



**Hundredth Legislature - First Session - 2007
Committee Statement
LB 516**

Hearing Date: February 6, 2007
Committee On: Agriculture

Introducer(s): (Agriculture Committee)
Title: Adopt the Corporate Farming Policy Advisory Act

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - X Advanced to General File with Amendments
 - Indefinitely Postponed
-

Vote Results:

- 8 Yes Senators Dubas, Wallman, Chambers, Preister, Karpisek, McDonald, Dierks, and Erdman
 - 0 No
 - 0 Present, not voting
 - 0 Absent
-

Proponents:

Rick Leonard
Pete McClymont
Todd Reed
Larry E. Sitzman
Rocky C. Weber
Susan S. Joy
Bob Kremer

Representing:

Introducer, Agriculture Committee
Nebraska Cattlemen
Nebraska Farm Bureau Federation
Nebraska Pork Producers Association
Nebraska Cooperative Council
Nebraska Poultry Industries
Self

Opponents:

Jon Bailey

Don Reeves
Laura Krebsbach
John K. Hansen
Norma L. Hall
Chuck Bentjen
Don Eret

Representing:

Center for Rural Affairs/Friends of the Constitution
Center for Rural Affairs
Great Plains Environ Law Center
Nebraska Farmers Union
Women Involved In Farm Economics
Evangelical Lutheran Church in America
Self

Neutral:

George Bill Burrows
Jerry Stilmock
Rod Johnson
Anthony Schutz

Representing:

Self
Nebraska Bankers Association
Self
Self

Summary of purpose and/or changes:

LB 516 as introduced creates the Corporate Farming Policy Advisory Council charged with the tasks of developing policy recommendations vis-à-vis corporate farming activity. The bill provides for the Council to complete its task in two phases culminating in submission of a corporate farm policy plan prior to the 2009 legislative session. The bill contains the emergency clause. The specific elements of the bill include the following:

- Formation of Council: (Section 2, subsections 1 & 2)
 - Provide for appointment of Council consisting of up to 18 person's representative of a listing of seven categories of persons. The bill further specifies that membership be chosen to be representative of the state both geographically and philosophically.
 - Provides for an initial appointment of seven Council members each by the Governor and Chairperson of the Agriculture Committee and an additional round of appointment of up to 4 additional members to achieve the diversity of representation contemplated. Appointments are to be completed within 30 days of the effective date of the bill.
 - Provides for the ex-officio, non-voting appointment of designated state agency heads or their designees.
- Operations of the Council: (Section 2, subsections 3 – 6)
 - Directs the council to select a chair and vice chair. Specifies 11 members to constitute a quorum and 3/5 majority vote of the voting membership to adopt recommendations. The council is directed to meet at least six times through December 1, 2008.
 - Council members are not compensated but reimbursed for actual or necessary expenses
 - Places the council within the Department of Agriculture for purposes of providing administrative and operational services to the Council. Authorizes the Department of Agriculture to contract for the services of a meeting facilitator and other assistance of legal and economic experts to assist the task force in its work, within funds available.
- Duties of the Council and schedule of completion:

The Council is charged with two duties completed in two phases. The initial phase of the Council process is contained in Sections 3 and 4 of the bill

- Section 3 directs the Council to submit a report of findings and recommendations to the Legislature and the Governor by December 1, 2007. The report is to identify available "policy instruments" for asserting public policy regarding corporate

farming activity and that such recommendations may include, although not limited to nor necessarily requiring, proposed constitutional revisions in consideration of the cited ruling of the Federal District Court and subsequent rulings finding Article XII, Section 8 of the state constitution to be invalid, enjoined or restricted in application

- Section 4 provides for the Agriculture Committee to receive the initial report of the Council in a public hearing on or before December 15, 2007, and further provides for preparation of legislation to implement recommendations of the Council.

The second phase of the Council process is defined by sections 5 & 6 of the bill

- Section 5, subsections 1 & 2 direct the Council to develop a Corporate Farming Policy Plan presented to the Legislature and the electorate for advancing identified public policy objectives of preserving farm ownership and farming and ranching in dispersed family farm operations and in forms consistent with responsible stewardship of natural resources. In making such recommendations, the Council shall also consider and address the business management tools that should be made available to agricultural producers to remain competitive in the evolving farm economy, to facilitate intergenerational transfers of agricultural assets, to access capital and manage risks, and to produce within cooperative arrangements. The Council plan shall also address issues associated with the Americans with Disabilities Act.
 - Subsection (3) of subsection 5 directs the council to meet at least 4 times prior to August 1, 2008 for purposes of receiving and evaluating data and input of expertise with the objective of developing a draft corporate farming policy advisory plan. This subsection provides for the minutes and copies of materials received to be available to the public. Provides that the Council shall present the draft plan and receive public input at least one public hearing in each of the congressional districts. The Council is directed to meet one time at the conclusion of public hearing to finalize the plan. The plan shall be submitted to the Legislature and the Governor on or before December 1, 2008.
 - Section 6 provides for the Agriculture Committee to receive the initial report of the Council in a public hearing on or before December 15, 2007, and further provides for preparation of legislation to implement recommendations of the Council.
- Cash Fund: Section 7 creates the Corporate Farm Policy Cash Fund to receive any appropriations or other contribution received for carrying out the purposes of the Act.

Explanation of amendments, if any:

The committee amendments strike the original provisions and become the bill. The committee amendment contains the following elements:

Section 1: States legislative findings that federal district court ruling holding Article XII, Section 8 (I-300) of the Nebraska Constitution of Nebraska has implications for the future structure and development of agricultural production

Section 2. States legislative intent to facilitate study by the Agriculture Committee to determine appropriate policy responses, including but not limited to, potential for revision of Article XII,

Section 8, to advance state interests that exist in the structure, development and progress of agricultural production. The section provides that the Executive Board of the Legislature may, in consultation with the Agriculture Committee of the Legislature, commission expertise in appropriate fields of study and practice for research and assistance of such study by the Agriculture Committee.

Section 3: States legislative intent that the Attorney General perform or acquire such research as may appropriate to assist the Agriculture Committee in determining appropriate policy response, including but not limited to potential for revision of Article XII, Section 8 of the Nebraska Constitution, to advance state interests that exist in the structure, development and progress of agricultural production. The section sets forth specific authority for the Attorney General to contract with expertise in appropriate fields of study to carry out the intent stated in this section.

Section 4: Emergency Clause

Senator Philip Erdman, Chairperson