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LB 1092A

begin a state meat inspection program. The fiscal note is \$88,000. It's broken down by the Department of Agriculture to \$67,000 for a program administrator's salary and benefits. This would be to hire a veterinarian with knowledge of the Federal Meat Inspection Act and Poultry Production Inspection Act. This person would lead the department in coordinating this report to...the report to the Legislature in working with the producers and processors to determine the level of interest and the needs of the interested parties. It is the hope of the Department of Agriculture that such a person would stay with the department after the report is issued and lead the administration of the pilot program. The other portion of the A bill is to pay for the travel and equipment in the amount of \$20,000. This would cover the costs of traveling around the state to visit with packers and farmers to raise awareness and gauge statewide interest. The person hired by the Department of Agriculture would also work with the Department of Economic Development and the Nebraska Rural Development Commission to determine the level of interest in this type of program. The fiscal note does not reflect the federal matching funds that would be recovered when our state program is deemed in compliance with USDA requirements. The federal government currently agrees to pick up 50 percent of the cost of any state meat inspection program. If Congress allows...agrees to allow interstate shipment of state meat inspect...of state inspected meat, it is expected the percentage the federal government contributes to state meat inspections will go as high as 60 to 70 percent. The federal government would pay that part of these programs. Besides being value-added agriculture, this is economic development for the rural communities. The economic benefits of this investment would hopefully outweigh the costs as in Minnesota, where it has pumped an additional \$6 million in their economy in the past year. This is attributed to new plant construction, remodels, equipment sales, and of course additional meat sales and production. The community benefits. We are creating jobs, the jobs are staying in the communities, and we're creating small businesses that are going to help in the lean times. This would be when we may see commodity prices drop. Hopefully, they won't drop any further, but this would help the farmer keep the money in his community. I would ask for your support on LB 1092A. Thank you, Mr. President.