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March 15, 2005 LB 439

everybody. With that, I will ask your support for the committee amendments to LB 439.

SENATOR CUDABACK: Thank you, Senator Kremer. You've heard the opening on the committee amendments. Open for discussion, Senator Stuthman.

SENATOR STUTHMAN: Thank you, Mr. President and members of the body. I have a couple of concerns with this bill, and maybe I'd like to engage in a little bit of a dialogue with Senator Kremer, if I could, please.

SENATOR CUDABACK: Senator Kremer, would you yield?

SENATOR KREMER: Yes.

SENATOR STUTHMAN: Senator Kremer, delivering to a point and then getting a warehouse receipt at another destination or another storage place, is this going to have any problems with the Farm Service Agency Commodity Credit Corporation with, you know, losing the beneficial interest in it? Or has that been run through the Commodity Credit Corporation, you know, as whether you can LDP that grain? Does it have to be LDP'd on the grain that you delivered it to the feed lot? Or is it going to be just as we're planning that, you know, you still retain the ownership and going to the storage place? Has that been taken care of through the Commodity Credit?

SENATOR KREMER: Yes, that's a good question and we discussed that quite a bit on the original bill, and it was determined that you do lose your beneficial interest. And it was...we talked about having a documentation that you would give to the producer that he understood that if he did...went through this direct delivery, he would lose the beneficial interest. So as long as he knows that and he needs it, then he would not be able to participate in the direct shipment. He would have to literally take his grain to the storage position in order to keep the beneficial interest. And we checked with the FSA, and that was the determination so far. Now it could be that they would change that, but right now the farmer would have to be notified by some kind of a disclosure saying that you do lose