

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

[LB544 LB583 LB597 CONFIRMATION]

The Committee on Agriculture met at 1:30 p.m. on Tuesday, February 26, 2013, in Room 2102 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB544, LB583, LB597, and gubernatorial appointments. Senators present: Ken Schilz, Chairperson; Norm Wallman, Vice Chairperson; Dave Bloomfield; Ernie Chambers; Tom Hansen; Burke Harr; Jerry Johnson; and Steve Lathrop. Senators absent: None.

SENATOR SCHILZ: Good afternoon, everyone, and welcome to the Agriculture hearing today. My name is Ken Schilz from Ogallala, Nebraska. I'm the Chair of the committee. I will introduce the rest of our committee members. Just walking into the room is Senator Lathrop from Omaha; and we have Senator Johnson from Wahoo, Senator Bloomfield from Hoskins. And over here to my left we have Senator Wallman from Cortland and Senator Hansen from North Platte. We also have Senator Harr that will be coming in from Omaha, and Senator Chambers from Omaha as well joining us here soon. To my right is the research analyst for the committee, Rick Leonard. And then to my left is the committee clerk, Jamaica Erwin. And we have a page today, Cicely Batie, from Lexington. If you plan on testifying today on any of the bills that we have, please fill out a testifier sheet and those are available by the door. If you're presenting testimony on behalf of an organization, please state the organization's name and that you are testifying on behalf of that organization. If you're testifying for yourself, just say your name, spell your name, and mention that you are testifying for your own, personally. When you come up to the witness table, just hand your sheet...put it there on the table, we'll take care of it. And then, as I said before, we'll want you to...saying and spelling your name so the transcribers can get it correctly. There won't be any time limit on testimony today, although I would suggest that you keep your comments as short as possible to get the point across, be succinct, but be mindful that there's others in the room that would like to have the opportunity to testify as well. I'd also mention that if you plan on testifying and what your testimony is going to be was said by somebody earlier, it would be...it would be nice not to have to rehear that again unless there is something different you have to say. We ask that all persons respect and be courteous to witnesses. We don't allow any displays, verbalizing among the audience of approval or disapproval of any witnesses' testimony. At this time shut off all your cell phones or place them in a nonringing mode, and if you need to make a call, just go into the hallway; same thing with a conversation, if you need to carry on a conversation, please take that to the hallway as well. Today on the agenda we have three bills and two appointments to go through. And the bills are LB544, LB583, and LB597. And the two appointments are to the Nebraska State Fair Board, Mr. Kircher and Mr. Minert. And at this time we will invite Mr. Chris Kircher to come up, and hear his appointment.

CHRIS KIRCHER: Good afternoon. [CONFIRMATION]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR SCHILZ: Good afternoon. How are you? [CONFIRMATION]

CHRIS KIRCHER: I'm fine, thank you. [CONFIRMATION]

SENATOR SCHILZ: Good. Welcome to Agriculture Committee. [CONFIRMATION]

CHRIS KIRCHER: Thank you. It's Chris Kircher, K-i-r-c-h-e-r, and it's C-h-r-i-s.
[CONFIRMATION]

SENATOR SCHILZ: Thank you, and why don't you...just go ahead and see...is this a...go ahead and give us a little bit of a history of yourself and why you want to serve on this board and what you can bring to it. [CONFIRMATION]

CHRIS KIRCHER: I, actually, am not a Nebraskan by birth. I'm an Ohioan who grew up in the Midwest and moved to New York City after graduating from college and then had the opportunity to give up 14 years of living in the metropolitan area of New York to come back to the Midwest and moved to Omaha, which I've been in the last 11 years. My wife, who's a New Yorker, thought I was crazy because she didn't know what the Midwest was about. But I got to say that it's been a great place to live for us. We have three kids, one is 17, one 15, and the only native Nebraskan in the family just turned 9. And we very much enjoy being here. I work for ConAgra Foods. I don't live on a farm and haven't lived on a farm, but I have relatives who have. My daughter, in growing up, has owned three horses, so I spent quite a bit of time on farms. My background is in public relations and marketing and communications. I've had an opportunity to really get engaged in the community in Omaha in different ways. I'm president of our foundation; we do a lot of work with those in need in the Omaha area and outside of Nebraska. But in the context of all of this, I've gotten to know a little bit about the State Fair. I got to go there several times before it actually moved out to Grand Island, and then just this past year got a chance to spend some time out in Grand Island. I believe it is a great event for the state. And I think that probably there is an opportunity to get further participation and support from the Omaha area now that it's a little further west. [CONFIRMATION]

SENATOR SCHILZ: Great. Thank you, Mr. Kircher. Are there any questions for Mr. Kircher? I guess I'll start out with one. I take it that that's...your PR and communications background is what made you enticing to the State Fair Board to come on board and I would guess that's the strength that you're bringing to the table. And I know you've probably had a few meetings with them so far. Are you...do you see some opportunities there that maybe aren't being taken advantage of now but with your leadership could help move those forward? [CONFIRMATION]

CHRIS KIRCHER: I really do. I think that...you know, really the State Fair is an event that has something for everyone. But not everyone knows about what it has to offer. I think it's been great. It seems to me that this move to Grand Island has been a good

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

move for the fair. The fair seems to be pretty successful having moved there. I would imagine that folks are more inclined from groups like 4-H and Future Farmers of America to participate in a geographically more central location like that. But I also think there are ways that, maybe, to market the State Fair within more of a metropolitan area like Omaha, for other things that the fair has to offer. And that's what I'd really love to have a chance to be able to help out and do. [CONFIRMATION]

SENATOR SCHILZ: Great. Thank you. Any other questions for Mr. Kircher? Seeing none, thank... [CONFIRMATION]

SENATOR LATHROP: Other than just to comment that it sounds like my introduction to the Ag Committee when I sat down...said my daughter rides a horse, I spent some time on a farm, (laughter) I grew up in the Midwest, so they let me on, so... [CONFIRMATION]

SENATOR BLOOMFIELD: You're qualified. [CONFIRMATION]

CHRIS KIRCHER: Thank you. [CONFIRMATION]

SENATOR SCHILZ: You're not accusing him of plagiarizing or anything? [CONFIRMATION]

SENATOR LATHROP: No, no, no, no, because he's gone to three horses. [CONFIRMATION]

SENATOR SCHILZ: There you go. (Laughter) [CONFIRMATION]

CHRIS KIRCHER: Yeah, I realize that there...the expense involved. The other thing I guess I would say is, being with ConAgra Foods, there are certain issues within the agricultural sector that affect us. And I'm in charge of our corporate affairs and corporate citizenship initiatives. So there are issues like animal welfare and GMOs and other ag-related issues that we as a company a little further down the supply chain face all the time. So I have a lot of respect for the ag community and that would come to bear on my appointment. [CONFIRMATION]

SENATOR SCHILZ: I appreciate that. Thank you, Mr. Kircher. Any last questions? Seeing none, thank you for your service. [CONFIRMATION]

CHRIS KIRCHER: Thank you very much. [CONFIRMATION]

SENATOR SCHILZ: Have a good day. [CONFIRMATION]

CHRIS KIRCHER: Thank you. [CONFIRMATION]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR SCHILZ: Great, that will...now we'll move on. Are there any proponents for Mr. Kircher? [CONFIRMATION]

JOSEPH McDERMOTT: Chairman and members of the Ag Committee, my name is Joseph McDermott. I'm the executive director of the Nebraska State Fair. I'm here to testify... [CONFIRMATION]

SENATOR SCHILZ: Excuse me, sir, can you say and spell your name, please. [CONFIRMATION]

JOSEPH McDERMOTT: Joseph McDermott, J-o-s-e-p-h, last name is M-c-D-e-r-m-o-t-t. [CONFIRMATION]

SENATOR SCHILZ: Thank you. [CONFIRMATION]

JOSEPH McDERMOTT: I'm here to testify in support of Mr. Kircher. I had the opportunity to sit down with Chris for lunch. And, quite honestly, in that short time we were able to identify three areas that he can be a significant help to the Nebraska State Fair. I believe that, working for ConAgra, he is and has access to a world-class marketing program. I'm sure he has the connections within the city of Omaha to bring not only individuals to the Nebraska State Fair but also major corporations within the city of Omaha and in eastern Nebraska. And, quite honestly, that's an area that we can use some help. So I'm looking forward to having the opportunity to work with Chris over the course of the next three years. And, hopefully, we can make some significant progress in getting Omaha and eastern Nebraska involved in the Nebraska State Fair. Thank you. [CONFIRMATION]

SENATOR SCHILZ: Thank you, Mr. McDermott. Any questions for Mr. McDermott? Seeing none, thank you very much for your testimony. Further proponents for Mr. Kircher? Proponents? Seeing none, any opponents to Mr. Kircher's appointment? Seeing none, any neutral testimony? Seeing no neutral testimony, that will close the hearing on Mr. Kircher. And we will now open up the hearing for Mr. Lowell Minert. Welcome, sir. Good afternoon. [CONFIRMATION]

LOWELL MINERT: Good afternoon. My name is Lowell Minert, L-o-w-e-l-l M-i-n-e-r-t. I enjoy being here with the committee this afternoon. Just a quick background, I'm from Dunning, Nebraska; a rancher, involved in registered seedstock Angus operation. My wife, Carol, and I have three children, all raised on the ranch. Growing up, I attended high school at the University of Nebraska School of Agriculture at Curtis, which now is a tech school, but at that time it was a high school when there weren't a lot of consolidation done in the Sandhills. Went on to the university, got my degree in agriculture. At the same time, got my commission as an officer in the United States

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

Navy; served on active duty and had an opportunity to come back to the ranch and start our program of developing a registered Angus herd. I've always been involved in community, state, and local activities. Of course, served on 4-H and extension boards; was president of our school board of our K-12 district that covers more than a thousand square miles, so it's a fairly large area that we're involved with. Continued to be involved with the state level in our Angus breed, served two terms as president of the Nebraska Angus Association; served a couple of different times on the board of the Nebraska Cattlemen, and also on the board of the Sandhills Cattle Association. Through those activities, became very familiar with a lot of people involved in agriculture, especially in our...in the cattle industry in the state of Nebraska. Also had the opportunity to serve on the board of the American Angus Association for six years. And also in that capacity, served as chairman of the Certified Angus Beef Program which is headquartered out of Wooster, Ohio, which was a very gratifying experience. Those two organizations, when I was involved with them, had an annual budget approaching \$30 million. I've always had a lot of interest in our youth programs. All three of our children went through them. In the late '70s, I was involved with the State Fair Board and extension in developing a system for our market beef shows at the Nebraska State Fair that we still identify straightbred market animals. I'm proud to say that that structure is still in existence today at the Nebraska State Fair--very passionate about the development of our youth in 4-H and FFA--and I've served the last two years on the State Fair Board and have been chairman of the livestock committee. I guess the only other thing I'd like to say is, last year during our fair we had the owner of Wade Entertainment (sic-Wade Shows) spend a couple days with us. They're the ones that built the sky ride for us. And this year will also have the entertainment at the midway and so forth. First time he was in Nebraska and the first time at Nebraska State Fair; after the first day, the next morning, he reported to our short board meeting, I saw something at your fair that I don't see much in the rest of the country, I saw parents with their teenage children. He said, I don't know what you're doing, but keep doing it. (Laughter) So I guess with that I'll be open for any questions. [CONFIRMATION]

SENATOR SCHILZ: Great. Thank you, Mr. Minert, and I apologize for your name earlier. Senator Hansen. [CONFIRMATION]

SENATOR HANSEN: Thank you. Mr. Minert, is this a reappointment, then?
[CONFIRMATION]

LOWELL MINERT: Yes. [CONFIRMATION]

SENATOR HANSEN: Okay, want to make that clear. But thank you for doing this. So you've been to Curtis, have you ever been to New York City? [CONFIRMATION]

LOWELL MINERT: I've been to New York State Fair, but not New York City. (Laughter)
[CONFIRMATION]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR HANSEN: That's a great answer. That's a great fair, too, I (inaudible).
[CONFIRMATION]

LOWELL MINERT: Yeah, I helped with the Beef Council at the New York State Fair.
[CONFIRMATION]

SENATOR HANSEN: That's great. I know you've got a lot of background to serve at our State Fair and wish you the best of luck and continued success in Grand Island. Thank you. [CONFIRMATION]

LOWELL MINERT: Thank you, Tom. [CONFIRMATION]

SENATOR SCHILZ: Thank you, Senator Hansen. Any other questions for Mr. Minert? Senator Johnson. [CONFIRMATION]

SENATOR JOHNSON: Thank you, Chairman. I didn't realize...in comments here, it talks about one final term, I didn't realize there were term limits for State Fair.
[CONFIRMATION]

LOWELL MINERT: Yeah, the State Fair Board follows the term limits of state offices. And a couple years ago there were three board members that were determined were termed out. Through restructuring, as our secretary could be more specific about it, there was a determination and that's when I went on to replace Sallie Atkins that had to go off for term limits. So I replaced the last two years of her term and now I'm up for reappointment for a three-year term. [CONFIRMATION]

SENATOR SCHILZ: Thank you, Senator Johnson. Any other questions?
[CONFIRMATION]

SENATOR LATHROP: Maybe just to make a comment. [CONFIRMATION]

SENATOR SCHILZ: Senator Lathrop. [CONFIRMATION]

SENATOR LATHROP: You guys are doing something right. You know, I think there were a lot of people skeptical about the fair moving to Grand Island and being far away from the population centers on the east side of the state. And I was out there this last...during the fair this last year, and, boy, there were a lot of people there. And you're, you know, you look like you're running a first-class fair. So keep up the good work.
[CONFIRMATION]

LOWELL MINERT: Along that line, I'd just like to...you know, my background is in livestock and, obviously, I've tried to help all I can in that area. But there's a lot more to

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

the fair than just the livestock and agriculture. And I've enjoyed being involved in some of those other activities, and, as you heard Chris just before us, he's going to bring a lot to the board, as you're very diversified in this committee. [CONFIRMATION]

SENATOR SCHILZ: Great. Thank you. Any other questions for Mr. Minert? Seeing none, Mr. Minert, thank you very much for your willingness to serve, we appreciate it. [CONFIRMATION]

LOWELL MINERT: Thank you. [CONFIRMATION]

SENATOR SCHILZ: Okay, at this point we will ask for any proponents for Mr. Minert. Welcome, Mr. McClymont. [CONFIRMATION]

PETE McCLYMONT: Good afternoon, Chairman Schilz, members of the committee. For the record, my name is Pete McClymont, P-e-t-e M-c-C-l-y-m-o-n-t. I'm vice president of legislative affairs for the Nebraska Cattlemen, and we rise in strong support for our member, Lowell Minert. I won't be redundant in his experiences that he shared with you. The couple of things I will share that are important. He's a very humble man, because, I think as Senator Hansen can share with this committee, Mr. Minert is one of the more prominent Angus producers, not only in Nebraska, but in our country. He just had his bull sale and did very well, and it speaks highly of his management. He's very involved in his community. And so with that I will conclude my testimony in support of Mr. Minert. [CONFIRMATION]

SENATOR SCHILZ: Thank you, Mr. McClymont. Any questions for Mr. McClymont? Seeing none, thank you for your testimony. Further proponents? Welcome back. [CONFIRMATION]

JOSEPH McDERMOTT: Thank you. Again, name is Joseph McDermott, J-o-s-e-p-h M-c-D-e-r-m-o-t-t. I'm the executive director of the Nebraska State Fair. I am here in support of Lowell Minert's nomination. In the two short years that Lowell has been on the Nebraska State Fair Board, he has been elected to the vice chair of the executive committee and the chair of the livestock committee. And I think through the work of his livestock committee, he has made some significant changes and improvements to the livestock operations which, I believe, will allow for future growth of the livestock shows, not only in numbers, but also in improving the overall quality of our livestock shows. In addition, Lowell has some amazing contacts in the ag industry, specifically livestock, not only within the state of Nebraska, but across the country. So he's a very valuable asset to the Nebraska State Fair Board. And so, again, I'm here to support Lowell's renomination. [CONFIRMATION]

SENATOR SCHILZ: Thank you, Mr. McDermott. Any questions? Anyone? Seeing none, thank you for your testimony. Further proponents for Mr. Minert? Seeing none, are there

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

any opponents for Mr. Minert? Seeing none, any neutral testimony? Seeing none, that will close the hearing on the appointment. Thank you very much for coming. And we will move now to LB544. Senator Hansen. [CONFIRMATION]

SENATOR HANSEN: You know how to clear a room. (Laughter) Thank you, Chairman Schilz, members of the Ag Committee today. My name is Tom Hansen, T-o-m H-a-n-s-e-n. I represent Legislative District 42. Nebraska is in the midst of a multistate drought and with that our cattle numbers have declined because of pasture shortages, increased cost of supplemental feed. Nebraska has lost 150,000 head of cattle and calves since 2011. If this drought continues in 2013, Nebraska's cow numbers will reduce even more. Cow/calf operations of our region will be trying to make ends meet with fewer livestock and maintain herd health at the same time. This brings us to the importance of LB544. Bovine trichomoniasis is a venereal disease in cattle that is characterized in early pregnancy loss. That means the cow won't be carrying a calf at the end of the breeding season. That can and has caused disastrous results if cattle are not identified as carriers to neighbors and managers of neighboring herds. Symptoms of the disease are difficult to identify until it's too late. LB544 changes the reporting of such outbreaks in Nebraska. The bill will require owners and managers of cattle that test positive for bovine trichomoniasis to notify adjacent landowners of this fact. LB544 would also require that the owners and managers to submit documentation of this notification to the Department of Agriculture. If an owner or manager does not comply with the notification, the Department of Agriculture will provide notice and charge administrative cost to the owner or manager. LB544 also allows an exception from confidentiality for veterinarians when a client has cattle that test positive for bovine trichomoniasis. It is important to note here, at the end of my opening, that consuming infected animals is not harmful to humans. And that...sometimes we get those lines blurred a little bit. So we have testifiers coming behind me that will give examples...technical examples and also on-site herd health examples. So that concludes my opening. Are there any questions? [LB544]

SENATOR SCHILZ: Senator Lathrop, yes. [LB544]

SENATOR LATHROP: Senator Hansen, I'm just learning about this condition. It sounds like if a bull has this condition and is responsible for impregnating a cow, that the cow will not go to term and will lose the calf. [LB544]

SENATOR HANSEN: Not all, but some do, some lose their calf. [LB544]

SENATOR LATHROP: Can you tell us how...what the frequency is? Is that a 1 in 10? Or is it a 70 percent of the calves won't go to term? [LB544]

SENATOR HANSEN: I'm going to defer to the professional testifiers behind...one which...one is a veterinarian. He can give that...yes. [LB544]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR LATHROP: Because the next question I'm going to have is how come we don't have these animals destroyed if they have this disease and they're...yeah, they're creating calves that will never make it to term? [LB544]

SENATOR HANSEN: Two answers to that question: if a bull is tested with trichomoniasis, they will be sent to market. And the meat is fine, it is just that it causes a greater risk for the cow/calf producer to pass this on. And secondly, the cows that come home after the breeding season, they're open or generally sold. [LB544]

SENATOR LATHROP: This bill would require that the owner notify the next-door neighbor and the department. [LB544]

SENATOR HANSEN: Um-hum, surrounding neighbors all around. [LB544]

SENATOR LATHROP: What's stopping the guy who owns that bull from putting it in a trailer and taking it to the next county and not telling the guy who has the herd, jeez, my bull has this condition? [LB544]

SENATOR HANSEN: Really nothing would stop it, but it...other than it is extremely unethical. I mean, to spread that disease, that disease is very dangerous. You'll find out from some people that have actually been...their herd has been infected with it. [LB544]

SENATOR LATHROP: Okay. Because I guess my question is, does this go far enough? Should we require that the animal be destroyed or taken to market or whatever needs to happen so that he is taken out of commission? So maybe the vet can answer that for us. [LB544]

SENATOR HANSEN: I hope so. If not, I'll close and I'll answer it, but I don't want to. (Laugh) [LB544]

SENATOR LATHROP: Okay, all right. Thanks. [LB544]

SENATOR SCHILZ: Thank you, Senator Lathrop. Senator Harr. [LB544]

SENATOR HARR: Can...following up on what Senator Lathrop said, can we require the veterinarian to put a brand on the cow...or on the steer...bull? I'll get it right. (Laughter) [LB544]

SENATOR HANSEN: No. [LB544]

SENATOR HARR: No? Can't do it, play with the brand law. [LB544]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR HANSEN: No. No. Probably best not go there. [LB544]

SENATOR SCHILZ: Welcome to the Ag Committee, huh. Thank you, Senator Harr. Any other questions? Seeing none, thank you, Senator Hansen. [LB544]

SENATOR HANSEN: Thank you. [LB544]

SENATOR SCHILZ: Okay, any proponents for LB544? Come on up. Welcome. [LB544]

RUSTY KEMP: (Exhibit 1) Thank you. Good afternoon, Chairman Schilz and members of the Ag Committee. My name is Rusty Kemp, R-u-s-t-y K-e-m-p. My family and I are fourth-generation ranchers from Tryon, Nebraska. I dropped the fifth generation off at second grade on the way down here this morning. On behalf of the membership of the Nebraska Cattlemen, I testify in support of LB544. I'm also presenting written testimony in support of LB544 from Nebraska Farm Bureau. I want to thank Senator Hansen and Senator Davis for bringing this issue to the Ag Committee for your consideration. This issue is of significant importance to the Nebraska Cattlemen; board of directors designated LB544 as a priority. I would like to visit with you as to why Nebraska Cattlemen think this bill is needed. At this point I would like to share some of my background on trichomoniasis. I'm a little taken aback here, I haven't been in this building since 1988 when I was here for Boys State and Senator Chambers came and spoke to us. (Laughter) That was some time ago. Trichomoniasis is a really insidious disease. The scary thing about it is you sometimes don't know you have it until you're financially, potentially, in ruin. Up to...or...you know, it varies, your rate of infection, but, generally, if you get it, half of your cows are open. And I don't care what business you're in, if your production costs stay the same and your revenues are cut in half you're in trouble. And as ranchers, we're kind of in a...we have a lot of money invested in land and cattle and we don't have the highest rate of return. And it takes a long time to make up that much of a financial hit. You know, I right now have \$400,000 worth of bulls. And if this disease...if I get infected, we generally would have to probably euthanize half of those. Well, that's a tremendous...tremendous financial hit. This bill, I feel, is very important. We have a lot of perimeter fences with neighbors, and we've got some darn good neighbors and then we've got people that live next to us. And some people are good managers; some people are poor managers; some people have the utmost ethics; and some people's ethics are questionable. And this disease could potentially put me out of business. And if it's...if I've got four strands of barbed wire between me and something that could put me out of business, it would be really nice to know it's there. If we know it's there, there are some management practices we can implement to mitigate the risks. We can move our cows to another part of the ranch; we can put only cows that are confirmed bred on that border; we can put yearling steers on that border. But the important thing is knowing it's there, because once you have it, it's too late, and then it could be potentially spread too. And this bill would...you know, I guess I want to state, most people are going to do the right thing and notify their neighbors, but not everybody

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

does. And this would be a little incentive for some other people to do the right thing. And people sometimes don't tell their neighbors, for various reasons. Sometimes it's financial, they want to...you know, there's been cases, they don't want to take that financial hit, so they'll sell their cows. It's a really crummy thing to do to sell a bunch of infected cows to somebody, but it happens. Sometimes they're shipped out of state. And some people, you know, think there is a stigma that, you know, we all take a lot of pride in our animals and nobody wants to admit that they've got that in their cow herd. And, you know, to which I'd say, you know, you don't have VD, your cows do. So it's...but that's...you know, there are several reasons why people don't report. And we're talking about a small percentage of people that don't report. Most people will do the right thing, but unfortunately sometimes these bills have to be put in place for the minority that doesn't do the right thing. [LB544]

SENATOR SCHILZ: Thank you, Mr. Kemp. [LB544]

RUSTY KEMP: And I'd be happy to answer any questions. [LB544]

SENATOR SCHILZ: Any questions? Senator Johnson. [LB544]

SENATOR JOHNSON: Yeah, thank you, Chairman. I'll just follow up, does this bill go far enough? Looks to me like maybe mandatory or some other procedures need to be in place? [LB544]

RUSTY KEMP: This is a good start. I don't know if that is germane to this issue. We've looked at some other things. I don't know if that's got industry support right now. It gets...if it goes farther, things can get a little sticky. You know, there's a lot of unintended consequences. But this, you know, for our purposes here, I'd say this bill is tremendously important. As I said, if there is something that's going to put me out of business right across the fence, I really need to know. So as to whether this goes far enough, that is open to question and there might be some other things we would want to do, but I would strongly urge you to support this bill now. [LB544]

SENATOR JOHNSON: Thank you. [LB544]

RUSTY KEMP: Yes, sir. [LB544]

SENATOR SCHILZ: Thank you, Senator Johnson. Any other questions? Senator Hansen. [LB544]

SENATOR HANSEN: I'll ask one. Thanks for coming all the way down here, Rusty. Do you want to go into that...the next step? I mean, if...that maybe isn't industry approved, but what are the next couple of steps? [LB544]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

RUSTY KEMP: Surrounding states...and I'm...I...this is just me talking here, I don't have a lot of documents with me, some surrounding states mandate that when bulls go to the sale barn, that they cannot go back into the country. A lot of problems we run into is most of your responsible, better managers are going to buy your bulls, a virgin bull, from a reputable seedstock operator. Some people will just go to the sale barn and buy the bull I'm done with. And that's where we run into a lot of trouble, because that bull is in town for a reason. He's got a bad attitude or he liked to jump fences or...and so I guess, to make that brief, South Dakota, I believe, has a...has some statutes where bulls cannot go back to the country. They go into a state-inspected feedyard. And they do that with a lot of their open cows up in South Dakota, too. I know they do not have this bill. And it would be...this would be a good question for the gentleman following me because he made the comment that South Dakota, a lot of the producers would really like this bill that we're talking about here today. But for us to do...take the next step which would...if we really want to tackle this disease and clear it up, it would take some funding. We're going to have to have state-inspected feedyards and you're going to have to pay somebody to go inspect it. And I understand that funding is a little hard to come by down here right now. So, but, yeah, there are some more steps, if you really want to clean this up, that we do need to take. [LB544]

SENATOR HANSEN: Thank you. [LB544]

SENATOR SCHILZ: Thank you, Senator Hansen. Senator Lathrop. [LB544]

SENATOR LATHROP: I have one question. What's the possible unintended consequence of prohibiting these things from anybody who knows that their animal is infected...from having them sold to someone for purposes other than, maybe, feeding them and having them destroyed or slaughtered? [LB544]

RUSTY KEMP: There are some people in the industry that are afraid that that's going to diminish the value of their animals. The cows...a cow can generally be cleaned up; the bull absolutely needs to be destroyed. An infected cow can be cleaned up and... [LB544]

SENATOR LATHROP: And by that you mean give them some kind of an antibiotic to get rid of the (inaudible). [LB544]

RUSTY KEMP: Actually, give it time, generally 60 days. [LB544]

SENATOR LATHROP: What about the bull, though? If somebody takes it to the sale barn, doesn't tell anybody, and the next guy comes along and says, well, there's a bull, I need one. [LB544]

RUSTY KEMP: That bull, there...that bull, in my opinion, should be mandated

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

destroyed. [LB544]

SENATOR LATHROP: So do we need to amend this and do that? [LB544]

RUSTY KEMP: In my opinion that would be great. But that was going to take some funding. The... [LB544]

SENATOR LATHROP: Why is that going to take funding? Can we just say, you're done walking your bull around and trying to sell its goods to the neighbors? [LB544]

RUSTY KEMP: It might not take funding, sir, but enforcing that is the question. And I don't know if... [LB544]

SENATOR LATHROP: If I have an infected bull and I take it out to your herd and I don't tell you, I know that it's infected and I don't tell you, and you lose a bunch of money, don't you think you can sue me for turning that thing loose in your herd? [LB544]

RUSTY KEMP: Yeah, there's...yes, there would be some liability issues. What I was speaking to is, right now all the confirmed infected bulls are destroyed, as far as I know. What I was speaking to, Senator, is, a lot of bulls...when I am done with a bull, I'll take him to town and a lot of people will buy that used bull and take him back to the country. In my opinion, that would be helpful if that was stopped. They're not necessarily infected, but that's high-risk behavior. And so that's what I was speaking to, sir, that that's difficult to enforce. But as the...the confirmed infected ones, yes, there would be liability issues, sir. [LB544]

SENATOR LATHROP: All right, thank you. [LB544]

SENATOR SCHILZ: Thank you, Senator Lathrop. Senator Wallman. [LB544]

SENATOR WALLMAN: Thank you, Chairman Schilz. Yeah, thanks for coming down here. In regards to the infected bulls, how much does it cost to check that? [LB544]

RUSTY KEMP: I believe about \$30 to \$50 per test. The gentleman following me would be able to tell you. [LB544]

SENATOR WALLMAN: Okay. [LB544]

RUSTY KEMP: It's a real hassle. They don't like it very much. You have to test them three times. [LB544]

SENATOR WALLMAN: Three? [LB544]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

RUSTY KEMP: And my veterinarian has told me, even after testing them three times, you may not find that they are infected. This is a really troubling thing about this disease, is it's very hard to detect. If an animal is sick, normally we can look at that animal and just observe that it is sick. And with this trichomoniasis you can't tell, they otherwise look perfectly healthy. So that's the really tough thing, is detecting it. So why I am really in support of this bill, sir, is if we know it's there, we need to let everybody know. [LB544]

SENATOR WALLMAN: Okay, thank you. [LB544]

RUSTY KEMP: Thank you, sir. [LB544]

SENATOR SCHILZ: Senator Harr. [LB544]

SENATOR HARR: Thank you. This bill says that if the owner doesn't notify, that the department shall notify. What is a good turnaround time for that notification, in your opinion? [LB544]

RUSTY KEMP: That day. [LB544]

SENATOR HARR: What's that? [LB544]

RUSTY KEMP: That day. [LB544]

SENATOR HARR: That day. So you'd be okay with five business days, then? [LB544]

RUSTY KEMP: Yes. [LB544]

SENATOR HARR: Okay. [LB544]

SENATOR SCHILZ: Thank you, Senator Harr. Any other questions for Mr. Kemp? Seeing none, Rusty, thanks for coming in today, appreciate your testimony. [LB544]

RUSTY KEMP: Okay. [LB544]

SENATOR SCHILZ: Thank you. [LB544]

RUSTY KEMP: Appreciate it. [LB544]

SENATOR SCHILZ: Next proponent. Welcome. Good afternoon. [LB544]

LARRY WILLIAMS: (Exhibit 2) Good afternoon, Senator Schilz and members of the committee. My name is Larry Williams. I am a retired veterinarian. I practiced 17...can

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

spell my name, L-a-r-r-y W-i-l-l-i-a-m-s. I'm a retired veterinarian. I practiced 17 years in north central Nebraska in a cow/calf practice. I spent two years as a USDA APHIS veterinary field officer at North Platte and 17 years with the Nebraska Department of Agriculture as state veterinarian. So I've been involved in the animal health business for a few years, even longer than Senator Chambers, I think. (Laughter) He didn't catch that. My birthday is before yours. Today I'm representing the Nebraska Veterinary Medical Association and providing testimony for them in support of LB544. As a member of the association, I'm also a member of the NVMA legislative committee and the NVMA ad hoc trichomoniasis committee. Both committees are keenly interested in any legislation introduced to control bovine trichomoniasis in the state. In your handouts there is a brochure...or a poster that the NVMA ad hoc committee had a lot of input into developing that and getting support to do the printings, and the cooperators are listed on the bottom of the brochure. In recent years, cattle producers and their herd veterinarians have been perplexed because access to information regarding the whereabouts of the trich-affected herds in their respective areas was not available to them. Confidentiality laws prevented veterinarians from releasing information about the disease in their clients' herds. Likewise, the Veterinary Diagnostic Laboratory was bound by similar restrictions, and the Department of Agriculture could not reveal names or locations for a disease which was not covered by statute and regulations. So bovine trich became another STD that no one would talk about. Although this legislation offers a seemingly modest approach for controlling trich in Nebraska, we believe it will have a significant and positive influence on how producers and veterinarians manage the disease. With disease control programs, one of the most difficult parts is finding the disease. To address that matter, regulated diseases such as brucellosis and tuberculosis are often driven by case-finding surveillance programs which require change-of-ownership testing at the expense of the producer and slaughter testing which is done at the expense of the taxpayer. When an infected animal is identified, the herd is generally quarantined and there are usually specific measures mandated to clean up the herd. These type of disease control/eradication programs can be effective, but are very expensive to implement. For instance, the tuberculosis program is one of the early national eradication programs, and it started in the early 1900s and it is still in business today. The problem with many of the eradication programs is that there is funding and support for the disease as long as it is causing an effect, but when that percentage gets down to 2 percent or 3 percent of tested herds, then the interest declines, the funding goes away, and so now we're faced with TB raising its ugly head again in the cattle herds in the United States. Brucellosis program started in the beginning in the '30s, with the national programs in the early '50s, and Nebraska received their brucellosis-free status back in 1995, I believe it was. But there is still brucellosis in the wildlife in the Rocky Mountain areas, and so herds...cattle herds that are close to those areas are continuing...occasionally become infected. So it's not an easy situation to eradicate a disease. Bovine trichomoniasis is different from most regulated diseases on several levels. It's not highly contagious; it is not transmitted to humans, as brucellosis and TB were; and the incidence in the state is low, so the economic impact, generally, is low, as

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

far as the overall state plan. It is, however, very costly to the producer who is unfortunate enough to have it diagnosed in his herd. And as you heard before, up to 50 percent of the calf crop can be lost if it is not diagnosed early. By simply knowing where the disease is located, producers and their herd veterinarians can be better prepared to take preventive measures to minimize exposure or take corrective action if exposure may have occurred. Trich is a disease which can be controlled by good management practices. It can be managed to prevent the disease from entering the herd and it can be managed to clean up affected herds. We believe this legislation provides an important key for veterinarians and producers to control the disease and it raises trichomoniasis to a level that producers and veterinarians can, and should, talk about it. And it was mentioned before, in a perfect world we wouldn't need legislation like this; people would report to their...report the situation in their herd so that their neighbors could take corrective actions, preventive actions, but, unfortunately, that's not the case. Some people, as you heard earlier, don't report. Good fences make good neighbors, and everyone doesn't have good fences. I would suggest one amendment which would require the form that was mentioned in the...54-742(3)(b), suggest that that form be developed by the Department of Agriculture and require that the names and contact information for the persons contacted be included. And the form should also require the affected herd history for the past 12 months, such as the animal movements into and out of the herd and the herd movements' locations. That information could also be included on plat maps so it would be easier to track. These changes would ensure that the departments get necessary information in the format they need and would provide a basis for disease tracking in the state. And I'd just like to mention a question that came up earlier about, you know, why are these people allowed to move infected animals? There is a statute already in place, it's 54-751, it says: it shall be unlawful for any person to violate...no, that's not it, it's 750: it shall be unlawful for any person to knowingly harbor or sell or otherwise dispose of any animal or part thereof of any infectious, contagious, or otherwise transmissible disease, except as provided in these other sections. So if a person knows they have disease in their herd, they cannot take those animals to the sale and sell them without identifying what the problem is. One of the problems in the sale mart...at the auction market is, even if an owner takes the bull...wants it to go to slaughter only, once that animal is sold, it belongs to the buyer and the buyer can do whatever he wants. Some states have a provision that will track that animal on to slaughter. But we don't have that situation in Nebraska at this time. [LB544]

SENATOR SCHILZ: Thank you. [LB544]

LARRY WILLIAMS: Do you have any questions? [LB544]

SENATOR SCHILZ: Senator Harr. [LB544]

SENATOR HARR: Thank you. And thank you for coming to testify today. I have a

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

couple of questions. So this bill requires the owner or manager of the cattle diagnosed with this trich to notify the department and each adjacent landowner. And then it goes on to say, if the individual did not notify the adjacent landowner, the department shall. The problem is, how does the department find out? [LB544]

LARRY WILLIAMS: Well, part of their responsibility is to report to the department. [LB544]

SENATOR HARR: But if they don't report to the department, there is no way for the department to know, and why would they report to the department if they aren't going to do to their neighbor? Which leads me back to your prior history as a veterinarian: we are giving an exemption here, a privilege, for veterinarians to let others know about this trich. Should we put a requirement in here that the veterinarian shall also notify the department? [LB544]

LARRY WILLIAMS: That...that would be an option. I don't really see any problem with that. [LB544]

SENATOR HARR: As a veterinarian, you wouldn't see a problem with that? [LB544]

LARRY WILLIAMS: My experience with regulating the diseases, when I was at North Platte, we had several herds that were still cleaning up their herds. And once the herd was identified as having the problem, we would give them the option of notifying their neighbors or we would do it ourselves, the regulatory people would do it. [LB544]

SENATOR HARR: Um-hum. [LB544]

LARRY WILLIAMS: And I think 100 percent of the people would notify their own neighbors. And I think that's what will happen with this legislation, is once the...the...and I don't know how the feedback is going to go from the diagnostic lab to the veterinarian, but the veterinarian will get information about that herd, and the veterinarian knows that if this law is passed, that it's the responsibility of that person to notify the neighbors, and if they don't, then, you know, the regulatory people will be out there. So I really think that a great percentage of the people would notify their own neighbors. I was just made aware of the fiscal note, that the department has suggested that rather than them sending people out to try to figure out where all these neighbors are, which is in some cases going to be quite a project, that they would instead publish in the local papers that someone had trich in the herd. And I think that would probably work to get most people to contact their own neighbors. I don't think they want to see their name in the paper. But... [LB544]

SENATOR HARR: So generally, to answer the question, you don't have a problem with requiring the veterinarians to notify the department? [LB544]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

LARRY WILLIAMS: I don't have any problem. [LB544]

SENATOR HARR: Okay. [LB544]

LARRY WILLIAMS: No. As long as it...the exemption there is for...is...confidentiality has been taken care of, and that would be. [LB544]

SENATOR HARR: Yeah. [LB544]

LARRY WILLIAMS: That would be, in this law. [LB544]

SENATOR HARR: As my mother always taught me, for every privilege there is a duty. [LB544]

LARRY WILLIAMS: Yeah. That's right. [LB544]

SENATOR SCHILZ: Thanks, Senator Harr. Senator Wallman. [LB544]

SENATOR WALLMAN: Thank you, Chairman Schilz. Yes, thanks for coming down, Doctor. [LB544]

LARRY WILLIAMS: You bet. [LB544]

SENATOR WALLMAN: Being that it's so hard to test and everything, so you would recommend any bull with any age on would be slaughtered, sale barn? [LB544]

LARRY WILLIAMS: Any infected bull? [LB544]

SENATOR WALLMAN: Yeah. [LB544]

LARRY WILLIAMS: Yes. And I think all states require that. There's no treatment for an infected bull and so there's no...the only...his change of life is going to be go to slaughter. [LB544]

SENATOR WALLMAN: It's probably going to be a year or so before...nine months before you find out if that bull...or at least six months, huh, before that bull has trich? [LB544]

LARRY WILLIAMS: Yeah, a bull could be infected a year, you know, even more, before he is tested, depending on, you know, the herd that he is in. The progress of the disease depends a lot on, you know, the time of the breeding cycle that the bull gets infected and breeds other cows; if it is towards the front end of the breeding cycle it's

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

going to be more. And so the first calf crop might be 10 percent less, the next year it's going to be 30 or 40 percent. [LB544]

SENATOR WALLMAN: Thank you. [LB544]

SENATOR SCHILZ: Thank you, Senator Wallman. Senator Chambers. [LB544]

SENATOR CHAMBERS: I know the disease had to start somewhere. But does it ever seem to spring up spontaneously, or is it presumed that a bull contracted it from another bull? [LB544]

LARRY WILLIAMS: Well, I don't want to be facetious, but in Nebraska it's always spontaneously, because it doesn't come from anybody else. (Laughter) Part of the problem, and I don't...I haven't had access to the epidemiologies that the department has done on infected herds to try to figure out, you know, where it's coming from. A lot of blame has been on importing animals that don't get tested in the last year. A lot of cattle came into Nebraska because of the drought in the southern states. And some of them came without tests, and some came without health certificates and that sort of thing. So...and I don't know if any of those actually proved to be infected...I don't know what the process was to follow that up. [LB544]

SENATOR CHAMBERS: If the... [LB544]

LARRY WILLIAMS: But the bull gets it from an infected cow. There is a provision in most states that bulls that have not been exposed to female cows, if they're under a certain age, generally it's under 18 months of age, do not have to be tested. So from that standpoint, we're thinking that bulls don't get it from other bulls. [LB544]

SENATOR CHAMBERS: Okay. Well, if a bull were not treated...what does it look like in the cow? Does it cause her to...other than dropping a calf, does it cause her to waste away or what? [LB544]

LARRY WILLIAMS: Generally, the fetus will be reabsorbed before four months. [LB544]

SENATOR CHAMBERS: Say it again. [LB544]

LARRY WILLIAMS: The fetus...the calf embryo. [LB544]

SENATOR CHAMBERS: But that's the only way you'd be able to tell if the cow has it. [LB544]

LARRY WILLIAMS: Yeah. And there's no...generally, not a discharge or not any visible signs of that. And so the only way you know is when you pregnancy-test in the fall and

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

she is open. And that's what a lot of times triggers the testing, is that when the...if their previous pregnancy rate has been 95 percent or so and then drops down to 90 or 85, then something is wrong and so they start looking for... [LB544]

SENATOR CHAMBERS: And maybe no bull that is infected is allowed to live long enough, but in the research that somebody might do, has a bull ever been allowed to live long enough to see if they would ever develop any outward-appearing symptom or sign of this disease? [LB544]

LARRY WILLIAMS: I can't answer that for sure, but I think they have in their research. The...some literature says that there will be, at some stages it's like preputial discharge which doesn't last very long. [LB544]

SENATOR CHAMBERS: But as far as the musculature or the bodily...okay. [LB544]

LARRY WILLIAMS: No, no, it doesn't affect. The organism stays in the sheath of the bull, it doesn't become systemic. [LB544]

SENATOR CHAMBERS: Okay. [LB544]

SENATOR SCHILZ: Thank you, Senator Chambers. Senator Johnson. [LB544]

SENATOR JOHNSON: Thank you, Senator. Thank you. Is there any of the herds or any of the cattlemen proactive and test their own bulls just to make sure it isn't creeping into their herd? Is there...can you force everybody then that they need to test? [LB544]

LARRY WILLIAMS: Well, some regulatory programs, the change of ownership is a requirement any time a bull that sells...that is not a virgin bull and he's over a certain age, then it has to be tested before it can go into another herd. Some states have required that, that's a tremendous expense on the industry when you have...I checked the reporting list on the Department of Ag's Web site, and for last year there was 12 incidents of laboratory reporting. And we don't know if that's 12 different herds or one herd tested 12 times. [LB544]

SENATOR JOHNSON: Right. [LB544]

LARRY WILLIAMS: But they're in different counties, so it's more than one herd tested 12 times. But it's a low incidence, so if you require everybody else to test just for that purpose, it's really expensive for the industry, and it's something the industry, I think, would have to take a look at to see whether or not they wanted to foot the bill on that, because it is expensive. [LB544]

SENATOR JOHNSON: Follow up. Well, a bit of a follow-up...I don't want to get this into

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

the branding industry or branding bills, but let's say you and I are neighbors and you're the good neighbor and I'm the bad neighbor and my bull keeps getting out. Is there any way to...when you find out that my bull was in your pasture, that mine should be tested if it... [LB544]

LARRY WILLIAMS: To require that to... [LB544]

SENATOR JOHNSON: ...has a tendency to roam around? [LB544]

LARRY WILLIAMS: I don't know; I don't think so. [LB544]

SENATOR JOHNSON: Would it work to... [LB544]

LARRY WILLIAMS: Well, it would be a good idea, that's for sure. [LB544]

SENATOR JOHNSON: To help control the spread, put it that way? Just trying to figure out a way to maybe...be proactive. [LB544]

LARRY WILLIAMS: It would be a hard one to regulate, I think. You know, how do you know when the bull got out? Sometimes you don't even know the darn thing is in your herd, it gets in and gets back out again. [LB544]

SENATOR JOHNSON: Yeah, he knows where his home is supposed to be. [LB544]

LARRY WILLIAMS: Yeah, yeah. [LB544]

SENATOR JOHNSON: Okay, well, thank you. [LB544]

SENATOR SCHILZ: Thank you, Senator Johnson. Senator Bloomfield. [LB544]

SENATOR BLOOMFIELD: Thank you. Dr. Williams, if the infected bull produces a calf through a cow, is that calf necessarily infected? [LB544]

LARRY WILLIAMS: Well, when the bull breeds a cow that's not infected, she becomes infected. And I don't know what the percentage is, but it's, like, 90 percent of them will lose their calf. After they lose the calf, they go through a period and they will actually clean themselves up, the infection disappears and they can get bred back again. There are some cases where, a few reports, where the calf did not abort and the cow remained infected throughout the term of the pregnancy. But as far as the calf being infected, you know, I couldn't say...and if it was a male calf I don't know if he would be infected when he got to sexual maturity or not. I would doubt so. [LB544]

SENATOR BLOOMFIELD: Okay. Thank you. That was where my curiosity was leading.

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

[LB544]

LARRY WILLIAMS: Um-hum. There are not very many of those calves, you know...
[LB544]

SENATOR BLOOMFIELD: That survive. [LB544]

LARRY WILLIAMS: That survive. [LB544]

SENATOR BLOOMFIELD: Okay. [LB544]

SENATOR SCHILZ: Thank you, Senator Bloomfield. Senator Chambers. [LB544]

SENATOR CHAMBERS: Is it true that the cow cannot spread the infection, cannot pass it on to a bull? Could an uninfected bull become infected from a cow? [LB544]

LARRY WILLIAMS: Yes. [LB544]

SENATOR CHAMBERS: Then why do they say, commonly called "trich" is an untreatable sexually transmitted cattle disease spread by infected-carrier bulls? If cows can spread the infection, then both of them are carriers, aren't they? [LB544]

LARRY WILLIAMS: That would be correct. [LB544]

SENATOR CHAMBERS: Then is it that they don't... [LB544]

LARRY WILLIAMS: But the bull does more of the spreading than the cow does, I guess.
[LB544]

SENATOR CHAMBERS: Is it that they don't want to destroy cows because there is another use they can make of them? [LB544]

LARRY WILLIAMS: Well, the cows can stay in the herd...in an infected herd, as was mentioned before, the first thing that happens is the bulls go under either extensive testing or they all get sent to slaughter. And they start out with young virgin bulls, which is really expensive, as the previous testifier mentioned. You know, it's hundreds of thousands of dollars. So... [LB544]

SENATOR CHAMBERS: But if a cow is infected, then a bull who is not infected could get infected from the cow, is that correct? [LB544]

LARRY WILLIAMS: But...okay, once you take out the infected bulls, and then the cows go through their calving cycle, and the open cows are generally removed from the

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

infected herd, then you start out with clean bulls and cows that carried a calf full term; and you do that enough times, then you're going to get rid of the disease. But it...there's no vaccination for the cow. There is a vaccine, but it's not been proven to be all that effective. But the...generally... [LB544]

SENATOR CHAMBERS: Here is what my question is, and I'm probably not making it clear. Can a noninfected bull be infected by a cow? [LB544]

LARRY WILLIAMS: Yes. [LB544]

SENATOR CHAMBERS: So if there is a cow that is infected, why don't they eliminate all the cows also? [LB544]

LARRY WILLIAMS: Well, in an infected herd, they will eliminate the cows that are open, that don't carry a full-term calf. And thereby they're getting rid of the ones that could still be infected. [LB544]

SENATOR CHAMBERS: Okay. [LB544]

LARRY WILLIAMS: The cow could be tested, but it's harder to do and, as I say, they have a tendency to clean up and so the organism is not going to be as easy to find. [LB544]

SENATOR CHAMBERS: Okay. [LB544]

SENATOR SCHILZ: Thank you. Senator Bloomfield. [LB544]

SENATOR BLOOMFIELD: I understood someone to say earlier that the cows would clean themselves up, so if a cow was once infected, the next breeding season she might be all right, or she would be all right, that same cow? [LB544]

LARRY WILLIAMS: Sure. Yeah. [LB544]

SENATOR BLOOMFIELD: So that, I think, would probably be the answer that Senator Chambers was looking for. The cow, as I understand it, can clean herself up and is no longer infected. [LB544]

LARRY WILLIAMS: Yes. [LB544]

SENATOR BLOOMFIELD: Is that...am I understanding that right? [LB544]

LARRY WILLIAMS: Yeah, I think...I think we're just kind of hung up on a cow that has become infected, and then she either...well, the cows that test...at pregnancy-testing

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

time and carried a full-term calf. Those cows are considered not to be infected. The open cows could be infected. And so if they're removed from the herd, then you take care of that problem. [LB544]

SENATOR BLOOMFIELD: But if they are once infected, can they clean then...that same cow, will she clean up? [LB544]

LARRY WILLIAMS: Yes, yes. And, generally, when they're moving cows across state lines, they require that the cow be pregnant. She either comes in with calf aside or being pregnant four months, I believe it is. And if they carry the calf that long, they're generally considered to be free of the disease. [LB544]

SENATOR BLOOMFIELD: Okay, thank you. [LB544]

SENATOR SCHILZ: Thanks. Senator Lathrop, did you... [LB544]

SENATOR LATHROP: Well, the problem with the questions is, you can have a cow that doesn't take or that's open, as you say, after a breeding season, you don't know why, you just know she didn't carry a calf to term, and it's time to get out of the herd because you're not doing your job, right? [LB544]

LARRY WILLIAMS: Well... [LB544]

SENATOR LATHROP: It's not important to the producer whether it has this disease or some other problem; if it can't have calves, then it's... [LB544]

LARRY WILLIAMS: Right. And in the infected herds, it's more important to get rid of them. In a noninfected herd she me might be the momma cow to the 4-H championship last year and so they don't want to...they'll give her another chance to raise another calf. [LB544]

SENATOR LATHROP: Okay. [LB544]

SENATOR SCHILZ: Thank you, Senator Lathrop. Any further questions? I guess one that I have is just for a little clarification. Trichomoniasis, is it a reportable disease now? [LB544]

LARRY WILLIAMS: Yes. [LB544]

SENATOR SCHILZ: And how does that...how does that work, exactly; how does that process go? How...what happens today that is different than what the green sheet...the bill says? [LB544]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

LARRY WILLIAMS: The reportable disease is kind of a complicated situation. I don't know if I can explain it well. I should be able to because I had a part in developing the system. The diseases are separated into different categories. There are diseases that are really nasty, like foot-and-mouth diseases, that are one level, and then there is regulated diseases, like brucellosis and tuberculosis, that are the next serious disease. And then there are diseases that are not regulated, and there's all levels of those that are...ranging from somewhat serious like bovine viral disease, BVD, to warts. So the original reporting was that everybody, including yourselves, that had knowledge of an animal that might...might be diseased you had to report that. Well, that was...that never got...never happened and nobody ever wanted it to happen because that's all we would be ever...ever be doing is looking at, you know, I think my neighbor's got something over here in his herd, I don't know for sure, but you ought to go check him out. So we tried to put a little sense to what got reported and what didn't. And so after the reported...the regulated diseases, we put a category of emerging diseases. And there are some diseases that are listed in the statute that covers that. And the (inaudible) disease is one that comes to mind, I think there are a couple swine diseases, but trich would be a good place to put that...would be a good disease to put into that emerging diseases, because then you can look at it with a little more of a microscope than what you do with some of the more minor diseases and start collecting data on, you know, where is it showing up and what's the incidence in the state and that sort of thing. A lot of times we don't know what the incidence in the state is. If we were going to say what's the incidence of BVD or IBR or respiratory...other respiratory diseases, we probably wouldn't have a good handle on what that number is because it isn't tracked as far as a regulatory process. [LB544]

SENATOR SCHILZ: Okay. This bill would take care of a lot of the issues that you're talking about as far as... [LB544]

LARRY WILLIAMS: This bill takes care of an issue that was common between the producers and the veterinarians, and that was just knowing where it's at. [LB544]

SENATOR SCHILZ: Right. And let me ask you this, is there any way to get a...do they get false positives when they... [LB544]

LARRY WILLIAMS: Yes. [LB544]

SENATOR SCHILZ: How often does that happen? [LB544]

LARRY WILLIAMS: It depends on the kind of test. On the...there are basically three different tests. One is...can be done chuteside by a veterinarian looking through a microscope, anything that wiggles is an infected animal. Well, they're going to pick up some false positives doing that. The other is the culture at the lab, where they actually grow the organism for a period of five or six days and look at it on a daily basis. And if

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

they find something, then they...they used to call those positive, but now they've found that...there are some soil trich organisms that will, you know, look similar under a microscope and even on some PCR, which is the perlynate (phonetic)...per...I can't even say it, PCR is the high-tech test that propagates the DNA material in the organism and they can tell whether it's feline trichomoniasis or a soil trich and that sort of thing, so they can differentiate. It's the...probably the gold standard. Some people don't agree with that, but it's more reliable than any of the other tests. [LB544]

SENATOR SCHILZ: Okay. Thank you, sir. Any last questions for Dr. Williams? Doctor, thank you very much for your testimony. [LB544]

LARRY WILLIAMS: Thank you. [LB544]

SENATOR SCHILZ: Further proponents for LB544? Good afternoon, Mr. Hansen. [LB544]

JOHN HANSEN: Chairman Schilz, members of the committee, good afternoon. 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 and am my organization's president and lobbyist. I have been involved in the trichomoniasis advisory committee and we have worked on this issue for a very long time. I commend Senator Hansen for bringing this bill forward. It is long overdue. We would be substantially ahead of where we're at today had we had this bill some years ago when Senator Cap Dierks was thinking about bringing it forward. We should have done that. From my perspective, from a cattle owner's perspective, there is a set of conflicts here, as well as if you're a veterinarian. And so if you're a cattle owner, your private property rights and...are in conflict with your neighbors' right to know. So which one has precedence? If you're a veterinarian, your obligations for confidentiality for your customer is in conflict with your obligation to notify your other customer. And so there's all of these conflicts that run through this, and what Senator Dierks tried to say was that we need to clarify that...this whole role, because the veterinarian, if he's doing his job and looking out for the best interest of the industry, has to let other neighbors know. And so there's been legal liability issues and those things that just simply have needed to be clarified for a long time. So this bill represents a good first step, in my view. Bulls that have been out in herds that are infected need to get marked, need to get sent to the killers, and you need to have the enforcement to be able to do that. To our mind, that is one good reason for expanding the state brand area, to help with some of those kinds of inspections and identity issues. This is...this disease is a game-changing disease, and yet, unfortunately, the game hasn't changed in terms of how we deal with it. We still try to live with it and we try to get by without rocking the boat too much or incurring too much expense; and so it's a very pernicious disease to control because once a bull is infected, a bull is infected. It's not going to clean up. And in the case of cows, if you're cleaning up cows that are high-priced cows which were open, what happens when all but one or two out of a fairly good bunch of trich-infected

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

cows didn't clean up? And so you can reinfect, you can do all those things. But from the interest of a farmer, purebred breeder, send those old bulls to market, go buy some new ones. That's a good thing, because that, certainly, provides a need for new bulls. And unfortunately, fences aren't what they should be, and even when you have good fences, there are just some bulls that are not real likely to be real respectful of even a good fence. And so if there is a contamination, you got to let your neighbors know. One thought I had as I was listening to the testimony, and I certainly supported the comments that Rusty made, they were, I thought, right on point. But you've got some guys that are going to be unloading cows just by virtue of the drought pressure that we have, and they are going to be renting their pasture out, should we ever get rain. And so it's hard to know just whose cows might actually be next door. And so the landowner also has an obligation to...I can understand why a landowner might be a little bit reluctant to tell the folks that he's renting his pasture to that, oh, by the way, our neighbor has trich. That might make renting your pasture just a little bit more difficult. So there's, I think, going to be some ongoing kind of particulars that are going to need to be worked out. But I thank Senator Hansen for bringing this bill forward. And I...and I realize that not everybody in the industry is in favor of all the things that probably ought to be done on this...this...to control, more effectively control this disease. But the foot dragging and the lack of consensus has cost us a right fair amount of money so far. And so I salute the efforts to move forward. And with that I'd be glad to end my testimony and answer any questions if I could. [LB544]

SENATOR SCHILZ: Thank you, Mr. Hansen. Any questions for Mr. Hansen? Seeing none, thank you for your testimony. [LB544]

JOHN HANSEN: And thank you very much. [LB544]

SENATOR SCHILZ: Further proponents for LB544. Good afternoon. [LB544]

SCOTT REYNOLDS: How are you? [LB544]

SENATOR SCHILZ: Very good. [LB544]

SCOTT REYNOLDS: Thank you for allowing me to testify today, Senators, members of Ag Committee; my name is Dr. Scott Reynolds from Broken Bow, Nebraska; S-c-o-t-t R-e-y-n-o-l-d-s. I'm a veterinarian in Broken Bow; I practice only food-animal medicine in the Custer County area. I'm here to testify in great support of LB544, introduced by Senators Hansen and Davis. Thank you. I want to personally thank the introducing senators, the committee, and also the Ag Committee, and other agriculture groups for having the foresight and direction for introducing this very important bill. I've known about trichomoniasis since I was in veterinary school but became even more familiar with this disease in March of 2008. It was at this time that we diagnosed trich in two cow herds in Blaine County that were clients of my veterinary practice. Both these herds

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

were very large operations that run from 1,200 to 3,000 cows per operation. Both of these herds had not introduced any outside or purchased animals in over 10 years, except for the purchasing of virgin bulls. The economic and mental hardship that this disease caused when we got a positive diagnosis, that it placed on these two operations, was, to say the least, very extreme. When you combine the open cows, the nonpregnant cows, and the loss of trich-positive bulls to these two operations, they experienced losses of \$250,000 to \$400,000 per operation. At the time of diagnosis, I set up a meeting with the two families to discuss the best plan of action. It was very evident that they were not the ones who brought it into the area, but...and there must be at least one other herd or herds in that generalized area that also had the disease, just didn't know it quite yet. Since we were the first ones that diagnosed the problem, a key point in our action plan was to contact every neighbor to let them know about the diagnosis. Due to the size of these two operations, it meant we had to contact a lot of neighbors and a lot of producers and fellow friends of theirs about this threatening diagnosis of trichomoniasis. After visiting with each neighbor, the message was very clear in that every neighbor appreciated us contacting them and no neighbor even questioned that these two families were the ones who brought it in; they knew somebody else had it also. We also urged, at the time of that meeting, that they contact their veterinarian so that their herd could also be tested to find if they had a problem also. I bring this very point up because this is exactly the scope of LB544. For several years, our beef industry has taken the approach of education as the best method. It is my opinion that LB544 is exactly what is needed to happen in order to promptly control trichomoniasis in our state. Since the original diagnosis in Blaine County, coupled with extensive testing of many herds in that area for several years, trichomoniasis, to my best knowledge, is no longer an immediate problem in that area. However, if we would have not contacted neighboring producers about the disease and developed the plan of action that we did, I feel we could still be dealing with this economically important and very devastating disease. If LB544 is passed and written into law, it will require the exact same approach that we used in 2008. Without timely notification that includes proper and full disclosure of this disease to potentially exposed neighboring herds, trichomoniasis control and eradication from the area is virtually impossible. In conclusion, I ask this committee to please vote LB544 out of this committee and on to the full Legislature. It is a very important bill for our beef industry in the state. Thank you for your time and I'd be glad to answer any questions. [LB544]

SENATOR SCHILZ: Thank you, Dr. Reynolds. Any questions? [LB544]

SENATOR LATHROP: Can I ask one, Mr. Chair? [LB544]

SENATOR SCHILZ: Senator Lathrop. [LB544]

SENATOR LATHROP: You gave us an example of two families in the Broken Bow area who had herds with no infections and brought in virgin bulls. Yet they end up having the

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

disease or the condition in their herd. First, how did it happen? And second, doesn't that illustrate that this doesn't go far enough in some respect? If all we're doing is notifying the neighbors, then it evidently didn't fix the problem. [LB544]

SCOTT REYNOLDS: Appreciate the question, Senator Lathrop. First of all, I think we as an industry need to take baby steps. We can't go through and start mandating that all herds test or that all positive animals...anything coming into the state needs to be tested, la-di-da-da-da. I think we need to take this approach first, and then we can move forward from there on forward. I hate to have some amendments be added to this bill and get...get to where we have some people that are against it in the industry and then not get this initial piece passed. And going back to your question, yes, they had two neighbors that we know of that had positive diagnosis after we talked to them about it. They would be what I would describe as trader herds, not the traditional, good, upstanding rancher that we deal with on a daily basis; the ones that are...go and buy cows from maybe other states and bring them into the area and are probably not real concerned about the bulls they turn out. The two operations that I was...talked about here are probably some of the best beef producers in the...I would put them near the top in the state of Nebraska. They are very fine operators, top-notch cattle. But if we would have found that diagnosis and the neighbor...maybe he already knew he had it, but he just learned to live with a 25 percent open rate because he didn't care. But, however, these two families...the one operation had 284 head of open cows that fall. That coupled with...I think there were 13 positive bulls on one operation and 18 on the other. And they don't buy \$2,000 bulls; you can ask Mr. Minert that is in the back, and it's not his herd that I'm talking about, just for clarification purposes, but they buy from \$8,000 to \$10,000 bulls on a regular basis. And these two operations had to sell a lot of dollars' worth of bulls. So, first of all, did I answer your question? They got it from a neighboring herd. [LB544]

SENATOR LATHROP: You think some bull jumped the fence? [LB544]

SCOTT REYNOLDS: Or their bull jumped into that herd. We don't know. [LB544]

SENATOR LATHROP: Oh, they came back to his... [LB544]

SCOTT REYNOLDS: That's...kind of like the chicken...which came first, the chicken or the egg, I guess, is the old theory. We don't know if this family's bulls jumped over the fence or if their bulls came over and visited ours, but somehow we had a positive bull. [LB544]

SENATOR LATHROP: Okay. [LB544]

SENATOR SCHILZ: Thank you, Senator Lathrop. Senator Chambers. [LB544]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR CHAMBERS: I'm going to make a comment first and then I'm going to make another comment. People always ask which came first, the chicken or the egg, and I've got the answer. Actually Webster's got...go to the dictionary, "chicken" comes before "egg," so there you got the answer, don't worry about it anymore. (Laughter) But I just came in, I was thinking along the line of what Senator Lathrop was mentioning about maybe not going far enough. And I think somebody else on that side of the room. Then when I heard Mr. Hansen speak about all the conflicting currents that are involved, and it is a big industry, you do have to go with baby steps and wherever you can get general agreement to do anything, it might be like that concept of getting the camel's nose in the tent, or the foot, and then go from there. If you see that this is working, maybe you can go another step. But having said that, and I didn't want to embarrass him, Mr. Hansen had gone to Washington, D.C., everybody was worrying about...wondering about the political state of affairs in Nebraska. When he came back, Senator Johanns immediately, almost, announced that he wasn't going to run. And I think it was more than coincidence. (Laughter) (Inaudible) answer. The question I was going to ask him, or first I was going to tell him, he's got three days before the sequestration takes place, so what is he doing in Omaha? I wish he would go back to Washington and do again what he did that first time. [LB544]

SENATOR SCHILZ: Thank you, Senator Chambers. Senator Hansen. [LB544]

SENATOR HANSEN: Thank you. Dr. Reynolds, I just want to thank you for coming down to Lincoln because I know February and March are two of the busiest months a veterinarian can have, so I really appreciate it. I think that the point that you made toward the end of your...maybe it was a question from Senator Lathrop, about, have we gone far enough? But you also said that the bill says what you did in your action plan up in the Custer County area. And I think that's a good place to start. I mean, I think we got to start somewhere and I think your action plan really laid the groundwork. [LB544]

SCOTT REYNOLDS: Thank you, Senator. There was some questions earlier that I don't feel got answered quite correctly. I think it was Senator Chambers that asked the question about why you're always blaming the bull, can't...and isn't the cow that was spreading...what happens, Senator, is a cow, when she gets infected, and then absorbs or aborts that fetus, she has an infected uterus for about a 60-day...30- to 60-day window there, that...but she still keeps coming in...into heat and wanting bred, so that's how the bull gets infected. But then he goes out and isn't only with that one female, obviously, so he goes and spreads it to several other cows, 25, 30 cows in that herd, and it just keeps spreading throughout that herd that way. So I hope that clarifies that. [LB544]

SENATOR CHAMBERS: But the cow doesn't remain infected for... [LB544]

SCOTT REYNOLDS: They can...they can, and it's very, very rare, though, like one in a

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

thousand cows that become positive will become what a veterinarian friend of mine in South Dakota referred to as "Typhoid Mary." They never get over that and they spread it throughout the...they can maintain that infection. But it is the bull that is the issue here. And especially in older bulls; they're worse than the younger bulls about...if they get infected, a three-year-old and older bull will probably maintain an infection. A young bull, they think, possibly, now and then, will clean themselves up. [LB544]

SENATOR CHAMBERS: When you mentioned older bulls, people started looking at me. (Laughter) He's talking (inaudible). [LB544]

SCOTT REYNOLDS: Senator, I did not do that. [LB544]

SENATOR CHAMBERS: No, you're just (inaudible.) [LB544]

SCOTT REYNOLDS: I was talking directly to you, sir. [LB544]

SENATOR CHAMBERS: But I'd be checking with people when (inaudible). [LB544]

SENATOR SCHILZ: Thank you, Senator Chambers. Any further questions for Dr. Reynolds? Seeing none, Dr. Reynolds, thank you for your testimony. [LB544]

SCOTT REYNOLDS: Thank you for your time, I appreciate it. [LB544]

SENATOR SCHILZ: Further proponent testimony for LB544? Other proponents? Seeing none, any opponents for LB544? No opponents? Any neutral testimony? Seeing none, I do have a letter in support to be read into the record from Nebraska Farm Bureau Federation. And I believe that's it on this one. Thank you. With that, that will close the hearing on LB544; thank you, Senator... [LB544]

SENATOR HANSEN: Can I close from here? [LB544]

SENATOR SCHILZ: ...oh, would you like to close? [LB544]

SENATOR HANSEN: From here? [LB544]

SENATOR SCHILZ: Yeah, I don't...that's fine, go ahead. [LB544]

SENATOR HANSEN: Well, thank you for all the testifiers that came today and it is a serious problem. I think if this disease could talk it could say, you know, you could call me trich or call me Rick, but just don't call me slick. (Laughter) It's a bad disease...I thought Rick might appreciate that. (Laughter) [LB544]

SENATOR LATHROP: Why did you let him out today? [LB544]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR HANSEN: It is a bad disease and we need to do something. I think these steps that we're taking now, even though they're pretty small, are going to help. Thank you. [LB544]

SENATOR SCHILZ: Great. Thank you very much. That will close the hearing on LB544. And we will stand at ease until Senator Haar arrives. [LB544]

EASE

SENATOR SCHILZ: Senator Haar, welcome to the Agriculture Committee. And whenever you're ready, you are welcome to open up LB583. [LB583]

SENATOR HAAR: (Exhibit 1) Thank you very much. Chairman Schilz and members of the committee, I want to talk today about the Climate Assessment Response Committee. It's a committee that I didn't even know existed until three or four months ago; and Senator Schilz, you're a member of that committee, as I take it. It meets once or twice a year and met in November. I don't do this too often but if you...I'm going to take you through these two handouts, the top two I gave you. The first one from the Journal Star, "2012 Was Hottest Year on Record by Landslide." And if you look at the first highlighted section, we averaged a temperature increase of a full degree. And like it says, if that does not sound sufficiently impressive, consider that 34,000 daily high records were set last year. Breaking temperatures, line 11, by an entire degree is unprecedented. Normally, records are broken by a tenth of a degree or so. Line 16...and you'll hear from some of the world's experts today on climate that reside here in Lincoln at the University of Nebraska. And they will tell you that part of the global warming in action and natural weather variations, some of it's caused by natural variations but some is caused by man-made greenhouse gas emissions. Then going down to line 30, the U.S. last year also had the second most weather extremes on record, 1998. And then the final line, on 38, and that's really what this bill is about, people need to begin to prepare for the future, and that future is going to be one with more extreme weather changes. And then just to balance that, that's from the Journal Star, we'll go to the World-Herald. And this World-Herald article really concentrates on agriculture. Some of you might know Keith Dittrich, who's talked about in line 6, and when he talks in line 15 about the new norm, and 16, "New norm doesn't express fully enough my real concern for what is happening. The Earth is warming eight times faster under human influence than it typically has from the depth of an ice age to the middle of a warm epoch." And then line 25, again this is really the purpose of the bill, we sit in a kind of battleground; that's why the extremes in this region likely will be exacerbated from what we've experienced. The next page, and line 48, this is why many of us are in the Legislature, because of our grandchildren. "When the grandchild of today's young farmers head to the fields, the effects of climate change will turn increasingly hostile, according to the report." And finally I'll skip to the last page, line 75. "We're going to see more extreme

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

extremes...that's the wake-up call for agriculture." And then listed on line 77 in that box, you'll see some of the projected impacts of climate change on Nebraska and Iowa farming: more frequent heavy spring rains, fewer good days for planting, etcetera, etcetera. So when I come to this particular committee, the Climate Assessment Response Committee, which has been centered in agriculture, and we look at what scientists are telling us, agriculture has a lot to be aware of in the future because of a changing climate. And again, the experts will come after me and you can ask them all the detailed questions, but I'm more than happy to answer any questions for you. [LB583]

SENATOR SCHILZ: Thank you, Senator Haar. Any questions for Senator Haar? Senator Hansen. [LB583]

SENATOR HANSEN: I have one. Thank you, Senator Haar. I read through the bill a couple times this morning and couldn't find it exactly. I talked to my LA and she said she would look it up. But is there...there's some people on this board that are legislators, I know, and they are without a vote. Does this person that you were talking about in here, since I don't know who it is, do they have a vote on the commission? I'm not sure, is the commissioner... [LB583]

SENATOR HAAR: My understanding is yes. High Plains Regional Climate Center in the School of Natural Resources at the University of Nebraska-Lincoln. Yes, that would be a member of this committee. And it also says in here that we would encourage...we know that there's some controversy around this whole concept; that we would also encourage minority reports. [LB583]

SENATOR HANSEN: But the person you're talking about does have a vote in the commission? [LB583]

SENATOR HAAR: Yes. And if I'm wrong on that, we'll clear it up before the end. [LB583]

SENATOR HANSEN: Okay. All right, thank you. We couldn't quite tell, but we thought that was the case. Thank you. [LB583]

SENATOR SCHILZ: Thank you, Senator Hansen. Senator Wallman. [LB583]

SENATOR WALLMAN: Thank you, Chairman Schilz. My friend, Senator Haar, how are you? [LB583]

SENATOR HAAR: Good. [LB583]

SENATOR WALLMAN: Just part of the new norm. I'm an old Norm. (Laughter) And...

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

[LB583]

SENATOR HAAR: Oh, boy. I didn't catch that. (Laugh) [LB583]

SENATOR LATHROP: We've been waiting six years for you to say that. [LB583]

SENATOR HAAR: Somewhere in this world there is a new Norm. (Laugh) [LB583]

SENATOR WALLMAN: Enough said. [LB583]

SENATOR SCHILZ: Thank you, Senator Wallman. Any... [LB583]

SENATOR HAAR: And I would promise you that if I have more children, Norm will be considered. (Laugh) [LB583]

SENATOR SCHILZ: Thank you, Senator Wallman and Senator Haar. Any other questions for Senator Haar? Seeing none, thank you very much. [LB583]

SENATOR HAAR: I'm surprised that there's laughter in the Ag Committee. (Laugh) [LB583]

SENATOR SCHILZ: Thank you, Senator Haar. We'll take proponents for LB583. Welcome. [LB583]

CLINT ROWE: Thank you. Good afternoon. My name is Clint Rowe, C-l-i-n-t R-o-w-e. I'm a professor in the Department of Earth and Atmospheric Sciences at the University of Nebraska here in Lincoln, and I'm going to talk a little bit about the science of climate and climate change and why we think what we think we know at this point...what we do know at this point. I did write out my testimony because I'm used to speaking in blocks of 50 minutes or 75 minutes (laugh), and I didn't want to take that long, that much of your time. So to keep the thing succinct, I'll read this and then I'll be glad to answer any questions. Humankind has been adding increasing amounts of carbon dioxide and other greenhouse gases primarily through the combustion of fossil fuels since the beginning of the Industrial Revolution. This has led to a sharp increase in the atmospheric concentration of these gases over the last 150 years. This is an established fact based on records of fossil fuel use and direct observation of the atmospheric concentration of carbon dioxide. The direct consequence of this in the absence of any other influences on the climate system would be an increase in the average global temperature of the atmosphere. This is established, noncontroversial science that has been understood for well over a century. Our knowledge of other influences, such as albedo or reflectivity changes due to land use alterations, the effects of aerosols in the atmosphere, cloud feedbacks, while less certain, our knowledge is sufficiently robust that we know that their net effect would not offset the direct warming due increased greenhouse gases

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

and could as likely lead to greater warming. While the Earth's temperature naturally varies over many time scales, the observed increase in global temperatures since the late 19th century cannot be attributed to natural variability. The period of greatest warming coincides with the time during which humans have increased the concentration of greenhouse gases in the atmosphere. Moreover, the pattern of temperature changes in the atmosphere, warming of the lowest layer, the troposphere, and cooling of the layer above, the stratosphere, can be explained by increased greenhouse gases but is not consistent with other postulated changes...causes, excuse me, for example, solar variations, which would cause heating evenly throughout the atmosphere. Other widespread changes in the climate system, such as decreases in snow cover, sea ice, glaciers, and ice caps, milder and less frequent cold spells, warmer and more frequent hot days and nights, earlier greening and blooming of flowering plants, and rising sea level, are all consistent with a warming world. The high standards of science require that our findings be repeatable and verifiable by other scientists. Correct results are corroborated over time; incorrect results are disregarded. Self-declared experts who are not trained in climate science, who do not follow standard scientific methods of research and publication, are not producing scientifically valid results but are merely making unjustifiable claims. The basic findings of human-induced climate change have been reviewed and confirmed by the leading professional scientific societies and natural academies of sciences, both in the United States and around the world. To paraphrase Richard Somerville, a distinguished emeritus professor of climate science at the Scripps Institution of Oceanography, who contrasted the response of climate change deniers to our usual response to medical advice. If your doctor tells you that you need to lose weight and get more exercise, you don't complain that doctors can't prevent cancer; you know that medical science, while not perfect, can still provide good advice. We can no longer afford to debate if human-induced climate changes to the climate system are occurring. They are. We need to start considering how to adapt to the impacts of the changes that's occurring and work diligently to ensure that we do not make the problems even worse. The bill before this committee is a first step toward including the consideration of climate change in our planning processes here in Nebraska. Thank you. [LB583]

SENATOR SCHILZ: Thank you, Mr. Rowe. Any questions for Mr. Rowe? [LB583]

SENATOR CHAMBERS: I just have one. [LB583]

SENATOR SCHILZ: Yes, sir. [LB583]

SENATOR CHAMBERS: With reference to the melting of the polar ice, will that ever be replaced; or once it's melted, that's over and it can only get worse? [LB583]

CLINT ROWE: Sea ice or land ice? [LB583]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR CHAMBERS: Land. [LB583]

CLINT ROWE: Land ice. Over...if we continue to cause a warming climate, that in our lifetimes it won't be replaced if all the land ice were melted. I don't think that's likely to happen. Sea ice, on the other hand, we are having issues with very low amounts of sea ice--a record low this past September, so... [LB583]

SENATOR CHAMBERS: Okay. [LB583]

SENATOR SCHILZ: Thank you, Senator Chambers. Senator Wallman. [LB583]

SENATOR WALLMAN: Thank you, Chairman Schilz. Yeah, thanks for coming in here today. I'm a skeptic. [LB583]

CLINT ROWE: Okay. [LB583]

SENATOR WALLMAN: And I'll tell you why I'm a skeptic. I think if we have carbons and the sun isn't as bright, we should be cooling off in the atmosphere, the stratosphere. So, granted, the ocean is warming. I studied this quite readily. I'm really interested in our universe. It's unique, and, you know, we're a unique planet, and...but our oceans are warming up dramatically, more than the land temperature, wouldn't you say? [LB583]

CLINT ROWE: Actually the ocean warming and land warming is about at the same rate. [LB583]

SENATOR WALLMAN: About the same? [LB583]

CLINT ROWE: Yeah. A lot more heat...it takes a lot more heat to heat the ocean, though; and we're only talking about the surface part of the ocean. The ocean also has great depth and will allow the heating to continue for quite some time. [LB583]

SENATOR WALLMAN: I know we had severe weather, but, you know, my concern is more the cooling than it is the warming. [LB583]

CLINT ROWE: I think that we're in the age of human-induced climate warming, and cooling is not something we have to worry about right now. [LB583]

SENATOR WALLMAN: Okay. Thank you. [LB583]

SENATOR SCHILZ: Thank you, Senator Wallman. Any other...(inaudible) Senator Lathrop. [LB583]

SENATOR LATHROP: I've never had a chance to ask you guys one of these questions.

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

I've watched a bunch of the movies or the shows and different things, but I've never had a chance to ask any questions, so I might ask a few. The extremes that we're seeing: the weather, the storms, and the...we seem to have very, very cold and very, very hot...tornados. Are we...the hurricanes. Are we experiencing those because of climate changes, in your opinion? Or is it coincidence that they're happening and now we're becoming aware of climate change and we're trying to draw a connection? [LB583]

CLINT ROWE: I don't think it's coincidence. I think the best way is to say we're loading the dice toward more extremes, okay? I think...there's quite a bit of work and quite a lot of work left to be done. There's quite a bit of work that's been done and quite a lot of work left to be done to really try to say that extremes are more likely under a warming climate. Most of the research points that way. But it's kind of like...I guess the way to say it is: loading the dice. It's kind of like, if you want to take your favorite or least favorite home run hitter during the steroid age, you could never say that that home run, that one today, was a steroid home run, okay? But the fact that they're hitting more home runs when they're loaded with steroids is like the impact of climate change, that we're experiencing more of these extremes, but you can't say that that event was due to climate change. [LB583]

SENATOR LATHROP: Is there a way, and maybe I should have noticed this in the shows that I have watched on the subject, but is there a way to reverse it, or are we stuck with this as our baseline and we just need to stop exacerbating the problem? [LB583]

CLINT ROWE: Yes, we could stop emitting more greenhouses gases in the atmosphere. There are...but at that point it would take over 100 years, probably, before we actually got back down to where we were before, because the carbon dioxide that we have put into the atmosphere will stay there for at least 100 years or more. It takes that long to recycle through even if we stopped emitting today. If we stopped emitting today, temperatures would continue to go up because of the warming of the oceans and so forth. That's a...it creates a lag time before the heat is released back into the atmosphere. So the heat...the warming would continue even if we stopped emitting greenhouse gases today. So, in answer to your question, is the first, we are committed to some additional warming. We've had almost a degree of warming since the beginning of the 20th century. We would expect a degree Celsius warming, about a degree...well, it's .8 degrees Celsius, so about a degree and a half Fahrenheit. The...and we're committed to a little additional warming beyond that, as well. Are there things that could be done to counteract it? Probably, but I'm not a proponent of some of these things. There's people who have addressed concepts of geo-engineering, putting aerosols into the atmosphere that would reflect more solar radiation. But again, we'd be doing something that we don't know all the possible drawbacks to that yet, and so it would be a difficult thing for me to support. [LB583]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR LATHROP: Okay. I think I should have brought you to my introduction to my wind energy bill in Revenue. Thank you for your testimony. [LB583]

CLINT ROWE: Certainly. [LB583]

SENATOR SCHILZ: Thank you, Senator Lathrop. Any other questions for Professor Rowe? Senator Chambers. [LB583]

SENATOR CHAMBERS: I hope that the men and women who are doing research in this area don't become discouraged because it seems like in the popular realm there is a lot of dissatisfaction, disbelief. Now I'm going to make a very broad statement which might put me in the category that I'm putting them in on the other side of the fence. They talk what they don't know. They repeat what they hear. And if you ask them a question to what they said is the answer but you ask it a different way, they won't give you that repetition because it's not presented to them in the question that elicits that. So they don't know anything. But I respect research. I respect researchers. And what we're going to have to have, and we don't know where that person or those people will come from, some people who are able to tap into whatever the mental processes are of Americans and others like them around the world and present this information in a way that will connect with them and they will understand what's being said. They'll take it out of the ideological combat zone and try to think of it as they would any other intellectual or academic pursuit and weigh it on its merits. Some things you'll agree with, some things you won't. Some things you'll understand, some things you don't. But it won't be that notion of saying this is junk science and you ought to disregard it. When I look at the way the snows are falling, I'm aware of the earthquakes, the tsunamis...I've read history. I'm not a climatologist, I'm not a geographer. But these are not the kind of things that I read about happening during any of the time that I've studied history. So I'm not like one of those who will say, well, Glenn Beck said it's not so, so it's not so. [LB583]

CLINT ROWE: I'm glad to hear that. [LB583]

SENATOR CHAMBERS: And agent...what is it? Agenda 21 said that it's all a United Nations plot. [LB583]

CLINT ROWE: (Laugh) [LB583]

SENATOR CHAMBERS: Keep doing what you're doing. Some people are listening... [LB583]

CLINT ROWE: Thank you, Senator Chambers. [LB583]

SENATOR CHAMBERS: ...and appreciate it. [LB583]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

CLINT ROWE: Thank you. I appreciate that. And I will. [LB583]

SENATOR SCHILZ: Thank you, Senator Chambers. Any further questions for Professor Rowe? Seeing none, Professor, thank you very much for your testimony. Further proponents. Good afternoon. [LB583]

MICHAEL HAYES: Good afternoon. My name is Michael Hayes, M-i-c-h-a-e-l, Hayes, H-a-y-e-s. I'm a professor with the School of Natural Resources and the director of the National Drought Mitigation Center. I'm also a member of the Climate Assessment Response Committee, appointed by Governor Heineman in 2007. I'd like to provide a few comments related to LB583. The 2012 drought was an eye-opener in many respects and I think provides an important context for this bill. 2012 turned out to be, as we heard, both the warmest and the driest year on record for the state of Nebraska, beating out the legendary Dust Bowl years of the 1930s. The impacts of the 2012 drought across the country are still being tallied. I have seen estimates for economic losses between \$35 billion and \$77 billion. For agriculture, as of February 19, crop indemnity payments for 2012 have reached \$14.7 billion for the country, which is a record; and \$1.44 billion for Nebraska. The average corn yield for the nation was about 40 bushels per acre below the trend line in 2012, which is about the same deviation as we saw in 1988. In Nebraska, the drought had a local impact on agricultural producers, and the livestock industry across the Plains was hit particularly hard by this drought. Scientists for the National Oceanic and Atmospheric Administration, NOAA, have said that the 2012 drought falls within the context of natural climate variability and it's hard to link one extreme event to climate change. However, with the high temperatures that occurred in combination with the dryness in 2012, this year does give a potential glimpse of what future climate extremes might look like for Nebraska, with virtually all climate models indicating increased temperatures in the future. Recent years, like 2011 and 2012, provide us with a great opportunity as a state to investigate our vulnerabilities to climate extremes, which I believe these are (inaudible) to the bill are about. With its function to help the state with its preparedness to weather and climate events, the CARC committee is in a unique position to help foster a dialogue of communication between interests across Nebraska about the potential impacts of climate variability and change. I see this dialogue and any resulting process that results out of that dialogue as an opportunity to help the state for...prepare the state for the future and steward the tremendous agricultural, ecological, and socioeconomic resources that exist within Nebraska. Thank you. [LB583]

SENATOR SCHILZ: Well, thank you, Professor. If you...you said that you sit on the Climate Assessment Response Committee now. [LB583]

MICHAEL HAYES: I do. [LB583]

SENATOR SCHILZ: And what...and where does...and it's just a question for my

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

curiosity. What...who do you represent on that? How were you named to that? What round hole does this square peg fit in, I guess? [LB583]

MICHAEL HAYES: Right. I think as director of the National Drought Mitigation Center, the Governor felt it would be good to be on that committee. [LB583]

SENATOR SCHILZ: Gotcha. Sure. To have you on board. [LB583]

MICHAEL HAYES: The Climate Assessment Response Committee came out of the Nebraska Drought Response Plan development that Governor Kay Orr led back in, I think, the late 1980s; and the founding director of the National Drought Mitigation Center was part of that process. So I think that's some of the background behind that. [LB583]

SENATOR SCHILZ: Very good. Thank you. I appreciate that. Senator Harr. [LB583]

SENATOR HARR: Thank you. Thank you for coming. Do you think there...and I don't know if you've had a chance to look at the fiscal note on this. It had \$140,000 to report this or to make this report. [LB583]

MICHAEL HAYES: Yes. [LB583]

SENATOR HARR: Do you think that is accurate? [LB583]

MICHAEL HAYES: I think it's a good-start estimate for that. One of the...I know the department consulted with some of the folks at the university and asked what it would take to do workshops in the state, do some of the communication that this bill would require with the stakeholders across the state. And I think that was some of the experience that went into that fiscal estimate. [LB583]

SENATOR HARR: Thank you. [LB583]

SENATOR SCHILZ: Thank you, Senator Harr. Senator Wallman. [LB583]

SENATOR WALLMAN: Thank you, Chairman Schilz. Yeah, thanks for coming here. When you look at your heat units, you know, your heat days and your rainfall, if you put those above each other, doesn't it correlate, dry weather brings more heat? [LB583]

MICHAEL HAYES: Yes, it can. Dry conditions at the surface can help exacerbate drought conditions. [LB583]

SENATOR WALLMAN: And do you feel that we can do anything about that? [LB583]

MICHAEL HAYES: In terms of preparation, yeah, I think there's a lot of preparation that

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

we could do. [LB583]

SENATOR WALLMAN: I agree. I think the university could be involved in seed that takes less water. All these issues I think we're going to have to look at different, because it may last. We don't know. [LB583]

MICHAEL HAYES: Yeah. I think there's a lot of preparation stuff that could be done, and is being done, actually. Um-hum. [LB583]

SENATOR SCHILZ: Great. Thank you, Senator Wallman. Any further questions for the professor? Seeing none, Professor Hayes, thank you very much for your testimony. Further proponents. Good afternoon. [LB583]

MARTHA SHULSKI: Good afternoon. My name is Martha Shulski, M-a-r-t-h-a, Shulski, S-h-u-l-s-k-i. I direct the High Plains Regional Climate Center. The center is a climate service organization funded by NOAA, the National Oceanic and Atmospheric Administration. We are one of six such centers in the country. We have been located at the University of Nebraska-Lincoln since 1987, which is also the inception of the Regional Climate Center Program, which was mandated by Congress with the National Climate Program Act of 1979. I have served as director since 2009, and I'm also an assistant professor of applied climate science in the School of Natural Resources and I teach an introductory course on climate change. Our mission is to increase the use and availability of climate data and information through climate monitoring, climate data management and product development, applied research, and educational outreach. Our direct area of responsibility includes the states of Kansas, Nebraska, South Dakota, North Dakota, Wyoming, and Colorado; and we routinely work with our state and federal climate service partners throughout the area. Our staff of ten full-time employees has expertise in the areas of meteorology, climatology, agronomy, soil science, and information technology. We personally maintain a network of more than 65 weather stations across Nebraska and help manage data from an additional 150 stations throughout a ten-state region in the Central Plains. Aside from these, we archive weather and climate data from thousands of stations across the country. From these data we develop systems and tools to assist our customers with understanding the current and the past climate conditions. We field requests from hundreds of stakeholders each year, from education and research to legal, insurance, private industry, engineering, and the media. Because our center is primarily a client- and need-driven organization, much of our efforts have focused on agricultural and water resource issues, two very prominent topics for Nebraska and the High Plains region. Though we are not specifically a center to study climate change per se, this is an area of growing interest from our stakeholders, and we are increasingly asked questions related to this topic. Many individuals and agencies inquire with us about climate variability and climate change and how they and their operations will be impacted. As such, we recently published a guide to regional climate change which includes sections

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

on global trends, statewide temperature and precipitation trends, future projections, and impacts to key sectors. Moreover, our center has received additional federal funds through multidisciplinary research grants to help shed light on the following topics: public perceptions of climate change, development of decision support tools to assist the agricultural community in the face of a changing and variable climate, and education of the public on sustainability. We do not generate climate projections. However, our area of expertise is in understanding current conditions; quality controlling, archiving, and disseminating historical climate data; developing tools to assist with climate-related decisions; and direct interactions with a range of stakeholders. It is in this capacity that the HPRCC could be of value to the Climate Assessment Response Committee and the state of Nebraska. And I'll end there. [LB583]

SENATOR SCHILZ: Thank you, Ms. Shulski. Any questions? Seeing...yes, Senator Lathrop. [LB583]

SENATOR LATHROP: I do. Again it's a chance for me to ask some questions because I don't sit in Natural Resources and I don't get to ask questions after I get done watching one of these shows on climate change. I know you just got done saying that you don't make projections, but I'm going to ask you to or to enlighten me. If the trends continue, are we likely to have stretches with no rain, or are we likely to have one year where we get a lot of rain and the next year where we get none, like that kind of variability, if you know? [LB583]

MARTHA SHULSKI: Yeah, I think the variability will increase in general in multiple ways. I know the frequency of extreme heavy rain events is projected to increase, but also the frequency of these extended dry periods is expected to increase as well. So all of these ranges in variability are expected to increase. [LB583]

SENATOR LATHROP: Are you...this is kind of strange question, but are you testifying in Natural Resources this year on the water bills? [LB583]

MARTHA SHULSKI: I am not. [LB583]

SENATOR LATHROP: Okay. It just seems to me like this is really important information if we're going to try to develop water policy. And if the idea is we need to start building a bunch of dams to try to capture water, if that's the strategy; or if we're wasting our time trying to build dams and we ought to be generating electricity and running cars on something besides fossil fuels. Go ahead and comment, because you look like you're (inaudible). (Laughter) [LB583]

MARTHA SHULSKI: I wasn't sure if that was a comment or a question. (Laugh) [LB583]

SENATOR LATHROP: I mean it really is an important question for the state, and I know

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

Senator Carlson is going to do a lot of important work this year in Natural Resources on how we manage our water, which is...those are hearings I won't participate in, can't participate in, because I'm not on that committee. But it strikes me that this is sort of central to the question. If the strategy is we need to capture more water at McConaughy or in different dams that we have set up across the state, if we can limp from year to year, you know, we fill the dams up and the next year we drain them with irrigation, if that's the strategy that will work. Or is that not going to be consistent with the weather patterns you see? And I apologize to the committee for asking a Natural Resources question, but I don't get a chance to ask them over there; and apparently no one else will either. [LB583]

MARTHA SHULSKI: I think a couple things need to be considered. In the projections of precipitation that I've seen, Nebraska and a lot of the Central Plains lies within this area where seasonally there will be differences. It will get wetter in some seasons and drier in some seasons. For example, drier in the summertime but wetter in the winter and spring. So that's going to certainly need to play a factor in that. The second thing to note is there's more uncertainty with precipitation projections than there is with temperature projections. The models are all going in one direction when it comes to temperature. They vary in terms of the amount, but they are all indicating warming. For precipitation, it's a bit less uncertain. It's a more difficult variable to predict for because, as you know, for summertime rains Lincoln can get a downpour and just south of here they won't receive anything. So it makes it a little bit more difficult to predict for. So I don't know if that helps (inaudible). [LB583]

SENATOR LATHROP: Well, I think Senator Haar can show you the way over to the Natural Resources Committee this year, and they may be interested in exploring that further with you. But thank you for your answers to my questions. [LB583]

SENATOR SCHILZ: Thank you, Senator Lathrop. Senator Johnson. [LB583]

SENATOR JOHNSON: Yeah, some of us are on that committee and I had the same thoughts when...this needs to be talked about as we look at water policy in an interim study. And I'm sure, hopefully, we can look at some of your work and get involved in that. As you cover many states, where are we in our study with this bill or with what we've been doing? Are we on target? Is this what other states are doing, or are we inventing something out here? Can you give us any advice on how to improve what we're doing? [LB583]

MARTHA SHULSKI: Right. So when the state said that I'm responsible for...probably Colorado is most ahead, that I'm aware of. So it's not necessarily a new area that we are forging. There are examples like this out there for other states. But I believe only a handful across the country have done this sort of thing; but I believe Colorado. I think California is another example. So there are things that we can look at when we start to

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

develop this. [LB583]

SENATOR JOHNSON: So we can collect information collectively from other states and get a broader view of where we're at in the change and stay up with them? [LB583]

MARTHA SHULSKI: Yes. I think in terms of a methodology, what this sort of report would look like and what it would include. It would obviously be different based on historical conditions, projected conditions, what's important to our state. But we've got...will have some information to look at as we develop this. [LB583]

SENATOR JOHNSON: Thank you. [LB583]

SENATOR SCHILZ: Thank you, Senator Johnson. Any further questions for Ms. Shulski? Seeing none, thank you for your testimony. Appreciate it. [LB583]

MARTHA SHULSKI: Thank you very much. [LB583]

SENATOR SCHILZ: Next proponent. Welcome back. [LB583]

JOHN HANSEN: (Exhibit 2) Mr. Chairman and members of the committee, good afternoon again. For the record, my name is John Hansen, J-o-h-n H-a-n-s-e-n. I'm the president of Nebraska Farmers Union and appear before you today in strong support of this bill. I am passing out a copy of the special orders of business that were passed this last year at our state convention relative to climate change. I'm also passing out the sections that I thought were the most appropriate in our state policy relative to global warming and climate change legislation. Our organization has been a leader in the development of renewable energy for a very long time for a variety of reasons. Not only does it create more economic development for rural Nebraska and rural communities, but it also creates new markets. But it is also a way for us to be stewards of the Earth for which we are temporary managers. And we have been very concerned for some number of years about all of the growing preponderance of data and information which continues to pile up in snowdrifts, and we continue to have an overwhelming consensus of the majority of scientific opinion as to what is going on. And it is my observation that while there may well be a lot of climate change deniers, there are virtually no weather deniers within the ag community, and that's because we live with the actual, real-world consequences of weather and its changes and its volatility. We are in the western Corn Belt; we live in a marginal rainfall area, to begin with. Senator Schilz, I don't have to convince you of that. A little change in not only the amount but the timing of moisture has huge, huge consequences both on grain production but also livestock. And so as we look at the situation that we're in today, we're looking at the worst national drought in 50 years, the worst ever in terms of both temperature and moisture in our state. We're sitting here with virtually no subsoil moisture. We couldn't possibly be more vulnerable as we go into this next growing season. When we look at this particular issue, from our

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

vantage point, we would say that the old saw about those who fail to plan, through inaction, fail to plan...or plan to fail. And as you look at the failure to gather information, the failure to begin the process of trying to figure out what it is that we can do to better arm our farmers and ranchers to deal with the changes, the volatility, that's just not either a responsible or a prudent path forward. So there's everything to be gained by getting more information. So all of those efforts for NOAA, the National Climate Response Center, the National Climate Assessment efforts, all of those things, we need to continue to gather information. We need to continue to get more research. But it also behooves us to move past the arguments about whether, you know, we're...whether human activity has more or less to do with climate change or not. And we...our organization has for some number of years, both at the state and the national level, just simply said, we need to identify the tools that we need to manage that volatility. How do we use less water? How do we store water more efficiently? How do we change our cropping patterns? What are the different kinds of things that we can do to get better use out of the moisture that we have? Of all the climate sessions that I've gone to and all of the studies and reports that I've heard, while the particulars vary about just when it is that we're going to get to a particular point in time, when we hit a particular threshold, i.e., there's a study out there that's a reliable study that's been talked about in the press about how Nebraska will be too far south to grow corn by the year 2050. Whether it's 2050 or whether it's 2080 or whether it's...whenever it is, it behooves us to be thinking about what it is that we do to develop appropriate kinds of crops and strategies to deal with the kind of weather that we're getting. And so that takes tools, that takes information. And so we are fortunate in that we are a national center for climate expertise, and our appreciation and compliments go to the folks that we have already heard from today, and it just seems to us as Keith Dittrich, who was mentioned earlier by Senator Haar, who is our District 7 president of the Farmers Union, and a lot of our members, they really want to move on. They want to move forward, and, you know, let's not waste time haggling and talking about the particulars of whether we are or we aren't, to help us manage, and then that's the way we look at the farm bill. Give us the tools that we need so that we can do a better job of conserving our resources. But all of that data says that we're going to have a lot higher temperature in relative terms--3 or 4 degrees more temperature--and less rain. And the rainfall and the moisture we get is going to be less useful because we're going to have more of it at a particular time. And then, as we all know, when you get a 4-inch gullywasher, you know, that's not near as good as four 1-inch rains that are good and could be absorbed into the soil. So as we look at where we've already been, the volatility of the storms in the Midwest, we see a pattern that's very discouraging and alarming. And so we think that this is a good place to start, with this existing committee. Why not bulk it up? Why not give it a few additional resources and responsibilities? And there can be no real harm, in our view, of gathering more information and doing a better job of figuring out where we're at or what we can do. And with that, I'll end my testimony and answer any questions if I could. [LB583]

SENATOR SCHILZ: Thank you, Mr. Hansen. Any questions for Mr. Hansen? Senator

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

Hansen for Mr. Hansen. [LB583]

SENATOR HANSEN: Mr. Hansen. Describe for me the general pattern in climate, rainfall, temperature in 2011 as compared to 2012. One year apart, less than a year apart. Spring, summer, fall, 2011 compared to 2012, and why in the world would that ever happen. [LB583]

JOHN HANSEN: I vote for 2011 as a production year. (Laughter) [LB583]

SENATOR HANSEN: I (inaudible) we have our choices. I can't see anything in climate change, whether cooler or warmer, that would make that big a difference in one year. And so therefore I assume that this year will be average. [LB583]

JOHN HANSEN: I've never...myself, ever seen...I've never seen an average year, but I've heard about them. (Laugh) [LB583]

SENATOR HANSEN: Well, I know. Those are the two averages. I mean, 2011 was the coldest, wettest year North Platte has had. And then this year, after April...we were fine until April, but after May, June, clear to the end of the year, we were the driest and probably the warmest on record. It wasn't the hottest. The hottest was when I was a little bitty boy, when we had 114 degrees. The daily high was not as hot this year...or last year, as it was. But those temperature extremes, Nebraska has always been a state of weather extremes. [LB583]

JOHN HANSEN: Yes. [LB583]

SENATOR HANSEN: If you don't like the weather, just wait a little while, it'll change. And this year seemed to be a considerably cooler winter, at least out west, than it has been for two or three years, so I don't know. I don't know if there's...there's probably not a question in there and I don't want to hold up the hearing, but I just wanted to have that on the record. There was quite a difference between 2011 and 2012. [LB583]

JOHN HANSEN: Nebraska, my grandfather Karl (phonetic) was a old Norwegian who could tell you how many days it had been between rains in a given year and what the high on that particular date was in his lifetime and what the all-time low was and how many days over 100, how many days below freezing, how many days below zero. He had a photographic memory of all of those things. And one of his observations was that Nebraska was always a state of extremes and that, you know, we always got rain; we just didn't get it when we needed it. And...but it seems that the volatility is increasing as you look at the storm data we're getting. More extreme events that seem to be breaking more records. And so I don't think that it's going to be just one kind of weather pattern and then it's going to be that way as you go forward. I think we're just going to continue to see huge amounts of volatility, based on the research that I've seen. And, of course,

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

it's always difficult to sort out just exactly what the difference between weather and climate is. [LB583]

SENATOR HANSEN: Thank you. [LB583]

SENATOR SCHILZ: Thank you, Senator Hansen. Any other questions for Mr. Hansen? Seeing none, thank you for your testimony today. Appreciate it. Next proponent. [LB583]

JOHN HANSEN: Thank you very much. And I really don't have any way to tie this into the brand bill. [LB583]

SENATOR SCHILZ: (Laugh) That's a good thing. Yeah. Mr. Winston, thank you for coming today. [LB583]

KEN WINSTON: (Exhibit 3) Thank you, Chairman Schilz and members of the Agriculture Committee. My name is Ken Winston, K-e-n W-i-n-s-t-o-n. I'm appearing on behalf of the Nebraska Sierra Club and in support of LB583. Several of the things that I have in my written testimony have been discussed, but I'll just kind of gloss over them quickly. Basically, we think that LB583 is a commonsense response to the impacts of changing climate. And from our perception, the last two years have provided firsthand evidence of reasons to support LB583, and the floods in 2011 followed by widespread heat, drought, and wildfires in 2012, we believe that all those things are indications of climate change. And I know I've heard the explanation for the reason that the storms are more severe. But not being a meteorologist or a climatologist, I won't attempt to explain it, but I've heard that and it's my understanding there's a good scientific explanation for that. Adding the High Plains Climate Center to the committee brings some expertise to that committee, and we believe that also it's very important that we be addressing this issue now as opposed to waiting. As a couple of other testifiers have talked about, agriculture is very heavily impacted by climate. A few degrees' change in temperature can...a change in the growing season, a few more days with no rain or a freakish storm, all those things can have a great impact on agricultural production. And as the members of this committee I'm sure are quite familiar, agriculture provides a great deal of the economic energy for this state, as well. And one of the reasons that Nebraska fared well in the recession was the fact that the agricultural economy was fairly strong. When people were able to sell corn for \$7 a bushel, that helped a lot. And that...as a friend of mine has pointed out, that when people are...when people make money in Ogallala, usually that helps Omaha. And so the entire state...well, I heard that somewhere. (Laughter) But so...but it really makes sense. I mean, the whole state depends upon the agricultural economy being healthy. And I guess part of the reason that...one of the reasons that we want to focus on this issue is that, as John was also talking about, John Hansen, earlier, we need to think about this in the same way that we think about weather. And when there's a weather forecast, we respond to it. And like last week, there were a lot of things that were canceled. Now the storm turned out not to be as

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

strong as was predicted, but the public policymakers who made those decisions made those decisions because they wanted to have...they didn't want to see people stranded out in the middle of a snowstorm on their way to a legislative hearing, for example. And so they made decisions with the best information that they had at the time. And we think that the same kinds of considerations should be brought into play when we're talking about climate. And I guess one of the things...and this is going to respond to and support something that Senator Lathrop said, which is that a lot of the things that respond to climate change are energy policies. And we think that most of those energy policies that would respond to this are things that are very beneficial, that would be very easy policy choices because of the fact that they would save money; they would create economic benefits for the people of the state of Nebraska. For example, reducing the energy usage helps businesses profit. It provides more money for homeowners to spend on other things as opposed to spending money on energy. And so we think those are very easy choices. And, of course, we have tremendous wind potential. I know that several senators in this committee are very interested in wind development. And so this has the potential of creating thousands of jobs and billions of dollars of economic benefit for the state of Nebraska. And then the bottom line is that on...and then, of course, I also mentioned solar briefly, and that also has the potential of being very beneficial. For example, if you have an irrigation pump that is currently running on...that you have to get the energy from the grid, if it was coming off a solar panel that would be a way of, particularly on a hot, dry day, that would be a perfect time for a solar panel to be generating electricity for a farmer. And then maybe the most important thing, and Senator Lathrop and Senator Johnson alluded to this earlier, is that these kinds of things don't use water, and water is going to become increasingly valuable as we go forward. So for all these reasons we would encourage the advancement of LB583. [LB583]

SENATOR SCHILZ: Thank you, Mr. Winston. Any questions for Mr. Winston? Seeing none, thank you for your testimony. Appreciate it. [LB583]

KEN WINSTON: Thank you. [LB583]

SENATOR SCHILZ: Further proponents of LB583. Proponents? Seeing none, are there any...oh, are you proponent? Any opponents for LB583? Opponent? Come on up and have a seat. Good afternoon. [LB583]

JOHN BOELLSTORFF: Good afternoon. My name is John Boellstorff spelled B-o-e-l-l-s-t-o-r-f-f, and I have a doctorate in geology and I'm emeritus with the Conservation Survey Division, and I've worked with Amoco Production Company. I didn't realize you were going to get into climate change per se here, but, and I don't even know where to start. Let me say that I...in my opinion, there is a big...a huge gap in the whole climate change presentation, in that they...it is dominated by climatologists, meteorologists, and sociologists and this type of thing. There's very little geological

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

input. And I think if, whatever you do, when you start talking about climate change, you need to have some kind of geological input as far as how has climate changed in the past, looking back a thousand years. Is that enough? Looking back 500 years? I remember when I was with Amoco, I think 1987, I can't remember just when, but we went through a five-year drought down there. I remember we had 22 days above 100 in August and September, which was highly unusual. The water reservoirs, they were about ready to lay another pipeline, but then the rains started. We had a lot of fires. Things were unusual. But in the Great Plains, you know, so what? When I was a kid growing up, you mentioned 114 degrees. I remember that very well, putting up hay on a 114-degree day. And in the months of May and June, for a period of time there, we expected 8- to 12-inch...two 8- to 12-inch rains every year. And we got them. And the creeks would be bank...you know, it would be from one creek to the other creek, completely covered. I haven't seen that since. Of course, we've had a lot of conservation since. But we haven't had the 8- to 12-inch rains either. And also you have to look at...people see increased reports and say it's increased occurrence. That doesn't necessarily follow. Nowadays, we have a much better communication, every little thing, just report it. Back 50 years ago things that get reported now wouldn't even make the press locally. So I don't...you know, you have to take things into account. And I see a big play here. Well, when I was working at the Geological Survey back in late '70s, there we were talking about climate change too, but then the glaciers were coming. And the word of mouth was, if you wanted to get your NSF project funded, tie it to climate change. So you have all of this. There's a lot of politics. You have the International Panel on Climate Change and you have the World Meteorological Organization. Those are both United Nations subdivisions. And there's a lot of politicians and the government see a lot of gain to all of this. So do some businesses. I mean, let's have some litigation on water, you know, this type...climate change. But what I'm saying is some countries, and I think Britain and Australia have actually gone so far as to form a climate change cabinet level. There's a lot of...you know, that's going to introduce a lot of controls, a lot of regulations, a lot of enforcement, blah, blah, a lot of employment, which the government likes. As a matter of fact, in the recent International Panel on Climate Change, they actually said, based...I can't remember the exact amount but it was in the, like, \$189 billion had been spent so far on climate change. The major benefit is employment. So I think there's too much emotion involved in this. I think just because you see a hot temp, an unusual year, let's legislate; let's create more bureaucracy. I'm for less bureaucracy. I don't think we...unless they can really show what are they going to do. But I'm going to go to the bill now, and if there's time left afterwards I'll discuss more climate change. [LB583]

SENATOR SCHILZ: I would appreciate that, sir. Thank you. [LB583]

JOHN BOELLSTORFF: Okay. Number one, I do want to make a point, though. The assumption in all this climate modeling is all the input factors are accounted for. That is not true and I would be willing to go into that. One is that, what they call hydrates. And

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

they consist of methane gas, which is 20 times the greenhouse power of CO₂. And in ten...it has a life span of about ten years and then it degrades to CO₂. But there's a lot of other things. It's a...for example, if you take a look at the climate curve, the period from about 1940 to 1968, there's actually a cooling-off period. What happened during that period? We had World War II. We had atmospheric testing of nuclear weapons. [LB583]

SENATOR SCHILZ: Excuse me, sir. Sir, I just want to know...I understand your concerns about that part of it. This bill has to do... [LB583]

JOHN BOELLSTORFF: Well, I understand that, but the other people are going... [LB583]

SENATOR SCHILZ: Excuse me, sir. Okay, okay. Well, I would... [LB583]

JOHN BOELLSTORFF: ...into climate change also, so I just want some equal time on that basis. [LB583]

SENATOR SCHILZ: And you went into that before and I understand that. [LB583]

JOHN BOELLSTORFF: Well, okay. I'll go into the bill. [LB583]

SENATOR SCHILZ: If you could address the bill, I would appreciate it. [LB583]

JOHN BOELLSTORFF: Okay. [LB583]

SENATOR SCHILZ: The day is getting long. Thank you. [LB583]

JOHN BOELLSTORFF: All right. On this...on page 2, line...oh, say, line 5 to line 12, now they're mentioning these memberships. They mentioned one from...they don't say one. They just say they will be selected from this. They don't say one from each or anything like that. It just says...they could all be from one, the way I read it. But anyway, under there they have the High Plains Regional Climate Center, you have the Conservation and Survey Division, Cooperative Extension division. Those are all part of UNL's Institute of Natural Resources. I don't know if you're familiar with the hierarchy down there, but we have the Institute of Ag and Natural Resources; we have the College of Agricultural Sciences and Natural Resources under that. Under that we have the School of Natural Resources, and now under that we have the Conservation and Survey Division. So we have three major elements there of administrative overhead, that in my estimation there should be...then there's the Nebraska Department of Natural Resources. We need to cut down on all of this administrations' cost, and which would improve communication and improve efficiency. But that's beside the point. Anyhow, that's...I wanted to point that out. Those aren't necessarily...those are one

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

separate...one entity. And then the director of Natural Resources, says, may be on as an ex officio member. Now does that mean nonvoting? [LB583]

SENATOR SCHILZ: Yes. [LB583]

JOHN BOELLSTORFF: Well, now that...the director of Natural Resources, aren't they the only agency listed here that has any kind of authority to regulate, to shut off pumping on irrigators whose natural...aren't they the ones that can go and tell irrigators, you've got to cut down irrigation, you've got to shut your pumps off? To me, I think that that person should be on it, most definitely. Okay, then on page 3, line 17, this is talking about when you're going to activate whatever these plans are. I believe in collecting data. That's the one thing with climate change that needs to be done, is a very good setup to collect data. Not just meteorological and climatological data, but to build up the database on the past, recent past too, prehistoric past. But if you compare that section 17-21, back on the next page, on 4, okay, there you address...establish the criteria for startup and shutdown. Well, this is what I...the gist I'm getting at. With the data gathering and research and stuff, you don't start up and shut down. You have an ongoing program, or else you're not going to have the data when you need it. So with that part of it, it should be...they should provide for continual basis of data collection and analysis regardless if we are in a drought or not. That should be an ongoing activity. Okay, number (4), that would line 4, on page 4. Okay, it says dah, dah, dah...but what I'm objecting to, it says "duties and responsibilities of all agencies." Now "all" is a little broad, in my opinion, and I don't like that. Okay, maintain...okay, inventories, that's (5). Okay, I say maintain and publish. It needs to be made available to the public so they can review it and comment on it. And the same way on...that's a current inventory of state and federal responsibilities in assessing. Okay. And then I would change the wording somewhat so you also maintain and publish an inventory of the methods. I want to know, okay, if you're having this, what's your toolbox? What are you going to do about it? Let's have an inventory of the tools (inaudible) do to mitigate it. You know, the studying and building up all these agencies and stuff to go out and do this is, I think, destructive. Things need to be coordinated and consolidated. Okay, then down there on, that would be line 20, page 4. Okay, like when they say, "Facilitate communication." Well, that's very vague. Right now, the climate scientists, or a lot of them...I don't want to just say climate scientists, but a lot of people on the IPCC, they jump on an airplane and they go to some nice foreign country and have their little meeting and come back. Why not use telecommunications? Why do we have to pay all this humongous dollars, the carbon footprint and all, to go to meetings? And again, "response strategies." Let's spell out what they are. Let's have some...know what the tools are. Okay, I guess that's about it. But the way I...bottom line, I see on some of this, I think it's an economy killer. It has the potential for being an economy killer by too much...more and more regulations without any clear-cut results. Let's have a cost-benefit analysis and see if this is really worthwhile. [LB583]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR SCHILZ: I appreciate that, and I can tell that you have read through the bill and that you take it seriously, and I appreciate your testimony. Hold on one second. Senator Wallman, you have a question. [LB583]

SENATOR WALLMAN: Chairman Schilz, thank you. Yes, thanks for coming. I can see you have a passion about this. Do you think we have enough employees right now to implement this stuff, then? [LB583]

JOHN BOELLSTORFF: Enough employees to implement what stuff? [LB583]

SENATOR WALLMAN: This bill. [LB583]

JOHN BOELLSTORFF: I wouldn't implement it, except...no, I'll take that back. I would definitely implement the data gathering and analysis. I would take a look at good data design or good experimental design that's balanced, that's not just heavy over here on climatology, meteorology, looking at the last 300-400 years for the...you know, I mean, if it weren't for global warming, the ice caps just left central Iowa, you know, 15,000 years ago. So thank God for global warming and we can farm here. And according to...geologists believe that actually we're still in the ice age. Matter of fact, the first thing you have to do to reinitiate the ice age is melt the Arctic sea pack so we can get precipitation. [LB583]

SENATOR SCHILZ: Thank you. Thank you, Senator Wallman. Any other questions? Seeing none, thank you very much for your testimony. Appreciate it. Other opponents to LB583? Seeing none, are there any neutral testifiers? Mr. Stilmock, welcome to the Agriculture Committee. [LB583]

JERRY STILMOCK: Good afternoon, Senators. If I may sign in, to keep things moving, after I've completed my testimony, sir? Thank you. Members of the committee, my name is Jerry Stilmock, J-e-r-r-y, Stilmock, S-t-i-l-m-o-c-k, testifying on behalf of my clients, the Nebraska State Volunteer Firefighters Association and the Nebraska Fire Chiefs Association, in a neutral capacity. Just to supply a little bit of information, in 2012 our volunteer firefighters, men and ladies, throughout northeastern and north-central and the northwestern part of the state experienced devastating wildfires. And you've heard testimony this afternoon of the wildfires that occurred. We lost, in Nebraska, over 500,000 acres. And what I'm learning, even since as recently as since Friday, when another committee heard a different bill, that there are other states involved in combating and looking at these wildfires and looking at preserving their resources. And certainly...and let me just say, it has surprised me that the state of South Dakota has a paid fire suppression response team and they contract...they, the state of South Dakota, contracts with 70-90 volunteer firefighters in the state of South Dakota to go out. And I said, what's the impetus; what's the motivation? And they said, well, our state relies so much on agriculture; we rely so much, the ranchers and the farmers in the area of South

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

Dakota, rely so much on grass and hay as an economic driver in the state. And it occurred to me that this portion of what you're looking at with Senator Haar's bill, it makes sense. It makes sense to gather all the information that's available, to share it, to spread it, to find out what's happening. We know that since the year 2000, there has been an increase in wildfires. Certainly we had an extensive drought in 2012; 2011 was not as rugged. 2006 there were extensive wildfires in and around the Valentine and Chadron areas, both. There's something happening. It's impacting the groups that I represent, and I think this would be one way to get additional information to share so as Nebraska could be more proactive. And I think this would be an addition that would help, Senators. Thank you. [LB583]

SENATOR SCHILZ: Thank you, Mr. Stilmock. Any questions for...? [LB583]

SENATOR LATHROP: Just one. [LB583]

JERRY STILMOCK: Sir. [LB583]

SENATOR LATHROP: Where did...and it sounds like you support the bill. [LB583]

JERRY STILMOCK: The...I take my directions from...of course, from the clients. And they've taken a neutral position on it, Senator. [LB583]

SENATOR LATHROP: But you think it's a good idea? [LB583]

JERRY STILMOCK: I do. Yes. [LB583]

SENATOR LATHROP: Okay. I just wanted to make sure I...because I was trying to read the next bill, and I wanted to make sure I didn't miss something that sounded like we've got a problem with it but we support the idea. [LB583]

JERRY STILMOCK: No. It's more of coming to bat at the table. Just more informational, sir. [LB583]

SENATOR LATHROP: Okay. [LB583]

JERRY STILMOCK: Yes, sir. Thank you. I'm glad you asked, because it did sound pretty positive, didn't it? (Laughter) [LB583]

SENATOR SCHILZ: Any further questions for Mr. Stilmock? Seeing none, thank you. [LB583]

JERRY STILMOCK: Thank you. [LB583]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR SCHILZ: Is there any other neutral testimony on LB583? Before we ask Senator Haar to come back up, I would like to read into the record a letter from the Nebraska Wildlife Federation signed by Duane Hovorka in support of LB583. And with that, Senator Haar, you're welcome to close. [LB583]

SENATOR HAAR: Yes. Thank you very much for your time, and I want to thank the people who testified today. It's something worth talking about, certainly. The reason I brought this to this committee instead of Natural Resources is because of the Climate Assessment Response Committee. And really we're not changing that very much except to add one member and asking for a long-range report instead of as that committee usually operates, the next year or two in advance. So we thought using existing committees made a lot of sense. I want to talk just...I'm going to jump around here a little bit. The fiscal note, you notice \$114,000, but then in a rather interesting thing we don't hear too often from our Fiscal Office, it says the costs attributed to the bill's provision by the Department of Agriculture appear to be excessive. So (laugh) we just don't hear that often. And a lot of that has to do with four meetings. I believe in the Department of Agriculture's assessment they talked about having statewide meetings, and that's not something we put in the bill itself; although that's something that the committee itself might wish to add. I want to read you a little...just a paragraph from the St. Louis Post-Dispatch, and it said James Lawrence Powell is a former member of the National Science Board under Presidents Ronald Reagan and George H.W. Bush. He did a broad search in scientific journals for every peer-reviewed study of climate change and/or global warming since 1991. He found 13,950 studies that were the work of 34,000 scientists from around the world, and precisely 24 of those 14,000 studies rejected global warming. I just thought that's kind of an interesting statistic to share with the committee. One of the things that was passed out, and I think I grabbed Senator Wallman's, it's called the "Colorado Climate Preparedness Project Final Report." And we just gave you a couple pages of that. But this is a 2011 work from Colorado. And if you look at the table of contents, this isn't just an ag issue. Now I brought this to the Ag Committee because of the existing committee. But look it. They studied water, wildlife, electricity, agriculture, outdoor recreation, adaptation planning, and so on. All of those would be affected by climate change. And if you turn to page 3, under "Water," the "Key Points from the Sector Chapters," the most serious anticipated impacts of climate change include shifts in timing and intensity of stream flows and runoff, reductions in late-summer flows, decreases in runoff, increases in drought, and modest declines for Colorado's high-elevation snowpack. And so theirs is even a more comprehensive report, and this is maybe something we should bring to the Natural Resources Committee to do this kind of more...because it affects all of our lives, but in particular...and it really shows, I think, the foresight of agriculture in this state to have formed such a committee in 1991 to talk about drought. So it affects many different areas. And as you look, all the different things, again if you look at the letter from the Nebraska Wildlife Federation, I just want to quote from that real briefly too. What it's talking about here is, despite uncertainties and complexity, it is clear that the Earth's

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

future climate will be unlike the climate that ecosystems and human societies have become accustomed to during the last 10,000 years, leading to significant challenges across a broad range of human endeavors. It's likewise reasonable to expect that the magnitude of future climate change and the severity of its impacts will be larger if actions are not taken to limit its magnitude and adapt to its impacts. And one of the very interesting things I find about these discussions, we're really no longer talking about, well, some people are, but very few people are talking about, is there climate change? Yes, there is. Have humans at least been a part of it? Yes, they have. But people are now talking about adapting to climate change. It's here. It's happening and we have to adapt to it. And I believe that's part of this...the importance of this committee...of adding this report to this committee, of looking at long-term implications. And Senator Hansen, you asked some good questions about the variability. You know, climate change is...one of the...it's not just a little change, a little bit, it's getting a little hotter at a time, but it's becoming much more extreme. There are much more extremes of ups and downs and storms and that sort of thing. But to answer those questions with the best science, we need to study it further and we need to get that in the report. And really that's what this is about, to ask the kind of questions that you're asking, so that it's not Senator Haar or three climatologists or whatever coming to the table, but to look at a comprehensive report, to try to ask some of these questions to see how it's going to impact Nebraska, and then to give this report to all of us so that we can start to adapt for the future.
[LB583]

SENATOR SCHILZ: Great. Thank you, Senator Haar. Any last questions for Senator Haar? Seeing none, thank you, sir. [LB583]

SENATOR HAAR: Thank you so much. [LB583]

SENATOR SCHILZ: And that will close our hearing on LB583 and we will move forward to LB597. Welcome, Senator Larson. You are welcome to open up on LB597. [LB583 LB597]

SENATOR LARSON: (Exhibit 1) Thank you, Senator Schilz and members of the Agriculture Committee. I'm Senator Tyson, T-y-s-o-n, Larson, L-a-r-s-o-n, representing District 40; and I am here today to introduce LB597. LB597 makes changes to statutes relating to county agricultural societies. This bill will help clarify these statutes and would bring them in line with practices that have been ongoing in county agricultural societies for some time. The first part of this bill would allow county agricultural societies to make equipment purchases with the money they receive from county boards. Right now the statutes governing these societies are silent as to how and with what money equipment purchases can be made. County agricultural societies receive funding from their respective counties through two different kinds of levies. The first tax levy is a place to collect money for the operation of the county fair, providing for advertising, labor, and fair supplies. The second levy is for capital construction purposes so that a county

Agriculture Committee
February 26, 2013

agricultural society can improve, maintain, and expand its fairgrounds and property. LB597 would add a provision to the capital construction tax levy statute to allow the county agricultural society to use part of that money to purchase equipment. The revenue generated from the capital construction tax levy would provide enough funding to cover the cost of the equipment they would need to purchase. The second part of LB597 changes the statute relating to the real estate transactions. As the statute is written now, if a county agricultural society sold a piece of land, it would have to turn around and use those proceeds to purchase another piece of land. Allowing these societies to sell their land free of the restriction currently set in statute would give county agricultural societies more flexibility as to how they invest the proceeds from those sales. Without this restriction, for example, a county agricultural society could place the proceeds of that sale into a trust fund to help endow the county fair and the county agricultural society generally. I also have an amendment that would allow the county agricultural societies to lease its real estate as well. Giving county agricultural societies the option to lease the real estate would be beneficial for a number of reasons. While it has been the practice for county agricultural societies to lease its real estate in the past, this practice is not explicitly allowed in statute. LB597 as amended would catch up this statute with current practice. Leasing would also give county agricultural societies more options when it comes to managing its real estate. Additionally, leasing helps preserve counties' interest in property owned by the county agricultural society, as opposed to the outright sale of the property. LB597 and its proposed amendment also builds in additional protections for counties and their interest in the real estate that is acquired by the agricultural society. Because the county tax dollars fund acquisition of this land, it is important that a county keeps an interest in that property. Currently, the statute extends a county's rights in its agricultural society's original property and any improvements made upon that property. LB597 further extends the county right to any additional grounds purchased or to any proceeds from a sale, exchange, or purchase. If real estate is ever sold, the county would maintain a right in any proceeds derived from the sale. The same would be the case for any proceeds generated from a lease arrangement involving county agricultural society real estate. LB597's intent is to clear up and catch up our statutes relating to county agricultural societies in order to give more operational and management options to these societies. These changes will help strengthen and improve our county agricultural societies while ensuring that their respective counties maintain an interest throughout. Thank you and I'd attempt to answer any questions the committee may have. [LB597]

SENATOR SCHILZ: Thank you, Senator Larson. Any questions? Senator Harr. [LB597]

SENATOR HARR: Senator Larson, thank you very much for bringing this bill and specifically for this amendment. I know this is currently affecting a number of counties. And, additionally, as we go forward with the 30 percent fund, I know there's a lot of talk of counties using that 30 percent (inaudible) back to high schools. And I think this is a great bill. And I just want to say thank you especially for the allowance of the lease part

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

of that. So thank you very much. I have no questions but just to commend you. [LB597]

SENATOR LARSON: Thank you, Senator Harr. [LB597]

SENATOR SCHILZ: Thank you, Senator Harr. Any other questions? Seeing none, thank you, Senator Larson. First proponent. Good afternoon. [LB597]

ALAN WOOD: Senator Schilz and members of the committee, my name is Alan Wood, A-l-a-n W-o-o-d. I serve as legal counsel for the Nebraska Association of Fair Managers, which is a statewide association of county fairs and county ag societies. I want to thank Senator Larson for introducing this bill. This really will bring the statute into what has become a common practice amongst agricultural societies. We talk about the machinery purchase. I think that there's been some question, especially amongst the auditors that go through and audit the books of agricultural societies and county fairs, and when they find they've spent \$35,000 on a tractor, was that really capital construction, renovation, and repair? And that's what the statute talks about now. So what we're doing is we're adding machinery purchase to that so that there's a clear path for the managers of the county ag society to acquire machinery with their capital levy as opposed to trying to fit it in some other place with the general levy. With regard to the second section in the bill, in the past ag societies have been somewhat hampered in that if they had some surplus real estate that they wanted to sell and really didn't need to buy other land to make up a part of the county fairgrounds, they were hampered from doing so because the statute said that they could sell their real estate or convey an interest in their real estate for the purpose of acquiring other fairgrounds property. This removes for the purpose of acquiring other fairgrounds property. Maybe once upon a time 20 or 30 years ago that provision was useful. When ag societies have their own levy authority, that's not the case now. Ag societies are partners with the county board. They take their request for their annual tax levy to the county board for approval. They work in conjunction with the county board in making the ag societies and fairgrounds better. Also the county boards have budget review authority as it relates to ag societies. So I don't see the need for there to be restriction on the ability of an ag society to convey away an interest in their fairgrounds if it's a surplus property situation that they could use those funds to better the facilities of the county fair. The amendment, I appreciate the amendment. We wanted to make sure that it was clear that an ag society had the authority to lease its real estate. I think that has developed over the years and many ag societies do lease maybe a portion of their property for extension service or for some other community purpose. The gentlemen that will follow me and testify will testify how that absence of authority has created a real problem and needs a solution. This is a problem in need of a solution. And expanding the ability of an ag society to lease its real estate will be an improvement. So with that, I will be happy to answer any questions anybody has. [LB597]

SENATOR SCHILZ: Thank you, sir. Any questions? Seeing none, thank you for your

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

testimony. [LB597]

ALAN WOOD: If not, thank you. [LB597]

SENATOR SCHILZ: Further proponents. [LB597]

TOM SCHELLPEPER: Good afternoon. [LB597]

SENATOR SCHILZ: Good afternoon. [LB597]

TOM SCHELLPEPER: My name is Tom Schellpeper, T-o-m S-c-h-e-l-l-p-e-p-e-r. I'm from Stanton County. I'm the president of our ag society. I'm also a representative of Nebraska Association of Fair Managers in District 3. I want to thank Senator Larson for bringing this bill on. It might not, in your eyes, be as important as the last one with global warming (laughter), but I guarantee if you go back to my town of 1,600 people and ask them that same question they're going to disagree with you. On our 39-acre fairgrounds, we have a lease with the city to operate two ball diamonds. We also have a lease with the school system, and they have about a million-dollar track and football facility on our grounds. Now what we have is a normal lease wrote up. It started back in the '70s. It's progressed over the years. You know, things have built. Well, what we have come to find out in the wordage of the bill the way it was, there was nothing in there that says you could lease the ground. And the way statutes are, you can do what you're told and that's it. Well, we as an ag society got pretty worried, because what happens if some young football player gets hurt out on the field and the insurance company gets ahold of that and their lawyer looks at these statutes and says, there's no legal lease here? The school has no business here. It all goes back on the ag society. And, you know, we have enough issues with running a county fair. We don't need, you know, to put our school and ball fields on top of us too. So by changing these amendments, it will allow...and it's not just us. I know quite a few fairgrounds around our area have things like football fields and ball diamonds and stuff on their fairgrounds. And it's going to take a lot of pressure off of who is liable for what, because it's sad to say, but that's what the world is coming to. You have to cover your own butt. So with that, if there's any questions. [LB597]

SENATOR SCHILZ: Thank you, Mr. Schellpeper. Senator Harr. [LB597]

SENATOR HARR: Thank you. And thank you for coming down from Stanton. A little story, my mom does not like that I am a state senator. She hates that I'm in the public eye. She is from Stanton County. And so she found out about...she read the Register two weeks ago and for the first time she said, hey, what can you do to help me? (Laughter) So I am very, very excited about this and about this bill (laughter). [LB597]

TOM SCHELLPEPER: Yes. I got a phone call from her. [LB597]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Agriculture Committee
February 26, 2013

SENATOR HARR: I've done something, so thank you. And thank you, and your dad, I think, was a state senator as well, was he not? [LB597]

TOM SCHELLPEPER: Um-hum, yep. [LB597]

SENATOR HARR: So thank you for your sacrifice, too, so appreciate it. [LB597]

TOM SCHELLPEPER: Okay. [LB597]

SENATOR SCHILZ: Thank you, Senator Harr. Any other questions for Mr. Schellpeper? Seeing none, thank you very much for your testimony and your patience for today. [LB597]

TOM SCHELLPEPER: All right, thank you. [LB597]

SENATOR SCHILZ: (Exhibit 2) Any other proponents? Seeing none, any opponents? Seeing none, any neutral testimony? Seeing none, and Senator Larson waives closing. We do have a letter in support from the Nebraska Cattlemen. That will be read into the record, and there is a copy being handed out right now. And with that, we will close the hearing on LB597, and I would like to take just a few minutes and go into Exec here. Do I have a motion? [LB597]