

February 14, 1996 LB 1123

PRESIDENT ROBAK: Committee amendments are adopted. The Chair recognizes Senator Dierks to open on the bill.

SENATOR DIERKS: Thank you Madam President and members of the Legislature. The bill, 1123, is one that is the result of an interim study that we did and makes some changes in the Grain Dealer Act. Specifically it extends the grain dealer license requirements to entities which act as an agent of grain sellers as well as grain buyers. Currently the license requirement for agents only applies to agents of buyers. Allows the Public Service Commission to establish dates for annual license renewal rather than fixing a date in statute. This will allow for a more stable stream of license fee revenue. Increases the surety bond requirement for grain dealers. The current minimum is the greater of, A. \$25,000 or, B. four percent of grain purchases in the preceding year. The bill raises this minimum to the greater of \$35,000 or, B. seven percent of grain purchases in the preceding year. And the maximum is raised from 100,000 to 150,000 per year. This is the first increase these require...in these requirements in over ten years and it is agreeable to all the parties involved. It extends the time period for asking recourse to a grain dealer security from ten days following an apparent loss to thirty days. In the case of multiple shipment contract the recourse period is changed from forty-five days after the first shipment to thirty days following the last shipment. This allows the grain sellers more time to act under the recourse statute and will make, make for a simpler and less confusing time frame. It authorizes reciprocal agreements between the Public Service Commission and agencies in bordering states for regulation of entities which operate both in Nebraska and other such states. Under the agreements, the agency and the headquarter state would regulate the entire operation. It authorizes the PSC to enter contracts for warehouse audit and examination work and creates a fund for fees collected from such contracts. There's no General Fund impact in the bill. The only fiscal impact would occur if additional licenses are issued or through the new contracts authorized in the bill. I know there's some interest in how the elimination or alteration of PSC would impact this bill. I believe that these are sound, necessary changes. I think that Senator Brown may have some questions about that. I'd ask your passage of this bill to Select File.

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