



Grain Indemnity Fund

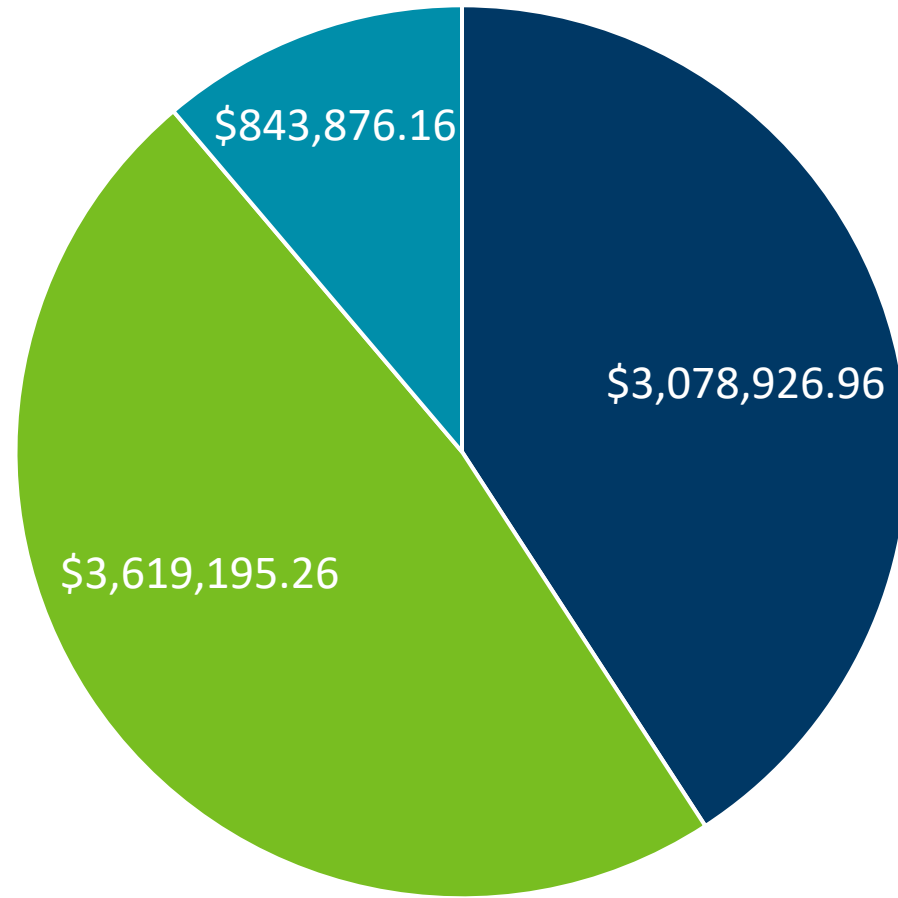
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Minnesota Grain Program

- 579 Licensed locations across 315 entities.
- 4 inspectors and 2 office staff.
- \$16B+ in grain purchased in 2022 licensing year.
- \$51M in bonds on file.
 - Bonds are set based on purchases or storage liability.
- Governed by MS 223 and 232 and MR 1562.



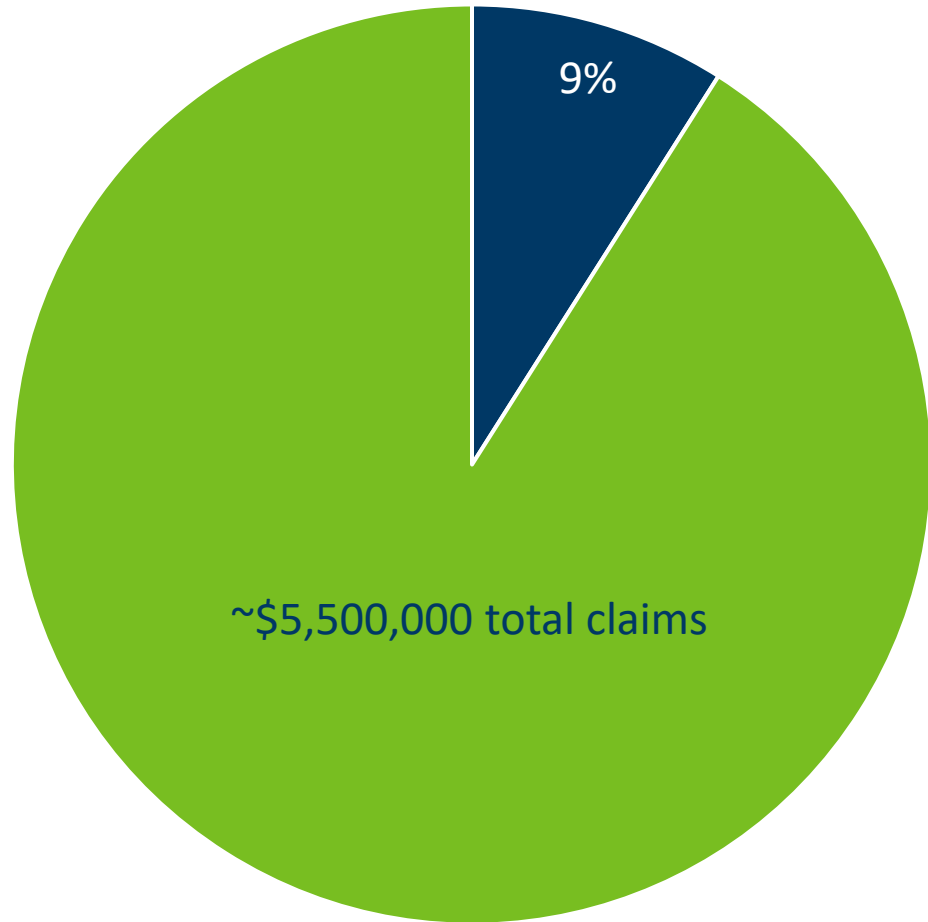
	North Country Seed 2015	Porter Elevator 2015	Ashby 2018	Karlstad 2019	Buckwheat Growers 2019
Total Claims	\$1,473,375.27	\$2,011,042.45	\$2,664,036.03	\$1,137,430.05	\$256,114.59
Valid Claims	\$1,473,375.27	\$1,106,435.17	\$723,917.85	\$408,124.58	\$210,950.25
Rejected Claims	\$0.00	\$904,607.28	\$1,940,118.17	\$729,305.47	\$45,164.34
Proceeds From Sale of Grain	\$0.00	\$0.00	\$0.00	\$364,050.80	\$10,751.58
Bond	\$125,000.00	\$125,000.00	\$125,000.00	\$44,073.78	\$50,000.00
Percent of Valid Claims Paid	8%	11%	17%	100%	29%
Percent of Total Claims Paid	8%	6%	5%	36%	24%



■ Valid Unpaid Claims ■ Rejected Claims ■ Paid Claims

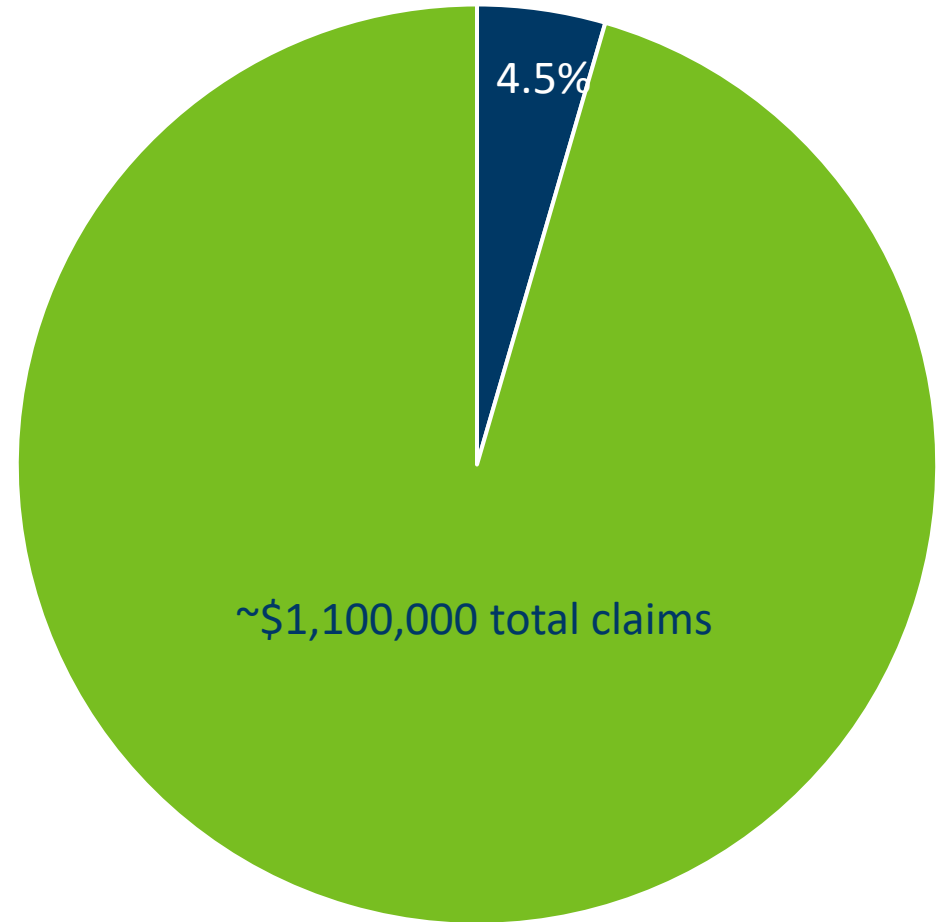
Grain Bond Claims 2016-2020

Pipeline Foods 2021



■ Bond Coverage ■ Unpaid

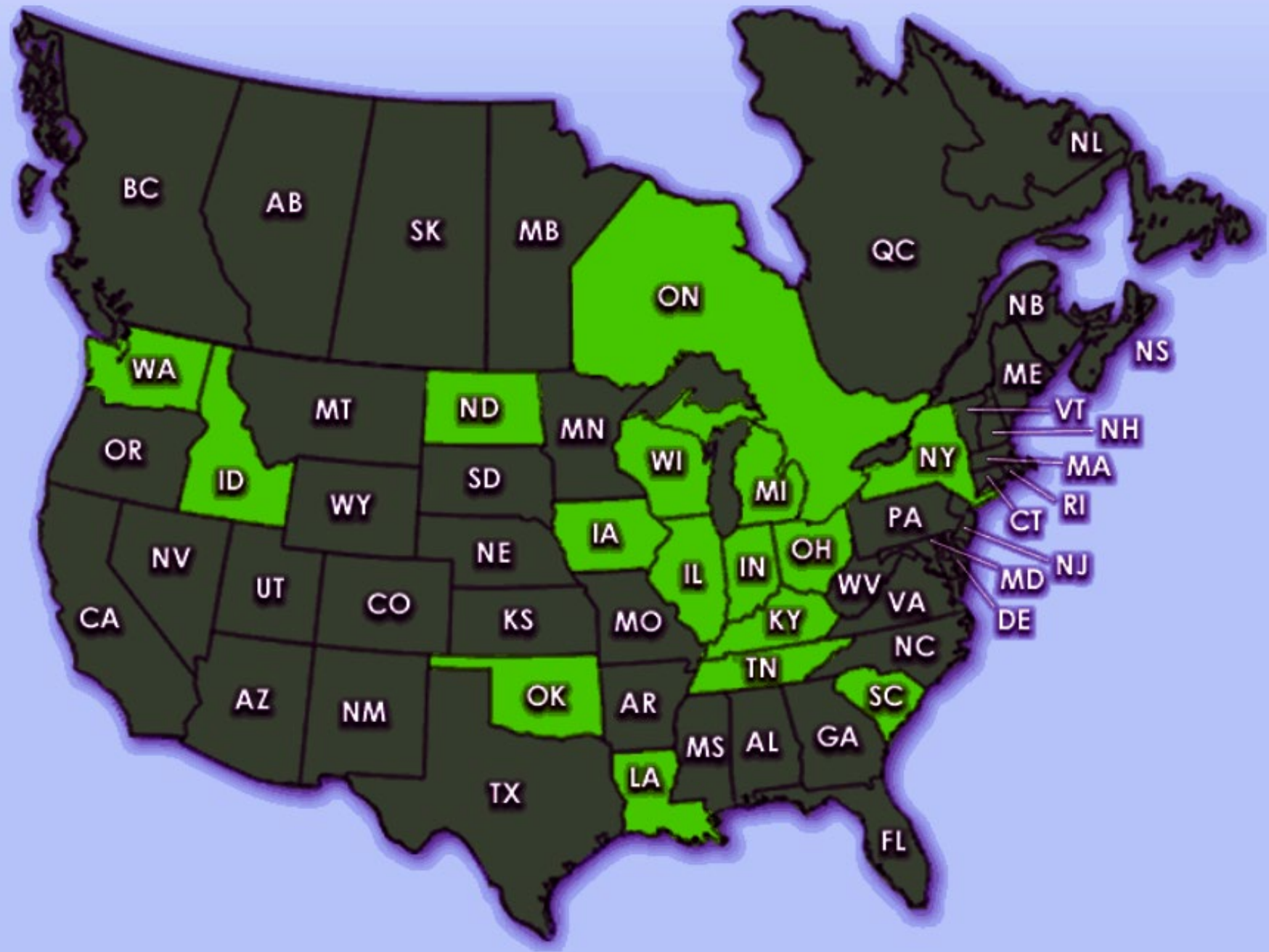
Global Processing 2022



■ Bond Coverage ■ Unpaid

Ongoing Bond Claims

States/Provinces with Indemnity Funds



Why an Indemnity fund?



Better protection for sellers



Faster payouts



Opt-out for farmers



Reduced cost to industry

Grain Advisory Group – Report Required

“The commissioner of agriculture may convene members of the Grain Advisory Group and develop recommendations to improve the grain licensing program, including changes to protect farmers who sell grain, and report back to the legislative committees with jurisdiction over agriculture by February 15, 2023. Participating stakeholders must be given an opportunity to include written testimony to the legislative committees in the commissioner's report.”

Advisory Group Recommendations

Indemnity Fund



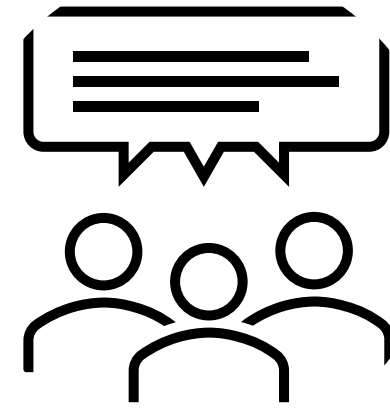
- Producer protection fund
- Seek appropriation
- Opt-out is important

Financial Reporting



- Loosen financial requirements
- Allow lesser reports
- Clearly communicated metrics

Current Bond System



- Additional insurance available
- Bonds not serving intended purpose
- Opportunity for education

Thank You!

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