

One Hundred Ninth Legislature - Second Session - 2026

Introducer's Statement of Intent

LB894

Chairperson: Senator Barry DeKay

Committee: Agriculture

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 894 makes a series of revisions to the Grain Dealer Act, including:

Narrows an exclusion of warehouses who engage in direct delivery activity from the definition of "grain dealer" for purposes of the act. The Act currently exempts warehouses if all grain transacted is first deposited in the warehouse. LB 894 removes this exclusion with the intent that warehouses conducting direct delivery activity are subject to grain dealer regulation regardless of whether the grain is deposited in the warehouse prior to delivery to a third party.

Removes a statutory prescriptive annual fee for grain dealer licensure (currently \$100) to a fee set by the Public Service Commission within a statutory cap of \$1,500.

Simplifies the rule for producers to claim against the dealer security in the event of a grain dealer default and administrative adjudication of producer claims of unpaid obligations. LB 894 outright repeals 75-905 which requires unpaid producers to meet certain payment demand and notification deadlines to preserve and perfect a claim. LB 894 inserts a new requirement in 54-903 that dealers satisfy a demand for payment within 2 business days, and to tender payment within 30 days of the final delivery if no demand is made, unless other payment terms are specified by contract. Dealers would be liable for interest on any unpaid obligation after the date of the payment obligation established by this section. Sellers indemnified under the Act would simply have recourse to the dealer security if they have transferred grain and are unpaid at the time of the Commission's administrative action, although the revisions explicitly continue to exclude payment obligations that have not matured under deferred payment and similar contracts.

Principal Introducer: _____

Senator Barry DeKay