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FISCAL IMPACT STATEMENT

LS 6998

BILL NUMBER: SB 415

NOTE PREPARED: Feb 16, 2009

BILL AMENDED: Feb 16, 2009

SUBJECT: Grain Buyers and Warehouse Licensing.

FIRST AUTHOR: Sen. Leising

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

**FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL**

IMPACT: State

Summary of Legislation: This bill makes various changes regarding the Grain Buyers and Licensing Warehouse Agency (Agency). It makes changes to the definition of a warehouse. It removes a requirement that certain grain buyers and purchasers of grain provide evidence to demonstrate that they have received training on the risks associated with grain marketing practices. It provides procedures for an annual renewal of an application. It allows the director of the Agency to prorate certain annual licensing fees. It provides that the Agency may disclose the names of grain buyers or warehouses and the county where they are located. The bill also allows the Agency to accept other forms of surety to show the net worth of a grain buyer or warehouse.

Effective Date: July 1, 2009.

Explanation of State Expenditures: *Indiana Grain Buyers and Licensing Warehouse Agency:* This bill provides procedures for annual license renewals for grain banks, warehouses, grain buyers, and buyer-warehouses. The Agency is required to mail the renewal applications by first class mail to licensees before their licenses expire. First class mail starts at \$0.42 per piece of mail, and is based on weight and shape. The Agency currently sends the renewal applications by standard mail, which varies based on weight. There will be 297 renewal applications mailed to grain banks, warehouses, grain buyers, and buyer-warehouses, which would cost at least \$125 if mailed first class.

The bill also allows the Agency to prorate certain annual licensing fees. The Agency may disclose the names and counties of grain buyers and warehouses, and accept other forms of surety to show net worth as approved by the Director. The Agency's current level of resources should be sufficient to implement these provisions.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Grain Buyers and Warehouse Licensing Agency.

Local Agencies Affected:

Information Sources: U.S. Postal Service, <http://www.usps.com/prices/welcome.htm>; Sarah Simpson, Indiana Grain Buyers and Warehouse Licensing Agency, 317-232-1359.

Fiscal Analyst: Jessica Harmon, 317-232-9854.