LS 6887
BILL NUMBER: HB 1237
NOTE PREPARED: Feb 21, 2017
BILL AMENDED: Feb 16, 2017
SUBJECT: Grain Buyers and Warehouse Licensing.
FIRST AUTHOR: Rep. Lehe
FIRST SPONSOR: Sen. Leising
BILL STATUS: As Passed House
FUNDS AFFECTED: GENERAL
DEDICATED
FEDERAL
IMPACT: State

Summary of Legislation: (Amended) Definitions for Licensing Laws: The bill adds and amends various definitions for purposes of the grain buyers and warehouse licensing laws.

Contract Notice: The bill amends notice that is required on contracts for the purchase of grain from producers.

Director Duties: The bill allows the director of the Grain Buyers and Warehouse Licensing Agency (agency) to designate an administrative law judge to act for the director in the administration of the licensing laws. It allows the director of the agency (director) to issue subpoenas and orders to compel production of records.

License Renewal: The bill allows the agency to send license renewal applications electronically. It requires certain applicants to designate a statutory agent.

Director Duties II: The bill requires the director to provide certain information to the Grain Indemnity Board (board). It allows the director's designated representative to perform certain functions of the director.

Insurance Coverage: The bill allows certain claimants that are subject to court proceedings one year to file a claim. It specifies that producers who have not requested a refund from the program after June 30, 2015, are participants in the grain indemnity program. It also changes the future coverage period from 12 months to 15 months.

Director Duties III: The bill requires the director to inform the Grain Indemnity Corporation of certain notices and orders issued and actions taken against licensees. It requires the director to consider certain
claims due to depositors for a specified period of time.

*Definitions for Indemnity Laws:* The bill adds and amends definitions for purposes of the grain indemnity laws.

*Claims:* The bill specifies when claims may be considered.

*Education Information:* The bill requires the Grain Indemnity Board to develop certain educational information for producers.

*Partial Payments:* The bill allows partial payments to claimants who are not appealing while appeals are pending.

**Effective Date:** Upon Passage.

**Explanation of State Expenditures:** *Indiana State Department of Agriculture (ISDA):* The bill requires the director of the Indiana Grain Buyers and Warehouse Licensing Agency, which was established within the ISDA, to prescribe a form on which an applicant for a license or for a renewal of a license must appoint a statutory agent under certain circumstances. Additionally, the bill requires the director to designate an administrative law judge to preside over the appeal of an aggrieved party. The bill also requires the director to forward to the Indiana Grain Indemnity Fund Board a list of claimants who are owed money and disclose the status of any grain buyer or warehouse operator who has failed to meet minimum requirements. Lastly, the bill requires the Agency to work with the Board in developing education information for producers. The Agency should be able to implement the bill's requirements within its current resources.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** ISDA.

**Local Agencies Affected:**

**Information Sources:**

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