LEGISLATURE OF NEBRASKA ONE HUNDRED FOURTH LEGISLATURE FIRST SESSION

LEGISLATIVE BILL 93

Introduced by Johnson, 23. Read first time January 08, 2015

Committee: Agriculture

1	A BILL FOR AN ACT relating to the Nebraska Commercial Fertilizer and Soil
2	Conditioner Act; to amend sections 81-2,162.02, 81-2,162.04,
3	81-2,162.05, 81-2,162.06, 81-2,162.07, 81-2,162.08, 81-2,162.11,
4	81-2,162.23, and 81-2,162.27, Reissue Revised Statutes of Nebraska;
5	to define and redefine terms; to change commercial fertilizer
6	labeling requirements; to change penalties; to change requirements
7	for publishing sales information; to remove a license application
8	requirement; to harmonize provisions; and to repeal the original
9	sections.

10 Be it enacted by the people of the State of Nebraska,

Section 1. Section 81-2,162.02, Reissue Revised Statutes of
 Nebraska, is amended to read:

81-2,162.02 For purposes of the Nebraska Commercial Fertilizer and
Soil Conditioner Act, unless the context otherwise requires:

5 (1) Director <u>means</u> shall mean the Director of Agriculture or his or
6 her duly authorized agent;

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(2) Department means shall mean the Department of Agriculture;

(3) Commercial fertilizer means shall mean any formula or product 8 9 distributed for further distribution or ultimate use as a plant nutrient, intended to promote plant growth, containing one or more plant nutrients 10 recognized by the Association of American Plant Food Control Officials in 11 its official publication. The term commercial fertilizer shall not be 12 13 deemed to include unmanipulated animal and vegetable manures but shall be 14 deemed to include both finished products and fertilizer ingredients capable of being used in the formulation of a finished product; 15

16 (4) Bul

(4) Bulk means shall mean nonpackaged;

(5) Custom-blended product <u>means</u> shall mean any individually compounded commercial fertilizer or soil conditioner mixed, blended, offered for sale, or sold in Nebraska to a person's specifications, when such person is the ultimate consumer, if the ingredients used in such product which are subject to the registration requirements of section 81-2,162.03 have been so registered;

(6) Distribute <u>means</u> shall mean to offer for sale, sell, barter, or
 otherwise supply commercial fertilizers or soil conditioners;

(7) Fineness <u>means</u> shall mean the percentage of weight of the
material which will pass United States standard sieves of specified
sizes;

(8) Grade means the percentage of total nitrogen, available
 phosphate, and soluble potash;

30 (<u>9</u> 8) Label <u>means</u> shall mean a display of written, printed, or other 31 graphic matter upon the container in which a commercial fertilizer or

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soil conditioner is distributed, or a statement accompanying such
product;

3 (<u>10</u> 9) Labeling <u>means</u> shall mean the label and all other written,
4 printed, or graphic matter accompanying the commercial fertilizer or soil
5 conditioner at any time or to which reference is made on the label;

6 (<u>11</u> 10) Official sample <u>means</u> shall mean any sample of commercial
7 fertilizer or soil conditioner taken by the director or his or her agent;
8 (<u>12</u> 11) Product <u>means</u> shall mean both commercial fertilizers and
9 soil conditioners;

10 (<u>13</u> 12) Ton <u>means</u> shall mean a net weight of two thousand pounds 11 avoirdupois;

12 (<u>14</u> 13) Percent or percentage <u>means</u> shall mean the percentage by 13 weight;

(<u>15</u> 14) Person <u>includes</u> shall include individual, cooperative,
 partnership, limited liability company, association, firm, and
 corporation;

17 (<u>16</u> 15) Sell or sale <u>includes</u> shall include exchange;

18 (<u>17</u> <u>16</u>) Soil conditioner <u>means</u> <u>shall mean</u> any formula or product 19 distributed, except unmanipulated animal and vegetable manures, which, 20 when added to the soil, is intended to (a) change the physical condition 21 of the soil or (b) produce a favorable growth, yield, or quality of crops 22 or other soil characteristics but shall not mean a commercial fertilizer, 23 <u>a pesticide as defined in the Pesticide Act</u>, or <u>an</u> agricultural liming 24 material <u>as defined in the Agricultural Liming Materials Act</u>; and

25 (<u>18</u> 17) Specialty product <u>means</u> shall mean a product for nonfarm 26 use.

27 Sec. 2. Section 81-2,162.04, Reissue Revised Statutes of Nebraska, 28 is amended to read:

81-2,162.04 (1) Any packaged soil conditioner distributed in this
state, except custom-blended products, shall have placed on or affixed to
the package a label stating clearly and conspicuously (a) the net weight

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or measure of the product, (b) the information required by subdivisions 1 (1)(c) and (d) of section 81-2,162.03, (c) the total percentage of <u>all</u> 2 the active ingredients in the soil conditioner, (d) the identification 3 and percentage of each individual active ingredient, (e) the total 4 percentage of the inactive ingredients, (f) the identification and 5 percentage of each individual inactive ingredient which comprises more 6 than two percent of the entire soil conditioner, and (g) under a category 7 entitled other inactive ingredients, the total percentage of the 8 remaining inactive ingredients which individually do not comprise two 9 percent or more of the soil conditioner. 10

(2) If any soil conditioner is distributed in bulk, a written or printed statement of the weight and the information required by subdivisions (1)(c) and (d) of section 81-2,162.03 and by subdivisions (1)(c) through (g) of this section shall accompany delivery and be supplied to the purchaser.

(3) Whenever a soil conditioner is so comprised as to be recognized
by a name commonly understood by ordinary individuals, such name shall be
prominently and conspicuously displayed on the label.

(4) Notwithstanding any other provision of the Nebraska Commercial
Fertilizer and Soil Conditioner Act, any soil conditioner which is also a
pesticide, labeled in conformance with the Pesticide Act, shall be deemed
to be labeled in conformance with the Nebraska Commercial Fertilizer and
Soil Conditioner Act.

24 Sec. 3. Section 81-2,162.05, Reissue Revised Statutes of Nebraska, 25 is amended to read:

26 81-2,162.05 (1) Any packaged commercial fertilizer distributed in 27 this state, except custom-blended products, shall have placed on or 28 affixed to the package a label stating clearly and conspicuously:

29 (a) The net weight or measure of the product;

30 (b) The name and principal address of the manufacturer or 31 distributor;

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2 or chemical designation used in connection with the product;

3 (d) The guaranteed analysis showing the minimum percentage of plant 4 nutrients claimed in the following order and form:

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5 Total Nitrogen....percent

6 Ammoniacal Nitrogen

7 (Specialty products only)....percent

8 Nitrate Nitrogen

9 (Specialty products only)....percent

10 Water Insoluble Nitrogen

(Specialty products only)....percent 11

12 Available Phosphate Phosphoric Acid (P205)....percent

13 Soluble Potash (K20)....percent

Unacidulated mineral phosphatic materials and basic slag shall be 14 guaranteed as to both total available phosphate phosphoric acid and the 15 16 degree of fineness. Plant nutrients, other than nitrogen, phosphorus, and 17 potassium, shall be guaranteed when present in significant quantities as determined by the director, which guarantees shall be expressed in 18 elemental form. The director may also request that the sources of such 19 nutrients be included on the label. Other beneficial substances, 20 determinable by chemical methods, may be guaranteed only by permission of 21 the director by and with the advice of the University of Nebraska 22 23 Institute of Agriculture and Natural Resources. The director may permit 24 or require the potential basicity or acidity, expressed in terms of 25 calcium carbonate equivalent in multiples of one hundred pounds per ton, to be guaranteed; and 26

(e) The sources from which the nitrogen, <u>available phosphate</u> 27 phosphoric acid (P205), and potash (K20) are derived; and -28

29 (f) The grade stated in whole numbers in the same terms, order, and percentages as in the guaranteed analysis, except as follows: 30

31 (i) Speciality products may be guaranteed in fractional units of 2 <u>soluble potash; and</u>

3 (ii) The director may allow types of fertilizer materials, bone
4 meal, or manures to be guaranteed in fractional units.

5 (2) If distributed in bulk, a written or printed statement of the 6 information required by subdivisions (a), (b), (c), and (d) of subsection 7 (1) of this section shall accompany delivery and be supplied to the 8 purchaser.

9 (3) Whenever a commercial fertilizer is so comprised as to be 10 recognized by a name commonly understood by ordinary individuals, such 11 name shall be prominently and conspicuously displayed on the label.

(4) Custom-blended products shall bear a tag or invoice stating the name and principal address of the manufacturer, the name and address of the purchaser, and the net weight or measure and the composition of the product by weight or percentage of ingredients used. A duplicate copy of such information shall be kept by the manufacturer for use by the department for sampling and inspection purposes.

18 (5) Notwithstanding any other provision of the Nebraska Commercial 19 Fertilizer and Soil Conditioner Act, any commercial fertilizer which is 20 also a pesticide labeled in conformance with the Pesticide Act shall be 21 deemed to be labeled in conformance with the Nebraska Commercial 22 Fertilizer and Soil Conditioner Act.

Sec. 4. Section 81-2,162.06, Reissue Revised Statutes of Nebraska,
is amended to read:

25 81-2,162.06 (1) There shall be paid to the director, for all 26 commercial fertilizers and soil conditioners distributed in this state to 27 the ultimate user, except custom-blended products, an inspection fee at 28 the rate fixed by the director but not exceeding ten cents per ton. The 29 fee shall be paid by the person distributing the product to the ultimate 30 user.

31 (2) Payment of the inspection fee shall be evidenced by a statement

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1 made with documents showing that fees corresponding to the tonnage were 2 received by the director.

3 (3) Every person who distributes commercial fertilizer or soil 4 conditioners to the ultimate user in this state shall file, not later 5 than the last day of January and July of each year, a semiannual tonnage report on forms provided by the department setting forth the number of 6 net tons of commercial fertilizer and soil conditioners distributed in 7 this state during the preceding six-month period, which report shall 8 cover the periods from July 1 to December 31 and January 1 to June 30, 9 and such other information as the director shall deem necessary. All 10 persons required to be licensed pursuant to the Nebraska Commercial 11 Fertilizer and Soil Conditioner Act shall file such report regardless of 12 13 whether any inspection fee is due. Upon filing the report, such person shall pay the inspection fee at the rate prescribed pursuant to 14 subsection (1) of this section. The minimum inspection fee required 15 pursuant to this section shall be five dollars, and no inspection fee 16 17 shall be paid more than once for any one product.

(4) If a person fails to report and pay the fee required by 18 subsection (3) of this section by January 31 and July 31, the fee shall 19 be considered delinguent and the person owing the fee shall pay an 20 additional administrative fee of twenty-five percent of the delinquent 21 amount for each month it remains unpaid, not to exceed one hundred 22 23 percent of the original amount due. The department may waive the 24 additional administrative fee based upon the existence and extent of any 25 mitigating circumstances that have resulted in the late payment of such fee. The purpose of the additional administrative fee is to cover the 26 administrative costs associated with collecting fees and all money 27 28 collected as an additional administrative fee shall be remitted to the State Treasurer for credit to the Fertilizers and Soil Conditioners 29 30 Administrative Fund he or she may be required by the department to pay a penalty of up to twenty-five percent in addition to the fee due if paid 31

during the period of February 1 to February 28 or August 1 to August 31
for the respective delinquency and an additional twenty-five percent
penalty thereafter. Failure to make an accurate statement of tonnage or
to pay the inspection fee or comply as provided in this subsection shall
constitute sufficient cause for the cancellation of all product
registrations, licenses, or both on file for such person.

7 (5) No information furnished to the department under this section
8 shall be disclosed in such a way as to reveal the operation of any
9 person.

Sec. 5. Section 81-2,162.07, Reissue Revised Statutes of Nebraska,
is amended to read:

12 81-2,162.07 (1) To enforce the Nebraska Commercial Fertilizer and 13 Soil Conditioner Act or the rules and regulations adopted pursuant to the 14 act, the director may:

(a) For purposes of inspection, enter any location, vehicle, or both 15 in which commercial fertilizers and soil conditioners are manufactured, 16 processed, packed, transported, or held for distribution during normal 17 business hours, except that in the event such locations and vehicles are 18 19 not open to the public, the director shall present his or her credentials and obtain consent before making entry thereto unless a search warrant 20 has previously been obtained. Credentials shall not be required for each 21 22 entry made during the period covered by the inspection. The person in 23 charge of the location or vehicle shall be notified of the completion of 24 the inspection. If the owner of such location or vehicle or his or her 25 agent refuses to admit the director to inspect pursuant to this section, the director may obtain a search warrant from a court of competent 26 jurisdiction directing such owner or agent to submit the location, 27 vehicle, or both as described in such search warrant to inspection; 28

(b) Inspect any location or vehicle described in this subsection,
all pertinent equipment, finished and unfinished materials, containers
and labeling, all records, books, papers, and documents relating to the

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distribution and production of commercial fertilizers and soil
 conditioners, and other information necessary for the enforcement of the
 act;

4 (c) Obtain samples of commercial fertilizers and soil conditioners.
5 The owner, operator, or agent in charge shall be given a receipt
6 describing the samples obtained; and

7 (d) Make analyses of and test samples obtained pursuant to
8 subdivision (c) of this subsection to determine whether such commercial
9 fertilizers and soil conditioners are in compliance with the act.

For purposes of this subsection, location shall include a factory,
warehouse, or establishment.

(2) Sampling and analysis shall be conducted in accordance with
 methods published by the AOAC International or in accordance with other
 generally recognized methods.

15 (3) The director, in determining for administrative purposes whether 16 any product is deficient in plant nutrients, shall be guided solely by 17 the official sample as defined in subdivision ($\underline{11}$ $\underline{10}$) of section 18 81-2,162.02 and obtained and analyzed as provided for in subsection (2) 19 of this section.

(4) The results of official analysis of any official sample shall be forwarded by the director to the person named on the label when the official sample is not in compliance with the act or the rules and regulations adopted pursuant to the act. Upon request made within ninety days of the analysis, the director shall furnish to the person named on the label a portion of the official sample. Following expiration of the ninety-day period, the director may dispose of such sample.

Sec. 6. Section 81-2,162.08, Reissue Revised Statutes of Nebraska,
is amended to read:

81-2,162.08 No superphosphate containing less than eighteen percent
 available <u>phosphate</u> phosphoric acid nor any commercial fertilizer in
 which the sum of the guarantees for the nitrogen, available <u>phosphate</u>

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phosphoric acid, and soluble potash totals less than twenty percent shall be distributed in this state except for fertilizers containing twentyfive percent or more of their nitrogen in water-insoluble form of plant or animal origin, in which case the total nitrogen, available <u>phosphate</u> phosphoric acid, and soluble potash shall not total less than eighteen percent. This section shall not apply to specialty fertilizers.

Sec. 7. Section 81-2,162.11, Reissue Revised Statutes of Nebraska,
is amended to read:

9 81-2,162.11 The director shall publish at least annually make 10 available, in such form forms as he or she may deem proper, information concerning the sales of commercial fertilizers and soil conditioners τ 11 together with such data on their production and use as he or she may 12 13 consider advisable, and a report of the results of the analysis based on official samples of commercial fertilizers and soil conditioners 14 distributed within the state as compared with the analyses guaranteed 15 16 under the provisions of the Nebraska Commercial Fertilizer and Soil 17 Conditioner Act.

Sec. 8. Section 81-2,162.23, Reissue Revised Statutes of Nebraska, is amended to read:

81-2,162.23 (1) No person shall manufacture or distribute commercial 20 fertilizers or soil conditioners in this state unless such person holds a 21 22 valid license for each manufacturing and distribution facility in this 23 state. Any out-of-state manufacturer or distributor who has no 24 distribution facility within this state shall obtain a license for his or 25 her principal out-of-state office if he or she markets or distributes commercial fertilizer or soil conditioners in the State of Nebraska. 26

(2) An applicant for a license shall make application to the
department on forms furnished by the department. If the applicant is an
individual, the application shall include the applicant's social security
number. Application forms shall be submitted to the department
accompanied by an annual license fee of fifteen dollars. Licenses shall

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1 be renewed on or before January 1 of each year.

2 (3) A copy of the valid license shall be posted in a conspicuous3 place in each manufacturing or distribution facility.

4 (4) Persons distributing custom-blended products shall maintain 5 records of purchase orders received for custom-blended products from the 6 date such orders are received until such products are distributed, which 7 records shall be sufficient to show the product ordered, date of such 8 order, purchaser, and quantity of product ordered.

9 (5) The provisions of this section shall not apply to any retail 10 store which sells or offers for sale less than a five-ton volume of 11 commercial fertilizer or soil conditioners annually.

Sec. 9. Section 81-2,162.27, Reissue Revised Statutes of Nebraska,
is amended to read:

81-2,162.27 (1) All money received under the Nebraska Commercial 14 Fertilizer and Soil Conditioner Act and the Agricultural Liming Materials 15 Act shall be remitted to the State Treasurer for credit to the 16 Fertilizers and Soil Conditioners Administrative Fund, which fund is 17 hereby created. All money so received shall be used by the department for 18 19 defraying the expenses of administering the Nebraska Commercial Fertilizer and Soil Conditioner Act and the Agricultural Liming Materials 20 21 Act.

22 (2) Any unexpended balance in the Fertilizers and Soil Conditioners 23 Administrative at the close of any biennium Fund shall, when 24 reappropriated, be available for the uses and purposes of the fund for the succeeding biennium. Any money in the fund available for investment 25 shall be invested by the state investment officer pursuant to the 26 Nebraska Capital Expansion Act and the Nebraska State Funds Investment 27 28 Act.

Sec. 10. Original sections 81-2,162.02, 81-2,162.04, 81-2,162.05,
81-2,162.06, 81-2,162.07, 81-2,162.08, 81-2,162.11, 81-2,162.23, and
81-2,162.27, Reissue Revised Statutes of Nebraska, are repealed.

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