

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

May 5, 1999

LB 870

for whatever reasons, the funding, as far as the fee schedule is concerned, has been dramatically short of what was envisioned. And there will be various explanations for this, I am sure, but one of the major explanations is that people who should have filed with DEQ already, numbering more...numbering into the thousands, continue to ignore the law and have not filed. Now that equation will vary somewhat dramatically once we exempt operations of 300 or under. That exemption will also cut down on the fee revenues coming in. So you're going to have the fees dropping because of that, and you're going to have the permitting fees temporarily inflated for the next few months because of the continuing requirement that they...that the larger operations do register. But, by and large, any way you look at it, the fees are going to be way below the third that was envisioned and which I think would be a minimal fair share from the regulated industry. So then if you drop to the fees generated by the amendment, again, \$20 for a class I, that is all of those under 1,000 animal units but over 300 animal units, a \$20 fee, \$20 annual operating fee. Class IIs, they go up to 5,000 animal units, would be required...a \$40 fee would be required of them. The class III operations, which go up to 20,000 animal units, would require a \$400 fee, and we would require a \$2,000 fee for class IV operations, which are all those operations in excess of 20,000 animal units a year. And, by the way, the average size, insofar as we know right now, of the large class IV operations is about 34,000 animal units. So if you start dividing, 34,000...

PRESIDENT MAURSTAD PRESIDING

PRESIDENT MAURSTAD: One minute.

SENATOR BEUTLER: ...animal unit operations times the number of operations and divide the revenue produced, you're coming out maybe somewhere between 15 and 20 cents per animal. So, obviously, the scaling of the fees as between classes is something that is open to a lot of debate. What's fair may depend on how many times different sized operations are inspected, but I think it's a very dubious and unhappy and unfair precedent to require sales and income taxes to pick up the entire cost, essentially, of this regulatory program, and that there ought to be a fee schedule in place that doesn't