

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 941

Final Reading

Introduced by Schilz, 47; Brasch, 16; Davis, 43; Johnson, 23;
Watermeier, 1.

Read first time January 16, 2014

Committee: Agriculture

A BILL

1 FOR AN ACT relating to agriculture; to amend section 54-857, Revised
2 Statutes Cumulative Supplement, 2012; to provide for a
3 dairy growth study and funding for the study; and to
4 repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) On or before November 15, 2014, the
2 Director of Agriculture shall provide a report to the Legislature, in
3 electronic format, that contains:

4 (a) A quantitative and qualitative description of dairy
5 production in Nebraska, including an overview on the numbers, sizes,
6 and ownership characteristics of dairy operations in the state,
7 current quantity and value of milk production, trends in milk
8 production, and measures of productivity of dairy production in
9 Nebraska;

10 (b) A comparison of volume and value of milk production
11 and trends in milk production in Nebraska to that of neighboring
12 states and nationally;

13 (c) A listing and description of milk processing
14 facilities in Nebraska and a description of marketing affiliations
15 and final consumer markets and destinations, including self-
16 processing and direct marketing, for milk produced in Nebraska;

17 (d) An evaluation of the potential for expanded milk
18 production in Nebraska with respect to (i) the ability of
19 agricultural, institutional, and commercial assets within the state
20 to support expanded production, (ii) the capacity of instate
21 processors to utilize increased instate milk production, (iii) the
22 potential for expansion of self-processing and direct marketing of
23 Nebraska milk and dairy products, (iv) serving new or expanding
24 markets outside of Nebraska, and (v) the potential for investment in
25 new or expanded dairy processing facilities;

1 (e) A discussion of constraints to the establishment of
2 new milk production facilities, expansion of milk production, and
3 relocation of dairy operations into Nebraska;

4 (f) A review of public and private programs and
5 initiatives to stimulate expanded milk production in Nebraska and to
6 recruit milk production to relocate to Nebraska; and

7 (g) A compilation and overview of state incentives and
8 outreach and marketing programs for the recruitment or relocation of
9 dairy production and processing or the stimulation of investment in
10 new or expanded dairy production and processing for states
11 surrounding Nebraska.

12 (2) In the report, the Director of Agriculture may
13 include any recommendations to the Legislature regarding actions
14 state government may take to aid and encourage expansion of milk
15 production and markets for milk production in Nebraska. It is the
16 intent of the Legislature that the Agriculture Committee of the
17 Legislature shall hold a public hearing to receive the report and to
18 take public comment on the report and any recommendations.

19 Sec. 2. Section 54-857, Revised Statutes Cumulative
20 Supplement, 2012, is amended to read:

21 54-857 All money received pursuant to the Commercial Feed
22 Act shall be remitted by the director to the State Treasurer for
23 credit to the Commercial Feed Administration Cash Fund which is
24 hereby created. Such fund shall be used by the department to aid in
25 defraying the expenses of administering the act, to provide resources

1 to prepare the Nebraska dairy industry report as provided in section
2 1 of this act, and to aid in defraying the expenses related to a
3 cooperative agreement with the United States Department of
4 Agriculture Market News reporting program. Transfers may be made from
5 the fund to the General Fund at the direction of the Legislature. Any
6 money in the Commercial Feed Administration Cash Fund available for
7 investment shall be invested by the state investment officer pursuant
8 to the Nebraska Capital Expansion Act and the Nebraska State Funds
9 Investment Act.

10 Sec. 3. Original section 54-857, Revised Statutes
11 Cumulative Supplement, 2012, is repealed.