

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 894**

FINAL READING

Introduced by DeKay, 40; Brandt, 32; DeBoer, 10.

Read first time January 08, 2026

Committee: Agriculture

1 A BILL FOR AN ACT relating to grain; to amend sections 75-901, 75-904,  
2 88-527, 88-529, 88-548, and 88-551, Reissue Revised Statutes of  
3 Nebraska, and sections 75-902 and 75-903, Revised Statutes  
4 Cumulative Supplement, 2024; to redefine a term; to change  
5 provisions relating to fees and licensure requirements, create a  
6 fund, state legislative intent, and change and eliminate provisions  
7 relating to a grain dealer's security under the Grain Dealer Act; to  
8 change provisions relating to fees, licensure requirements, certain  
9 federal licensees, and the use of certain grain probes under the  
10 Grain Warehouse Act; to harmonize provisions; to repeal the original  
11 sections; and to outright repeal section 75-905, Reissue Revised  
12 Statutes of Nebraska.

13 Be it enacted by the people of the State of Nebraska,

1           **Section 1.** Section 75-901, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           75-901 Sections 75-901 to 75-910 and section 5 of this act shall be  
4 known and may be cited as the Grain Dealer Act.

5           **Sec. 2.** Section 75-902, Revised Statutes Cumulative Supplement,  
6 2024, is amended to read:

7           75-902 For purposes of the Grain Dealer Act, unless the context  
8 otherwise requires:

9           (1) Commission means the Public Service Commission;

10           (2) Direct delivery grain has the same meaning as in section 88-526;

11           (3) Direct delivery obligation has the same meaning as in section  
12 88-526;

13           (4)(a) Grain means, but is not limited to, all unprocessed beans,  
14 whole corn, milo and other sorghum, wheat, rye, barley, oats, millet,  
15 safflower seed and processed plant pellets, alfalfa pellets, and any  
16 other bulk pelleted agricultural storable commodity, except grain which  
17 has been processed or packaged for distribution as seed.

18           (b) Grain includes all commodities described in subdivision (4)(a)  
19 of this section whether grown and marketed as fungible commodities or  
20 within segregated marketing channels, including, but not limited to,  
21 certified organic commodities;

22           (5)(a) Grain dealer means any person, partnership, limited liability  
23 company, corporation, or association that (i) buys grain from the  
24 producer of the grain within this state for purposes of selling such  
25 grain or (ii) acts as an employee or agent of a buyer or seller for  
26 purposes of collective bargaining in the marketing of grain.

27           (b) Grain dealer does not include ~~(i) a feeder or custom feeder of~~  
28 ~~livestock or poultry or (ii) a warehouse licensee under the Grain~~  
29 ~~Warehouse Act or a warehouse licensee under the United States Warehouse~~  
30 ~~Act of a warehouse located in Nebraska if the warehouse licensee does not~~  
31 ~~buy, sell, or transport grain other than grain that is received at its~~

1 ~~licensed warehouse facilities;~~

2 (6) In-store transfer has the same meaning as in section 88-526;

3 (7) Post-direct delivery storage position has the same meaning as in  
4 section 88-526; and

5 (8) Producer means the owner, tenant, or operator of land in this  
6 state who has an interest in and receives all or part of the proceeds  
7 from the sale of grain produced on that land.

8 **Sec. 3.** Section 75-903, Revised Statutes Cumulative Supplement,  
9 2024, is amended to read:

10 75-903 (1) All grain dealers doing business in this state shall be  
11 licensed by the commission. If the applicant is an individual, the  
12 application shall include the applicant's social security number. To  
13 procure and maintain a license, each grain dealer shall:

14 (a)(i) Prior to July 1, 2027, pay ~~(1)~~ Pay an annual fee of one  
15 hundred dollars which shall be due on or before the date established by  
16 the commission for each license. Such fees shall be paid to the State  
17 Treasurer and credited to the General Fund; and

18 (ii) Beginning on July 1, 2027, pay a fee that is established by the  
19 commission. Such fee shall not exceed one thousand five hundred dollars  
20 for each license. Such fee shall be remitted to the State Treasurer for  
21 credit to the Grain Dealer and Grain Warehouse Cash Fund. On or before  
22 December 1, 2026, the commission shall establish such fees and  
23 electronically submit a schedule of such fees to the Clerk of the  
24 Legislature;

25 (b) ~~(2)~~ File a security pursuant to subsection (2) of this section;  
26 and

27 (c) File a reviewed or audited fiscal year-end financial statement  
28 prepared by an independent certified public accounting firm as required  
29 in subsection (3) of this section.

30 (2)(a) The security required under subdivision (1)(b) of this  
31 section which may be a bond issued by a corporate surety company and

1 payable to the commission, an irrevocable letter of credit, or a  
2 certificate of deposit, subject to the approval of the commission, for  
3 the benefit of any producer who files a valid claim arising from a sale  
4 to a grain dealer.

5 (b) The security shall be in an amount set by the commission of not  
6 less than thirty-five thousand dollars and not more than one million  
7 dollars. Amounts used in the calculation of the security:

8 (i) ~~Shall shall~~ include all direct delivery grain purchases and  
9 exchanges valued on the date delivery is made; and -

10 (ii) ~~Shall~~ Amounts used in the calculation of the security shall not  
11 include any transactions in which direct delivery grain is exchanged for  
12 a post-direct delivery storage position and the post-direct delivery  
13 storage position is created by an in-store transfer on the same date as  
14 the delivery of the direct delivery grain.

15 (c) Such security shall be furnished on the following conditions,  
16 unless otherwise provided in a written contract between the parties:

17 (i) If a written demand for payment is made and such demand is  
18 accompanied by documented proof of delivery of grain, such payment shall  
19 occur not later than ten business days after the date of such demand; and  
20 condition that the licensee will pay for any grain purchased upon demand,  
21 not later than fifteen days after the date of the last shipment of any  
22 contract.

23 (ii) If a licensee fails to pay for any grain that such licensee has  
24 purchased within thirty days after such payment is due under subdivision  
25 (c)(i) of this subsection, such licensee shall be liable to the seller  
26 for interest on the unpaid amount pursuant to section 45-103.

27 (d) The liability of the surety shall cover purchases made by the  
28 grain dealer during the time the bond is in force. A grain dealer's bond  
29 filed with the commission shall be in continuous force and effect until  
30 canceled by the surety. The liability of the surety on any bond required  
31 by this section shall not accumulate for each successive license period

1 during which the bond is in force. ~~7 and~~

2 (e) No seller shall have recourse to the licensee's security unless,  
3 as of the date the commission initiates an administrative action against  
4 the licensee, the seller has completed delivery of grain to the licensee  
5 for which payment is due and payable. Any seller holding a deferred-  
6 pricing, price-later, or similar contract under which title has passed  
7 but no payment obligation has yet matured shall not be eligible to claim  
8 against the security unless the payment obligation became due prior to  
9 the date of such administrative action.

10 ~~(3) File a reviewed or audited fiscal year-end financial statement~~  
11 ~~prepared by an independent certified public accounting firm.~~

12 (3)(a) If licensing as an individual, the financial statement shall  
13 be prepared in accordance with Other Comprehensive Basis of Accountancy,  
14 as filed with the board, for a personal financial statement, using  
15 historical cost and accrual basis of accounting. If licensing as a  
16 partnership, corporation, or limited liability company, the financial  
17 statement shall be prepared in accordance with accounting principles  
18 generally accepted.

19 (b) The financial statement shall include:

20 (i) (a) A statement of income showing profit or loss;

21 (ii) A (b) a balance sheet;

22 (iii) A (c) a statement of cash flow;

23 (iv) A (d) a statement of proprietor's capital or retained earnings;

24 (v) The (e) the volume and dollar value of the grain purchases the  
25 licensee made in Nebraska during the fiscal year;

26 (vi) The (f) the volume and dollar value of transactions in which  
27 direct delivery grain is exchanged for a post-direct delivery storage  
28 position and the post-direct delivery storage position is not created by  
29 an in-store transfer on the same date as the delivery of the direct  
30 delivery grain; and

31 (vii) The (g) the accounting firm's certification, assurances,

1 opinions, and comments and the notes with respect to the financial  
2 statement.

3 (c) If the volume and dollar value of the grain purchases is not  
4 reported, the grain dealer shall file the maximum grain dealer security  
5 as required by the Grain Dealer Act.

6 (d) (4) If an applicant for a grain dealer license is a wholly owned  
7 subsidiary of a parent company and such a financial statement is not  
8 prepared for the subsidiary, the parent company shall submit its reviewed  
9 or audited fiscal year-end financial statement and shall execute an  
10 unconditional guarantee agreement as prescribed by the commission.

11 **Sec. 4.** Section 75-904, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 75-904 Each grain dealer or his or her agent upon taking possession  
14 of grain from a seller shall issue a receipt, contract, bill of lading,  
15 or other written communication to the seller or his or her agent. The  
16 grain dealer receipt, contract, bill of lading, or other written  
17 communication issued by the grain dealer shall ~~include the provisions of~~  
18 ~~section 75-905~~ and be in such form as the Public Service Commission may  
19 by rule and regulation require.

20 **Sec. 5.** The Grain Dealer and Grain Warehouse Cash Fund is created.  
21 The fund shall be administered by the commission. The fund shall consist  
22 of money credited to the fund pursuant to sections 75-903 and 88-529 and,  
23 unless otherwise provided, all fees received by the commission pursuant  
24 to the Grain Dealer Act or the Grain Warehouse Act. It is the intent of  
25 the Legislature to appropriate all money in the fund to the commission  
26 for the purpose of defraying the expenses of administering the Grain  
27 Dealer Act and the Grain Warehouse Act. Any money in the fund available  
28 for investment shall be invested by the state investment officer pursuant  
29 to the Nebraska Capital Expansion Act and the Nebraska State Funds  
30 Investment Act. All money derived from investment earnings of money in  
31 the fund shall be credited to the Grain Dealer and Grain Warehouse Cash

1 Fund. Money in the fund shall not be transferred to the General Fund or  
2 any other legislatively created fund. It is the intent of the Legislature  
3 that the revenue generated by the license fees established by the  
4 commission shall not exceed twenty-five percent of the commission costs  
5 to implement the Grain Dealer Act and the Grain Warehouse Act.

6 **Sec. 6.** Section 88-527, Reissue Revised Statutes of Nebraska, is  
7 amended to read:

8 88-527 (1) No person shall act as a warehouse operator without a  
9 license issued pursuant to the Grain Warehouse Act ~~—Warehouses,~~  
10 including except warehouses ~~that which~~ are licensed under the federal  
11 United States Warehouse Act ~~, shall be licensed and regulated by the~~  
12 commission.

13 (2)(a) The commission shall issue a license under the Grain  
14 Warehouse Act to each warehouse that is licensed under the federal United  
15 States Warehouse Act.

16 (b) A warehouse that is licensed under the Grain Warehouse Act and  
17 the federal United States Warehouse Act:

18 (i) Shall submit to the commission copies of all regulatory filings  
19 that such warehouse has submitted to or received from the United States  
20 Department of Agriculture, including regulatory filings relating to  
21 securities, insurance, yearly audits, and licenses; and

22 (ii) Shall not be required by the commission to submit any  
23 regulatory filing that is not described in subdivision (b)(i) of this  
24 subsection.

25 (c) Except to enforce this section, the commission shall not take  
26 any administrative action against a warehouse that is licensed under the  
27 federal United States Warehouse Act without the written consent of the  
28 United States Department of Agriculture.

29 (3)(a) A warehouse that is not licensed under the federal United  
30 States Warehouse Act shall be licensed and regulated by the commission as  
31 provided in this subsection.

1           **(b)** If the applicant is an individual, the application shall include  
2 the applicant's social security number. Such warehouses shall be  
3 inspected by the commission at least once every twelve months.

4           **(c)** ~~(2)~~ If the commission determines that additional examinations  
5 are necessary after a regular examination is completed at a warehouse,  
6 the commission may charge such warehouse for the cost of the additional  
7 examinations according to the commission's fee schedule. Warehouses shall  
8 only be charged if such examinations are for reasons of irregularities  
9 from the previous examination or if financial conditions warrant  
10 additional examinations.

11           **(d)** ~~(3)~~ The commission may make available to the United States  
12 Government or any of its agencies, including the Commodity Credit  
13 Corporation, the results of inspections made and inspection reports  
14 submitted by employees of the commission upon payment of such fees as may  
15 be determined by the commission. The fees shall cover the actual cost of  
16 the services rendered in regard to providing the information.

17           **(e)** ~~(4)~~ The commission may charge for inspections conducted at the  
18 request of a warehouse licensee.

19           **(f)** ~~(5)~~ The commission may assess a surveillance fee against the  
20 assets of a warehouse licensee for actual expenses incurred by the  
21 commission in suspending a license or terminating the operations of a  
22 warehouse licensee. The commission may enter into contracts for such  
23 purpose and shall keep a record of all surveillance fees collected. All  
24 surveillance fees collected by the commission shall be remitted to the  
25 State Treasurer for credit to the Nebraska Grain Warehouse Surveillance  
26 Cash Fund.

27           **(g)** ~~(6)~~ The commission may enter into agreements and contracts with  
28 regulators in states which border Nebraska for the purpose of licensing  
29 or examining any public grain warehouse operator which operates  
30 facilities in such states. The commission shall assume all jurisdiction  
31 over any warehouse operator headquartered in Nebraska regarding his or

1 her warehouse activity. A warehouse operator headquartered and licensed  
2 in another state which acquires facilities in Nebraska is under the  
3 jurisdiction of the headquarter state under the terms of such agreement  
4 or contract.

5 **Sec. 7.** Section 88-529, Reissue Revised Statutes of Nebraska, is  
6 amended to read:

7 88-529 (1)(a) The commission shall charge an annual license fee for  
8 each warehouse that is not licensed under the federal United States  
9 Warehouse Act to be operated, except as provided in section 88-531. Such  
10 fee is due on or before the date established by the commission for each  
11 license. The fee for any license issued for less than twelve months shall  
12 be prorated based on its duration.

13 (b) The commission shall not charge an annual license fee for a  
14 warehouse that is licensed under the federal United States Warehouse Act.

15 (2) Prior to July 1, 2027, the The annual license fee shall be as  
16 provided in this subsection ~~section~~.

	Capacity in Bushels			Fee
17				
18	0	–	10,000	\$ 45
19	10,001	–	25,000	57
20	25,001	–	50,000	68
21	50,001	–	75,000	78
22	75,001	–	100,000	90
23	100,001	–	150,000	102
24	150,001	–	200,000	113
25	200,001	–	250,000	125
26	250,001	–	300,000	135
27	300,001	–	350,000	147
28	350,001	–	400,000	156
29	400,001	–	450,000	170
30	450,001	–	500,000	180
31	500,001	–	600,000	192

1	600,001	—	700,000	203
2	700,001	—	800,000	215
3	800,001	—	900,000	225
4	900,001	—	1,000,000	237
5	1,000,001	—	2,000,000	338
6	2,000,001	—	3,000,000	395
7	3,000,001	—	4,000,000	450
8	4,000,001	—	5,000,000	507
9	5,000,001	—	6,000,000	563
10	6,000,001	—	7,000,000	620
11	7,000,001	—	8,000,000	675
12	8,000,001	—	9,000,000	732
13	9,000,001	—	10,000,000	788
14	10,000,001	—	11,000,000	845
15	11,000,001	—	15,000,000	1,070
16	15,000,001	—	20,000,000	1,350
17	20,000,001	—	25,000,000	1,632
18	25,000,001	—	30,000,000	1,913
19	30,000,001	—	40,000,000	2,475
20	40,000,001		or more	3,375

21       (3)(a) On or before December 1, 2026, the commission shall establish  
 22 the annual license fees that apply beginning July 1, 2027, to warehouses  
 23 that are not licensed under the federal United States Warehouse Act and  
 24 electronically submit a schedule of such fees to the Clerk of the  
 25 Legislature.

26       (b) Beginning in 2027, on or after July 1 of each year, the  
 27 commission may modify the annual license fees established under  
 28 subdivision (a) of this subsection.

29       (c) An annual license fee that is established or modified under this  
 30 subsection shall not exceed the fee established for the applicable

1 commodity in the 2025/2026 Rates Charged for AMS Services notice for  
2 entities with a Commodity Credit Corporation agreement, as such notice  
3 existed on January 1, 2026, that was published by the Agricultural  
4 Marketing Service of the United States Department of Agriculture.

5 (4) Fees collected under this section shall be remitted to the State  
6 Treasurer. The State Treasurer shall credit such fees that are paid:

7 (a) Prior to July 1, 2027, to the General Fund; and

8 (b) On or after July 1, 2027, to the Grain Dealer and Grain  
9 Warehouse Cash Fund.

10 **Sec. 8.** Section 88-548, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12 88-548 (1) Any grain dealer, person, firm, corporation, or  
13 association in this state licensed under the federal United States  
14 Warehouse Act shall ~~be exempt from the Grain Warehouse Act, except that~~  
15 ~~each licensee under the United States Warehouse Act~~ shall (a) annually  
16 notify the commission in writing of such license and shall notify the  
17 commission at once in writing if the license is terminated, canceled, or  
18 suspended and (b) post notification of such licensee's bond under the  
19 United States Warehouse Act in a conspicuous place of business listing  
20 the total amount of bond on the stored grain.

21 (2) No warehouse licensee, licensee under the federal United States  
22 Warehouse Act, or grain dealer licensed pursuant to section 75-903 shall  
23 use end-intake air probes that are not approved by the commission ~~which~~  
24 ~~use a vacuum~~ to collect a sample from a load of grain to determine  
25 foreign material content. The commission shall adopt and promulgate rules  
26 and regulations regarding approval of grain probes. Any person who  
27 violates this subsection shall be guilty of a Class I misdemeanor.

28 **Sec. 9.** Section 88-551, Reissue Revised Statutes of Nebraska, is  
29 amended to read:

30 88-551 Except as provided in sections 88-527, 88-529, 88-545.01, and  
31 88-552, all fees collected pursuant to the Grain Warehouse Act shall be

1 paid to the State Treasurer and credited to the Grain Dealer and Grain  
2 Warehouse Cash Fund ~~General Fund~~.

3       **Sec. 10.** Original sections 75-901, 75-904, 88-527, 88-529, 88-548,  
4 and 88-551, Reissue Revised Statutes of Nebraska, and sections 75-902 and  
5 75-903, Revised Statutes Cumulative Supplement, 2024, are repealed.

6       **Sec. 11.** The following section is outright repealed: Section  
7 75-905, Reissue Revised Statutes of Nebraska.