

Transcript Prepared by Clerk of the Legislature Transcribers Office
Agriculture Committee February 21, 2023

HALLORAN: That was a little louder than I meant it to be. Good afternoon. Welcome to the Agriculture Committee. I'm Senator Steve Halloran. I'm from Hastings, Nebraska, and I represent the 33rd Legislative District. I serve as Chair of this committee. The committee will take up the bills in the order posted on the agenda. Our hearing today is your public part of the legislative process. This is your opportunity to express your position on the proposed legislation before us today. Committee members might come and go during the hearing. That's just part of the process as we have bills to introduce in other committees. I ask that you abide by the following procedures to better facilitate today's proceedings. Please silence or turn off your cell phones. Please move to the reserved chairs when you are ready to testify. These are the first two chairs on either side of the first row. Introducers will make initial statements followed by proponents, opponents, and neutral testimony. Closing remarks are reserved for the introducing senator only. If you are planning to testify, please pick up a green sign-in sheet that is on the table at the back of the room. Please fill out the green sign-in sheet before you testify. Please print. It is important to complete the form in its entirety. When it is your turn to testify, give the sign-in sheet to the page or to the committee clerk. This will help us make a more accurate public record. If you do not wish to testify today but would like to record your name as being present in the hearing, there is a separate white sheet on the table that you can sign in for that purpose. This will be a part of the official record of the hearing. If you have handouts, please make sure you have 12 copies and give them to the page when you come up to testify and they will distribute those to the committee. If you do not have enough copies, a page will make sufficient copies for you. When you come up to testify, please speak clearly in the microphone. Tell us your name and please spell your first and last name to ensure we have an accurate record. We will be using the light system for all testifiers. You will have five minutes to make your initial remarks to the committee. When you see the yellow light come on, that means you have one minute remaining. And the red light indicates that your time has ended. Questions from the committee may follow. No displays of support or opposition to a bill, vocal or otherwise, are allowed at a public hearing. Committee members with us today will introduce themselves, starting on my left.

RAYBOULD: Good afternoon, everyone. I'm Jane Raybould from Legislative District 28, which is the center part of Lincoln.

BREWER: Tom Brewer, District 43, 11 counties of western Nebraska.

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IBACH: Teresa Ibach, District 44, which is eight counties in southwest Nebraska.

HALLORAN: And Senator Ibach is the Vice Chair of this committee. To my far right.

RIEPE: Merv Riepe, Legislative District 12, which is southwest Omaha and the good folks of Ralston.

HANSEN: Ben Hansen, District 16, some might consider the best district in the state of Nebraska. That is Washington, Burt, and Cuming and parts of Stanton County.

HALLORAN: Hard to follow that, Senator. To my right is committee research analyst, Rick Leonard. And to my far left is committee clerk, Andrew Ojeda. Our pages for the committee today are Landon Sunde from Omaha, a student at UNL, history and political science and oops, yes, that's right, Amelia Stoner, right, from Juniata, Nebraska, UNL, political science. With that, we will start with LB263. And Rick Leonard, our analyst, will present that for us.

RICK LEONARD: Thank you, Senator Halloran and members of the committee. I am Rick Leonard, R-i-c-k L-e-o-n-a-r-d. My introduction of LB263 is on behalf of the Agriculture Committee, which introduced the bill at the request of the Department of Agriculture. As you recall, with the 2018 Farm Bill, Congress removed hemp from regulation under the Federal Controlled Substance Act that provided for the regulation of commercial production of hemp under a new hemp subtitle of the Agricultural Marketing Act. Congress allowed states and tribes to assume regulatory oversight over hemp production, provided such regulation is according to state plans, consistent with minimum requirements specified in the Farm Bill and is further defined by USDA regulations. USDA published an interim rule plan to implement the 2018 Farm Bill on October 31, 2019. Based on comments USDA received and regulatory experience, USDA published a final rule on January 19, 2021. LB263 would make a series of revisions to the Nebraska Hemp Farming Act to bring the act into alignment with USDA final rule implementing the 2018 Farm Bill provisions. There are a handful of changes. And if I could get a page, please. There are a handful of changes to minimal specification for state plans contained in the final rule that are some adjustments to the Hemp Farming Act. The handout I am having the page distribute to you now describes significant changes in the final rule in the briefing-- changes to the final rule and a copy of that was included in your briefing books. The revision will tend to reduce some uncertainties and compliance

difficulties for growers and perhaps marginally reduce implementing costs and burdens for the Department of Agriculture. Some of the more prominent clarifications made in the final rule include the following. The USDA expanded harvest window for hemp after official sampling. The final rule incorporates alternatives for destruction of noncompliant hemp. The final rule allows for mitigation of noncompliant hemp, if feasible, and allowed by the Department of Agriculture. The THC threshold at which noncompliant hemp was considered a negligent violation is increased from .5 to .1 percent. Please note that the negligent threshold does not increase the THC concentration of hemp that may be harvested and marketed. Any hemp above .3 percent THC will continue to be considered noncompliant and still be required to be destroyed or mitigated. The final rule gives states greater flexibility to allow alternative testing protocols for certain categories of hemp production that prevent less risk of exceeding the acceptable THC limit. Beyond revisions relating to the final rule, the bill also makes some adjustments to facilitate administration of the act recommended by the department, including clarifying some recordkeeping and notification requirements and removes a delinquent fee. The bill also allows the department to adjust program requirements through amendment to the state plan to enable the department to more timely respond to changes in federal program requirements or opportunities. Director Vinton will follow me to go in any more necessary detail about these changes. Finally, the bill would change from quarterly to annually the minimal prescribed meeting times of the Hemp Commission. With that, I'll take any questions.

HALLORAN: Any questions from the committee? So functionally, what we're doing here is bringing-- coming in compliance with the federal final rule, correct?

RICK LEONARD: Right. Some of these, for instance, I would point out that the options for destruction, the interim final rule had very tight-- you had to either have law enforcement take over the crop or a reverse distributor. What's in the bill and what became the final rule is actually current practice that the USDA allowed the option of destroying on-- on-site destruction by like disking the crop under, mowing it down, burying it. So that would basically codify what is already current practice that USDA has been allowing. States have that flexibility. That's an example.

HALLORAN: OK. Questions from the committee? Senator Brewer.

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BREWER: Thank you, Mr. Chairman. Point 3 percent, does the farm bank have inspectors that grind it up and test it? And how do they determine this .3 percent?

RICK LEONARD: Of course, we'll have the department to follow me. But no, they-- they take out and take an official sample. This is a department that Sherry Vinton can verify what I'm saying, that the department oversees the sample collecting, collects the sample. They send it to the lab. The department sends the collected sample to the lab. The lab brings it up, does the analysis, sends the results back to the Department of Ag and the grower.

BREWER: I see. OK. Thank you.

HALLORAN: Any additional questions? Well, thank you, Mr. Leonard, appreciate it. We're looking for proponents to LB263. Director Vinton, welcome.

SHERRY VINTON: Thank you. Good afternoon, Senator Halloran, members of the committee. My name is Sherry Vinton, S-h-e-r-r-y V-i-n-t-o-n, and I am the director of the Department of Agriculture officially.

HALLORAN: Officially.

SHERRY VINTON: I'm here to testify in support of LB363, and I would like to thank the Agriculture Committee for introducing this bill regarding the Nebraska Hemp Farming Act. LB363 amends the Nebraska Hemp Farming Act to specifically align provisions with the most recent USDA regulations for state hemp plants. USDA published their final rule regarding state hemp plans in January of 2021. LB363 also contains a few technical provisions to facilitate the administration of the act in line with federal regulations. This bill is essentially the same as LB889 that was introduced last year, which was not controversial but did not advance past General File. A few of the updates are to allow the use of performance-based sampling, increase the harvest window from 15 to 30 days, and to raise the negligence threshold level of THC from .5 percent to .1 percent or to 1 percent. USDA has determined that 1 percent of THC indicates the cultivator failed to take proper care to avoid the violation. Other changes brought within LB263 pertain to changes in NDA's administration of the act. A few of these are retiring the little used delinquent licensing fee and instead requiring licensing fees to be paid as part of the application. Additionally, LB363 would require hemp cultivators to provide a seven-day notice when requesting a preharvest inspection. This allows department staff to efficiently manage requests for

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preharvest inspections and ensure that inspections are completed in a timely manner. LB263 will not have a fiscal impact on the department. This bill contains administrative changes and realigns Nebraska statute with current federal regulations. The department will continue to work with the Legislature and industry to oversee the Nebraska Hemp Farming Program. I'd be happy to answer any questions you have. Thank you.

HALLORAN: Thank you, Director Vinton. Are there questions from the committee? Is this a hand race?

BREWER: Yes.

HALLORAN: Senator Ibach.

BREWER: She's first.

_____: [INAUDIBLE]

IBACH: Thank you very much. Thank you for testifying today. How many hemp producers do we have in Nebraska?

SHERRY VINTON: It's right around 30. The exact number registered is 22.

IBACH: And have we had compliance issues in the past with the 15- and 30-day window?

SHERRY VINTON: There have been instances where they have had to destroy their crops. I can't tell you how many. This is Trevor Johnson. He's a program manager for the hemp program. It's a crop that I'm entirely unfamiliar with myself, having not grown it.

TREVOR JOHNSON: We've got 35 lots that are noncompliant.

IBACH: 35 lots.

TREVOR JOHNSON: Since 2020.

IBACH: 2020. Okay, great. Thank you.

HALLORAN: Additional questions? Senator Brewer.

BREWER: And this isn't fair because you haven't been in the job long enough probably to know this.

SHERRY VINTON: But we have Trevor.

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BREWER: We have Trevor.

SHERRY VINTON: For the facts.

BREWER: And I'm pretty sure we're not growing much hemp out Cherry County way. So do we know the byproducts that come from hemp? I'm trying to visualize so-- so hemp, what I've seen is, you know, it's pretty tall. It's got a big stalk. And I don't know how they harvest it even. I don't-- I don't see how you could use a combine, but maybe there is a way to combine it. But in the end of the product, you get I mean, you see them displaying like clothes made out of hemp. And I think you can get hemp gummies. I'm not sure what it does to you, but what are-- do you know any other byproducts that come from hemp?

SHERRY VINTON: Well, it would be used for forage. It can be used in livestock feed and fiber. And I think the seeds.

BREWER: And I think World War II they used a lot of hemp for rope back before--

SHERRY VINTON: Correct.

BREWER: --I guess we had nylon. But I don't know if they-- I think you still can buy hemp rope. So maybe it does come from that, but. All right. Thank you.

SHERRY VINTON: I don't know. You know, there aren't any processors out west that I know of so.

BREWER: I don't think they're going to be very welcome at the grain elevator when you pull up with a load.

HALLORAN: Senator Raybould.

RAYBOULD: Thank you. Thank you, Director. Actually, I wanted to answer your question. As a grocer, hemp is used in so many products from shampoos to hand lotions, of course, in clothing and-- and other, you know, soaps, you name it. It is used in a tremendous amount of products which we-- we sell. Every grocer sells products that are made from hemp. Oh, and obviously cereals too. They have it in cereals.

IBACH: In feed.

BREWER: I live in such a small town I think.

HALLORAN: Thank you, Senator Raybould. Senator Hansen.

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HANSEN: Thank you, Chairman. On page 17. line 11, what would you say that means to you?

SHERRY VINTON: I don't have the bill in front of me. I'm sorry.

HANSEN: It says: When a test is adverse, the department may, underlined, in its discretion, require a licensee to have additional tests done, requiring harvesting and destruction of any plants in any portions of the site containing noncompliant plants, and then also underlined, or allow remediation or retesting. What is like "in its discretion"?

SHERRY VINTON: I would say the word "may" and "discretion" gives a-- a wide range, but I have not had an opportunity to make a decision on that. But I would like to ask Trevor because he has had experience.

HANSEN: We might have to bring him up later.

HALLORAN: Director Vinton--

SHERRY VINTON: OK.

HALLORAN: --maybe we can invite him to come up as a testifier after you're done and he can answer.

SHERRY VINTON: Because I think it's important to get the facts on this bill, and I want you to have the facts on this.

HANSEN: Excellent. Thank you.

HALLORAN: Thank you, Senator Hansen. Additional questions? Seeing none, thank you. And hopefully you can encourage this young man to come up and testify.

SHERRY VINTON: If you have questions.

HALLORAN: Well, we'll find it.

BREWER: No pressure.

HALLORAN: No pressure. Next. Thank you, Director. Next proponent. Good afternoon.

JACOB BISH: Good afternoon, Senators. Senators and members of the committee, thank you for having us here today for this public comment period. I am Jacob Bish, J-a-c-o-b B as in boy-i-s-h of Giltner, Nebraska. I'm a lifelong resident of Nebraska. I'm a third generation

agricultural equipment manufacturer at my family company, Bish Enterprises. And I'm also a founding partner of Global Fiber Processing, a hemp stalk processing company that has a facility located in Monte Vista, Colorado. I'm here today in support of LB263. LB263 brings the Nebraska Hemp Farming Act up to date and harmonizes it with the federal Farm Bill. However, despite this harmonization, there are still a few adjustments that can be made to keep the-- to be made to this bill that keeps our state program in line with the federal plan while reducing the burden of hemp growers in the state and decreasing the administrative costs on the Department of Agriculture. These adjustments include features such as moving to performance-based testing like the state of Montana that limits the amount of testing being done on a crop when hemp farmers have had a successful history of growing the crop in the state with known hemp varieties. As I mentioned, this will not only give hemp farmers more flexibility when it comes to this crop, allowing for more people to be interested in producing this crop. But it will also decrease the amount of testing and administration that needs to be done by the Department of Agriculture on hemp producers that have successful previous history with this crop. Additionally, providing research exemptions on the .3 percent THC limit would allow researchers in the state to provide more accurate data and the potential to produce better varieties of hemp for our region without the fear of having to destroy their research plants that are producing a product that won't enter the stream of commerce. A thriving hemp industry in Nebraska could create new job opportunities and stimulate economic growth, particularly in rural areas of the state. Implementing some of these changes that lowers the burdens and entry costs of producers into this market will allow Nebraska to flourish in the hemp economy as the market continues to grow. Because of this, I urge you to support LB263. Thank you again for your time today, Senators. I'm open for questions.

HALLORAN: Thank you, Mr. Bish. Are there questions from the committee? Senator Raybould.

RAYBOULD: Thank you, Mr. Bish. Is your processing plant in Monte Vista, Colorado, is that the closest one to Nebraska, or do we have a processing plant in Nebraska?

JACOB BISH: So there are several CBD processing plants in Nebraska. So there-- they are producing products in Nebraska. For stalk processing plants, there are-- there's one in Colorado that is-- between that and one in Kansas, I would say those are the closest ones. And there's a

couple opening up in South Dakota. So those would be the closest ones currently.

RAYBOULD: So could you talk a little bit more about your processing plant? Like who are the purchases-- purchasers of your product? And do you have a, like a wholesaler that you work with that goes out to the different manufacturers that use that in their products?

JACOB BISH: So my brother can help speak to this as well. But I-- we work-- we work on a contract basis, so we work with, like, paper manufacturers and construction manufacturers. And so we also contract with the farmers. So we produce a set number of acreage. We then work to harvest that crop and bring that to the processing facility. We then separate those stalks into its bulk components where we can then ship it to the manufacturers who are producing it into their own products, whether it's construction materials or otherwise.

RAYBOULD: OK. Thank you.

HALLORAN: Thank you, Senator Raybould. Any additional questions from the committee? Can you kind of give us a little definition of performance-based testing?

JACOB BISH: So you could look up the state of Montana and how they do it. But if-- if you have a-- a variety that's known to produce less than 0.3 percent THC and that variety is growing with a farmer that has grown it successfully in years past, the more years they grow that known variety, the less testing that needs to be done on that specific variety with that specific producer because they've shown their history of compliance with that.

HALLORAN: Gotcha. OK. Senator Brewer.

BREWER: All right. You're-- you're probably the right guy to ask the first question to. If I was to drive by a field while they're harvesting it, do you use a sickle mower? You cut it and then stack it, or how do you-- how do you get it from wherever it's at to the processing plant?

JACOB BISH: Well, there's a wide variety of ways to do it. You can take a sickle to it and cut it all down. A single sickle works. We also make a multiheight sickle because as you mentioned, that crop can get very tall. And when you end up round baling it that-- that can be a difficulty. So we cut it into multiple sections to make that easier on the producer. Additionally, other people use other types of hay implements that-- that can sometimes damage the crop and the end value

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of the product, depending on-- on what the end buyer's looking for. But there's-- there's multiple types of implements that can be used. But, yeah, typically sickles, you're just really trying to cut that crop down. So you're not using a combine for a fiber or stalk type crop. Only-- you're only using a combine if you're trying to get the seed out of it.

BREWER: Do they still use hemp for rope?

JACOB BISH: I don't know of any rope manufacturers in the U.S., but that can absolutely be-- can be a product that can be brought back, especially as we-- we begin to create more of this product and some of that fiber becomes a byproduct. We can sell that into those-- those manufacturers.

BREWER: All right. Thank you.

JACOB BISH: Yeah.

HALLORAN: Thank you, Senator Brewer. Senator Raybould.

RAYBOULD: I thought of another question. So farmers across the state of Nebraska, they're kind of like, well, why should we grow hemp? And-- and when I've had conversations with them, I say it's a perfectly great drought resistant crop to grow. And then the question they asked, well, is there a market for it?

JACOB BISH: So that's a great question. And my brother's going to speak to this more, but we've actually introduced a product that we worked with the University of Nebraska on. It's a concrete structural block. And so with products like this that are getting approved through the ASTM standard, we're going to be able to have manufacturers in the state of Nebraska that can produce that. And once you have manufacturers that want to manufacture with it, that-- that demands growers and then that can allow for a processing facility to come in to facilitate that. So-- so now that we're actually coming out with products like this concrete block that Andrew is going to introduce here momentarily, we're going to be able to see a lot more of that acreage come online.

RAYBOULD: OK. Thank you.

HALLORAN: Thank you, Senator Raybould. Additional questions? All right. Thank you, Mr. Bish, appreciate it.

JACOB BISH: Thank you very much for your time today, Senators.

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HALLORAN: Next proponent, please. Good afternoon and welcome to the Agriculture Committee.

ANNETTE WILES: My name is Annette Wiles, A-n-n-e-t-t-e W-i-l-e-s. Thank you, Senator Halloran and the Agriculture Committee. I am here to testify in favor. I actually chair the Nebraska Hemp Commission, was appointed in December of 2021. My husband and I actually were also one of the first pilot growers here in Nebraska and have also grown fiber trials in Cass County. Again, I want to thank you for the opportunity to provide you an update. I have a presentation attached that goes over our commission's 2022 accomplishments, our 2023 strategic goals and objectives, additional information is why Nebraska should explore grain and fiber, the actual history of hemp in Nebraska because I don't know that there's anyone around now that was here when it was grown in Nebraska a long time ago, also some business and product opportunities. There were some questions asked earlier that hopefully the information I'm providing can answer for you. And then I want to say that within the last month, the commission was fully appointed. You now have a dedicated set of professionals that's willing to take on strategic plans, goals, and objectives that have been provided. Another big thing for us is to continue to explore ways to self-fund and satisfy the statute. So on that first page or second page, sorry, our accomplishments in 2022, we're holding three commission meetings. Our commission as a whole had to gain knowledge and some expertise on what was going on in Nebraska as well as nationally. We came together during that time to establish our five-year strategic plan that had a mission, a vision, goals and objectives tied based on the commission duties and powers that were assigned. Again, it's a five-year plan, so it looks very large, but we plan to chunk it off. We do recognize that from 2019 to 2023 we have decreased in acreage and I was provided some information from the department. So you can see year by year on one of the handouts how that has occurred. I believe, and the commission believes that that was due to more stringent Nebraska plans and the federal plan. We held our growers to a way higher standard than the federal plan, which discouraged farmers from getting engaged in growing the crop. We did explore the levy fees of collections for 2022, which only have fees associated if you're growing fiber or seed. And those fees came up to about \$1,600, and the effort to collect that far exceeded what the value would have been to go out to get those dollars. So we're suggesting that that fee be waived from last year. And I also want to note that CBD acres are not levied a fee at all here in Nebraska. We also submitted our 2022-2023 budget status report as well as submitted 2023-2025 biennial budget request. So the focus for this year's goals

and objectives are to align the Nebraska Hemp Farming Act and State Hemp Plan with the 2021 USDA final rule. So we're very much in support of this bill. We'd also like to maybe further explore eliminating the license fees for academic research and development to encourage more of that to happen in our state and potentially look at exploring nonproduction companion animal feed regulations. There are several states that are growing now that have explored other uses of the rest of the plant. We are looking for funding and appropriation. Last week our committee came up. We are looking for dollars to support technical education, re-create the Nebraska Hemp Conference, which I have given you a copy of the agenda. We held that in 2021. My husband and I put that on with the University of Nebraska-Lincoln ourselves because we felt so strongly about what the opportunity was. We need to begin more research and development trials. We've done small trials on property we owned and found that our yields were double the USDA averages here in Nebraska, and then to create a growers association and also economic financial market analysis on what the true opportunity here in Nebraska is. And that's one of the statute identifiers for us to do as well. And then lastly, continue to explore funding opportunities. Right now because we don't have the fiber and grain growers, we don't have that income coming in to support the types of programs, education, and things that we would like to do. So one of the things I've been looking at is maybe introducing consumable hemp program, where you do bill a retailer for selling and you do bill a manufacturer for manufacturing and selling their products in our state. Iowa is doing it today and they have several hundred thousand dollars, almost a million that's come in in the last 16 months. It would also put some rules and regulations in place for Nebraska, which we have none right now.

HALLORAN: OK, appreciate it, Ms. Wiles. Any questions from the committee? Seeing none, appreciate your testimony. Thank you. OK. Next proponent for LB263. Good afternoon. Welcome to the Agriculture Committee. It's the Bish/Bish team here.

ANDREW BISH: OK. My name is Andrew Bish, A-n-d-r-e-w B-i-s-h. I am the president of the Hemp Feed Coalition. I am a treasurer of the Standing Committee of Hemp Growers Associations. I also serve as director of the Colorado Hemp Association. I live in Giltner, Nebraska, and Hamilton County. I operate a business, Bish Enterprises, which is an agricultural equipment research, design, and manufacturing company, and a third generation office-- operator in what is still a family business. I am also a founding partner in Global Fiber Processing, which operates in both. Nebraska and Colorado. We are a company focused on processing hemp stalks. My brother explained what we do.

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OK. So I come before you today to express my strong support for the Nebraska farmer and Nebraska Legislative Bill, LB263, which aims to update Nebraska Hemp Act and bring it in line with the USDA final rule. The bill includes several positive points that will benefit the state's hemp producers and align the state's regulation with federal law. The increased harvest window of 30 days as opposed to the current 15-day limit is much more realistic allowance for the producer and reduces the overall risk factor. This will enable farmers to carry out their harvest more effective-- efficiently and effectively, leading to higher yields and greater success in the market. Defining the acceptable hemp THC level per 7 CFR Part 990 is a wise decision, as it allows the Nebraska Hemp Act to be automatically updated as federal law changes. The alignment with federal regulations is crucial to the success of the Nebraska farmer and will promote consistency in the hemp industry and in the state. The fee structure is also acceptable. However, I would like to urge the committee to consider making a few adjustments to the bill. Firstly, an exemption for a reduced or eliminated fee for university research has not been put into this bill and it should be. This exemption would encourage more research and development in the state's hemp industry, leading to greater innovation and growth. Secondly, I strongly recommend the Ag Committee considering adding the language for performance-based testing so the genetics identified to have a low occurrence of testing over the THC threshold are exempted from testing or subject to randomized testing. This approach will reduce costs across the board to the producer and the Department of Agriculture, while not creating a public danger. It is a practical-- practical and cost effective way to promote the industry's growth in the state. Conditionally, the committee should consider the approval of hemp seed meal as an animal feed ingredient for nonconsumption animals. Hemp seed meal has numerous health benefits for the animal and is already legal for consumption by humans. This approval would benefit animals and farmers alike, providing additional offtake opportunities for Nebraska producers. In conclusion, Nebraska LB263 is a vital step towards the development and growth of the hemp industry in the state. I urge the committee to consider making the recommended adjustments to the bill to encourage greater participation in research and development in this important sector. This morning I finished this and then I got a call from one of my partners letting me know about this news article, so I wanted to provide it. If you look at this article, what has happened is we've achieved something that's been somewhat elusive, which is a structural-- structural hemp building component. And we've done this with the State of Nebraska College of Structural Engineering at the Peter Kiewit Institute in Omaha, Nebraska, working with Dr. Mark

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McGuire. I started working with him approximately three years ago on this project, and it's-- it's been very interesting. I'm not a concrete guy myself, but it's exciting to see that we-- we've created what this is. To give you some perspective, 522 billion masonry units will be sold in 2023 in the United States. At 38 pounds per block, that's about 20 billion pounds of concrete. If we tap just 5 percent of the market, we'll replace 1 billion pounds of concrete, and that translates into approximately 260,000 acres of hemp needed if we're able to achieve approximately 3 tons per acre and the product works within existing infrastructure. So that's a very exciting advent and should give Nebraska farmers some additional opportunities. Thank you all for your time today. I appreciate you hearing me out.

HALLORAN: Thank you, Mr. Bish. Questions from the committee? Senator Brewer.

BREWER: Thank you, Mr. Chairman. All right. I am kind of a concrete guy, so now that I got you where I can corner you on this. If you order concrete, you have options depending on whether you use a rebar or whether you want to actually have fiber added. All of that helps with cracks and things like that. So I'm assuming what you're doing is doing a mix of concrete and then the actual fiber of the hemp, and that's what is making it kind of special or unique with the cinder blocks.

ANDREW BISH: Actually, we're not. We're-- our primary base is hemp. It's about 80 percent hemp. We're starting with hemp. And we actually grind the stalk of the hemp up and we activate that with proprietary chemical combination of two different chemicals that make up the other percentage of the hemp. We typically don't use very much fiber at all in the block. It's mainly the hurd, which is the woody outside--

BREWER: Right.

ANDREW BISH: --part of the stalk.

BREWER: So the weight of your blocks you said were 38 pounds per cinder block?

ANDREW BISH: No, that's an average cinder block weight today.

BREWER: Oh, OK. So if we have one that has hemp in it, it's less?

ANDREW BISH: Yeah. So we see about-- it's about 50 to 80 percent of the weight and about 115 percent of the strength at that weight.

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BREWER: So it could be half the weight and how much more strength, 100?

ANDREW BISH: About 100 or 15 percent higher than a regular concrete masonry.

BREWER: Sounds like a good idea. All right. Thanks.

HALLORAN: Senator Raybould.

RAYBOULD: Yes. I was going to ask more questions about concrete as well. Besides the concrete blocks, I'm thinking for construction. So what about pavement? What about, you know, decorative landscaping blocks as well? Is-- is that the trend of this development or?

ANDREW BISH: Yeah. So this proprietary blend that we've come up with, we've identified that we can add in additional components and then that changes the format of the material. It also changes the potentially well, it does change the PSI strength. So you can add sand in, for instance, and it makes it a lot smoother and you can use that from a decorative standpoint and you can add colors to it. And then depending on how big of pieces of hurd that we use, if we use larger pieces, for instance, we can make the unit a little bit lighter, which would reduce its overall PSI strength, but then there's still other applications available for us. So this is-- this is the first in a series of products that we intend to launch as a result of what we've identified.

RAYBOULD: And I think, I just kind of glanced at the article, are you trying to make it a competitor of the current concrete products out there?

ANDREW BISH: No, The reality is there's a lot of shortages in building materials around the world, so I don't think we're competing. We are filling a gap that's needed. The industry does want a product that is more carbon friendly, and this is about as carbon friendly as you get. It absorbs carbon both in the ground and then once you turn it into a block. So I-- that's not our objective and I don't think that's what we're going to be accomplishing. But I do think it's going to take up a fairly decent percent of the market as-- as people will identify the benefits in general of this product. We're not cost prohibitive either. That's one of the more exciting parts about it is that we're very cost competitive to existing masonry units.

RAYBOULD: Thank you very much.

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HALLORAN: Additional questions? I've got a question or two or comments. So is the binding nature of this material going to be as good or better than concrete in general? In other words, let me back up and say there's a huge marketplace, I think, for filling something, filling potholes with something other than what we're filling them with, because that's not working. I think I could get universal agreement on pot-- this county alone can make you a fortune if this works in potholes.

RIEPE: There's no pun intended there are potholes. [LAUGHTER]

HALLORAN: None intended, but I'm glad that you brought that up. Pothole fillings [INAUDIBLE]. Well, no, but I'm serious. I mean, I don't know if that's a serious option for alternative use for it or not, but.

ANDREW BISH: Yeah, I think that it's worth looking into. You know, we started here, and once we get this moving, then we can look on to some of the other pieces. We're a small group.

HALLORAN: Great potholes. That's good. OK. Any additional questions from the committee? Seeing none, thank you, Mr. Bish. Appreciate it. Additional proponents for LB263? Good afternoon. Welcome to Agriculture Committee. How are you?

JEANNE GREISEN: I'm good, thank you, Senator Halloran. I haven't visited this committee yet this session, so this is great. My name is Jeanne Greisen, J-e-a-n-n-e G-r-e-i-s-e-n. I'm a pharmacist. And you may wonder why a pharmacist is coming into the Ag Committee testifying for hemp. So as a pharmacist and why I've gotten into hemp is we can't fix people's health until we fix the food chain and that's where hemp comes into play. And so that's why my husband and I have grown our first crop successfully this last year. And it was great. We-- it was our first time so clearly it was a learning-- it was a learning curve. But with all the testing and I've heard that come up in this committee, is our products and our hemp was tested five times from seed to shell. So part of what I do is I take the oils and I've made tinctures, topicals, soap as Senator Raybould said as the hemp oil is perfect to use for soap. It's a noncomedogenic type of oil. It's perfect for the skin. So I've created some products that Revival Pharms sells. Because we don't grow hemp here for the seed, I've actually had to get it in from our friends in Kentucky. So we also sell hemp hearts and hemp protein. And I use them for my chickens and I've gotten in some hurd because we don't grow hemp here so I had to get it from Kansas and went down to my friends in Kansas and got some

of that. So we use that in our growing our hemp in replace of mulch. It works awesome for that and using it to grow other mushrooms. So hemp has, as I've just told you, a lot of reasons to use it. I use the oil in baking. So we have hemp all over our place and it's great. So this bill needs to happen to make it easier for growing hemp to push hemp forward in this state. So this is one thing that we can go to push it forward. But then also, I feel like the-- I'm seeing all these bills because I've read all these 844 bills that were introduced this session. And there's money just flowing from all the General Funds. So I think surely some General Fund money could go to the hemp industry to get this industry going in Nebraska versus charging a grower \$1,000 up front just to put the crop in their ground. Do we charge corn farmers and bean farmers \$1,000 to put their corn and their bean in the ground? I don't think so. So why we are making hemp farmers pay that fee up front just to plant this plant is completely insane. So we need to eventually consider changing that fee for farmers to grow. So along with that, part of our business plan actually is to move forward and go into the industrial side because there is many uses. So that's why I'm here. This is a good bill to move forward to get hemp going in the right direction in this state. We are definitely behind every other state in this particular industry so. And the handout I gave you is just pictures. Pictures speak a thousand words. And so the one picture up in the top left is what you're going to find at your local weed store. So we're having all this conversation about hemp and how growers should test all their stuff and all this stuff. Well, we have all those products with all the different Delta 8, 9, 10, 11, all the stuff at your local weed shops all over this state. And so why are we not focusing our attention to get that stuff away from kids? And instead we're focusing on the farmers not being able to grow crops and do it right like I'm doing. And in the other pictures, you're going to see my kids. That's actually some future farmers of Nebraska actually harvesting hemp in our hoop house. And so it was a learning experience and they probably know more about hemp than maybe this whole committee on how to grow it. So I wanted to include that on there. And then in the other one, you'll see what hemp actually the hurd, the protein and the oil. So those are what you can get out of the plant. Any questions?

HALLORAN: OK. All right. Thank you, Ms. Greisen. Any questions from the committee? Seeing none, thanks for your testimony. All right. Additional proponents of LB263? Good afternoon. Welcome.

BILL HAWKINS: Good afternoon, Senator Halloran, members of the Ag Committee. My name is Bill Hawkins, B-i- l-l H-a-w-k-i-n-s. I'm a lifelong Nebraskan and I'm an organic farmer and herbalist. And I'm

with the Nebraska Hemp Company, which is a nonprofit that's been working for years on reforming cannabis laws. And we worked with Senator Wallman years ago to get the first industrial hemp bill introduced. We have put in displays for ten years in the center of the Rotunda with examples of hemp concrete, hemp hurd, hemp fiber. And I'm here testifying in my hemp suit coat and hemp shirt, which are when I do dress up, that's what I wear. And so we have been working tirelessly to get a hemp industry going here in the state of Nebraska. For a few years we've been stymied. And I hope with a new Director of Ag we can actually develop a hemp industry here in Nebraska. We have no processing right now. Senator Brewer, I have two bales, round bales of hemp stalks that-- two and a half sitting just north of town that have been given to me because the grower did not want to take the bales down to Kansas, south Kansas to have processed. It's not worth transporting those bales. We need to have a processing center in every single county that can process the stalk into the hurd and the fiber which can be turned into particleboard. When I first learned about this almost ten years ago, I made my own hemp concrete blocks. I do not believe that with hemp hurd that you can be in ground contact because it's not like-- I don't know what the Bishes, their product is they're developing, but it's a carbon storing product that continues to sequester carbon through the life of the building. It's a high protein grain product that Senator Raybould knows about is in all kinds of food products. But we have no processing here in Nebraska. So I'm in favor of this bill. We need to align it. We need to remove the FBI federal background check for farmers who want to grow this. They have to go do the federal background check and then come back. It's an issue. To the last lady's comments, when we started promoting industrial hemp, we did not have the recreational flower market that has adopted industrial hemp as a way around the recreational laws. We have a proliferation of stores selling low potency weed right now. And as you see in the handout I gave, as researching this plant all the time and its benefits, I cannot keep up with the new types of cannabinoids that are not present in harvest-- harvestable amounts in industrial hemp, and so they are synthetically altered to develop THC-O, THC-P and all of these other spray-on additives. And so that's a real issue. And in discussing it with the committee's research analyst, there is a section in another bill that requires products to-- subject to the Nebraska Pure Farm Act-- Pure Food Act. And so I would highly recommend the committee and I will work with them to add just so it gives you truth in labeling, truth in products because right now you can walk into any of these stores and get a 100 milligram shot of THC, the real stuff, and no labeling, no ingredients, no good manufacturing practices involved. And so a simple

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addition of "consumerable" hemp products sold under the Hemp Farming Act are subject to the Nebraska Pure Food Act. And that would give us some the FDA is supposed to do that and they aren't. But I see I'm out of time. I thank you for the committee and I would be glad to take any questions on any questions.

HALLORAN: Thank you, Mr. Hawkins, Any questions from the committee? I've got a question.

BILL HAWKINS: Yes, sir.

HALLORAN: Who made that fine looking suit for you?

BILL HAWKINS: It's European cut and so there's a company called Rawganique-- raw unique-- raw organic unique that contracts with manufacturers in Europe. Because even though the United States has had hemp for 15, 20 years, Canada, we still do not have fiber, actual fiber developed here. And so the cuts are a little different because they are European cuts, but they have a wide range of all kinds of clothing so.

HALLORAN: And sizes.

BILL HAWKINS: And sizes. You bet. Yes, you bet.

HALLORAN: All right. Thank you, Mr. Hawkins.

BILL HAWKINS: All right. Thank you very much for the committee's time.

HALLORAN: All right. Next proponent, LB263. Good afternoon. Welcome.

JOHN HANSEN: Good afternoon, Mr. Chairman, members of the Agriculture Committee. For the record, my name is John Hansen, J-o-h-n, Hansen, H-a-n-s-e-n. I'm the president of Nebraska Farmers Union. As most of you on the committee know, we are a long supporter of trying to get this additional new crop up and running and in a profitable fashion. And so as we look at the intent of this bill, is it or isn't it a good idea to try to amend our law in order to comport with the final rule of USDA, which was published January 19, 2021? And we see absolutely no reason why we should not. We think it's a good idea. We think it's a necessary step forward. And with that, I would end my testimony and answer any questions.

HALLORAN: Thank you, Mr. Hansen. I think that was, I've known you long enough, that's maybe a world record.

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JOHN HANSEN: Well, I'm sort of worn out from the Transportation and Telecommunications Committee.

HALLORAN: Any questions from the committee? Seeing none, thank you.

JOHN HANSEN: Thank you very much.

HALLORAN: Additional proponents to LB263? Are there opponents to LB263? Any opponents? Anyone in the neutral capacity for LB263? Welcome. Good afternoon.

TREVOR JOHNSON: Good afternoon, Senator Halloran, Ag Committee. My name is Trevor Johnson, T-r-e-v-o-r J-o-h-n-s-o-n, and I do not have any prepared testimony today. But if you have any questions for me, I'd be happy to answer them.

HALLORAN: OK, line them up. Senator Brewer.

BREWER: All right. We go back to the early questions. We got how many farmers or locations that are producing hemp in Nebraska? 20--

TREVOR JOHNSON: We currently have 22.

BREWER: 22.

TREVOR JOHNSON: For the year 2023.

BREWER: Is there a correlation there to how much is produced? Do we know how much each year comes from those 22?

TREVOR JOHNSON: So it's been, as far as acres produced, relatively static over the last three years, but we have seen a decline in producers. I think Annette Wiles provided you with a handout that showed--

BREWER: Yes.

TREVOR JOHNSON: --the licenses over the years so I'll let that speak to the number of licensees we've had.

BREWER: All right. And so the reason we don't have processing facilities is we have to be able to take this product and make a profit on it. The grain elevator gets so much per bushel, whether corn, wheat, oats or whatever, with the hemp processing it and then getting it to a location they can use it is the challenge. Is that, kind of in layman's terms, the problem why we don't have processing here?

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TREVOR JOHNSON: Yeah, I'm not going to speculate on-- on why we don't have them here necessarily. But yes, when you're talking about fiber, it's-- it costs quite a bit to transport it. So having a processing facility located closer would help you profitably.

BREWER: OK. Thank you.

HALLORAN: Questions from the committee? Senator Hughes.

HUGHES: Thank you, Chairman. Thanks for coming or thanks for taking questions from us. So the \$1,000 fee to grow, is that every single year?

TREVOR JOHNSON: Not exactly. So it's \$150 application fee--

HUGHES: OK.

TREVOR JOHNSON: --and then it's \$600 per site as a cultivator. And then there's inspection and testing fees, which it's \$300 for an inspection fee and \$60 per sample. And that's just a direct pass-through to the laboratory that tests hemp for us.

HUGHES: OK. Thank you for that.

TREVOR JOHNSON: Yep.

HALLORAN: Senator Raybould.

RAYBOULD: So could you talk a little bit more about some of the deterrents to farmers in Nebraska? Why aren't they embracing growing it? Because it's such a great drought resistant crop. But I know we've touched on some of the transportation of the product, lack of "processing" facilities here.

TREVOR JOHNSON: Yeah, I don't know if I could speculate as to why we don't have the same growth in hemp that we've seen in other states. I think certainly aligning with the federal rules so that we're sort of on an even footing with every other state will help. I can't really speculate on-- on why we don't have more participation in Nebraska. I think certainly commodity prices play a role in that.

RAYBOULD: What about some of the fees? I know that they were mentioning I think in Wyoming, some of the fees are not as much as ours. I mean, is it customary to charge a farmer fees to grow other crops?

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TREVOR JOHNSON: Not necessarily other crops. I think there's a lot more regulatory controls on this crop set out by the 2018 Farm Bill than you would have with other crops. I think our fees are probably on par with other programs. I think Iowa charges a \$1,000 inspection fee. So I think we're relatively on par with other programs. If you look at our revenue from just last year, we only took in \$73,335 last year as an entire program. So it's really just to keep the lights on.

RAYBOULD: OK. Thank you.

HALLORAN: Senator Riepe.

RIEPE: First of all, thank you, Chairman, and thank you for offering up on the sacrificial altar. The question I have, one of our earlier presenters talked about the need for-- there are 93 counties and that each county should have a processing center. What's the entry cost? What would it cost to set up a processing center anywhere?

TREVOR JOHNSON: I don't have those exact figures, but if you're talking--

RIEPE: You could guess, I mean--

TREVOR JOHNSON: If you're talking about a fiber processing facility, I'm sure Mr. Bish would be able to speak--

RIEPE: I don't even know what a processing center would look like. So I don't know whether you're talking about 1,000, 5,000, 50,000--

TREVOR JOHNSON: 500,000 or more.

RIEPE: 500,000?

TREVOR JOHNSON: If we're talking about purchasing the equipment to decorticate fiber, which is to separate the bast fiber from the hurd [INAUDIBLE]

RIEPE: So the chances of having that in 93 counties are slight, little, or none.

TREVOR JOHNSON: I would not expect that we have a demand that would support that in Nebraska.

RIEPE: Probably Arthur County would probably really struggle to come up with. OK. That was just a curiosity question. Thank you.

TREVOR JOHNSON: Yeah.

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RIEPE: Thank you. Mr. Chairman.

HALLORAN: Senator Hansen.

HANSEN: Thank you. I was hoping you can answer my question now. On page 17--

TREVOR JOHNSON: Page 17.

HANSEN: --that paragraph. Why the language change? Is it--

TREVOR JOHNSON: Yes. So--

HANSEN: --so you guys have more discretion to test or?

TREVOR JOHNSON: So I think that what that speaks to is the addition of this idea of crop mitigation. So in the USDA final rule, they introduced the concept of remediation if your crop tests above the threshold and they provide several different options on how that could be accomplished. And so if this bill were to pass, as a department, we would have to outline what we're going to allow for remediation in our state hemp plan. Then USDA would ultimately have to approve it. So I think rather than listing it in this language, we left it up to the state hemp plan so that we can negotiate with USDA on what that will allow us as far as remediation.

HANSEN: OK, that makes sense.

TREVOR JOHNSON: Yep.

HANSEN: Thank you.

HALLORAN: Additional questions from the committee? Well, Mr. Johnson, that's about as neutral a testimony as I've ever heard, and I compliment you on that. And in spite of several of us trying to get you to go beyond speculation, you held up very well.

TREVOR JOHNSON: Thank you.

HALLORAN: Thank you.

TREVOR JOHNSON: Appreciate it.

HALLORAN: All right. Anyone in the neutral capacity? All right, seeing none, we will forgo closing since it's a committee bill. And we will move on to our next bill, LB336.

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IBACH: Welcome to your committee.

HALLORAN: I clearly, clearly forgot my booster seat. Sinking in the chair. Good afternoon, committee. It's good to see you from this side of the table. LB336 would terminate the Nebraska Hemp Commission as a standalone state agency and establish in its place a hemp advisory committee located within the Department of Agriculture. The duties of the board would be in it-- would be to advise the director regarding implementation of the department's regulatory duties under the Hemp Farming Act. Additionally, the board would advise the director regarding expenditures of any funds available in the Hemp Promotion Fund for purely research or promotional purposes. The current Hemp Commission was modeled after other commodity promotion boards, such as the corn or wheat boards. It was to fund research and promotional activities through a checkoff assessment collected on the first marketing of hemp beginning July 1, 2021. Our estimates at the time of the amount of the checkoff revenues that would be available to fund the commission, which were relatively modest to begin with compared to other checkoff programs, have turned out to be overly optimistic. My handout is an analysis by the Fiscal Office. We asked for an estimate of the bare minimum of costs the commission would have to operate as an agency compared to estimates of potential checkoff revenue. Even under the most optimistic assumptions, checkoff fees may not even match the administrative cost to collect, even if the commission could contract with the Department of Ag. Thus, checkoff collection has not, excuse me, has not, excuse me again. Thus, checkoff collection has not even been attempted, nor likely will be any time soon. Accordingly, LB336 outright repeals Section 2-519, which imposes the checkoff. During the 2021 session, the state budget borrowed another \$10,000 from the Noxious Weed Cash Fund as temporary funding of the commission, which has primarily been spent-- expended on per diems on the meetings of the board. I want to state that I do not bring the bill as a criticism of the work of the members of the commission or its goals. It is a matter that in my estimation the commission is simply unviable as a state agency for the foreseeable future, absent the willingness of the Legislature to support the commission with General Funds or continuing transfers from the other cash funds. LB336 would essentially transfer administration of the Hemp Promotional Cash Fund to the department. I envision the Hemp Board, similar to other commodity advisory boards, that could sit down with the director once a year to discuss implementation issues and perhaps at the same time with the university and Department of Economic Development to discuss potential research and processor recruitment. The commission has submitted a request for General Fund transfers to the Hemp Promotion

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Fund during the upcoming biennium for \$150,000 to fund a marketing research project, plus \$40,000 for extension programming, which was heard by the Appropriations Committee last Thursday. I would point out that LB336 would not technically interfere with the request if the Appropriations chooses to go forward with it. LB336 would simply transfer responsibility for administering the funding the department with its established administrative infrastructure, with the advice of the advisory board. LB336 will not preclude funding or finding other sources of revenue to fund hemp development programs as the Hemp Promotion Fund would remain. I'll end my introduction there and take any questions you might have.

IBACH: Thank you very much. Are there questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairwoman. Thank you for presenting this. I try to learn something new every day, and this Agriculture Committee has exposed me to a new learning piece of the Potato Board. Now I want to ask you the question. Is that chaired by Mr. Potato Head? You know, this is only a board. [INAUDIBLE]

HALLORAN: I think it's Mr. Lay of Lay's potato chips.

RIEPE: Thank you. Thank you, Chairwoman.

IBACH: Are there other questions from the committee? Seeing none, thank you very much.

HALLORAN: Thank you.

IBACH: Are there proponents? Any pro-- anybody wanting to-- good, we have one.

ANDREW BISH: My name is Andrew Bish, A-n-d-r-e-w B-i-s-h, and I am here as a proponent for this bill. I really don't have anything else to say about it. Jacob has more comments, but thank you for your time.

IBACH: Very good. Does anybody have any questions? Hang on just a second. Does anybody have any questions? Seeing none, thank you. Next proponent.

JACOB BISH: Senators, members of the committee, thank you again for your time today. I'm Jacob Bish, J-a-c-o-b B as in boy-i-s-h, and I work for all the same companies I did just a few minutes ago. I'm here today in support of LB336. LB336 creates the Nebraska Hemp Advisory Board and keeps all the funds of the appropriate departments in their

original departments. The Nebraska Hemp Advisory Board would be responsible for advising the Department of Agriculture on matters related to hemp cultivation, processing, and marketing, and the board would also work to ensure that Nebraska's hemp industry is in compliance with state and federal regulations. By establishing the Nebraska Hemp Advisory Board, the state can tap into the economic potential of the hemp industry, while also providing an additional crop option for farmers. A robust hemp industry can create jobs and stimulate economic growth in both rural and urban areas of Nebraska. Advisory boards like this are necessary on developing commodities to create a direct line of communication from industry stakeholders to the managing department, as well as promotes the research and marketing of this commodity in our state. From my experience, communities that create advisory boards like this that are genuinely interested in expanding this commodity's market have the most success in implementing these hemp programs as they can keep the department up to date with the wants and needs of the community, as well as expanding the overall market share by bringing in more producers, processors, and manufacturers. Passing LB336 is a great step in ensuring Nebraska is able to take advantage of the hemp crop as this industry continues to expand. Thank you for your time today, Senators. I'm open for any questions.

IBACH: Great. Thank you very much. Are there questions from the committee? Seeing none, thank you very much.

JACOB BISH: Thank you very much for your time.

IBACH: Other proponents. Welcome back.

JOHN HANSEN: Madam Vice Chairman, members of the Ag Committee, again this afternoon, hello. John Hansen is my name, J-o-h-n H-a-n-s-e-n, and I'm still the president of the Nebraska Farmers Union. We have been working on this issue for a very long time and it's been a challenge for a-- really from the beginning to try to come up with a realistic set of expectations about what it is that it's going to take in order to get a new crop established and all the protocol that goes with it and then get all the necessary support structure wrapped around it in order to make it successful. And so we have to walk before we can run has been my often refrain. And that has not received a warm and rousing welcome in all quarters. But we've gone from, I think, excessive-- excessively high expectations when they weren't met. There's been a lot of folks that have been in, have been out. Some of those include our members as well. And so where are we? Well, we're still in the early stages of trying to figure out how to make

this crop successful. And so, of course, processing is a key part of that. But in our view, this bill is welcome on our part. We think that we ought not just say, well, we don't have the resources to do a full-fledged commission, so we ought to just bail. I think that we ought to keep the Department of Ag engaged and that that's a constructive thing to do and to help move to an advisory committee status, which we have with some other lesser crops. And so we are still keeping the communication and the coordination there, and we're still looking for ways to try to gather information, use it constructively, help move things forward. So we are in support of LB336. And the background that we have-- work that we have done, we think this is a perfectly reasonable thing to do. And that, who knows, maybe at some point in the future, should a lot of the necessary building blocks be put into place that need to be put into place we'll be back to the point where we have enough growers and enough revenue to have a full-fledged commission. But at this point, we-- this bill, I think, rightly recognizes where we're at. And I hope that the Department of Ag is-- is willing to, you know, be supportive of this. I think it's a constructive thing to do. I still think there's a lot of upside potential. But, you know, we-- we do need to address the challenges we have. And we also need to look to other states and find out, as we always do in all legislation, what the smart kids do and what the folks are doing that are ahead of us and steal ideas and concepts and things that work appropriately. And with that, I'd end my comments and be glad to answer any questions.

IBACH: Good. Are there questions from the committee? Seeing none, thank you.

JOHN HANSEN: Thank you.

IBACH: Other proponents. Seeing-- yes, we do. Thank you. Please go ahead and state your name and spell it.

BILL HAWKINS: Good afternoon, committee members. My name is Bill Hawkins, B-i-l-l H-a-w-k-i-n-s, and I'm with the Nebraska Hemp Company. And I'm here in favor of this bill because, as we've talked about, the expectations of the hemp industry here in Nebraska did not materialize. And I can expound on that a little bit. As you know, the structure to have a real committee takes a lot of resources. And at the beginning, the projections of the hemp industry here was probably out of bounds. When we got into the hemp industry, finally, after our little pilot program, the price of hemp flower or the recreational flower or hemp oil, high CBD had pretty much crashed because of overproduction in other states. You can only produce so much. And by

the time our farmers got into it and it was that get rich quick scheme that all of a sudden the price had crashed and that price has continued to fall. There are very few farmers that knew really what they were doing with the crop. And then with the price dropping when you've invested \$1,000 or \$100,000 or more in a greenhouse complex and then you can't get \$1,500 for a pound of this product, it drops to \$500 or less, it-- it's hard to make your profit. And so that is one reason why the numbers have continued to drop. And until we can get processing and, Senator Riepe, I would have to clarify my statement of not processing in every county but every major population area in a group of counties or, you know, Hastings, Grand Island, Kearney, where we can come into that industrial park and work with a co-op of farmers in a set number of acres that need to produce that number of bales to feed that processing and the bushels of grain, then we can value add the products and we can have a real hemp industry. And I would point to Colorado, who has a-- a booklet that I would love to provide for the committee that has a tremendous amount of cosponsors on it that looks to the future of their hemp industry, and they are working towards fiber, fabric, and other things. And we don't have to invent the wheel here in Nebraska. We just have to give incentive programs for that economic development team and a co-op of farmers to work together to create value-added products with-- which create sustainable jobs and benefit the local community. And so I've been in here trying to get that processing incentive program introduced for a number of years. And so I would love to continue to work with the senators so that at some point we can actually have an Hemp Commission. And because we have almost more tillable acres than any state here in the country, we can still have a very viable, vibrant hemp industry and create sustainable jobs around the state with value-added products. And so I would encourage you to restructure this because this would give interaction between-- it gets the Department of Ag interacted with this industry and the Department of Economic Development to work together to-- this is a drought-resistant, soil-building crop. And so as we get into climate change and more drought conditions, this crop doesn't replace other crops. It adds to the rotation. And so that's where you need a co-op of farmers that are going to give those bales that this processing facility needs. I've approached Senator Walz, who has Lincoln Poultry in their district, and animal bedding is one product that works better than pine shavings here in Nebraska because we don't have any pines to shave. So I would thank the committee and I would be happy to answer any questions.

IBACH: All right. Thank you very much. Are there questions from the committee? Seeing none, I appreciate [INAUDIBLE] Thank you.

BILL HAWKINS: Thank you very much for your time.

IBACH: Any other proponents? Seeing none, any opponents? Anyone testifying in the neutral?

ANNETTE WILES: Annette Wiles, A-n-n-e-t-t-e W-i-l-e-s. I come here in a neutral position. I very much support having the administration of the commission being taken over. As I mentioned, we are doing everything on our own, everything: logging in, doing budget stuff, submitting expense reports, and so on. But the concern I have is moving us from where we're at to a department that has no funding for us. And so if we're moved and Appropriations doesn't fund us, how do-- how is that going to impact the department? And what happens to all of our goals and objectives that we've established that are based on state statutes? How do those get addressed? Our commission will never be successful. And we've done a lot of work to set ourselves up if you'll look through those. So do you move us from a place that has no funding to another place that has no funding and expect the department to take us on when we have this great opportunity, I guess is the question? It's the only reason why I come neutral because I put most of this work in my time to get our organization where it is. So I very much appreciate the offer of the help. But I just don't know what it's going to do to us as an organization and how we move forward. To us, the bigger, I guess, issue is that CBD is where the money is in Nebraska today, not fiber and grain. And that's part of the plan. And I have a hard time knowing our farmers can take advantage of this. And we're not doing anything to tax or levy an industry that's going crazy in our state. So if we can get help, I'd prefer that we look at a fee or putting a levy in for CBD to figure out how to fund our organization and then maybe move us over to Department of Ag so we're not setting them up without any funding either. Thank you for your time. This is a big issue. It's just how do we address it and take advantage of our soil, of our ground? I mean, we were one of the number one states back in the 1800s growing this, in fact, during World War II, they asked sons and fathers to stay home and grow it here in Nebraska because of the canvas and the rope that they were able to make. That's why you see it in almost every one of our counties. That's your fiber and your grain.

IBACH: Very good. Thank you very much. Senator Raybould.

RAYBOULD: Thank you, Ms. Wiles. You know, that was my first initial concern, is that if it gets absorbed in the Department of Ag and there's no funding stream and I just see it looks like \$10,000. And-- and I was trying to find the fiscal note for LB263. I couldn't find

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it. So do you know what would be like a funding request for Appropriations that would--

ANNETTE WILES: Through the department to cover?

RAYBOULD: Yeah.

ANNETTE WILES: I actually met with-- with Sherry last week or two weeks ago to ask her because my concern was, well, I was excited, first of all, they would take us over and help with all of the administrative functions. But I was like, where's the money going to come from to pay for it because we don't have that today either. I don't know if there is any funding that was going to be provided.

RAYBOULD: There's no fiscal note for LB 263 so. OK. So I guess that would be a follow-up discussion. Shouldn't there be something like an appropriations amount tied with this as well? OK. I guess you're going to continue to have discussion-- discussions with Director Vinton on this.

ANNETTE WILES: I mean, we'll do whatever we're directed to do. I mean, there are some of us that feel so passionately from a farming perspective, especially that our young farmers should have an opportunity with this crop and they'd be engage that, I mean, you've got some really good people on the-- on the board, the commission that were appointed and they're ready to get at it. It's just the funding, you know what I mean? And to be honest, the first conference that my husband and I put on with the university, we funded ourselves personally.

RAYBOULD: So if-- if there was a hemp processing facility in our state of Nebraska, where do you think that should be located based on your understanding of the limited number of farmers that are currently producing it?

ANNETTE WILES: I think it would make sense to go back to the trials that have already been done. The university has been engaged; the Bishes have been engaged, growing all throughout the state. I'm proud in Cass County we had double the USDA yields and we had hail twice during the year that we grew. And when you asked, there are nine CBD processors about in Nebraska right now because we don't have a fiber processor. So all those processors happen to fall on the CBD side.

RAYBOULD: OK.

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IBACH: Thank you very much. Any other questions? Seeing none, thank you. Any other folks that want to testify in the neutral? If not, Senator Halloran to close.

HALLORAN: Well, thank you, committee, for your attention to this. I-- I'm looking forward to the hemp industry being-- becoming at some point in time, a vibrant enough industry that it will have the revenues generated-- product and revenues through checkoffs generated enough to have their own commission. This is just a reality check right now. They're not there right now. And so this is an effort to allow the Department of Agriculture, which has the infrastructure to handle administratively some things to deal with it, because it wouldn't have-- couldn't afford the commission, and being an advisory committee. So it's pretty straightforward. I will repeat what I said in my opening statement. The commission has submitted a request for General Fund transfers to the Hemp production or Promotion Fund during the upcoming biennium of \$150,000 to fund a marketing research project, plus \$40,000 for an extension programming which was heard by the Appropriations Committee last Thursday. So we'll just have to kind of wait and see how that committee acts upon that. Hopefully they'll see fit to help fund it and get some things rolling a little bit. With that, I am finished unless there's questions.

IBACH: Any questions from the committee? Seeing none, thank you very much. That will close our hearing on LB336.

HALLORAN: All right. Moving on to LB735. Welcome, Senator Blood.

BLOOD: Thank you, Chair Halloran, and good afternoon to the entire Agriculture Committee. My name is Senator Carol Blood. That is spelled C-a-r-o-l B as in boy-l-o-o-d as in dog, and I represent District 3, which is the western half of Bellevue and eastern Papillion, Nebraska. It's loud out there today. Thank you for the opportunity to bring forward LB735, which seeks to address the issues our pollinators are experiencing and to create an apiary program for the Department of Agriculture in conjunction with the University of Nebraska-Lincoln. I see an issue that is extremely troublesome for the state, not just now, but for the future. Our bee population, not just in Nebraska but across the United States, has had a drastic decline in total population for the past two decades. It is my hope that LB735 will start the process of improving conditions for Nebraska's bee population. The first part of the bill helps to address one of the biggest questions in ag: Why do the bees keep dying? The reasons for this population decline can be attributed to several factors. Farmers and agricultural producers often use pesticides and coated seeds to

ward off pests and increase their yield. While this is a necessary function to farming, Nebraskan has seen exceeding levels of pesticide and chemical levels in its waterways, air, and soil, leading to the bee population being exposed. For example, these toxins have seen dangerous levels in our soybean fields where bees pollinate. Even if exposed, they do not always die from such chemicals, but they bring back the exposure to their hives where it spreads and affects the bees' ability to navigate for foraging and pollination. The recent AltEn ethanol plant disaster where waste seed corn was used off label to generate ethanol is a prime example of this. The university's bee population around the plant in Mead, Nebraska, saw a devastating population decline. It's a fact that when you watch how bees react to their surroundings, they will paint you a picture of the surrounding environment, be it good or bad. It's much like the canary in the coal mine. Without bees, agriculture would not be able to function in the same way. An estimated \$15 billion of agricultural product production is pollinated by bees every single year. Bees are so critical to the food production industry that they are often shipped to other regions to pollinate other regions' crops and are essential to crop diversity, especially in regards to things like fruits and vegetables. This relationship is one-sided and as we are starting to see, when we don't allow nature to act in a way that is beneficial to its very existence, it will react accordingly. Simple solutions, such as increasing the use of things like prairie strips would provide bees more floral--flora to forage and pollinate, while mitigating fertilizer runoff and land erosion thus destabilizing the bee population. But in order to solve this problem, we must put the best subject matter experts together to handle this issue and come up with reasonable responses to this crisis. That's the goal of the first portion of the bill. In order to enforce best practices that can help reverse the aforementioned issues listed, we can look to the second portion of the bill. The Nebraska Stewardship Program would have the Department of Agriculture establish this program and implement a mandated registry of beekeepers across Nebraska. Now, about 20 years ago, Nebraska had its very own beekeeping registry, which was comprehensive in its research and maintaining of regulations and practices for beekeepers across the state. Part of the reason for a decline of funding for the program is due to the reduced number of licensed beekeepers from '92 to 2002 by two thirds. The regulation around what constitutes a bee--beehive has been removed, along with the mandatory inspection of beekeeping sites by the Department of Agriculture. In fact, the department has no full-time inspectors and relies only on the state entomology program. The committee should reassess the Apiary Fund and its duties with the critical condition of the state's bees. Lastly,

Nebraska can do a better job in holding organizations accountable and under proper regulation when it comes to the improper use or storage of neonicotinoid coated seeds that do not comply with labeling. Improper storing and disposing of the coated seeds leads to highly contaminated waterways and soil. It is worthy to note that these seeds are not regulated, and the federal insecticide jurisdiction mean the state of Nebraska needs to step up in this void. However, reviewing existing regulations, it may clearly be that there are a long list of misunderstandings when it comes to this particular issue. For example, if you review the NDEE waste management regulations under Nebraska Administrative Code, specifically Title 128, Chapter 25 and Title 132, Chapter 1, it would appear that when it comes to Nebraska's hazardous waste regulations that they are to take timely action when it comes to any substantial present or potential hazard to human health or animal health or the environment when improperly treated, stored, transported, disposed of, or otherwise managed. So it is essential for Nebraska's bee population to stabilize to protect our food production and our agricultural economy. As we work to keep young farmers in our more rural communities and look towards the increased interest in organic farming practices, this becomes an even more pressing issue. Our agricultural and urban constituents depend on bees being our pollinators and maintaining our biodiversity within the state. I appreciate your time today and I'm happy to answer your questions you may have. I'd encourage you, however, to bypass any questions for me and to have them saved for the experts that are behind me today, because I think you'll get a more comprehensive knowledge of the concerns that you have. But on a final note, I've also handed out amendments that should help to calm some of the concerns that have been brought forward on this bill, as well as clarify one of the organizations who plays a supporting role in this legislation. So on page 2, line 9, after the word "director," we have inserted "State Entomologist" and we've removed language in lines 9 and 10. We've also clarified that certain qualified persons will be part of the task force. We had a lot of beekeepers contact my office confused by who would qualify for membership of the task force. Beekeepers are officially a part of this task force with a minimum of one representative of beekeepers. Other members of the task force are from departments within our state government and members of higher education and private industry. We also have changed the registry to become a private registry due to the worries of beekeepers having their bees stolen. The registry is accessible to all registered beekeepers. Task Force members and University of Nebraska personnel consulted pursuant to subsection (3) of this section. We also have identified the differences between in-state and out-of-state

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beekeepers by having separate registry fees and stricter regulation of out-of-state beekeepers. We hope these changes to the bill will help to calm beekeepers and other members of the agricultural industry in order to move this initiative forward. With that, I thank you for your time today.

HALLORAN: Thank you, Senator Blood. Any questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman. Senator Blood, thank you for being here. My question, is there a beekeepers association or within the state of Nebraska? And I see--

BLOOD: There are and I'm-- that would be a good question for Dr. Judy Wu. She can give you a very comprehensive reflection on how long they've been along and what role they play.

RIEPE: Well done. Thank you.

HALLORAN: OK. Thank you, Senator Riepe. Senator Hughes.

HUGHES: Thank you, Chairman. Thank you, Senator. Blood. So is-- the purpose of this is mostly just to capture research and data.

BLOOD: To find out what's our next move. You need research and data in order to move forward to protect the bee population.

HUGHES: So let's say so there's multiple things that can affect bee populations,--

BLOOD: Correct.

HUGHES: --whether it be possible chemicals they're getting in. I know that they have, is it mites or something--

BLOOD: Um-hum.

HUGHES: --that can get in the hives? It could be habitat, whatever. My question is like, I don't know how, like, you collect this data, but how do you know when you know a mite or something? But how do you know if it's a pesticide issue and how-- because bees can travel out, like are you trying to, oh, it's this farmer's field, they're doing this or I mean?

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BLOOD: I think you have to think of it more comprehensively when we're looking at the state as a whole. And again, that would be really good question--

HUGHES: Just like pockets of area, maybe that--

BLOOD: That would be a really good question for Dr. Judy.

HUGHES: OK. I will save it.

BLOOD: And not because I'm not willing to answer it.

HUGHES: No, right, right. because she would have--

BLOOD: But I just think she would have the experience.

HUGHES: Right, 100 percent. Thank you.

HALLORAN: Senator Brewer.

BREWER: Thank you, Mr. Chairman. First off, this bill is needed. A couple of years ago, I did one. It was simply trying to establish a way to protect the Nebraska beekeepers from out of state, because--

BLOOD: Um-hum, I remember that.

BREWER: --they had the unique ability of having their winter season. They would go to California and do the almond trees, and then they would come here. And they kind of had the best of both worlds. And they could come in here and park the hives near where other hives are and-- and anyway. What I determined through all this is there really wasn't a lot of oversight. It was kind of every-- everybody for themselves. And so I think this is needed. So thanks for bringing it.

BLOOD: Thank you. I do remember that bill and I remember you discussing some of the diseases that they were bringing in that were killing our bee population. And that's why we need this data so.

BREWER: Well done.

HALLORAN: Additional questions from the committee?

HUGHES: I have one more question if I--

HALLORAN: Senator Hughes.

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HUGHES: What he just said led me. So then if you've got the traveling bees, which I know they do that, anybody that comes here, even if they're temporary, would have to register with us.

BLOOD: Um-hum.

HUGHES: OK.

BLOOD: And then we would know who was bringing in the disease.

HUGHES: Yeah, right.

BLOOD: I can tell you that the thing that initiated this for me is I remember as a freshman senator reading the budget and it was like, oh, good, we have an apiary fund. And then I realized there's never been any money in the apiary fund since I've been here. And that's kind of what started this whole thing as I started getting more involved and more concerned and then getting involved with Mead. We are heavily dependent on the bee pollinate-- on what the bees pollinate. And if we want to keep young people in Nebraska, especially those that are looking towards organic farming, we have to figure this out. We can't wait any longer.

HALLORAN: All right. Additional questions? Seeing none, thank you, Senator Blood.

BLOOD: Thank you, Chair.

HALLORAN: Proponents for LB735. Don't be bashful. Good afternoon.

JUDY WU-SMART: Good afternoon.

HALLORAN: Welcome to the Agriculture Committee.

JUDY WU-SMART: Thank you. My name is Dr. Judy Wu-Smart, J-u-d-y W-u-S-m-a-r-t. I'm an associate professor and Extension specialist at the UNL Bee Lab. I want to first thank Senators Blood and Brewer and the Agriculture Committee for this opportunity to testify. I'm acting in my own personal capacity as an expert and not as a representative of the university. Since my last testimony, when I described the rapidly growing and underserved beekeeping industry, I have received a lot of calls and had many discussions with beekeepers regarding this bill. Many support the effort but are still concerned about the bill's requirements and lack of clarity on how it will specifically benefit them. So the recent amendments to the bill have addressed several of these concerns, but I wanted to take some time to explain exactly why

these are important. Senator Blood already mentioned bee rustling. It really, like cattle rustling, is a real problem for beekeepers. And unfortunately, the truth is the perpetrators are often beekeepers themselves trying to make up for their own colony losses. So theft is a dominant reason why beekeepers want to keep those apiary locations secret, especially for other beekeepers. The registration fees also concern the lack of clarity on whether beekeepers will be charged by operation, colony number, apiary location has many worried about the costs. With recommended stocking rates about 20 to 30 colonies per apiary location, if you are a commercial operation managing thousands of hives, that requires dozens to hundreds of apiary locations, making the registration process untenable. While the information obtained for the mandatory registry would be beneficial to beekeepers and the industry, many don't see an immediate benefit to the increased governmental insight. Creating distinctions between in-state residential beekeepers versus out-of-state operations would be one way to address this issue and other control concerns over disease transmission, overstocking, and competition for forage sites. A simplified residential registry that charges by operation a flat rate that does not include exact apiary locations and average counts rather than exact numbers can considerably simplify this process. Out-of-state nonresidential apiaries-- operations could be charged by the apiary location, have more reporting requirements as there are risks to bringing in bee diseases as well as Africanized genetics. So that is a real concern. Further, out-of-state colonies are placed in areas of good forage so they can make honey. That utilizes these limited flora resources for our local beekeepers. After the honey flow, they take their colonies which are packed with honey and they process them and they package and sell them in their home states. So there's little knowledge of how much honey is actually produced by out-of-state operations and how much revenue, if any, we are receiving. I just wanted to kind of also address the bee pollination aspect of it. Bee pollination can increase soybean yields as much as 18 percent. And although bees aren't essential to corn pollination, honey bees are commonly found foraging in cornfields, especially in areas where there's limited forage. They're also critical for the production of seed, alfalfa, canola, and sunflower, which-- and also can enhance dry bean yields. So these are crops critically important to Nebraska's agriculture system. I want the committee to please consider how continued losses of pollinators in our state will impact a farmer's ability to grow crops, homeowners' ability to sustain gardens, and ranchers' abilities to care for livestock as many of the foods and plants that they produce depend on pollination services provided by both the managed and the wild bees. I'll end with a recent

article attached here that reviews the many connections between the benefits of healthy pollinator systems to human health through nutrition, medicine, mental health, and environmental quality. I want to thank the committee for your work on this bill, and I'll take any questions.

HALLORAN: Thank you, Professor Smart. Questions from the committee? Senator Holdcroft.

HOLDCROFT: Thank you, Chairman Halloran. And thanks for coming, Doctor. I'm a beekeeper. I have two bee-- beehives in my backyard. And I was also the AP-- the Omaha Bee Club apiary manager last year. And we-- we discussed this bill at our monthly meeting, which was last Sunday. And-- and it was the earlier form and did not include the amendments. But obviously, there's a lot of pushback from the beekeepers. They don't like the idea of a mandatory registry. They didn't. And-- and what I didn't know was that we're actually going to charge a fee for this. And so I think you'll hear from some beekeepers not too crazy about that idea. But I don't-- do you have a feel for how many? I mean, it seems to be focused on, you know, big commercial operations for-- for tracking this income and-- and some of the trends. But do you have a feel for how many of the hobbyists there are in Nebraska versus the number of commercial operations there are in Nebraska?

JUDY WU-SMART: That is a great question. I included a table here that kind of shows the census data. And of course, that data does not include any beekeepers with less than five hives. So hobbyists would not be included in it. And this is kind of the reason why I'm here today is we created a training program ideally for 2 to 300 beekeepers, and now this training program is servicing the region, now has 3,000 beekeepers. We have no idea where they're coming from. We don't know where their bees are. We don't know what types of operations that they're, you know, kind of providing, whether it's pollination services, honey production, or strictly a hobbyist kind of business. And so this is kind of the reason why an apiary program would help. And with those concerns that beekeepers do have, I like to point to the successful states that are also highly agricultural: North Dakota, South Dakota. These are a lot of the states that have received our commercial beekeepers because of this-- the habitat is not really suitable for a lot of beekeepers here. And so they both, South Dakota and North Dakota, do have mandatory registries. North Dakota's is public, so it's available for them to see. It is reported by township and county level. So it doesn't give exact GPS's. South Dakota chooses to do a mandatory registry but not have it publicly

available. So that allows them to do some of the buffering issues that they have with overdensity or overstocking and whose territory, you know, they have a two-mile buffer rule. So beekeepers can't bring in hives closer to an established apiary. So I know that-- that they have some real strong concerns. But unfortunately, we can't provide any kind of services or resources for them if we don't know where they are or who they are. And that's kind of the reason why the mandatory registry is a key component. The public part is not so much, but just having somebody be able to know who are the beekeepers, how many hives are running and where are they going would be tremendously helpful for us.

HOLDCROFT: The bill appears to be mostly focused on pesticide control or the impact of pesticides on bees. But is it not true that really the biggest killer of beehives in Nebraska is the varroa mite lice pesticides?

JUDY WU-SMART: The mites and diseases are definitely an issue, and the mites and diseases are oftentimes managed through bee management and training and education. But where this bill might help in a statewide pollinator protection has helped other states is bringing in industry and other farmers and other crops. So one of the benefits to us of a statewide program, even though it's focused on honeybees, is to do crop specific recommendations. I've included some of the national recommendations that were supported through Honeybee Coalition, the National Corn Board, and the United Soybean Board. These are pollinator-friendly recommendations for growers and they're starting to get more of these crop specific recommendations. But those are kind of at the national level. So they're not exactly customized for our region and our state. And that's the benefit of having these statewide pollinator protection plans is we can make something that's customized for our industry. What are the crops that are most dependent on bees? What are the services that the bees are most impactful in the state? And trying to figure out what are the things that we can do to reduce those risks and improve those-- those aspects? So it's not always about chemical exposure, although that is one of it, reducing chemical risk as well as increasing forage.

HOLDCROFT: So we currently have a bee registry. I mean, FieldWatch, you're obviously familiar with it because it's-- it's actually in the-- in the fiscal note that you're going to expand FieldWatch. Is that-- is a part of the plan?

JUDY WU-SMART: I think that FieldWatch and DriftWatch are mechanism in which that we already have a framework for the registry to function.

But right now it's a voluntary one. So because it's a voluntary registry, it really kind of biases who responds. And most of those who respond and register their hives are the small-scale hobbyist beekeepers. So it doesn't really account for the big commercial operations.

HOLDCROFT: So you're going to-- going to charge per hive, correct? That was the fee per hive.

JUDY WU-SMART: I would recommend that we do something different in terms of in-state beekeepers as flat rate, simplify that process.

HOLDCROFT: OK. So that-- that would have to be changed, obviously, because it does very specifically say per hive.

JUDY WU-SMART: Right.

HOLDCROFT: And then, you know, if it was per hive or how do you keep track of how many hives are out there? And--

JUDY WU-SMART: Right.

HOLDCROFT: --so that would be an issue. And then I think that you did address also that you're going to make this available to registered beekeepers. And-- and obviously I really believe in beekeepers, but they would be the ones who would be doing some of the thievery.

JUDY WU-SMART: Yes.

HOLDCROFT: And it's not just the bees they're going to steal. They're going to steal supers with honey. And that's really what they're--

JUDY WU-SMART: Yeah [INAUDIBLE]

HOLDCROFT: --more concerned about. So the last thing I have, the last question I have is, OK, it's voluntary. How are you going to-- I'm sorry, it's not voluntary. It's mandatory. How are you going to make that work?

JUDY WU-SMART: Right. And that-- that's the thing is, is we-- if we have a statewide pollinator protection plan with multiple agencies and a functional apiary program, then there could be a little bit more resources for that and a value to that system. I think regarding your question about cost per hive, some states have used kind of a general, you know, from 0 to 20 hives, this is your flat rate; from 20 to 500 hives, this is your flat rate. So it's also still based on small-scale

hobbyists and commercial scale beekeepers trying to simplify that. But I think that there is a lot of-- there's a lot of work that still needs to be done on these bills in terms of the language and the feasibility of how we would get enforcement to happen, you know?

HOLDCROFT: Well, I think--

JUDY WU-SMART: Sorry.

HOLDCROFT: I think that the amendment goes a long ways to making it more palatable for beekeepers. But I still think you're getting a lot of resistance from the hobbyists to do a mandatory beekeeping. And so--

JUDY WU-SMART: Absolutely.

HOLDCROFT: --what's going to be the enforcement? How are you going to enforce it and what's going to be the punishment?

JUDY WU-SMART: I'm not sure if the enforcement comes before the education and the training. If we do have something in place, we can, you know, some of the things that I've been doing recently is just giving presentations about the value of the National Agricultural Statistics survey. These are voluntary as well. You know, a lot of these surveys I've been explaining the value of them. There's a long-term benefit and a short-term benefit. The long-term benefit is that we have a better understanding of the industry and its needs and we can kind of provide resources and kind of respond to that. The short-term immediate needs that people really don't think about is, you know, UNL Bee Lab, we're an educational role. So we don't have any kind of regulation. We don't have resources to address a disease outbreak. And we this year, actually this summer we had a call, a beekeeper with American foulbrood, and they reached out to the Department of Ag, didn't get a good response or a quick response. They actually spent their own money to have the bees sent to the USDA lab, had it confirmed. They took that report and then send it to NDA and then NDA reached out to us. But it had already been about three months since when he expected or suspected an issue to when we got out there. And so that's a very transmittable disease that could affect other beekeepers. And this is in an area that's quite populated. So those are the immediate concerns of not having a functional apiary program is as the diseases continue to be a problem and the pests like *Tropilaelaps* is still something that we are looking out for. It's new and potential mite that could impact beekeepers. If we don't have a

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monitoring program or an enforcement agency, we have no way to deal with an outbreak. That's--

HOLDCROFT: OK. It's just my final comment, really. You know, I think the first part of the bill is great as far as establishing the task force and in addressing that. I think knowing beekeepers the way I do, they're going to be very reluctant to sign up on a registry,--

JUDY WU-SMART: Yes.

HOLDCROFT: --you know, unless they understand what the benefit is back to them as an individual beekeeper.

JUDY WU-SMART: Yes.

HOLDCROFT: That's all. Thank you very much.

JUDY WU-SMART: Yes. Thank you very much.

HALLORAN: OK. Thank you, Senator Holdcroft. Questions? Senator Hansen.

HANSEN: This might not sound like a serious question. It's more for curiosity sake. Do bees like hemp?

JUDY WU-SMART: You know what? I don't think so. Well, actually, I can't say that because there are bees that go to wind pollinated crops. I don't think it's necessary for their production because I think they don't want it to flower. But we see bees visiting all sorts of strange things, even ragweed.

HANSEN: OK.

JUDY WU-SMART: Yeah.

HANSEN: Thanks. Genuinely curious. Thank you.

JUDY WU-SMART: Yeah.

HALLORAN: Good question, Senator Hansen. That may be where that term "getting a buzz." [LAUGHTER] Any additional questions from the committee? I'm getting a lot of head shakes. No. Very good. I appreciate it.

JUDY WU-SMART: All right. Thank you very much.

HALLORAN: I appreciate your testimony. Additional proponents of LB735. Good afternoon.

AL DAVIS: Good afternoon. The smart thing to do is to follow Judy because she has all the answers on these issues. So my name is Al Davis, A-l D-a-v-i-s, and I represent over 3,000 Nebraskans who are members of the Nebraska Chapter of the Sierra Club. We're here today to support Senator Blood and Senator Brewer on LB735 as amended, which provides for the establishment of the task force and the development of a stewardship program. The status of pollinators in Nebraska and the nation as a whole is concerning, since these insects are directly responsible for so much of the food which we consume. Bees and other pollinators make a major contribution to the economy of Nebraska. Grasses, weeds, and trees all depend on the work of these industrious creatures for fertilization and reproduction. In the Sandhills, meadow clovers, birdsfoot trefoil, alfalfa, and other proteins rely on pollinators to reproduce and are fed as hay to cows. These plants are high in protein and also sequester nitrogen in the ground. And you often see bees-- bees in soybean fields where they contribute to enhanced yield. But bees are in trouble. I'd like to just focus on my own personal experience as a rancher in Cherry County, Nebraska, and as a homeowner in Lancaster County as an observer of the overall decline in insect numbers largely, and in bees in particular. While my Cherry County ranch doesn't have any domestic honeybees, there has always been colonies of wild bees and bumblebees which filled the meadows in summer. Any ranch kid who drove an open cab tractor in the hayfield would get several bee stings over the course of the 6- to 8-week hay season. Bumblebees nest in the ground and a tractor traversing their nest would-- would produce an army of angry bees attacking the driver or the tractor itself. At my ranch, they still use open tractors to rake hay, but none reported being stung during the last few years. Since this portion of the state is virtually free of pesticides, one must assume that the bees are dying from something else, be it fungus, pest-- parasites, or climate change. The acreage we own-- own in Lincoln is heavily wooded and abuts farm fields and other acreages. Several years ago, our neighbors hosted a beekeeper and we also asked him to place hives on our property. The beekeeper placed hives on both sides for six years running, but his hives never survived one full winter, so he finally gave up. Overall, though, the evidence for a significant decline in all species of insects has been documented. Anecdotally, the decline in the amount of insect spatter on a vehicle windshield is evidence of this decline, something I noticed when I returned to my ranch in September at the height of bug season and didn't have to wash my windshield on the way out or on the way back to Lincoln. We also have many other species which depend on insects for their survival. The decline of insect numbers may be one of the contributing factors to the loss of birds in this country.

Thirty percent of our bird populations have disappeared since 1970, over 3 million birds. Dr. Wu-Smart's work at Eastern Nebraska recreation-- Research Extension and Education Center has demonstrated what the exposure to certain pesticides can do to the apiary industry. The loss of hives surrounding the AltEn plant demonstrates how unintended consequences can ruin an industry. Establishing this task force will provide knowledge and information to our state's ag leaders about the overall trend in bee and pollinator numbers. It will help us develop a trend line and provide some suggestions to stabilize the industry. And the addition of a stewardship program can have significant benefits to the industry, an important industry which is still often overlooked. The mobility of this industry has changed how it functions and exposes our bees to diseases and disease risk, which didn't exist decades ago because of the mobility of the hives. The labor is done silently by the bees, but the ramifications are significant. So I just think that this is something that is long overdue. I'm sorry that we eliminated those some years ago because bees are much more important to our livelihood than any of us really realize. And so we need to be careful as to how we manage them in the future. Thank you.

HALLORAN: Thank you, Mr. Davis. Questions from the committee? Questions? Seeing none, thank you for your testimony.

AL DAVIS: Thank you.

HALLORAN: Additional proponents to LB735. Welcome again.

JOHN HANSEN: Chairman Halloran and members of the committee, good afternoon again. For the record, my name is John Hansen, J-o-h-n, Hansen, H-a-n-s-e-n. I'm the president of Nebraska Farmers Union. I have some knowledge about most of agriculture, which is handy to have if you're the president of a general farm organization. And like most things, I know just about enough to be on the dangerous side. But I did grow up with bees and that our farm had a very nice half mile shelter belt and a nice pasture that was protected and a farm pond that was right next to it. And we grew a lot of alfalfas and a lot of clovers, and we sold and we harvested red clover seeds, sweet clover alfalfa seeds, and we had lots of bees and we were paid in honey. It was, as you could imagine, Mr. Chairman, a sweet deal. So you also became aware that the bees were very sensitive to changes in the neighborhood. And so when the pasture across the road got torn up and our neighbors started changing their agricultural practices, that-- the honey production went down, the number of bees went down. So there's certain things and certain crops in our state that are--

they're really fragile, but they're kind of an important part of agriculture in our view. So if you look at the-- the unfortunate situation with a bunch of our wineries that just finally had to throw in the towel and say we can't continue to outrun the-- the herbicide drift, and then we keep losing too many-- too many grapes over and over again as they did the plantings, that's not a good sign. That's not a good neighbor policy. So bees are in this category that at least I view as really essential, yet really fragile. So the part of this bill that-- that stuck out to me was the idea of creating a work group, which I thought was a good idea of the expertise at the University of Nebraska, working with the beekeepers to try to identify what's going on. I have a lot of friends who keep and members who keep bees. They have not had good luck in recent years. There's been an awful lot of die-offs over the winter. And so what's going on in our environment? What can we do better? How can we be better neighbors? But it's obvious to us that these bees are essential to a healthy agriculture and that we ought to be looking for ways that we could sort of harness the expertise that we already have and start looking at things in a more thoughtful and problem-solving way. And of course, on all of these things relative to the beekeepers, I know enough of them to know and I have enough of them as members to be able to say that they're-- they're not unlike the rest of the folks that I work with in my organization. They're a pretty darn independent bunch, Senator Holdcroft. They're very independent. And I would, if anything, say that we need to have more different sized beekeepers involved in this effort because I think they are all important, but they all have different challenges and different perspectives. And we weren't in support of Senator Brewer's bill that he brought several years ago. And it-- there are-- there are some of the problems that exist in this area that are not just from insecticides and herbicides. It's also from some of the-- the larger beekeepers who-- who do take advantage of their size and the local spots. And where there's good areas, there's fewer of them, and so the good areas are highly sought after. With that, I would end my testimony.

HALLORAN: OK. Thank you, Mr. Hansen. Questions from the committee? No, seeing none, thank you, sir.

JOHN HANSEN: Thank you.

HALLORAN: Next proponent to LB735. Good afternoon.

BILL HAWKINS: Good afternoon, members of the committee. My name is Bill Hawkins, B-i-l-l H-a-w-k-i-n-s. I'm a lifelong Nebraskan and I'm an organic farmer, and I homesteaded an old homestead over 40 years

ago, just north of Lincoln. And I became a beekeeper. My neighbor and I, we had 5 to 7 hives for maybe 5 to 10 years. And one of the sweetest treats of being a beekeeper is when you take the hot knife and cut the cap of the honey off and you get that hot rolled up wax of honey and you pop that into your mouth and it's just a sugar rush like you can hardly ever get. With the decline of probably coincided with increased pesticides and stuff and I also learned of sometimes there's not the best beekeepers because across the road from me I discovered abandoned probably 20 hives that because my hives had become infested and destroyed by wax worms, I found these 20 abandoned hives full of wax worms. And so from then on, it was hard to reestablish my hives. And so for the last probably 30 years or so, I haven't really been a beekeeper. I've been wanting to get back into it. But we have a hard time getting hives to survive, new introduced hives, because you have sometimes queens that aren't as hardy as they should be. Or maybe they're not the hardiest bee genetics that we could have here in Nebraska. And as you know, when it drops down to 40 to 60 below windchill factors, it's hard to keep hives alive here in Nebraska. And-- but I've run into a beekeeper who is very into his genetics, it's by Branched Oak, that I'm looking at getting. He's really into his breeding of queens and the hardiness of our bees. Over the decades, I've had one hive that has survived in my old house probably for 10, 15, 20 years without any being treated for the mites or any other of the diseases. So I really want to thank Senator Blood for introducing this bill and having the forethought and common sense to understand that without bees and pollinators we don't have food. And so we really need to look at our-- in our agricultural state to protect all pollinators. And on my 50 acres, I've got over half of it is tallgrass prairie, the rest is woods and overtaken with cedars. And I have more diversity of insect life than any other place around. My firefly content is ten times what other pastures are when you look at a summer night and watch all the flashing. And so we need these islands to help protect our pollinator species and other wildlife that go with that. And so having Senator Blood looking at this issue, I just want to thank her and her staff for looking at this, because apples, a lot of crops, alfalfa needs to be pollinated by pollinators. And there is a province in China that wiped out all their pollinators, so they have to hand pollinate all their pear crops. They have to go to a province to the south, collect pollinator wood-- pollen, bring it up and pollinate all of their pear crops. So we need this here in the state of Nebraska. So again, thank Senator Blood, and I appreciate your time on this real important issue in front of the Ag Committee. So thank you very much and I would gladly take any questions.

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HALLORAN: Thank you, Mr. Hawkins. Questions from the committee? Seeing none, thank you, sir.

BILL HAWKINS: Thank you very much for your time.

HALLORAN: Additional proponents to LB735. Seeing none, are there opponents to LB735? Opponent. Good afternoon. Welcome.

BRAD PLANTZ: Good afternoon, Senator Halloran. After listening to Senator Blood, Dr. Judy Wu-Smart, as I read my prepared statement, you'll understand that the version of this bill that I read is very different than these amendments. But that's also the crux of my opposition to it, is the lack of preparedness, if you will, of the bill. I'm going off script now, so let me go ahead and go through my script and-- and we'll go from there. So, again, Senators, thank you for this opportunity to testify. My name is Dr. Brad Plantz, B-r-a-d P-l-a-n-t-z. After 35 years in academic and bioindustrial position, I chose early retirement. Pursuing hobbies alone is not an acceptable retirement, so my wife and I decided to start a small business, Country Road Bees. This spring will see 18 hives spread around several locations in northwest Saunders County. We hope to expand to 50 or more hives within a couple of years. Side note, after the way my back feels over a few weeks, I don't know if I'll make it. Dead bees don't produce honey. That's a fact. No doubt the intent of this bill is to minimize dead bees. Unfortunately, the road to hell is paved with good intentions. My first impression of the bill was that of a poorly written draft. This impression was further enhanced when I spoke to both Dr. Wu-Smart and an aide to Senator Blood. Too often their response to questions were, we didn't think of that or that's a good point. We can amend the bill at a later date. The bill as written, and that is how it must be evaluated, is poorly thought out, ambiguous, open-ended, and poorly written. Its passage could result in more harm than good. A bill must be voted up or down by what is written, not intent or what it could someday be. Again a quick aside, I don't know how the legislative process works. All I know is the publications that I've put out, final drafts have to be quality. But that was an aside. Anyways, my four leading concerns: one, the work group created by the Department of Agriculture does not include beekeepers, notice the change, only academicians. While I do not expect beekeepers to do basic research into bee mortality, neither do I expect academicians to fully appreciate the nuance, needs, and challenges faced by beekeepers. Two, the Nebraska Stewardship Program will mandate-- will mandate registration of hives, but mechanisms and fees, if any, are not defined, to which I have several questions that neither Dr. Wu or Senator Blood's aide could answer. Again, this was last week. I move

hives to several locations, sometimes for a couple of weeks, sometimes for the season. Will each hive need to be registered every time it is moved? Additionally, it is common to have hives that exist for a month or two for queen breeding, apiary expansion for what are called resource colonies. Are they registered? Fees are not mentioned. Will there be a registration fee? If yes, how will it be structured? If not, what is the funding mechanism for the program? While public database may seem innocuous, again, change from what they stated, now public knowledge of hive locations is not a good thing. It makes for easier theft of hives, and I've included a couple of references of recent-- recent thefts or a competitor to poach ever decreasing parcels of prime honey land. Three, little verbiage is spent stating what the word product will be. Other than looking into chemical harm done to the bees and tracking colony locations, what are the work products? What are the benefits to both the consumers and the producers? Beekeepers should contribute to specification of word product-- work product. Models exist for this. They're called commodity checkoffs. Four, what oversights will be in place to prevent overreach of proposed regulations? Most of my professional career was in food and pharma, so I understand why regulations are necessary. I also understand when those regulations can become unnecessary and burdensome. The bill is written-- as written is so open-ended that overreach by the work group is a real possibility. For these reasons, please vote no. Thank you for your time.

HALLORAN: Well, thank you, Mr. Plantz. I'd like to say you look familiar, but it's been a long--

BRAD PLANTZ: Been a long time. Al's I think funeral was the last time.

HALLORAN: I think it was. Stick around afterwards. Questions from the committee? Yes, Senator Hughes.

HUGHES: Thank you, Chairman. Thank you for coming in. And I have to say, I love your little shirt. It's very cute.

BRAD PLANTZ: Thank you. Never miss an opportunity for a sale.

HUGHES: Hey, advertising. You mentioned a checkoff.

BRAD PLANTZ: Yeah.

HUGHES: Do other states have beekeeper checkoff programs?

BRAD PLANTZ: I don't know about beekeeper checkoff programs. This is more in reference to select things like the Corn Board, Soybean Board.

HUGHES: Right.

BRAD PLANTZ: Those sorts of checkoffs. I do know other states, many states, and they're very much correct, do have programs similar to this. I was thinking about bringing along an example from the state of Washington, a senate bill where it's very similar to this, actually broader. But it is-- it's more detailed and specific who's going to be on board. It's not naming names, but, you know, members from the tribe represent-- from the various tribes, the beekeepers, academicians. You know who's going to be on the board. And it gives very clear target for what's to be delivered. This bill, unless I'm mistaken, does not actually address things like pollinator ground and land like this. This is about why are bees dying, again, mostly from chemical. And then this notion of registering beehives, which I'm not opposed to. And I'm glad you've made the change to make it private because public does concern me. I'm not opposed to that. But this is-- their changes are the crux of my opposition. Yeah, I don't know how the process works, but this seems like a heck of a lot of changes for a bill that's going to be voted yes or no. Maybe that's how the process works.

HUGHES: Well, again, thanks for coming in. And I'm curious, have you had any of your colonies die off or issues with that?

BRAD PLANTZ: Oh, sure.

HUGHES: And what was your-- was it mites or was it, like what issues did you have?

BRAD PLANTZ: Well, mostly it was poor management on my part. So, yes, mites. I've actually had bees last year on some property near me that-- and I did my proper work. Chemicals are definitely a problem. Let me back up a little bit more. I'm a biologist by training, so bee death is definitely related to mites. It's related to poor nutrition. It's related to chemical pesticides. It's death by a thousand cuts. So their work is critical. I really do want Judy to have her department because what are killing bees? It's not just one thing. It's a accumulation of things. And her work is critical. I just don't think this bill is [INAUDIBLE]

HUGHES: You don't think it's ready yet.

BRAD PLANTZ: Pardon me?

HUGHES: This bill maybe isn't ready yet is what you're saying.

BRAD PLANTZ: I don't think so.

HUGHES: OK. Thank you for coming in.

HALLORAN: OK. Thank you, Senator Hughes. Any additional questions?
Senator Ibach.

IBACH: I just have one. Thank you, Mr. Chair. So my knowledge of beekeeping is limited to the Nebraska State Fair, but-- because when you walk by, they grab you. You can learn lots of things. And we do have beehives on our property and we get paid in honey, which is a welcome box on my back step.

BRAD PLANTZ: Yeah.

IBACH: It's a really sweet deal. I don't want-- I don't want to jeopardize that. So I'm not going to divulge my location. Anyway--

BRAD PLANTZ: Oh. Is it anywhere close to North Bend?

IBACH: No.

BRAD PLANTZ: Ah.

IBACH: Sorry. So where-- where are the majority of bees in Nebraska?

BRAD PLANTZ: I-- you know.

HUGHES: We don't know because there's not a registry.

BRAD PLANTZ: I don't know. I-- somebody else is going to have to-- Buzz, I see Buzz back there. He's going to know more.

IBACH: We don't know because we don't have a registry. Right?

BRAD PLANTZ: Yeah.

IBACH: OK.

BRAD PLANTZ: And from-- yes, that's true. We don't have a registry.

IBACH: OK. So knowing Senator Brewer's past attempts to do something like this and knowing Senator Blood's attempt to doing this, is this a program that can work?

BRAD PLANTZ: Absolutely.

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IBACH: And-- and should work?

BRAD PLANTZ: Absolutely.

IBACH: OK. Thank you. That was my question. I appreciate your input very much.

BRAD PLANTZ: You bet.

HALLORAN: Thank you, Senator Ibach. Additional questions? Seeing none, thank you, Mr. Plantz.

BRAD PLANTZ: Good to see you.

HALLORAN: OK. Are there additional opponents to LB735? Now, if this guy's name is Buzz--

HUGHES: That's what they said.

HALLORAN: OK. Welcome.

BUZZ VANCE: Yes. Buzz Vance, B-u-z-z V-a-n-c-e. I've been a beekeeper since '81, so it's been a lot of years. And I remember the Department of Ag's Apiary Registry program from years back, which was defunded and done away with probably in '08, 2008. But like many of the state apiary programs, it was for the management of infectious diseases as its primary focus. And when a-- American foulbrood, a very infectious disease, was more common, there was a need for that program. And with the registry of hives, it was based on here a small beekeeper with 1 to 6 hives you had a flat \$5 fee. If you had more hives, you paid another fee. If you were commercial, you had another. So it was a structured fee system that kind of took into consideration the small person versus the big beekeeper. Department of Ag has not had a state inspector since I think around '08, and so we have had no registry of hives. We don't know who has hives. We don't know where they are. So we can't answer those kinds of questions. Yes, there is a Nebraska Beekeepers Association, but the bulk of the members of that are younger beekeepers who are there for information. It's-- it's in a sense more of a hobbyist type club than it is a association that would be for the commercial beekeepers. That's not, you know, it's not limiting who's participating. But the reality is that the big boys are not participating. The Department of Ag right now does not have until just the recent hiring, I understand, just the next-- this past week or two, there's actually been someone with an entomology background who is the State Entomologist. We haven't had an entomologist as a State Entomologist for many years. We finally have one. She's brand

new to the position. She does have a background with bees, so she has an understanding of some of those issues; but the state has no staff to do inspections, no telephone, no computer, no chair, no vehicle, no gas money. There-- there are no resources to go do an inspection. The hive registry system that was brought up, the CropWatch, that program is not just Nebraska. It's a regional registry and so there are guidelines. One of the guidelines on there is that the hobbyist that is not selling honey can register on the CropWatch registry. You have to be commercial. And they have lowered the definition of commercial to the point it's not the guy with 1,000 hives or 500 hives. It's anybody who's selling honey. So if you have two hives and you're selling honey, you can actually register as commercial, but the bulk of the hobbyists do not. So there are some registry issues with that system. So the state would perhaps need to develop a new registry type program or database. And then there's no computer, there's no staff, there's no one answering the phone. There's just no resources in the Apiary Fund. So in terms of the asking the Department of Ag to handle a new committee with-- with nothing in place, I-- you know, I-- I'm not opposed to many of the concepts of protecting the bees and trying to come up with information that would be helpful to us. But there's no structure to-- to help this move forward. And that's just one of the realities.

HALLORAN: All right. Thank you.

BUZZ VANCE: And I've had in terms of losses of bees or I guess I'm out of time.

HALLORAN: We'll ask you--

BUZZ VANCE: I've lost hundreds of colonies of bees over the years, 95% likely from varroa and the diseases they carry. There are many issues other than pesticides.

HALLORAN: Stick around. Might have some questions, but thank you for your testimony. Senator Raybould.

RAYBOULD: Yes, Mr. Vance, thank you so much for testifying. I do want to ask you questions. You said-- you started to say 95% of your hive losses were due to--

BUZZ VANCE: Viruses carried by a varroa mite.

RAYBOULD: OK. So it's that nasty mite that is the destructor, right?

BUZZ VANCE: Yes, varroa destructor.

RAYBOULD: So have you ever had incidents of herbicides or pesticides, insecticides?

BUZZ VANCE: Well, I have one that I know of--

RAYBOULD: One, OK.

BUZZ VANCE: --in those 40-plus years, and that was vandalism. I had a row of hives and the one right by the road and I just happened to walk in probably hours after it happened. I watched the bees chittering and the nerve damage caused by and I'm convinced someone just walked by my hives and sprayed something at the entrance or did something. It was not due to some neighbor issue. It was just-- it was an act of vandalism. That's the only one I know for sure. There's degrees, OK. A sudden pesticide kill, you'll see thousands of dead bees laying in front of a hive. That I've not seen. There are not that immediate kill, that sickening or a weakening of the hive and members of the hive. They just are not up to par. If you're sick and you're operating at 80 percent, 70 percent, you just don't do well. And colonies suffer from not being killed by the pesticide, but being impacted in other ways. The adults are not navigating well. They're not foraging well. They're not feeding their brood well. It's just more of a sick, nonfunctional, nonproductive impact that you have with your bees.

RAYBOULD: But they--

BUZZ VANCE: So there's a gray area.

RAYBOULD: OK. But they do recover and rebound after an episode, something like that. And they kind of get back to work at their full strength and.

BUZZ VANCE: Well, nutrition helps, but sometimes it requires introducing new-- new bees into the equipment and starting over, yeah.

RAYBOULD: OK. Thank you.

HALLORAN: Thank you, Senator Raybould. Any questions, additional questions? All right. It's been quite helpful, appreciate it.

BUZZ VANCE: Thank you.

HALLORAN: Additional opponents to LB735? Seeing none, anyone in the neutral capacity for LB735? Seeing none, Senator Blood. Before-- before you start, Senator Blood, we had 23 online comments submitted: 21 proponents and 2 opponents.

BLOOD: Not bad. So let's see if we can unpack all of this. I didn't write down all of the concerns, but I hope my memory is good enough to address most of the concerns. So actually, Dr. Plantz is actually correct. The bill was kind of a mess. If you look at it, you'll see that we-- it's LB735. We received it in our office on January 18. We all know we have ten days to drop our bills. This was the first time this has ever happened. We had turned it in very early and kept waiting for it, waiting for it, never got it. And there is something that happened, and we don't know if it was computers, IT or what. But while we were waiting, waiting, waiting for the bee bill, nobody was writing it. So we had to do a rush job on it. When it came back, it was not perfect and we knew it was not perfect. But as we also know, I know Senator Brewer had a bill, I think just last year or the year before, where it was basically totally rewritten. And that is something that does happen. It's unfortunate Dr. Plantz talked to my-- basically my office manager as opposed to our legislative aide or myself, because I think some of the answers would have been very different that he had received and he would have been told that we indeed were planning on amending this. As many of you know, I ran the Bellevue Farmers Market for seven years. This will be the first year that I'm stepping back from doing it. And I've worked with many beekeepers and worked with them on this bill and others. And we did hear their concerns that they wanted to be included in the process and well they should be. And you heard the benefits of knowing about what's going on within the bee population. There are some things that I want to point out, though. In reference to the fees, you notice how we left that part blank for a reason because we feel it should be up to the committee and to the Department of Ag to decide if indeed there should be fees and the amount that should be. The one thing that I have learned, I go back to my drone bill. I was-- I thought I had the best bill ever when I had a drone bill, and that was because we knew that we had drones that were chasing and scaring cattle. We had drones in Sarpy County that were actually Peeping Tom drones. And I tried to do a very comprehensive bill and it was the hobbyists that came out that basically crashed the bill. And because of that, we're still having the particular drone issues that will never be addressed and people will have cattle that are injured and people will have potentially photos of their children in-- in the nude or, you know, things that are really kind of terrifying because w--e we couldn't come to terms on something that could have been more simple. So-- and I kind of feel that that's where we're at as well. And I have to say, I respectfully disagree with Senator Holdcroft that this is not mostly about pesticides. We talked about pesticides in the introduction, but the bill says very clearly the task force shall analyze the health and

productivity of bees, including reducing chemical exposure, increasing habitat and forage and refining bee and land management practices. That's what it's in reference to when we talk about the task force. So, yes, we did use examples that pertain to pesticides because right now that's the most recent knowledge of a lot of beehives that were definitely influenced by chemical exposure. And also this bill is to set the parameters of what our expectation is when these two-- when these group of experts that get together and when they form the stewardship program. So knowing that there is indeed beekeepers that are a part of this group, we know that it's going to address the hobbyists. We know it's going to address what's going on corporatewise. But here's the thing: If we never do this, we have zero data, period. And I-- and I'm going to speak with you, Senator Brewer, and I know that you will come down on me if I speak out of turn. But I am sick and tired of kicking this can down the road. We've got to do something. This puts into-- into motion a framework where we can have a group of experts decide what data we need, how we're going to get that data. The Department of Agriculture is not here in opposition, and you may or may not have a letter. To my knowledge, I don't think you do. And it's because we're in an exploratory phase, but we have some great experts. And to be really frank, I'm concerned we will lose some of our experts to other states because they're seeing the bee population definitely influenced by us, by outside things, be it pesticides, be it mites, be it, you know, people coming in from other states and bringing God knows what. And I know beekeepers, by the way, that take their bees to other states in the winter as well. So it goes both ways, but we can do a better job. This is "shall create" and it talks about submitting reports so they can move forward, establishing things. None of this is you must pay a fee of \$100. It's suggested that there be a fee. It's up to the group to decide what that fee will be. And I again don't disagree the initial bill was a mess. I agree. But we heard the concerns. We amended two different amendments to address those concerns. And we have to start somewhere. And if we don't start with stewardship and if we don't start with research, then we don't help anybody, be they hobbyist or be they corporate. And I, I feel that when it comes, especially with the young people doing the organic farming and by the way, in support of things like this are-- we are a certified monarch waystation. Our entire front yard is a pollinator yard. We have no grass. That's something we never talk about. Another reason the bees are dry-- are dying, are your beautiful, pristine lawns. You notice we don't address that in the bill then because we don't care if you keep a green lawn or not. But there are a lot of issues that we need the data for because bees are life, just like water is life in Nebraska. So with that, I think I

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addressed all the concerns that I heard. And if not, we're going to pass amendments on to the two oppositions so they can see where we came from, from the first copy to the amended copy.

HALLORAN: OK. Thank you, Senator Blood. Any closing questions from the committee? Seeing none, I appreciate it.

BLOOD: My favorite ending. Thank you.

HALLORAN: Thank you, Senator Blood. And that draws a conclusion to the Agriculture Committee hearing for January [SIC] 21, 2023, if I could get the committee--