

AMENDMENTS TO LB1187

Introduced by Agriculture.

1           1. Strike the original sections and insert the following new  
2 sections:

3           **Section 1.** Section 54-170, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5           54-170 Sections 54-170 to 54-1,131 and sections 3 to 6 of this act  
6 shall be known and may be cited as the Livestock Brand Act.

7           **Sec. 2.** Section 54-171, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9           54-171 For purposes of the Livestock Brand Act, the definitions  
10 found in sections 54-171.01 to 54-190 and sections 3 to 6 of this act  
11 shall be used.

12           **Sec. 3.** Backgrounding lot means a grow yard that is located within  
13 or outside of the brand inspection area and that prepares cattle for  
14 entry into a registered feedlot.

15           **Sec. 4.** Brand committee means the Nebraska Brand Committee.

16           **Sec. 5.** (1) Brand committee district one means the following  
17 counties: Banner, Box Butte, Cherry, Dawes, Kimball, Morrill, Scotts  
18 Bluff, Sheridan, Sioux, and Cheyenne.

19           (2) Brand committee district two means the following counties:  
20 Arthur, Chase, Deuel, Dundy, Garden, Grant, Hooker, Keith, Lincoln,  
21 Logan, McPherson, Perkins, Thomas, Hayes, Hitchcock, and Frontier.

22           (3) Brand committee district three means the following counties:  
23 Boyd, Brown, Custer, Garfield, Holt, Keya Paha, Knox, Rock, Wheeler,  
24 Blaine, and Loup.

25           (4) Brand committee district four means the following counties:  
26 Buffalo, Dawson, Franklin, Furnas, Gosper, Harlan, Kearney, Phelps, Red  
27 Willow, Sherman, Howard, Valley, and Greeley.

1           (5) Brand committee district five means the following counties:  
2   Adams, Antelope, Boone, Burt, Butler, Cass, Cedar, Clay, Colfax, Cuming,  
3   Dakota, Dixon, Dodge, Douglas, Fillmore, Gage, Hall, Hamilton, Howard,  
4   Jefferson, Johnson, Lancaster, Madison, Merrick, Nance, Nemaha, Nuckolls,  
5   Otoe, Pawnee, Pierce, Platte, Polk, Richardson, Saline, Sarpy, Saunders,  
6   Seward, Stanton, Thayer, Thurston, Washington, Wayne, Webster, and York.

7           **Sec. 6.** Dairy heifer development facility means a facility that  
8   specializes in raising and managing dairy heifers until such dairy  
9   heifers are ready for breeding or calving.

10           **Sec. 7.** Section 54-191, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12           54-191 (1) The Nebraska Brand Committee is hereby created.

13           (2) This subsection applies until subsection (3) of this section  
14 applies. The Beginning August 28, 2007, the brand committee shall consist  
15 of five members appointed by the Governor, subject to confirmation by the  
16 Legislature. At least three appointed members shall be active  
17 cattlepersons and at least one appointed member shall be an active cattle  
18 feeder. The Secretary of State and the Director of Agriculture, or their  
19 designees, shall be nonvoting, ex officio members of the brand committee.  
20 The appointed members shall be owners of cattle within the brand  
21 inspection area, shall reside within the brand inspection area, shall be  
22 owners of Nebraska-recorded brands, and shall be persons whose principal  
23 business and occupation is the raising or feeding of cattle within the  
24 brand inspection area.

25           (3) This subsection applies beginning on August 28, 2026. The brand  
26 committee shall consist of:

27           (a) The following nine voting members who are appointed by the  
28 Governor and subject to confirmation by the Legislature:

29           (i) One person who resides in brand committee district one and whose  
30 principal business or occupation is the raising or feeding of cattle;

31           (ii) One person who resides in brand committee district two and

1 whose principal business or occupation is the raising or feeding of  
2 cattle;

3 (iii) One person who resides in brand committee district three and  
4 whose principal business or occupation is the raising or feeding of  
5 cattle;

6 (iv) One person who resides in brand committee district four and  
7 whose principal business or occupation is the raising or feeding of  
8 cattle;

9 (v) One person who resides in brand committee district five and  
10 whose principal business or occupation is the raising or feeding of  
11 cattle;

12 (vi) One person who owns or operates a cattle feeding operation  
13 within the brand inspection area;

14 (vii) One person who owns or operates a cattle feeding operation  
15 within the brand inspection area;

16 (viii) One person who owns or operates a livestock auction market  
17 that primarily sells cattle and that is located within the brand  
18 inspection area; and

19 (ix) One purebred cattle breeder; and

20 (b) The following two nonvoting, ex officio members or their  
21 designees:

22 (i) The Secretary of State; and

23 (ii) The Director of Agriculture.

24 (4) (2) The appointed members of the brand committee shall elect a  
25 chairperson and vice-chairperson from among its appointed members during  
26 the first meeting held after September 1 of each calendar year. A member  
27 may be reelected to serve as chairperson or vice-chairperson.

28 (5)(a) (3) The terms of the appointed members shall be four-year,  
29 staggered terms, beginning on August 28 of the year of initial  
30 appointment or reappointment and concluding on August 27 of the year of  
31 expiration.

1           **(b)** At the expiration of the term of an appointed member, the  
2 Governor shall appoint a successor, subject to confirmation by the  
3 Legislature. If there is a vacancy on the brand committee, the Governor  
4 shall fill such vacancy by appointing a member to serve during the  
5 unexpired term of the member whose office has become vacant. Any  
6 appointment to fill a vacancy shall be subject to confirmation by the  
7 Legislature.

8           **(6)** ~~(4)~~ The action of a majority of the members shall be deemed the  
9 action of the brand committee. No appointed member shall hold any  
10 elective or appointive state or federal office while serving as a member  
11 of the brand committee. Each member and each brand committee employee who  
12 collects or who is the custodian of any funds shall be bonded or insured  
13 as required under section 11-201. The appointed members of the brand  
14 committee shall be reimbursed for expenses in attending meetings of the  
15 brand committee or in performing any other duties that are prescribed in  
16 the Livestock Brand Act or section 54-415, as provided for in sections  
17 81-1174 to 81-1177.

18           **(7)** The purpose of the Nebraska Brand Committee is to protect  
19 Nebraska brand and livestock owners from the theft of livestock through  
20 established brand recording, brand inspection, and livestock theft  
21 investigation.

22           **Sec. 8.** Section 54-192, Reissue Revised Statutes of Nebraska, is  
23 amended to read:

24           54-192 (1) The Nebraska Brand Committee shall employ such employees  
25 as may be necessary to properly carry out the Livestock Brand Act and  
26 section 54-415, fix the salaries of such employees, and make such  
27 expenditures as are necessary to properly carry out such act and section.  
28 Employees of the brand committee shall receive mileage computed at the  
29 rate provided in section 81-1176. The brand committee shall select and  
30 designate a location or locations where the brand committee shall keep  
31 and maintain an office and where records of the brand inspection and

1 investigation proceedings, transactions, communications, brand  
2 registrations, and official acts shall be kept.

3 (2) The brand committee shall appoint ~~employ~~ an executive director  
4 who shall be the brand committee head for administrative purposes. The  
5 appointment shall be subject to the approval of the Governor. The  
6 executive director shall keep a record of all proceedings, transactions,  
7 communications, and official acts of the brand committee, shall be  
8 custodian of all records of the brand committee, and shall perform such  
9 other duties as may be required by the brand committee. The executive  
10 director shall call a meeting at the direction of the chairperson of the  
11 brand committee, or in his or her absence the vice-chairperson, or upon  
12 the written request of two or more members of the brand committee. The  
13 executive director shall have supervisory authority to direct and control  
14 all full-time and part-time employees of the brand committee. This  
15 authority allows the executive director to hire employees as are needed  
16 on an interim basis subject to approval or confirmation by the brand  
17 committee for regular employment. The executive director may place  
18 employees on probation and may discharge an employee.

19 (3) The brand committee shall employ a chief investigator who shall  
20 report to the executive director. The chief investigator shall meet the  
21 qualifications of an investigator as defined in section 54-182. Under the  
22 direction of the executive director, the chief investigator shall be  
23 chief of field operations and supervise brand committee investigators and  
24 inspectors.

25 (4) The brand committee shall employ a brand recorder who shall be  
26 responsible for the processing of all applications for new livestock  
27 brands, the transfer of ownership of existing livestock brands, the  
28 maintenance of accurate and permanent records relating to livestock  
29 brands, and such other duties as may be required by the brand committee.

30 (5) If any employee of the brand committee after having been  
31 disciplined, placed on probation, or having had his or her services

1 terminated desires to have a hearing before the entire brand committee,  
2 such a hearing shall be granted as soon as is practicable and convenient  
3 for all persons concerned. The request for such a hearing shall be made  
4 in writing by the employee alleging the grievance and shall be directed  
5 to the executive director. After hearing all testimony surrounding the  
6 grievance of such employee, the brand committee, at its discretion, may  
7 approve, rescind, nullify, or amend all actions as previously taken by  
8 the executive director.

9 **Sec. 9.** Section 54-1,102, Reissue Revised Statutes of Nebraska, is  
10 amended to read:

11 54-1,102 (1) A recorded brand may be applied by its owner until its  
12 expiration date.

13 (2) On and after January 1, 1994, the expiration date of a recorded  
14 brand is the last day of the calendar quarter of the renewal year as  
15 designated by the Nebraska Brand Committee in the records of the brand  
16 committee.

17 (3) The brand committee shall notify every owner of a recorded brand  
18 of its expiration date at least sixty days prior to the expiration date,  
19 and the owner of the recorded brand shall pay a renewal fee established  
20 by the brand committee which shall not be more than four ~~two~~ hundred  
21 dollars and furnish such other information as may be required by the  
22 brand committee. The renewal fee is due and payable on or before the  
23 expiration date and renews a recorded brand for a period of four years  
24 regardless of the number of locations on one side of an animal on which  
25 the brand is recorded. If any owner fails, refuses, or neglects to pay  
26 the renewal fee by the expiration date, the brand shall expire and be  
27 forfeited.

28 (4) The brand committee has the authority to hold an expired brand  
29 for one year following the date of expiration. An expired brand may be  
30 reinstated by the same owner during such one-year period upon return of a  
31 brand application form and payment of the renewal fee ~~recording fee and~~

1 ~~research fee~~ for such brand established by the brand committee under this  
2 section ~~54-199~~ plus a penalty of five dollars for each month or part of a  
3 month which has passed since the date of expiration. A properly  
4 reinstated brand may be transferred to another person during such one-  
5 year period upon completion of a transfer form, with a notarized bill of  
6 sale signed by the prior owner attached to such transfer form.

7 **Sec. 10.** Section 54-1,108, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 54-1,108 (1)(a) All physical inspections for brands provided for in  
10 the Livestock Brand Act or section 54-415 shall be from sunrise to  
11 sundown or during such other hours and under such conditions as the  
12 Nebraska Brand Committee determines. The brand committee shall assess a  
13 fifty-dollar late notice surcharge if a request for a physical inspection  
14 is made less than forty-eight hours prior to the date of inspection.

15 (b) A physical inspection shall be required when brands applied by  
16 hot iron or freeze branding methods are the exclusive means of ownership  
17 identification and in all other cases that do not qualify for electronic  
18 inspection as provided in subsection (2) of this section.

19 (c)(i) ~~A (c) Beginning October 1, 2021, a physical inspection fee of~~  
20 ~~eighty five cents per head until June 30, 2023, and beginning July 1,~~  
21 ~~2023, a fee established by the Nebraska Brand Committee, of not more than~~  
22 one dollar and fifty cents ~~one dollar and ten cents~~ per head shall be  
23 charged for all cattle inspected in accordance with the Livestock Brand  
24 Act or section 54-415, inspected within the brand inspection area or  
25 brand inspection service area by court order, inspected at the request of  
26 any bank, credit agency, or lending institution with a legal or financial  
27 interest in such cattle, or inspected at the request of a neighboring  
28 livestock owner with missing cattle.

29 (ii) The inspection fee for court-ordered inspections shall be paid  
30 from the proceeds of the sale of such cattle if ordered by the court or  
31 by either party as the court directs.

1            (iii) For other inspections not described in subdivision (1)(c)(ii)  
2 of this section, the person requesting the inspection of such cattle is  
3 responsible for the inspection fee.

4            (iv) Brand inspections requested by either a purchaser or seller of  
5 cattle located within the brand inspection service area shall be provided  
6 upon the same terms and charges as brand inspections performed within the  
7 brand inspection area.

8            (v) If stray cattle are identified as a result of the inspection,  
9 such cattle shall be processed in the manner provided by section 54-415.

10           (d) A surcharge, as established by the brand committee of not more  
11 than thirty dollars, may be charged to cover travel expenses incurred by  
12 the brand inspector per inspection location when performing a brand  
13 inspection. The surcharge shall be collected by the brand inspector and  
14 paid by the person requesting the inspection or the person required by  
15 law to have the inspection. The actual mileage incurred by the inspector  
16 to perform a physical inspection shall be paid by the party requesting  
17 inspection and paid at the rate established by the Department of  
18 Administrative Services pursuant to section 81-1176.

19           (e) For physical inspections performed outside of the brand  
20 inspection area that are not provided for in subdivision (c) of this  
21 subsection, the fee shall be the inspection fee established in such  
22 subdivision plus a fee to cover the actual expense of performing the  
23 inspection, including mileage at the rate established by the Department  
24 of Administrative Services and an hourly rate, not to exceed thirty  
25 dollars per hour, for the travel and inspection time incurred by the  
26 brand committee to perform such inspection. The brand committee shall  
27 charge and collect the actual expense fee. Such fee shall apply to  
28 inspections performed outside the brand inspection area as part of an  
29 investigation into known or alleged violations of the Livestock Brand Act  
30 and shall be charged against the person committing the violation.

31           (2)(a) The brand committee may provide for electronic inspection of

1 enrolled cattle identified by approved nonvisual identifiers pursuant to  
2 subsection (5) of section 54-199. The brand committee shall establish  
3 procedures for enrollment of such cattle with the brand committee which  
4 shall include providing acceptable certification or evidence of  
5 ownership. Electronic inspection shall not require agency employees to be  
6 present, except that random audits shall occur.

7 (b) ~~An~~ Beginning October 1, 2021, an electronic inspection fee ~~not~~  
8 ~~to exceed eighty five cents per head until June 30, 2023, and beginning~~  
9 ~~July 1, 2023, a fee established by the brand committee of not more than~~  
10 one dollar and fifty cents ~~one dollar and ten cents~~ per head shall be  
11 charged for all cattle subjected to electronic inspection in accordance  
12 with the Livestock Brand Act or section 54-415.

13 (c) A certified bill of sale for sale of calves shall be provided to  
14 qualified dairies once the required information is electronically  
15 transferred to the brand committee on calves under thirty days of age.  
16 The fee shall be the same as for an electronic inspection under  
17 subdivision (2)(b) of this section.

18 (d) A certified transportation permit shall be provided to qualified  
19 dairies after the required information is electronically transferred to  
20 the brand committee on calves under thirty days of age which are moved  
21 out of the inspection area. The fee shall be the same as for an  
22 electronic inspection under subdivision (2)(b) of this section.

23 (e) ~~On or before December 1, 2021, the brand committee shall report~~  
24 ~~to the Legislature any actions taken or necessary for implementing~~  
25 ~~electronic inspection authorized by this subsection, including personnel~~  
26 ~~and other resources utilized to support electronic inspection, how the~~  
27 ~~brand committee's information technology capabilities are utilized to~~  
28 ~~support electronic inspection, a listing of approved nonvisual~~  
29 ~~identifiers, the requirements for enrolling cattle identified by approved~~  
30 ~~nonvisual identifiers, current and anticipated utilization of electronic~~  
31 ~~inspection by the livestock industry, and the fees required to recover~~

1 ~~costs of performing electronic inspection.~~

2 (3) Any person who has reason to believe that cattle were shipped  
3 erroneously due to an inspection error during a brand inspection may  
4 request a reinspection. The person making such request shall be  
5 responsible for the expenses incurred as a result of the reinspection  
6 unless the results of the reinspection substantiate the claim of  
7 inspection error, in which case the brand committee shall be responsible  
8 for the reinspection expenses.

9 **Sec. 11.** Section 54-1,110, Reissue Revised Statutes of Nebraska, is  
10 amended to read:

11 54-1,110 (1) Except as provided in subsections (2) and (3) of this  
12 section, no person shall move, in any manner, cattle from a point within  
13 the brand inspection area to a point outside the brand inspection area  
14 unless such cattle first have a brand inspection by the Nebraska Brand  
15 Committee and a certificate of inspection is issued. A copy of such  
16 certificate shall accompany the cattle and shall be retained by all  
17 persons moving such cattle as a permanent record.

18 (2) Cattle in a registered feedlot registered under sections  
19 54-1,120 to 54-1,122 are not subject to the brand inspection of  
20 subsection (1) of this section. Possession by the shipper or trucker of a  
21 shipping certificate from the registered feedlot constitutes compliance  
22 if the cattle being shipped are as represented on such shipping  
23 certificate.

24 (3) If the line designating the brand inspection area divides a farm  
25 or ranch or lies between noncontiguous parcels of land which are owned or  
26 operated by the same cattle owner or owners, a permit may be issued, at  
27 the discretion of the Nebraska Brand Committee, to the owner or owners of  
28 cattle on such farm, ranch, or parcels of land to move the cattle in and  
29 out of the brand inspection area without inspection. If the line  
30 designating the brand inspection area lies between a farm or ranch and  
31 nearby veterinary medical facilities, a permit may be issued, at the

1 discretion of the brand committee, to the owner or owners of cattle on  
2 such farm or ranch to move the cattle in and out of the brand inspection  
3 area without inspection to obtain care from the veterinary medical  
4 facilities. The brand committee shall issue initial permits only after  
5 receiving an application which includes an application fee established by  
6 the brand committee which shall not be more than fifteen dollars. The  
7 brand committee shall mail all current permit holders an annual renewal  
8 notice, for January 1 renewal, which requires a renewal fee established  
9 by the brand committee which shall not be more than fifty dollars. If the  
10 permit conditions still exist, the cattle owner or owners may renew the  
11 permit.

12 (4) Cattle moved within this state without a transfer of ownership  
13 to the temporary care and custody of another party for seasonal grazing,  
14 emergency grazing, feeding, breeding, calving, veterinary care, or a  
15 purpose approved by the brand committee shall not be subject to brand  
16 inspection under this section if the cattle are accompanied by a form  
17 that is prescribed by the brand committee and that documents the number  
18 of cattle and the physical description of such cattle, including brands,  
19 tattoos, or marks on the cattle. A copy of such form shall be maintained  
20 by the owner of the cattle and a copy of such form shall be provided to  
21 and maintained by the party having custody of the cattle. Such form shall  
22 be provided to a peace officer upon the request of such peace officer.

23 (5) Dairy cattle shall not be subject to brand inspection under this  
24 section if such dairy cattle are moved directly between a qualified dairy  
25 and a dairy heifer development facility.

26 (6) (4) No person shall sell any cattle knowing that the cattle are  
27 to be moved, in any manner, in violation of this section. Proof of  
28 shipment or removal of the cattle from the brand inspection area by the  
29 purchaser or his or her agent is prima facie proof of knowledge that sale  
30 was had for removal from the brand inspection area.

31 (7) (5) A violation of this section is an infraction. A peace

1 officer shall have the authority to write a citation, which shall be  
2 waivable, to offenders in violation of this section. A fine under this  
3 section shall not exceed two hundred dollars per head for each offense.  
4 Violations shall be charged in the county of origin of the cattle or any  
5 other county through which the cattle were moved from the brand  
6 inspection area.

7 **Sec. 12.** Section 54-1,111, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 54-1,111 (1) Except as provided in subsection (2) of this section,  
10 no person shall sell or trade any cattle located within the brand  
11 inspection area, nor shall any person buy or purchase any such cattle  
12 unless the cattle have been inspected for evidence of ownership and a  
13 certificate of inspection or brand clearance has been issued by the  
14 Nebraska Brand Committee. Any person selling such cattle shall present to  
15 the brand inspector a properly executed bill of sale, brand clearance, or  
16 other satisfactory evidence of ownership which shall be filed with the  
17 original certificate of inspection in the records of the brand committee.  
18 Any time a brand inspection is required by law, a brand investigator or  
19 brand inspector may transfer evidence of ownership of such cattle from a  
20 seller to a purchaser by issuing a certificate of inspection.

21 (2) A brand inspection is not required:

22 (a) For cattle of a registered feedlot that are registered under  
23 sections 54-1,120 to 54-1,122 shipped for direct slaughter or sale on any  
24 terminal market;

25 (b) For cattle that are:

26 (i) Transferred to a family corporation when all the shares of  
27 capital stock of the corporation are owned by the husband, wife,  
28 children, or grandchildren of the transferor and there is no  
29 consideration for the transfer other than the issuance of stock of the  
30 corporation to such family members; or

31 (ii) Transferred to a limited liability company in which membership

1 is limited to the husband, wife, children, or grandchildren of the  
2 transferor and there is no consideration paid for the transfer other than  
3 a membership interest in the limited liability company;

4 (c) When the change of ownership of cattle is a change in form only  
5 and the surviving interests are in the exact proportion as the original  
6 interests of ownership. When there is a change of ownership described in  
7 subdivision (2)(b) or (c) of this section, an affidavit, on a form  
8 prescribed by the Nebraska Brand Committee, signed by the transferor and  
9 stating the nature of the transfer and the number of cattle involved and  
10 the brands presently on the cattle, shall be filed with the brand  
11 committee;

12 (d) For cattle sold or purchased for educational or exhibition  
13 purposes or other recognized youth activities if a properly executed bill  
14 of sale is exchanged and presented upon demand. Educational or exhibition  
15 purpose means cattle sold or purchased for the purpose of being fed,  
16 bred, managed, or tended in a program designed to demonstrate or instruct  
17 in the use of various feed rations, the selection of individuals of  
18 certain physical conformation or breeds, the measurement and recording of  
19 rate of gain in weight or fat content of meat or milk produced, or the  
20 preparation of cattle for the purpose of exhibition or for judging as to  
21 quality and conformation;

22 (e) For calves under the age of thirty days sold or purchased at  
23 private treaty if a bill of sale is exchanged and presented upon demand;  
24 and

25 (f) For seedstock cattle raised by the seller and individually  
26 registered with an organized breed association if a properly executed  
27 bill of sale is exchanged and presented upon demand; and -

28 (g) For cattle that are purchased or sold by a qualified dairy.

29 (3) A violation of this section is an infraction. A peace officer  
30 shall have the authority to write a citation, which shall be waivable, to  
31 offenders in violation of this section. A fine under this section shall

1 not exceed two hundred dollars per head for each offense. Violations  
2 shall be charged in the county in which the offense occurred.

3 **Sec. 13.** Section 54-1,120, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 54-1,120 ~~(1)(a)~~ ~~(1)~~ Any person who operates a cattle feeding  
6 operation located within the brand inspection area may apply ~~make~~  
7 ~~application~~ to the brand committee ~~Nebraska Brand Committee~~ for  
8 registration as a registered feedlot. The application form shall be  
9 prescribed by the brand committee and shall be made available by the  
10 executive director of the brand committee for this purpose upon written  
11 request. If the applicant is an individual, the application shall include  
12 the applicant's social security number. After the brand committee has  
13 received a properly completed application, an agent of the brand  
14 committee shall within thirty days make an investigation to determine if  
15 the following requirements are satisfied:

16 (i) ~~(a)~~ The operator's feedlot shall ~~must~~ be permanently fenced; and  
17 (ii) ~~(b)~~ The operator shall ~~must~~ commonly practice feeding cattle to  
18 finish for slaughter.

19 (b) If the application is satisfactory, and upon payment of an  
20 initial registration fee by the applicant, the brand committee shall  
21 issue a registration number and registration certificate valid for one  
22 year unless rescinded for cause. If the registration is rescinded for  
23 cause, any registration fee shall be forfeited by the applicant.

24 (c)(i) The initial fee for a registered feedlot shall be an amount  
25 for a registered feedlot having one thousand head or less capacity and an  
26 equal amount for each additional one thousand head capacity, or part  
27 thereof, of such registered feedlot. For each subsequent year, the  
28 renewal fee for a registered feedlot shall be an amount for the first one  
29 thousand head or portion thereof of average annual inventory of cattle on  
30 feed of the registered feedlot and an equal amount for each additional  
31 one thousand head or portion thereof of average annual inventory of

1 cattle on feed of the registered feedlot. The brand committee shall  
2 calculate and charge set the fee per one thousand head capacity or  
3 average annual inventory. Such fee shall be equal to twenty-five percent  
4 of so as to correspond with the inspection fee provided under section  
5 54-1,108.

6 (ii) The annual renewal registration fee shall be paid on an annual  
7 basis.

8 (2) The brand committee may adopt and promulgate rules and  
9 regulations for the operation of registered feedlots to assure that brand  
10 laws are complied with, that registered feedlot shipping certificates are  
11 available, and that proper records are maintained. Violation of sections  
12 54-1,120 to 54-1,122 subjects the operator to revocation or suspension of  
13 the feedlot registration issued. Sections 54-1,120 to 54-1,122 shall not  
14 be construed as prohibiting the operation of nonregistered feedlots.

15 (3) The operator of a registered feedlot shall:

16 (a) Keep the following on forms prescribed by the brand committee  
17 for all cattle in such registered feedlot: Cattle inventory records,  
18 purchase records, and certificates of inspection; and

19 (b) Make such record and certificates available to the brand  
20 committee or its employees for purposes of: Performing audits under this  
21 section, investigating lost or stolen livestock, or investigating  
22 violations of the Livestock Brand Act.

23 (4)(a) Except as provided in subdivision (b) of this subsection, the  
24 brand committee or its employees may audit each registered feedlot not  
25 more than twice in a calendar year.

26 (b) The brand committee or its employees may audit a registered  
27 feedlot more than twice in a calendar year if:

28 (i) The audit is approved by a majority vote of the brand committee;  
29 and

30 (ii) The brand committee has cause to believe that the registered  
31 feedlot has violated the Livestock Brand Act or any rules and regulations

1 that are adopted and promulgated under the act.

2 (c) During an audit that is conducted under this subsection, the  
3 operator of the registered feedlot shall show:

4 (i) The records of cattle on feed in the registered feedlot; and

5 (ii) Cattle purchase records or certificates of inspection for all  
6 cattle in the registered feedlot.

7 ~~(3) Registered feedlots are subject to inspection at any reasonable~~  
8 ~~time at the discretion of the brand committee and its authorized agents,~~  
9 ~~and the operator shall show cattle purchase records or certificates of~~  
10 ~~inspection to cover all cattle in his or her feedlot. Cattle having~~  
11 ~~originated from such registered feedlots may from time to time, at the~~  
12 ~~discretion of the committee, be subject to a spot-check inspection and~~  
13 ~~audit at destination to enable the brand committee to assure satisfactory~~  
14 ~~compliance with the brand laws by the registered feedlot operator.~~

15 ~~(4) The operator of a registered feedlot shall keep cattle inventory~~  
16 ~~records. A form for such purpose shall be prescribed by the brand~~  
17 ~~committee. The brand committee and its employees may from time to time~~  
18 ~~make spot checks and audits of the registered feedlots and the records of~~  
19 ~~cattle on feed in such feedlots.~~

20 (5) The brand committee may rescind the registration of any  
21 registered feedlot operator who fails to cooperate or violates the laws  
22 or rules and regulations of the brand committee relating to covering  
23 registered feedlots.

24 **Sec. 14.** Section 54-1,122, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 54-1,122 (1) Cattle may be moved into a registered feedlot or a  
27 backgrounding lot without being subject to brand inspection if such  
28 cattle:

29 (a) Originate in a state that has a brand inspection agency and are  
30 accompanied by a certificate of inspection or brand clearance issued by  
31 such agency;

1       (b) Originate in a state, or a portion of a state, that does not  
2 have brand inspection and are accompanied by satisfactory evidence of  
3 ownership;

4       (c) Originate from a backgrounding lot and are accompanied by a  
5 certificate of inspection or brand clearance, so long as such certificate  
6 or clearance accompanied the cattle upon arrival at the originating  
7 backgrounding lot; or

8       (d) Originate from a backgrounding lot and such cattle were  
9 subjected to brand inspection upon entering the originating backgrounding  
10 lot.

11       (2) Cattle that are moved into a registered feedlot or a  
12 backgrounding lot and that are not described in subsection (1) of this  
13 section shall be subject to physical inspection or electronic inspection  
14 within a reasonable time after arrival at the registered feedlot or  
15 backgrounding lot. The inspection fee and surcharge that is provided  
16 under section 54-1,108 shall be collected by the brand inspector at the  
17 time that the inspection is performed.

18       (3) The brand committee may issue guidelines for processes of and  
19 recordkeeping by backgrounding lots that may be used by backgrounding  
20 lots to prevent the commingling of cattle during transport to such  
21 backgrounding lots and to identify cattle that have become commingled  
22 during transport to such backgrounding lots.

23       ~~Any cattle originating in a state that has a brand inspection agency~~  
24 ~~and which are accompanied by a certificate of inspection or brand~~  
25 ~~clearance issued by such agency may be moved directly from the point of~~  
26 ~~origin into a registered feedlot. Any cattle not accompanied by such a~~  
27 ~~certificate of inspection or brand clearance or by satisfactory evidence~~  
28 ~~of ownership from states or portions of states not having brand~~  
29 ~~inspection shall be subjected to physical inspection for brands by the~~  
30 ~~Nebraska Brand Committee or, if applicable, subjected to electronic~~  
31 ~~inspection, within a reasonable time after arrival at a registered~~

1 ~~feedlot, and the inspection fee and mileage charge, if applicable,~~  
2 ~~provided under section 54-1,108 shall be collected by the brand inspector~~  
3 ~~at the time the inspection is performed.~~

4       **Sec. 15.** Sections 8 and 16 of this act become operative on January  
5 1, 2027. The other sections of this act become operative on their  
6 effective date.

7       **Sec. 16.** Original section 54-192, Reissue Revised Statutes of  
8 Nebraska, is repealed.

9       **Sec. 17.** Original sections 54-170, 54-171, 54-191, 54-1,102,  
10 54-1,108, 54-1,110, 54-1,111, 54-1,120, and 54-1,122, Reissue Revised  
11 Statutes of Nebraska, are repealed.