

Revised  
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NEBRASKA LIVESTOCK SELLERS PROTECTIVE ACT AND RELATED STATUTES

Administration: These statutes are administered by the Budget and Finance section of the Nebraska Department of Agriculture, Administration Division, State Office Building, 301 Centennial Mall South, Lincoln, Nebraska 68509. Telephone: (402) 471-2341.

Revisions: The provisions of these statutes were last revised during the 1994 session of the Nebraska Legislature.

Rules: A regulation has been promulgated under these statutes, known as Title 33, Chapter 1, Nebraska Administrative Code - Packer Bonding Regulations.

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54-1801. Act, how cited. Sections 54-1801 to 54-1808 may be cited as the Nebraska Livestock Sellers Protective Act.

54-1802. Terms, defined. For purposes of the Nebraska Livestock Sellers Protective Act, unless the context otherwise requires:

(1) Director shall mean the Director of Agriculture;

(2) Slaughter livestock shall mean cattle, sheep, and swine produced or fed in this state and destined for immediate slaughter;

(3) Purchaser shall mean any person, firm, corporation, or association engaged in the purchase of slaughter livestock in

excess of five hundred animal units per year based upon two hundred sixty slaughtering days;

(4) Animal unit shall consist of one head of cattle, or three calves, under four hundred fifty pounds, or five hogs, or ten sheep or lambs;

(5) Insolvent shall mean that a person either has ceased to pay his or her debts in the ordinary course of business or cannot pay his debts as they become due or is insolvent within the meaning of the Federal Bankruptcy Act;

(6) Person shall include individuals, firms, associations, limited liability companies, or employees, officers, or limited liability company members thereof; and

(7) Purchase of livestock for slaughter shall mean the purchase of livestock for immediate use in manufacturing or preparing meat or meat food products.

54-1803. Purchasing slaughter livestock; unlawful acts. After December 25, 1969, it shall be unlawful for any person engaged in the business of purchasing slaughter livestock to:

(1) Purchase slaughter livestock when insolvent; or

(2) Neglect, before the close of the next business day following the purchase of slaughter livestock or within twenty-four hours following the determination of the purchase price, whichever may occur last, to remit to the seller or his representative the full amount of the purchase cost; Provided, that this section does not require payment in lieu of an express agreement to the contrary.

54-1804. Slaughter livestock; purchaser; requirements. Any purchaser who buys slaughter livestock other than through a selling agent who is bonded or otherwise secured to assure payment as required by the United States Packers and Stockyards Act (7 U.S.C. 181) and the rules and regulations promulgated thereunder, shall be required to register with the director, and shall provide assurance of his financial ability to faithfully and promptly account for and pay to the seller or his designated representative, the total proceeds from the sale of slaughter livestock in accordance with the requirements which the director may establish by rule and regulation in accordance with the Administrative Procedure Act.

54-1805. Director of Agriculture; violations; restraining order; appointment of receiver; Attorney General, county attorney; duties. Whenever the director has reason to believe that the purchase of livestock for slaughter by a purchaser is causing or may reasonably be expected to result in a failure by the

purchaser to fulfill obligations incurred in the purchase of livestock for slaughter or in the event of a violation of any of the provisions of sections 54-1801 to 54-1808 or the rules and regulations duly promulgated thereunder, the director may apply for a temporary or permanent injunction restraining any purchaser from purchasing slaughter livestock or violating or continuing to violate any of the provisions of sections 54-1801 to 54-1808 or any rule or regulation promulgated under sections 54-1801 to 54-1808, notwithstanding the existence of other remedies at law.

For good cause shown, the district court may appoint the director or the director's designee to serve as a receiver for the purchaser for the protection of the sellers of slaughter livestock to the purchaser. It shall be the duty of each county attorney or the Attorney General to whom the director reports any violation to cause appropriate proceedings to be instituted in the proper courts without delay and to be prosecuted in the manner required by law.

54-1806. Director of Agriculture; reciprocal agreements; basis.

The director shall have the power and authority to enter into reciprocal agreements with the duly authorized representatives of other jurisdictions, federal or state, for the exchange of information and audit reports on a cooperative basis which may assist the director in the proper administration of sections 54-1801 to 54-1808.

54-1807. Purchasers of slaughter livestock; records; contents.

All purchasers of slaughter livestock shall keep accurate records of all transactions conducted in the ordinary course of their business. Such records shall be available for examination and audit by the director or his duly authorized agent; PROVIDED, that the director or his agent shall not divulge or make known in any manner, except in hearings before a court of law, any facts or information regarding the purchaser which may be obtained by reason of such examination or audit of the records and transactions of the purchaser.

54-1808. Violations; penalty. Any person violating any provision of sections 54-1801 to 54-1808 shall be guilty of a Class IV felony and shall be liable in double damages to any party injured thereby.

54-1809. Purchase of slaughter livestock; unlawful acts.

(1) It shall be unlawful to purchase slaughter livestock for other than cash or by negotiable instrument drawn upon a banking institution located within the same federal reserve district in which the purchaser's slaughter establishment is situated. This section shall not require payment in cash or by negotiable instrument in lieu of an express agreement in writing to the contrary.

(2) It shall be unlawful for a purchaser to engage in business in such a way that the purchaser causes accounts receivable to be paid directly to an out-of-state depository not under the control of the purchaser rather than directly to the purchaser if such business practice circumvents the rights of the seller.

54-1810. Purchase of slaughter livestock; effect of section.  
Nothing in section 54-1809 shall be considered a limitation placed upon any purchaser of slaughter livestock to conduct business or other financial affairs or place accounts with any other financial institutions outside the state.

54-1811. Purchase of slaughter livestock; violations; penalties.  
Any person, firm, corporation, or association, or any agent thereof, who shall violate the provisions of sections 54-1809 to 54-1811, shall be guilty of a Class II misdemeanor.

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