

# Cornhusker Economics

## 2015 Legislative Wrap-up

Market Report	Year Ago	4 Wks Ago	6/12/15
<b>Livestock and Products,</b>			
<b>Weekly Average</b>			
Nebraska Slaughter Steers, 35-65% Choice, Live Weight . . . . .	150.00	163.00	153.08
Nebraska Feeder Steers, Med. & Large Frame, 550-600 lb. . . . .	261.48	268.59	295.93
Nebraska Feeder Steers, Med. & Large Frame 750-800 lb. . . . .	212.23	223.43	224.61
Choice Boxed Beef, 600-750 lb. Carcass . . . . .	231.80	256.61	246.38
Western Corn Belt Base Hog Price Carcass, Negotiated. . . . .	116.44	78.92	77.65
Pork Carcass Cutout, 185 lb. Carcass 51-52% Lean. . . . .	120.77	76.22	85.24
Slaughter Lambs, woolled and shorn, 135-165 lb. National. . . . .	154.75	137.61	154.65
National Carcass Lamb Cutout FOB. . . . .	357.91	360.93	355.43
<b>Crops.</b>			
<b>Daily Spot Prices</b>			
Wheat, No. 1, H.W. Imperial, bu. . . . .	6.48	4.55	4.73
Corn, No. 2, Yellow Nebraska City, bu. . . . .	4.39	3.51	3.43
Soybeans, No. 1, Yellow Nebraska City, bu. . . . .	14.16	9.51	9.25
Grain Sorghum, No.2, Yellow Dorchester, cwt. . . . .	7.63	7.66	3.35
Oats, No. 2, Heavy Minneapolis, Mn, bu. . . . .	3.82	2.74	2.90
<b>Feed</b>			
Alfalfa, Large Square Bales, Good to Premium, RFV 160-185 Northeast Nebraska, ton. . . . .	194.00	190.00	*
Alfalfa, Large Rounds, Good Platte Valley, ton. . . . .	*	72.50	100.00
Grass Hay, Large Rounds, Good Nebraska, ton. . . . .	100.00	120.00	120.00
Dried Distillers Grains, 10% Moisture Nebraska Average. . . . .	165.00	172.50	142.50
Wet Distillers Grains, 65-70% Moisture Nebraska Average. . . . .	54.25	58.00	46.00
* No Market			

Two significant livestock development proposals were adopted in 2015: LB106 (livestock zoning), and LB175 (financial issues). Also, LB329 gives producers significant agritourism liability protection.

**What will LB106 do?** LB106 originally would have established a state livestock development “matrix” (a list of livestock zoning factors) that counties would have been required to follow for new livestock zoning permits. But substantial opposition convinced supporters to make the state matrix voluntary. The matrix will still be developed but it will be up to each county to decide whether or not to adopt it, or whether to change it before they use it.

**Why was LB106 controversial?** New or expanded livestock operations can be controversial, and opponents did not want the state telling counties when they had to approve livestock zoning permits. Supporters argued LB106 would make livestock zoning decisions less emotional. When the state livestock development matrix is developed, it should be a useful guide to counties wishing to develop a more objective approach to livestock zoning.

**What does LB175 do?** It makes new state grants for roads and bridges available to Nebraska’s 29 livestock friendly counties. It also

raises the cap on the 10% state tax credit for new livestock projects from \$30,000 to \$150,000. This means new livestock projects of up to \$1.5 million can qualify for the full 10% tax credit.

**What about LB176?** This bill would have authorized meatpackers to own swine in their own name and have them custom fed in Nebraska. LB176 made it through the first stage of legislative debate, but supporters came two votes short of the 33 needed to defeat a filibuster in stage two.

**Why was LB176 opposed?** Opponents asserted that packer feeding would lead to processor domination of the swine industry similar to the poultry industry. Supporters contended that packer feeding could make pork processors more likely to remain in Nebraska.

**What about agritourism?** Since 1965, Nebraska farmers and ranchers have been generally exempt from personal injury liability when they allow others to pursue outdoor recreation activities (hunting, camping, etc.) on their property for no admission fee. But if a fee is charged, farmers and ranchers had potential liability for injuries if the landowner's negligence was a factor. This liability and high insurance costs have made some farmers or ranchers reluctant to engage in paid agritourism enterprises.

**What does LB329 do?** LB329 basically extends the 1965 liability protection for unpaid outdoor recreation activities to paid agritourism activities. It limits personal injury liability for farmers and ranchers for a paid agritourism visitor if the producer posts a specified warning sign near the farm or ranch's entrance or includes the specified language in an agritourism contract, such as a hunting lease.

**What agritourism activities are covered?** Hunting, fishing, swimming, water sports, camping, picnicking, hiking, backpacking, bicycling, horseback riding, nature study, birding, farm, ranch and vineyard tours, pick your own activities, waterskiing, cross-country skiing, and similar activities.

**Is agritourism liability protection limited?** Yes—but this is complex legislation and we can't get into all the details here. Agritourism operators don't have liability protection if they don't post the warning signs or don't include the specified contract language. And they can lose liability protection (1) if they don't properly maintain their premises, buildings and equipment, (2) if they don't properly train and supervise their employees, (3) for reckless behavior or deliberate misbehavior, or (4) for violation of any related state or local requirement (such as failing to cap an abandoned well).

**Could LB329 help agritourism?** Yes. The basic issue is whether it will make liability insurance significantly less expensive for agritourism operators. If it does, then LB329 could be a big success.

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