

ONE HUNDRED SEVENTH LEGISLATURE - SECOND SESSION - 2022
COMMITTEE STATEMENT
LB802

Hearing Date: Tuesday January 18, 2022
Committee On: Agriculture
Introducer: Hughes
One Liner: Change provisions relating to the Nebraska Wheat Resources Act

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye:	7	Senators Brandt, Brewer, Cavanaugh, J., Gragert, Groene, Hansen, B., Halloran
Nay:		
Absent:	1	Senator Lathrop
Present Not Voting:		

Oral Testimony:

Proponents:

Senator Dan Hughes
Chris Cullan
Andrew Dunkley

Representing:

Introducer
Self
Nebraska Farm Bureau

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

Revises powers and duties of the Wheat Board to expressly authorize additional avenues for commercializing new wheat varieties developed with checkoff funds and clarifies points in commerce when the checkoff is assessed and collected.

Section-by-Section Description:

Sec. 1: Amends Section 2-2303 which defines terms utilized in the Nebraska Wheat Resources Act.

-- The term "commercial channels" is revised to exclude sales of wheat that will be resold as seed.

-- The term "first purchaser" is revised to exclude entities that acquire wheat through a mortgage, pledge, lien, or similar claim. A harmonizing revision to the term "sale" is made to exclude the establishment of a mortgage or pledge of wheat.

Sec. 2: Amends Section 2-2309 which designates the Wheat Board as the agency to carry out market development programs for wheat and assigns authorities to the Board for that purpose. The revisions would insert express authority for the Board to acquire intellectual property in wheat varieties and to carry out programs relating to the commercialization/dissemination of Board owned wheat varieties. Subsection (5) is revised to enumerate and expand the purposes for which the Board may enter into grant and contractual relationships with public and private entities to include

development of new wheat varieties, securing intellectual property rights, and production of wheat for sale.

Sec. 3: Amends Section 2-2311 which imposes an assessment of wheat sold through commercial channels. This section assigns a duty to the first purchaser to collect the assessment at the time of settlement. LB 802 revises the section for clarity and to specify that the levy of the assessment is against wheat growers.

Sec. 4: Amends Section 2-2312 to provide that the assessment is not deducted from loan proceeds of wheat placed under federal price support loan at the time the loan is made.

Sec. 5: Amends Section 2-2315 which prescribes procedures for purchasers of wheat to collect and remit the checkoff assessment. The bill makes a series of statutory clarifications and harmonizing revisions to specify that the section applies to "first" purchasers, modify recordkeeping requirements, and information to be entered on forms for purpose of reporting and remitting assessment collections.

Sec. 6: Amends Section 2-2318 which requires that the Board utilize the Department of Agriculture, the University of Nebraska, or other appropriate third parties to conduct research and carry out programs of development. Revisions to this section more clearly authorize the Board to cooperate and contract with public and private entities to carry out research and promotional activities. New subsection (2) expressly clarifies that the Board is not constrained in acquiring intellectual property in, or commercial development of, wheat varieties including the production and sale of wheat without contracting with third parties.

Sec. 7: Repealer

Steve Halloran, Chairperson