

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 976

Introduced by Briese, 41.

Read first time January 10, 2018

Committee: Revenue

- 1 A BILL FOR AN ACT relating to the Beginning Farmer Tax Credit Act; to
- 2 amend section 77-5204, Revised Statutes Cumulative Supplement, 2016;
- 3 to provide a reporting duty for the Beginning Farmer Board; and to
- 4 repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-5204, Revised Statutes Cumulative Supplement,
2 2016, is amended to read:

3 77-5204 For the purpose of developing and directing programs to
4 provide increased and enhanced opportunities for beginning farmers and
5 livestock producers, the Beginning Farmer Board is created. For
6 administrative and budgetary purposes only, the board shall be housed
7 within the Department of Agriculture. The board shall be vested with the
8 following duties and responsibilities:

9 (1) To approve and certify beginning farmers and livestock producers
10 as eligible for the programs provided by the board, for eligibility to
11 claim tax credits authorized by section 77-5209.01, and for eligibility
12 to claim an exemption of taxable tangible personal property tax as
13 provided by section 77-5209.02;

14 (2) To approve and certify owners of agricultural assets as eligible
15 for the tax credits authorized by sections 77-5211 to 77-5213;

16 (3) To advocate joint ventures between beginning farmers or
17 livestock producers and existing private and public credit and banking
18 licensed institutions, as well as to advocate joint ventures with owners
19 of agricultural assets desiring to assist beginning farmers and livestock
20 producers seeking entry into farming or livestock production;

21 (4) To provide necessary and reasonable assistance and support to
22 beginning farmers and livestock producers for qualification and
23 participation in financial management programs approved by the board;

24 (5) To advocate appropriate changes in policies and programs of
25 other public and private institutions or agencies which will directly
26 benefit beginning farmers and livestock producers and may include changes
27 regarding financing, taxation, and any other existing policies which
28 prohibit or impede individuals from entering into farming or livestock
29 production;

30 (6) To provide adequate explanations of facts and aspects of
31 available programs offered or recommended by the board intended for

1 beginning farmers and livestock producers;

2 (7) To assist and educate beginning farmers and livestock producers
3 by acting as a liaison between beginning farmers or livestock producers
4 and the Nebraska Investment Finance Authority;

5 (8) To encourage licensed financial institutions and individuals to
6 use alternative amortization schedules for loans and land contracts
7 granted to beginning farmers and livestock producers;

8 (9) To refer beginning farmers and livestock producers to agencies
9 and organizations which may provide additional pertinent information and
10 assistance;

11 (10) To provide any other assistance and support the board deems
12 necessary and appropriate in order for entry into farming or livestock
13 production;

14 (11) To adopt and promulgate rules and regulations necessary to
15 carry out the purposes of the Beginning Farmer Tax Credit Act, including
16 criteria required for tax credit eligibility and financial management
17 program certification and guidelines which constitute a viably sized farm
18 that is necessary to adequately support a beginning farmer or livestock
19 producer. Such guidelines shall vary and take into account the region of
20 the state, number of acres, land quality and type, type of operation,
21 type of crops or livestock raised, and other factors of farming or
22 livestock production;~~and~~

23 (12) To keep minutes of the board's meetings and other books and
24 records which will adequately reflect actions and decisions of the board
25 and to provide an annual report to the Governor, the Legislative Fiscal
26 Analyst, and the Clerk of the Legislature by December 1. The report
27 submitted to the Legislative Fiscal Analyst and the Clerk of the
28 Legislature shall be submitted electronically; and -

29 (13) To provide a report to the Director of Agriculture and the
30 Legislature on or before November 1, 2018, regarding the maximum net
31 worth qualification of beginning farmers described in section 77-5209.

1 The report to the Legislature shall be submitted electronically. The
2 report shall include:

3 (a) A discussion of net worth as a factor in long-term farming
4 business viability for beginning farmers and the ability of beginning
5 farmers to obtain real estate and operating capital to expand or upgrade
6 farming operations;

7 (b) A comparison of the beginning farmer net worth qualification for
8 purposes of the Beginning Farmer Tax Credit Act to net worth
9 qualifications of other state and federal programs of assistance
10 available to beginning farmers;

11 (c) Whether the current maximum net worth qualification disqualifies
12 individuals who would otherwise be included among intended beneficiaries
13 of the Beginning Farmer Tax Credit Act; and

14 (d) Any recommendation for adjustment to the net worth qualification
15 of beginning farmers and for making regular or periodic adjustments to
16 the net worth qualification.

17 Sec. 2. Original section 77-5204, Revised Statutes Cumulative
18 Supplement, 2016, is repealed.