

**ONE HUNDREDTH LEGISLATURE - SECOND SESSION -
2008**

COMMITTEE STATEMENT

LB789

Hearing Date: January 29, 2008

Committee On: Agriculture

Introducer(s): (Erdman)

Title: Change grant requirements under the Agricultural Opportunities and Value-Added Partnerships Act

Roll Call Vote - Final Committee Action:

Placed on General File with Amendments

Vote Results:

7 Yes	Senators Dierks, Dubas, Erdman, Karpisek, McDonald, Preister, Wallman
0 No	
1 Absent	Senators Chambers
0 Present, not voting	

Proponents:

Rick Leonard
Richard Bair
Ross Garwood

Opponents:

Robert Byrnes

Neutral:

Representing:

Introducer, Agriculture Committee Research Analyst
DED – Rural Development Commission
Rural Development Commission

Representing:

NRES

Representing:

Summary of purpose and/or change:

LB 789 revises the matching requirements for eligibility for grants awarded under the Agricultural Opportunities & Value-Added Partnerships Act. Specifically, LB 789 amends §2-5420 of the Agricultural Opportunities and Value-Added Partnerships Act as follows:

- Strikes text authorizing the acceptance of in-kind contribution in lieu of or in combination with cash to meet the existing 25% matching requirement for eligibility for grant awards under the program.
- Adds new text increasing the match amount to 50% cash match when the grant is used to acquire buildings & equipment used in a farming or livestock operation or private enterprise.

Explanation of amendments, if any:

The Committee amendment (AM1928) strikes the original provisions and becomes the bill. The amendment revises §2-5420 by rearranging what are currently subsections (1) through (3) to become subdivisions (a) through (c) of subsection 1 and adding two new subsections that address the purposes of the bill in a different manner. Specifically, the committee amendment:

- Retains existing authority to accept in-kind contributions but inserts express authority in new subsection (2) of §2-5420 to authorize preference given to applications with cash matches
- Retains the introduced bill's requirement for 50% match of amount of grant funds requested when the grant funds are utilized to acquire buildings & equipment of for utilization in a farming operation but requires only 25% of amount requested must be cash match.
- Adds a new subsection (3) to §2-5420 to clarify that any removal from the state or resale of building or equipment within a three-year period of award without prior approval is a diversion of grant funds subject to recapture provisions of §2-5421.

The amendment adds the emergency clause to enable the statutory changes to be effective prior to the beginning of the next grant cycle.

Senator Philip Erdman, Chairperson