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SENATOR BROMM: Senator Dierks, in Section 4, which I think is one of the more important sections of the bill, it says, "It is unlawful for a packer to be engaged in the ownership, keeping or feeding of livestock for the production of livestock or livestock products". And we have a definition of packer. And, as I've discussed with you off the floor, we have farmer owned cooperatives who are engaged in the packing business. And it's also been alleged that in some cases those same packers engage in feeding their own livestock, or controlling their own livestock. Is it your intent that this bill apply to farmer owned cooperatives in the same manner as it would an IBP, or a ConAgra, or anyone like that?

SENATOR DIERKS: It is my intent that they be included. And I think in the definitions it tells you how many animal units.

SENATOR BROMM: As long as they meet that animal unit criteria, they're covered, is that right?

SENATOR DIERKS: That's right.

SENATOR BROMM: Secondly, and as I'm passing it, the fines for violating that, I think, are...I would support a higher fine than \$1,000 a day. But I think the point is well taken. On the next page, Section 7 of the bill, it says, "It's unlawful for a packer", and I'm going to leave some words out here but get to the meat of it, "to pay different prices to the sellers of swine". What do you mean by that? What is the intent?

SENATOR DIERKS: Well, we mean that if...that if swine are the same quality, other things being equal, that the price that they give to one set of hogs should be the same that they give to another set of hogs. They can't differentiate only based on quality and transportation costs.

SENATOR BROMM: And that applies to written contracts for future purchase as well as present purchases?

SENATOR DIERKS: That's right, contracts and what they call cash or spot purchase.

SENATOR BROMM: Okay. Then Section 10, Senator Dierks, of the