



## **2021 Legislative Priority**

### **Issue:**

Indiana Grain Buyers and Warehouse Licensing Agency

### **Background:**

The Indiana Grain Buyers and Warehouse Licensing Agency (IGBWLA) was created in 1975 after the collapse of a large commercial grain operation, which resulted in Indiana farmers not being paid for stored grain. Because of that failure, Indiana created IGBWLA, whose responsibilities includes the licensing and periodic auditing of commercial grain operations to ensure their assets are sufficient to pay farmers for their grain.

The IGBWLA's mission is to ensure the financial integrity of the grain market, while allowing the industry to be competitive, innovative, and efficient. The agency has oversight of approximately 220 licensees that own more than 400 facilities.

Because farmers rely on the financial stability of these licensees in order to market their grain, the agency must have the tools it needs to perform its duties functionally and transparently. There should be additional options for the agency director to act when licensees become troubled before having to resort to failure. Agency staff should have the opportunities for further training and professional development. There should be more collaboration between the agency and the Indiana Grain Indemnity Board drawing upon the expertise of the farmers, grain merchandisers, and bankers which populate that board. There should be regular reviews of the indemnity fund to ensure its stability as well as of the agency's auditing practices and procedures to ensure they are modern enough to protect farmers.

### **Story Points:**

- Provide more tools for the agency to create more functionality in the performance of its duties.
- Increase communication and collaboration between IGBWLA and the IGIC Board.

### **Key Message/ Ask:**

We urge the legislature to update the Indiana Grain Buyers and the Indiana Grain Indemnity statutes to provide more tools and resources to IGBWLA – which will create and transparency and facilitate better communication – and give farmers confidence in the decisions and performance of the agency and the board.