

AMENDMENTS TO LB 957

1 1. Strike the original sections and all amendments
2 thereto and insert the following new sections:

3 "Section 1. Increasing levels of carbon dioxide and
4 other greenhouse gases in the atmosphere has led to growing
5 interest in national and international forums for implementing
6 measures to slow and reverse the buildup of such atmospheric
7 constituents. Such measures may potentially include the
8 establishment of systems of trading in credits for adoption of
9 practices, technologies, or other measures which decrease net
10 emissions of carbon dioxide and other greenhouse gases.

11 Improved agricultural production methods, soil
12 conservation practices, and other methods of stewardship of soil
13 resources have great potential to increase carbon sequestration on
14 agricultural lands and help offset carbon dioxide emissions from
15 other sectors of the economy. It is in the interest of
16 agricultural producers and the public in general that the Nebraska
17 Natural Resources Commission document and quantify carbon
18 sequestration and greenhouse emissions reductions associated with
19 agricultural practices, management systems, and land uses occurring
20 on cropland and rangeland in Nebraska. It is the intent of the
21 Legislature that efforts to quantify and verify carbon
22 sequestration on agricultural land will enhance the ability of the
23 state's agricultural landowners to participate in any system of
24 carbon or greenhouse emissions marketing or trading.

1 Sec. 2. (1) The Carbon Sequestration Advisory Committee
2 is created. The committee shall consist of the following members
3 appointed by the Governor:

4 (a) The Director of Agriculture or his or her designee;

5 (b) The Director of Natural Resources or his or her
6 designee;

7 (c) The Director of Environmental Quality or his or her
8 designee;

9 (d) One member representing the Natural Resources
10 Conservation Service of the United States Department of
11 Agriculture;

12 (e) One member representing the University of Nebraska
13 Institute of Agriculture and Natural Resources;

14 (f) One member representing the Nebraska Energy Office;

15 (g) One member representing an entity which generates
16 electrical energy;

17 (h) Two members who are producers of field crops at least
18 one of whom actively employs a minimum tillage management system in
19 his or her farming operation;

20 (i) Two members who are producers of livestock at least
21 one of whom is actively involved in range management;

22 (j) One member with expertise in greenhouse emissions
23 marketing or trading;

24 (k) One member representing natural resources districts;
25 and

26 (1) One member representing the ethanol industry.

27 (2) Members of the committee shall serve without

1 compensation but shall be reimbursed for their actual and necessary
2 expenses as provided in sections 81-1174 to 81-1177. The Director
3 of Natural Resources shall assist the committee with administrative
4 and operational support. The Nebraska Natural Resources Commission
5 may advise the committee in the performance of its duties under
6 sections 1 to 6 of this act.

7 Sec. 3. The Carbon Sequestration Advisory Committee
8 shall:

9 (1) Advise and assist the Director of Natural Resources
10 in preparing the reports pursuant to sections 4 and 5 of this act
11 and in conducting the assessment pursuant to section 5 of this act;

12 (2) Recommend policies or programs to enhance the ability
13 of Nebraska agricultural landowners to participate in systems of
14 carbon trading. Such recommendations shall include potential
15 policies or programs designed to optimize economic benefits to
16 agricultural producers participating in carbon trading
17 transactions. Such policies or programs may include, but are not
18 limited to, identifying existing or the potential of creating
19 nonprofit organizations or other public or private entities capable
20 of serving as assemblers of carbon credits or as intermediaries on
21 behalf of producers in carbon trading systems;

22 (3) Encourage the production of educational and advisory
23 materials regarding carbon sequestration on agricultural lands and
24 participation in systems of carbon or greenhouse emissions trading;
25 and

26 (4) Identify and recommend areas of research needed to
27 better understand and quantify the processes of carbon

1 sequestration on agricultural lands.

2 Sec. 4. On or before December 1, 2001, the Director of
3 Natural Resources, in consultation with the Carbon Sequestration
4 Advisory Committee, shall prepare a report to the Legislature. The
5 report shall include, but not be limited to:

6 (1) The potential for, and potential forms of, greenhouse
7 emissions regulation;

8 (2) The potential for development of a system or systems
9 of carbon emissions trading or markets for carbon sequestered on
10 agricultural land;

11 (3) Agricultural practices, management systems, or land
12 uses which increase stored soil carbon and minimize carbon dioxide
13 or other greenhouse emissions associated with agricultural
14 production;

15 (4) Methods for measuring and modeling net carbon
16 sequestration and greenhouse emissions reduction associated with
17 various agricultural practices, management systems, or land uses
18 occurring on agricultural land;

19 (5) Areas of scientific uncertainty with respect to
20 quantifying and understanding greenhouse emission reductions or
21 soil carbon sequestration associated with agricultural activities;
22 and

23 (6) Any recommendations of the Carbon Sequestration
24 Advisory Committee developed pursuant to section 3 of this act.

25 Sec. 5. (1) The Director of Natural Resources shall, in
26 consultation with the Carbon Sequestration Advisory Committee,
27 assess agricultural lands in the State of Nebraska for past carbon

1 sequestration and future carbon sequestration potential. The
2 assessment shall seek to quantify carbon sequestration associated
3 with various agricultural practices, management systems, and land
4 uses occurring on agricultural lands in this state. On or before
5 January 1, 2002, the director shall publish a report of the
6 findings. The director may, from time-to-time, update such
7 findings as advancements in understanding of the processes of
8 carbon sequestration and new data become available.

9 (2) The assessment shall be conducted in a manner that
10 shall provide a means for owners of agricultural land to estimate
11 past and future net carbon sequestration resulting from
12 agricultural practices, conservation measures, management systems,
13 and land uses occurring on their property. The Director of Natural
14 Resources may contract and cooperate with the Natural Resources
15 Conservation Service of the United States Department of Agriculture
16 to conduct assessment activities provided for in this section.

17 (3) The director may apply for and accept grants, gifts,
18 or other sources of public and private funds to carry out the
19 purposes of sections 1 to 6 of this act.

20 Sec. 6. The Carbon Sequestration Assessment Cash Fund is
21 created. The fund shall be used to carry out sections 1 to 6 of
22 this act. The State Treasurer shall credit to the fund any money
23 appropriated to the fund by the Legislature and any money received
24 as gifts, grants, or other contributions from public or private
25 sources obtained for the purposes of sections 1 to 6 of this act.
26 Any money in the fund available for investment shall be invested by
27 the state investment officer pursuant to the Nebraska Capital

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- 1 Expansion Act and the Nebraska State Funds Investment Act.
- 2 Sec. 7. Since an emergency exists, this act takes effect
- 3 when passed and approved according to law.".