

ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013
COMMITTEE STATEMENT
LB70

Hearing Date: Tuesday January 22, 2013
Committee On: Agriculture
Introducer: Schilz
One Liner: Change Nebraska Dairy Industry Development Board membership provisions

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	7	Senators Bloomfield, Chambers, Hansen, Johnson, Lathrop, Schilz, Wallman
Nay:		
Absent:	1	Senator Harr
Present Not Voting:		

Proponents:

Senator Ken Schilz

Representing:

Introducer

Opponents:

Representing:

Neutral:

Jim Eschliman

Representing:

Nebraska Dairy Industry

Summary of purpose and/or changes:

Section 2-3951.02 of the Nebraska Dairy Industry Development Act sets forth the statutory formula for apportioning nominations for appointment to the Dairy Industry Development Board (Dairy Board). Currently, subsection (1) provides for first purchasers having at least 21 affiliated producers to nominate 2 members for each 40 producers (or major portion thereof) marketing through the first purchaser with the governor selecting 1 member for each 40 producers. Subsection (2) provides that all other first purchasers or producer/processors, are eligible to nominate persons to the Dairy Board with the Governor appointing 1 member for approximately each 40 of these producers.

The primary substantive provision of LB 70 is found in section 3 which sets out existing subsections (1) and (2) of sec. 2-3951.02 as subdivisions of subsection (1) and inserts a new subsection (2) expanding the nomination process whenever the Board membership as determined under subsection (1) results in fewer than 7 members. New subsection (2) provides for additional nomination and appointment of producers solicited and selected at large by the Dairy Board to maintain Board membership at 7 members.

The remainder of the bill makes necessary harmonizations in other sections of the Dairy Industry Development Act.

Explanation of amendments:

The Committee Amendment (AM 44) rewrites new subsection (2) to more closely follow the statutory scheme for nomination of existing categories of board members elsewhere in section 2-3951.02 and to clarify that the nomination process will follow the same procedures prescribed for other nomination classes. The amendment provides that the Board shall submit two or more nominations for each at large seat and the governor would choose from such nominees.

Additionally, AM 44 relocates to section 2-3951.02 what is currently subsection (5) of of 2-3951.04 that authorizes the governor to reject nominees and require submission of additional nominees.

The committee amendment further inserts a statutory cleanup revision into section 2-3951 unrelated to the primary purpose of the bill. The amendment would strike the Nebraska Dairy Industry Association as one of the ex-officio members of the board and clarify that the Director of Agriculture or designee is a non-voting member.

The amendment also inserts the emergency clause to enable the nominating and selection process for the at large membership to proceed in concert with the November term commencement and termination of existing board members.

Ken Schilz, Chairperson