



BOX 218
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March 22, 2022

Regarding: HF4366 Establishment of a Grain Indemnity Fund

Ag Partners is a farmer-owned cooperative and Minnesota licensed grain buyer operating in south central and southeastern Minnesota.

While Ag Partners strongly supports farmers in their endeavors, we oppose the creation of the Grain Indemnity Fund for several reasons:

Additional burden placed on grain buyers: The additional work of collecting and accounting for this fund will fall as an additional expense on grain buyers who are already impacted by rising costs and regulatory burdens.

No regulatory relief from recently enacted rules: In recent years, MDA has put in effect additional accounting and reporting requirements for grain buyers to gauge financial performance including a full audit. While this does not impact larger companies like Ag Partners who already perform these audits as a routine part of their business, it hits small companies particularly hard with much added expense. This proposal does nothing to relieve the smaller grain buyer from this recently created burden and is an additional barrier to their business.

Provides producers with the ability to opt-out of the program: If this proposal is really needed to protect producers from the failure of grain buyers, it seems counter-intuitive that they should have the ability to opt-out of the program. Full participation should be a requirement that would also strengthen the integrity of the program.

Use of taxpayer money to establish the fund: this is a personal belief of my own rather than speaking for Ag Partners. I believe taxpayer money should not be provided to fund the initial \$5 million seed money to the fund.

Thank you for your consideration.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Rick Anderson', written in a cursive style.

Rick Anderson
Ag Partners
Risk Manager