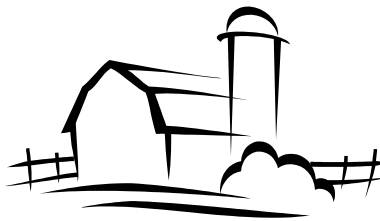

COMMITTEE ON AGRICULTURE

ONE HUNDRED EIGHTH LEGISLATURE

2023-24



SUMMARY AND REPORT OF DISPOSITION OF LEGISLATION REFERRED TO THE COMMITTEE

Agriculture Committee Members

Senator Steve Halloran, Chair
Senator Teresa Ibach, Vice-Chair
Senator Tom Brewer
Senator Ben Hansen
Senator Rick Holdcroft
Senator Jana Hughes
Senator Jane Raybould
Senator Merv Riepe

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STATUS REPORT BY BILL NUMBER

(Bills/Resolutions introduced in the 2023 session)

| LB # | Primary Introducer | One-Line Description | Hearing Date | Disposition | Amends Adopted | Amends Pending | Comment |
|--------|--------------------|--|--------------|---------------|---|----------------|---|
| LB 116 | Brandt | Change provisions of the Beginning Farmer Tax Credit Act | 2/7/23 | General File | | AM718 | Ag Committee 2023 Session priority bill. Provisions/purposes of LB 218 and LB 442 incorporated into LB 116 by pending AM718. LB 116 portions of pending AM718 enacted by incorporation into LB 562 by AM 1554 |
| LB 117 | Brandt | Change provisions of the Independent Processor Assistance Program | 1/24/23 | Held | | | |
| LB 218 | Ibach | State intent regarding appropriations for a riparian vegetation management grant program | 2/7/23 | Final Reading | | | |
| LB 229 | Erdman | Change registered feedlot inspection requirements under the Livestock Brand Law | 2/7/23 | Held | | | |
| LB 262 | Ag Committee | Change provisions of the Nebraska Pure Food Act | 1/31/23 | Enacted | AM719 AM2020 AM2654 AM2997 AM3015 AM3042 | | Ag Committee 2023 & 2024 Session priority. Enacted bill contains provisions / purposes of LBs 264, 305, 321, 999, 1061, and 1207 |
| LB 263 | Ag Committee | Change provisions of the Nebraska Hemp Farming Act | 2/21/23 | General File | | | |

(Bills/Resolutions introduced in the 2023 session continued)

| LB # | Primary Introducer | One-Line Description | Hearing Date | Disposition | Amends Adopted | Amends Pending | Comment |
|-------------|---------------------------|---|---------------------|--------------------|----------------------------|-----------------------|---|
| LB 264 | Ag Committee | Change provisions of the Grain Dealer Act and the Grain Warehouse Act | 1/31/23 | General File | | | Provisions/purposes of LB 264 incorporated into LB 262 by AM719 |
| LB 305 | Halloran | Change provisions relating to grain warehouse storage rates and charges | 1/31/23 | General File | | AM526 | Provisions/purposes of LB 305 incorporated into LB 262 by AM719 |
| LB 321 | Brandt | Change provisions regarding cottage food operations under the Nebraska Pure Food Act | 1/31/23 | General File | | AM483 | Provisions/purposes of LB 321 incorporated into LB 262 by AM 2997 |
| LB 336 | Halloran | Eliminate the Hemp Commission and create the Nebraska Hemp Advisory Board | 2/21/23 | Held | | | |
| LB 442 | Albrecht | State intent to transfer funds to the Livestock Growth Act Cash Fund | 2/7/23 | General File | | AM372 | |
| LB 562 | Dorn | Adopt the E-15 Access Standard Act | 2/7/23 | Enacted | AM1248 AM1554 AM1563 | | Dorn 2023 session personal priority bill. Enacted bill contains provisions/purposes of LB 116 incorporated by AM1554 and LB 740 by AM1563 |
| LB 591 | Hardin | Create statutory deadline for notice of termination of oral agland leases | 1/31/23 | Held | | | |
| LB 662 | Ballard | Change provisions of the Nebraska Right to Farm Act | 2/14/23 | Held | | | |
| LB 735 | Blood | Create a work group and establish the Nebraska Stewardship program under the Apiary Act | 2/21/23 | Held | | | |
| LB 740 | Vargas | Change provisions of the Nebraska Pure Food Act pertaining to food trucks | 2/14/23 | General File | | AM619 | Provisions/purposes of LB 740 incorporated into LB 562 by AM1563 |

(Bills/Resolutions introduced in the 2024 session)

| LB # | Primary Introducer | One-Line Description | Hearing Date | Disposition | Amends Adopted | Amends Pending | Comment |
|-------------|---------------------------|---|---------------------|--------------------|-------------------------------------|-----------------------|--|
| LB 828 | Blood | Change provisions of the Nebraska Apiary Act and Establish a Pollinator Task Force | 1/30/24 | Held | | | |
| LB 831 | Blood | Change provisions of the Noxious Weed Control Act | 1/30/24 | Held | | | |
| LB 844 | Erdman | Change provisions of the Farm Labor Contractors Act | 2/6/24 | Enacted | AM2449 AM2891 FA252 | | Ag Committee 2024 Session Priority Bill |
| LB 1061 | Ibach | Change provisions of the Nebraska Corn Resources Act | 2/6/24 | Gen File | | AM2426 | Provisions/purposes of LB 1061 amended into LB 262 by AM2654 |
| LB 1116 | Ibach | Adopt the Grocer Reinvestment Option Act | 1/30/24 | Held | | | |
| LB 1142 | Wayne | Require and restrict certain actions of animal shelter and control entities | 1/30/24 | Held | | | |
| LB 1207 | Albrecht | Redefine a term under the Nebraska Agricultural Products Marketing Act | 2/13/24 | Gen File | | | Provisions/purposes of LB 1207 amended into LB 262 by AM3042 |
| LB 1301 | DeKay | Adopt the Foreign-owned Real Estate National Security Act | 2/6/24 | Enacted | AM2594 AM2919 AM3182 ER104 | | DeKay 2024 Session priority bill |
| LB 1313 | Dover | Provide for regulation of health benefit plans for nonprofit agricultural organizations | 2/13/24 | Enacted | AM3077 | | Dover 2024 Session priority bill |
| LB 1368 | Ibach | Adopt the Nitrogen Reduction Incentive Act | 2/13/24 | Enacted | AM3281 AM3357 | | Ibach 2024 Session priority bill |
| LB 1396 | Murman | Change labeling provisions relating to misbranded foods under the Pure Food Act | 2/13/24 | Held | | | |

BILLS ENACTED AND SIGNED BY THE GOVERNOR

LB 262 (Ag Committee) Change and eliminate provisions of the Nebraska Pure Food Act

Date of Public Hearing: 1/31/2023

Date Reported from Committee: 3/13/2023

Committee Amendment: AM719

Other Adopted Amendments: AM2020, AM2654, , AM2997, AM3015, AM3042

Effective Date: January 1, 2025 for sections 1-7, 21-22, 27, 49 & 52. July 19, 2024 for all other sections

** Agriculture Committee 2023 & 2024 Session Priority Bill

LB 262 as introduced amended the Nebraska Pure Food Act (Act), Neb. Rev. Stat. §§81-2,239 to 81-2,292, as described below:

Secs. 1 & 2: Amends §81-2,239 and §81-2,240 to incorporate sections 5, 8 and 9 of the bill into the Nebraska Pure Food Act.

Sec. 3: Amends §81-2,244.01 which defines the term “Food Code” to incorporate the 2017 Food Code recommendations of the FDA except for specific sections cited. LB 262 strikes the exclusion of Food Code section 5-104.11 and thereby adopts the Food Code standard for safe water sourcing. This section of the Food Code is currently replaced by §81-2,272.31 which requires food establishments to have a permanent water source. Utilization of the food code standard would allow water from non-permanent sources such as bottled water which is helpful for food trucks.

Sec. 4: Amends §81-2,245.01 to add an additional option for food safety training to register as a cottage food operation.

Secs. 5 & 9: Inserts new sections defining “food handling activity” and “secondary food handling activity” to clarify how these terms are used in §81-2,270 which sets out primary and secondary inspection fees.

Sec. 6: Amends §81-2,248 to revise the term “itinerate food vendor” so that the term includes a temporary food establishment. Consolidating the terms reduces the number of distinct permit categories and simplifies the permitting process.

Sec. 7: Amends §81-2,251.03 to consolidate licensed beverage establishments, currently defined in §81-2,251.02, within the term “limited food service establishment”. Consolidating the terms reduces the number of distinct permit categories and simplifies the permitting process.

Sec. 8: Inserts a new defined term for “limited food retail establishment” which replaces the definition of convenience store in §81-2,242.03.

Sec 10: Amends §81-2,263 to incorporate sections 5, 8 and 9 into the Nebraska Pure Food Act for purpose of resolving conflicts between the Act and referenced codes.

Sec. 11: Amends §81-2,270 to clarify permitting fees and processes as follows:

- Clarifies penalties and procedure for resolving establishments operating without a valid permit, either failing to obtain a license prior to initial operation or continuing operations without completing annual license renewal and annual fee payment;
- Revises permit categories to remove obsolete categories due to consolidation of terms in sections 6 through 8;
- Removes unnecessary permit category for “food delivery service” due to lack of facilities to inspect with such services;
- Clarifies how secondary inspection fees are implemented;
- Clarifies the permit category for mobile food establishments that are not a mobile food unit; and,
- Provides that a licensed food establishment that sells food within another licensed food establishment is not required to obtain an additional permit.

Sec. 12: Amends §81-2,271 to clarify where a permit shall be posted by various types of food establishments and the requirements of permit holders to notify the department regarding the location of food handling activities.

Sec. 13: Amends §81-2,281 to clarify qualifications for food inspectors. Currently, this section limits inspectors to persons credentialed as registered environmental health specialists (REHS). LB 262 would also allow persons meeting Food Code §8-402.10 qualifications to serve as food inspectors.

Sec. 14: Repealers

Sec. 15: Outright repealed sections

LB 262 -- Enacted Version:

LB 262 as enacted included the provisions/purposes of six other bills, LBs 264, 305, 321, 999, 1061 and 1207, introduced during the 108th Legislature. The revisions to LB 262 contained in the final reading version and their location within the bill are described in the summary of amendments to LB262 adopted after advancing from committee.

AM719 (Committee Amendment) as revised by AM2020:

The committee amendment (AM719) contained one modification to the underlying bill and also incorporated the provisions of four other bills, LBs 263, 264, 305 and 740.

LB 262 revisions:

Sections 28 -- 30 and 32-41 of LB 262 as enacted contain the original revisions to the Pure Food Act contained in LB 262 as introduced and described above. AM719 made one revision to LB 262 as introduced, found in section 41 of the enacted bill, which replaces original section 13 of LB 262 as introduced. The amendment retains the option that food inspectors meet the minimal credentialing of Food Code §8-402.10 provided the individual completes a cited food safety credentialing standard within 3 years of hire. The amendment would not preclude local regulatory authorities from utilizing only persons credentialed as Registered Environmental Health Specialists.

LB 263 provisions:

AM719 as adopted on general file incorporated the provisions of LB 263 as that bill was advanced separately to general file (See LB 263 description page 25). LB 263 would have updated the Hemp Farming Act to be consistent with the USDA final rule setting out requirements for state plans for regulating hemp production. The provisions of LB 263 contained in AM 719 were stricken by adoption of AM3015 on select file and replaced with provisions/purposes of LB 999 which terminates state regulation of hemp production and defers regulation to USDA under the federal hemp program.

LB 264 provisions:

Sections 23 - 26 and 42 – 45 of the enacted version of LB 262 contain the provisions of LB 264 inserted by adoption of AM719 on general file. The LB 264 provisions of LB 262 as enacted make a series of revisions to the Grain Warehouse Act and the Grain Dealers Act (See LB 264 description page 18).

LB 305 provisions:

Sections 46 – 47 of the enacted version of LB 262 contain the provisions of LB 305 as advanced separately with pending committee amendment AM526 to that bill (see LB 305 description page 19)

LB 740 provisions:

AM719 as advanced by the Committee during the 2023 session included the provisions of LB 740 as advanced separately to general file with committee amendment AM619 (See LB 740 description page 21). These sections amend the Pure Food Act to allow for food truck permitting reciprocity among certain local jurisdictions and provides for a registry of local regulations applicable to food trucks and production of guidance materials to advise food truck operators.

The LB740 provisions were stricken from AM719 by adoption of AM2020 on general file. The provisions of LB740 were enacted by incorporation into LB 562 passed during the 2023 session and thus became redundant to include within AM719.

AM2654:

AM2654 adopted on select file inserted the provisions of LB 1061 as advanced separately to general file with pending committee amendment AM2426 (See LB 1061 description page 23). LB 1061 adjusts the corn promotional checkoff assessment rate from the current .5 cents to 1 cent/bushel and makes other revisions the Nebraska Corn Resources Act. The corresponding revisions to the Nebraska Corn Resources Act are contained in sections 8 – 18 of LB 262 as enacted.

AM2997:

AM2997 adopted on select file inserted the provisions of LB 321 as advanced separately to general file with committee amendment AM483 (See LB 321 description page 20). B 321 expands the types of foods that may be sold by cottage food registrants to include some time/temperature control for safety (TTCS) foods. The corresponding revisions to the cottage food provisions of the Nebraska Pure Food Act are contained in sections 20, 31 and 40 of LB 262 as enacted.

AM3015:

AM3015 adopted on select file struck the LB 263 provisions added to LB 262 by adoption of AM719 during general file debate and inserted portions of LB 999 heard before the Judiciary Committee. The portions of LB 999 contained in the enacted version of LB 262 eliminate state licensure of hemp producers and processors. The corresponding revisions to the Hemp Farming Act and related statutes are contained in sections 1-7, 21-22, 27, 49 & 52 of LB 262 as enacted.

LB 262 as amended by AM3015 would accordingly modify or repeal provisions of the current Hemp Farming Act that assign duties and authorities to the Nebraska Department of Agriculture sufficient to support a state hemp plan meeting the requirements of the USDA under the 2018 farm bill and the USDA’s final rule. Under the Hemp Farming Act that remains, growers would need to be licensed by USDA, or a tribal program if grown within a tribal area, to legally grow hemp in the state. Any hemp being transported through the state would be still be required to carry documentation required under current law that the hemp was produced by a licensed grower under a state or tribal hemp plan or under USDA licensure in compliance with the 2018 Farm Bill. AM3015 also terminated the Hemp Commission and the Hemp Promotion cash fund. Any funds remaining in the fund would be transferred to the noxious weed program cash fund. A January 1, 2025 operative date was inserted for the revisions contained in this amendment. The Nebraska Department of Agriculture would complete its regulatory oversight under existing authority for the 2024 growing season.

AM3042:

AM3042 adopted on select file inserted the provisions of LB 1207 as advanced separately to general file (See LB 1207 description page 24). LB 262 as amended by AM3042 amends the Agricultural Products Marketing Act to clarify that products of commercial insect culture are an agricultural commodity for purposes of the promotional authorities of the Nebraska Department of Agriculture under that law. The corresponding revision to the Agricultural Products Marketing Act is contained in section 19 of LB 262 as enacted.

LB 562 (Dorn) Adopt the E-15 Access Standard Act

Date of Public Hearing: 2/7/2023

Date Reported from Committee: 4/12/2023

Committee Amendment: AM1248

Other Adopted Amendments: AM1554, AM1563, FA108

Effective Date: September 2, 2023

* Dorn 2023 Session Priority Bill

LB 562 establishes standards regarding the availability of E-15 fuel blends at retail motor fuel locations and assigns related duties and authorities to the Department of Agriculture. The final enacted version of LB 562 as amended by the Agriculture Committee amendment (AM1248) contains several material revisions. The substantive provisions of LB 562 as amended are found in sections 1 -- 11 and 20 -- 23 of the final reading version of the bill. The table below compares key elements of the bill as introduced and as enacted with AM1248.

| LB 562 as introduced | LB 562 as enacted (revised by AM1248) |
|--|---|
| <p>Beginning January 1, 2024, requires retail dealers to make E-15 fuel blends available from at least 50% of qualifying fuel dispensers at a retail location, unless:</p> <ul style="list-style-type: none"> • The retailer has not installed, replaced or converted a motor fuel storage tank at that location after January 1, 2024, and • The retailer makes E-15 blends available at least one qualifying dispenser at that location beginning January 1, 2027. <p>Provides that this section does not require or limit E-15 blends sold at nonqualifying fuel dispensers. This section further provides that a retailer is not in violation during periods when fuel storage and dispensing infrastructure is under construction and authorizes the Dept. of Agriculture to require retailers to give advance notice of such work.</p> | <p>1. Beginning January 1, 2024, a retail motor fuel site shall advertise for sale and offer E-15 from at least 50% of dispensers at:</p> <ul style="list-style-type: none"> • any new retail motor fuel site built after that date, or • any existing retail motor fuel site if, after that date, the retailer replaces more than 80% of facilities and infrastructure at the retail site <p>2. Beginning January 1, 2028, shall offer E-15 on at least one dispenser if:</p> <ul style="list-style-type: none"> • The site has had no new infrastructure replacements or installations bringing it within the requirement of subsection 1 to offer E-15 at 50% of dispensers, and • The statewide average ethanol blendrate for 2027 is less than 14% (Blendrate is determined according to new section 10) <p>This portion (at least one pump) does not apply to any retail site granted a waiver due to certified excessive cost to comply (Sec 6) or exempted due to all tanks are constructed of certain materials prior to certain date (Sec 7) or exempted due to small volume (Sec 8)</p> <p>Provides that this section does not require or limit non E-15 blends sold at nonqualifying fuel dispensers. This section further provides that a retailer is not in violation during periods when fuel storage and dispensing infrastructure is under construction and authorizes the Nebraska Dept. of Agriculture to require retailers to give advance notice of such work.</p> |
| <p>Waivers –</p> <ul style="list-style-type: none"> • Governor executive order waiving the E-15 standard during times of ethanol shortage or excessive costs creating hardship for consumers • Individual site waiver due to supply shortage. Waiver must be applied for. • Excessive cost (exceeding \$100,000) to install infrastructure to comply. Waiver must be applied for and excessive cost certified by professional retail fuel site installer • Small volume retail location waiver – Sites selling average of 300,000 gallons annually. Waiver must be applied for. | <p>Waivers and exemptions --</p> <ul style="list-style-type: none"> • Governor executive order waiving the E-15 standard during times of ethanol shortage or excessive costs creating hardship for consumers • Excessive cost (exceeding \$15,000) to install infrastructure to comply. Waiver must be applied for and excessive cost certified by professional retail fuel site installer • Exemption – All fuel tanks at site are constructed of certain materials before specified dates. Retailer attests to exemption • Exemption – Small volume retail location. Retailer attests to exemption. May attest for multiple sites |
| <p>Incentives –</p> <p>Increases the annual authorized obligation of awards under the Renewable Fuel Infrastructure Program to from</p> | <p>Incentives --</p> <p>Omits changes to the Renewable Fuel Infrastructure program but increases tax credits offered to retailers selling E-15 and higher blends</p> |

| | |
|---|--|
| <p>\$1 million to \$10 million and terminates approvals of new grant awards after calendar year 2026. The bill further eliminates the distinction between 3 and 5 year agreements and limits cost-share assistance to the lesser of 50% or \$150,000 per project.</p> | <p>Currently, the credit is in an amount equal to 5 cents / gallon of E-15 and 8 cents / gallon of E-25 or higher blends sold. The cumulative amount of credits allowed is capped at \$2 million the initial year and the cap is adjusted annually according to the amount of credits claimed the previous year but may not exceed \$4 million. No new credit applications are accepted after Dec. 31, 2026.</p> <p>AM1248 changes the credit provisions to apply the same credit amount/gallon to all E-15 or higher blends. The credit amount by year is : : CY 2024 -- 8 cents, CY 2025 -- 9 cents, CY 2026 -- 8 cents, CY 2027 -- 7 cents, CY 2028 -- 5 cents.</p> <p>The cumulative amount of credits allowed is capped at \$5 million / year for all years. Extends the period for acceptance of credit applications to Dec. 31, 2028.</p> |
| <p>Penalty</p> <p>Non-compliance with the E-15 standard is cause to suspend or revoke a fuel dealer's weighing and measuring establishment permit</p> | <p>Penalty</p> <p>The authority to suspend or revoke weighing and measuring establishment permits is effective:</p> <ul style="list-style-type: none"> • Beginning January 1, 2024, for retailers not in compliance with the 50% offering standard of subsection (1) of Section 4. • Beginning April 1, 2028 for retailers who are not in compliance with the offering of E-15 from at least 1 dispenser of subsection (2) of Section 4. |

LB 562 was further amended during select file debate to add the provisions of LB 116 (AM1554) and LB 740 (AM1563) as those bills were advanced separately to general file with pending committee amendments. For an explanation of the provisions of those bills and committee amendments, please refer to the summaries of LB 116 (page 17) and LB 740 (page 21) under "Bills Enacted by Incorporation into Other Enacted Bills".

LB 844 (Erdman) Change provisions of the Farm Labor Standards Act

Date of Public Hearing: 2/6/2024
Date Reported from Committee: 2/14/2024
Committee Amendment: AM2449
Other Adopted Amendments: AM2891, FA252
Effective Date: July 19, 2024

** Agriculture Committee 2024 Session Priority Bill

LB 844 as introduced inserted a new provision into the Farm Labor Standards Act to require seed corn producers contracting for detasseling and roguing services to solicit bids from “certified exempt” contractors defined by the bill to include contractors who seasonally employ largely younger workers recruited locally to perform such labor. The bill would further require each producer to annually report the number of detasseling and roguing acres needed and the contract services utilized, including disclosing the number of acres contracted to exempt and nonexempt contractors. The Nebraska Department of Agriculture was annually publish a report of contractor utilization derived from reports submitted by seed corn producers. LB 844 also amended §48-1714 which declares certain violations of the Act and misuses of farm contractor licenses to be a Class II misdemeanor. LB 844 as introduced proposed adding a new subsection declaring a violation of the bid solicitation and reporting requirements in the bill as introduced to be a Class IV misdemeanor.

The final enacted version of LB 844 contained a series of modifications as described with amendments adopted during general and select file.

AM2449:

The Agriculture Committee amendment (AM2449) adopted on general file assigned a new duty, beginning January 2026, to the Nebraska Department of Agriculture to annually mail to each seed corn producers a directory of exempt detasseling/roguing contractors. The amendment also corrected a minor drafting error in the bill as introduced.

AM2891:

AM2891 adopted on select file struck the original provisions and became the bill. The substantive changes to the underlying bill included:

- The requirement from the original bill that seed producers actively solicit bids from exempt contractors was omitted. The amendment replaced this provision to assign a duty to seed corn producers to annually report to the Director of Agriculture its intention to utilize detasseling/roguing labor contractors.
- AM2891 retained the duty of seed producers to report the number of detasseling/roguing acres contracted categorized by exempt and non-exempt contractors utilized. The amendment also retained a duty of the Department of Agriculture to publish an annual report of seed corn acres planted and detasseling/roguing labor contractors utilized, but in a statewide aggregate of all reports submitted. Additionally, the amendment declared individual reports submitted by seed producers were not public records subject to disclosure under the Public Records Act.
- The amendment retained a duty from the committee amendment for the Department of Agriculture to, beginning in 2025, mail a directory of non-exempt farm labor contractors to seed producers who file reports of seed planting and labor contracting intentions at the beginning of the growing season and reports of actual contractors utilized at the end of the growing season.
- Authorized the Department to prescribe the method by which seed producers may submit reporting forms.

FA252:

FA252 removed the misdemeanor penalty for failure to report or false reporting.

LB 1301 (DeKay) Adopt the Foreign-owned Real Estate National Security Act

Date of Public Hearing: 2/6/2024

Date Reported from Committee: 3/12/2024

Committee Amendment: AM2594

Other Adopted Amendments: AM2919, AM3182

Effective Date: January 1, 2025

* DeKay 2024 Session Priority Bill

LB 1301 consolidates and revises provisions of Chapter 76-Article 4 under a new Foreign-owned Real Estate National Security Act. The bill as introduced redefines conditions under which nonresident aliens and other entities may acquire or hold interests in real estate in Nebraska and prohibit certain restricted entities from acquiring property in proximity to military installations. The bill assigns duties for the Nebraska Department of Agriculture and the Attorney General to enforce the Act, including to investigate potential violations and to initiate proceedings to divest property interests held in violation

Section-by-section (as introduced):

Sec. 1: Amends §4-107 which recognizes the right of non-resident aliens to inherit real or personal property subject to the restriction that American citizens have a reciprocal right to inherit property in the non-resident alien's country. LB 1301 would add an additional restriction that the inheritance is not in conflict with the Foreign-owned Real Estate National Security Act and directs that any disposition of agricultural land is subject to the divestiture procedures of that Act.

Sec. 2: Amends §25-1081 which authorizes a district court to appoint a receiver to take custody of property in certain situations described and enumerated. LB 1301 adds that the authority to appoint a receiver applies in actions under the Foreign-owned Real Estate National Security Act.

Sec. 3: Amends §30-2312 which states that a person is not disqualified as an heir because their claim of inheritance is through an alien except as restricted under §4-107 and Chapter 76-Article 4. LB 1301 conforms the external reference to Chapter 76-Article 4 to changes elsewhere in the bill.

Sec. 4: Names sections 4-12 as the Foreign-owned Real Estate National Security Act

Sec 5: Inserts a wholly new section defining the terms "military installation," "restricted area", and "restricted entity" for purposes of the Act.

Sec 6: Amends §76-402 which currently prohibits aliens and certain corporations from acquiring title to or taking or holding land or real estate, leasehold interests lasting greater than 5 years, or other types of interests in land or real estate except as permitted under existing §§76-403 to 76-406.

Subsection (1) substantially rewrites this section to provide that non-resident aliens, foreign corporations or foreign governments, or agents, trustees or fiduciaries of such entities, may not purchase or otherwise acquire or hold interests in real property except as provided in the Act.

Subsection (2) assigns a duty to the Dept. of Agriculture to investigate violations of the Act and to refer violations to the Attorney General or to retain outside counsel to initiate divestment actions.

Subsection (3) provides that any person may report violations of the Act to the Department of Agriculture or the Attorney General.

Subsection (4) authorizes the Attorney General or the Department through retained counsel to file an action for divestment and assigns jurisdiction to district courts of the county where the property is located or Lancaster County District Court. Directs that a copy of the petition be served upon owners or residents of the property, secured parties ascertained by registered lien or financing statements or as ascertained by the petition filer's diligence.

Subsection (5) assigns a duty to engage in discovery to determine the record owner and the filing party for financial statements filed under law.

Subsection (6) provides respondents to an action for divestment filed under this section shall have 30 days from the date of service to file an answer. If a respondent agrees that the property is subject to divestment, the respondent shall have 180 days to divest any interest in real estate tolling from the date of the deadline for filing an answer. The action for divestiture shall be dismissed if voluntary divestiture occurs. If the respondent does not file an answer or fails to voluntarily divest, the court may enter default judgement.

Subsection (7) provides that if a court finds after hearing that real property is held in violation of the Act, the court shall enter an order 1) stating the findings of the court, 2) ordering the divestment of the violating interest in the property, 3) notifying the Governor that title to such real estate is divested, 4) appointing a receiver, and 5) authorizing the disposition of any proceeds of the sale of the property to be distributed to a) reimburse the costs of preparing the property for sale, b) reimburse the costs of investigation and litigation, c) of remaining funds, 30% to the informant notifying of violation of the Act, and d) any remaining funds remitted to the State Treasurer for distribution pursuant to Nebraska Constitution Article VII, Sec 5.

Subsection (8) provides that if the interest is less than title, the court shall declare the interest terminated.

Subsection (9) requires real estate escheated to the state to be sold within a reasonable time.

Sec 7: Amends §76-405 which authorizes resident aliens to acquire title to lands through devise or descent but requires divestiture of such title within 5 years and declares land held in violation escheated to the State. LB 1301 provides that failure of divestiture as required under this section is a violation of the Act and that the process of divestment is pursuant to Section 6.

Sec 8: Amends §76-406 which prohibits domestic corporations holding real estate from having a majority of aliens on its board directors, having an alien as an executive officer, or having a majority of its stock owned by aliens, except for real estate holdings permitted by §§76-404 and 76-412 to 76-414. LB 1301 continues the prohibition except as permitted in the Act.

Sec 9: Amends §76-407 which declare corporations in violation of existing §76-406 to be an alien person for purposes of Chapter 76, Art. 4 and to forfeit the corporation's charter and authority to do business in the state. LB 1301 provides that corporations in violation of §76-406 as amended to be in violation of the Act and subject to the remedies of this section.

Sec 10: Amends §76-413 which permits foreign corporations from acquiring or leasing property for manufacturing purposes. LB 1301 expands the exception for holding property for manufacturing purposes to foreign governments unless the corporate or government entity is a restricted entity and the property is located within a restricted area, in which case the property interest is subject to divestment pursuant to Section 6.

Sec 11: Amends §76-414 which exempts ownership of real estate within, or within 3 miles of, the corporate limits of cities and villages from the restrictions on foreign ownership in existing Chapter 76, Art. 4. LB 1301 provides that the restrictions on foreign ownership of the Act do not apply.

Sec 12: Inserts a wholly new section assigning duties and authorities to the Attorney General including:

- Establishing a process for reporting non-notified real estate transactions
- Submitting reports regarding non-notified real estate transactions to the Committee on Foreign Investment in the United States (CFIUS) and retain copies of documents included with such submission, and to notify the Legislature and Governor of any such submission
- Rule and reg authority to implement this section

Sec 13: Assigns a duty to the State Real Estate Commission to compile a map identifying restricted areas of the state on or before January 2025, with annual updates thereafter. The map is to be published on the Commission's website. A restricted area is defined as an area within a 10-mile radius of a military installation as defined by the section.

Sec. 14: Amends §81-201 to insert enforcement of the Foreign-owned Real Estate National Security Act as an authority of the Department of Agriculture.

Sec 15: Amends §84-205 to insert enforcement of the Foreign-owned Real Estate National Security Act as an authority of the Attorney General

Sec 16: Specifies operative dates. Sections 1-12, 14-15 & 18-19 become effective January 1, 2025 and remaining sections upon the effective date of the bill.

Sec 17: Severability clause

Sec 18: Repealers

Sec 19: Outright repealed sections. .

§76-403 – Widows and heirs may inherit property owned by an alien acquired before 1886 subject to divesture within 10 years

§76-404 – Authorizes foreign corporations to acquire leases for oil & gas exploration and extraction

§76-408 – Authorizes county attorneys to initiate forfeiture actions in appropriate district courts for lands escheated to the state under the provisions of Chapter 76, Art 4.

§76-409 – Authorizes widows and heirs to bring an action to allow divestiture of escheated properties by sale rather than forfeiture

§76-410 – Requires aliens owning land prior to 1886 to divest properties during their lifetimes

§76-411 – Exempts foreign entities with liens securing debts who acquire property through lien enforcement

§76-412 – Provides the restrictions on foreign held interests in real estate does not apply to interests held for purposes of common carriers, public utilities, and railroads

§76-415 – Exempts property acquired by aliens prior to 1889 while in the alien’s possession.

Section-by-section summary (enacted version):

LB 1301 was extensively revised by adoption of the Committee amendment (AM2594 as modified by AM2919) on general file and AM3182 adopted on select file. The significant changes between the bill as introduced and as amended are noted in the section-by-section summary of the enacted version of LB 1301

Sec 1: Amends §4-107. No substantive change from section 1 of the bill as introduced.

Sec 2: Amends §25-1081. No substantive change from section 2 of the bill as introduced

Sec 3: Amends §30-2312. No substantive change from section 3 of the bill as introduced.

Sec 4: Includes section 4 – 20 of the amendment within the Foreign-owned Real Estate National Security Act.

Sec 5: Inserts a wholly new section defining the term “restricted entity” for purposes of the Act as defined under section 5 of the bill as introduced. As amended by AM3182, the enacted version of the bill inserted a definition of “nonresident alien” as a noncitizen or national of the U.S. without permanent residency status and not satisfying a minimum presence in the country. As amended by AM2594, the enacted version omits defined terms for “military installation” and “restricted area” that were defined under section 5 as introduced. AM259 also omits original section 13 which would have assigned a duty to the State Real Estate Commission to compile a map identifying restricted areas of the state.

Sec 6: Amends §76-402. AM2594 rewrites this section to provide that the prohibition on foreign persons, corporations or government acquisitions of real estate apply only to properties acquired after the effective date of the act and that any holdings by these entities comply with registration with the federal Agricultural Foreign Investment Disclosure Act if applicable. The amendment inserts a new subsection (2) providing that acquisitions of property interests by foreign entities in conflict with Subsection (1) and any restricted entity that acquires a property interest after the operative date of the Act is subject to divestment under Section 15 of the Act.

The purposes/provisions of original subsections (2) through (9) of this section as introduced are stricken and relocated elsewhere as new sections of the Act.

Sec. 7: Inserts a new section amending §76-404 which currently authorizes any domestic corporation or foreign corporation or alien to acquire leasehold interests for purposes of developing oil, gas and other hydrocarbons for 10 years or as long as these substances can be produced commercially. AM2594 would narrow this authorization to exclude any leasehold interests held by restricted entities or fiduciaries, agents or trustees of a restricted entity.

As introduced, LB 1301 would have outright repealed §76-404 thereby eliminating the authorization of existing law allowing foreign holdings of oil and gas leases.

Sec 8: Amends §76-405 which was amended by section 7 of the bill as introduced. AM2594 conforms an internal reference to divesture provisions pertaining to property held in violation of this section

Sec 9: Amends §76-406 which is amended by Section 8 of the bill as introduced. AM2594 retains the original revisions to this section.

Sec 10: Amends §76-407 which is amended by Section 9 of the bill as introduced. AM2594 retains the original revisions to this section.

Sec. 11: Inserts a new section amending §76-412 which currently provides that the existing prohibitions on foreign entity ownership do not apply to acquisitions of real estate necessary for operations of railroads, public utilities, and common carriers. AM2594 would exclude such holding from the prohibitions of the Act but exclude such real estate holdings by restricted entities.

As introduced, LB 1301 would have outright repealed §76-412 thereby eliminating the authorization of existing law allowing foreign holdings for these economic purposes

Sec 12 Rewrites the revisions to §76-413, amended by Section 10 of the bill as introduced, so that the general permission for foreign entities holding title or lease interests permitted under this section does not permit expansions of facilities or acquisition of new facilities if a restricted entity. Additionally, any restricted entity currently holding property may continue to retain ownership or lease interest only if they have a national security agreement with the Committee on Foreign Investment in the U.S. and annually certifies the agreement to the Nebraska Dept. of Agriculture.

Sec 13: Amends §76-414 which is amended by Section 11 of the bill as introduced. This section exempts ownership of real estate within, or within 3 miles of, the corporate limits of cities and villages from the restrictions on foreign ownership in existing Chapter 76, Art 4. LB 1301 provides that the exemption applies to any restrictions under the Act. AM2594 further revises this section to provide that the exemption is not available to restricted entities except as permitted in Sections 6 and 13.

Sec 14: Contains the assignment of duties and authorities to the Attorney General originally contained in Section 12 of the bill as introduced. AM2594 retains the substantive duties and authorities of the Attorney General under this section but relocates rule and regulation authority to Section 20. Eliminates the qualification that a property transaction is “non-notified “and provides that the reporting can be by any person regarding transactions of concern.

Sec. 15: Provide authorities to the Nebraska Dept. of Agriculture and the Attorney General to investigate potential violations of the Act and to initiate processes for divesting interests held in violation. These provisions as revised were originally contained in subsections (2) – (9) of section 6 of the bill as introduced.

Subsection (1) provides that any person may notify the Department of suspected violations

Subsection (2) Assigns a duty to the Dept. of Agriculture to investigate suspected violations and if having reasonable suspicion of a violation to either refer the matter to the Attorney General or to retain legal counsel for enforcement.

Subsection (3) Authorizes the Attorney General or retained counsel to issue subpoenas for the appearance of witnesses, production of document. Service of subpoenas is to be made in the manner of subpoenas issued by courts.

Subsection (4)(a) If after investigation, the Attorney General or retained counsel believe a violation has occurred, they shall notify a restricted entity and notify that the entity may voluntarily divest any interest in real estate that is held in violation

Subsection (4)(b) A party notified shall respond within 30 days

Subsection (4)(c)&(d) If the party agrees to divestment, any action to force divestment shall be stayed for 180 days from the 30-day response period.

Subsection (4)(e) The party in violation may not sell or transfer real estate to any other entity whose holding would be in violation. A person violating this prohibition is subject to a civil fine of \$50,000 per parcel transferred.

Subsection (5) Actions may be initiated by the Attorney General, or legal counsel retained by the Dept. of Agriculture, in the district court where the property is located if a restricted entity fails to respond to the notice or violation or fails to divest within 180 day period.

Subsection (6) Upon commencement of an action for divestment, notice of the action is to be provided to registers of deeds of affected counties, the real estate owner, and any secured party or lienholders, and any person residing on the property. As modified by AM2919 to AM2594, this provision clarified that the notice to secured parties is to include lienholders and holders of mortgages or trust deeds.

Subsection (7) The court shall have power to determine questions presented and to declare the real estate to be divested enter an order stating findings, ordering divestment, notifies the Governor that any title to real estate is divested, ordering the notification of applicable registers of deeds, appoints a receiver as provided by §§25-1081 to 25-1092 to manage and control the property until disposition. Any proceeds of disposition of real estate shall be distributed to the payment of taxes or assessments, payment of court costs, payment of investment and litigation costs of the state, payment of lienholder claims, and finally to the State Treasurer for distribution consistent with Nebraska Constitution Art VII, Sec. 5.

Subsection (8) If the interest is a lease, easement or other than title, the order is that the interest is declared terminated.

Subsection (9) Authorizes default judgement if the respondent fails to answer or appear.

Sec. 16: Provides that the receiver shall sell real estate divested at public auction within 1 year from the date of the divestment order and execute the sale as provided under the Nebraska Trust Deeds Act. Purchasers shall receive the property free of any claims of the divested owner or others having claims through the divested party.

Sec 17: Inserts a new section declaring that title or interest in real estate of a current holder is not invalid due to the illegality of a previous owner in the chain of title.

Sec. 18: Inserts a new section that states that parties to real estate transactions have no duty to inquire or determine whether any person is subject to or in violation of the Act.

Sec. 19: Provides that any penalties are to be distributed according to Art. VII, Sec. 5

Sec. 20: Assigns rule and reg authority to the Attorney General and Dept. of Agriculture to promulgate rules and regs to carry out the Act.

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Sec. 21: Relocates the provisions of Section 14 of the bill as introduced.

Sec 22: Relocates the provisions of Section 15 of the bill as introduced.

Sec. 23: Replaces Section 16 of the bill as introduced. AM2594 provides a January 1, 2025 operative date for all sections.

Sec 24: Relocates the Severability Clause contained in Section 17 of the bill as introduced

Sec. 25: Repealer section. AM2594 revises repealers accordingly.

Sec 26: Outright repealed sections. .AM2594 revises outright repealed sections accordingly.

LB 1313 (Dover) Provide for regulation of health benefit plans for nonprofit agricultural organizations

Date of Public Hearing: 2/13/2024

Date Reported from Committee: 2/21/2024

Committee Amendment: none

Other Adopted Amendments: AM3077

Effective Date: July 19, 2024

* Dover 2024 Session Priority Bill

LB 1313 declares health benefit plans offered by qualifying nonprofit agricultural organizations are not insurance subject to regulation under the insurance laws of the state. As enacted, the bill inserts a wholly new section that exempts health benefit plans from insurance regulations provided the plan meets certain criteria:

- The plan is self-funded and administered by a licensed third-party administrator
- The plan is sponsored by a nonprofit agricultural organization meeting a number of requirements described in regarding its corporate purpose, duration of existence, membership and membership participation.

AM3077:

AM3077 adopted on select file removed a criteria that a sponsoring ag organization be one with at least 50 years continuous existence in order for a health benefit plan to qualify for the exclusion from insurance regulation.

Section-by-section (enacted version):

Sec. 1: Inserts a wholly new statutory section that exempts health benefit plans offered to members of an agricultural organization from insurance regulation provided the plan meets certain criteria:

- The plan is self-funded and administered by a licensed third-party administrator
- The plan is sponsored by a nonprofit agricultural organization meeting all of the following requirements:
 - the organization is domiciled in the state;
 - the organization was formed primarily to promote rural development and economic stability for farmers;
 - the organization offers membership to eligible residents in each county of the state and collects annual dues from members;
 - the organization holds regular meetings and provides for membership representation on its governing board and committees; and,
 - the organization contracts with a third-party administrator to administer the benefit plan.

Subsection (2) requires an organization offering a health benefit plan to apply for certification by the Department of Insurance that the plan qualifies for the exemption from insurance regulation granted under this section. The process of application and certification is to be set by the Department.

Subsection (3) authorizes risks assumed under a health benefit plan to be reinsured by an authorized insurance company

Subsection (4) requires applications and contracts for health benefit plans to prominently disclose that the plan is not insurance, is not provided by an insurance company, and is not regulated under the state's insurance laws.

LB 1368 (Ibach) Adopt the Nitrogen Reduction Incentive Act

Date of Public Hearing: 2/13/2024

Date Reported from Committee: 2/21/2024

Committee Amendment: none

Other Adopted Amendments: AM3002, AM3357, AM3281

Effective Date: July 19, 2024

* Ibach 2024 Session Priority Bill

LB 1368 creates a program to provide incentive payments to encourage producers to reduce nitrogen use

Section-by-section summary (introduced bill):

Sec. 1: Names sections 1-6 of the bill the Nitrogen Reduction Incentive Act

Sec. 2: Declares legislative findings and intent

Sec. 3: Defines the term "commercial fertilizer" by external reference to the term as defined in §81-262.02 of the Nebraska Fertilizer and Soil Conditioners Act.

Sec. 4: Creates a nitrogen reduction incentive program to encourage reductions in fertilizer use and adoption of innovative technologies. The program would provide incentive payments to producers providing verifying documentation of achieving a 25 lb / acre reduction in nitrogen application rate or 15% reduction by incorporating qualifying products, from a historic baseline fertilizer rate.

Assigns a duty to the Department of Natural Resources to every two years review the target rate reductions to determine whether such targets should be adjusted.

Assigns additional duties to the Department to implement the program including collaboration with NRD's to identify qualifying technologies, identifying geographic priority areas, determine a payment rate to encourage participation, but not less than \$10 / acre, and to continuously evaluate the per acre rate in light of inflation and emerging technologies.

Total incentive payments are limited to \$5 million annually and the program sunsets December 31, 2029.

Sec. 5: Delegates general rule and regulation authority as needed to implement the program and directs that the Department of Natural Resources shall adopt regulations setting standards for products whose use would qualify for the incentive payments when used.

Sec. 6: States legislative intent to appropriate \$5 million during FY 2024-25 to the Dept. of Natural Resources to carry out the Act. This section also terminates the program on Dec. 31, 2029.

LB 1368 -- Enacted Version:

LB 1368 as enacted included revisions to identify specific funding of the incentive program created by the bill, and also incorporated the provisions of LB 1199 heard before the Natural Resources Committee. The revisions to LB 1368 contained in the final reading version are described in the summary of amendments to LB1368 adopted after advancing from committee.

AM3002:

AM3002 adopted on general file struck the original provisions of the bill and became the bill. The significant changes from the bill as introduced included:

- Limited aggregate grant awards to the lesser of \$5 million or the amount actually appropriated
- Sets out the termination date for the program found in Section 6 of the bill as introduced as in a new Section 7 of the bill.
- Replaced original Section 6. As enacted, Section 6 omits intent to appropriate contained in the introduced bill. As further revised by AM3002 creates a cash fund, the Nitrogen Reduction Incentive Cash Fund, as a repository of funds appropriated by the Legislature, or other public or private funds acquired for purposes of the incentive program. The amendment further directs the Dept. of Natural Resources to apply for any state, federal or private grant awards related to the purposes of the bill.
- Inserted a new Section 8 amending §84-612 to provide for a transfer of \$5 million from the Cash Reserve Fund to the Nitrogen Reduction Incentive Cash Fund.

AM3281:

AM3281 omitted the transfer from the Cash Fund contained in section 8 of the bill as amended by AM3002. The Amendment replaced Section 8 from AM3002 with a new section 8 amending §61-218 to provide for a transfer of \$1 million from the Water Resources Cash Fund the Nitrogen Reduction Incentive Cash Fund.

AM3557:

AM3557 inserted the provisions of LB 1199 as advanced by the Natural Resources Committee. As amended by AM3557, the enacted version of LB 1368 amends §46-296 to remove reference to §33-105, which directs that fees be paid and collected on certain filings, and outright repeals §33-105 in its entirety.

BILLS INCORPORATED INTO OTHER ENACTED BILLS

LB 116 (Brandt) Change provisions of the Beginning Farmer Tax Credit Act

Date of Public Hearing: 2/7/2023

Date Reported from Committee: 3/13/2023

Committee Amendment: AM718

** Agriculture Committee 2023 session priority.

** Provisions/purposes of LB 116 as revised by AM718 were amended into and enacted as sections 12 – 19 of LB 562

As introduced, LB 116 proposed a series of revisions to the Beginning Farmer Tax Credit Act as described below:

Sec. 1: Amends §77-5203 by revising the definition of “farm.” LB 116 removes a minimum acreage threshold and specifies that the term includes any improved or unimproved land used for production of farm products.

Sec. 2: Amends §77-5205 to strike a requirement that the three farming representatives on the Beginning Farmer Board includes one from each congressional district.

Sec. 3: Amends §77-5209 which lists criteria to qualify as a beginning farmer. Currently, this section disqualifies farmers having more than \$200,000 net worth as adjusted by the referenced producer price index (PPI) compared to the 2008 PPI. LB 116 would:

- Increase the net worth limitation to \$1 million;
- Exclude retirement and other deferred benefit accounts of the beginning farmer household from inclusion in net worth determination;
- Reference adjustments to the net worth limitation to the 2022 PP; and,
- Add a new qualification that the beginning farmer meets the age requirements under §43-2101 to be legally bound by contract.

Sec. 4: Amends §77-5209 which allows a beginning farmer to claim a credit against income tax liability for the costs of a financial management training required to qualify as a beginning farmer. LB 116 strikes a requirement that a beginning farmer currently be a tenant in a rental agreement in order to claim the credit.

Sec. 5: Amends §77-5213 to require the Beginning Farmer Board to annually, rather than semiannually, review rental agreements for continuing qualification for benefits under the Act.

Sec. 6: Repealer

The pending committee amendment (AM718) is a white copy amendment which replaces the bill. The amendment retains the original purposes of the bill with modifications described below and also incorporates the provisions/purposes of LB 218 and LB 442.

Beginning Famer Tax Credit Act provisions:

Sections 3 to 10 of AM718 contain the provisions of LB 116 with the following revisions:

- Inserts a new section (Section 3) amending §58-242 to increase the net worth threshold to qualify for NIFA beginning farmer loan programs from \$500,000 to \$1 million;
- Inserts a new section (Section 6) amending §77-5211 to extend the termination date for acceptance of new applications from 2025 to 2027;
- Reduces the net worth threshold to \$750,000 (Section 7);, and
- Inserts a new section (Section 9) amending §77-5208 to cap approvals of qualifying rental agreements to limit the annual amount of tax credits claimed by asset owners at \$5 million

LB 218 provisions:

Section 1 of pending AM718 inserts a new section amending §2-958.02 which creates the Noxious Weed and Invasive Plant Species Assistance program prescribing criteria applied to determine eligibility for, and to prioritize recipients of, grants to weed control authorities and weed management entities awarded under the program. Subsection (4) creates a subcategory of eligible grant awards for projects pertaining to riparian vegetation management problems.

Currently, subsection (4) states legislative intent to appropriate \$3 million annually for projects eligible under this subsection beginning FY2022-23. Section 1 increases the appropriation intent to \$6 million annually beginning FY2023-24.

LB 442 provisions:

Section 2 of pending AM718 inserts the provisions of LB 442 as advanced to general file. The new section amends §54-2804, which creates the Livestock Growth Act Cash Fund, to insert a transfer of \$2 million general funds to the fund in FY 2023-24.

LB 264 (Agriculture Committee) Change provisions of the Grain Warehouse and Grain Dealers Acts

Date of Public Hearing: 1/31/2023

Date Reported from Committee: 3/02/2023

Committee Amendment: None

** Provisions/purposes of LB 264 amended into and enacted as sections 23-26 and 42-45 of LB 262

LB 264 is brought in conjunction with the Public Service Commission to make a series of updates to the Nebraska Grain Dealer Act (§§75-901 to 75-910) and the Grain Warehouse Act (§§88-525 to 88-552)

Secs. 1 & 6: Amends §75-156 and §88-527 to conform these sections with the replacement of the term “warehouseman” with the term “warehouse operator” in section 5. (no substantive change)

Secs. 2 & 5: Amends §75-902 of the Grain Dealer Act and §88-526 of the Grain Warehouse Act by revising the definition of “grain” to remove an ambiguity whether grain excludes segregated commodities such as certified organic.

Sec. 3: Amends §75-903, which sets forth requirements for licensure as a grain dealer:

- Increase the statutory maximum dealer security from \$300,000 to \$1 million.
- Removes a statutory formula for calculating the security amount to defer to the Commission to set the amount by regulation (similar to the Grain Warehouse Act)

Secs. 4 & 7: Amends §75-903.02 of the Grain Dealer Act and §88-528.01 of the Grain Warehouse Act to clarify an exemption for criminal background checks of persons submitting a new license application who have previously submitted a background check for a previous but separate license.

Sec. 8: Increases the statutory maximum warehouse bond from \$500,000 to \$1 million.

Sec 9: Repealers

LB 305 (Halloran) Change provisions of the Grain Warehouse Act regarding storage rates and charges

Date of Public Hearing: 1/31/2023

Date Reported from Committee: 3/02/2023

Committee Amendment: AM526

** Provisions/purposes of LB 305 as advanced to General File with AM526 were amended into and enacted as sections 46-47 of LB 262 as enacted

LB 305 deregulates storage rates charged by state licensed grain warehouses. As introduced, LB 305 amends §88-541 of the Grain Warehouse Act. This section currently directs the Public Service Commission (PSC) to at least annually fix storage rates and provides that warehouse licensees may not deviate from such rate, either higher or lower, except by application to and hearing before the Commission.

LB 305 would remove the duty and authority of the PSC to establish storage rates, but specifies that warehouse licensees must prominently post storage rates and related charges and the schedule of rates and charges posted shall be full compensation for receiving, handling, storing, delivering and insuring grain. Grain warehouse licensees may adjust such rates and charges by notice to the PSC and all grain owners of record at least 30 days prior to any adjustment of such rates or charges taking effect.

The pending committee amendment (AM526) would make the following changes:

- Inserts an initial filing requirement for existing warehouse licensees of storage rates and charges on the date of the filing. New license applicants would file a schedule of storage rates and charges with the license application. Adopts the terminology of “filing” for notice given to the Public Service Commission of any future changes of storage rates.
- Provides that the posting of a schedule of storage rates and charges is on signage issued by the Commission.
- Inserts a new section amending §88-549 which requires licensees to annually notify grain storers of current storage costs and declares failure to do so is a Class IV misdemeanor. AM526 would add charging storage rates and charges other than, or in addition to, those filed and posted as a misdemeanor violation under this section.

LB 321 (Brandt) Change provisions of the Nebraska Pure Food Act pertaining to cottage foods

Date of Public Hearing: 1/31/2023

Date Reported from Committee: 2/22/2023

Committee Amendment: AM483

** Provisions/purposes of LB 321 as advanced to general file with AM483 were amended into and enacted as sections 20, 31 and 40 of LB 262

LB 321 conditionally expands the types of foods that may be prepared and sold by cottage food operations to include certain time/temperature control for safety (TTCS, formerly known as potentially hazardous) foods.

Sec. 1: Amends §81-2,245.01 of the Pure Food Act which defines the term “food establishment” for purposes of the Pure Food Act. Food establishments are defined broadly to include any facility where food is prepared, stored, served or sold beyond household consumption except for an enumerated list of food operations expressly excluded.

LB 321 would expand the existing cottage food exclusion for food prepared in private homes and other areas under subsection (7). The bill identifies existing cottage food limitations for non-TTCS foods as subdivision (7)(a) and inserts a new subdivision (7)(b) to further exclude as cottage food operations those preparing certain time/temperature control for safety (TTCS) foods. The new subdivision (b) would insert the following requirements to operate within the cottage food exemptions when serving TTCS foods:

- the foods offered are not alcohol, low acid canned foods, unpasteurized milk or a number of meat products;
- the foods are labeled for ingredients in descending order; and,
- the food is delivered directly to the consumer (cannot be sent by mail or carrier), not be in transport more than 2 hours, and held at safe temperatures during transport.

New subdivision 7(b) further provides that the expanded cottage food exemption for TTCS foods is not construed to:

- restrict investigations of foodborne illness;
- prohibit production or sale of any foods otherwise allowed;
- apply to the sale of live animals or animal shares;
- affect the regulation of other goods and services that may be produced at a cottage food location, or -- exempt sellers of TTCS foods from hunting or fishing regulations

New subdivision 7(b) also:

- prohibits a regulatory authority from requiring food training requirements beyond those currently required under the existing cottage food exemption; and,
- Expressly states that violations of the expanded cottage food exemption are subject to cited disciplinary provisions but limits any fine to \$75.

Sec. 2: Amends §81-2,280 which creates a requirement for persons selling food under the cottage food exemption to register with the Dept. of Agriculture and specifies conditions of registration. This section currently exempts persons selling under the existing cottage food provision when selling exclusively at a farmers market. LB 321 would clarify that registration is required when selling potentially hazardous foods at a farmers market.

The committee amendment (AM483) is a white copy that strikes the original provisions and becomes the bill. AM483 relocates the regulatory provisions currently describing the cottage food exclusion in §81-2,245.01(7) to §81-2,280 which currently only prescribes requirements for cottage food registration. The exclusion of cottage food operations from the definition of “food establishments” in §81-2,245.01 would simply refer to those meeting the requirements set out in §81-2,280. The purposes of LB 321 to expand the cottage food exemption to include certain potentially hazardous foods is also included in the revisions to §81-2,280. However, the provisions are rewritten for clarity as described below:

- Contains the same prohibitions on certain types of potentially hazardous foods as the introduced bill, but substitutes preferred terminology and external references as appropriate;
- Continues requirements for completion of food safety training and water well testing under current law but as rewritten to be clear these requirements also apply to cottage food operations offering TTCS foods allowed by the bill. AM483 also adds an additional option for a program offered through UNL to meet the food safety training requirement. AM483 continues the existing exemption from these requirements for those whose sales are confined to direct sales at a farmers market or similar event;
- Continues the existing product labeling disclosures but as rewritten to be clear they apply to cottage food operations offering non TTCS foods and TTCS foods allowed by the bill and to add the additional ingredient labeling requirement for TTCS foods proposed in the original bill, AM483 continues the existing exemption from these requirements for those whose sales are confined to direct sales at a farmers market or similar event;
- Includes the provision of LB 321 as introduced that limits delivery of TTCS foods to person-to-person (may not be sent through mail or carrier) and that such foods cannot be taken to a delivery point greater than 2 hours away and to comply with food temperature holding requirements of the Pure Food Act while in transport; and
- Eliminates unnecessary provisions declaring violations of the cottage food limitations subject to cited enforcement provisions from the original bill except to reinforce that cottage foods may not be adulterated.

Finally, AM483 inserts an express preemption of conflicting local subdivision rules and regulations.

LB 740 (Vargas) Change provisions of the Nebraska Pure Food Act pertaining to Food Trucks

Date of Public Hearing: 2/14/2023

Date Reported from Committee: 3/2/2023

Committee Amendment: AM619

** The provisions/purposes of LB 740 as amended by AM619 enacted as sections 24 – 29 of LB 562

LB 740 allows for food truck permitting reciprocity among certain local jurisdictions and provides for a registry of local regulations applicable to food trucks and production of guidance materials to advise food truck operators.

Section-by-Section Description:

Sec. 1: Amends §81-2,239 to incorporate new sections into the Pure Food Act

Sec. 2: Amends §81-2,240 to include section 3 in defined terms utilized in the Pure Food Act.

Sec. 3: Wholly new section inserting a new defined term “guidance document”

Sec. 4: Amends §81-2,251.04 by modifying the term “mobile food unit” so that the term does not include only those that are associated with a commissary.

Sec. 5: Inserts a new section authorizing interlocal agreements between political subdivisions that carry out Pure Food Act permitting under contract with the Department and other political subdivisions under which those jurisdictions mutually recognize the validity of permits issued by the permitting jurisdiction. Participating jurisdictions that do not recognize a mobile food unit permit are required to provide a written explanation. This section provides participating jurisdictions are not precluded from carrying out inspections of mobile food units that operate in multiple jurisdictions but requires that participating jurisdictions avoid unnecessary duplication. Any inspection fees are limited to the amount to recover costs of the inspection.

Sec. 6: Assigns a duty to the Department to publish a registry of cities that do not regulate mobile food unit utilizing information submitted to the Department by first and second class cities, and delegates rule & reg authority to the Department for this purpose.

Sec. 7: Assigns a duty to the Department to develop guidance documents for mobile food unit operators advising of applicable health and safety permitting regulations to operate in local jurisdictions.

Sec. 8: Repealers

The pending Committee amendment (AM619) is a white copy amendment that strikes the original provisions and becomes the bill. The differences between AM619 and LB 740 as introduced are described below.

- The Committee amendment omits Section 4 retaining the current definition of a mobile food unit. Remaining sections are renumbered accordingly. The terminology “mobile food establishment” is substituted throughout to refer to food trucks.
- Replaces original Section 5 (becomes Section 4 of the bill as revised by AM619). The revision makes it clear that the reciprocity is between the three local regulatory authorities exercising food safety and handling licensing and inspection authority delegated pursuant to the Pure Food Act. Inserts a duty of local regulatory authority to report to the legislature any reciprocity agreement entered into or actions to explore reciprocity agreements and impediments to such agreements.
- Rewrites Section 6 of the bill as introduced (becomes Section 5 of the bill as revised by AM619). The section as rewritten assigns a duty to the Nebraska Dept. of Agriculture to maintain a mobile food establishment ordinance registry. The section would require cities of the first or second class to submit a copies of municipal ordinances governing the operation of food trucks in their jurisdiction, any permit application forms, and contact information for purposes of mobile food establishment regulation. Cities that do not regulate mobile food establishments satisfy their obligation under this section by submitting a statement that no such regulations exist in their jurisdiction. Cities are to notify the Department on or before Dec. 31 each year of any revisions to registry information.
- Rewrites Section 7 of the bill as introduced (becomes Section 6 of the bill as revised by AM619). The section is rewritten for clarity that the guidance document describe food permitting requirements applicable to mobile

food establishments and for purposes of qualifying for reciprocity in licensing regulations of participating local Pure Food Act regulatory authorities.

LB 1061 (Ibach) Change provisions of the Nebraska Corn Resources Act

Date of Public Hearing: 2/6/2024

Date Reported from Committee: 2/14/2024

Committee Amendment: AM2426

* Provisions/purposes of LB 1061 as revised by AM2426 were incorporated into and enacted as sections 8 - 18 of LB 262.

LB 1061 would make a series of revisions to the Nebraska Corn Resources Act. The bill would increase the checkoff assessment collected at the time corn enters commercial channels, would reduce the percent of budgeted expenditures that could be used to influence federal legislation, and eliminates a provision providing for collection of the checkoff from loan proceeds at the time grain is pledged as collateral under a federal farm program loan program. In addition to the primary substantive changes, the bill makes a number of statutory maintenance updates as described below.

Section-by-section description:

Sec 1: Amends §2-3611 which prescribes qualifications to be eligible to serve as a member of the Corn Development, Utilization and Marketing Board (Corn Board). LB 1061 consolidates under this section existing statutes providing for 8 members appointed by the Governor by membership districts currently specified in §2-3615 and one at-large member appointed by the board currently specified in outright repealed §2-3616.

Sec 2: Amends §2-3615 which defines 8 Corn Board membership districts. LB 1061 authorizes the Board to recommend adjustments to the member districts to the Agriculture Committee.

Sec 3: Amends §2-3619 to increase Board member compensation from \$25 to \$50 per day when performing duties related to service on the board.

Sec 4: Amends §2-3622 with Revisers revisions to utilize gender neutral terms.

Sec 5: Amends §2-3622 which enumerates duties and authorities assigned to the Corn Board. Subsection (10) directs the Board to prohibit use of checkoff funds to support or oppose a candidates for public office or to influence state legislation, but allows up to 25% of annual budgeted expenditures for purposes of influencing federal legislation. LB 1061 reduces the percentage of budgets expenditures to influence federal legislation to 10%.

Sec 6: Amends §2-3623 which currently imposes a fee of ½ cent / bushel collected by first purchasers of corn. LB 1061 would increase the fee to 1 cent / bushel beginning Oct. 1, 2024 and to 1 ¼ cent / bushel beginning Oct. 1, 2031.

Sec 7: Amends §2-3629 with a Revisers revision to utilize the named act instead of cited sections.

Sec 8: Amends §2-3631 with a Revisers revision to use consistent terminology to refer to first purchasers

Sec 9: Amends §2-3632 with Revisors revisions to conform this section with current conventions for statutory organization

Secs 10 & 11: Amends §2-3634 and §2-3635 with Revisers revision to utilize the named act instead of cited sections

Sec 12: Repealer

Sec 13: Outright repeals the following sections:

§2-3616 – Provides for at-large member of the Corn Board. This purpose is relocated to §2-3611 by section 1 of the bill

§2-3627 – Obsolete provision authorizing the Board to adjust the checkoff fee

§2-3628 – Obsolete provision for collection of the checkoff fee from proceeds of corn placed under farm program loan and for reimbursement of the assessment if the corn is eventually redeemed and fed to the producer's livestock.

The pending committee amendment (AM2426) retains the provision found in Section 6 of the bill increasing the checkoff assessment to 1 cent / bushel beginning October 1, 2024 but eliminates the increase to 1.25 cents / bushel beginning October 1, 2031.

LB 1207 (Albrecht) Redefine a term under the Agricultural Products Marketing Act

Date of Public Hearing: 2/13/2024

Date Reported from Committee: 2/21/2024

Committee Amendment: None

* Provisions/purposes of LB 1207 were amended into and enacted as section 19 of LB 262

LB 1207 amends §2-3804 of the Agricultural Products Marketing Act which defines the term “agricultural products or commodity” to include all products of activities derived from a list consisting of familiar farming and ranching and similar activities. LB 1207 would expressly clarify that the term includes products of “insect production”.

BILLS ADVANCED BUT NOT ENACTED

LB 218 (Ibach) State intent regarding appropriations for a riparian vegetation management program

Date of Public Hearing: 2/7/2023

Date Reported from Committee: 3/2/2023

Committee Amendment: none

** Provisions/purposes of LB 218 included as section 1 of the pending committee amendment (AM718) to LB 116

LB 218 modifies intent language to appropriate funds to a program to manage riparian vegetation by increasing the intent from \$3 million annually to \$6 million beginning FY2023-24.

Sec. 1: Amends §2-958.02 which creates the Noxious Weed and Invasive Plant Species Assistance program prescribing criteria applied to determine eligibility for, and to prioritize recipients of, grants awarded under the program. Subsection (4) creates a subcategory of eligible grant awards for projects advancing objectives and priorities of the Riparian Vegetation Management Task Force.

Currently, subsection (4) states legislative intent to appropriate \$3 million annually for projects eligible under this subsection beginning FY2022-23. LB 218 increases the intended appropriation to \$6 million annually beginning FY2023-24.

Sec. 2: Repealer

LB 263 (Agriculture Committee) Change provisions of the Nebraska Hemp Farming Act

Date of Public Hearing: 2/21/2023

Date Reported from Committee: 3/02/2023

Committee Amendment: none

** Provisions/purposes of LB 263 as advanced to general file were included as sections 1 – 12 & 41 of the committee amendments (AM719) to LB 262 but not included in the enacted version of LB 262.

LB 263 was brought on behalf of the Nebraska Dept. of Agriculture to remove conflicts between state law and the USDA Final Rule implementing the 2018 Farm Bill hemp provisions and to make other minor adjustments.

Sec. 1: Amends §2-503 to update the definition of “acceptable THC level” and “measurement of uncertainty” to incorporate these terms as defined by 7 CFR 990 as existing on January 1, 2022. The revisions to these definitions in the final rule removes an ambiguity that the 0.3% threshold refers to total THC. LB 263 also inserts a new defined term for “remediation” incorporating that term as defined in 7 CFR 990.

Sec. 2: Amends §2-504 which assigns rulemaking and implementing authority for various purposes to the Department. The revisions authorize the Department to also accomplish necessary changes in requirements governing hemp production through amendment to the state hemp plan and specify purposes for recordkeeping requirements

Sec. 3: Amends §2-505 to remove an obsolete external reference and to adopt the most recent reference to a federal CFR definition of “key participants.”

Secs. 4, 6 & 12: Amends §§2-506, 2-509 & 28-401 to strike an obsolete external reference

Sec. 5: Amends §2-508 to remove a date specific requirement for initial license application or annual license renewal and removes what becomes obsolete late fee provisions.

Sec. 7: Amends §2-510 to specify that destruction of non-compliant hemp be performed within 30 days of notification by the Department.

Sec. 8: Amends §2-511 to increase the threshold at which hemp exceeding the acceptable THC level is deemed a negligent violation from 0.5% to 1.0%. Note, this does not increase the THC concentration of hemp that may be harvested. Any hemp above 0.3% THC is still subject to destruction.

Sec. 9: Amends §2-514 to:

- Remove statutory prescription that sampling occur at each lot to defer to sampling as specified in the hemp plan. The hemp plan will continue to require sampling and testing of each lot unless the Department amends the plan to allow alternative sampling where appropriate for certain categories of hemp as authorized under the final rule;
- Increase the harvest deadline after sample collection from 15 to 30 days;
- Require 7-days notice of a request for official sample collection and provides that the licensee assumes risk of any damage resulting from failure to timely request sampling; and,
- Add remediation, if allowed by the Department, as an option in the event of an adverse test result.

Sec. 10: Amends §2-515 which prescribes documentation to be carried by persons transporting hemp. LB 263 clarifies that this duty applies when transporting hemp cultivated under the Hemp Farming Act. Expands an exclusion for growers when transporting untested hemp for purpose of private testing to include testing for any private purpose.

Sec. 11: Amends §2-517 to require the Nebraska Hemp Commission to meet at least annually instead of quarterly.

Sec. 13: Repealer

Sec. 14: Outright repeals obsolete §2-5701.

LB 442 (Albrecht) State intent regarding a general fund transfer to the Livestock Growth Act Cash Fund

Date of Public Hearing: 2/07/2023

Date Reported from Committee: 2/22/2023

Committee Amendment: AM372

** Provisions/purposes of LB 442 as advanced to General File included as section 2 of the pending committee amendment (AM718) to LB 116

LB 442 Amends §54-2804 which creates the Livestock Growth Act Cash Fund. LB 442 inserts legislative intent to transfer \$2 million general funds to the fund in FY 2023-24. As introduced, the bill contains the emergency clause.

The pending committee amendment (AM372) replaces the transfer intent text with a direct transfer of \$2 million from the general fund to the Livestock Growth Cash Fund on July 31, 2023 or as soon thereafter as administratively feasible.

BILLS HELD BY THE COMMITTEE

LB 117 (Brandt) Change provisions of the Independent Processor Assistance Act

Date of Public Hearing: 1/24/2023

LB 117 modifies the Independent Processor Assistance Program contained in §54-1915.02 of the Meat and Poultry Inspection Law. The bill proposes amending §54-1915.02 by changing the threshold for meat processors to be eligible for grants awarded under the program. Currently, eligibility is limited to processors with existing sales revenue less than \$2.5 million, and who employ fewer than 25 people. LB 117 would eliminate the revenue limitation and increase the employee threshold to 50 people.

LB 229 (Erdman) Change provisions relating to registered feedlots under the Livestock Brand Act

Date of Public Hearing: 2/7/2023

LB 229 clarifies statutory provisions regarding when brand inspection is required for cattle entering a registered feedlot. The bill amends §54-1,112 to explicitly provide that cattle entering a registered feedlot are subject to brand inspection unless moved in accordance with subsections (1) & (2).

Subsection (1) retains existing language that describes cattle originating in a brand inspection area and moved directly to a registered feedlot accompanied by brand inspection documentation issued at the point of origin.

Subsection (2) pertains to cattle not accompanied by brand inspection documentation, either because the point of origin is not within a brand inspection area or the point of origin is within a brand area but the cattle were not inspected prior to movement. LB 229 would also require such cattle to be moved directly to a registered feedlot and be accompanied by satisfactory evidence of ownership to be exempt from inspection upon entry to the feedlot.

LB 336 (Halloran) Terminate the Nebraska Hemp Commission and create the Nebraska Hemp Advisory Board

Date of Public Hearing: 2/21/2023

LB 336 replaces the Nebraska Hemp Commission with a Hemp Advisory Board within the Nebraska Dept. of Agriculture, and transfers administration of a hemp promotional cash fund to the Department. The bill would also repeal a provision imposing a hemp checkoff assessment and strike expired authorizations for transfers between the Hemp Program Cash Fund and other cash funds. These changes are described in section-by-section detail below.

Sec. 1: Amends §2-501 to incorporate new sections into the Nebraska Hemp Farming Act.

Sec. 2: Amends §2-509 which creates the Hemp Program Cash Fund. LB 336 eliminates an obsolete authorization for transfers to other cash funds.

Sec. 3: Amends §2-517 which creates the Nebraska Hemp Commission as a state agency and prescribes its membership, duties and authorities. LB 336 terminates the Commission on the effective date of the bill (bill contains emergency clause).

Sec. 4: Inserts a new section creating the Nebraska Hemp Advisory Board. Prescribes an 8-member board appointed by the Governor, with the qualifications of membership identical to that of the Nebraska Hemp Commission. Provides for the initial membership on the Advisory Board to consist of membership of the Hemp Commission serving on the date of termination of the Hemp Commission with any current or future vacancies filled by Governor appointment. Requires the Board to meet only as necessary and that members are reimbursed for expenses as provided in §81-1174.

Sec. 5: Assigns a duty to the Hemp Advisory Board to advise the Director of Agriculture regarding implementation of the Hemp Farming Act and use of the Hemp Promotional Fund

Sec. 6: Amends §2-518 which creates the Hemp Promotion Fund. LB 336 transfers administration of the fund to the Department of Agriculture. Strikes obsolete reference to hemp checkoff assessments collected under §2-519 due to outright repeal of that section by Section 10 of the bill.

Secs. 7 & 8: Amends §2-958 and §81-12,162.27 to strike expired authorizations of uses of the Noxious Weed Cash Fund and the Fertilizer and Soil Conditioners Cash Fund and related transfers from the Hemp Program Cash Fund to these funds.

Sec. 9: Repealer

Sec 10: Outright repeals §2-519

Sec. 11: Emergency Clause

LR 591 (Hardin) Insert a statutory rule for notice of termination of oral agricultural land leases

Date of Public Hearing: 1/31/2023

LB 591 inserts a statutory rule for giving notice of intent to quit an oral lease of agricultural land in order to be effective for the next crop year. The bill would insert a wholly new section of law specifying that notice of termination of an oral agland lease must be given by January 1 to be effective for the upcoming lease year beginning March 1. Notice given after January 1 would not be effective until the beginning of following lease year. Current rules for timeliness of notice of intent to quit an oral lease of cropland or grazing land are established in common law.

LB 662 (Ballard) Change provisions of the Nebraska Right-to-Farm Act

Date of Public Hearing: 2/14/2023

LB 662 amends the Nebraska Right-to-Farm Act (§§2-4401 to 2-4404) by expanding conditions under which a farm or public grain warehouse is shielded from liability as a public or private nuisance.

Sec. 1: Amends §2-4402 which defines terms used throughout the Right-to-Farm Act. LB 662 inserts a new defined term, "agricultural operation," as a generic term meaning a farm or farming operation, or a public grain warehouse or grain warehouse operation. The new term is substituted for repeated listing of protected agricultural facilities elsewhere in the Act.

Sec. 2: Amends §2-4403 to limit standing to bring a nuisance action against an agricultural operation to a) persons having a majority ownership of property within one-half mile of the operation and b) such operation has materially violated applicable state, local or federal law.

Additionally, the bill provides that an agricultural operation may not be found to be a public or private nuisance if:

- a) The operation existed prior to land use change in the locality of the operation and was not a nuisance prior to such land use change
- b) The operation is conducted consistent with commonly accepted agricultural practices. This provision creates a presumption that operations in material compliance with applicable laws and permitting requirements are conducted consistent with commonly accepted agricultural practices
- c) If the nuisance arises from a change in ownership, temporary interruption of agricultural operations, participation in government programs, use of new technology or change in type of farm products produced.

Finally, the bill reduces the statute of limitations from two years to one year from when nuisance conditions occur.

Sec 3: Repealer

LB 735 (Blood) Create a work group and stewardship program under the Nebraska Apiary Act

Date of Public Hearing: 2/21/2023

LB 735 assigns duties to the Nebraska Department of Agriculture to form a group of experts to study chemical impacts to bees and mitigation options, to establish a mandatory apiary registry, and to file a report on related topics to the Legislature.

Sec. 1: Amends §81-2,165.01 to incorporated Section 2 of the bill into the Nebraska Apiary Act

Sec. 2: Inserts a new section which assigns two interrelated duties to the Department.

Subsection (1) directs the Department to convene an expert working group of UNL experts to analyze issues associated with bee exposures to chemicals and to recommend mitigation options. The Director of Agriculture is further directed to cooperate with the State Historical Society to digitize its library collections including products of the work group convened under this subsection. The work group is to submit a report to the Director by February 1, 2024.

Subsection (2) creates a Nebraska Stewardship Program administered by the Department. The stewardship program shall include a mandatory sensitive site registry available to specialty crop growers and beekeepers that makes registered site maps available to the public. Requires the Director to submit a report to the Legislature by February 1,

2024 containing findings and recommendations of the work group convened under subsection (1), Department activities to implement the stewardship program, and resources available in the Apiary Cash Fund.

Sec 3: Repealer

LB 828 (Blood) Change provisions of the Apiary Act and create a Pollinator Task Force

Date of Public Hearing: 1/30/2024

LB 828 establishes a Pollinator Task Force to research issues associated with pollinators and to develop a pollinator plan. The bill further establishes an apiary registry to inform related research and activities to support beekeeping and to promote pollinator health.

Sec. 1: Amends §81-2,165 to incorporate new sections into the Nebraska Apiary Act

Sec. 2: Amends §81-2,165.02 by revising legislative intent that responsibility for educational services to beekeepers is assigned to the University of Nebraska and that expressly excludes the same as a duty of the Nebraska Dept.of Agriculture. LB 828 restores that educational services provided by the Department is not in conflict with legislative intent.

Sec. 3: Amends §81-2,165.02 which defines terms used in the Act. LB 828 inserts new terms for “beekeeper”, “pollinator”, and “specialty crop.”

Sec 4: Amends §81-2,179 which assigns enforcement authorities to the Department. Currently, this section declares violations of the Act a Class III misdemeanor. LB 828 inserts a new Class V misdemeanor specific to violations of a registration requirement inserted by Section 9.

Sec. 5: Inserts a wholly new statute creating the Pollinator Task Force. Membership of the task force is prescribed to consist of:

- 5 members who are directors or designees of the Departments of Agriculture, Natural Resources, Environment & Energy, and Transportation, and, the Game & Parks Commission.
- 11 members appointed by the Department of Agriculture drawn from various stakeholder interests specified.

Member terms are from date of appointment to July 1, with eligibility for reappointment. The Director of Agriculture is to appoint replacement members in the event of vacancies. The Task Force is to meet at least twice annually with the Director or designee serving as chair. Members serve without compensation except for reimbursement of travel and per diems as permitted by cited statutes. LB 828 states legislative intent that the Task Force invite advisory participation in its meetings by certain entities specified or persons with relevant expertise.

Sec. 6: Identifies the purposes of the Task Force including research of pollinators, habitats and issues relevant to pollinators, and to assist the Legislature in achieving pollinator health.

Sec. 7: Assigns a duty to the Pollinator Task Force to develop an initial pollinator plan submitted by November 1, 2026 and annually thereafter, and prescribes topics to be addressed in the plan.

Sec. 8: Authorizes the Department to employ staff to assist the Task Force with research and apiary inspections

Sec. 9: Creates a Nebraska Apiary Registry. Assigns a duty to persons keeping one or more apiaries to annually register with the Department by April 1, or within 30 days of acquiring an apiary. This section directs the collection of a registration fee credited to the Apiary Fund. The registration fee for veterans and persons 65 or older -- \$10, for all others -- \$15. There is an additional fee of \$1 for each apiary location.

This section provides that registration information is kept confidential except as otherwise authorized in subsection (5), is exempt from public records disclosure, not subject to subpoena, and is inadmissible as evidence in any legal proceedings. Subsection 5 authorizes University of Nebraska faculty and Department access to registration records for purposes of research and for informing activities to serve beekeepers and protect pollinator health.

Assigns rule and regulatory authority to the Department to administer the registry and to notify registrants of disease or pest outbreaks in proximity to a registered apiary location.

Sec. 10: Shields persons keeping registered apiaries from liability for injury caused by bee stings within two miles of the apiary location, except for negligent and intentional acts. Requires the Department to provide proof of registration to any party to a suit for injury.

LB 831 (Blood) Change provisions of the Noxious Weed Control Act

Date of Public Hearing: 1/30/2024

LB 831 creates a category of restricted plants under the Noxious Weed Control Act and inserts authorities specific to the sale, distribution, propagation and planting of restricted plants.

Sec. 1: Amends §2-945.01 to incorporate Section 9 into the Noxious Weed Control Act

Sec. 2: Amends §2-945.02 which contains legislative findings and declarations. This section is revised to incorporate legislative direction with respect to restricted plants.

Sec. 3: Amends §2-952 which declares a duty of landowners to control noxious weeds occurring on their property. LB 831 inserts a prohibition against planting, propagating, selling or distributing restricted plants. This section clarifies that a property owner does not have an obligation to control restricted plants on their property if the plant is not designated a noxious weed unless intentionally planted or propagated

Sec 4: Amends §2-953 which defines terms used in the Noxious Weed Control Act. LB 831 inserts “restricted plant” as a new defined term to mean plants designated as restricted by rule and regulation of the Director of Agriculture. This section contains revisers Revisions to place terms in alphabetical order.

Sec 5: Amends §2-954 which assigns duties and authorities of the Director and county control authorities. LB 831 divides existing authorities under subsection (1)(a) into subdivisions (i) through (v). Revisions to subdivision (ii) expands the existing authority to designate noxious weeds to include authority to designate restricted plants and inserts statutory criteria for each designation. The remainder of the section includes amendments to provide that duties and authorities relating to surveillance and control of noxious weeds apply to restricted plants.

Sec. 6: Amends §2-961 which defines a right of entry for purposes related to enforcement of the Act, including taking specimens. LB 831 expands this section to apply to taking restricted plant specimens.

Sec. 7: Amends §2-963 which assigns Class IV misdemeanor criminal penalties to certain violations of the Act. LB 831 would add violations of the prohibitions regarding restricted plants inserted into §2-952 by Section 3 of the bill as a Class IV misdemeanor.

Sec 8: Amends §2-965.01 to expand the purposes of an advisory committee to include advising the Director regarding restricted plants.

Sec. 9: Inserts a wholly new section pertaining to individual notices served upon property owners in violation of §2-952 prohibitions pertaining to restricted plants, and remedies available to control authorities. The provisions of this section are modeled after those found in §2-955 for violations of noxious weed infestation. The bill prescribes the text of the notice to include the date of notice, identifying the violation, prescribing control measures, specifying a compliance date, notifying of potential infraction penalties, and notifying of the right to a hearing to contest the notice. If a hearing is not requested and timely control measures have not been initiated, the control authority shall

- a) notify the county attorney to initiate necessary legal proceedings to find the violator guilty of an infraction with a penalty of \$100 per day of violation up to a maximum of \$1500, or
- b) to cause appropriate control measures to occur. The cost of such control is at the expense of the violator, and notice of the amount of the control cost is to be filed with the register of deeds. If the cost of control are not paid within 2 months, the cost shall become a lien against the property as a special assessment levied from the date control measures occurred, bearing interest at the rate imposed for unpaid taxes. The existence of a tax lien created by this section does not preclude satisfaction of the debt by means available other than tax foreclosure.

Sec. 10: Repealers

LB 1116 (Ibach) Adopt the Grocer Reinvestment Option Act

Date of Public Hearing: 1/30/2024

LB 1116 establishes a program to provide financial assistance to stimulate investment in grocery services serving underserved areas.

Sec. 1: Names sections 1-6 of the bill the Grocer Reinvestment Option Act

Sec. 2: Defines terms used throughout the Act.

Sec. 3: Creates a Grocer Reinvestment Option Program administered by the Dept. of Agriculture to provide financial assistance to entities operating grocery or convenience retail food stores meeting certain qualifications enumerated. This section assigns a duty to the Director of Agriculture to develop eligibility criteria that meet minimum standards listed, including:

- The business is registered with the Secretary of State;
- The business is a recognized business entity or nonprofit association;

- The financing received will be for qualifying new investment (as that term is defined in Section 2) in an existing grocery or convenience store;
- The level of need in the area served;
- The entity employs 25 or fewer employees;
- The financing assistance is invested in a business located in Nebraska;
- The capacity of the applicant; and,
- The project is self sustaining and capable of servicing debt.

Subsection (4) sets out prioritizing criteria to be applied, including:

- Commitment of 25% matching funds;
- The project is located in an underserved area, with first preference to projects located within low or moderate income communities (underserved areas and low and moderate income communities are defined in Section 2);
- A commitment of the applicant to accept SNAP and WIC benefits;
- The project will have positive economic benefit; and,
- Any other criteria applied by the Department consistent with the program’s purpose

The Department is authorized to contract with non-profit or community development financial institutions to administer the program.

Sec. 4: Creates the Grocer Reinvestment Revolving Fund as a repository of funds transferred by the Legislature, loan repayments or acquired as gifts or grants. This section authorizes use of the fund for purposes of the Act, but limits administrative expense to 15% of the fund.

Sec. 5: Assigns a duty to the Department of Agriculture to submit an annual report to the Legislature beginning October 31, 2025 detailing the projects funded and new investment stimulated by the grant assistance.

Sec. 6: Delegates rule and reg authority to the Department

LB 1142 (Wayne) Require and restrict certain actions by animal control and shelter facilities

Date of Public Hearing: 1/30/2024

LB 1142 prohibits certain public and private entities that take custody of animals from disposing of animals before efforts prescribed by the bill to identify and contact the owner are completed.

Sec. 1: Inserts a wholly new section which assigns duties to animal control facilities to engage in efforts to identify and contact an animal’s owner before selling or putting the animal up for adoption.

Subsection (1) defines “animal control entity” for purposes of this section to include animal control facilities, animal rescues and animal shelters as these are defined by cited sections of the Commercial Dog and Cat Operator Inspection Act and rabies control authorities.

Subsection (2) assigns a duty to animal control entities taking custody of an animal to, within 72 hours from the point of possession:

- Make reasonable attempt to identify the owner
- If the owner is identified, attempt to contact the owner by mail, phone or e-mail.
- If the owner cannot be identified, or is unable to be contacted, post a photo of the animal on the control entity's website.

Subsection (3) prohibits animal control entities to make an animal available for adoption or sale, or to otherwise dispose of the animal, until the animal's photo has been posted on the entity's website for 10 days.

Sec. 2: Amends §71-4408 which authorizes rabies control authorities to impound unvaccinated dogs found off the owner's premises. This section currently authorizes control authorities to dispose of animals that are unclaimed after 5 days. LB 1142 would strike the 5 day provision and require control authorities to comply with the provisions of Section 1 before disposing of an animal.

LB 1396 (Murman) Change labeling provisions relating to misbranded foods under the Nebraska Pure Food Act

Date of Public Hearing: 2/13/2024

LB 1396 provides that foods that contain more than 5% insect content are in violation of a misbranding prohibition unless its labeling includes a disclosure of the insect content.

Sec. 1: Amends §81-2,283 of the Nebraska Pure Food Act. This section currently prohibits misbranding food and defines misbranding to mean lacking labeling that identifies the food product, the net quantity of the product, and the manufacturer, seller or distributor, or its labeling is false and misleading in any manner.

LB 1396 adds a new subsection declaring a food product for human consumption is misbranded if it contains more than 5% insect, worm or bug products by volume unless the labeling displays a disclosure as specified

REPORT ON THE PRIORTIZING OF INTERIM STUDY RESOLUTIONS

Pursuant to Rule 4, Section 3(c)

COMMITTEE: Agriculture

DATE: April 18, 2024

The following resolutions were referred to the Committee on Agriculture. The committee has prioritized the resolutions in the following manner:

| <u>Resolution No.</u> | <u>Priority Category</u> | <u>Subject</u> |
|-----------------------|--------------------------|---|
| LR 374 | 3 | Interim study to examine the availability of healthy and affordable food choices in Nebraska communities |
| LR 375 | 1 | Interim study to examine methods to promote the recruitment and retention of production animal veterinary practitioners |
| LR 398 | 1 | Interim study to examine the development and use of mRNA vaccines in livestock |
| LR 399 | 2 | Interim study to examine occupational regulations under the Nebraska Potato Development Act and the Plant Protection and Plant Pest Act for purposes of the Occupational Board Reform Act |
| LR 400 | 2 | Interim study to examine issues within the jurisdiction of the Agriculture Committee that may arise during the interim |

- 1 – Committee Priority – Staff prepare research report, interim hearings, task force or combination of committee activities
- 2 – Chairman Priority – Staff to compile information and prepare memoranda
- . – Senator Priority – Staff to assist individual senator’s research of issue

Senator Steve Halloran, Chair
Agriculture Committee

2024 Interim Study Resolutions Referred to the Agriculture Committee

LR 374 (Ibach) The purpose of this resolution is to propose an interim study to examine the availability of healthy and affordable food choices in Nebraska communities. This study shall review research articles and other literature on the topic of availability of healthy and affordable food choices in Nebraska communities to evaluate overall food access in Nebraska and to inform public policy discussions on this topic. The study shall also identify potential public policy interventions that would increase access to and utilization of healthy food choices. The study shall include, but need not be limited to:

- (1) Reviewing alternative methodologies for defining low-grocery-access areas, as the United States Department of Agriculture definition of low-income and low-access areas, also known as food deserts, does not accurately identify the need for more food choices in every community, especially in rural areas;
- (2) Analyzing federal, state, and local efforts to provide healthy and affordable food to low-income and low-access areas;
- (3) Identifying resources and incentives the state may use to combat low access to food;
- (4) Identifying factors that limit access to healthy and affordable food choices within rural and urban communities and demographic groups;
- (5) Analyzing barriers and challenges for small locally owned grocery stores to provide healthy food options;
- (6) Reviewing current economic development policies that enable food retailers to improve or expand healthy food options and identify any gaps in access to healthy food options;
- (7) Evaluating mechanisms to develop markets and distribution of locally produced foods to meet the need for healthy and affordable food;
- (8) Evaluating how food insecurity affects Nebraska families; and
- (9) Evaluating the benefits of access to healthy and affordable food.

LR 375 (Ibach) The purpose of this resolution is to propose an interim study to examine different methods, including potential statutory changes, to address the need to recruit, train, and retain individuals who practice production animal veterinary services in Nebraska. This study shall include, but not need be limited to:

- (1) Exploring the need for establishing a new college of production animal veterinary medicine at the University of Nebraska-Lincoln;
- (2) Analyzing opportunities and challenges related to expanding veterinary training programs offered by the School of Veterinary Medicine and Biomedical Sciences at the University of Nebraska-Lincoln, the Nebraska College of Technical Agriculture at Curtis, and Northeast Community College; and
- (3) Framing unique solutions tailored to Nebraska to increase the number of practitioners in production animal veterinary services, especially in rural areas.

LR 398 (Halloran) The purpose of this resolution is to propose an interim study to examine the development and use of messenger RNA vaccines in livestock. This study is intended to inform any potential legislative discussions relating to the use of messenger RNA vaccines in livestock by compiling information regarding:

- (1) The mechanisms of messenger RNA vaccine efficacy;
- (2) The various messenger RNA vaccines that are in use or under development;
- (3) The benefits and risks of messenger RNA vaccines in relation to other types of vaccines in widespread use;

(4) The regulatory infrastructure governing research, development, and commercial introduction of messenger RNA vaccines; and

(5) Scientific literature that relates the safety of foods derived from messenger RNA vaccine treated animals.

LR 399 (Halloran) The purpose of this resolution is to propose an interim study to review occupational regulations under the Nebraska Potato Development Act and the Plant Protection and Plant Pest Act for purposes of the Occupational Board Reform Act.

LR 400 (Halloran) The purpose of this resolution is to propose an interim study to examine any issues within the jurisdiction of the Agriculture Committee of the Legislature that may arise in the interim.