



## INDIANA GRAIN BUYERS & WAREHOUSE LICENSING AGENCY

Governor Michael R. Pence

Lt. Governor Sue Ellspermann, Secretary of Agriculture and Rural Development

Ted A. McKinney, Director of Agriculture

Lenny Carpenter, Director of Indiana Grain Buyers and Warehouse Licensing Agency

May 28, 2015

Dear Indiana Grain Industry Representative,

I hope this note finds you well, safe in your operations, and having a successful year in managing our state's grain supply. Indiana Grain Buyers & Warehouse Licensing Agency (IGBWLA) appreciates very much what you do for our state.

As you are well aware, the grain industry has changed significantly since the creation of the Indiana Grain Indemnity Fund in 1996. Although revisions have been made to IGBWLA and the Indiana Grain Indemnity Corporation (IGIC) since 1996, there have been no collections since 1998, nor any thorough legislative updates to reflect current market conditions. In order to continue to protect Indiana farmers and ensure the financial integrity of the grain marketing infrastructure, the Agribusiness Council of Indiana, Indiana Farm Bureau, Indiana Corn Growers Association, and Indiana Soybean Alliance, with cooperation from IGBWLA, moved forward in the 2015 legislative session with changes to the IGBWLA and IGIC statutes. IGBWLA appreciates the leadership, effort, and assistance from these organizations in advancing House Enrolled Act (HEA) 1549.

The purpose of this letter is to highlight several of the updates to the IGBWLA and IGIC statutes that occurred in this recent legislative session, all which become effective on July 1, 2015. Here below are several of the changes, which are also shown in table format in the attached document:

- Starting July 1, 2015, the Indiana Grain Indemnity Fund will begin collecting producer premiums equal to two-tenths percent (0.2%) of the price on all marketed grain that is sold in Indiana. Collections will continue until the fund contains more than twenty-five million dollars as of June 30 of any given year. More detailed information on collection and remittance will be available on IGBWLA's website by mid-June.
- Licensing fees:
  1. For a grain bank or for a warehouse or buyer-warehouse with a storage capacity of less than 250,000 bushels: \$1,000.00 for the first facility and \$250.00 for each additional facility.
  2. For a warehouse or a buyer-warehouse with a storage capacity of at least 250,000 bushels, but less than 1,000,000 bushels: \$1,500.00 for the first facility and \$250.00 for each additional facility.
  3. For a warehouse or a buyer-warehouse with a storage capacity of at least 1,000,000 bushels but less than 10,000,000 bushels: \$2,000.00 for the first facility and \$250.00 for each additional facility.

4. For a warehouse or buyer-warehouse with a storage capacity greater than 10,000,000 bushels: \$2,500.00 for the first facility and \$250.00 for each additional facility.
5. For a grain buyer, including a grain buyer that is also licensed as a warehouse under the warehouse act: \$1,500.00 for the first facility and \$250.00 for each additional facility.
  - o Minimum bonding requirements will increase to \$50,000.00. Please see the attached document for more detailed information concerning changes to these requirements.
  - o The fee for the inspection, testing, and certification of moisture meters by IGBWLA will increase to two hundred dollars (\$200.00) per meter on July 1, 2015.

We appreciate again the efforts of all those involved with the passage of HEA 1549 and believe it advances IGBWLA's mission of ensuring the financial integrity of the grain marketing infrastructure, while allowing the industry to be competitive, innovative and efficient. If you have additional questions, please go to our website <http://www.in.gov/isda/2351.htm> after June 15, 2015, or call me at (317) 232-1359 or Danae Wise, Licensing Officer at (317) 232-1360.

Sincerely,



Lenny Carpenter  
Director, Indiana Grain Buyers and Warehouse Licensing Agency

Enclosure

Cc: Indiana Grain Indemnity Corporation Board

**Indiana Grain Buyers & Warehouse Licensing Agency**  
**Changes Resulting from 2015 Legislative Session – to be enacted beginning July 1, 2015**

**Licensing Fee**

	<b>Amount</b>
Grain Bank, Warehouse, or Buyer-warehouse with storage capacity of less than 250,000 bushels	\$1,000.00
Warehouse or Buyer-warehouse with storage capacity of at least 250,000 but less than 1 million bushels	\$1,500.00
Warehouse or Buyer-warehouse with storage capacity of at least 1 million but less than 10 million bushels	\$2,000.00
Warehouse or Buyer-warehouse with storage capacity greater than 10 million bushels	\$2,500.00
Grain Buyer	\$1,500.00
Each additional facility	\$250.00

**Minimum Bond, Letter of Credit, or Cash Deposit Requirements\***

	<b>Amount</b>
Grain Bank/Warehouse	\$50,000.00
Grain Buyer	\$50,000.00
Buyer-warehouse	\$50,000.00

*\* Minimum bonding requirements do not include the factors of licensed bushel storage capacity and total amount paid for grain purchased from producers.*

**Minimum Net Worth Requirements\***

	<b>Amount</b>
Grain Bank	\$100,000.00
Warehouse	\$100,000.00
Grain Buyer	\$100,000.00
Buyer-warehouse less than 1 million bushels	\$150,000.00
Buyer-warehouse at least 1 million bushels	\$200,000.00

*\* The minimum net worth requirements do not include the factors of licensed bushel storage capacity and total number of bushels of grain purchased.*