

LEGISLATIVE BILL 824

Approved by the Governor April 3, 1984

Introduced by Schmit, 23

AN ACT relating to purchasers of slaughter livestock; to amend sections 54-1805 and 54-1809, Reissue Revised Statutes of Nebraska, 1943; to provide for appointment of a receiver; to prohibit certain business practices; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 54-1805, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

54-1805. 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 the proper courts without delay and to be prosecuted in the manner required by law.

Sec. 2. That section 54-1809, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

54-1809. (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.

Sec. 3. That original sections 54-1805 and 54-1809, Reissue Revised Statutes of Nebraska, 1943, are repealed.