

FOR IMMEDIATE RELEASE

PSC: FARMERS SHOULD CHECK LICENSE STATUS OF GRAIN DEALERS

LINCOLN – Nebraska farmers are gearing up for the annual autumn harvest and the Public Service Commission recommends that producers take precautionary steps before signing contracts with grain dealers.

Grain dealers are individuals who ship grain to a third party without going through a local warehouse. State law requires grain dealers to hold a valid Nebraska grain dealer license. Otherwise, the grain dealer is guilty of a felony and the contract to ship the grain may not be protected by any grain dealer security.

The Commission said, “Before you do business, you need to make sure you’re doing business with a licensed and bonded individual.” The Commission’s website at www.psc.state.ne.us lists grain dealers who have valid licenses and the amount of security they provide. Persons with questions regarding grain dealers may also contact officials in the grain department 800-526-0017 or through the Commission’s Lincoln telephone number of 402-471-3101.

To have protection under state law, farmers must demand payment within 30 days of the last shipment under the contract. The farmer then has 30 days to cash a check once it has been issued. A third window of 30 days then opens for farmers to notify the Commission if a check is returned unpaid.

The Commission said farmers need to do their homework prior to the harvest, prior to selling grain, and prior to delivery. The maximum security is \$300,000 per license and the Commission’s website will identify the secured amount.

“It is up to the individual farmer to determine whether anyone they are dealing with is properly licensed,” the Commission said.

###