Protecting Indiana Grain Farmers

By Jerome Hawkins, IGBWLA Director

With market volatility and price fluctuations, the reward of farming doesn’t come without risk. We here at the Indiana Grain Buyers and Warehouse Licensing Agency (IGBWLA) respect those risks yet want our Hoosier farmers to know they have protection through the Indiana Grain Indemnity Fund. Since 1998 Indiana grain farmers have received more than $3.8 million when grain companies were unable to pay farmers. Just this year, $1.2 million was paid to a dozen farmers when a single company was unable to pay for grain.

The Indiana Grain Indemnity Fund is an insurance fund that is paid by farmers to protect farmers in the event of a grain business failure. Today farmers are protected by the fund for 100% of stored grain and 80% on other grain transactions but only if they are doing business with licensed entities. Today more than $14 million is available to grain farmers; however, farmers need to be aware of their responsibilities and the rules and regulations that protect them. Here is a quick summary:

1. To be covered by the Grain Indemnity Fund a farmer MUST do business with a licensed grain company. ALL licenses must be posted. (Example of license below.)

![License Example](image-url)
a) Call the ISDA office (317-232-8770) and ask if your local business is licensed
b) Visit our website www.in.gov/isda
2. 21-Day Rule. When farmers deliver grain it must have a disposition in 21 days (Spot, storage, contract, etc).
3. Only grain delivered in the last 12 months will be considered for payment by the Indemnity Fund in the event of a grain elevator failure.
4. Always read and sign contracts, keep copies for your records.
5. Make sure storage and service rates are posted.
6. Farmers should look to make sure moisture meter and scales have been inspected in the last year.
7. Keep all scale tickets and settlement sheets. They are proof of valid claims.
8. Farmers should always call Indiana Grain Buyers if an elevator is not paying them for their grain.

In the last ten years grain prices, input costs and machinery expenses have more than doubled. I encourage all grain farmers to make sure that they are protected by the Indiana Grain Buyers and Warehouse Licensing Agency and the Indiana Grain Indemnity Corporation.

Jerome Hawkins became the IGBWLA Director in 2009 and has been with the Agency since 1999. He was raised on a family farm in Greene County and now lives in Lawrence County with his wife and two children.