

LEGISLATURE OF NEBRASKA  
 ONE HUNDRED THIRD LEGISLATURE  
 FIRST SESSION  
**LEGISLATIVE BILL 354**

Introduced by Larson, 40.

Read first time January 18, 2013

Committee:

A BILL

1 FOR AN ACT relating to agriculture; to amend sections 49-1499.02 and  
 2 66-1333, Reissue Revised Statutes of Nebraska, and  
 3 section 66-1345.01, Revised Statutes Cumulative  
 4 Supplement, 2012; to adopt the Nebraska Corn Promotion  
 5 Act and repeal the Nebraska Corn Resources Act; to create  
 6 a board; to create and eliminate funds; to provide a  
 7 penalty; to harmonize provisions; to provide an operative  
 8 date; to repeal the original sections; and to outright  
 9 repeal sections 2-3601, 2-3602, 2-3603, 2-3604, 2-3605,  
 10 2-3606, 2-3607, 2-3608, 2-3609, 2-3610, 2-3611, 2-3612,  
 11 2-3614, 2-3615, 2-3616, 2-3617, 2-3618, 2-3619, 2-3620,  
 12 2-3621, 2-3622, 2-3623, 2-3627, 2-3628, 2-3629, 2-3630,  
 13 2-3631, 2-3632, 2-3633, 2-3634, and 2-3635, Reissue  
 14 Revised Statutes of Nebraska.

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

1           Section 1. Sections 1 to 19 of this act shall be known  
2 and may be cited as the Nebraska Corn Promotion Act.

3           Sec. 2. For purposes of the Nebraska Corn Promotion Act:

4           (1) Board means the Nebraska Corn Promotion Board;

5           (2) Corn means and includes all varieties of corn  
6 marketed or sold as corn by a grower but does not include sweet corn  
7 or popcorn;

8           (3) Delivered or delivery means receiving corn for any  
9 use, except for storage, and includes receiving corn for consumption,  
10 for utilization, or as a result of sale in this state. For corn  
11 pledged as security for a federal price support loan, actual delivery  
12 occurs when the corn is pledged or otherwise encumbered to secure the  
13 loan and the purchase price is the principal amount of the loan  
14 extended;

15           (4) First purchaser means an individual, a public or  
16 private corporation, an association, a partnership, or a limited  
17 liability company buying, accepting for shipment, or otherwise  
18 acquiring a property right in or to corn from a grower and shall  
19 include a mortgagee, pledgee, lienor, or other person, public or  
20 private, having a claim against the grower when actual or  
21 constructive possession of such corn is taken as part payment or in  
22 satisfaction of such mortgage, pledge, lien, or claim;

23           (5) Grower means any landowner personally engaged in  
24 growing corn, a tenant of the landowner personally engaged in growing  
25 corn, and both the owner and tenant jointly and shall include an

1 individual, a partnership, a limited liability company, an  
2 association, a corporation, a cooperative, a trust, a sharecropper,  
3 and any other business unit, device, or arrangement;

4 (6) Marketed in this state means a sale of corn to a  
5 first purchaser who is a resident of or doing business in this state  
6 when actual delivery of the corn occurs in this state or any pledge,  
7 mortgage, or other encumbrance of corn as security for a federal  
8 price support loan program entered into in this state;

9 (7) Qualified financial institution means an organization  
10 authorized to do business under state or federal law relating to  
11 financial institutions and includes a bank, trust company, savings  
12 bank, building and loan association, savings and loan company or  
13 association, or credit union; and

14 (8) State assessment means a state excise tax on each  
15 bushel of corn marketed in this state.

16 Sec. 3. It is the public policy of the State of Nebraska  
17 to protect and foster the health, prosperity, and general welfare of  
18 its people by protecting and stabilizing the corn industry and the  
19 economy of the areas producing corn. For such purpose, the Corn  
20 Development, Utilization, and Marketing Board created pursuant to the  
21 Nebraska Corn Resources Act, as such act existed immediately prior to  
22 the operative date of this act, is hereby designated a body politic  
23 and corporate and shall be an independent instrumentality exercising  
24 essential public functions to be known as the Nebraska Corn Promotion  
25 Board. The board shall not be considered a state agency. The board

1 shall have the powers and duties as set forth in the Nebraska Corn  
2 Promotion Act.

3           Sec. 4. (1) The board shall be composed of nine grower  
4 members. To qualify as a grower member, an individual shall (a) be a  
5 citizen of Nebraska, (b) be at least eighteen years of age, (c) have  
6 been actually engaged in growing corn in this state for a period of  
7 at least five years, and (d) derive a substantial portion of his or  
8 her income from growing corn. In addition to the grower members, the  
9 Director of Agriculture, the Vice Chancellor of the University of  
10 Nebraska Institute of Agriculture and Natural Resources, and the  
11 president of the Nebraska Corn Growers Association shall be ex  
12 officio members of the board with no voting privileges.

13           (2) Eight grower members of the board shall be elected by  
14 district, with one member residing in and representing each of the  
15 following districts:

16           (a) District 1. The counties of Butler, Saunders,  
17 Douglas, Sarpy, Seward, Lancaster, Cass, Otoe, Saline, Jefferson,  
18 Gage, Johnson, Nemaha, Pawnee, and Richardson;

19           (b) District 2. The counties of Adams, Clay, Fillmore,  
20 Franklin, Webster, Nuckolls, and Thayer;

21           (c) District 3. The counties of Merrick, Polk, Hamilton,  
22 and York;

23           (d) District 4. The counties of Knox, Cedar, Dixon,  
24 Dakota, Pierce, Wayne, Thurston, Madison, Stanton, Cuming, Burt,  
25 Colfax, Dodge, and Washington;

1           (e) District 5. The counties of Sherman, Howard, Dawson,  
2 Buffalo, and Hall;

3           (f) District 6. The counties of Hayes, Frontier, Gosper,  
4 Phelps, Kearney, Hitchcock, Red Willow, Furnas, and Harlan;

5           (g) District 7. The counties of Boyd, Holt, Antelope,  
6 Garfield, Wheeler, Boone, Platte, Valley, Greeley, and Nance; and

7           (h) District 8. The counties of Sioux, Dawes, Box Butte,  
8 Sheridan, Scotts Bluff, Banner, Kimball, Morrill, Cheyenne, Garden,  
9 Deuel, Cherry, Keya Paha, Brown, Rock, Grant, Hooker, Thomas, Blaine,  
10 Loup, Arthur, McPherson, Logan, Custer, Keith, Lincoln, Perkins,  
11 Chase, and Dundy.

12           (3) One grower member shall represent the state at large  
13 and shall be elected by the eight members elected by district from  
14 among candidates qualified for membership as provided in this  
15 section.

16           (4) Members of the Corn Development, Utilization, and  
17 Marketing Board duly appointed and serving pursuant to the Nebraska  
18 Corn Resources Act, as such act existed immediately prior to the  
19 operative date of this act, shall serve as members of the Nebraska  
20 Corn Promotion Board until the expiration of their respective terms  
21 after which their successors and all subsequent members of the board  
22 shall be elected to the board pursuant to the Nebraska Corn Promotion  
23 Act. All members shall serve until their successors are elected and  
24 qualified.

25           (5) The composition of the board as described in

1 subsections (2) and (3) of this section shall continue until such  
2 time as the board determines that the districts and at-large  
3 membership so described are incompatible with an equitable  
4 representation of growers due to changing geographic distribution of  
5 corn production in the state, changing marketing patterns, or  
6 availability of qualified individuals to serve as board members. The  
7 board may redesignate districts and the number of at-large members to  
8 provide for an equitable representation of growers.

9 (6) Terms of board members shall be for three years and  
10 no member of the board shall serve for more than four complete terms.

11 (7) The board shall elect from its membership a  
12 chairperson and such other officers as may be necessary.

13 Sec. 5. The grower members of the board may be paid a per  
14 diem, not to exceed one hundred dollars, while engaged in the  
15 performance of their official duties. The grower members of the board  
16 shall also receive reimbursement for actual and necessary expenses in  
17 performing official board functions.

18 Sec. 6. (1) Election of grower members shall be conducted  
19 under administrative procedures prescribed by the board. Notice of  
20 election of a member of the board shall be given by the board by  
21 publication in a newspaper of general circulation in the district the  
22 grower member will represent and in any other reasonable manner as  
23 determined by the board. The board shall prescribe the period of time  
24 for voting, voting places, and other procedures the board deems  
25 necessary. Notice shall include the qualifications for board

1 membership as provided in section 4 of this act and information  
2 regarding the procedures by which individuals may place their names  
3 in candidacy for election to the board. Such notice shall occur at  
4 least ninety days prior to the expiration of the term for which the  
5 election is held, and the election shall be completed by a date no  
6 later than thirty days prior to the expiration of such term.

7 (2) Candidates for election to the board may place their  
8 names on a candidacy list for the respective district by filing a  
9 petition signed by at least fifty growers who reside in such district  
10 with the board by the date specified in the notice of election. A  
11 candidate must reside within the district he or she wants to  
12 represent to be eligible for nomination as candidate from such  
13 district. Candidates for at-large election to the board may place  
14 their names on a candidacy list by filing a petition with the board  
15 signed by fifty growers who reside within the state.

16 (3) Voting shall be on ballots prescribed by the board  
17 which may be distributed by the board to facilitate the availability  
18 of ballots to growers. The board may cooperate and contract with any  
19 other local, state, or federal agency for purposes of distributing,  
20 collecting, and tabulating ballots or for the verification of the  
21 qualifications of persons voting in an election of a grower member to  
22 the board.

23 (4) Only a person who is a grower is eligible to vote in  
24 an election of a grower member to the board and a grower shall only  
25 be eligible to vote for a grower member of the district in which the

1 grower resides. A grower shall sign an affidavit furnished by the  
2 secretary of the board at the time of voting certifying the grower's  
3 eligibility to vote. Each grower shall be entitled to one vote.

4           Sec. 7. Whenever a vacancy occurs on the board for any  
5 reason, the board shall appoint a grower with the qualifications  
6 required by section 4 of this act to fill such vacancy from the  
7 district in which the vacancy exists. If the vacant position is that  
8 of the at-large member, the appointment to fill such vacancy shall be  
9 made at-large by the board. Any candidate wanting to be considered to  
10 fill a vacancy will be required to submit a petition with fifty  
11 signatures of growers residing within the district for a district  
12 vacancy or within the state for an at-large vacancy.

13           Sec. 8. (1) The board shall:

14           (a) Provide for market development;

15           (b) Provide for research and education programs directed  
16 toward better and more efficient production, marketing, and  
17 utilization of corn and corn products;

18           (c) Provide methods and means, including, but not limited  
19 to, public relations and other promotion techniques for the  
20 maintenance of present markets for corn and corn products;

21           (d) Assist in the development of new or larger markets,  
22 both domestic and foreign, for corn and corn products;

23           (e) Work for the prevention, modification, or elimination  
24 of trade barriers which obstruct the free flow of corn and corn  
25 products to market;



1           (f) Promote the production and marketing of value-added  
2 corn products;

3           (g) Support education and training programs which improve  
4 the production and utilization of corn and corn products while  
5 improving environmental stewardship practices; and

6           (h) Consider academic scholarships to full-time graduate  
7 and postgraduate students engaged in the study of subjects relating  
8 to improving the production or utilization of corn.

9           (2) The board may carry out these purposes directly or by  
10 contracts with recognized and qualified persons.

11           Sec. 9. The board may:

12           (1) Employ and discharge management, staff, and  
13 professional counsel as necessary, prescribe their duties and powers,  
14 and fix their compensation;

15           (2) Establish offices at such place or places within the  
16 state as it may designate;

17           (3) Incur expenses and enter into any contracts or  
18 agreements necessary to carry out the purposes of the act;

19           (4) Adopt, rescind, and amend all proper and necessary  
20 rules for the exercise of its powers and duties;

21           (5) Enter into a contract with the Department of  
22 Agriculture for the collection of the state assessment on corn  
23 marketed in this state;

24           (6) Establish a means whereby any grower has the  
25 opportunity, at least annually, to offer his or her ideas and

1 suggestions relating to board policy for the upcoming year;

2 (7) Authorize the expenditure of funds and contracting of  
3 expenditures to conduct proper activities of the board;

4 (8) Receive and accept donations, gifts, grants,  
5 bequests, or other contributions in money, services, materials, or  
6 otherwise and use or expend such contributions to carry out the  
7 purposes of the act;

8 (9) Bond the treasurer of the board and such other  
9 persons necessary to insure adequate protection of board funds; and

10 (10) Keep minutes of its meetings and other books and  
11 records which will clearly reflect all of the acts and transactions  
12 of the board and keep these records open to examination by any grower  
13 during normal business hours.

14 Sec. 10. (1) There is a state assessment of five-tenths  
15 cent per bushel imposed upon all corn marketed in this state. The  
16 state assessment shall be paid by the grower at the time of sale or  
17 delivery and shall be collected by the first purchaser. No corn shall  
18 be subject to the state assessment more than once. The state  
19 assessment may be changed by the board as provided in section 14 of  
20 this act.

21 (2) The first purchaser, at the time of settlement, shall  
22 deduct the state assessment and maintain the necessary record of the  
23 state assessment for each purchase of corn on the grain settlement  
24 form or check stub showing payment to the grower for each purchase.  
25 Such records maintained by the first purchaser shall provide the

1 following information:

2 (a) Name and address of the grower and seller;

3 (b) The date of the purchase;

4 (c) The number of bushels of corn sold; and

5 (d) The amount of state assessment collected on each  
6 purchase.

7 Such records shall be open for inspection during normal  
8 business hours observed by the first purchaser.

9 (3) The first purchaser shall render and have on file  
10 with the board by the last day of each January, April, July, and  
11 October, on forms prescribed by the board, a statement of the number  
12 of bushels of corn purchased in this state. At the time the statement  
13 is filed, the first purchaser shall pay and remit to the board or its  
14 designated agent the state assessment imposed by this section. Money  
15 remitted pursuant to this section shall be in the form of a  
16 negotiable instrument made payable to the Nebraska Corn Promotion  
17 Fund.

18 Sec. 11. In the case of a pledge or mortgage of corn as  
19 security for a loan under a federal price support program or other  
20 government agricultural loan program, the state assessment shall be  
21 deducted from the proceeds of the loan at the time the loan is made.  
22 If, within the life of the loan plus thirty days after the collection  
23 of a state assessment for corn that is mortgaged as security for a  
24 loan under a federal price support program or other government  
25 agricultural loan program, the grower decides to purchase the corn

1 and use it as feed, the grower shall be entitled to a refund of the  
2 state assessment previously paid. The refund shall be payable by the  
3 board upon the grower's written application to the board for a refund  
4 of the amount deducted. Each application for a refund by a grower  
5 shall have attached to the application proof of the state assessment  
6 deducted.

7           Sec. 12. The state assessment imposed by section 10 of  
8 this act shall be deducted by the first purchaser as provided in  
9 sections 10 and 11 of this act whether such corn is stored in this  
10 state or any other state.

11           Sec. 13. The state assessment imposed by section 10 of  
12 this act shall not apply to the sale of corn to the federal  
13 government for the ultimate use or consumption by the people of the  
14 United States when the State of Nebraska is prohibited from imposing  
15 such fee by the Constitution of the United States and laws enacted  
16 pursuant thereto.

17           Sec. 14. (1) Any increase in the state assessment imposed  
18 by section 10 of this act must be approved by a majority of growers  
19 voting in a special referendum conducted pursuant to this section.  
20 The rate of assessment shall not exceed one cent per bushel. A  
21 special referendum proposing an increase in the state assessment  
22 cannot be called until five years after the operative date of this  
23 act or until two years after a subsequent special referendum for such  
24 purpose.

25           (2) Upon a motion of the board approved by seven or more

1 of the grower members of the board, the board shall call a special  
2 referendum of growers upon the question of whether to authorize the  
3 increase in the rate of the state assessment.

4 (3) The special referendum shall be conducted under  
5 procedures prescribed by the board. Notice of the special referendum  
6 shall be made by publication in newspapers of general circulation and  
7 in grower trade association publications, and by other reasonable  
8 manner as determined by the board. Such notice shall state the period  
9 of time for voting, voting places, and other information the board  
10 deems necessary.

11 (4) Voting shall be on ballots prescribed by the board  
12 which may be distributed by the board to facilitate the availability  
13 of ballots to growers. The board may cooperate and contract with any  
14 other state, local, or federal agency for purposes of distributing,  
15 collecting, and tabulating ballots or for the verification of the  
16 qualifications of growers voting in the special referendum.

17 (5) A grower shall sign an affidavit, furnished by the  
18 secretary of the board, at the time of voting certifying the grower's  
19 eligibility to vote. Each grower shall be entitled to one vote.

20 Sec. 15. A grower who has sold corn and had a state  
21 assessment deducted from the sale price may, by application in  
22 writing to the board, secure a refund of the amount deducted. The  
23 refund shall be payable only when the application is made to the  
24 board within sixty days after the deduction. Application forms shall  
25 be given by the board to each first purchaser when requested and the

1 first purchaser may make the applications available to any grower.  
2 Each application for refund by a grower shall have attached to the  
3 application proof of the corn assessment deduction. The proof of the  
4 corn assessment shall be in the form of a duplicate of the document  
5 showing the deduction of the corn assessment by the first purchaser.  
6 The board shall have thirty days after the date the application for  
7 refund is received by the board to remit the refund to the grower. No  
8 refunds of less than ten dollars shall be made. The board may provide  
9 for refunds of a federal assessment as provided by federal law.

10           Sec. 16. (1) The state assessment collected from corn  
11 marketed in this state shall be remitted to the State Treasurer for  
12 credit to the Nebraska Corn Promotion Fund, which is hereby created.  
13 The State Treasurer shall also credit to the fund any other funds  
14 acquired for purposes of the Nebraska Corn Promotion Act as gifts,  
15 grants, bequests, or other contributions from public or private  
16 entities, and any repayments relating to the fund including any  
17 license fees or royalties. Any money in the fund available for  
18 investment shall be invested by the state investment officer pursuant  
19 to the Nebraska Capital Expansion Act and the Nebraska State Funds  
20 Investment Act. Funds remitted and credited to the Nebraska Corn  
21 Promotion Fund and the private accounts of the board out of which the  
22 state assessment is expended shall be subject to audit by the Auditor  
23 of Public Accounts. The Auditor of Public Accounts may seek  
24 reimbursement for the cost of the audit from the fund as provided in  
25 this section.

1           (2) The board may expend out the funds in the Nebraska  
2 Corn Promotion Fund to an account established by the board in a  
3 qualified financial institution.

4           (3) From funds expended out of the Nebraska Corn  
5 Promotion Fund to an account established by the board, the board  
6 shall first pay all refunds, the direct and indirect costs of  
7 elections, and other expenses incurred in the administration of the  
8 Nebraska Corn Promotion Act before funds may be expended for carrying  
9 out the purposes of the act as provided in sections 8 and 9 of this  
10 act.

11           Sec. 17. The board shall produce an annual report on or  
12 before January 1 of each year which shall set forth in detail the  
13 income received from state assessments for the previous year and  
14 shall include:

15           (1) Expenditures made by the board during the previous  
16 year under the Nebraska Corn Promotion Act;

17           (2) Actions taken by the board on all contracts requiring  
18 the expenditure of funds by the board and copies of all such  
19 contracts;

20           (3) Detailed explanations of all programs relating to the  
21 discovery, promotion, and development of markets and industries for  
22 the utilization of corn and corn products, the direct expenses  
23 associated with each program, and copies of such programs, if in  
24 writing; and

25           (4) Names and addresses of each member of the board and a

1 copy of all rules adopted, rescinded, or amended by the board. Such  
2 report shall be available to the public upon request.

3           Sec. 18. (1) The board shall prohibit any state  
4 assessment funds administered by the board from being expended  
5 directly or indirectly to promote or oppose any candidate for public  
6 office or to influence Nebraska state legislation. The board shall  
7 not expend more than twenty-five percent of its annual budget to  
8 influence federal legislation.

9           (2) The board shall not set up research or development  
10 units or agencies of its own, but shall limit its activity in  
11 carrying out the purposes of the Nebraska Corn Promotion Act to  
12 cooperation and contracts with the University of Nebraska Institute  
13 of Agriculture and Natural Resources and other related local, state,  
14 or national organizations, public or private.

15           Sec. 19. Any person violating the Nebraska Corn Promotion  
16 Act shall be guilty of a Class III misdemeanor.

17           Sec. 20. Section 49-1499.02, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19           49-1499.02 (1) An official or employee of the executive  
20 branch of state government who would be required to take any action  
21 or make any decision in the discharge of his or her official duties  
22 that may cause financial benefit or detriment to him or her, a member  
23 of his or her immediate family, or a business with which he or she is  
24 associated, which is distinguishable from the effects of such action  
25 on the public generally or a broad segment of the public, shall take



1 the following actions as soon as he or she is aware of such potential  
2 conflict or should reasonably be aware of such potential conflict,  
3 whichever is sooner:

4 (a) Prepare a written statement describing the matter  
5 requiring action or decision and the nature of the potential  
6 conflict; and

7 (b) Deliver a copy of the statement to the commission and  
8 to his or her immediate superior, if any, who shall assign the matter  
9 to another. If the immediate superior does not assign the matter to  
10 another or if there is no immediate superior, the official or  
11 employee shall take such action as the commission shall advise or  
12 prescribe to remove himself or herself from influence over the action  
13 or decision on the matter.

14 (2) This section does not prevent such a person from (a)  
15 making or participating in the making of a governmental decision to  
16 the extent that the individual's participation is legally required  
17 for the action or decision to be made or (b) making or participating  
18 in the making of a governmental decision if the potential conflict of  
19 interest is based upon a business association and the business  
20 association exists only as the result of his or her position on a  
21 commodity board. A person acting pursuant to subdivision (a) of this  
22 subsection shall report the occurrence to the commission.

23 (3) For purposes of this section, commodity board means  
24 only the following:

25 (a) ~~Corn Development, Utilization, and Marketing Nebraska~~

1 Corn Promotion Board;

2 (b) Nebraska Dairy Industry Development Board;

3 (c) Grain Sorghum Development, Utilization, and Marketing  
4 Board;

5 (d) Nebraska Wheat Development, Utilization, and  
6 Marketing Board;

7 (e) Dry Bean Commission;

8 (f) Nebraska Potato Development Committee; and

9 (g) Nebraska Poultry and Egg Development, Utilization,  
10 and Marketing Committee.

11 Sec. 21. Section 66-1333, Reissue Revised Statutes of  
12 Nebraska, is amended to read:

13 66-1333 For purposes of the Ethanol Development Act,  
14 unless the context otherwise requires:

15 (1) Agricultural production facility or ethanol facility  
16 means a plant or facility related to the processing, marketing, or  
17 distribution of any products derived from grain components,  
18 coproducts, or byproducts;

19 (2) Board means the Nebraska Ethanol Board;

20 (3) Commercial channels means the sale of corn or grain  
21 sorghum for any use, to any commercial buyer, dealer, processor,  
22 cooperative, or person, public or private, who resells any corn or  
23 grain sorghum or product produced from corn or grain sorghum;

24 (4) Corn means corn as defined in section ~~2-3610~~ 2 of  
25 this act;

1                   (5) Delivered or delivery means receiving corn or grain  
2 sorghum for any use other than storage;

3                   (6) First purchaser means any person, public or private  
4 corporation, association, partnership, or limited liability company  
5 buying, accepting for shipment, or otherwise acquiring corn or grain  
6 sorghum in Nebraska, and includes a mortgagee, pledgee, lienor, or  
7 other person, public or private, having a claim against the grower,  
8 when the actual or constructive possession of the corn or grain  
9 sorghum is taken as part payment or in satisfaction of such mortgage,  
10 pledge, lien, or claim;

11                   (7) Grain means wheat, corn, and grain sorghum;

12                   (8) Grower means any landowner personally engaged in  
13 growing corn or grain sorghum, a tenant of the landowner personally  
14 engaged in growing corn or grain sorghum, and both the owner and  
15 tenant jointly and includes a person, partnership, limited liability  
16 company, association, corporation, cooperative, trust, sharecropper,  
17 and other business unit, device, and arrangement;

18                   (9) Name plate design capacity means the original  
19 designed capacity of an agricultural production facility. Capacity  
20 may be specified as bushels of grain ground or gallons of ethanol  
21 produced per year;

22                   (10) Related parties means any two or more individuals,  
23 firms, partnerships, limited liability companies, companies,  
24 agencies, associations, or corporations which are members of the same  
25 unitary group or are any persons who are considered to be related

1 persons under the Internal Revenue Code; and

2 (11) Sale includes any pledge or mortgage of corn or  
3 grain sorghum after harvest to any person, public or private.

4 Sec. 22. Section 66-1345.01, Revised Statutes Cumulative  
5 Supplement, 2012, is amended to read:

6 66-1345.01 An excise tax is levied upon all corn and  
7 grain sorghum sold through commercial channels in Nebraska or  
8 delivered in Nebraska. For any sale or delivery of corn or grain  
9 sorghum occurring on or after July 1, 1995, and before January 1,  
10 2000, the tax is three-fourths cent per bushel for corn and three-  
11 fourths cent per hundredweight for grain sorghum. For any sale or  
12 delivery of corn or grain sorghum occurring on or after January 1,  
13 2000, and before January 1, 2001, the tax is one-half cent per bushel  
14 for corn and one-half cent per hundredweight for grain sorghum. For  
15 any sale or delivery of corn or grain sorghum occurring on or after  
16 October 1, 2001, and before October 1, 2004, the tax is one-half cent  
17 per bushel for corn and one-half cent per hundredweight for grain  
18 sorghum. For any sale or delivery of corn or grain sorghum occurring  
19 on or after October 1, 2004, and before October 1, 2005, the tax is  
20 three-fourths cent per bushel for corn and three-fourths cent per  
21 hundredweight for grain sorghum. For any sale or delivery of corn or  
22 grain sorghum occurring on or after October 1, 2005, and before  
23 October 1, 2012, the tax is seven-eighths cent per bushel for corn  
24 and seven-eighths cent per hundredweight for grain sorghum. The tax  
25 shall be in addition to any fee imposed pursuant to ~~sections 2-3623~~

1 ~~and section 2-4012 or state assessment imposed pursuant to section 10~~  
2 ~~of this act.~~

3           The excise tax shall be imposed at the time of sale or  
4 delivery and shall be collected by the first purchaser. The tax shall  
5 be collected, administered, and enforced in conjunction with the fees  
6 ~~fee imposed pursuant to sections 2-3623 and section 2-4012 and the~~  
7 ~~state assessment imposed pursuant to section 10 of this act.~~ The tax  
8 shall be collected, administered, and enforced by the Department of  
9 Agriculture. No corn or grain sorghum shall be subject to the tax  
10 imposed by this section more than once.

11           In the case of a pledge or mortgage of corn or grain  
12 sorghum as security for a loan under the federal price support  
13 program, the excise tax shall be deducted from the proceeds of such  
14 loan at the time the loan is made. If, within the life of the loan  
15 plus thirty days after the collection of the excise tax for corn or  
16 grain sorghum that is mortgaged as security for a loan under the  
17 federal price support program, the grower of the corn or grain  
18 sorghum so mortgaged decides to purchase the corn or grain sorghum  
19 and use it as feed, the grower shall be entitled to a refund of the  
20 excise tax previously paid. The refund shall be payable by the  
21 department upon the grower's written application for a refund. The  
22 application shall have attached proof of the tax deducted.

23           The excise tax shall be deducted whether the corn or  
24 grain sorghum is stored in this or any other state. The excise tax  
25 shall not apply to the sale of corn or grain sorghum to the federal

1 government for ultimate use or consumption by the people of the  
2 United States when the State of Nebraska is prohibited from imposing  
3 such tax by the Constitution of the United States and laws enacted  
4 pursuant thereto.

5           Sec. 23. This act becomes operative on January 1, 2014.

6           Sec. 24. Original sections 49-1499.02 and 66-1333,  
7 Reissue Revised Statutes of Nebraska, and section 66-1345.01, Revised  
8 Statutes Cumulative Supplement, 2012, are repealed.

9           Sec. 25. The following sections are outright repealed:  
10 Sections 2-3601, 2-3602, 2-3603, 2-3604, 2-3605, 2-3606, 2-3607,  
11 2-3608, 2-3609, 2-3610, 2-3611, 2-3612, 2-3614, 2-3615, 2-3616,  
12 2-3617, 2-3618, 2-3619, 2-3620, 2-3621, 2-3622, 2-3623, 2-3627,  
13 2-3628, 2-3629, 2-3630, 2-3631, 2-3632, 2-3633, 2-3634, and 2-3635,  
14 Reissue Revised Statutes of Nebraska.