



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 420

Chairperson: Lavon Heidemann
Committee: Appropriations
Date of Hearing: March 12, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 420 with AM 43 creates the Agriculture Research Fund under the Nebraska Department of Agriculture to be used for funding agricultural research projects and facilities across Nebraska. The revenue source for this fund is provided by changing the current distribution of the state's cigarette tax.

Agriculture is the leading industry in Nebraska. Continued research and innovation offer significant opportunities to continue a successful future for agriculture in this state. Recent analysis has found that each dollar of investment in agricultural research returned at least ten dollars in economic output and savings. That additional funding also has a beneficial economic ripple effect on businesses and communities statewide.

LB 420 also changes the current distribution of the cigarette tax to contribute additional funds to the Water Resources Cash Fund administered by the Department of Natural Resources. As water issues continue throughout Nebraska, ensuring Nebraska dedicates adequate financial resources to water must be a priority. It is essential that we continue to research, develop, and implement effective water policy.

Principal Introducer: _____
Senator Philip Erdman