

CLERK: Mr. President, 389 was a bill introduced by Senator Haberman. (Title read.) The bill was read on January 18 of this year. It was referred to the Ag and Environment Committee for hearing. The bill was advanced to General File. There are committee amendments pending by Ag and Environment.

SPEAKER NICHOL: Senator Rod Johnson, the committee amendments, please.

SENATOR R. JOHNSON: Mr. Speaker, members, LB 389 sets up the Nebraska Grain Buyers Act. This bill sets up procedures for the license of grain buyers in this state. The crux of the bill deals specifically with the buyers and sellers operations in our state, however, it does also deal with the Nebraska Grain Warehouse Act and if you look at the bill, Section 1 and 2, deal with that specific portion affecting the Grain Warehouse Act. It changes the provision of the violation penalty from a Class I misdemeanor to a Class IV felony and also allows the Public Service Commission to take up a grain warehouse bond and distribute that bond without going to the court system. Now the committee amendments don't change that. That is in the bill. Specifically the committee amendments do five things. First of all, it changes or allows for security other than a bond in that there are three areas in which you can use security other than a bond. One would be a bond, one would be a CD and the other would be a letter of credit. The committee felt that that was a worthwhile change to the bill. Secondly, in Section 6 we have changed to provide for recourse of dealer's security. Section 7, we changed the provision dealing with the distribution plan of a dealer's security for the Public Service Commission. Fourthly, we deleted the reference to the Revenue Department. Donna Karnes and the Revenue Department felt that they had really no place in this bill in carrying it out so they asked that we delete them. We found no reason for them to be in the bill so we deleted any reference to the Department of Revenue. And finally we added the emergency clause to the bill for the purpose of having it go into effect immediately so that the Public Service Commission can begin to license grain buyers in this state. I might bring up the point that there have been some very tragic situations that have taken place where economic loss has been incurred by farmers. Probably the most notable one was in the Minden area where there was