

Cornhusker Economics

Cooperative Extension

Institute of Agriculture & Natural Resources
Department of Agricultural Economics
University of Nebraska - Lincoln

Livestock Friendly County Zoning Bill Enacted

Market Report	Yr Ago	4 Wks Ago	6/27/03
<u>Livestock and Products,</u>			
<u>Average Prices for Week Ending</u>			
Slaughter Steers, Ch. 204, 1100-1300 lb Omaha, cwt	\$63.21	\$79.87	\$73.83
Feeder Steers, Med. Frame, 600-650 lb Dodge City, KS, cwt	*	92.00	*
Feeder Steers, Med. Frame 600-650 lb, Nebraska Auction Wght. Avg	89.63	99.70	103.36
Carcass Price, Ch. 1-3, 550-700 lb Cent. US, Equiv. Index Value, cwt	100.94	132.91	118.11
Hogs, US 1-2, 220-230 lb Sioux Falls, SD, cwt	*	42.50	40.00
Feeder Pigs, US 1-2, 40-45 lb Sioux Falls, SD, hd	*	45.07	30.00
Vacuum Packed Pork Loins, Wholesale, 13-19 lb, 1/4" Trim, Cent. US, cwt	109.76	112.39	113.84
Slaughter Lambs, Ch. & Pr., 115-125 lb Sioux Falls, SD, cwt	84.35	110.00	90.12
Carcass Lambs, Ch. & Pr., 1-4, 55-65 lb FOB Midwest, cwt	158.38	206.22	203.19
<u>Crops,</u>			
<u>Cash Truck Prices for Date Shown</u>			
Wheat, No. 1, H.W. Omaha, bu	3.40	3.37	3.10
Corn, No. 2, Yellow Omaha, bu	2.18	2.33	2.23
Soybeans, No. 1, Yellow Omaha, bu	5.29	6.17	6.30
Grain Sorghum, No. 2, Yellow Kansas City, cwt	4.04	4.00	3.91
Oats, No. 2, Heavy Minneapolis, MN, bu	2.28	1.70	1.57
<u>Hay,</u>			
<u>First Day of Week Pile Prices</u>			
Alfalfa, Sm. Square, RFV 150 or better Platte Valley, ton	112.50	120.00	115.00
Alfalfa, Lg. Round, Good Northeast Nebraska, ton	60.00	62.50	70.00
Prairie, Sm. Square, Good Northeast Nebraska, ton	90.00	117.50	105.00
* No market.			

On May 22, 2003 the Nebraska Unicameral adopted Legislative Bill 754 (1) to allow the Nebraska Department of Agriculture to designate counties as livestock friendly, and (2) to change procedures for county livestock zoning permits. LB754 is the latest chapter in an ongoing legal and political battle over livestock production. LB754 was signed by Governor Johanns and will take effect August 31, 2003. This newsletter briefly reviews LB754 within the context of recent livestock production controversies.

Nebraska has always been a major livestock producing state. Until recently, most livestock production was on small to medium sized family operations. Nebraska has always had some large cattle feedlots, but most feedlots have been smaller. Swine production traditionally has been on small and medium sized operations. Just over one-third of Nebraska counties were zoned by the late 1970s, with quarter-mile (or smaller) setbacks being a common livestock zoning regulation.

Beginning in the late 1960s, large confined swine production facilities were developed in the eastern U.S., similar to the poultry industry. These large swine confinements did not begin to reach Nebraska until the mid- to late 1980s. Initiative 300's corporate farming restrictions no doubt slowed the development of large swine confinements in Nebraska until the early 1990s. This development then became a high-profile public policy issue. Strident opposition to large swine confinements from smaller swine producers, and neighbors concerned about odors and pollution led to a state moratorium on processing livestock waste permits until regulations could be changed to deal with larger operations. Many features of the new state livestock waste regulations were included in the 1998 Nebraska Livestock Waste Management Act.

Livestock zoning became a political battleground. Many unzoned counties sought to develop zoning to give them control over the location (and size) of large swine confinements. Anti-confinement groups sought changes in



county zoning laws to allow temporary zoning so that counties had time to develop permanent zoning. Temporary zoning legislation was first proposed in 1998 but was not adopted until 1999, as confinement developers lobbied hard to have the law delayed. This allowed some confinements to be developed before counties could regulate them through temporary zoning. Now most Nebraska counties are zoned; some regulations are strict enough to make development of new confinements difficult.

In most zoned counties, new livestock facilities need both (1) a state livestock waste control permit from the Nebraska Department of Environmental Quality, and (2) a zoning permit. Often counties will require the producer to first obtain the DEQ livestock waste permit before the county will issue the zoning permit. Some livestock producers have received their state DEQ livestock permit, only to then have their county zoning permit denied. A livestock producer may spend hundreds or even thousands of dollars to obtain the DEQ permit. Most producers would prefer to know whether or not the county will issue the zoning permit before spending the money to obtain the DEQ permit.

LB754 has two main provisions: (1) designating livestock friendly counties, and (2) county livestock zoning permits.

Livestock friendly counties. LB754 first declares that “the growth and vitality of the state’s livestock sector are critical to the continued prosperity of the state and its citizens.” LB754 then authorizes the Nebraska Department of Agriculture to establish criteria to recognize and assist county efforts to maintain or expand their livestock sector. Counties may be designated as livestock friendly if they request the NDA designation and meet the NDA livestock-friendly criteria. Counties may also designate themselves as being livestock friendly. The implicit objective of the NDA livestock friendly designation process is to allow counties to signal to producers whether or not they are receptive to new and/or expanded livestock operations.

County livestock zoning permits. LB754 requires that a livestock producer applying for a livestock zoning permit may request the county to indicate what requirements the producer must meet in order to receive zoning approval. LB754 also requires a written statement of the reasons why the livestock zoning permit was granted or denied. The implicit objective of the LB754 zoning requirements is to allow applicants to get an advance written determination of whether or not their permit will be granted before they seek the more expensive DEQ permit.

In 2002 livestock and some agricultural interests sought a state study of the economic importance of the Nebraska

livestock industry. That proposal was defeated by anti-confinement interests and others who saw it as laying the foundation for a political attack on county livestock zoning. LB754 is what livestock advocates were able to obtain in 2003. It will be interesting to see how many zoned counties apply to the NDA for LB754 livestock friendly designation.

[Thanks to Al Prosch, UNL Pork Central Coordinator for background information regarding the historical development of large swine confinements in the U.S. and in Nebraska].

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