

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1061

Introduced by Ibach, 44; Brandt, 32; Brewer, 43; Dorn, 30; Erdman, 47;
Halloran, 33; Holdcroft, 36; Meyer, 41; Murman, 38.

Read first time January 08, 2024

Committee: Agriculture

1 A BILL FOR AN ACT relating to the Nebraska Corn Resources Act; to amend
2 sections 2-3611, 2-3615, 2-3619, 2-3620, 2-3622, 2-3623, 2-3629,
3 2-3631, 2-3632, 2-3634, and 2-3635, Reissue Revised Statutes of
4 Nebraska; to change and eliminate provisions relating to the Corn
5 Development, Utilization, and Marketing Board; to eliminate the ex
6 officio members of the board; to change the fee levied on corn; to
7 eliminate provisions relating to fee adjustments and a pledge or
8 mortgage of corn as security; to change provisions relating to the
9 annual report of the board; to harmonize provisions; to repeal the
10 original sections; and to outright repeal sections 2-3616, 2-3627,
11 and 2-3628, Reissue Revised Statutes of Nebraska.
12 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 2-3611, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 2-3611 (1) The board shall be composed of nine members who (a) ~~(1)~~
4 are citizens of Nebraska, (b) ~~(2)~~ are at least twenty-one years of age,
5 (c) ~~(3)~~ have been actually engaged in growing corn in this state for a
6 period of at least five years, and (d) ~~(4)~~ derive a substantial portion
7 of their income from growing corn.

8 (2) There shall be eight district members appointed by the Governor
9 as follows: One member from each membership district described in section
10 2-3615.

11 (3) There shall be one at-large member appointed by the eight
12 district members.

13 (4) The Director of Agriculture, the vice chancellor of the
14 University of Nebraska Institute of Agriculture and Natural Resources,
15 and the president of the Nebraska Corn Growers Association shall be ex
16 officio members of the board but shall have no vote in board matters.

17 Sec. 2. Section 2-3615, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 2-3615 (1) The membership districts are as follows ~~One member shall~~
20 ~~be appointed from each of the following districts:~~

21 (a) District 1. The counties of Butler, Saunders, Douglas, Sarpy,
22 Seward, Lancaster, Cass, Otoe, Saline, Jefferson, Gage, Johnson, Nemaha,
23 Pawnee, and Richardson;

24 (b) District 2. The counties of Adams, Clay, Fillmore, Franklin,
25 Webster, Nuckolls, and Thayer;

26 (c) District 3. The counties of Merrick, Polk, Hamilton, and York;

27 (d) District 4. The counties of Knox, Cedar, Dixon, Dakota, Pierce,
28 Wayne, Thurston, Madison, Stanton, Cuming, Burt, Colfax, Dodge, and
29 Washington;

30 (e) District 5. The counties of Sherman, Howard, Dawson, Buffalo,
31 and Hall;

1 (f) District 6. The counties of Hayes, Frontier, Gosper, Phelps,
2 Kearney, Hitchcock, Red Willow, Furnas, and Harlan;

3 (g) District 7. The counties of Boyd, Holt, Antelope, Garfield,
4 Wheeler, Boone, Platte, Valley, Greeley, and Nance; and

5 (h) District 8. The counties of Sioux, Dawes, Box Butte, Sheridan,
6 Scotts Bluff, Banner, Kimball, Morrill, Cheyenne, Garden, Deuel, Cherry,
7 Keya Paha, Brown, Rock, Grant, Hooker, Thomas, Blaine, Loup, Arthur,
8 McPherson, Logan, Custer, Keith, Lincoln, Perkins, Chase, and Dundy.

9 (2) The board may provide recommendations to the Agricultural
10 Committee of the Legislature for potential changes to the list of
11 counties that make up each membership district.

12 Sec. 3. Section 2-3619, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 2-3619 The voting members of the board, while engaged in the
15 performance of their official duties, shall receive compensation at the
16 rate of fifty ~~twenty-five~~ dollars per day while so serving, including
17 travel time. In addition, members of the board shall receive
18 reimbursement for expenses on the same basis and subject to the same
19 conditions as provided in sections 81-1174 to 81-1177.

20 Sec. 4. Section 2-3620, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 2-3620 A member of the board shall be removable by the Governor for
23 cause. The member ~~He~~ shall first be given a copy of written charges
24 against such member ~~him~~ and also an opportunity to be heard publicly. In
25 addition to all other causes, a member ceasing to (1) be a resident of
26 the state, (2) live in the district from which such member ~~he~~ was
27 appointed, or (3) be actually engaged in growing corn in the state shall
28 be deemed sufficient cause for removal from office.

29 Sec. 5. Section 2-3622, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 2-3622 The duties and responsibilities of the board shall be

1 prescribed in the authority for the corn program and to the extent
2 applicable shall include the following:

3 (1) To develop and direct any corn development, utilization, and
4 marketing program. Such program may include a program to make grants and
5 enter into contracts for research, accumulation of data, and construction
6 of ethanol production facilities;

7 (2) To prepare and approve a budget consistent with limited receipts
8 and the scope of the corn commodity program;

9 (3) To adopt and promulgate such rules and regulations as are
10 necessary to enforce the Nebraska Corn Resources Act in accordance with
11 the Administrative Procedure Act;

12 (4) To procure and evaluate data and information necessary for the
13 proper administration and operation of the corn commodity program;

14 (5) To employ personnel or ~~and~~ contract for services which are
15 necessary for the proper operation of the program;

16 (6) To establish a means whereby any grower of corn has the
17 opportunity at least annually to offer such grower's ~~his or her~~ ideas and
18 suggestions relative to board policy for the upcoming year;

19 (7) To authorize the expenditure of funds and contracting of
20 expenditures to conduct proper activities of the program;

21 (8) To bond the treasurer and such other persons necessary to insure
22 adequate protection of funds;

23 (9) To keep minutes of its meetings and other books and records
24 which will clearly reflect all of the acts and transactions of the board,
25 and to keep these records open to examination by any grower-participant
26 during normal business hours;

27 (10) To prohibit any funds collected by the board from being
28 expended directly or indirectly to promote or oppose any candidate for
29 public office or to influence state legislation. The board shall not
30 expend more than ten ~~twenty-five~~ percent of its annual budget to
31 influence federal legislation; and

1 (11) To make refunds for overpayment of fees according to rules and
2 regulations adopted and promulgated by the board.

3 Sec. 6. Section 2-3623, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 2-3623 (1) The following corn fee is levied ~~There is hereby levied~~
6 ~~a fee of five-tenths of a cent per bushel~~ upon all corn sold through
7 commercial channels in Nebraska or delivered in Nebraska: -

8 (a) Until and on September 30, 2024, one-half cent per bushel;

9 (b) Beginning October 1, 2024, and until and on September 30, 2031,
10 one cent per bushel; and

11 (c) Beginning October 1, 2031, one and one-quarter cents per bushel.

12 (2) The fee shall be paid by the grower at the time of sale or
13 delivery and shall be collected by the first purchaser. Under the
14 Nebraska Corn Resources Act, no corn shall be subject to the fee more
15 than once.

16 Sec. 7. Section 2-3629, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 2-3629 The fee, provided for by section 2-3623, shall be deducted,
19 as provided in the Nebraska Corn Resources Act ~~by sections 2-3601 to~~
20 ~~2-3635,~~ whether such corn is stored in this state or any other state.

21 Sec. 8. Section 2-3631, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 2-3631 (1)(a) The first ~~(1)~~ The purchaser, at the time of
24 settlement, shall deduct the corn fee and shall maintain the necessary
25 record of the fee for each purchase of corn on the grain settlement form
26 or check stub showing payment to the grower for each purchase. Such
27 records maintained by the first purchaser shall provide the following
28 information:

29 (i) ~~(a)~~ Name and address of the grower and seller;

30 (ii) ~~(b)~~ The date of the purchase;

31 (iii) ~~(c)~~ The number of bushels of corn sold; and

1 ~~(iv)~~ (d) The amount of fees collected on each purchase.

2 **(b)** Such records shall be open for inspection during normal the
3 business hours observed by the first purchaser.

4 (2) The first purchaser shall render and have on file with the board
5 by the last day of each January, April, July, and October, on forms
6 prescribed by the board, a statement of the number of bushels of corn
7 purchased in Nebraska. At the time the statement is filed, the first
8 purchaser shall pay and remit to the board the fee as provided for in
9 section 2-3623.

10 Sec. 9. Section 2-3632, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 2-3632 **(1)** The board shall prepare and make available an annual
13 report on or before January 1 of each year, which report shall set forth
14 in detail the income received from the corn assessment for the previous
15 year and shall include:

16 **(a)** ~~(1)~~ The expenditure of all funds by the board during the
17 previous year for the administration of the Nebraska Corn Resources Act;

18 **(b)** ~~(2)~~ The action taken by the board on all contracts requiring the
19 expenditure of funds by the board;

20 **(c)** ~~(3)~~ A description of all such contracts;

21 **(d)** ~~(4)~~ A detailed explanation of all programs relating to the
22 discovery, promotion, and development of markets and industries for the
23 utilization of corn, the direct expense associated with each program, and
24 copies of such programs if in writing; and

25 **(e)** ~~(5)~~ The name and address of each member of the board and a copy
26 of all rules and regulations promulgated by the board.

27 **(2)** Such report and a copy of all contracts requiring expenditure of
28 funds by the board shall be available to the public in an electronic form
29 upon request.

30 Sec. 10. Section 2-3634, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 2-3634 The board shall not be authorized to set up research or
2 development units or agencies of its own, but shall limit its activity to
3 cooperation and contracts with the University of Nebraska Institute of
4 Agriculture and Natural Resources and other proper local, state, or
5 national organizations, public or private, in carrying out the Nebraska
6 Corn Resources Act ~~the purposes of sections 2-3601 to 2-3635.~~

7 Sec. 11. Section 2-3635, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 2-3635 Any person violating the Nebraska Corn Resources Act ~~any of~~
10 ~~the provisions of sections 2-3601 to 2-3635~~ shall be guilty of a Class
11 III misdemeanor.

12 Sec. 12. Original sections 2-3611, 2-3615, 2-3619, 2-3620, 2-3622,
13 2-3623, 2-3629, 2-3631, 2-3632, 2-3634, and 2-3635, Reissue Revised
14 Statutes of Nebraska, are repealed.

15 Sec. 13. The following sections are outright repealed: Sections
16 2-3616, 2-3627, and 2-3628, Reissue Revised Statutes of Nebraska.