



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 634

Chairperson: Philip Erdman
Committee: Agriculture
Date of Hearing: February 20, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 634 creates the Feedlot Statutory Trust Act. Except for livestock that serve as purchase-money collateral for a perfected purchase money security interest, the bill allows that all livestock purchased by a feedlot operator from a cash seller and all receivables and proceeds from the sale of such livestock shall be held by the feedlot operator in trust for the benefit of the cash seller of such livestock until full payment has been received by the cash seller.

The purpose of LB 634 is to protect feedlot operators from payments that are eventually dishonored.

Principal Introducer:

Senator M.L. Dierks