

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB802 would eliminate the checkoff collected by the Nebraska Wheat Board under the following circumstances:

- Wheat sold for the purpose of use as seed; and
- Any purchase from mortgagee, pledgee, lienor, or other person having a claim against the grower.

LB802 would expand the Nebraska Wheat Board’s duties to include:

- The acquisition of ownership rights, including intellectual property rights, to any variety of wheat;
- The development, production, marketing, and sale of seed for any wheat variety owned by the board;
- Cooperate and provide grants to individuals or entities in the private sector for:
  - Research;
  - Accumulation of data;
  - Development of new varieties of wheat;
  - Securing plant variety protection under federal law when possible;
  - Securing intellectual property rights relating to development of new varieties of wheat when possible;
  - Producing wheat for seed and selling seed; and
  - Construction of ethanol production facilities.

LB802 would require first purchasers to maintain a record of all settlements wherein an excise tax was not deducted from the payment to the grower, information of the net market value of wheat sold, and number of bushels of wheat sold.

LB802’s checkoff elimination would only affect the checkoff collected on commercial sales, which is .04% of the net market value of wheat sold. Any impact as a result of this is expected to be minimal. In addition, revenues from development and securing variety protections are unknown, with minimal impact within this biennium.

Any fiscal impact will be to the Nebraska Wheat Board’s cash fund.

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**2022**

**LB<sup>(1)</sup> 802**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Wheat Board

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Date Prepared: <sup>(4)</sup> 1/13/22

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**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
CASH FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FEDERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OTHER FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**Explanation of Estimate:**

LB 802 would update provisions of the Nebraska Wheat Resources Act. Currently, wheat producers pay the excise tax when wheat is under loan. This update would eliminate the excise tax collection on loan grain and make the collection at the point of first sale. This would help eliminate unintentional double collection of the excise tax, requiring reimbursement. There would be minimal fiscal impact regarding LB 802. By only collecting on the first sale and not on loan grain, this would eliminate double collections and eliminate the time and effort to reimburse any inadvertent overpayment reimbursements.

LB 802 clarifies that the excise tax will not be collected on wheat sold as seed. The excise tax has not been collected on wheat for seed use. There would no fiscal impact.

LB 802 authorizes the wheat board to invest in seed development entities and exercise ownership rights of varieties to market varieties developed by Nebraska wheat research funding. More effective marketing of varieties produced with producer investment will allow Nebraska producers early access to higher yielding varieties with higher end-use quality, allowing for greater profitability. Investing in variety marketing could result in a minimal fiscal impact due to a potential increase in royalty revenue from license agreements and increased seed sales.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

