

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 894

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 dealers; to amend section 75-904,
2 Reissue Revised Statutes of Nebraska, and sections 75-902 and
3 75-903, Revised Statutes Cumulative Supplement, 2024; to redefine
4 grain dealer for purposes of the Grain Dealer Act and the Grain
5 Warehouse Act; to change provisions relating to annual fees for
6 grain dealer licenses and securities under the Grain Dealer Act; to
7 harmonize provisions; to repeal the original sections; and to
8 outright repeal section 75-905, Reissue Revised Statutes of
9 Nebraska.
10 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 75-902, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 75-902 For purposes of the Grain Dealer Act, unless the context
4 otherwise requires:

5 (1) Commission means the Public Service Commission;

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

7 (3) Direct delivery obligation has the same meaning as in section
8 88-526;

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

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

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

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

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

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

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

4 **Sec. 2.** Section 75-903, Revised Statutes Cumulative Supplement,
5 2024, is amended to read:

6 75-903 (1) All grain dealers doing business in this state shall be
7 licensed by the commission. If the applicant is an individual, the
8 application shall include the applicant's social security number. To
9 procure and maintain a license, each grain dealer shall:

10 (a) (1) Pay an annual fee that is of one hundred dollars which shall
11 be due on or before the date established by the commission. Such fee
12 shall not exceed one thousand five hundred dollars for each license. Such
13 fee fees shall be paid to the State Treasurer on or before the due date
14 established by the commission for such fee. The State Treasurer shall
15 credit such fee and credited to the General Fund;

16 (b) (2) File a security pursuant to subsection (2) of this section;
17 and

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

21 (2)(a) The security required under subdivision (1)(b) of this
22 section which may be a bond issued by a corporate surety company and
23 payable to the commission, an irrevocable letter of credit, or a
24 certificate of deposit, subject to the approval of the commission, for
25 the benefit of any producer who files a valid claim arising from a sale
26 to a grain dealer.

27 (b) The security shall be in an amount set by the commission of not
28 less than thirty-five thousand dollars and not more than one million
29 dollars. Amounts used in the calculation of the security;

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

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

6 ~~(c)(i)~~ Such security shall be furnished on the condition that the
7 licensee ~~shall will~~ pay for any grain purchased as follows:

8 (A) If a demand for payment is made upon demand, not later than two
9 business fifteen days after the date of the last shipment of the any
10 contract; and -

11 (B) If a demand for payment is not made, not later than thirty days
12 after the date of the last shipment of the contract unless otherwise
13 provided in such contract.

14 (ii) If a licensee fails to pay for any grain that such licensee has
15 purchased pursuant to this subsection, such licensee shall be liable to
16 the producer for interest on the unpaid amount pursuant to section
17 45-103.

18 (d) The liability of the surety shall cover purchases made by the
19 grain dealer during the time the bond is in force. A grain dealer's bond
20 filed with the commission shall be in continuous force and effect until
21 canceled by the surety. The liability of the surety on any bond required
22 by this section shall not accumulate for each successive license period
23 during which the bond is in force. - and

24 (e) No seller shall have recourse to the licensee's security unless,
25 as of the date the commission initiates an administrative action against
26 the licensee, the seller has completed delivery of grain to the licensee
27 for which payment is due and payable. Any seller holding a deferred-
28 pricing, price-later, or similar contract under which title has passed
29 but no payment obligation has yet matured shall not be eligible to claim
30 against the security unless the payment obligation became due prior to
31 the date of such administrative action.

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

3 (3)(a) If licensing as an individual, the financial statement shall
4 be prepared in accordance with Other Comprehensive Basis of Accountancy,
5 as filed with the board, for a personal financial statement, using
6 historical cost and accrual basis of accounting. If licensing as a
7 partnership, corporation, or limited liability company, the financial
8 statement shall be prepared in accordance with accounting principles
9 generally accepted.

10 (b) The financial statement shall include:

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

12 (ii) A ~~(b)~~ a balance sheet;

13 (iii) A ~~(c)~~ a statement of cash flow;

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

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

17 (vi) The ~~(f)~~ the volume and dollar value of transactions in which
18 direct delivery grain is exchanged for a post-direct delivery storage
19 position and the post-direct delivery storage position is not created by
20 an in-store transfer on the same date as the delivery of the direct
21 delivery grain; and

22 (vii) The ~~(g)~~ the accounting firm's certification, assurances,
23 opinions, and comments and the notes with respect to the financial
24 statement.

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

28 (d) ~~(4)~~ If an applicant for a grain dealer license is a wholly owned
29 subsidiary of a parent company and such a financial statement is not
30 prepared for the subsidiary, the parent company shall submit its reviewed
31 or audited fiscal year-end financial statement and shall execute an

1 unconditional guarantee agreement as prescribed by the commission.

2 **Sec. 3.** Section 75-904, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 75-904 Each grain dealer or his or her agent upon taking possession
5 of grain from a seller shall issue a receipt, contract, bill of lading,
6 or other written communication to the seller or his or her agent. The
7 grain dealer receipt, contract, bill of lading, or other written
8 communication issued by the grain dealer shall ~~include the provisions of~~
9 ~~section 75-905 and~~ be in such form as the Public Service Commission may
10 by rule and regulation require.

11 **Sec. 4.** Original section 75-904, Reissue Revised Statutes of
12 Nebraska, and sections 75-902 and 75-903, Revised Statutes Cumulative
13 Supplement, 2024, are repealed.

14 **Sec. 5.** The following section is outright repealed: Section 75-905,
15 Reissue Revised Statutes of Nebraska.