

LB299 Occupational licenses/boards

NEBRASKA LIVESTOCK DEALER LICENSING ACT

1. **Legislative Committee of Jurisdiction:** Agriculture
2. **Occupation Regulated:** **Livestock Dealer.** **Livestock Dealer means** any person, partnership, limited liability company, association, or corporation who is engaged in the business of buying or selling livestock for the purpose of resale within the state either for his or her own account or as the employee or agent of the seller or purchaser, except an agent or employee who buys and sells exclusively for the account of a licensed dealer. Livestock dealer shall also include those who buy or sell from a concentration point. Livestock dealer shall not include a person or persons engaged in a farm or ranch operation who purchases livestock for utilization of same as an integral part of the livestock and livestock product production of his or her farm or ranch operation or purebred sales held by the breed registry associations or the purchase of sale of livestock primarily used for research, experimentation, exhibition, or entertainment purposes, including sales by the Future Farmers of America or 4-H groups; and Concentration point shall mean any place of business where livestock is assembled for resale.
3. **Name of Occupational Board:** N/A.
4. **Contact Person:** N/A.
5. **Public Purpose and Assumptions Underlying License Creation:** Livestock disease prevention and control. The process of tracing back suspected, infected or exposed livestock is of major importance in the Department's licensing of livestock dealers.
6. **Number of regulated professionals in Nebraska?** The following is the number of licensed livestock dealers over the past five years:
2014/2015 – 169; 2015/2016 – 168; 2016/2017 – 171; 2017-2018 – 174; and 2018/2019 – 156.
7. **Year Created:** Statute was enacted on August 28, 1969. No occupational board was created.
8. **Title of Act:** **Nebraska Livestock Dealer Licensing Act**, Neb. Rev. Stat. §§54-1701 to 54-1711.
9. **Year Active:** This program does not operate under an occupational board.
10. **Sunset Date:** N/A
11. **Statutory Authorization (Citation):** Neb. Rev. Stat. §§54-1701 to 54-1711.
12. **Regulated and enforced by the** **Nebraska Department of Agriculture.**
13. **Statutory Citation:** Neb. Rev. Stat. §§54-1701 to 54-1711.
14. Number of members & appointments: **Not Applicable.**
15. Qualifications of membership: **Not applicable.**
16. Number of times the occupational board required to meet: **Not applicable.**
17. **Annual budget** information for the occupational board for the five most recent fiscal years: N/A
18. **Spending authority under the Act:** Section 54-1704 of the Act provides that license fees collected under the Nebraska Livestock Dealer Licensing Act shall be deposited into the Livestock Auction Market Cash Fund.
19. **Annual revenue** for Nebraska Livestock Dealer Licensing Act:
2014/2015 - \$8,850; 2015/2016 - \$9,700; 2016/2017 - \$7,800; 2017/2018 - \$8,650; and 2018/2019 - \$7,750.

Expenditures are not tracked separately. There are currently no inspections or other tasks that the Department is required to do. For purposes of tracing a diseased animal, the Department will go out to inspect records; or if there is a complaint against the dealer.

20. **Number of Support Staff used to administer program:** One.
21. **Is the Support Staff Shared or Separate:** Shared.
2014/2015 – 169; 2015/2016 – 168; 2016/2017 – 171; 2017-2018 – 174; and 2018/2019 – 156.
22. **Assessment of penalties against?** None. **Reasons for revocations, denials, or other penalties?** There were no revocations, denials or other penalties imposed against licensed livestock dealers over the past five years by the Department.
23. **Provide an explanation for why you believe or do not believe that the occupational regulations overseen by your board have been effective:** N/A as it is not subject to a Board. This regulation provides the method by which the Department can trace exposed, suspected, or infected animals moving through commerce.
24. **Statement of effectiveness of the occupational license?** Records and accredited veterinary requirements provide the Department with the ability to trace diseased or exposed animals for disease prevention and control purposes when such animals have moved through commerce channels.
25. **What is the potential harm if this occupation is no longer licensed, certified, or regulated:** The inability to effectively trace exposed, suspect or infected animals moving in commerce could be devastating to the State's livestock industry.
26. **Comparison with other states and how they regulate?** Similar to Nebraska.
 - a. **Iowa** – requires livestock dealer permits for any person engaged in the business of buying, selling, or assembling livestock by consignment for the purpose of resale either interstate or intrastate. \$50 annual fee and required to be bonded through Packers & Stockyards.
 - b. **Kansas** – requires licensing of livestock dealers or order buyers, and includes any person engaged in the business of buying or selling livestock in commerce, either on that person's own account or as the employee or agent of the seller or purchaser, or any person engaged in the business of buying or selling livestock in commerce on a commission basis and shall include any person who buys or sells livestock with the use of a video. \$75 annual fee and required to be bonded through P & S.
 - c. **Michigan** – requires licensing if operating a livestock auction market; a buying station, or as a dealer or broker. A dealer or broker is any person, co-partnership, association, or corporation engaged in the business of buying, receiving, selling, exchanging, negotiating, or soliciting sale, resale, exchange, transportation or transfer of any such animals. \$50 and required to be bonded through P & S.
 - d. **Missouri** – requires registration of livestock dealers for those who buy, sell, or exchange livestock; and such registered livestock dealers shall keep records regarding such sales and purchases to prevent the spread of livestock disease. No cost to register, but registration must be renewed annually.
 - e. **Montana** - "Livestock dealer" means a person engaged in the business of purchasing livestock: (i) for immediate resale; (ii) for interstate shipment; or (iii) on a commission or fee basis: (A) for the account of others; or (B) for or on behalf of a dealer or a market. \$50 for

first-time license; \$50 for each additional buyer; and \$250 for annual renewals. Must be bonded through P & S.

- f. **North Dakota** – requires license as a livestock dealer for any person that buys horses, mules, cattle, hogs, goats, or sheep from a producer or a livestock auction market: (i) on the person’s own account, more than once per year for the purpose of resale within 30 days; (ii) on commission; or (iii) for slaughter. \$50 and required to be bonded through P & S.
- g. **South Dakota** – requires licensing for livestock dealers, which are persons engaged in the business of buying, selling, and dealing in livestock from producers or livestock auction markets for resale or shipment within or without the state or for resale in the local market. \$50 and required to be bonded through P & S.
- h. **Texas** – uses different terminology. Texas licenses “commission merchants,” persons who pursue the business of selling livestock on consignment for a commission or other charges; solicits consignment of livestock as a livestock commission merchant; or advertises or holds himself/herself out to be a livestock commission merchant. (required to be bonded with P & S but no licensing fee was readily available)
- i. **Wyoming** – licenses livestock dealers, which are persons engaged in the business of buying or selling livestock in commerce, either for his own account or as an employee or agent of the seller or buyer; or any person who engages in the regular business of buying or selling livestock in commerce on a commission basis as set forth in rules by the Wyoming livestock board. (costs not readily located – possibly \$100 under an auction market license. Must be bonded through P & S)