

Subject Grain Buyers
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Overview

This bill modifies (1) financial statement requirements for grain buyers and grain warehouse operators, and (2) certain definitions that apply to grain warehouse operators licensed by the Minnesota Department of Agriculture (MDA) under the Grain Storage Act.

Under current law and this bill, certain licensed grain buyers and licensed grain warehouse operators must submit financial statements to MDA each year. Last year, the legislature directed the MDA to convene stakeholders and develop recommendations regarding financial statement and bonding requirements for grain licensees. MDA's report is [available online](#).

Summary

Section	Description
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| 1 | <p>Financial statements.</p> <p>Modifies financial statement submission requirements for licensed grain buyers and licensed grain warehouse operators. Specifies that the statements must be prepared by either an independent accountant or a certified public accountant. Requires licensees to submit a cash flow statement instead of a statement of change in financial position. Allows licensees to submit financial statement reports that comply with international standards similar to those established by the American Institute of Certified Public Accountants. Eliminates the requirement that a licensee's executive(s) must certify, under penalty of perjury, that the entity's financial statements are accurate.</p> <p>Eliminates the requirement that licensees with less than \$7.5 million of annual grain purchases must have their financial statements reviewed by a certified public account and shown to be free from material misstatements.</p> <p>Eliminates the financial statement audit requirement for licensees purchasing between \$7.5 and \$20 million of grain per year. Instead, these licensees could</p> |
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Section	Description
	choose between an audit or a review of their financial statements. Requires audits only for licensees that purchase at least \$20 million of grain annually.
	Authorizes MDA to require exempt cash buyers to provide financial reporting based on an inspection, any report of nonpayment, or other documentation related to a violation of state grain law.
	Requires MDA to review submitted financial statements to ensure compliance with state grain-buyer law.
	Authorizes MDA to require any licensee to submit additional financial statements or reporting, including audited financials.
2	Commissioner. Specifies that “commissioner” means the MDA commissioner or the commissioner’s designee for purposes of the Grain Storage Act.
3	Grain. Modifies the definition of “grain” for purposes of the Grain Storage Act to include specified crops as well as any other product that is commonly referred to as grain and ordinarily stored in a grain warehouse.
4	Producer. Modifies the definition of “producer” for purposes of the Grain Storage Act to mean anyone who grows grain on land owned or leased by the person.
5	Public grain warehouse operator. Modifies the definition of “public grain warehouse operator” for purposes of the Grain Storage Act to mean anyone operating a grain warehouse, whether licensed or not.
6	Scale ticket. Modifies the definition of “scale ticket” for purposes of the Grain Storage Act to mean a memo issued by a grain elevator or warehouse operator at the time of grain delivery. Eliminates a provision that defines scale tickets under current law as those that show the weight, grade, and kind of grain deposited.



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