

HALLORAN: Good afternoon and welcome to the Agriculture Committee. I am Senator Steve Halloran. I'm from Hastings, Nebraska, and represent the 33rd Legislature District. I serve as the Chair of this committee. The committee will take up the bills in the order posted on the agenda. Our hearing today is your public part of the legislative process. This is your opportunity to express your position on the proposed legislation before us today. The committee members might come and go during the hearing. This is just part of the process, as we have bills to introduce to the other community-- other committees. I ask that you abide by the following procedures to better facilitate today's proceedings. Please silence, please silence your cell phones. Please move to the reserved chairs when you are ready to testify. Those would be on either side of the chair for the testimony. These are, these first two chairs are reserved for you testifiers, so that we can anticipate you coming in to testify. Introducers will make initial statements, followed by proponents, opponents, and neutral testimony. Closing remarks are reserved for the introducing senator only. If you are planning to testify, please pick up a green sign-in sheet that is on the table at the back of the room. Please fill out the green sign-in sheet before you testify. Please print, and it's important to complete the form in its entirety. When it is your

turn to testify, give the sign-in sheet to the page or the committee clerk. This will help us make a more accurate public record. If you do not wish to testify today, but would like to record your name as being present at the hearing, there is a separate white sheet on the tables that you can sign in for that purpose. This will be a part of the official record of the hearing. If you have handouts, please make sure you have 12 copies and give them to the page when you come up to testify, and they will be distributed to those on the committee. If you do not have enough copies, just get the page's attention and they will get you more copies. When you come up to testify, please speak clearly into the microphone. Tell us your name, and please spell your first and last name to ensure we get an accurate record. We will be using the light system for all testifiers. You will have five minutes to make your initial remarks to the committee. When you see the yellow light come on that means you have one minute remaining. And the red light indicates that your time has ended. Questions from the committee may follow. No displays or support or opposition to a bill, vocal or otherwise, is allowed in a public hearing. And with that, we will start with LB333, Senator Slama. Excuse me, we need to make introductions. Go ahead and sit, Senator, you're fine. Let's start off to my far right, Senator, Senator Hansen.

B. HANSEN: Senator Ben Hansen, Hansen, District 16; which includes Washington, Burt, and Cuming Counties.

BRANDT: Senator Tom Brandt, I'm the Vice Chairman of the Ag Committee. I represent Jefferson, Saline, Fillmore, Thayer, and southwestern Lancaster Counties.

HALLORAN: To my far left, Senator Moser.

MOSER: Mike Moser from District 22. That's Platte County, Stanton County, and a sliver of Colfax County that connects the two ends of the barbell.

LATHROP: Steve Lathrop, state senator from District 12, which is Ralston and part of southwest Omaha.

BLOOD: Senator Carol Blood, and I represent District 3, which is western Bellevue and southeastern Papillion.

HALLORAN: Thank you, senators. To my right is committee research analyst, Rick Leonard. And to my far left his committee clerk, Rod Krogh. All right, Senator, you're up.

SLAMA: All right. Well, good afternoon, Chairman Halloran and members of the Agriculture Committee. My name is Julie Slama, J-u-l-i-e S-l-a-m-a, and I represent District 1 in southeast Nebraska. I bring before you today LB333, which is a

straightforward bill that adopts the FDA required updates of the Pasteurized Milk Ordinance and other national standards for milk safety and sanitation. Specifically, LB333 updates a reference to the current standards from the 2011 revision to the 2017 revision. LB333 also updates the definition of 3-A sanitary standards to reflect it has the same meaning as in the Grade A Pasteurized Milk Ordinance. LB333 only applies to pasteurized milk, not those who are raw milk producers. I do have director Steve Wellman from the Department of Agriculture following me today. I will try to answer any questions you may have. And those that I can't, Director Wellman may be able to. Thank you.

HALLORAN: OK, Senator Slama. Any questions for the introducer? Senator Blood.

BLOOD: Thank you, Chairman Halloran. I just have two really brief questions.

SLAMA: Yes.

BLOOD: I was reviewing the Nebraska Milk Act so I can catch up to speed on what we would be talking about today. And I had two general questions. I know that there were amendments made in 2017, it stated at the top of the Milk Act. But yet, I couldn't

find any reference to it within the body. Do you happen to know what we did in 2017 that would have changed that?

SLAMA: No I'm not sure what that reference is to.

BLOOD: But I bet somebody after you does.

SLAMA: Yes. I think that somebody after me may be able to answer that.

BLOOD: And then in Nebraska, I notice that we talked about Grade A and we talk about things that are lesser than Grade A that we make into like cheese and other products. Why is it that Nebraska doesn't refer to the milk, those milk products like other states do is Grade G?

SLAMA: That again is a very interesting question.

BLOOD: I will ask someone after you then. I was just curious after I read it.

SLAMA: Thank you, Senator Blood.

BLOOD: Thank you very much.

HALLORAN: OK. Any further questions? Thank you, Senator Slama. Would the first proponent please come to testify? You certainly may. Welcome Director Wellman. How are you?

STEVE WELLMAN: I'm well, thank you, Chairman Halloran, members of the committee. I'm Steve Wellman, S-t-e-v-e W-e-l-l-m-a-n, I'm the director of the Nebraska Department of Agriculture. I'm here to testify in favor of LB333. I thank Senator Slama for introducing this bill on behalf of the Department of Agriculture. I have additional written testimony and you also are receiving a copy of the oral testimony also here too today. LB333 amends the Nebraska Milk Act by adopting the 2017 version of the Grade A Pasteurized Milk Ordinance and other relevant publications of the United States Department of Health and Human Services and Food and Drug Administration. Currently, the 2011 versions of these publications are adopted in the Act. The publications provide national standards adopted by the majority of the states. Following the adopted version of the PMO is imperative for the dairy industry's ability to ship milk and milk products in interstate commerce. The department has discussed these changes with the Nebraska Dairy Industry Review Board and the board supports this bill. I would like to thank the members of that board for their time and effort on this project. This is a-- there is a list of the board members and letters of support in the written material that I've provided. I ask for your support in enacting this bill and would be happy to try to answer any of your questions.

HALLORAN: Thank you, Director Wellman. Any questions from the committee? Senator Blood.

BLOOD: Thank you, Chairman Hall, Halloran. So that kind of expanded the question that I have. So when you look at the Nebraska Milk Act on-line it says that it was updated December, 2017. But here it says that we're adopting the 2017 version. Can you tell me where the confusion might be? Did we just choose not to adopt it when we updated it in 2017? Or did we not really update it in 2017 and we took it upon ourselves to put that date as the adoption date?

STEVE WELLMAN: So I think there's two parts to that, and I'm not sure about the answer on whether we made any changes in 2017 to the, to the legislation itself or to the statute, I should say. We'll, we'll try to get an answer to that, whether we actually did or whether there were changes in 2017.

BLOOD: You'll notice on the act that's on-line it says that there's a date December, 2017 as the most recent update.

STEVE WELLMAN: Right.

BLOOD: Top right-hand corner, you may have it in front of you. And then I went through the body and I saw that there were changes in 2003 and 1997. But I never saw anything that showed

that it was actually changed December, 2017. That's why I'm kind of confused. Now we're referring to 2017, but yet the Milk Act already says that it was changed in 2017. Do you understand what I'm saying--

STEVE WELLMAN: Yeah, I--

BLOOD: --might be some confusion.

STEVE WELLMAN: So yeah, I'm not sure that it was changed in 2017. We'll have to find that out.

BLOOD: And it may just be--

STEVE WELLMAN: What we're referencing here is adopting the 2017 version of the Milk Ordinance that, that's a document with USDA, the human, Health and Human Services.

BLOOD: Right.

STEVE WELLMAN: So we're adopting that from 2017. They actually update every two years. So what we-- and my understanding is on what's in place now, is we're actually referencing the 2011 version of the--

BLOOD: So what's in place in the Milk Act now is referencing the 2011 version.

STEVE WELLMAN: Correct.

BLOOD: The ordinance that you're referencing now is the 2017 version.

STEVE WELLMAN: And we would update to 2017 version.

BLOOD: And so perhaps the date of December, 2017 that's currently on the Milk Act on-line may not necessarily refer to this most recent change, but perhaps another change that happened in 2017?

STEVE WELLMAN: That's possible. I'm not sure what that references.

BLOOD: I'd be interested--

STEVE WELLMAN: We'll have to try to find an answer for you.

BLOOD: Yeah, I would like to see that, because I don't see it referred to at all in the body.

STEVE WELLMAN: I was, I'm not aware of any change in 2017.

BLOOD: Thank you. And I didn't mean to grill you, I, I'm just trying to understand it. So I really appreciate it. Thank you very much.

HALLORAN: Thank you, Senator Blood. We need to recognize that another committee member has joined us. Senator Chambers, can you introduce yourself? Everybody knows you but-- Senator Chambers, what district do you represent, sir?

CHAMBERS: Say it again?

HALLORAN: What district are you representing?

CHAMBERS: Eleven. Eleven.

HALLORAN: All right. Thank you, Senator Chambers. Any further questions for Director Wellman from the committee? If not, thank you.

STEVE WELLMAN: Thank you.

HALLORAN: Next proponent. No other proponents, are there any opponents to this bill? Moving right along, are there any neutral? All right. Senator Slama has waived closing, so that will end our discussion on LB333. I was remiss in introducing two of the most important people in this process, our pages. Katie Andersen, and Katie Andersen is a senior at UNL with a double major in English and political science. And Dana Mallett, a student at UNL majoring in political science. Thank you both.

All right, our next bill to consider is LB243. Welcome, Senator Gragert.

GRAGERT: Thank you, Chairman Halloran and members of the Agriculture Committee. I'm Senator Tim Gragert, T-i-m G-r-a-g-e-r-t, representing the District 40 of northeast Nebraska, and here today to introduce LB243. The purpose of LB243 is to promote more widespread use of healthy soil practices among farmer and ranch landowners and operators in Nebraska, in order to improve the health, yield and profitability of the soil; increased carbon sequestration capacity; and improve water quality. LB243 proposes to create a Healthy Soils Task Force. The task force is to consist of the director of Department of Agriculture or his designee, and the following members appointed by the Governor: two representatives from the NRD; two academic experts in the, in agriculture and natural resources; five representatives from production agriculture; two representatives from agribusiness; and one representative from an environmental organization. The chairs of the Agriculture and Natural Resources Committee shall serve as non-voting members. The Healthy Soils Task Force is to develop a comprehensive healthy soils initiative, as well as an action plan to carry out the initiative using specified standards as measures to assess improved soil health. With the assistance from outside

resources, the task force shall examine how to provide farmers and ranchers with edu-- research, education, technical assistance, and demonstration projects. Examine options, options for financial incentives to improve the soil health, and examine the contributions of livestock to the soil health. The task force is to create a time line to improve soil health within five years after completion of the action plan. The task force shall submit an action plan, as well as their findings and recommendations, by January 1, 2021. I do have an amendment for the committee. It's been passed around, I believe. Initially, we thought the bill would be referred to the Natural Resources Committee, and therefore, the bill states that the task force shall report their findings to the Natural Resources Committee. Since it was referred to the Agriculture Committee, the amendment adds the Agriculture Committee as recipients of the task force's findings and recommendations. Having worked for the Natural Resource Conservation Service for more than 30 years, I have a deep interest in soil health and water quality. Healthy soils are fundamental for healthy and sustainable food production. I feel that improving the health of Nebraska's soils is the most effective way for agriculture producers to increase crop and forage productivity and profitability, while also protecting the environment. Healthy soils will increase crop

resilience to drought; reduce soil erosion; result in a high per-acre crop yields; increase water retention, thereby reducing downstream flooding; enhance water quality; and increase carbon sequestration of the soils. The USDA Natural Resource Conservation Service has identified four health principles. One, disturb soil as little as possible. Two, grow many different species of plants through rotation and diverse mixture of cover crops. Three, keep leaving plant-- keep living plants growing in the soil as much of the year as possible. And four, keep the soil surface covered with residue at all times. Through the initiative developed by the task force, if farmers and ranchers become more aware of the benefits of healthy soils, the state as a whole will benefit. Several years ago, the ag census showed that approximately 2 percent of Nebraska's crop land was growing covered crops. No-till was being used on about 50 percent of crop land acres. The task force will look at why more widespread use, usage of healthy soil practices are not being used, and will develop methods aimed at increasing their use. My intent behind this legislation is not to create new mandates for agricultural, for the agricultural sector. I repeat, my intent behind this regulation is not to create new mandates for the agricultural sector, but to make more information available on the benefits of improved soil health by demonstrating the

economic and environmental benefits of healthy soil management practices. Currently, the significant cost of chemical inputs to attain high-crop yields is being met with low commodity prices and has created a real hardship for Nebraska farmers.

Furthermore, frequency and intensity of extreme weather appears to be increasing, creating greater economic risk and uncertainty. A number of other states have initiated formal soil health programs. Nebraska ranks fourth nation, nationally in the number of acres of farmland, and has more irrigated acres than any other state. It is time for the Nebraska to get on board. I urge the committee to vote favorably for LB243. If you have any questions, I'll be happy to try to answer them. I also want to inform you that there are a number of experts here today testify in support of the bill and will be providing you with additional information of this proposal. Thank you.

HALLORAN: Thank you, Senator Gragert. Any questions from the committee? Senator Blood.

BLOOD: Thank you, Chairman Halloran, and thank you for your presentation. I haven't heard you before. So this is the first time I've had you. I just haven't really read question. Have you had an opportunity to review Senator Walz's bill in reference to the soil program she's implementing.

GRAGERT: Very brief, very brief, they were in contact with me just over the phone. But I haven't actually read the bill.

BLOOD: But do you see that complementing your bill in any way or partnering with your bill in any way?

GRAGERT: I certainly feel that that, you know, that bill will be a year in complement-- you know, in order with this one.

BLOOD: In a way that it will--

GRAGERT: Complement this one.

BLOOD: It will complement it? So you don't feel that it will create a hurdle to the programming in any way or vice versa?

GRAGERT: No, ma'am, I-- this, this bill here is for just to develop a task force to come up with a Nebraska initiative mission statement, if you will, and then work with an action plan. So to make a conservation practices more widely accepted or known.

BLOOD: Because it kind of seems like her bill kind of takes the action plan and moves forward. So that's always curious, is there any way that you thought maybe you guys could partner together?

GRAGERT: Well, I got to tell you, you know, there's been a number of agencies: the NRD, the NRCS, the university, that independently they're working towards these, the same goal, conservation practices. But what this bill would, would like to do, try to do, is bring those entities, have this task force bringing those entities all together and work in the same direction, get them on the same track.

BLOOD: Definitely much more productive when we work together.
Thank you.

GRAGERT: Thank you.

HALLORAN: Thank you, Senator Blood. Any other questions? Senator Brandt.

BRANDT: Thank you, Chairman Halloran. Senator Gragert, I guess you're probably the guy that's gonna have to answer this question, as to what is the best way to implement this? And you have it laid out here that the Governor will appoint all the members of this. And you're well-versed in the soil sciences, and this is what we're talking about, is the science of agriculture. And I just want to be assured that the politics of agriculture don't sway the science, that we make sure that the science of this is well represented on the committee. Oh

definitely. The, this-- all decisions will be based on scientific-based information, not on politics. All right, thank you.

HALLORAN: Thank you, Senator Brandt. Senator Chambers.

CHAMBERS: How do we know they won't be based on politics, when all we're given is the representatives, but we don't know how they are-- how does the Governor determine who from agribusiness or an environmental organization? How does the Governor make a determination of whom those people will be?

GRAGERT: Well, Senator Chambers, I believe that what how he will make that decision is who, who is interested enough to apply for that task force and make an application into the task force and choose the most appropriate ones. We do have five of them that are gonna be actual producers, which would be farmers and ranchers. So that's not just gonna be government agencies making decisions on what's going on. So another, another part that may be good is to make sure that at least 75, 80 percent on any vote needs, need-- we need 75 or 80 percent of people on the, on the task force in order for everybody to get to their, get their word or percentage into a final decision on anything that's-- recommendations that are being made.

CHAMBERS: My concern is based on how the Governor makes appointments to the Game and Parks Commission. And these are generally members of what are called "Good Old Boys Club." They don't have any particular expertise and what Game and Parks is to be about, and I guess the Governor just picks these people because maybe they've helped him politically or whatever. But there is concern about it. How do we know that he won't just reach out and select people with a predetermined agenda? And when you have five representatives from production agriculture, we don't know whether those are going to be big people, ordinary people, or just whom. There are no guidelines, in other words, are there, in the bill?

GRAGERT: There's no guidelines in the bill, no sir.

CHAMBERS: OK. And then when we come to page 3, so that you'll know what I'm talking about, line 24. I don't know what a "healthy soils initiative" is.

GRAGERT: That's to be created. A healthy social initiative, just a mission statement that they'll come up with in Nebraska as far as where we want to go. Healthy soil is a soil that is not only chemically and physically, but the microorganisms that are involved, you know, the respiration through soil testing. We,

we-- it becomes a, high organic matter becomes a healthy soil versus a soil that's low and vice versa.

CHAMBERS: Is there anything in the bill that mandates that or that's just what your intention would be?

GRAGERT: That, that is the guidance that the task force would be, you know, using, utilizing to come up with the initiative.

CHAMBERS: I know the Governor is very strongly in support of everything President Trump is doing. And President Trump is loosening the requirements for fresh water or clean water on pollution caused by big trucks. In other words, everything related to a healthful environment is being weakened by the president. And the Governor backs up everything the president is doing. So if you just tell us what you mean by healthy soil initiative, soils plural, initiative, and you mention these various categories, there is nothing to ensure that politics will not guide everything. And if this group is ballyhoo, I shouldn't use that term, is presented or projected to the public as one that has acted on the basis of scientific principles, but everybody on it is a political appointee, there is nothing that people can look in this legislation and see that would guard against that. And I'm not making you responsible, I want some things on the record. Based on what I've said, do you see

anything in the bill that would guard against that-- we can't guarantee, but that would guard against it or that lays out a guideline?

GRAGERT: As the bill is written, no. There's no guard against that. However, with this particular subject, we are after-- we, and I'm sure we will attract people that are in the same mindset of what we're looking for as healthy soils and need. Something, a soil that would be very productive and environmentally friendly. OK? So to, to try to what if it, well, he's maybe do this, maybe do that. But what we want and what we would be looking for is leaders in each of the communities. There's always that, there's always that producer out there that is innovative, doing new things, and all the neighbors are watching him. That would be the prospect, or that would be the individual you want on the task force, as far as producers and farmers and ranchers.

CHAMBERS: But there's nothing that says that in the bill.

GRAGERT: There's nothing at all that limits it to those be-- for, for one fact that I would think is because we don't know who's going to apply for this task force. You know, it's, it's going to take an individual very interested in, in improving the healthy soil, soil health.

CHAMBERS: Why is there one representative from an environmental organization, yet every other one has at least two and the production agriculture will have five?

GRAGERT: You know, those, that was just brought up. And if we feel we need to even things out, we wanted to give-- I would, I would think we want to give heavier weight to the producer himself, the, the actual farmer or rancher. And that's why we don't want all government entities like the NRD, the NRCS.

CHAMBERS: No, I'm talking about the environmental element of it.

GRAGERT: Right.

CHAMBERS: There's, there's one representative from an environmental organization.

GRAGERT: Well, that--

CHAMBERS: Every other category has at least two. So this is just one person without even anybody to talk to.

GRAGERT: These, these individuals are, will be individuals that are interrelated in a way. So they won't be left out in the field or felt that they're left out in the field. It's the representative from the environmental organization, because that

is the weight given to a healthy soil. This is more an ag than, than a wildlife subject here so.

CHAMBERS: I'm aware of that, because by putting one representative, the environmental aspect is an afterthought. What you're interested in, and I don't want to frame it as a statement, it's meant to be a question, even if the inflection of my voice sounds like a statement, it seems to me what you're interested in is producing revenue and income rather than anything for the environment. If it will hurt the environment, but there's a lot of production, smaller cost going to protecting the environment needs more profit, just like burning more coal would foul the environment but it answers a political promise. How do we know that this whole operation is not designed to be something to, as a matter of fact, harm the environment? In other words, it seems to me it's more of an economic unit that you have here and an economic approach. And you're talking about dealing with the soil in such a way that it produces more, regardless of the damage to the environment.

GRAGERT: The healthier soil economically, and we want to bring the economics out of this, because you're investing in that soil. You're not spending money, you're investing money in your soils. And the farmer and rancher is investing for down the

road. This will not be a thing that you've got a soil that may be depleted into organic matter, and the next year I can do this and I've got a good soil health achieved. So out of this, what these guys and gals will do with their soils--

CHAMBERS: These guys and who?

GRAGERT: And gals.

CHAMBERS: What is, what is a gal?

GRAGERT: Guys and, ladies, ladies and gentlemen, thank you. And will do is improve, by improving their soils, all these are, if you will, side benefits of better wildlife habitat, if you will. But the-- and increase income, because a healthier soil will produce more bushels per acre.

CHAMBERS: My last question.

GRAGERT: OK.

CHAMBERS: There's nothing about pesticides and the impact of pesticides is there?

GRAGERT: No.

CHAMBERS: In the bill?

GRAGERT: No.

CHAMBERS: I don't have anything else, thank you.

GRAGERT: Thank you.

HALLORAN: Thank you, Senator Chambers. And to add a little levity to the moment, I agree with Senator Chambers. I hope that not all big people are chosen to be on this. Thank you. Any other questions from the committee? Yes, Senator Moser.

MOSER: I just, along the line that Senator Chambers was asking, I was looking for a definition of healthy soils or objectives. You know, what objectives they were looking for in improving the soils. And are our soils currently not being maintained as they should?

GRAGERT: Well--

MOSER: Is there a problem that we're solving or are we just creating an entity to study it? I mean--

GRAGERT: We're creating a task force, and we don't need the task force to study it. I'm sure I got possibly we have--

MOSER: What's their task?

GRAGERT: --soil science.

MOSER: My question is, what's their task?

GRAGERT: Once again, to come up with a mission statement, if you will, like: Nebraska the healthy soil. Some, some statement--

MOSER: Really, this is kind of like One Nebraska coming up with the theme for the future of Nebraska sort of thing, only--

GRAGERT: Yeah.

MOSER: --for healthy soils?

GRAGERT: I mean, a mission statement. I mean, you, I'm sure you worked with organizations where you've got to come up with a mission statement where some, for a goal to aim for. OK?

MOSER: Is there a sunset or anything to this?

GRAGERT: Two years. It's--

MOSER: OK.

GRAGERT: All this is, is a two-year program, and that's the thing. This won't, this task force, whatever their recommendations come up with, doesn't go into effect automatically. You got to bring it back. This, this task force will sunset in 2021, I think it was January, 2021. So once they come up with their action plan and their recommendations, they

will come back to the Natural Resources Committee and
Agriculture Committee and for forward, how this will proceed
forward.

HALLORAN: Any further questions? Senator Blood.

BLOOD: Thank you, Chairman Halloran. Just a quick one, because
now I'm getting confused. So I read quite clearly in the bill
that it said action plan. The two of you are talking about
mission statement. There's a big difference between the two.
Action plan is something that you want to put forward, even to
put forward and even to put into motion. A mission statement is
basically saying who you are, why you exist, and what you are
going to do. So action plan, yes?

GRAGERT: You're exactly right. Both have said, but this covers
both of them. They're going to come up with an action plan and
follow within-- or a mission statement to follow with an action
plan how to, how to accomplish that mission statement. So--

BLOOD: Sometime, you I are going to have a conversation about
strategic planning. I'm going to walk you through some of this,
because I think you've got a gray area there. Thank you.

GRAGERT: Thank you.

HALLORAN: Any further questions from the committee? Thank you, Senator Gragert.

GRAGERT: Thank you.

HALLORAN: It's time for proponents. Just a reminder to spell your name.

ANNETTE SUDBECK: Good afternoon. My name is Annette Sudbeck, A-n-n-e-t-t-e, Sudbeck is S-u-d-b-e-c-k, and I'm the general manager of the Lewis and Clark NRD in Hartington, Nebraska, in the northeast corner of the state. And the NRD encompasses the eastern half of Knox County, the majority of Cedar, and a majority of Dixon County. And I'm here to testify in support of LB243, and would like to express on behalf of the Lewis and Clark NRD board the importance of soil health in our programs and the need to keep it a healthy, functioning resource of this great state. Healthy soil, a healthy soils action plan is truly essential at this time of increased demand for crop production, as well as the need to protect and improve our groundwater and surface water quality. Very necessary to every community and every resident of the state to keep healthy soils and healthy water. Healthy soils is the only way to get there. The demands on soils at this time, with that need to increase our, increase food production is really high. We do put a lot of inputs and a

lot of pesticides on those soils. Identifying methods to keep our soils healthier and a nice, in a nice, concise package, as I gather from the point of the initiative, is to, to bring a clear message to producers and to others in the state. And it's more, it's important to bring more producers to the table, to bring more people aware of the importance of soil health. And NRCS is focused on that for several years, the NRDs focus on that on a regular basis. But that importance, carrying it one level further with having supportive of the Legislature to do that I think would be important. And I think it would go a long way, bring some people out that haven't taken that step. If they get one more push, maybe that'll make some difference. I'd like to give you a little background into the Lewis and Clark NRD and some of the projects we're working on. Right at this time, we're working on a groundwater management plan, in cooperation with the Department of Environmental Quality. And the reason for that water quality management plan is because we are seeing decreased quality in our surface water and in our groundwater. We've worked with Creighton for many years in the Missoula groundwater management area, which is, you know, suffering and struggling with increased nitrates, has a reverse osmosis treatment plant to deal with those. Increased soil health makes that soil more lively. Lively is the wrong word. It's healthier, it's able to

capture more of those nitrates and hold them longer, so they don't leach down into the water table. It also slows down water infiltrating into, into the groundwater because it's healthier, it has ways to bind to that nitrogen. It also slows down chemicals entering our, our surface water. So it's been really important for us to focus on soil health, to improve water quality for our communities, and to also increase the potential for production over the long-term. And we need to make that a secure path going forward for our state. Other areas identified with our water quality management plan are Bow Creek in the central Cedar County, which is impaired for E. coli. And having some agricultural rotation, increased management, cover crops, other ways to increase our soil productivity would help to reduce that, that bacteria. And we are also working with the Santee Sioux Tribe in Knox County. They have an impaired stream as well; E. coli as well. And so we are working with them in our water quality management plan, and this is perfect timing with this initiative. It fits really well when we're talking about water quality, it goes hand-in-hand with the soils. So at this time, I'd like to thank you for your-- for accepting my testimony, and appreciate all that you do.

HALLORAN: Thank you, Mr. Sudbeck. Are there any questions?

Senator Chambers.

CHAMBERS: What's the smallest unit of land that a person could grow crops on and it be considered a farm? Would one acre be considered a farm if somebody was growing crops on it, and that person a farmer?

ANNETTE SUDBECK: I'll answer on a personal note, I don't want to speak for any organization.

CHAMBERS: Oh, I'll wait. OK.

ANNETTE SUDBECK: But, yes, if you are growing a crop that you can market, I would say you could do so on one acre.

CHAMBERS: And if you had one cow, would that qualify you as a rancher?

ANNETTE SUDBECK: It would depend, I guess, on if you're selling that meat to market or if you're keeping it for yourself. A rancher, probably not.

CHAMBERS: Suppose you're selling the milk?

ANNETTE SUDBECK: It could make you a dairy operator, I imagine. But it depends on definition, and I'm not familiar with what the actual definitions are so.

CHAMBERS: OK. And because I have additional questions, I'll stop at that point. Thank you.

ANNETTE SUDBECK: OK.

HALLORAN: Senator Blood.

BLOOD: Thank you, Chairman Halloran. I just have a really quick question. First of all, I want to say thank you for your testimony and that, especially in the part of the state that I live, the NRD does an exceptional job. If we were ever to have a really big flood, part of my district would actually be in big trouble and the NRD is making sure that doesn't happen. And we've teamed up with them when it came to the Missouri River, and trying to prevent floods in the future. So they do a great job. But one of the things I'm hearing, and I just, I'm going to ask you, I'm not going to ask every NRD. So I'm going to ask you to speak on behalf of the other NRDs. So when we're talking about this committee putting together an action plan and you're participating in that action plan, and you've already stated that the information that they share will help you grow in the process that you do within the NRD, does that mean that you guys will have to go back and tweak your strategic plans, perhaps adjust your funding?

ANNETTE SUDBECK: I don't see that being an issue. I actually see, the plan that we're coming up with, is a guidance for the producers, for the communities in our district to improve their water quality. And we'll have a list of effective methods to manage that, to enroll in, and then--

BLOOD: So not necessarily participating, as much as being the messenger?

ANNETTE SUDBECK: Would you please--

BLOOD: Once, once you participate in the committee as an NRD--

ANNETTE SUDBECK: Right.

BLOOD: --and you're telling me that they're going to be putting together guidelines that are to help the people who, who take care of our soil here in Nebraska--

ANNETTE SUDBECK: Right.

BLOOD: --that you aren't necessarily going to be amending any of your behaviors within the NRD, but you'll be sharing the information that they put together on this board within your communication channels.

ANNETTE SUDBECK: It will expand the ability of the individuals that are farming. We'll be able to provide them better information, increased potential for different soil protection practices that could be applied on their ground. Would it mean a big change in any of our plans? Not necessarily. It wouldn't be a complement to them.

BLOOD: OK. So I'm not sure I'm hearing you correctly, so, and I'm sorry if I sound obtuse, it's just I'm trying to make sure I understand. So not-- I'm going to rephrase it again. Not necessarily the NRD will be changing how they do anything, as much as NRD taking the information from this committee and disseminating that information to help people within their communication channels?

ANNETTE SUDBECK: Yes, I would say that's an accurate statement.

BLOOD: Thank you.

ANNETTE SUDBECK: I apologize that it took--

BLOOD: No, no, no worries. It may have been how I presented it. Thank you.

ANNETTE SUDBECK: OK. Thank you.

HALLORAN: Thank you, Senator Blood. Any further questions from the committee? I do have a quick question, you mentioned-- you said-- boards are important to me. Senator Chambers has taught me this over the last two years. You mentioned the word push. In context, it was something to the effect of coming up with recommendations to push farmers towards having better healthcare. Push is a-- push kind of describes to me in the future some form of mandates, and that word, that bothers me. Can you elaborate on that?

ANNETTE SUDBECK: Yes. And push was a poor choice of words because that's definitely not what the NRDs are about, is pushing people to do anything. We want to be able to provide them the best knowledge available in order to make the best conservation decisions and management decisions they can. And that is what we support, not, not pushing anyone to do anything. And the reason we're writing groundwater management plans and working with local producers is to minimize the need to potentially do mandates in the future. We want to work with producers to, on a voluntary measure, and avoid. So we're trying, we're working hard as a district to be proactive in that.

HALLORAN: OK. I appreciate the, the input from the NRD. And this could rapidly turn into a Natural Resources Committee hearing.

So I appreciate your testimony. Thank you.

ANNETTE SUDBECK: Thank you very much.

HALLORAN: Just as a note here for, we have quite a lineup of testifiers. I would ask that we try not to be too redundant, too repetitive. So if you agree with a previous testifier that might be sufficient. You can elaborate it on, on, on that some, if you wish. But if it's repetitive, it's not, it will consume a lot of time. So next testifier, please. Next opponent or proponent, excuse me. Welcome.

TOM HOEGEMEYER: Mr. Chairman and senators, my name is Tom Hoegemeyer, T-o-m H-o-e-g-e-m-e-y-e-r. I'm a native Nebraskan, I've got a bachelor's degree in crop science at UNL, a PhD at Iowa State, spent 35 years owning and operating a seed company, four years as a staff scientist at a multinational seed company, and six-plus years on the agronomy faculty at UNL. I'm retired now. Only 3 percent of the Earth's surface has soils that are capable of doing crop production, and so it's essential for humanity to take care of what we have. The real challenge has always been balancing economic considerations and necessary crop output with reduced loss of soil and reduced loss of

productivity. And soil is just an incredibly complex living system. Forty-five percent of it, roughly, is minerals, sand, silt, and clay; 50 percent is void spaces that can be filled with various gases, air, or water; and the remaining, most of the remaining, is organic matter and living organisms and dead organisms. In a single acre of soil, there's about 2 tons of bacteria and more tons than that of insects, worms, whatever. Incredibly rich biologically. In past decades, agronomy and soil scientists have tended to look at soils mostly from a physical and chemical perspective, and we sort of ignored the biology that was going on. Well, a number of decades ago people started experimenting with no-till and minimum-till farming systems to try to reduce soil erosions. And both the farmers themselves and scientists suddenly realized this has a huge impact on the biology of the soil as well. Just keeping this residue in place. More recently, a cover crops have been introduced, initially to try to better hold soil, to reduce erosion, as well as to manage moisture and one thing and another. And obviously they impacted the biology of what's going on. It's, it's an interesting perspective to think about what was happening and what we're proposing. What was happening is, basically, in continuous cropping systems, in simple, you know, corn-soy rotations, it's kind of like a human being on an all-doughnut diet. Your, you

know, gut microflora adapt to that all-doughnut diet, and it's really not a healthy place. And what, you know, this healthy soil initiative does is it helps us think about what we want to think about, is how do we rebalance all of those organisms in the soil to maintain productivity. And we've found that it has a lot of benefits. We're still learning how to integrate all those practices. But what, what's happening is there is going to be a whole paradigm shift in the way we think about soils and soil fertility. Soils having innate, fixed properties: their mineral content, slopes, elevations, and one thing and another. But they also have dynamic properties that can vary with how you manage, that's water-holding capacity, nutrient-holding capacity, and a bunch of other things. Some farms, 20 or 25 years ago, switched to all no-till farming, and it's been a real boon to them. We have a number of producers that are really committed to cover crops and, and use them as often as they can. But there's less than 2 percent of the Nebraska soils that are, that use both of those practices; and less than that that's really being managed by soil health principles. We've got a lot of organizations that are, are involved in trying to promote soil health, but what we hoped we could do with the task force would be to help coordinate all of the efforts and put the information and

education together in some sort of an implementation package. So that's what I had to say. Thank you.

HALLORAN: Thank you, Mr. Hoegemeyer. Questions from the committee? No questions. Thank you, sir. Next proponent.

JEFFREY STEFFEN: Chairman Halloran, committee, thanks for hearing my testimony. I'm in favor of--

HALLORAN: Sir?

JEFFREY STEFFEN: LB--

HALLORAN: Your name?

JEFFREY STEFFEN: My name, sorry. My name is Jeffrey Steffen, J-e-f-f-r-e-y S-t-e-f-f-e-n. I'm in favor of, of LB243. I'm a, I'm a-- you probably would call me a small farmer from Crofton, Nebraska. I'm also on the Lewis and Clark NRD. I've been no-tilling for 25 years, and the last five years I've incorporated cover crops. And the NRD side of me gives me a passion for, for getting rid of our soil erosion in our water quality. And, you know, it's a, it's a fact that we've lost half the organic matter in our soils since predevelopment. And soil health is, and soil health is complex, and there's, there's a fragmentation of ideas out there on how to fix it. And a lot of times, you'll

get a young guy, a beginner starting with it, and he's set up for failure because it's such a complex issue on the practices to use. So I'm intrigued with the idea of having a task force, you know, a combination of academic experts and then the farmers with the interest to improve, that you put them together, come up with a goal, and, you know, decide what the goal should be and what, what combinations and practices it will take. And the goal, you know, could be exciting to actually regenerate soils. And I'm also on the Natural Resource Commission. I'm aware of the nitrate problems. I was involved with like the Hastings water treatment, the nitrate problems they have. So the result of healthy soils is also keeping nitrates in the soil where they belong. We always talk about recharge, retiming of water in the west. One percent organic matter gain in our soil would be, I think I did the math, it's like the equivalent of four Lake McConaughys. And if you could recharge, retime water, and also, eventually, the problems with the nitrates in the water for cities: Lincoln, Omaha. If you can have healthy soils on the plains west of us, you can help that problem also. So it costs a little bit to get started for a farmer, but I've been doing it for five years and I can see it starting to pay off. But it's, it's a technical thing. And if the beginners can have a combination of technical advice, and a goal going forward to

what they want to attain, I'm really intrigued with this and I think it's a good idea. So any questions, I'd love to answer.

HALLORAN: Thank you, Mr. Steffen. Any question? Yes, Senator Brandt.

BRANDT: Thank you, Chairman Halloran. You stated that we've lost half, one half of our organic matter is in-- where are we starting from? At what point are you starting at?

JEFFREY STEFFEN: It's generally accepted in Nebraska, and this will vary by region, predevelopment, we had 6 to 7 percent organic matter. There's a lot of soils. Actually, probably most soils are under 3. We farm a lot of soils 1.5 percent organic matter. And what we're doing, what's replacing that loss of organic matter is the synthetic inputs of fertilizer and then irrigation. Also, you have soils that hold more water, you use less irrigation.

BRANDT: And if I could follow up quick, what would be-- is organic matter the measure of a healthy soil?

JEFFREY STEFFEN: It's one of the measures and it's, it's, it's the carbon content in the soil. And the carbon, carbon in the soil is a really good retainer of water. But also, it takes the biology in the soil to create the carbon. There is an

interaction between the plant and the biology, the microbes in the soil. That's what increases your organic matter. As your organic matter goes down and you need to replace it with synthetic inputs, it's a negative for the biology.

BRANDT: OK. Thank you.

HALLORAN: Thank you, Senator Brandt. Any further questions?
Senator Blood.

BLOOD: So you specifically talked about, and thank you for your testimony, by the way, you specifically talked about getting information out to new farmers. But when it comes to soil, isn't that information already available through the federal government? I was just, I just really briefly looked up NRCS, FSA, the USDA service centers. What would make this different than what's already available?

JEFFREY STEFFEN: It is, there is a ton of information out there, and like I said, it's fragmented. So you'll have UNL does a study, comes up with, with say cover crops didn't pay for three years, NRCS has all their data. There isn't like a road map of, we think this combination of practices is what we need to get to our goal. It's just, it doesn't seem like it's organized. And if we could get it all working together.

BLOOD: So, so the USDA has this Web site where I found all of this information.

JEFFREY STEFFEN: Yes.

BLOOD: To me, it appears to have best practices for, for soil. So, I guess, I'm a little fuzzy on why we're reinventing the wheel. Are best practices different for soil from state to state as far as how, I mean, obviously I know there's-- I grew up on a farm, so I know there's differences in soils with sand and clay and, I mean, I get that. But I just question if this is being redundant.

JEFFREY STEFFEN: Yes. Well, you could say maybe to a point. There's NRCS, I could say maybe it's more general. The practices of cover cropping is different as you go west with rainfall, and as you go east.

BLOOD: Right.

JEFFREY STEFFEN: So, I see your point.

BLOOD: But I hear you saying maybe what you guys are saying is that you want it to be more site specific, and that perhaps there's is more-- is less site specific, can't talk today, and more about just soil in general?

JEFFREY STEFFEN: Yes, somewhat of--

BLOOD: I mean, I am seeing some best practices stuff, so I think I'll research it further but.

JEFFREY STEFFEN: Somewhat of a general term, right. The farmers in different areas are coming up with different combinations to get the most success. And when you do the multiple practices in, in conglomeration, it's a synergy. You know, when you figure it out, you really get the improvement so.

BLOOD: That's fair. Thank you.

HALLORAN: Thank you, Senator Blood. Any further questions? Thank you, Mr. Steffen, for your testimony. Next proponent, please. Welcome.

SHELBY JANKE: Good afternoon, my name is Shelby Janke, S-h-e-l-b-y J-a-n-k-e. I live here in Lincoln, but I'm originally from Kearney. I'm here representing the Nebraska League of Conservation Voters. We have more than 6,000 supporters across the state, and we support this bill because improving soil health is an important conservation initiative in Nebraska. In addition to providing plants with the nutrients, water, and root support they need to thrive, soil is a buffer to protect plant roots from drastic fluctuations in temperature. Healthy soil is

critical in times of drought or severe rains, because the healthier the soil, the more it retains water, and the less likely it is to erode. As we see more extreme weather events and increased likelihood of more intense drought periods due to climate change, healthy soils will become more and more important to sustain Nebraska's agricultural economy. One of the main functions of the Nebraska League of Conservation Voters is to provide education to Nebraskans about the most important conservation issues facing our state. We invite experts in their fields to provide information to the public about their work, and our staff give demonstrations about how people can improve their conservation practices. We employ 15 people who are currently working in 25 communities across the state. One of the conservation issues we focus on most is soil health, because it's something that Nebraska needs to improve, and it's also something that's easy for the individuals to take action on themselves. We've found that there is significant interest from Nebraskans on how to improve soil health, but they often lack the information about how to do so or lack incentive to invest resources into changing their farming practices. LB243 is an important bill for the state of Nebraska because the Healthy Soils Task Force would have the capacity needed to take on the challenge of the scope and magnitude. Nebraskans need more

information about how to improve soil health and they need programs to help them make the changes needed to ensure Nebraska has a vibrant future. Thanks for your time and for your service.

HALLORAN: Thank you for your testimony. Any questions from the committee? None? Thank you so much. Next proponent. Welcome, sir.

SCOTT GONNERMAN: Good afternoon, Chairman Halloran and members of the Agriculture Committee. My name is Scott Gonnerman, S-c-o-t-t G-o-n-n-e-r-m-a-n, and I am a farmer from the Waco area. I've been using soil health management and regenerative farming practices on my farm since 2008. My goal has been to turn, has been to turn the farm over to the future generations with the soil being as good as it was with my great grandfather purchased the farm in 1918. I support LB243 and would like to share with you how adopting soil health management practices have benefited my farming operation. By implementing the five principles of soil health, which are: soil armor, minimizing soil disturbance, and increasing plant diversity, continual live plant root, and livestock integration, we have increased our water filtration rates from one half inch per hour to two inches in less than two minutes. We no longer have any water runoff on our farm, even after a two or three-inch rain event. This has several benefits,

which are: we are recharging the aquifer because we're infiltrating the water into the soil; we are reducing our irrigation needs from seven to eight inches per year when we've started, to three inches every four years now. And because our soils are subaquatic ecosystem, this enables our biological life in the soil to move more efficiently. By planting 15 to 17 species of cover crop mixes after our small grain harvest in July, has allowed us to eliminate all insecticide, fungicide, and seed treatment while planting 100 percent non-GMO seed. I have also reduced my nitrogen use by 50 to 60 percent and our phosphorous use by 100 percent. Our soil organic matter has increased from 2 percent to 3.8 percent, our soil PHs went from 5.5 percent to 6.5 percent without the use of any lime. These regenerative farming practices have greatly reduced our input cost and made our farm more resilient. The reason this has worked so well on our farm is our decisions are made on personal knowledge and our ecologically driven-- based, not informational knowledge and data based. These soil management practices have been researched and are proven to work, and all I did was implement them on my farm. Thank you.

HALLORAN: Thank you, Mr. Gonnerman, for your testimony. Yes, Senator Blood.

BLOOD: Thank you, Chairman Halloran. And thank you, Gunnerman
[PHONETIC], Gonnerman?

SCOTT GONNERMAN: Gonnerman.

BLOOD: Gonnerman? Very impressive. Thank you for sharing that.
So you just answered one of the questions that I keep having.
How did you find out about how to do this?

SCOTT GONNERMAN: I went to soil health workshops.

BLOOD: Which are readily available for Nebraska farmers already,
yes?

SCOTT GONNERMAN: Some in Nebraska. I've had a lot of travels
from North Dakota to Ohio.

BLOOD: Is that where this came from?

SCOTT GONNERMAN: That come from Bismarck, North Dakota, yes.

BLOOD: So this is basically the action plan that they're talking
about in the bill. So the questions I always have again is, are
we reinventing the wheel? Because it seems that in a three-
minute search I could get a lot of information that we're
already talking about, that is state-specific. And you're
talking about how you wonderfully turned your soil around. I'm

very impressed. So I'm just a little concerned that sometimes we create committees that have really good intentions, but we're already really implementing those intentions and we muddling and slowing down the process by doing that? Or does it really take all of these great groups getting together for coffee and say, here, we're going to do this and move forward? So that's what I'm a little concerned about. But I appreciate your testimony, you answered the question, that's exactly what I wanted to know. I mean, it's readily available. It sounds like you had to go to some effort to find information, but this isn't, this isn't like a trade secret, right?

SCOTT GONNERMAN: No. I think it's pretty sad, though, that there's such a low percentage of our soil in the state of Nebraska being farmed this way. And if there's some way that we can get knowledge more readily available for Nebraskan farmers, then I think that that would benefit the whole.

BLOOD: No argument on my end. I agree. Thank you.

SCOTT GONNERMAN: Thank you.

HALLORAN: Thank you, Senator Blood. Thank you, Mr. Gonnerman. Any other questions? Thank you, sir, for your testimony.

SCOTT GONNERMAN: Thank you.

HALLORAN: The next proponent, please?

LANCE GUNDERSON: Good afternoon, Chairman and members of the Agriculture Committee. My name is Lance Gunderson, L-a-n-c-e G-u-n-d-e-r-s-o-n, and I'm here to testify not only for myself but on behalf of Dr. Ray Ward of Kearney, Nebraska. I currently work at Ward Laboratories, where we do agricultural soil testing, among other things. I've been involved with soil health testing since about 2011. The first year we started, I can say that Mr. Gonnerman, who I know very well, was one of our first proponents of soil testing. In that time, we have seen an exponential increase in interest from farmers in the state in Nebraska, among many others. And I'm not, with the handout today, I apologize, I agree with a lot of what was already said. So I'm going to skip a lot of this and kind of get straight to the point. I support LB243 because I believe that it brings awareness to the farmers and ranchers in the state of Nebraska. It takes a lot of personal initiative for farmers to go seek out this information, because they believe that what they're currently doing may not be good for the resource. So I believe with this bill and the Healthy Soils Task Force that we can bring forces together and bring attention to this issue within our own state. Within our current production paradigms and agricultural systems, we often support farmers and ranchers both

financially and through endorsement of management practices that either further degrade or maintain a degraded resource. Many farmers and ranchers struggle economically trying to operate within these current models. While many of the others are already wanting to or they are practicing these soil health principles on their farm, the support needs to come from ongoing research, education, and production planning from various levels of industry, university, and government systems. I would strongly encourage, however, that the Healthy Soils Task Force seek the input and guidance from the numerous experts the state in Nebraska has to offer, the very farmers and ranchers we aim to support. Many of these people have tried with very little guidance, and had numerous successes and numerous failures when it comes to diversifying their operation, finding markets for various crops outside of corn and soybeans, reintroducing livestock back on the land and understanding how to manage those effectively, where we can turn around and rebuild these soils. Because it's important for soil, not only soil function and production. We've talked a lot about economics and we've heard a lot of that testimony, but from the environmental standpoint as well. Reduced synthetic fertilizer use, reduced irrigation, reduced runoff, all while maintaining and increasing water dynamics and infiltration in the idea that we can build these

farms and make them [INAUDIBLE]. And I think it's important to take those into account when we talk to various producers as part of a task force. All in all, when we couple their practical knowledge with the support of a Healthy Soils Task Force, we will help to develop a plan to improve Nebraska's precious soil and water resources for future generations. So that's all I really had, if there's any questions. Thank you.

HALLORAN: Thank you, Mr. Gunderson. Any questions from the committee? Senator Brandt.

BRANDT: Thank you, Mr. Gunderson, for coming here to testify today. As a livestock producer, I'm intrigued about the livestock component. Can you expand on that a little bit?

LANCE GUNDERSON: Yeah, certainly. So, you know, there's a lot of producers, we understand that it seems like in today's day and age, you're row crop farmer or you're a livestock guy. And there are a few producers that do both. But often, when it comes to managing livestock, they are kept completely separate from crop production, other than when the two come together in maybe a feed yard operation. There's a lot of reasons for this. A lot of producers don't want the headache of managing livestock, for example, with a row crop operation. They believe that soil compaction and other issues are, are derived from direct

livestock implementation. And under current farming systems, I would say that that's true. But what we have found time and time again is that when we diversify cropping systems, we keep the ground covered with living roots, there's a place for livestock to be integrated back into cropping systems. That has huge environmental impacts on top of economic impacts. When we can graze cattle holistically on the farm and on that land, we help cycle nutrients back to the soil, 90 to 95 percent of the nutrients that go in the front end of a cow come out the back end, excuse me. But those things are important to help feed that soil system. And so that's why I believe the livestock part of it and the crop, the cropping system part of it have to come together.

BRANDT: Thank you.

LANCE GUNDERSON: You're welcome.

HALLORAN: Thank you, Senator Brandt. Any other questions from the committee? Thank you, sir, for your testimony.

LANCE GUNDERSON: Thank you.

HALLORAN: Next proponent. We're gonna have to take numbers here. Welcome.

ALAN MOELLER: Chairman Halloran and members of the Agriculture Committee, my name is Alan Moeller, A-l-a-n M-o-e-l-l-e-r, and I represent a group of retirees who are interested in the legacy we are leaving our grandchildren. We support LB243, and believe the creation of a task force to develop a healthy soils initiative for Nebraska is critical. As mentioned, there, there are a number of current efforts to improve soil health. Those efforts, however, are not resulting in many acres being managed using what I call an "all inclusive" healthy soils management program necessary to sustain, sustain Nebraska soils and protect the environment into the future. To gain the full benefits, all components of a healthy soils program, including conservation practices, need to be put into play. A visible soil health initiative may be what's needed to place a larger spotlight on the issue, to create more awareness, collaboration, and coordination, and elevate its priority in Nebraska. An initiative is needed to accelerate the rate and scope of program adoption in Nebraska. A task force is needed to design the initiative to increase the collective action to optimize the economic and conservation benefits of healthy soils. I almost look at the initiative like a major campaign, and the task force laying out the road map and the instructions for conducting the campaign. Healthy soil is a critical component of the state's

economy and impacts its environment. Nebraska is a powerhouse agriculture state, and if this enterprise should weaken, it would be a major problem for all economic sectors in Nebraska, and especially detrimental to rural Nebraska. There are signs on the horizon that indicate trouble if attention is not given to improving soil health. Profitability in agriculture is at risk. Input costs are consuming an ever greater percentage of farmers' gross farm income, thereby lowering net farm profits. Soil health management practices can over time lower input costs and increase profitability. More abnormal weather is causing increased soil loss and drought. Soil health management practices can reduce erosion, and increase water infiltration and water retention. Over time, farming has depleted soil health, as indicated by reduced microbial activity, organic matter, and soil structure. Less nutrients in the soil mean less nutrients in the plant and less sustainability for farmers' future. We are losing more topsoil each year than is created. In no time, not even the application of more commercial fertilizer, which has other issues, will be able to disguise the loss. The general population is becoming more conscious of the long-term harmful-- effects on water quality and the environment by the use of commercial fertilizer and chemicals to enhance yields. Soil health management practices can reduce the need for

commercial fertilizer and chemicals, and also reduce leaching and runoff, thereby improving water quality. We need to control our destiny. This bill proposes adoption of best health management practices, as mentioned by Senator Gragert, and does not impose restrictive regulations. If we don't voluntarily address growing societal and environmental concerns, someone could step in and pose nonuser-friendly and unrealistic regulations. Other states are developing healthy soil initiatives to address these issues. We should as well. Let's envision entities now working to improve soil health working more collaboratively through a strategic, coordinated, statewide-marketed program, each with a defined role, working under a common definition of healthy soils program and with a toolbox of incentives, resolving a greater over, greater overall impact to improve soil health. Restoring and enhancing the health of the soil is essential if production agriculture is to continue to be a major economic engine for this state. Farmers want to leave the land in better shape than when they acquired it. LB243 should help that effort, and we ask that you vote it out of committee to General File. Thank you for your time.

HALLORAN: Thank you, Mr. Moeller, for your testimony. Any questions for-- yes, Senator Blood.

BLOOD: Very quick question. Thank you, Chairman. You said, with incentives. What do you mean, incentives?

ALAN MOELLER: Pardon?

BLOOD: As part of your testimony, you referred to incentives. Could you be more specific when you're saying incentives?

ALAN MOELLER: Well, the USDA provides incentives right now to adopt healthy soil practices.

BLOOD: Right.

ALAN MOELLER: Some states have also adopted additional incentives on top of that. Some counties have added even more incentives. Iowa, for example, I think has an incentive \$5 per acre. There are some that have huge amounts incentives. I think Maryland has like \$45 an acre or something like that.

BLOOD: So--

ALAN MOELLER: But one of the things the task force will look at is incentives and include that in their report.

BLOOD: Oh, I didn't see that in the bill. OK. So that it's your understanding that incentives will also be made a part of it? So that goes back to Senator Walz's bill, which does offer grants

and incentives already. So we need to make sure that we hook those two senators together.

ALAN MOELLER: That bill does address incentives. What's, what's not clear to me is, is those incentives appear to be ones that already exist. So I don't know what is added.

BLOOD: OK, thank you. That's the first time I've heard that word today, so thank you very much for the clarification.

HALLORAN: Thank you, Senator Blood. Senator Chambers.

CHAMBERS: I've listened. Does climate change play any role in what this committee or task force is interested in considering?

ALAN MOELLER: Well, healthy soils will sequester carbon and also reduce the amount of greenhouse gases that are emitted into the atmosphere.

CHAMBERS: So it will have, if there is such a thing as climate change, this program, if successful, could have an impact which would reduce or mitigate climate change? Is that true or false.

ALAN MOELLER: That's my opinion. It would be helpful.

CHAMBERS: Do you think there is such a thing as climate change?

ALAN MOELLER: Well, it's a, this is a polarizing issue. But I'm just stating facts. I know that December was the 408th consecutive month of above-average temperatures globally. That is not a, that is not a projection. That is what happened.

CHAMBERS: Do you believe the reports that Antarctica is melting? They may say it's 20-some 6 times, I believe they said, or even more, faster than they thought it was.

ALAN MOELLER: Antarctica?

CHAMBERS: Had your-- Antarctica, the melting?

ALAN MOELLER: Well, again, factual that the glaciers and places with ice are melting.

CHAMBERS: Are there people to your knowledge who believe the yarn about, the story about Noah and the Ark and the flood? Are there people that you're aware of who believe that literally took place?

ALAN MOELLER: Yes, I'm aware of that.

CHAMBERS: Does USDA stand for United States, United States deniers association?

ALAN MOELLER: No, Department of Agriculture.

CHAMBERS: Oh, and there's a difference? I'm just messing with you.

ALAN MOELLER: I know.

CHAMBERS: Your testimony was very good, and I don't really have anything serious to ask.

ALAN MOELLER: Yeah.

CHAMBERS: I was serious what I asked though.

ALAN MOELLER: I used to, I used to work for the Legislature back, back in 1973 through '77. So you were here, I remember you, that you used to wear a green t-shirts and you had a weight room of the Chamber.

CHAMBERS: And now that you've provoked me, I'm going to ask you another question. No, I was just going to make a comment. That, see, it's very strange to me now. I've made it clear that I'm not a religious person but I don't, I'm not in a position to tell people who have religion that they're wrong. It just doesn't work for me. But when I was little, I believed because I was taught that the yarn about Noah was true, that there actually was a person who tried to warn people that calamity was coming and they didn't pay attention. And when it arrived, they

went to this ark and tried to get on. And they said, they knocked on the door and they said, Noah, Noah, let me come in. And he said, not by the hair of my chinny, chin, chin. But at any rate, people who will accept that story and swallow it cannot digest the concept of climate change. Climate change is based on scientific determinations, and that yarn is based on supernatural occurrences. But the lesson of that supernatural occurrence, if you believe it, is that when there is a catastrophe looming, people are not going to accept it. So I see a dichotomy. The ones who believe that story of Noah and accept it, don't gather from that the message that, when you have evidence of pending disaster, you will not do anything about it. So you are replicating the people who did not believe Noah and rejected it. That's what's puzzling to me, even at my late stage in life. And I puzzle about that quite regularly.

ALAN MOELLER: I guess, I shouldn't have brought up the green t-shirt.

CHAMBERS: But I'll tell you what, I keep in one pocket a hand warmer. And in the other one, a hand cooler. So whichever way it goes. But that's all I have. Thank you.

ALAN MOELLER: Thank you.

HALLORAN: Thank you, Senator Chambers and the senator-- or excuse me, Mr. Moeller. Thanks for your testimony. One thing I've learned in two short years is I do not do two things: I do not provoke or promote Senator Chambers. Thank you so much. Next proponent, please. Welcome.

HELEN L. GREER: Thank you. The religious dialogue brought me. I'm Reverend Helen L. Greer, H-e-l-e-n, initial L, G-r-e-e-r. I'm known around town as Penny, I have both names from birth. Not a story I'll tell you here. I am a retired pastor in the United Church of Christ; and I'm also the president of the board of Nebraska Interfaith Power and Light, which is an organization with 40-some affiliates around the country, working with people who are Jewish, Christian, Islam, Baha'i, all the faiths. Here in Nebraska, we have Jews and Christians working together, and we're hoping to expand our board and in the months ahead. I'm also a person who studies climate at the university. I have a degree in biology, or sorry, a degree in geology, and I'm now working on a degree in applied climate at the university. First of all, let me go back to what Senator Chambers just said. I really have to respond. Many of us who take the Bible seriously don't always take it literally. Some of us want to see how that can work. Basically, as I preached, I saw it as a story that needed to be taken very seriously. So there certainly was a

time, perhaps, when someone saw how, how, what was ahead and tried to react to it. And that could be Noah. And the other way I've looked at it, is that we know from geology that there were many floods over periods of time. So this was one sometime during the Pleistocene, and it could well have happened. So the, the story has some historicity about it. But above all, it's a story, and we need to take it as such. And I think that's important. Climate change is real, we all are beginning to realize that. And there are extreme events that are coming to Nebraska. We've already had many of them. I study extreme precipitation. Lincoln and Omaha, in particular, have had a number of them in the last number of years. Healthy soils are essential for climate change, because they can hold more water and stop the soil itself from being eroded during extreme precipitation events. We are a people here in Nebraska who, I guess I listen to what Senator Blood said, I think we need this task force to claim our own identity as Nebraskans who have agriculture as the major industry here. And we also are charged with feeding the world. Nobody has to live in a beach city, said one author recently, but everybody has to eat. If our population is growing as everybody says it's going to grow, 9.6 billion people by 2050, 2.5 billion more people than now, how are you going to feed them in a more volatile weather climate every

single year, every single day? When that year hits where food production in two or three bread baskets around the world is short a little bit, 10 percent here, 15 percent there, the risk of political instability becomes huge. This is Clayton, the author here is Clayton, Chris Clayton, who's written several books on the intersection between agriculture and climate change. This committee I believe is a start for your earlier comments, Senator Chambers. It's not going to be perfect, but it's going to help people in Nebraska begin to deal with the importance of healthy soils. We absolutely need them to stave off the worst of climate change, and I very much support this bill accordingly, as does our organization. That's all I have to say.

HALLORAN: Okay. Thank you, Reverend Greer. Any-- any questions?
Senator Chambers.

CHAMBERS: You made me think of something. When you mentioned the projected growth in the population in terms of human beings, and I'm considering what they said about this person in one of the Asian countries doing, I don't know if you could call it experimenting or what, with human eggs. Now, maybe what could be done is to combine all that together, and through their manipulations of genes and which ones switch on, which switch

off, and what they're going to do, they could come up with populations where the human beings are smaller. Then it would be like what Jonathan Swift wrote in Gulliver's Travels, and we would have these little bitty people. More of them, but they would eat less, and then there's more food and there'd be an abundance for everybody.

HELEN L. GREER: All the more then.

CHAMBERS: And there'd be no wars. So we can see this as having a lot. And I-- I know it sounds facetious, but some things will teach lessons. As you say, serious lessons, but it's not to be taken literally. So these kind of programs might be more far-reaching ultimately than would appear on the surface when we first talk about it, like we're doing now.

HELEN L. GREER: OK I'll go with you. I don't know if I would go along with your little people. I'm six feet tall, and I like being six feet tall.

CHAMBERS: Well, see, then you'd be like Gulliver, and you would be the ruler.

HELEN L. GREER: No, that's quite all right.

CHAMBERS: And they would worship you.

HELEN L. GREER: No, I'd, I'd rather not have that. But thank you. OK, thank you very much.

HALLORAN: Thank you, Reverend Greer. Next proponent.

MATT GREGORY: Good afternoon, Chair Halloran and members of the Ag Committee. My name is Matt Gregory, M-a-t-t G-r-e-g-o-r-y, I'm here today representing Nebraska Wildlife Federation, a statewide member-supported non-profit organization. And I live on an urban farm here in Lincoln, known as the Hawley Hamlet, that has two-thirds of an acre of growing space. And we have cover crops, and, and try to work on improving the soil. So I'm here today in support of the spirit and most of the intent of LB243, and would like to thank Senator Gragert for introducing it, and for the co-sponsors that have signed onto the bill. Healthy soil is one of, if not the most important component of agriculture. And unfortunately, due to a number reasons, the quality of a lot of farmland soil has decreased over the years and healthier practices can't be implemented soon enough. You know, healthier soil also means better yields. And in the current commodity price market, farmers need all the help they can get. As the bill points out, healthier soil means more water retention to manage droughts, more carbon sequestration to reduce greenhouse gas pollution that causes climate change, and

expanded habitats which benefit wildlife and pollinators. I'm going to try to address some of the things that I've heard today from the committee, one being that, you know, why, why is Nebraska doing something that other states have done. Several Midwest and neighboring states are advancing efforts that promote healthy soils, including Iowa, Minnesota Indiana, Illinois, Missouri, and Colorado. So it looks to me that it's kind of the norm that, that states are coming up with their own plans. And I'm not a soil expert, but I think that there is different soil here than would be in for example North Dakota or Texas. So having, having our, our own initiative and action plan, I think would be very beneficial. But I think the main thing that was, that was brought up at the beginning is, is something that I wanted to talk about that would address Senator Chambers and Brandt's concerns about how the task force is appointed. So we're concerned that the final makeup would, could be biased from the standpoint of industrial production agriculture and the Governor's politics, and that could lead to a final report that would essentially be a rehash of material that's already in existence. So we propose a change that would direct the University of Nebraska through the Institute of Agriculture and Natural Resources, in partnership with the State Department of Ag, to develop this initiative. UNL and the

Department of Ag could form a committee that would decide the membership of the task force, which may include those entities mentioned in LB243, but they could include others as the committee sees appropriate. So some of the other thing that was mentioned was Senator Walz's bill. I've only scanned it, but I believe that that's a bill that focuses on incentives for cover crops along waterways. So I think that's more of a specific, honed bill looking at one particular thing, whereas the task force is more all-encompassing. And, and in terms of climate change, I mean, it's already been talked about a little bit, but it's, it's, it's already drying the soil out. So we're seeing problems there, changing the organic matter. And, and so this task force as mentioned in the bill would, would look at climate change as, as one of the things that's taken into account. Which is why I think it's important to have soil experts on this panel and not necessarily bureaucratic appointees. And I shouldn't, I shouldn't poke, poke the beast but, but Senator Chambers' comment about Jonathan Swift, actually Omaha native Alexander Payne made a movie called Downsizing about just such a such a scenario. So I'll wrap up here. So Nebraska Wildlife Federation believes this will strengthen the task force by, by changing how appointees are made and healthy action plan, and move us towards healthy soils now and for future generations. Thank you.

HALLORAN: Thank you, Mr. Gregory. Senator Chambers.

CHAMBERS: Mr. Gregory, just for the record, you and I have never talked about the membership in terms of how selected or the composition or anything else, have we?

MATT GREGORY: No, we have not.

CHAMBERS: But it seems that we're kind of on the same wavelength, not to do away with or prevent the task force, but to create a membership which will allow it to achieve what the worthwhile purpose is. So I appreciate your coming and offering that, because you are doing things in this area and you do have knowledge that I don't. Mine was just based on theorizing.

MATT GREGORY: Thanks. And I, and I also concur with what you said about adding more environmental representatives to the, to the task force. I think that would be very beneficial.

CHAMBERS: Thank you.

HALLORAN: Quick question. You mentioned, and we'll take this into consideration, having the university be heavily involved in choosing who is on this committee. Do you think that the University of Nebraska is apolitical?

MATT GREGORY: Well, I mean, nothing, nothing is apolitical. But I, I see it the university as more trying to stay objective and relying on the facts than maybe some political appointees.

HALLORAN: OK, I appreciate that. Any group that has a lobbyist here is political, and the university does. So, I appreciate your recommendation. Any further questions? OK. Thank you, sir. Next proponent. Welcome.

TIM KALKOWSKI: Welcome. Thank you. I'm Tim Kalkowski, T-i-m K-a-l-k-o-w-s-k-i, and I'm in, I'm here for general support of LB243, with the purpose of creating a Healthy Soils Task Force. I am currently the chairman of the Nebraska Grazing Lands Coalition, I'm a supporter of the Sand County Foundation. I'm involved with the NRCS doing local projects as a producer and member of the state technical committee. I'm an agricultural lender, and foremost a livestock and crop producer. I believe that soil is the foundation of our country and surely the single most important natural resource, maybe outside of water, that is so vital to Nebraska and its economy. We need to take care of this foundation. With that in mind, I have a couple of comments concerning the bill. I'm going to be more towards-- I'm glad that there is a high percentage of actual producers, boots on the ground, if you will, on the task force. It has been my

experience and it has been proven to me that those that get their hands dirty daily, working the soil, and really care about conservation and stewardship, have the most to gain and lose. And they usually bring real, real life situations and solutions to the table. I would also like to see the task force, force examine the need for discussion on generational transition. Agriculture needs to be sustainable, and conservation and soil health is key component to that. But we need to make sure that we can pass those ideals to the next generation so the foundation stays strong. So I think generational transition is key. I hope the task force can limit the amount of regulation, and that the plan and simple to administer and strong on common sense. And a comment to Senator Chambers, I think those they're really serious about soil health conservation stewardship, they, they are not politically motivated. It is because they have a passion and they want to better their place in the world. That's why they do it. So thank you for your time.

HALLORAN: Thank you, Mr. Kalkowski. Senator Chambers.

CHAMBERS: Again, not an expert. Never have farmed, unless growing a few onions, green onions in a box that I eat like people eat fruit, it seems to me that large-scale agriculture is becoming more mechanized. They do have driverless combines and

other equipment now. More and more of the production activity is concentrated into fewer and fewer hands. And that consolidation is not for the purpose of protecting the environment but exploiting it. I'm not against people in production agriculture being a part of it, but that term is so broad that it includes some people who would be looking at something other than what you just talked about in terms of preserving ideas, going across generations, passing certain principles and values to the next generation. I don't think the big ones are worried about that at all because, if they had their way-- I can't say this will never happen, but I doubt it: machines would do everything. The seasons wouldn't make that much difference because in weather where human beings might have difficulty doing certain things, machines won't. So there's going to have to be a lot of thinking, a lot of evaluating going into the very idea of how food will be produced, who is going to produce it, who will control it. And right now, I think production is politically controlled. I doubt that farmers who grow soybeans would have said I'm so concerned about the political fortunes of a particular party that I think we ought to have some tariffs, even if our soybeans won't sell, because we're willing to take the pain. Politicians control agriculture right now. Politicians appoint those who make national decisions about soy, about

agriculture now. And I'm just putting this out there for you to think about, because I'm not opposed to "Big Ag" as they call it or commercial ag or anything else as such. But I'm a politician, and I look at the reality. There are discussions that we're having here now which, if politicians would take seriously, could benefit the entire country by benefiting those in ag. But the politicians have a political goal. And agriculture is just one piece on the chessboard. And it may be deemed a rook or may be deemed a knight or even a pawn. And a pawn will be given up. If you play a pawn properly in conjunction with other pieces, a pawn can put a king in check. And if the other pieces are where they belong, with that pawn where it is, the king can be mated. But if there are people playing the game who have fixed it, then the pawns don't know they're pawns, those who are the rooks don't know they're the rooks. The others don't know they're the bishops, they don't know who is the queen, they don't know who is the king, but they're doing the best they can with what they're doing. And I think that agricultural people, agriculture-- let me just say "Big Ag." I think ag people are very short-sighted and they should not be so quick to say, I think this president has the welfare of the country at heart, so I'm willing to lose my crops. And when I lose it, I'm not going to be able to get a loan. I won't plant a crop next year, and

those who may be suffering now and have been told that they're going to be given this bailout or welfare, that farmers have condemned others for receiving if they live in the city, they have to look at this. They have to be serious about it. And I don't care whether you're a Democrat, a Republican, or whatever you are. I don't belong to any political party, but I look at is what is happening, and I see the agricultural sector being put in the role of a pawn. And if all ag fails, what difference does it make? Because they can bring in a few big people who can buy up these farms cheap, they can be foreclosed on. And I'm not a conspiracy theorist, but if I was somebody who's trying to make money, I'd be looking at ag right now. And it's where I would be prepared to make an investment, not to grow food necessarily, but to control some land, control the production, set prices, and do everything else that the people with money are always doing. And I'll tell you why I'm saying it to you. You talked about important things like one generation passing on the necessary values to other generations. For me, that might be one of the most important things you said, and that's what led me to say all that I've said. And that's all that I have, no questions to put. But I appreciate the kind of ideas that you presented to us today.

TIM KALKOWSKI: I appreciate your comments. The Nebraska Grazing Lands Coalition, we have set up a generational transition where we have four seminars a year for free. We have a facilitator. But we believe, as do I, that that is so important to keeping these small communities viable in Nebraska, and soil is the connection with it.

CHAMBERS: Who'd have thought we'd come together as allies?

TIM KALKOWSKI: I knew we would. So thank you.

HALLORAN: Thank you, Mr. Kalkowski. Next proponent, please.

Welcome.

WAYNE RASMUSSEN: Thank you. My name is Wayne Rasmussen, W-a-y-n-e R-a-s-m-u-s-s-e-n, and I think I'll just throw this away, because most everybody else has said some of the things that I was going to say. You know, I, I'm a producer. I live in northeast Nebraska, I've been ranching and farming for the last 50 years. I've been using what I consider holistic practices, regenerative ag, for at least the last 20 years. My main focus has probably been more in rangeland as it in my success, I'll put it that way, has been more and rangeland than it has been in crop ground. But, you know, those of us in agriculture, if you ask any of the people in agriculture-- I won't say any, but the

most portion, portion of them, they want to leave the land in better shape than what they had when they started there. But they don't always know how to do that. And I guess what I see LB243 doing is helping to bring that education together, to bring the tools that are out there; and we can bring that together for people so that they can help do what they really want to do. Because if those people in agriculture don't do it, it isn't going to happen. We aren't going to make those changes that need to be, need to be made out there. I believe very strongly in it because what I've seen in my life on my land, you know, when we get that rain event in, in April, or we get the wind in May and we see tons of topsoil leaving our land, going to someplace else, going down the river, going across to the neighbor, I believe in exports, but I don't believe in exporting soil. You know, I believe in exporting those crops that can be grown from those nutritious soils that we can build there. And I'm not an expert as to how that all works. I know it works because I've done it. You know, I've seen it happen on my land. I've seen in our pastures, pasture land that had been there for 45 years-- the man who owned it before me had never seen streams run out of that, that soil. By using proper management tools, we were able to gather the rain that did come, and now we have springs running out of there that haven't stopped. You know,

those springs are continuing to run. I mean, that type of thing, when you actually see it happen, now I want that to happen for my fellow farmers and ranchers. I want that to be a part of a legacy that I've left for somebody else. And if I can do anything to support that type of thing happening, I would love to be on this task force to help as a farmer. And I do think that we need to have a strong base of agriculture people on this, because they're the ones that are going to have to implement it. But we need to be able to let these people know how. And we need the experts who can help show us that. So I just, I, that isn't what I wrote down here at all. But it's what I believe. I believe in what needs to be done in agriculture. I believe in the future of the-- I want to leave something here for, not just the next generation, but for those generations 100, 200, 300 years from now. That they can say, some people in Nebraska started to do something different. They started to change things. And we are. And I'm thankful for people like Jeff Steffen and people who have done this for a time and have learned how to do it. But we need to continue to make that happen. When only 2 percent of the people are doing it, that's sad. We've got another 98 percent that we need to reach. So thank you very much for your time.

HALLORAN: Thank you, Mr. Rasmussen. Questions from the committee? Senator Chambers. It's a question, it's a question--

CHAMBERS: I think this was a plot--

HALLORAN: It's a question, right?

CHAMBERS: --to start bringing people here who are talking about things that I can really relate to, especially when you mentioned a hundred or so years down the line. Really, when you're talking about the issues that you're discussing, a hundred years is not a long time. A hundred years ago, nobody would have thought that the Colorado River and the water that it has would be dry. I won't say dried up, diminishing to the point where Colorado and California would be fighting over it, and the battle is becoming so intense that the federal government is starting to talk about perhaps the need to step in and bring about a resolution. If people think that because something is plentiful now it will always be, the experts come in where you mentioned who can look beyond what those right here dealing with these issues will see and tell them, if they'll listen. This is working now, but it's a cliché I use: the arc of history is long. And we're looking at that arc farther down the line, and some of these practices should not engaged in. So I'm, like what you're saying, you need experts, undoubtedly. You also need

people who are involved in working the land, trying to conserve it, or whatever it is they see. But the practical must be wedded with, you might call it the theoretical or the expert, if these huge resources that constitute agricultural land and activities are to be properly managed and left to those who are coming after us. My time on this earth is very short. I'm into my 82nd year, I only have about 40 years left. And that's, that's a drop in the bucket. But I appreciate really what you said, and I listened to you well.

WAYNE RASMUSSEN: What, what you said, Senator, what just reminded me of on one of my pastures we have-- you're familiar with what trailing does in pastures. I mean, we create these gullies that are, in my pasture it was probably 18 inches deep. That was 10 years ago. I have pictures of those, those 10 years ago. Ten years later, those gullies are, sure, they're rough, but they're filled with grass. They're filled with grass. There's living microbes and bacteria in that soil. It's alive, and that can happen to others, other land as well. So, I mean, that's just a, I just, I wish I had more time, but I don't. There's many more that have many things to say. So I thank you much.

HALLORAN: Any further questions? Yes, Senator Moser.

MOSER: Just, I commend you for your passion for the ground and the land. And I think that this gentleman exemplifies the kind of farmers that I know. My wife's family have farmed the same farm for, well, grandparents, parents, and now cousins are farming it. And that covers probably a hundred years. And they're good stewards of the ground and they, you know, they test, they make sure that things are done properly. But I think the reason that you need producers more heavily involved in this than you need environmentalists, because I think the environmentalists can think of things that we should do, but you need guys that will pay for it. And the guys who are gonna pay for it are the producers, because they're gonna make a living out of the land and, you know, I could think of lots of things we should do, but the people who are in the actual industry are the ones that are going to have to do it. And they have to make a profit while they do it so.

WAYNE RASMUSSEN: If I may just add one thing. Can I add just a comment here?

MOSER: Sure.

WAYNE RASMUSSEN: Senator Chambers talked about before, about the multinationals or multi-- large agricultural people that are taking over agriculture. Well, one thing that this task force

can do, I mean, if we can reach-- now instead of having to reach 200,000 farmers, we can reach maybe 2,000. So if we can make a change on these big operators, they affect 10,000, 20,000 acres at a time. But we've got to implement this in such a way that it attracts to them and that they see that vision that I see, you know?

HALLORAN: Thank you, Mr. Rasmussen. Next proponent, please.

DAVID POTTER: Senator Halloran and members of Agriculture Committee, good afternoon. My name is David Potter, D-a-v-i-d P-o-t-t-e-r. I'm the, currently the assistant general manager of Lower Platte South Natural Resources District. Lower Platte South encompasses Lancaster County, Cass County, parts of Butler, Saunders, Seward and Otoe County. To keep this short and sweet, I'm here on behalf of Lower Platte South NRD to express our support of LB243, which would establish a Healthy Soils Task Force within the Nebraska Agriculture Department. Our district reviews and takes positions on bills relating to natural resources, including soils and water. And our positions are independent of those taken by the Nebraska Association of Resource Districts. Lower Platte South NRD feels that the recommendation, recommendations of a soils task force would benefit our mission and be of assistance to landowners

statewide. We currently provide cost-share assistance and expertise in reducing soil erosion and terracing, waterways, buffer strips, and cover crops, to name a few. Protection and proper management of our soils is paramount. Development of an action plan to identify these issues, look at financial incentives. Examine contributing factors and to create time line all to improve soil health in Nebraska is critical to the long-term protection of our soils for agriculture, our natural resources, our economy, and for future generations. I thank you for the opportunity to testify in support of LB243. I also would state, too, that the Nebraska Association of Resource Districts is currently in conference at the legislative conference. And the, the NARD has taken action on the related bills, this one as well. And that session started at 3 o'clock this afternoon. So I do not have a recommendation from that body, but they are going to be supporting or providing a letter, rather, with their decision.

HALLORAN: Thank you, Mr. Potter. Any questions from the committee? I see none. Thank you, sir. Next proponent.

WES SHEETS: Good afternoon, Chairman Hallorman-- Halloran, members of the Agriculture Committee. My name is Wes Sheets. I'm appearing before you on behalf of the Nebraska division of the

Izaak Walton League, one of those old environmental groups. And I wish I had, could be as eloquent and several of these speakers ahead of me, but I'll just dispense with any great lengthy discussion and tell you that several of them are right on track. Mr. Gunderson really laid out this scenario very well, and others have followed up also. The Izaak Walton League believes that LB243 is a really positive piece of legislation, and we want to thank Senator Gragert for bringing it forth. We would ask that the committee extend due consideration and think favorably about it and move it on to General File, if you can. And hopefully, you'll support its passage in the future. I've been around quite a few years, like Senator Chambers, and have watched-- I grew up on a farm in Kansas, so I've watched what's taken place over, over a lot of, lot of period of time. And I think creating a task force that will begin to really work hard or work harder at connecting all the science and the information that we have developed over the recent history about healthy soils would pay huge dividends and benefits to those that are working the soil and becoming ag producers, as well as all the rest of the country in looking to the future and our sustainability of future generations. So with that, I'll just close, and ask that you may take a peek at the handout I passed

around. And just know the Izaak Walton League supports this motion.

HALLORAN: Thank you, Mr. Sheets. I forgot to catch you when you started. Could you spell your name for the record, please?

WES SHEETS: Oh, it's Wes, W-e-s, S-h-e-e-t-s, for Sheets, the last name. And I live here in Lincoln, Nebraska.

HALLORAN: OK. Thank you, sir. Any questions from the committee? I see none. Thank you, sir. Next proponent. Welcome.

LANE MEYER: Good afternoon. Thank you for all the questions that are asked today, and we really appreciate that. My name is Lane Meyer, L-a-n-e M-e-y-e-r, and I'm a fifth generation diversified farmer from Johnson, Nebraska, in rural Nemaha County. Senator Slama is my District 1 representative. My wife, Kylee, and I farm with my mom and dad, raising corn, soybeans, cereal rye, and triticale for our main cash crops, followed by cover crops, along with the cow-calf operation. My wife and our 1-year-old twins, Cash and Landry, have added goats, hogs, and chickens that are not in confinement, they're outside, to our diversified farm to direct market the meat in 2019. We want to make available quality food to other families, just like we have on our own table. Nutrient-dense food has more vitamins and

minerals and is more nutritious, and this is why it is a priority on our farm for the health of our family, as well as yours. Sustainability is not good enough. We have to be regenerative to create healthy soils. This is why we have continued the use of cover crops on our land for 10 years. We have began using cover crops primarily for erosion control and livestock feed, and learn so many more additional benefits each year adding more diversity. We have seen improvement in soil organic matter, soil aggregates, water infiltration and holding capacity, water quality, nutrient cycling, earthworms, reduced erosion, carbon sequestration, livestock feed, healthier crops and livestock, along with lower inputs over time. Adding a diverse cover crop mix is nothing new to the soil. The native prairies are made up of many diverse perennial grasses. All we are trying to do is mimic Mother Nature in the way it was designed on our rangeland, through planned grazing with livestock, and working to regenerate the crop land by adding diversity while still being profitable. Healthy soil requires a living root as much of the year as possible to capture carbon from the atmosphere and store it in the soil to make organic matter. Organic matter, organic matter drives nutrient cycling, which in exchange produces a healthy food product for livestock and humans. The nutrient density of foods has continually

declined over the years due to, due to the conventional monocrop, high-input methods of agriculture, resulting in unhealthy soils. I am here to explain to you that we need livestock on the land and we need a living root as much of the year as possible to regenerate this land close to what it once was. My family takes pride in knowing that being a good steward of the land is directly related to the nutrient density of our foods. Reduction of CO2 in the atmosphere, reduction of soil erosion, and creating a healthy and nutritious food is not possible without cover crops and the living root more days of the year on crop land. Implementing cover crops and reducing synthetic inputs is the only way to provide healthy food and quality clean water and be environmentally friendly at an economical price. With tight profit margins in today's farming economy, most farmers are reluctant to do cover crops because the initial costs can be extremely high, lack of education, and the need for more management practices. The revenue from the state of Nebraska would be well spent if this bill was implemented to help farmers with the costs of cover crops and education to be successful. The money will eventually come back to the state because farmers will be more profitable without any additional effort over time and make more of an economic impact for the state. The long-term effects compound over time, and

this is why I'm here speaking today, because I have been personally involved in food quality in what LB243 has to offer, and I'm proud of the outcome. I have a passion for what I do, and support LB243. Now imagine for a second if we had a poor water quality issue in the state of Nebraska, and think of the economic impact it would have. If you want healthier food, water, and environment, this bill is just for that. Thank you for your time.

HALLORAN: Thank you, Mr. Meyer, for your testimony. Any questions? Senator Chambers.

CHAMBERS: Have you heard of "Big Ag," whatever that means, referred to as degenerative agriculture? You mentioned regenerative, have you ever heard of it referred to as degenerative? If you haven't, then--

LANE MEYER: No, I know what you mean by degenerative, where it's degenerating, it's getting worse over time.

CHAMBERS: I mean, have you heard that term applied?

LANE MEYER: As far as, as far as Big Ag, you know, there are bigger farmers. We don't, we farm about 800 acres. And in comparison today, that's pretty small. But there are big farmers, bigger farmers that are implementing this and seeing

good results. And so I think degenerative doesn't go along with Big Ag in general.

CHAMBERS: OK.

LANE MEYER: You know, a small farmer, somebody had two-thirds of an acre here today, and there, you know, there could be somebody that has 10,000-plus acres that could be doing something like I'm doing.

CHAMBERS: Got you.

LANE MEYER: And so--

CHAMBERS: You've answered the question that I was asking.

LANE MEYER: Yeah, and I'm, I'm sitting here just loving the questions that are being asked today. Because I feel like there's a, there needs to be a story told to the consumer from agriculture. You know, I feel like there's a gap that needs to be pulled together to where they understand that, that a certain portion of people are trying to make healthy food. And I don't, I don't know if you've ever heard of a Brix test?

CHAMBERS: A what?

LANE MEYER: Brix, B-r-i-x.

CHAMBERS: I don't know.

LANE MEYER: It looks like a kaleidoscope. If you hold it up, and you can, you can take fruit from grocery store, anything you got at home that has liquid, you squeeze it on there and you look at it and it will tell you the, the nutrient density of that food. And you can do it with grass to where, you know, the grass that our cows are eating, the better quality, the more pounds are gonna gain, the more efficient they're going to be. And it goes along with us to.

CHAMBERS: Now, as a consumer, I would tell you, because you're young, you're forward-looking, you're doing successfully what it is you want to do, your story is going to have to be told to the consumer by people like you and not through blurbs and, you know, on television and the newspaper. That's not getting any message through to us. You know what I thought about mostly today, and I'm not trying to be funny? I like graham crackers. But now, when I buy the honey graham crackers made with honey, they're always broken. Always. Now, people who make potato chips say that they put a lot of air in the bag, not to mislead, but so the chips won't break. Well, I don't care if the potato chips break up, I don't want the graham crackers to break up. And I'm mentioning this to indicate that consumers are looking at a much

narrower range of matters than what the producers would have in mind. So if there could be more communication between producers and consumers, it would help.

LANE MEYER: Right.

CHAMBERS: Consumers are not going to attend any ag committee hearings. It's like an internal conversation among people who already see things basically the same, even if they have some disagreements. So the information, some of which is coming out during this hearing, has to be gotten to the consumers. And by that, I meant people in cities who consume and eat, but they have no idea about what's being discussed here today.

LANE MEYER: Because we all, everybody in here, we could probably agree that we all eat food. And the difference is the quality of food that each of us eat.

CHAMBERS: Well, get your story to the consumer.

LANE MEYER: And so I invite Senator Ernie Chambers out to my house sometime.

CHAMBERS: We'll talk about that seriously.

LANE MEYER: Yeah, sounds great.

CHAMBERS: OK.

LANE MEYER: Any other questions? I love questions.

HALLORAN: I got a question for you. And this is not meant to be a trick question, but I hear a lot of comments about limiting CO2 emissions. Is CO2 of any value to anything?

LANE MEYER: Absolutely.

HALLORAN: Tell me.

LANE MEYER: CO2, when it's in the air-- so let's, let's pretend that the whole world is covered in grass, just like it was before we were here. Native prairies, buffalo, and predators, they're out roaming. At that point in time, I mean, there was no trucks or anything like that emitting CO2, but if there is a living plant on the whole world and the CO2 in the atmosphere gets pulled in through these plants, goes into the root, and gets sequestered into the soil, where it's held. Carbon does not leave the soil unless there's bare ground. Fire, tillage, anytime you can open up the ground, carbon gets released out of the soil back into the atmosphere. So the simplest problem is, is to grow a living root as many days out of the year to pull that CO2 out of the air.

HALLORAN: See, you got more detail than I was looking for. Basic biology 101 is CO2 is useful to all living plants.

LANE MEYER: Right.

HALLORAN: CO2 is to plants what oxygen is to us.

LANE MEYER: Right.

HALLORAN: Right? It breathes in CO2, and what's it emit? What do plants emit typically? Oxygen.

LANE MEYER: Oxygen, just like we do.

HALLORAN: It's a pretty good cycle. So CO2 is not all negative. Just pointing that out to people, it's fair--

LANE MEYER: And our bodies have what, 18 percent carbon?

HALLORAN: If it weren't for CO2, we wouldn't have such lush growth, growth of trees--

LANE MEYER: Right.

HALLORAN: --on this planet for example. And the corn uses the CO2.

LANE MEYER: Right. We need CO2.

HALLORAN: And I have fresh oxygen out my back door because we have a lot of corn.

LANE MEYER: Yes that's right.

HALLORAN: Thank you, Mr. Meyer.

CHAMBERS: But I would add for my colleague: All things in moderation.

HALLORAN: Too much oxygen is bad?

CHAMBERS: No, especially CO2.

LATHROP: Can I ask you--

GRAGERT: Yes.

LATHROP: --this testifier a question?

HALLORAN: Senator Lathrop.

LATHROP: This information that we've been hearing about today, these, this soil protection and conservation, is this being taught at the university?

LANE MEYER: I went--

LATHROP: If I went--

LANE MEYER: I went to Southeast Community College and then I went to, I got my degree there, then I transferred to Northwest Missouri and got my four-year degree there. I would say this: I have learned more on my own and through like Aaron Hird with, you know, people that, soil scientists and Twitter and YouTube. I spend hours, hours on YouTube study--

LATHROP: Searching for information?

LANE MEYER: Yes. And there's, there's, I mean, there's a lot out there, but there's a few people that I really, I mean, I've watched every YouTube video on some of these people that I really believe in. Allan Savory is, is one that I'm sure Wayne Rasmussen. I'm sure he knows who Allan Savory is, just the way he talked.

LATHROP: OK.

LANE MEYER: And there's--

LATHROP: Just curious--

LANE MEYER: --we've got to keep this simple.

LATHROP: The goal, the goal of this appears to be to promote this, these practices. And I'm just wondering if this is, if, if I'm attending the ag college at the UNL, UNL for example, am I

going to run into this? Because an awful lot of-- tell me if I'm wrong, but an awful lot of people that are going into farming now, young people, your age, are gonna go through the university typically.

LANE MEYER: Right.

LATHROP: Right?

LANE MEYER: I don't know what their criteria is, but I wish I knew then what I know now, because I would have gone on about agriculture totally different coming out of college. And, you know, we basically did what we'd been doing in conventional ways. And we haven't tilled, we haven't tilled ground and, I haven't took out a fence post in years with the disk, I mean, since I was a little kid. Probably 20 years. And I wish, you know, to get the information out there, this is a very, very complex situation. There's nobody in here that knows 100 hundred percent about this, no scientist, no nothing. I mean, how this how this earth was made, it's so complex that underground that no scientists even can grasp it. And so--

LATHROP: I think you answered my question.

LANE MEYER: Yeah.

LATHROP: You went to Northeast--

LANE MEYER: Northwest Missouri.

LATHROP: Northwest Missouri State. So you wouldn't know what their--

LANE MEYER: I don't know what their curriculum is--

LATHROP: These practices are taught?

LANE MEYER: --at the university.

LATHROP: OK. Thank you.

LANE MEYER: I, I hope they, I hope they do.

HALLORAN: Thank you, Mr. Meyer. Thank you so much.

LANE MEYER: Thank you very much.

HALLORAN: Good afternoon.

AL JUHNKE: Good afternoon. Thank you, Mr. Chair and members of the committee. My name is Al Juhnke, A-l J-u-h-n-k-e, I'm the executive director of the Nebraska Pork Producers. And we're here, quickly, because I will first say ditto. You've had great testimony, whether you know it or not, you've learned a lot today on soils, and I think that's been great. We're here to say

we do support LB243. You know, when I get when I drive home at night, I live southwest of Lincoln, and I look out across the landscape and I don't see a big field of dirt, I see a big field of soil. And the reason I say that, and I know soil is a living, breathing organism, which I don't think most people think about. I do because I do have a degree in soil science. So I am one of them freaky people that this bill really made a lot of sense to me. And the reason I'm here, mainly, is to jump on what Senator Brandt said: on page 4, line 4, it talks about "(c) The contribution of livestock to soil health." We, one of our big missions, Mr. Chair and members, is education, both producer education and consumer education. It's one of our charges. And the one thing we struggle with a lot is explaining the benefits of that byproduct of livestock production, which is manure. And so I talked to my friends and all over the shop for organic products, and I try and point out that if you're growing organic corn, you got to fertilize it with organic fertilizer. If you don't have livestock production, you don't have much or any organic fertilizer. So it's, it's putting those things together and having people understand how these systems work, how these sustainable agricultural systems work. Livestock is a big piece of it. As a soil scientist, and as the representative for the Pork Producers and livestock industry folks, we support this

bill. We'd love to be a part of the discussion in the next year or two, should it move forward. And we're glad it's here before your committee. Thank you.

HALLORAN: Thank you. Thank you, Mr. Juhnke. Yes, Senator Brandt.

BRANDT: Well, as a social scientist, can you in general just sort of explain the advantages of livestock manure over synthetic fertilizer?

AL JUHNKE: Well, and again, I, being a soil scientists, and in full openness, I used to be a fertilizer salesman too, so I've got a varied background besides the pork industry. But I believe that where our fertilizer works best. No, again, it's an education thing. We have to know the amounts, we have to know the nutrient value of it, so there's testing. A lot of times, the best use, if you're not talking about strict organics, the best use of that fertilizer is in conjunction with some of the synthetic fertilizers. Because you don't want too much nitrogen, you don't want too much phosphorus. And again, there's, there's different forms of nitrogen and things that you may get from an ammonium nitrate that you might not have available right away from, say, an organic swine manure. So you can use them alone, but I think mostly people use them together. But it's a valuable commodity. And the more we can talk to our city cousins and

others on that, I think the better off we are. And that's what this bill is about to me, is education. I believe, and I'm sincere in this, I believe farmers are the best environmentalists I've ever known throughout my lifetime. Their business depends on the air, clean air, clean water, healthy soils. Their kids live there, they drink the water, they breathe the air. Their animals are there that they care for every day, and need those same benefits. And so, but being a good environmentalist means you also need good information. This bill, I believe, will help provide those tools and that information to continue the discussion on how we can do even better on our farms and make them even healthier and stronger for future generations. Looking beyond the end of our nose, which I think is an important piece of what you all do. Yeah, you live every day with the problems. But look beyond the end of your nose. This is one of those pieces of legislation that will probably outlive a lot of you and your election certificates.

BRANDT: Thank you.

HALLORAN: Yes, Senator Blood.

BLOOD: Thank you, Chairman Halloran. And thank you for your testimony. I, first, I want to say I agree with you what you say about farmers. I'll even take it a step further. I think farmers

are the mechanics, are the bookkeepers that, I, they're the, the picture-perfect idea of what an entrepreneur really is about. And I think people totally underestimate what farmers are about. And God bless them all so. So now I'm going to kind of be the devil's advocate, and I've already said this before. My concern is that literally spending 5, 10 minutes in my office, doing a quick search here as well, so much of this information that you're saying is a-- is, that you need to get together and you need to disseminate throughout Nebraska to farmers is readily available with very little effort. So my question is, why are we reinventing the wheel with a big committee? It's going to have two years. I'm not a big proponent of meetings in general, as you know. It's like, let's just get it done. So why are they starting at the beginning and not taking the information that is already, already readily available and say, hey, we've got all of these resources. Let's put our action plan into action. Because it seems clear that you already know what the action plan is. True? I mean, you know what you want to do with it. You have all these experts that understand where we're lacking in these areas. Why are we beginning from square one as opposed to not hitting the ground running in your personal opinion? I know I'm putting you in an awkward position, I apologize.

AL JUHNKE: Mr. Chair and Senator Blood, I don't disagree with what you're saying. I got my degree in soil science in 1983 from the University of Minnesota. When I graduated, I thought every farmer knew what I had just learned in that curriculum. I was shocked, as I grew older, and started to understand that information isn't absorbed or isn't in everybody's hands. I guess, I'd maybe use a, a different scenario. I know, you know, I believe everyone in this committee knows the value of early childhood education. What it does for our kids, our communities, our crime rates, everything else. But even though we know it, we're still out there talking about it every day and educating, not only the people that have the children, but the people in the community, on why this is a good initiative and why we should be pressing our neighbors and our friends to be aware of it. I think it's the same with this. We're out there talking about this initiative, so not just farmers, and there's a lot of them, trust me, that they, they aren't on the Internet, they aren't grabbing that information. They don't go talk to their extension agents as often as we think they do or visit the University of Minnesota folks. And so the more we can publicize, the more we can get press on this over the next couple years, put out reports, have hearings, people hopefully start hearing about it, talking about it, and more importantly educating our,

like I say, our city cousins. Senator Chambers talked about growing some onions. What do they grow in? They grow in soil. Healthy soils are good for onions, they're good for the garden, they're good for the flower pot, they're good for those small urban agriculture areas. So it isn't just farmers and farms, we're trying to educate a whole group of people, big and small, across the spectrum. This, I think, will help. And there are unique-- and, and I'll finish with there are uniquenesses to the Nebraska soils, that are different than Minnesota or Iowa or, or Oklahoma. And so--

BLOOD: That's from any state, though. Depending on--

AL JUHNKE: Putting that together in a package and making it readily available. I hope we have a one-stop shop for this information. You can go in on the Internet, but you might have to pull down 10, 15, 20 pages to get all the things that folks have talked about in this room. Wouldn't it be great if we could find a one-stop shop for healthy soils information that people could access, and off we go? And there's nothing wrong, we don't need to reinvent the wheel.

BLOOD: And that's, that's my concern is--

AL JUHNKE: You're exactly right.

BLOOD: It's that I see [INAUDIBLE]

AL JUHNKE: Steal everything you can from the other states.
Absolutely do it.

BLOOD: So that's-- I don't know if you're going to end up on the committee or who in this room is going to end up on the committee. I just encourage people to look for the prize. We have a tendency to try to reinvent the wheel. We waste a lot of time. Personally, I think this is an initiative that is not only a priority, but an urgent priority. And I just, I just think the perspective of how it's being looked at is not as productive as perhaps hitting the ground running. You guys all know what you want to do and you know the information you want to get out.

AL JUHNKE: Yes.

BLOOD: So, and hopefully this isn't just about setting it up because you want to do incentives, because I don't know if you necessarily need a committee for that. So that's, that's just my advice. And then I want to say that this urban gal runs the farmer's market in Bellevue. And so we're all about things like this. So maybe sometime you can come and do a little demonstration on soil and the importance to Nebraska, and anybody else in this room that would like to come to my market.

AL JUHNKE: Mr. Chairman, Senator Blood, I'd love to do it any time with you there.

BLOOD: Oh, I'm there every Saturday 6:30 in the morning until noon.

HALLORAN: Any more questions for Mr. Juhnke? Thank you, sir.

AL JUHNKE: Thank you, Mr. Chair. And thank you, committee.

HALLORAN: Next proponent, please.

ERIC ZACH: Good afternoon. My name is Eric Zach, E-r-i-c Z-a-c-h. Chairman Halloran, Halloran, senators of the Agriculture Committee, I serve as the ag program manager for the Nebraska Game and Parks Commission. I'm here testifying on behalf of the commission in support of LB243. You've heard all the benefits to soil and from the ag side of things. I'm going to bring a little bit different perspective. Currently, the commission, Pheasants Forever, and the Natural Resource Conservation Service are partnering in southwest Nebraska to promote healthy soils through the use of diverse cover crops planted after wheat harvest. Producers are incorporating diverse cover crop mixes to increase moisture, moisture infiltration and retention, organic matter, improve weed control, and also provide supplemental forage for livestock. These cover crops can also serve as

excellent wildlife habitat. Pheasant, quail broods use these cover crops because the increased food availability in the form of insects and seeds, and in the winter months as thermal and foraging covered. We've even seen tremendous positive response from our native pollinators. These cover crop fields are also enrolled in our open fields and waters program that allows hunters to take advantage of this prime habitat. Providing access on these fields results in revenue generated in rural communities, cafes, gas stations, and hotels across Nebraska. The benefits of soil health go far beyond the soil. They can provide wildlife habitat, improve water quality in our streams and lakes for recreation, and provide places to hunt, and also bring rural Nebraska revenue. Nebraska Game and Parks Commission supports LB243 in its mission, and I would take any questions you have right now.

HALLORAN: Thank you, Mr. Zach. Any questions for Mr. Zach?
Senator Chambers.

CHAMBERS: I wonder if you will transmit to the commission some of the things that I said that were negative. I'm going to give you an-- I didn't know somebody from the commission was here, but so I'm not just making comments. I'm very concerned about mountain lion hunting. The commission had here, well, a hearing,

that's what it was called, in Omaha a few months ago, to give some information about mountain lion and the hunting that might be, a season that might be put in place. But they declared that there would be no public input. They knew that I live in Omaha. They knew that I have concerns. So it was a mockery, and I took it as a personal, conscious insult to say that they're going to have a meeting there, no public input. Then they went way to the other side of the state, where they know good and well I'm not going to come, and then they had all the input from anybody who wanted to say anything. And that's why I say it's the Governor's "Good Old Boy" club. They have incompetent people on the commission, but that's not going down to the people in the field who do the actual work. Because, and I'm not going to say enough for you or anybody else to put the finger on anybody, I've gotten information about some of what they've done with reference to mountain lion hunting, that people who work in the field don't agree with at all. All that the commissioners are interested in is trophy hunting, for those who want to kill the animals for trophies, who might support Game and Parks. It's a politically appointed group, it's a politically motivated group. And I am working on a bill next session, my last one, until I sit out for years and come back when I'm in my mid-80s, to elect the commissioners on the basis of districts. Because those

resources that are dealt with by Game and Parks are not just for hunters and what they call sportsmen. I don't call it a sport when you hunt a mountain lion with dogs. But at any rate, there have to be people on that commission who will reflect the concerns of people who live in areas other than a small little place, and having people who don't really know anything about what that commission is supposed to be dealing with. And when I got a bill through to create a mountain lion conservation plate, it was the biggest seller. And you know with the, and the money, I made the mistake because I didn't know about the, the organization. And I put in the bill that the money would go into this education fund. Unfortunately, that's like a slush fund. Money can be taken out for any purpose, there is no accounting of it. And the worst demonstration is that, although it's been derived from the mountain lion plate, over \$100,000, the person they brought in was from Colorado. They didn't even hire a Nebraskan to come in and talk about conservation of birds. Nothing about mountain lions. I'm very upset, very offended. And if Game and Parks-- I just wish they'd bring some things to us, but they probably won't because they know what I'll do. But I'll be looking at their budget during our considerations of the budget. And I don't know how much time the Legislature as a whole is willing to spend on the Game and Parks Commission

budget. Because I think I can take 90 days on it. And I'm saying it for the record, everything we say is transcribed. So if Game and Parks people are interested, they can contact the Clerk's Office and get the transcription for this hearing. And I'm not attacking you, and I hope you don't see it as an attack on you.

ERIC ZACH: I do not.

CHAMBERS: But I don't want it to seem that I would say what I've got to say because nobody from Game and Parks would be here. They will know that I knew somebody from Game and Parks was here, and that's all I have to say. And if Game and Parks would take the interest in all aspects of their work that you demonstrated in the few words you've said about what we're discussing today, you probably wouldn't be hearing these words from me, because what's going on would not be going on. But that's all that I have to say. If you want to respond anyway, you can. But I don't intend there to be a question in there that you'd have to answer.

ERIC ZACH: I'd just take your concerns back to, you know, my director and deputy director, and we'll take them under consideration.

CHAMBERS: Thank you very much.

HALLORAN: Didn't know what you're getting into there, did you?

ERIC ZACH: I'm not gonna say that.

HALLORAN: All right, Mr. Zach, thank you for your testimony.

Next proponent, please.

MOSER: Mr. Chair?

HALLORAN: Yes, Senator Moser?

MOSER: Could I ask a point of, kind of like, personal privilege.

Do you know where we are in the agenda here? I mean, we've been here two-and-a-half hours and we're still not done. Have you surveyed to see how many more people want to testify?

HALLORAN: So how many, that's a good question, Senator Moser.

All right, how many proponents are, are still here? How many opponents? I've been in search of a testifier, maybe this is the one.

MOSER: Maybe that guy, that--

BRANDT: You got two over there, Chairman.

HALLORAN: Proponents?

BRANDT: Two proponents.

HALLORAN: OK. So I have a chance out of three left, I'm looking for some dittos.

MOSER: This would be a good time.

HALLORAN: OK, yes. Proceed, please.

EDISON McDONALD: Hi. Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d. Ditto to most of this. I do want to add the part, I wasn't planning on testifying, to keep this short. But Senator, Senator Blood had some questions regarding, you know, looking at Senator Walz's bill working on cover crops. I've been working with this process to really ensure that we're moving this forward. The way that I see these bills, well, you know, we've both known kind of that the other is going on. This is really about a larger longer-term picture. This is, you know, providing kind of a strategic plan, a basic set of operations in which we can go and try and move forward on all these levels. Because right now, I think you've heard from all these diverse groups, there is such a wide coalition. And I think that this is a nice opportunity to go pull all of these together. Senator Walz's bill focuses on a much more narrow part of the picture, and it's really focused on waterways. It's focused on dealing with high nitrate levels, especially like those we've seen in Hastings, and making sure that we can go and try and prevent some of those possible

expenditures as we see the implications coming up, especially probably looking coming out of the Platte, and looking at the effects on Omaha and Lincoln's water. Those could have some really detrimental effects. So I think that while, you know, I, I get your intent, I think that it's very important that we have both pieces continuing to move forward because I think they address separate parts of what needs to be going on: kind of a longer-term bigger picture and a small piece, kind of targeting it quick action. So thank you.

HALLORAN: Thank you, Mr. McDonald. I've failed and I threw you off pace, but would you spell your name for the record, please?

EDISON McDONALD: E-d-i-s-o-n M-c-D-o-n-a-l-d.

HALLORAN: Okay. Any questions from the committee? Thank you, sir. All right, next proponents. We've got two left. Looking for a ditto.

TOM VENZOR: You're not going to get that from me, I'm sorry. Yeah, yeah. You got one more chance. Chairman Halloran and members of the Agriculture Committee, my name is Tom Venzor, T-o-m V-e-n-z-o-r. I'm the executive director of the Nebraska Catholic Conference, which advocates for the public policy interests of the Catholic Church by engaging, educating, and

empower, empowering public officials, Catholic laity, and the general public. And I'm here today to express our support for LB243. In the beginning, when God created the heavens and the earth, among his many actions was a moral responsibility he gave to Adam and Eve regarding stewardship and care for creation. This reality is one the church has reiterate, reiterated through the ages. Most recently, Pope Francis has given special attention to environmental concerns and even devoted an entire teaching document entitled Care for our Common Home, in which he seeks to address the urgent challenge to protect our common home and engage in sustainable and integral development. The Catholic Conference believes LB243 offers an important opportunity to advance a discussion and plan for a sustainable and integral development of our soil, which is at the core of Nebraska's history, livelihood, and economy. As the philosopher, poet, and environmentalist Wendell Berry has stated: The soil is our great connector of lives, the source and destination of all. It is a healer and restorer and resurrector, by which diseases pass into health, age into youth, death into life. Without proper care for it we have no community, because without proper care for it we can have no life. We appreciate Senator Gragert's efforts to recognize the great work of Nebraskans that, of Nebraskans that already undertake in safeguarding our common home in offering a

way for the Healthy Soils Task Force to provide Nebraskans with more opportunity for research, education, and resources about how we can engage in the critical work of conservation, not only for today but for the future. As the church's Compendium of the Social Doctrine of the Church states: responsibility for the environment, the common heritage of mankind, extends not only to the present needs, but also to those of the future. This as a tacit will not only be a win for us for today, but a win for Nebraskans tomorrow. Nebraska Catholic Conference requests your support for LB243, and that you advance the General File. Thank you.

HALLORAN: Thank you, Mr. Venzor. Any questions from the committee? Seeing none, thank you, sir.

TOM VENZOR: Thank you very much.

HALLORAN: It was pretty close to a ditto. Welcome, Senator Hansen. I have never heard you do a ditto in my life. And that's not, that's not meant to be derogatory. Welcome.

JOHN HANSEN: Mr. Chairman, members of the committee, for the record, my name is John Hansen, J-o-h-n, Hansen, H-a-n-s-e-n. I am the president of Nebraska Farmers Union. We are, our organization is the second-oldest, second-largest general farm

organization in the state. We spend a lot of time and a lot of energy on soils and soil building, and the support of workshops and activities, and a lot of things as an organization. Because the soil is our future and the, the treatment of our soils has also become a new focus. There is a renaissance in our view that's going on right now with academia, and a lot of folks are understanding that the conventional wisdom around which that we've been operating for a long time is a lot more conventional than it is wise. I have been working on soil and water conservation programs by my count for 62 years. My father was a soil and water conservation district supervisor. That's the system that was in place up until 1970, as it is in most of the rest of the country. These were set up on county boundaries. It was part of the federal farm program structure, and in Nebraska we created the NRDs in '70, first constituted them in '72, folded in all of those 14 or 15 entities between '72 and '74. And so we have an integrated resource management system in our state that is unparalleled in the country. We are the only state in the nation that does in fact spend more local and state money on soil and water conservation programs of one ilk or another than we get in federal cost-share dollars in the country. So we have a, an instrument already in place that allows us as a state to do some things that a lot of other states simply do not have

the mechanism to do. And so because of that, and in part because of my service in that, as NRD director from 1974 to 1990, I look at the NRDs as a partner. And so it's appropriate that they be a part of this task force. But big picture, the big dog is, are the feds, who are still FSA, Farm Service Administration, and NRCS that are the two folks who provide the technical expertise and the cost-share dollars for conservation programs. And they have a lot of expertise. I would like to see them more heavily involved in this task force than, than just as a mention that we could bring them in. And so when things get done, in my experience, is when you can you can marry both state and federal efforts. And there are federal efforts to expand the healthy soils. Regenerative ag is a growing phenomenon, very healthy response. I will say ditto to the use of livestock. There is no question that livestock is critical to being able to bring the bacterial life back to the soil. And so as I look at all of this, you're really looking for one. One real common thing and that is to build a strong operating conservation stewardship ethic. And so if you want good resource management you need people who have a stewardship ethic. And those are our traditional, independent family farmer owner-operators. And so as we look at the challenges that a changing climate poses, and there's a lot of folks who don't believe in climate change but

there's not very many people who don't believe in changing weather. And so I explain, if you take the weather every day and put it in a five-gallon bucket in your farming operation, at the end of your, your farming operation there won't be any weather left in that bucket, there will only be climate. And all climate is, is weather over time. So healthy soils is one of the most practical things we can possibly do in my opinion in order to be able to build the necessary additional operating capacity to be able to absorb the higher rainfall that comes in the higher rainfall events and give us the kind of cushion we need to get us to the bigger gaps that come between rainfall events. So we're seeing more soil erosion in Nebraska these days, as is Iowa, just because of the increase in the total number of high, high-intensity rainfall events. So this is a good effort. I thank Senator Gragert for bringing it forward. If I had my druthers, I, along with Matt Gregory, would probably structure the way we do this committee differently, in order to try to more effectively carry out what I think is a very critical mission. With that I would end my remarks, before my time ran out almost.

HALLORAN: Thank you, Mr. Hansen. Any questions for Mr. Hansen?

LATHROP: Can I ask one?

HALLORAN: Yes, Senator Lathrop.

LATHROP: Do you know, John, are they, is this part of the instruction at the university? Like if I, If I want to become an-- may take a major in agriculture at UNL, am I going to run into this opportunity to study this matter or this subject at the university?

JOHN HANSEN: I think that, I think that the, the conventional thinking of the day comes and goes. And I've seen a lot of changes during my run, in terms of what the conventional wisdom would say is the right thing to do. And so I think right now there is not only a growing renaissance in the part of a lot of government officials and folks who work in the natural resource base, but also the university. But I think it's more likely that you would be exposed to this. I think in the past, if you wanted it, you had to know how to hunt for it. I think now it's, it's more likely that you would run across it. But, you know, what is, what is considered to be the, the best way of accomplishing a goal or doing something? That technology and that wisdom changes then. So things change. We--

LATHROP: Answer this question for me, then, if you can. How many of the ag producers, the next generation of ag producers, are

going to be folks that have passed through the University
Agricultural College?

JOHN HANSEN: Senator, that's a great question. I don't know what the answer is. But there's, there's an awful lot of farm and ranch families who want their kids to go off and get a good education before they come back home. So that if and when it happens that the, that things do not work out on the farm, that they're prepared to do something else in their life. But also that they're also better prepared to come back home--

LATHROP: Well, this whole bill is--

JOHN HANSEN: --and be successful.

LATHROP: This whole bill is kind of about disseminating this type of practice. And I just wondered if it's happening, if the students are being exposed to it in the Ag College. That's all.

JOHN HANSEN: I, I, I think more so. I, you know, that's my, that's my feeling. As you can probably tell, it's been a while since I've been at the University of Nebraska.

LATHROP: OK.

HALLORAN: Thank you, Senator Lathrop.

LATHROP: I have no other questions, thank you.

HALLORAN: Any other questions? Thank you, sir.

JOHN HANSEN: Thank you. But if you really want to change agricultural cultural practices, the two things that actually work, based on my life's experience, is to educate [INAUDIBLE].

HALLORAN: On that note, thank you, sir.

JOHN HANSEN: Thank you.

HALLORAN: Any more proponents? OK, any opponents? Anyone on the neutral position?

STEVE EBKE: Good afternoon, Senator Halloran and members of the Agriculture Committee. My name is Steve Ebke and that's spelled S-t-e-v-e E-b-k-e. I operate my family's farm located near Daykin. I'm here today representing the Nebraska Corn Growers Association and to testify in a neutral position on LB243. For several years, the Nebraska Corn Growers Association has been actively involved with initiatives related to soil health. One such initiative is membership in the Soil Health Partnership. The Soil Health Partnership as a nationwide farmer-led effort to improve soil health, benefiting both the environment and farmer profitability. The partnership's goal is to quantify the

benefits of various practices, such as cover crops, conservation tillage, and precision technologies. This goal will be accomplished by using a network of working farm soil health demonstration sites. Currently, the partner, partnership is working with 140 farmers in 14 states, including 6 farms in Nebraska, with plans to continue expanding the number of sites. Other Nebraska corn farmer-funded research projects are focused on the long-term benefits of cover crops. This involves working with the University of Nebraska Research and Extension and Nebraska Farmers to better understand the establishment management and termination of cover crops and various crop rotations. Both the Soil Health Partnership and the research initiatives that are discussed in the handout in the CornsTalk publication that I distributed to you. The Nebraska Corn Growers Association has an established history of highlighting the importance of soil health. Our neutral position does not detract from our support of soil health initiatives. We simply question whether a state task force is necessary. As the materials I handed out illustrate, multiple USDA agencies, grower associations, and industries are actively engaged in research, education, and programs to encourage adoption of practices and innovations, which will lead to greater sustainability. These same groups are seeking to collaborate and coordinate their soil

health initiatives. And with that, in other words, those groups are trying to meet together to do the same thing, in my view, that the task force is headed towards. So that's, that is our position. I really thank you for the time today, and I'll be glad to try to answer any questions that may come forward.

HALLORAN: Thank you, Mr. Ebke. Senator Blood.

BLOOD: Thank you, Senator Halloran. And thank you for your testimony. And that's, that's one of the concerns that I have. Are you familiar with the USDA service center?

STEVE EBKE: Yes.

BLOOD: I knew the answer, but I'm going to lead you. So at that service center, information from the FSA, the NRCS, pretty much everything that we have, that people are brought forward to us day is readily available through there. And, and granted, it sounds like we want to be Nebraska-specific, but I know the Corn Board is also not the only organization that, that pushes for better soil in Nebraska and how to maintain, and you share educational information. Do you think that this committee would be better served by taking what is already existing and combine that with their initiative and perhaps expanding it, as opposed to reinventing the wheel? Or do you feel that they're just in

general reinventing the wheel? Do you feel that, that maybe the committee makeup and the mission should be a little bit different? I have to say, I clearly support what the mission is. Period. But I always, again, Nebraska does this a lot, where we put together committees on issues that are already being addressed. And then it takes us two years to come up with basically the same answer that we had two years prior, only it's got a pretty bow on it. So, I mean, what is-- that was a lot of questions in one. I mean, I know you're in an uncomfortable position, and I apologize for that. But what do you envision that could be done so differently that isn't being done now?

STEVE EBKE: Well, as I stated, the groups that we're involved with have talked and communicated about a coordinated effort to get the results of the various demonstration sites and, you know, some quantified results, which take a significant amount of time. The Soil Health Partnership has been in existence about five years, and they're still accumulating data. So I guess typically we lean a little bit towards allowing private industry to lead the way and try to do these things, rather than, than necessarily government. I will tell you, though, within the bill, and it's nice to see that, they, I think they intend to do such as you've suggested, not reinvent the wheel, but take those particular studies, you know, utilizing the data that's been

accumulated by people. It specifically references USDA, it specifically references the Soil Health Partnership, which I talked about. Just in our position, at this point in time, is that we think that, that we're headed that way from a private standpoint and we don't need a government task force

BLOOD: That's fair. Thank you.

HALLORAN: Thank you, Senator Blood. Any other questions? Thank you, sir.

STEVE EBKE: Thank you.

HALLORAN: Any other in the neutral position? Please spell your name.

AARON HIRD: Good afternoon, Mr. Chairperson and respected members of the Agriculture Committee. My name is Aaron Hird, A-a-r-o-n H-i-r-d, and I work for the U.S. Department of Agriculture Natural Resource Conservation Service. Thank you for the opportunity to be here. I'm honored to participate today. The mission of the NRCS is helping people help the land. That is the service NRCS provides to private landowners and managers across Nebraska. NRCS Nebraska has about 300 employees in 77 field offices. These field offices, field office employees work directly with farmers and ranchers voluntarily, seeking help to

conserve and enhance natural resources on their land. The importance of soil health across the state becomes evident whenever improvements are made to the soil. Healthy soil simply functions better. What is soil health? It is defined as the continued capacity of the soil to function as a vital and living ecosystem that sustains plants, animals, and humans.

Unfortunately, in some, in some cases, the health of the soil has degraded through multiple generations of farming and ranching imperceptibly through time. This erosion of the soil structure and function has reduced the soil to condition near the bottom of its potential. Water infiltration rates and crop fields can be at one-half an inch per hour or less. This, this allows water to leave the field. Tillage-induced compaction layers often found at 4, 6, and 8 inches in the soil exist, and these root-restricting layers in the soil reduce productivity. This costs the farmer and environment since increased inputs are typically the answer to maintain productivity. But there's hope. Healthy soil can be regenerated and thereby improve the foundation of Nebraska's economy and protect the environment. NRCS offers conservation programs through the farm bill that can help farmers, ranchers, and land managers improve the health of their soil. These conservation programs are a potential funding source for implementing soil health, building conservation

practices. In addition to offering technical and financial assistance to help improve the soil. In 2010, the USDA NRCS began a national focus on soil health and launched the campaign titled "Unlock the secrets in the soil." This public awareness campaign formalized a national effort to educate and inform citizens and land managers about the benefits of soil health, as well as the principles to promote or regenerate soil health. Implementing soil principles over time can improve the health of the soil. I have seen healthy crop fields with water infiltration rates of 2 and even 5 inches per hour after the soil is already wet. I know these soil health principles work and generate measurable results. I will provide a handout covering this in more deep, in more depth in our series. NRCS will continue to utilize the resources we have to promote soil health nationally and within Nebraska. NRCS in Nebraska has established a soil health initiative, developed soil health demonstration farms, and increase the availability of financial incentives to grow cover crops. We will also support efforts led by our conservation partners promoting the work to regenerate healthy soil for current and future generations. Thank you for your time. I'll take any questions you have.

HALLORAN: Thank you, Mr. Hird. Senator Blood.

BLOOD: Thank you, Chairman Halloran. And thank you for testifying. I was surprised that there ended up being some beef men are so scared. So in your personal opinion, is a lot of what the committee's already been said that they were going to do being done by your organization and others?

AARON HIRD: Although it's being done, I don't think there's consensus.

BLOOD: In what way?

AARON HIRD: I think that the message needs to be promoted by all, all parties.

BLOOD: OK. And so would it be in your personal opinion that we should perhaps amend the makeup of the committee were there to be a committee formed to include, for instance, FSA, NRCS?

AARON HIRD: I don't think I can comment on that directly but we are already involved in the bill as I read it.

BLOOD: Involved how?

AARON HIRD: We're listed there is a--

BLOOD: Pardon?

AARON HIRD: We're listed in the bill as an advisory, I believe.
Is that correct?

BLOOD: You know, to be really frank, I don't remember, we've had
so much testimony today.

AARON HIRD: It's in the last line of the bill.

BLOOD: Thank you.

HALLORAN: OK. Thank you, Mr. Hird. Any other questions? All
right, appreciate your testimony. Thank you.

AARON HIRD: Thanks for the opportunity.

HALLORAN: Any other in the neutral position? OK. With, that I'm
going to read into, and we'll have Senator Gragert come up to
close. I would like to read into the record support letters for
LB243: Bob Bettger from on behalf of himself; Rocky Weber,
Nebraska Cooperative Council; Hannah Birge, the Nature
Conservancy Nebraska Chapter; and Andrea Basche for herself;
Bruce Johnson for himself; Marilyn McNabb for herself; Michael
Chipps, Northeast Community College; and Jordan Rasmussen,
Center for Rural Affairs. Senator, would you like to close?

GRAGERT: Thanks again, Senator Halloran. Yes, in closing, I
would like to just answer a couple of questions in that the

members have had throughout the testimony. Senator Blood, a number of times you bring up the [INAUDIBLE] concern, I'm concerned about redundancy. This is not a redundancy on my take, by any means. Especially for the people that need to hear this. There's already a lot of people doing these practices, but I can tell you after working 30 years with the Natural Resource Conservation Service in the field office as a worker bee, there's a lot of farmers and ranchers that haven't heard this stuff. And even though the natural resource and the FSA are all in one office, there's a lot of, there's a lot of producers out there that do not have a clue what is going on with conservation practices to for soil health. Finance incentives, so on page 4, line 3, what those incentives are is, like Aaron mentioned earlier, NRCS has a lot of conservation moneys, NRD has conservation moneys that go towards these practices for helping producers investigate and utilize these conservation practices. So if something goes south on them, they're not, they're not a total bust. So there's your incentive payments. Senator Chambers, on, on getting it out to the consumer, we, we have over the years tried to use demonstration plots on the farmers' land to bring different people out to the land and show them the crops, how they grow them, how well different things did. But I think in advertising to bring more consumers out would be a good

idea. So they can see it on the land, that aspect of it. So I just wanted to bring that out. Senator Lathrop, Northeast Community College has provided us with a letter, and they do-- I've taken, I've taken a tour through the University of Northeast Nebraska up in Norfolk, and they have currently brought in some farming practices. Now, even though that they've been trained maybe in cover crops or different aspects of these, there still has to be a come together with, with a number of practices: deep soil testing, soil, irrigation water management, cover crops, no-till. These are all conservation practices that we'll bring together. So they may have had courses on one or maybe, maybe all them, but now to bring them and put them together. This task force, their mission is not going to be to come up with a recipe for one-size-fits-all. There's gonna be a number of, of individuals that have to make up their own management plan. This, this task force is not about coming up with this, if you follow this, you're gonna you're gonna be successful. You know? You still got to believe in what practices you choose to do. You may, you may choose one, you may choose them all, conservation practice for soil. But if they believe in it and do it, that they'll come up with their own plan, their own management plan not, not something that a task force came up with. Okay? The task force is just gonna bring all that

information to where these people can get it without, like you said, I really, truly believe you list-- you missed a lot of good testimony here. I don't know, you know, that why and how and how important this is than other than there is a Natural Resource Conservation Service; there's an FSA, which happened to be in the same building now. But then we've got the NRDs, you got the Center for Rural Affairs. You've got, you've got people all over the place that if we bring them together and we all, we get them on the same, same track, it will be help tremendously. So the one-stop shop, if you will. Potentially this bill has a win-win-win. It's, it's gonna be a win for the producer, it's gonna be a win for the consumer, and it's gonna be a win for the environment. So that's the way I see this task force coming up, coming out. So we'll just go with that. And, you know, I'd just like to thank everybody for this opportunity, and hopefully moving LB243 out of committee. Thank you.

HALLORAN: Thank you, sir. I think Senator Blood had a final question.

BLOOD: I do. Actually, they're quick ones. No worries. So who brought you this bill initially?

GRAGERT: I can't remember what their name-- Alan Moeller, which-

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ALAN MOELLER: Right here. It's a group of retirees that are interested, like I said, in what kind of legacy we're leaving our grandchildren. And we believe soil health is the foundation for successful farming and for--

BLOOD: So he has to answer. I'm sorry, I didn't meant to--

GRAGERT: So it was a group of retired agriculture--

BLOOD: I got the answer. And then, so, so I think you're misunderstanding my questions. First of all, I, I don't disagree with the intent of this at all. But what the testimony is and what you just said is actually very different than what's in the bill. And so my concern is just that there might be some fine tuning that needs to be done to make sure that the true initiative of what you want done is what's going to happen. Because, you know, it's much like, like when we open the barn door and we let the animals out now. We hope they come back at night, but I know, growing up on a farm, periodically we're out looking for somebody. And I, just I don't feel the directives for what you're telling me that you want to achieve are in here. And so that's, that's my only concern is to make it the best bill that it can be so you can actually achieve the goal of what you're telling me you want to do.

GRAGERT: The only, the only reason they're not in there is because this bill is about just forming a task force to come up with all of the ideas I just spewed out to you in an action plan.

BLOOD: And again, I don't disagree with that, but I don't think that that's what it says in here.

GRAGERT: Well--

BLOOD: And we can discuss it outside this room, because I know eventually we all want to go home.

HALLORAN: All right, Senator Gragert, we appreciate it. Your testimony, and for bringing this bill forward.

GRAGERT: Thank you.

HALLORAN: All right, that concludes our hearing on LB243. We will proceed to. Excuse me. LB321 is next on cue. Could we clear, could we clear the room? Could we clear the room, please? Thank you. Senator Hansen, please proceed.

B. HANSEN: Thank you, Chairman Halloran. I can keep going? Thank you, Ag Committee. I can't say ditto, can I?

LATHROP: Why don't you hang on one second and just let them--

B. HANSEN: Yeah.

HALLORAN: My apologies, Senator Hansen. Please proceed.

B. HANSEN: Good afternoon, my name is Ben Hansen, Ben Hansen, I'm the senator of District 16. I'm here to introduce LB321 at the request of the Department of Agriculture. The purpose of LB321 is twofold. The first is to update references to standards published by the National Conference on Weights and Measures. Periodic updates are needed to ensure Nebraska abides by best practices as determined by the conference, but no update has been, has been made to the Nebraska statutes adopting these standards since 2003, so the update is long overdue. The second purpose is to allow the Nebraska Department of Agriculture to utilize risk-based assessments when determining how often the department needs to inspect commercial weighing and measuring devices. The statute currently prescribes at a minimum that these devices be inspected annually. Making this change allows a subject matter experts in the Department of Agriculture to determine how often inspections are needed, effectively streamlining government and increasing efficiency. This change is in alignment with the department's current practices regarding food inspections, and is recommended by the National Institute of Standards and Technology. According to, according

the National Institute of Standards and Technology, or NIST, other states that have adopted periodic inspections rather than annual inspections have still seen compliance rates above 95 percent. Further, NIST recommends risk-based inspections in circumstances where compliance levels are already high and or businesses utilize private service companies to ensure accuracy and serviceability of their scales. Nebraska businesses have an obligation to, and a self-interest in, ensuring the accuracy of their scales. The department plays a secondary and supervisory role in this effort fulfilling conditions under which NIST recommends risk-based inspections. Under this bill the Department of Ag would have the authority to determine their own risk-based criteria as well as the frequency of inspections based on their own records and data. In summary, this bill updates standards long overdue to be updated and allow the Department of Ag the authority to develop its own risk-based criteria for inspecting weights and measurements devices rather than adhering to the required annual inspection schedule, schedule. This change lifts the regulatory burden from Nebraska businesses and agencies, as they are the ones incurring the inspection fees, and will result, and will result in increased efficiency and better allocation of resources from the Department of Agriculture. The director of agriculture is

following me with his testimony but I will gladly answer any questions to the best of my ability.

HALLORAN: Thank you, Senator. Any questions from the committee? Seeing none, thank you, Senator. Are you going to close?

B. HANSEN: I will be around.

HALLORAN: All right. All right, first proponent. Welcome again. Yeah good afternoon again.

STEVE WELLMAN: My name is Steve Wellman, S-t-e-v-e W-e-l-l-m-a-n. I'm the director of the Nebraska Department of Agriculture. I'm here to testify in favor of LB321. I thank Senator Hansen for introducing this bill on behalf of the Department of Ag. The additional written testimony and a copy my oral testimony is being handed out to all of you. LB321 amends the Weights and Measures Act by updating the National Conference on Weights and Measures publications of handbooks 44, 130, and 133. The updated handbooks replace the 2003 versions currently adopted in the act. The handbooks provide national standards for the regulation of weighing and measuring devices; the use of devices; and packages labeled by weight, measure, or count. Adopting these versions will put Nebraska in line with other states. LB321 also provides the department the authority to do risk-based

inspections of weighing and measuring devices rather than mandatory annual inspection in order to be more efficient in our allocation of resources. Risk-based testing uses risk to prioritize and emphasize the appropriate tests. NDA will focus our resources towards a planned, targeted, risk-based delivery and we are currently working with other agencies and interested parties to develop this formula. The department will continue to, will continue inspecting establishments as frequently as is necessary to protect the public. I ask for your support in enacting this bill and would be happy to answer questions.

HALLORAN: Thank you, Director Wellman. Any questions from the committee? Yes, Senator.

BRANDT: Thank you, Chairman Halloran. Director Wellman, there is no fiscal note in our book right here. But it would appear to me that if we're going to change this from a mandatory inspection, let's say all scales get inspected annually. I don't know what the, it may be different for, for different kinds of weights measures, and you go to one of discretion. Do you still help keep the same number of inspectors, people that do the gas pumps, people that check the farm scales, people that check, as you told me, the scales in the jewelry stores?

STEVE WELLMAN: At this point our-- we have 15 people on staff that cover the entire state for all these devices, and there's about 36,000 devices in the state of Nebraska. So at this point it would be our, it would be our intent to keep the staff that we currently have. The risk-based approach doesn't necessarily mean you do fewer inspections, it means you utilize your resources in a way to be as effective and efficient as you can. I mean, it's possible there could be some efficiencies in the actual cost and reductions. We-- too soon to really tell on that. My intent or our intent here is to, to be at the devices that we need to be at for consumer protection and, and those devices that impact the consumers the most. And we can do that through risk-based and there's different ways to approach this. And I think it would just be, because of the territory that we have to cover, the entire state obviously, I think it's more efficient to look at this as a risk-based and allocate that way.

BRANDT: But how do you determine what is risk-based and what is not?

STEVE WELLMAN: Well, there's different, different aspects or different ways to go about that. I mean, you can, in the NIST document that was, was mentioned earlier you can approach it in different ways. You can, you can look at it from-- you can still

have annual inspections at every location but only do certain devices. And if you see some occurrences where there's, they're not complying and those devices, then you expand and you inspect more of those devices at that location. Or you can, and you can look at it on a measure of how much volume goes through a device. What's the exposure to the consumer by not having a device that, that's calibrated properly? So there's different, different approaches to view on, on how you want to do the risk-based assessment. And quite frankly, when you look at, I mean, some devices get used more often than others, some devices weigh more valuable product than other devices do. So you can take all that into consideration. And there are-- we have years of data of all these devices that we've inspected in the past, that the department has inspected. And this risk-based assessment and the risk-based approach is based on that data. You may have a certain location that had devices that failed more regularly than other locations, so a little bit about history and looking forward. And the other part of the risk-based is working with those device owners, talking about what makes devices fail. Maybe spending more time instead of just inspecting it and saying oh, you're out of compliance, it needs to get fixed. Maybe there is an approach to really analyze why something does fail or why you're out of compliance and, and have a longer-term

approach to getting devices that are as accurate as possible. None of these approach, I mean, what we're doing now is not 100 percent risk proof. There, you have devices that fail and you can be there one day and then two months later the device could be out of calibration at that point and you're not there for another 10 months. So some of those, some, and some examples we could be back more often if we have a device that has a history, especially if it's a little high-value type of product going across that device.

BRANDT: OK. Thank you.

HALLORAN: Thank you, Senator Brandt. Any questions? Senator Lathrop.

LATHROP: Yes. So how many people do you have doing this now?

STEVE WELLMAN: We have 15 on staff covering the state.

LATHROP: And five years from now, if we pass this bill, how many people are you going to have doing it? Seven?

STEVE WELLMAN: I can't answer that. Don't know.

LATHROP: Are we likely to see you have fewer people doing this two years from now if we go to this risk-based assessment versus an annual?

STEVE WELLMAN: Good question, senator. And I, I don't know the answer. I don't want to mislead anybody in saying that we're going to reduce staff or do anything like that either. I mean, I think it's just-- the point is to be effective. One of the things that can happen here when you, if, if you're doing a strictly risk-based, you can actually have a higher noncompliance rate because you're checking the devices that are out of compliance more often.

LATHROP: So I don't want to, I don't want to seem argumentative, but I do want to ask a few questions. You talked about the fact that you have a lot of data and that's, the data-- so let's say that you found that most of the time the problem is with gas pumps. Let's say that that's what your data shows. That data is available to you because you've been inspecting them every year, right? And I just don't know if that's, if the risk-based approach works great in year one or year two but a problem develops in another device and you're not checking it because it never was a problem two years ago or in the past. And I'm a little, I'm a little concerned this year on my return that we're doing an awful lot of things to save money. Right? And this is an area where we're protecting consumers that when they buy a gallon of gas they know it's a gallon of gas, and it's not 90 percent of a gallon of gas or 95 percent of a gallon of gas, but

it's a gallon of gas. And whatever other, I suppose you're doing scales and a whole bunch of things, right?

STEVE WELLMAN: Right.

LATHROP: So are you doing scales at the co-op and places like that? There's an, there's an opportunity I think for someone to-- for consumers to not have the protections that they get with an annual inspection. And if you told me that you weren't going to inspect every device less than once a year but this is going to have us out in the field and checking gas pumps twice a year or check gas pumps from particular retailers who seem to be problematic or have a problem with their equipment or older equipment, I just don't want to buy into something where we are going to a different approach so that we can cut two full-time equivalent employees and save a few bucks a couple of years from now and the consumer ends up paying because the, when the farmer brings his corn into the co-op the scale is off or the guy that buys the gas isn't getting a gallon's-worth of gas. Because most of the time they don't make a mistake on the side of the consumer and put a gallon and a half in my car and then charge me for a gallon.

STEVE WELLMAN: So--

LATHROP: You follow me?

STEVE WELLMAN: Yeah, I do. And, and fair enough. And the intent is to still protect the consumer as much as possible. And like I just said, if because we're there annually the device can be fine that day and there could be something wrong with it two months later and we're not back there again for 10 months or whatever. So I think there's ways to look at this--

LATHROP: Well, is there anything that's going to, is there anything that's going to in this approach that will ensure that you're going to check for example every scale and every co-op once a year? Or can you go a period of time under this approach without ever checking the scale at a co-op for a couple of years?

STEVE WELLMAN: The intent is to not do what you're talking about doing. The intent is to be there and to make sure the consumer is treated properly. And, and--

LATHROP: I get that.

STEVE WELLMAN: --at each device.

LATHROP: So here's what I'm hearing you say, though: This is what our intent is, to protect the consumer. But what I do know

is that when we leave the one, every one year, an annual inspection, that there will be 15 guys out there scattered across state check and scales and gas pumps and you name it, right?

STEVE WELLMAN: I think there's also something to be said about predictability, and this is maybe not as predictable. Because if you're there once a year and you're consistent with your timing, you show up the same, basically the same time each year at each location if you're doing risk-based. And you're-- then maybe a spot check things more often, maybe you go like on, on the one device here where you real-- where it's like a multiple tier where you, you check a fuel pump like for your example, where you check a group of fuel pumps out at the station. And they're fine, so you move on to another one.

LATHROP: And, and again--

STEVE WELLMAN: And if they're not then you, then you expand your inspections.

LATHROP: Again, I don't want to, I don't want to be argumentative. But when you say maybe you spot check this guy, maybe we could, we might, it's possible, and this is what our intent is, here's my concern. If this is-- tell me this, what

is, what is the evil we're trying to fix? What's wrong with the annual inspections? Why is that a, why is that a problem?

Because I'm now skeptical that a lot of these bills are about saving a couple of full-time employees and the 15 people you have checking weights and measurements will be down to seven and they'll be showing up at the gas station or at the co-op or at the scale, or whatever other device you're currently doing once a year, and they'll start showing up once every three years. How do we know that that's not gonna be the end result of passing this bill?

STEVE WELLMAN: Well, by, by removing the language that says annual, OK? This doesn't have the assurance as an annual inspection for per word, per language. But a risk-based approach does give a result that is comparable to an annual result, and an annual inspection.

LATHROP: Then why would we do it?

STEVE WELLMAN: Pardon me?

LATHROP: Why would we do it if it gives us the same result? Why are we making the change?

STEVE WELLMAN: Well, I was going to continue on, it--

LATHROP: Go ahead.

STEVE WELLMAN: --it gives you the result of protecting the consumers but it also gives you the ability to, to inspect devices in a manner where the consumer can be impacted the most: high-value scales, high-value products are going across these scales.

LATHROP: Can you give me an example?

STEVE WELLMAN: Sure. Meatpacking facilities, beef is going across the rails. Those scales are, have millions, billions of dollars of meat goes through the state of Nebraska. High-value products that farmers are, and are selling to that organization. Those types of things where there's big dollars going through as compared to a grocery store produce scale possibly. Now, some pumps at, at gas pumps, some stations have higher volumes than other stations, stations do obviously. It doesn't mean we wouldn't go to the smaller-volume stations, but it gives us the opportunity to use our resources in a way that can actually protect consumers the most.

LATHROP: OK. So that can possibly protect the consumers more is a randomness to your inspections.

STEVE WELLMAN: So, so maybe, and I understand what you're getting at. The, there would be a whole procedure and process and assessment developed for the risk-based. I don't have that today because we haven't had the authority to, to implement the program that way. Right? Our intent, the what we would do, we would develop a process that would determine how we can best serve the consumer and best protect the consumer. The other thing we talk about we do here is we have package inspections also. So maybe the, maybe we're running into packages that are being sold at the grocery store and they're underweight for what the, what they say they're going to be have for weight. Maybe that's a greater concern and we should focus on those more than we should focus on gas pumps that have a very low-- very high compliance percentage and a very low rejection rate. Maybe, maybe the impact to the consumer is that meat product at the grocery store that says it's a pound and a half and it's pound and a quarter, but they're paying for a pound and half. So that's--

LATHROP: What do you--

STEVE WELLMAN: --the types of things--

LATHROP: How long have you been doing this job?

STEVE WELLMAN: Fourteen months.

LATHROP: OK. So you've been involved in inspections for over a year?

STEVE WELLMAN: I've been the director of the department, yeah.

LATHROP: OK. Are there problem areas that you think you need to pay closer attention to?

STEVE WELLMAN: I think, yes. I think there are areas where we can be more effective to the consumer and actually do-- protect them better than, than an annual inspection. I farm. I've been farming my whole life. I mean, one of the things that we do on our farm, we always look for a better way to get better results. And to me this is just--

LATHROP: Yeah, and my--

STEVE WELLMAN: This is a process within, within this that's approved within the, the industry. And we use it, we use it, excuse me, we use, use it in food inspection. Food safety, anything like that has a priority set up for risk-based. Why wouldn't apply the same type of principles that could be very effective for the consumer?

LATHROP: Well, I feel like I'm being a little bit of a watchdog here. And my concern is, is that we will gut the number of inspectors to save some money and pretty soon, because we don't have to have an annual inspection, no one's, no one's checking to see if you're keeping up well enough to do annual inspections. Well, I'll give you an example.

STEVE WELLMAN: It does say "as necessary" also. And it can be complaint-driven.

LATHROP: I, I get that too.

STEVE WELLMAN: So there are other caveats in here too for that.

LATHROP: I get that, I get that. I just don't want to see us agree that you don't have to do an inspection at least once a year, because nothing stops you from randomly stopping in and doing a second inspection in between your annual inspections, just to keep somebody on their toes. My concern is that we would agree to this bill, make it the law, and then pretty soon your Weights and Measurement Department gets gutted because we're trying to save a little bit of money and we don't have a requirement that you get around to all of these different devices once a year. Right?

STEVE WELLMAN: So if I can, I mean, I can compare the neighboring seven states also. And whether that's something you want to look at or not.

LATHROP: Well, we might be interested. Go ahead.

STEVE WELLMAN: There are, there are, the other, our neighboring states, there is a, there is a very big variety of how they approach the inspections. Some of them rely on private industry to do it. Most of them do not have an annual inspection rate like, like Nebraska has, good or bad or otherwise. But so there's different approaches within our neighboring states, and the risk-based, like I said, is used in our food service industry for, for obviously consumer protection there. So I believe that this is an approach that actually, and we talked about this a little bit earlier with, with the testimony I mentioned that being more cost-effective. And that's probably wasn't the right area to focus in because it is determined to serve the consumer. And the whole reason of the inspections as for the consumer protection and for the company that's selling the product. So people get treated fairly on both sides of this. And the biggest concern is to the consumer, and I think that is appropriate.

LATHROP: I appreciate that's the point in checking measuring and weighing devices. But I think you've answered the question about as well as you can and I don't want to be argumentative about it, but I've expressed my concern.

HALLORAN: Senator Moser.

MOSER: You have 15 inspectors and you do 36,000. That divides out 2,400 inspections, each inspector on average. Do you struggle to get those done? Are you under-- is it difficult to get all those required inspections done? Or do you find that you're looking for, you know, problems and you keep looking in the same places and you're not finding them? Yet, some places where you go you find recurring problems you'd rather go there more often.

STEVE WELLMAN: So, so we do have examples of recurring problems. The different devices, the fuel pump devices are actually, especially the new ones, are very accurate. The testing, 92, 93 percent compliance with, with our testing on the fuel pumps.

MOSER: Do you test for alcohol content too?

STEVE WELLMAN: We do not test the actual percentage, we test whether there's ethanol in there if it's labeled that way.

MOSER: Oh, so if they're selling regular gas or selling alcohol gas and saying it's regular or not alcohol.

STEVE WELLMAN: Right. If it's a, if it's a gas, 10 percent blend, we test that there's actually ethanol in there but not the, not the percentage. So some of these--

MOSER: But do you struggle to get your inspections done or can you do it comfortably with 15 people?

STEVE WELLMAN: Well, we struggle, and there's-- so out of these 15 inspectors, some of them have specialties. The large scale inspectors, I mean, there's equipment involved with this, thousands of pounds of weights. And it's a, it's a more detailed and a longer process to inspect a truck scale for example as opposed to a grocery store scale and or even a fuel pump. So, so they have specialties. It takes years of training to really get good at it. So it, and I'm not-- I don't want to say that, that the reason to do this is because we're not meeting our what, what our needs are. I think that my perspective and what, what I see from, from the risk-based assessments in food safe-- in food sector and within the NIST is that we can do a better job to the consumer by, by having a risk-based approach and not just doing every scale every year.

MOSER: I'm not trying to ignore you but if I don't get my keys out of my office I'm walking home. So just keep going.

HALLORAN: Senator Chambers.

CHAMBERS: Suppose we don't do this. Then what?

STEVE WELLMAN: If we don't--

CHAMBERS: If we don't pass this bill.

STEVE WELLMAN: OK. Well, I would-- so two parts. The updates I think are definitely necessary to get compliance with the, with the standards for the regulations. The part about making it not annual inspections, that's your option.

CHAMBERS: So the update is what you really need us to do?

STEVE WELLMAN: That would be the-- yes. I mean, we need, we need to have, we're back to 2003 regulations so we're adopting the 2019 regulations on how you conduct inspections, what the devices are, how you handled packages, and those types of-- the guidelines for those and to actually do the inspections. And we've been, we've been utilizing those documents each year.

CHAMBERS: OK. Here is what I'm say-- I'm getting at. We can do one without the other.

STEVE WELLMAN: Yes, you could.

CHAMBERS: OK. That's all that I have.

HALLORAN: OK. Any further questions from the committee? Seeing none, thank you.

STEVE WELLMAN: Thanks for the water, Senator.

HALLORAN: Yeah, you're welcome. Thank you for your testimony, Director Wellman. Any more proponents? I suspect-- OK. Any opponents?

TIM KEIGHER: Good afternoon. Yep, still afternoon by my watch. Chairman Halloran and members of the Ag Committee, my name is Tim, T-i-m, last name is Keigher, K-e-i-g-h-e-r. I appear before you as the ejected-- executive director and lobbyist from Nebraska Petroleum Marketers and Convenience Store Association. I've debated whether to be in opposition or neutral. I guess I picked opposition because there is one portion of the bill that I don't like. I am OK with all the updates and adopting all the handbooks and all that type of thing. I guess I focus more on where you're coming from, Senator Lathrop. We are paying a fee to have our devices inspected. It is a benefit to the retailer, it is a benefit to the consumer. It's a benefit to the retailer in that their competition is selling a gallon for a gallon so

that it's fairness. I do agree with what Mr. Wellman said in that the history has shown, I haven't seen the statistics lately, but that gas pumps-- and that's the only thing I know about, I don't know about the scales-- do have a very good compliance rate because they are not necessarily mechanical parts anymore where they're wearing out. I've talked to a couple of my members about this and they said that, you know, they don't, they don't get out of variance that much. But if we're gonna do this on a random basis, I'd like to see the fee lowered. You know, I think that we've worked well with the Department of Ag as an organization over the years with previous directors of the Weights and Measures Department. And we're willing to work with them, but I guess we feel that this has been a good program and-- I'm not opposed to listening to more to what they say. I took some of his points and understand them. But if we're going to charge a fee, we'd like to get what we're paying for. So with that, I'm happy to answer any questions.

HALLORAN: Senator Blood.

BLOOD: And so for the record, what is the fee and what would you suggest the fee be?

TIM KEIGHER: The fee has, has a scale, it goes up to-- I don't know what the current fee is. But if you look on page 8, it

talks about what the fee was established, and I forget what year it was, was \$5.09 per device and it can go up to \$9.94. I don't know what the current fee is off the top of my head though.

BLOOD: So you'd like to see it go to--

TIM KEIGHER: Well, if they're not going to do the inspections, I'd like to see it go to zero.

BLOOD: That's fair.

HALLORAN: All right. Thank you, Senator Blood. Any further questions? All right, thank you, Mr. Keigher.

TIM KEIGHER: Thank you.

HALLORAN: Any more opponents? Anyone in the neutral? OK. Before we close, Senator, if you would like to close. I will read into the records in support of LB321, proponent letter: Nicole Fox for the Platte Institute. Senator Hansen.

B. HANSEN: Again, I'll do my best to answer any questions you guys might have me at all. So to make sure.

HALLORAN: OK.

B. HANSEN: OK, thank you.

HALLORAN: Any questions? We're good. That concludes our--

LATHROP: If I, if I may, Mr. Chair.

HALLORAN: Yes, Senator Lathrop.

LATHROP: Senator Hansen, I just want to be clear I'm not questioning your motives. But when these things come to us, and over in Business and Labor you, we both serve on that committee, we just moved inspections of boilers, elevators, and amusement rides over to the Fire Marshal, at least the committee heard testimony on that. And I don't have a problem with that because they might create some efficiencies, they might create some expertise. This just opens the door, in my judgment, to allowing the department, not that that's theirs, that that's their intent, intention. I don't feel like I've been misled. But as soon as that opportunity is there to not do an annual inspection, now become some randomized thing where the retailer sees these guys every year and a half and we've just cut the work force by a third.

B. HANSEN: Sure.

LATHROP: To save some money on a handful of full-time employees. Which seems to be the direction we're going in because of fiscal pressures. That's all.

B. HANSEN: And there are fiscal pressures and we don't know what the budget's going to be like in two years. And in the name of efficiency, same thing with the boilers, we're moving towards trying to be a little more efficient with our manpower. I think that's where the, where some of this is going. And we also can't forget about putting some of the onus and the responsibility of the scales on the business owners. Well, I said that in my testimony or my opening statement, is that if it's also behooven on the merchant or the business owner to make sure their scales are [INAUDIBLE] best they can, because if they're not, that's gonna hurt their business quite a bit, whether they're too much, whether too little. So someone to try to cheat the system also knows they're gonna get caught and that it's going to cause a problem with their business or with their clients as well.

LATHROP: I think probably most people that are engaged in this business in Nebraska, whatever these businesses are, don't want to cheat anybody. This is just to make sure that they're not inadvertently doing that. But I just don't want to see that work force evaporate and now we don't have the safeguards in place, because--

B. HANSEN: And that's understandable. But then we also have to Google the other side. What happens if in 2, 3, 5 years we are

more efficient and, you know, that, you know, not the, not the aspect-- and I see where you're coming from where we may not be, may not be as efficient than we have to make to-- but if we are more efficient, we have to kind of look at both sides too so. I appreciate the questions though.

HALLORAN: I regret I didn't ask the question of the Director Wellman, but I do know some scales, some measures are, are privately, by privately I mean by the manufacturer, are tested at some frequency. And I understand they're not a third party, I understand that. But they have integrity of their product that they maintain. So they're, they're, they're interested in it being accurate as well. And I know elevator scales for example, I'm sure because of their size and dimension, are, are privately-- I say privately, by the manufacturer they are, they are measured for accuracy.

B. HANSEN: And from my understanding, I think if you do think your scale is not accurate, I think you can request that somebody come in and get it tested as well, to make sure you aren't to blame.

HALLORAN: Because everybody wants to correct them, as you pointed out.

B. HANSEN: You do not want to be off because that's really going to hurt your business if somebody finds out.

HALLORAN: OK. Anything else? Thank you, Senator Hansen.

B. HANSEN: Thank you.

HALLORAN: That concludes our hearings for today. Thank you.