

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1187

FINAL READING

Introduced by DeKay, 40; Holdcroft, 36; Ibach, 44; Kauth, 31; Meyer, F.,
41; Storm, 23.

Read first time January 21, 2026

Committee: Agriculture

1 A BILL FOR AN ACT relating to the Livestock Brand Act; to amend sections
2 54-170, 54-171, 54-189, 54-191, 54-192, 54-1,102, 54-1,108,
3 54-1,111, 54-1,116, 54-1,120, and 54-1,122, Reissue Revised Statutes
4 of Nebraska; to define and redefine terms; to mandate the
5 interpretation of the term satisfactory evidence of ownership by the
6 Nebraska Brand Committee; to change provisions relating to the
7 membership of the Nebraska Brand Committee; to change provisions
8 relating to the executive director of the Nebraska Brand Committee;
9 to change fees and charges for brand renewals, physical inspections,
10 electronic inspections, mileage, and registered feedlots; to exempt
11 certain cattle from brand inspection requirements; to change
12 requirements for proof of ownership when cattle are sold or
13 otherwise disposed of; to change and provide provisions relating to
14 registered feedlots and backgrounding lots; to change audit and
15 brand inspection requirements for registered feedlots; to provide
16 for registered dairy heifer development facilities; to eliminate
17 obsolete provisions; to harmonize provisions; to provide operative
18 dates; and to repeal the original sections.
19 Be it enacted by the people of the State of Nebraska,

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

3 54-170 Sections 54-170 to 54-1,131 and sections 3 to 7, 9, and 18 to
4 24 of this act shall be known and may be cited as the Livestock Brand
5 Act.

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

8 54-171 For purposes of the Livestock Brand Act, the definitions
9 found in sections 54-171.01 to 54-190 and sections 3 to 7 of this act
10 shall be used.

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

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

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

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

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

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

27 (5) Brand committee district five means the following counties:
28 Adams, Antelope, Boone, Burt, Butler, Cass, Cedar, Clay, Colfax, Cuming,
29 Dakota, Dixon, Dodge, Douglas, Fillmore, Gage, Hall, Hamilton, Jefferson,
30 Johnson, Lancaster, Madison, Merrick, Nance, Nemaha, Nuckolls, Otoe,
31 Pawnee, Pierce, Platte, Polk, Richardson, Saline, Sarpy, Saunders,

1 Seward, Stanton, Thayer, Thurston, Washington, Wayne, Webster, and York.

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

5 **Sec. 7.** Registered dairy heifer development facility means a dairy
6 heifer development facility that is registered under section 18 of this
7 act.

8 **Sec. 8.** Section 54-189, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 54-189 Satisfactory evidence of ownership means any of the
11 following: consists of

12 (1) The ~~the~~ brands, tattoos, or marks on the livestock;

13 (2) Any approved nonvisual identifiers;

14 (3) The point of origin of livestock;

15 (4) The ~~the~~ physical description of the livestock;

16 (5) Any ~~the~~ documentary evidence, including such as bills of sale,
17 brand clearance, certificates of inspection, breed registration
18 certificates, animal health or testing certificates, genomic testing
19 certificates, recorded brand certificates, purchase sheets, scale
20 tickets, disclaimers of interest, affidavits, court orders, security
21 agreements, powers of attorney, canceled checks, bills of lading, or
22 tags; and

23 (6) Any ~~such~~ other facts, statements, or circumstances that taken in
24 whole or in part cause an inspector to believe that proof of ownership is
25 established.

26 **Sec. 9.** (1) For purposes of interpretation by the Nebraska Brand
27 Committee, by any employee of the Nebraska Brand Committee, or by any
28 agent of the Nebraska Brand Committee, each occurrence of the term
29 satisfactory evidence of ownership that is in the Livestock Brand Act
30 means satisfactory evidence of ownership as defined in section 54-189.

31 (2) The Nebraska Brand Committee, any employee of the Nebraska Brand

1 Committee, and any agent of the Nebraska Brand Committee shall interpret
2 each occurrence in the Livestock Brand Act of the term satisfactory
3 evidence of ownership as provided in this section.

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

6 54-191 (1) The Nebraska Brand Committee is hereby created.

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

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

21 (a) The following seven voting members who are appointed by the
22 Governor and subject to confirmation by the Legislature:

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

25 (ii) One person who resides in brand committee district two and
26 whose principal business or occupation is the raising of cattle;

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

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

31 (v) One person who resides in brand committee district five and

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

2 (vi) One person who owns or operates a cattle feeding operation
3 within the brand inspection area; and

4 (vii) One person who owns or operates a livestock auction market
5 that primarily sells cattle and that is located within the brand
6 inspection area; and

7 (b) The following two nonvoting, ex officio members or their
8 designees:

9 (i) The Secretary of State; and

10 (ii) The Director of Agriculture.

11 (4) {2} The appointed members of the brand committee shall elect a
12 chairperson and vice-chairperson from among its appointed members during
13 the first meeting held after September 1 of each calendar year. A member
14 may be reelected to serve as chairperson or vice-chairperson.

15 (5)(a) The Governor shall appoint the initial appointed members of
16 the brand committee under subsection (3) of this section to staggered
17 terms, with two members appointed to terms of two years, two members
18 appointed to terms of three years, and three members appointed to terms
19 of four years.

20 (b) {3} The terms of the members appointed after such initial
21 appointments shall be four-year, staggered terms, beginning on August 28
22 of the year of initial appointment or reappointment and concluding on
23 August 27 of the year of expiration.

24 (c) At the expiration of the term of an appointed member, the
25 Governor shall appoint a successor, subject to confirmation by the
26 Legislature. If there is a vacancy on the brand committee, the Governor
27 shall fill such vacancy by appointing a member to serve during the
28 unexpired term of the member whose office has become vacant. Any
29 appointment to fill a vacancy shall be subject to confirmation by the
30 Legislature.

31 (6) {4} The action of a majority of the members shall be deemed the

1 action of the brand committee. No appointed member shall hold any
2 elective or appointive state or federal office while serving as a member
3 of the brand committee. Each member and each brand committee employee who
4 collects or who is the custodian of any funds shall be bonded or insured
5 as required under section 11-201. The appointed members of the brand
6 committee shall be reimbursed for expenses in attending meetings of the
7 brand committee or in performing any other duties that are prescribed in
8 the Livestock Brand Act or section 54-415, as provided for in sections
9 81-1174 to 81-1177.

10 (7) The purpose of the Nebraska Brand Committee is to protect
11 Nebraska brand and livestock owners from the theft of livestock through
12 established brand recording, brand inspection, and livestock theft
13 investigation.

14 **Sec. 11.** Section 54-192, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 54-192 (1) The Nebraska Brand Committee shall employ such employees
17 as may be necessary to properly carry out the Livestock Brand Act and
18 section 54-415, fix the salaries of such employees, and make such
19 expenditures as are necessary to properly carry out such act and section.
20 Employees of the brand committee shall receive mileage computed at the
21 rate provided in section 81-1176. The brand committee shall select and
22 designate a location or locations where the brand committee shall keep
23 and maintain an office and where records of the brand inspection and
24 investigation proceedings, transactions, communications, brand
25 registrations, and official acts shall be kept.

26 (2) The brand committee shall appoint ~~employ~~ an executive director
27 who shall be the brand committee head for administrative purposes. The
28 appointment shall be subject to the approval of the Governor. The
29 executive director shall keep a record of all proceedings, transactions,
30 communications, and official acts of the brand committee, shall be
31 custodian of all records of the brand committee, and shall perform such

1 other duties as may be required by the brand committee. The executive
2 director shall call a meeting at the direction of the chairperson of the
3 brand committee, or in his or her absence the vice-chairperson, or upon
4 the written request of two or more members of the brand committee. The
5 executive director shall have supervisory authority to direct and control
6 all full-time and part-time employees of the brand committee. This
7 authority allows the executive director to hire employees as are needed
8 on an interim basis subject to approval or confirmation by the brand
9 committee for regular employment. The executive director may place
10 employees on probation and may discharge an employee.

11 (3) The brand committee shall employ a chief investigator who shall
12 report to the executive director. The chief investigator shall meet the
13 qualifications of an investigator as defined in section 54-182. Under the
14 direction of the executive director, the chief investigator shall be
15 chief of field operations and supervise brand committee investigators and
16 inspectors.

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

22 (5) If any employee of the brand committee after having been
23 disciplined, placed on probation, or having had his or her services
24 terminated desires to have a hearing before the entire brand committee,
25 such a hearing shall be granted as soon as is practicable and convenient
26 for all persons concerned. The request for such a hearing shall be made
27 in writing by the employee alleging the grievance and shall be directed
28 to the executive director. After hearing all testimony surrounding the
29 grievance of such employee, the brand committee, at its discretion, may
30 approve, rescind, nullify, or amend all actions as previously taken by
31 the executive director.

1 **Sec. 12.** Section 54-1,102, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 54-1,102 (1) A recorded brand may be applied by its owner until its
4 expiration date.

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

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

20 (4) The brand committee has the authority to hold an expired brand
21 for one year following the date of expiration. An expired brand may be
22 reinstated by the same owner during such one-year period upon return of a
23 brand application form and payment of the renewal fee ~~recording fee and~~
24 ~~research fee~~ for such brand established by the brand committee under this
25 section ~~54-199~~ plus a penalty of five dollars for each month or part of a
26 month which has passed since the date of expiration. A properly
27 reinstated brand may be transferred to another person during such one-
28 year period upon completion of a transfer form, with a notarized bill of
29 sale signed by the prior owner attached to such transfer form.

30 **Sec. 13.** Section 54-1,108, Reissue Revised Statutes of Nebraska, is
31 amended to read:

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

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

11 (c)(i) ~~A (c) Beginning October 1, 2021, a physical inspection fee of~~
12 ~~eighty-five cents per head until June 30, 2023, and beginning July 1,~~
13 ~~2023, a fee established by the Nebraska Brand Committee ,~~ of not more
14 than one dollar and fifty cents ~~one dollar and ten cents~~ per head shall
15 be charged for all cattle inspected in accordance with the Livestock
16 Brand Act or section 54-415, inspected within the brand inspection area
17 or brand inspection service area by court order, inspected at the request
18 of any bank, credit agency, or lending institution with a legal or
19 financial interest in such cattle, or inspected at the request of a
20 neighboring livestock owner with missing cattle.

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

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

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

31 (v) If stray cattle are identified as a result of the inspection,

1 such cattle shall be processed in the manner provided by section 54-415.

2 (d) A surcharge, as established by the brand committee of not more
3 than thirty dollars, may be charged to cover travel expenses incurred by
4 the brand inspector per inspection location when performing a brand
5 inspection. The surcharge shall be collected by the brand inspector and
6 paid by the person requesting the inspection or the person required by
7 law to have the inspection. The actual mileage incurred by the inspector
8 to perform a physical inspection shall be paid by the party requesting
9 inspection and paid at the rate established by the Department of
10 Administrative Services pursuant to section 81-1176.

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

23 (2)(a) The brand committee may provide for electronic inspection of
24 enrolled cattle identified by approved nonvisual identifiers pursuant to
25 subsection (5) of section 54-199. The brand committee shall establish
26 procedures for enrollment of such cattle with the brand committee which
27 shall include providing acceptable certification or evidence of
28 ownership. Electronic inspection shall not require agency employees to be
29 present, except that random audits shall occur.

30 (b) An ~~Beginning October 1, 2021, an~~ electronic inspection fee ~~not~~
31 ~~to exceed eighty-five cents per head until June 30, 2023, and beginning~~

1 ~~July 1, 2023, a fee~~ established by the brand committee of not more than
2 one dollar and fifty cents ~~one dollar and ten cents~~ per head shall be
3 charged for all cattle subjected to electronic inspection in accordance
4 with the Livestock Brand Act or section 54-415.

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

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

15 ~~(e) On or before December 1, 2021, the brand committee shall report~~
16 ~~to the Legislature any actions taken or necessary for implementing~~
17 ~~electronic inspection authorized by this subsection, including personnel~~
18 ~~and other resources utilized to support electronic inspection, how the~~
19 ~~brand committee's information technology capabilities are utilized to~~
20 ~~support electronic inspection, a listing of approved nonvisual~~
21 ~~identifiers, the requirements for enrolling cattle identified by approved~~
22 ~~nonvisual identifiers, current and anticipated utilization of electronic~~
23 ~~inspection by the livestock industry, and the fees required to recover~~
24 ~~costs of performing electronic inspection.~~

25 (3) Any person who has reason to believe that cattle were shipped
26 erroneously due to an inspection error during a brand inspection may
27 request a reinspection. The person making such request shall be
28 responsible for the expenses incurred as a result of the reinspection
29 unless the results of the reinspection substantiate the claim of
30 inspection error, in which case the brand committee shall be responsible
31 for the reinspection expenses.

1 **Sec. 14.** Section 54-1,111, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 54-1,111 (1) Except as provided in subsection (2) of this section,
4 no person shall sell or trade any cattle located within the brand
5 inspection area, nor shall any person buy or purchase any such cattle
6 unless the cattle have been inspected for evidence of ownership and a
7 certificate of inspection or brand clearance has been issued by the
8 Nebraska Brand Committee. Any person selling such cattle shall present to
9 the brand inspector a properly executed bill of sale, brand clearance, or
10 other satisfactory evidence of ownership which shall be filed with the
11 original certificate of inspection in the records of the brand committee.
12 Any time a brand inspection is required by law, a brand investigator or
13 brand inspector may transfer evidence of ownership of such cattle from a
14 seller to a purchaser by issuing a certificate of inspection.

15 (2) A brand inspection is not required:

16 (a) For cattle of a registered feedlot that is registered under
17 sections 54-1,120 to 54-1,122 shipped for direct slaughter or sale on any
18 terminal market;

19 (b) For cattle that are:

20 (i) Transferred to a family corporation when all the shares of
21 capital stock of the corporation are owned by the husband, wife,
22 children, or grandchildren of the transferor and there is no
23 consideration for the transfer other than the issuance of stock of the
24 corporation to such family members; or

25 (ii) Transferred to a limited liability company in which membership
26 is limited to the husband, wife, children, or grandchildren of the
27 transferor and there is no consideration paid for the transfer other than
28 a membership interest in the limited liability company;

29 (c) When the change of ownership of cattle is a change in form only
30 and the surviving interests are in the exact proportion as the original
31 interests of ownership. When there is a change of ownership described in

1 subdivision (2)(b) or (c) of this section, an affidavit, on a form
2 prescribed by the Nebraska Brand Committee, signed by the transferor and
3 stating the nature of the transfer and the number of cattle involved and
4 the brands presently on the cattle, shall be filed with the brand
5 committee;

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

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

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

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

23 (3) A violation of this section is an infraction. A peace officer
24 shall have the authority to write a citation, which shall be waivable, to
25 offenders in violation of this section. A fine under this section shall
26 not exceed two hundred dollars per head for each offense. Violations
27 shall be charged in the county in which the offense occurred.

28 **Sec. 15.** Section 54-1,116, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 54-1,116 (1) All livestock sold or otherwise disposed of shall be
31 accompanied by a properly executed bill of sale in writing or, for

1 cattle, satisfactory evidence of ownership or a certificate of
2 inspection. All owners of or persons possessing livestock have a duty to
3 exhibit, upon the request of the brand committee or its employees, either
4 ~~request of any person,~~ the bill of sale or other satisfactory evidence of
5 ownership of the livestock.

6 (2) A violation of this section is an infraction. A peace officer
7 shall have the authority to write a citation, which shall be waivable, to
8 offenders in violation of this section. A fine under this section shall
9 not exceed two hundred dollars per head for each offense. Violations
10 shall be charged in the county in which the offense occurred.

11 **Sec. 16.** Section 54-1,120, Reissue Revised Statutes of Nebraska, is
12 amended to read:

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

24 (i) ~~(a)~~ The operator's feedlot shall ~~must~~ be permanently fenced; and

25 (ii) ~~(b)~~ The operator shall ~~must~~ commonly practice feeding cattle to
26 finish for slaughter.

27 (b) If the application is satisfactory, and upon payment of an
28 initial registration fee by the applicant, the brand committee shall
29 issue a registration number and registration certificate valid for one
30 year unless rescinded for cause. If the registration is rescinded for
31 cause, any registration fee shall be forfeited by the applicant.

1 (c)(i) The initial fee for a registered feedlot shall be an amount
2 for a registered feedlot having one thousand head or less capacity and an
3 equal amount for each additional one thousand head capacity, or part
4 thereof, of such registered feedlot. For each subsequent year, the
5 renewal fee for a registered feedlot shall be an amount for the first one
6 thousand head or portion thereof of average annual inventory of cattle on
7 feed of the registered feedlot and an equal amount for each additional
8 one thousand head or portion thereof of average annual inventory of
9 cattle on feed of the registered feedlot. The brand committee shall
10 calculate and charge ~~set~~ the fee per one thousand head capacity or
11 average annual inventory. Such fee shall be equal to twenty-five percent
12 of so as to correspond with the inspection fee provided under section
13 54-1,108.

14 (ii) The annual renewal registration fee shall be paid on an annual
15 basis.

16 (2) The brand committee may adopt and promulgate rules and
17 regulations for the operation of registered feedlots to assure that brand
18 laws are complied with, that registered feedlot shipping certificates are
19 available, and that proper records are maintained. Violation of sections
20 54-1,120 to 54-1,122 subjects the operator to revocation or suspension of
21 the feedlot registration issued. Sections 54-1,120 to 54-1,122 shall not
22 be construed as prohibiting the operation of nonregistered feedlots.

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

24 (a) Keep the following for all cattle in such registered feedlot:
25 Cattle inventory records, purchase records, certificates of inspection,
26 and any other satisfactory evidence of ownership; and

27 (b) Make such records and satisfactory evidence of ownership
28 available to the brand committee or its employees for purposes of:
29 Performing audits under this section, investigating lost or stolen
30 livestock, or investigating violations of the Livestock Brand Act.

31 (4)(a) This subdivision (a) applies unless otherwise provided in

1 subdivision (b) of this subsection. The brand committee or its employees
2 may audit each registered feedlot twice during a calendar year. When
3 performing an audit under this subsection, the brand committee or its
4 employees shall audit a selection of up to ten percent of the lot files
5 for the cattle on feed in the registered feedlot as of the commencement
6 date of the audit.

7 (b) The brand committee or its employees may audit a registered
8 feedlot under subdivision (a) of this subsection more than twice during a
9 calendar year if:

10 (i) The audit is approved by a majority vote of all of the members
11 of the brand committee;

12 (ii) The brand committee finds the existence of reasonable cause of
13 a violation by the registered feedlot of the Livestock Brand Act or any
14 rules and regulations that are adopted and promulgated under the act; and

15 (iii) The reasonable cause for the audit is specifically stated by
16 the brand committee in a resolution authorizing the audit. The brand
17 committee may adopt a resolution for purposes of this subdivision (iii).

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

20 (i) The lot files selected for the audit; and

21 (ii) Cattle purchase records and other satisfactory evidence of
22 ownership for cattle included in the lot files selected for the audit.

23 ~~(3) Registered feedlots are subject to inspection at any reasonable~~
24 ~~time at the discretion of the brand committee and its authorized agents,~~
25 ~~and the operator shall show cattle purchase records or certificates of~~
26 ~~inspection to cover all cattle in his or her feedlot. Cattle having~~
27 ~~originated from such registered feedlots may from time to time, at the~~
28 ~~discretion of the committee, be subject to a spot-check inspection and~~
29 ~~audit at destination to enable the brand committee to assure satisfactory~~
30 ~~compliance with the brand laws by the registered feedlot operator.~~

31 ~~(4) The operator of a registered feedlot shall keep cattle inventory~~

1 ~~records. A form for such purpose shall be prescribed by the brand~~
2 ~~committee. The brand committee and its employees may from time to time~~
3 ~~make spot checks and audits of the registered feedlots and the records of~~
4 ~~cattle on feed in such feedlots.~~

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

9 **Sec. 17.** Section 54-1,122, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 54-1,122 (1) Cattle may be moved into a registered feedlot or a
12 backgrounding lot without being subject to brand inspection if such
13 cattle:

14 (a) Originate in a state, or a portion of a state, that has a brand
15 inspection agency and are accompanied by satisfactory evidence of
16 ownership;

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

20 (c) Originate from a backgrounding lot and are accompanied by
21 satisfactory evidence of ownership; or

22 (d) Originate from a backgrounding lot and such cattle were
23 subjected to brand inspection upon entering the originating backgrounding
24 lot.

25 (2) Cattle that are moved into a registered feedlot or a
26 backgrounding lot and that are not described in subsection (1) of this
27 section shall be subject to physical inspection or electronic inspection
28 within a reasonable time after arrival at the registered feedlot or
29 backgrounding lot. The inspection fee and surcharge that is provided
30 under section 54-1,108 shall be collected by the brand inspector at the
31 time that the inspection is performed.

1 (3) The brand committee may issue guidelines for processes of and
2 recordkeeping by backgrounding lots that may be used by backgrounding
3 lots to prevent the commingling of cattle during transport to such
4 backgrounding lots and to identify cattle that have become commingled
5 during transport to such backgrounding lots.

6 ~~Any cattle originating in a state that has a brand inspection agency~~
7 ~~and which are accompanied by a certificate of inspection or brand~~
8 ~~clearance issued by such agency may be moved directly from the point of~~
9 ~~origin into a registered feedlot. Any cattle not accompanied by such a~~
10 ~~certificate of inspection or brand clearance or by satisfactory evidence~~
11 ~~of ownership from states or portions of states not having brand~~
12 ~~inspection shall be subjected to physical inspection for brands by the~~
13 ~~Nebraska Brand Committee or, if applicable, subjected to electronic~~
14 ~~inspection, within a reasonable time after arrival at a registered~~
15 ~~feedlot, and the inspection fee and mileage charge, if applicable,~~
16 ~~provided under section 54-1,108 shall be collected by the brand inspector~~
17 ~~at the time the inspection is performed.~~

18 **Sec. 18.** (1) Any person, who operates a dairy heifer development
19 facility that specializes in the raising and managing of dairy heifers
20 from one day of age until such heifers are ready for entry into a
21 qualified dairy, may apply to the brand committee for registration as a
22 registered dairy heifer development facility. The application form shall
23 be prescribed by the brand committee and shall be made available by the
24 executive director of the brand committee for this purpose upon written
25 request.

26 (2) After the brand committee has received a properly completed
27 application, an agent of the brand committee shall within thirty days
28 make an investigation to determine if the facility is suitable for
29 registration as a registered dairy heifer development facility and the
30 operator specializes in the raising and managing of dairy heifers from
31 one day of age until such heifers are ready for entry into a qualified

1 dairy.

2 (3) If the application is satisfactory, and upon payment of the
3 registration fee by the applicant, the brand committee shall issue a
4 registration number and registration certificate that are valid for one
5 year unless rescinded for cause by the brand committee. If the
6 registration is rescinded for cause, any registration fee shall be
7 forfeited by the applicant.

8 (4) The registration fee for a registered dairy heifer development
9 facility shall be an amount equal to twenty-five percent multiplied by
10 the maximum capacity of the facility, as such capacity is authorized by
11 the Department of Water, Energy, and Environment under the Livestock
12 Waste Management Act. The registration fee shall be paid on an annual
13 basis.

14 **Sec. 19.** (1) The operator of a registered dairy heifer development
15 facility shall:

16 (a) Keep the following for all cattle in such registered dairy
17 heifer development facility: Cattle inventory records, purchase records,
18 certificates of inspection, and any other satisfactory evidence of
19 ownership; and

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

24 (2)(a) This subdivision (a) applies unless otherwise provided in
25 subdivision (b) of this subsection. The brand committee or its employees
26 may audit each registered dairy heifer development facility twice during
27 a calendar year. When performing an audit under this subsection, the
28 brand committee or its employees shall audit a selection of up to ten
29 percent of the lot files for the cattle in the registered dairy heifer
30 development facility as of the commencement date of the audit.

31 (b) The brand committee or its employees may audit a registered

1 dairy heifer development facility under subdivision (a) of this
2 subsection more than twice during a calendar year if:

3 (i) The audit is approved by a majority vote of all of the members
4 of the brand committee;

5 (ii) The brand committee finds the existence of reasonable cause of
6 a violation by the registered dairy heifer development facility of the
7 Livestock Brand Act or any rules and regulations that are adopted and
8 promulgated under the act; and

9 (iii) The reasonable cause for the audit is specifically stated by
10 the brand committee in a resolution authorizing the audit. The brand
11 committee may adopt a resolution for purposes of this subdivision (iii).

12 (c) During an audit that is conducted under this subsection, the
13 operator of the registered dairy heifer development facility shall show:

14 (i) The lot files selected for the audit; and

15 (ii) Cattle purchase records and other satisfactory evidence of
16 ownership for cattle included in the lot files selected for the audit.

17 **Sec. 20.** (1) Cattle that are sold or shipped from a registered
18 dairy heifer development facility, for purposes other than entry into a
19 qualified dairy, are subject to the brand inspection under sections
20 54-1,110 to 54-1,119, and the seller or shipper shall bear the cost of
21 such inspection at the regular fee.

22 (2) Any cattle that are not described in subsection (1) of this
23 section and that shipped from a registered dairy heifer development
24 facility or qualified dairy are not subject to brand inspection at origin
25 or destination, but the shipper shall have a shipping certificate from
26 the registered dairy heifer development facility or qualified dairy. The
27 shipping certificate form shall be prescribed by the brand committee and
28 shall show the registered dairy heifer development facility or qualified
29 dairy operator's name and registration number, date shipped, destination,
30 agency receiving the cattle, number of head in the shipment, and sex of
31 the cattle. The shipping certificate shall be completed in triplicate by

1 the registered dairy heifer development facility or qualified dairy
2 operator at the time of shipment. One copy thereof shall be delivered to
3 the brand inspector at the market along with shipment, if applicable, one
4 copy shall be sent to the brand committee by the tenth day of the
5 following month, and one copy shall be retained by the registered dairy
6 heifer development facility or qualified dairy operator. If a shipping
7 certificate does not accompany a shipment of cattle from a registered
8 dairy heifer development facility or qualified dairy to any destination
9 where brand inspection is maintained by the brand committee, all such
10 cattle shall be subject to a brand inspection and the inspection fees and
11 surcharge provided under section 54-1,108 shall be charged for the
12 service.

13 **Sec. 21.** Any cattle that originate in a state with a brand
14 inspection agency and that are accompanied by a certificate of inspection
15 or brand clearance issued by such agency may be moved directly from the
16 point of origin into a registered dairy heifer development facility or
17 qualified dairy. Any cattle not accompanied by such a certificate of
18 inspection or brand clearance or by satisfactory evidence of ownership
19 from states or portions of states that do not have brand inspection shall
20 be subjected to physical inspection for brands by the brand committee or,
21 if applicable, subjected to electronic inspection, within a reasonable
22 time after arrival at a registered dairy heifer development facility or
23 qualified dairy, and the inspection fee and surcharge, if applicable,
24 provided under section 54-1,108 shall be collected by the brand inspector
25 at the time the inspection is performed.

26 **Sec. 22.** The brand committee may rescind the registration of any
27 registered dairy heifer development facility operator who (1) violates
28 sections 18 to 23 of this act, (2) fails to cooperate with the brand
29 committee or any employee of the brand committee who is acting in the
30 capacity of the brand committee, or (3) violates the rules and
31 regulations of the brand committee covering registered dairy heifer

1 development facilities.

2 **Sec. 23.** The brand committee may adopt and promulgate rules and
3 regulations to ensure compliance with the Livestock Brand Act by
4 registered dairy heifer development facilities, to provide for the
5 availability of shipping certificates to registered dairy heifer
6 development facilities, and to ensure that proper records are maintained
7 by registered dairy heifer development facilities.

8 **Sec. 24.** Sections 18 to 23 of this act shall not be construed to
9 prohibit the operation of nonqualified dairies.

10 **Sec. 25.** Sections 11 and 26 of this act become operative on January
11 1, 2027. The other sections of this act become operative on their
12 effective date.

13 **Sec. 26.** Original section 54-192, Reissue Revised Statutes of
14 Nebraska, is repealed.

15 **Sec. 27.** Original sections 54-170, 54-171, 54-189, 54-191,
16 54-1,102, 54-1,108, 54-1,111, 54-1,116, 54-1,120, and 54-1,122, Reissue
17 Revised Statutes of Nebraska, are repealed.