



**Ninety-Seventh Legislature - First Session - 2001  
Committee Statement  
LB 634**

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**Hearing Date:** February 14, 2001  
**Committee On:** Natural Resources

**Introducers:** (Beutler)  
**Title:** Change funding, fee, and use provisions for the Natural Resources Enhancement Fund

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**Roll Call Vote – Final Committee Action:**

- Advanced to General File
  - X Advanced to General File with Amendments
  - Indefinitely Postponed
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**Vote Results:**

6	Yes	Senators Bromm, Hudkins, Kremer, Preister, Schrock, Stuhr
0	No	
0	Present, not voting	
2	Absent	Senators Bruning, Jones

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**Proponents:**

Senator Chris Beutler  
Dean Edson  
Dennis Schueth

**Representing:**

Introducer  
Nebraska Association of Resources Districts  
Upper Elkhorn Natural Resources District

**Opponents:**

Tom Monke  
  
Ed Woeppel  
Doug Nagel

**Representing:**

Nebraska Fertilizer & Ag-Chemical Institute;  
Monke Brothers Fertilizer  
Nebraska Cooperative Council  
Nebraska Grain Sorghum Producers Association

**Neutral:**

Rich Reiman

**Representing:**

Nebraska Department of Agriculture

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**Summary of purpose and/or changes:**

Section 1 - Technical section indicating a transfer of funds to the Natural Resources Enhancement Fund from the registration or renewal of registration of pesticides (Section 2-2634); pesticide dealer license (Section 2-2635); commercial applicator license (Section 2-2638); private applicator license (Section 2-2641); and an inspection fee for commercial fertilizer or soil conditioners (Section 81-2,162.06).

Section 2 - Requires the Natural Resources Districts to provide a 25% match for any allocation from the Natural Resources Enhancement Fund.

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Section 3 - The Department of Agriculture can set aside up to \$1.5 million to defray the cost of monitoring potential or existing pesticide contamination of ground or surface waters within the state.

Section 4 - Increases the registration or renewal of registration for each pesticide to \$220.00, not to exceed \$280.00 for each pesticide. Current law establishes the fee to be \$90.00, not to exceed \$150.00.

- (a) \$30.00 of the fee is to be placed in the Noxious Weed Cash Fund, which is current law;
- (b) \$70.00 of the fee is to be placed in the Buffer Strip Incentive Fund, currently \$60.00 of the fee is placed in this fund;
- (c) \$120.00 of the fee is to be placed in the Natural Resources Enhancement Fund, which is a new use for the fund; and
- (d) the remainder of any fee to the Pesticide Administrative Cash Fund, which is current law.

Section 5 - Increases the annual license fee for a pesticide dealer to \$125.00, not to exceed \$200.00. Under current law, the fee is \$50.00, not to exceed \$100.00. Increases the cost of a duplicate license from \$10.00 to \$20.00. The fees are to be credited as follows:

- (a) \$100.00 to the Natural Resources Enhancement Fund;
- (b) \$10.00 of the duplicate fee to the Natural Resources Enhancement Fund; and
- (c) The remainder, if any, to the Pesticide Administrative Cash Fund.

Section 6 - Increases the commercial applicator license fee to \$25.00, not to exceed \$50.00. Under current law, the fee is \$10.00, not to exceed \$25.00. The fees are credited as follows:

- (a) \$25.00 to the Natural Resources Enhancement Fund;
- (b) The remainder, if any, to the Pesticide Administrative Cash Fund.

Section 7 - Requires the Department to charge a fee of \$10.00 for a private applicator license. Under current law, the Department cannot charge a fee for this license. All of the fees collected are to be credited to the Natural Resources Enhancement Fund.

Section 8 - Increases the inspection fee up to 80 cents per ton on commercial fertilizers and soil conditioners as fixed by the director of the Department of Agriculture. Under current law, the fee cannot exceed 10 cents per ton. The fees are credited as follows:

- (a) 70 cents per ton to the Natural Resources Enhancement Fund;
- (b) The remainder, if any, to the Fertilizers and Soil Conditioners Administrative Fund.

Section 9 - Repealer.

### **Explanation of amendments, if any:**

The Committee amendment strikes the original sections of LB 634, and becomes the bill. It accomplishes the following:

An increase in the pesticide dealer license fee to \$200 annually, dedicating \$175.00 of the fee to the Natural Resources Enhancement Fund, would add \$207,200.00 for the Natural Resources Enhancement Fund. Currently, dealers are only paying \$25.00 annually. There are 1,184 licensed dealers currently.

An increase in the commercial applicator license to \$100.00 for a three-year license would add \$275,000.00 to the Fund. Currently, commercial applicators pay nothing, even though current law allows the Department to charge up to \$25.00 for the license. There are approximately 8,250 licensees.

An increase the private applicator licenses to \$30.00 for a three-year license will add \$300,000.00 to the Fund each year. Currently, there is no charge for a private applicator. There are approximately 30,000 licensees.

The increase in dealer license fees, commercial applicator fees, and private applicator fees will raise approximately \$782,200.00 annually.

An increase of the pesticide registration fee to:

$\$150 \text{ per product} = \$1,261,200 - 756,720 = \$504,480 + \$782,200 = \$1,286,680$

(Current fee is \$90.00 per product, 8,408 products, with \$60 for the buffer strip program and \$30 for the noxious weed program. Current law allows the Department to set the fee at \$150.00)

The state would provide a 50-50 match for Natural Resources Districts' water quality programs only, and should the Fund fall below \$1.6 million in any year, the Department of Agriculture shall transfer the appropriate amount of funds from the Pesticide Administrative Cash Fund to the Natural Resources Enhancement Fund to assure that the NREF contains at least \$1.6 million annually.

Pesticide Dealer License	\$200.00 with \$25.00	\$175.00 Fund =	\$207,200
Commercial Applicators	\$100/for 3-year license	=	\$275,000
Private Applicators	\$ 30/for 3-year license	=	<u>\$300,000</u>
Total for Licensing Fees			\$782,200
Pesticide Registration Fee - \$60.00/buffer strips,			
\$30.00/noxious weeds			
\$60.00/NREF (FUND)			<u>\$504,480</u>
			\$1,286,680

It also strikes the provisions requiring social security numbers on the applications for licenses.

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**Senator Ed Schrock, Chairperson**