avoid violating State law which bars any corporation from owning more than 5,000 acres of farmland in the State of Minnesota.

Senator NELSON. How long has that law been in effect?

Mr. ONSTAD. I can't name the year of the legislation, but it is in the