

1 ENGROSSED SENATE  
2 BILL NO. 564

By: Wyrick of the Senate

and

Glenn of the House

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7 [ agriculture - livestock auction market license -  
8 effective date ]  
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10 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

11 SECTION 1. AMENDATORY 2 O.S. 2001, Section 9-132, is  
12 amended to read as follows:

13 Section 9-132. A. Except as provided by subsection C of this  
14 section, no person shall operate, conduct, or maintain a livestock  
15 auction market unless the person holds a livestock auction market  
16 license issued by the State Board of Agriculture and has:

17 1. Executed a corporate surety bond pursuant to the provisions  
18 of this section. The bond shall be conditioned upon the prompt and  
19 faithful accounting for all livestock received, handled, or sold,  
20 and the remittance of the proceeds from any sale, purchase, or  
21 exchange of any livestock to the consignor;

22 2. Opened a certificate of deposit account or a money market  
23 savings account. For a certificate of deposit account or a money  
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1 market savings account to be eligible pursuant to the provisions of  
2 this section:

3 a. the account shall be opened at a federally insured  
4 financial depository,

5 b. an officer of the financial depository shall  
6 specifically acknowledge and guarantee the deposit of  
7 the funds required by subsection B of this section  
8 until otherwise released pursuant to this subsection,

9 c. the person operating, conducting, or maintaining a  
10 livestock auction market may only withdraw funds  
11 deposited in a certificate of deposit account or a  
12 money market savings account sixty (60) days after  
13 the person has permanently ceased operations of the  
14 livestock auction market unless the person presents to  
15 the financial institution a written authorization for  
16 release of funds by the ~~State~~ Oklahoma Department of  
17 Agriculture, Food, and Forestry; or

18 3. Provided other financial instruments allowable for livestock  
19 markets by the Federal Packers and Stockyards Act of 1921, as  
20 amended.

21 B. The corporate surety bond or account required by subsection  
22 A of this section for any person operating, conducting, or  
23 maintaining a livestock auction market shall be in accordance with  
24 the provisions of the Federal Packers and Stockyards Act of 1921, as

1 amended, but not less than Twenty-five Thousand Dollars  
2 (\$25,000.00). The Board may require more than the minimum of  
3 Twenty-five Thousand Dollars (\$25,000.00) by promulgating a rule for  
4 a higher amount.

5 C. The corporate surety bond or account required by subsection  
6 A of this section shall not be required of any person who has  
7 executed and maintained a corporate surety bond or account of  
8 Twenty-five Thousand Dollars (\$25,000.00) to secure the performance  
9 of obligations under the provisions of the Federal Packers and  
10 Stockyards Act of 1921, as amended.

11 D. 1. Any corporate surety company issuing a bond to any  
12 person as specified by subsection A or C of this section for  
13 operating, conducting, or maintaining a livestock auction market  
14 shall notify the Board in writing not less than thirty (30) days  
15 prior to the cancellation or nonrenewal of the bond.

16 2. The Board shall provide for the publication of notice to the  
17 public of the nonrenewal or cancellation of the bond for a livestock  
18 auction market upon any notification that the bond of the livestock  
19 auction market has been nonrenewed or canceled and no new bond has  
20 been obtained.

21 3. No person shall knowingly operate, conduct, or maintain a  
22 livestock auction market without having a bond as specified by this  
23 section. Any person convicted of violating the provisions of this  
24 paragraph shall be guilty of a felony.

1 E. All records relating to the prompt and faithful accounting  
2 for all livestock received, handled, or sold and the remittance of  
3 the proceeds from any sale, purchase, or exchange of any livestock  
4 to the consignor shall be in accordance with the provisions of the  
5 Federal Packers and Stockyards Act of 1921, as amended. The Board  
6 shall audit such records at least once a year. Any violation of the  
7 standards of the Federal Packers and Stockyards Act may result in  
8 the suspension of the livestock auction market license.

9 F. Except as provided by this section, any person found to be  
10 in violation of the provisions of this section, upon conviction,  
11 shall be guilty of a misdemeanor.

12 SECTION 2. This act shall become effective November 1, 2009.

13 Passed the Senate the 4th day of March, 2009.

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Presiding Officer of the Senate

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17 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,

18 2009.

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Presiding Officer of the House  
of Representatives

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