

ONE HUNDRED EIGHTH LEGISLATURE - FIRST SESSION - 2023
COMMITTEE STATEMENT (CORRECTED)
LB263

Hearing Date: Tuesday February 21, 2023
Committee On: Agriculture
Introducer: Agriculture
One Liner: Change provisions of the Nebraska Hemp Farming Act

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye: 8 Senators Brewer, Halloran, Hansen, B., Holdcroft, Hughes, Ibach, Raybould, Riepe
Nay:
Absent:
Present Not Voting:

Testimony:

Proponents:

Rick Leonard
Sherry Vinton
Jacob Bish
Annette Wiles
Andrew Bish
Jeanne Greisen
Bill Hawkins
John Hansen

Representing:

Introducer
Nebraska Department of Agriculture
Self
Nebraska Hemp Commission
Self
Self
Nebraska Hemp Company
Nebraska Farmers Union

Opponents:

Representing:

Neutral:

Trevor Johnson

Representing:

Nebraska Department of Agriculture

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

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

Section-by-Section Description:

Sec. 1: Amends §2-503 to update the definition of "acceptable THC level" and "measurement of uncertainty" to incorporate these terms as defined by 7 CFR 990 as existing on January 1, 2022. The revisions to these definitions in the final rule

removes an ambiguity that the .3% threshold refers to total THC. LB 263 also inserts a new defined term for “remediation” incorporating that term as defined in 7 CFR 990.

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

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

Secs. 4, 6 & 12: Amends §§2-506, 2-509 & 2-514 to strike an obsolete external reference to §2-5701 which is outright repealed by section 14.

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

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

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

Sec. 9: Amends §2-514 to:

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

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

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

Sec. 13. Repealer

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

Steve Halloran, Chairperson