

TITLE 825 INDIANA GRAIN INDEMNITY CORPORATION

ARTICLE 1. GRAIN INDEMNITY CORPORATION

Rule 1. Definitions

825 IAC 1-1-1 General definitions

Authority: IC 26-4-7-1

Affected: IC 26-4

Sec. 1. The definitions in IC 26-4 shall apply throughout this article. (*Indiana Grain Indemnity Corporation; 825 IAC 1-1-1; filed Sep 25, 1996, 10:00 a.m.: 20 IR 322; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-1-2 “Board” defined

Authority: IC 26-4-7-1

Affected: IC 26-4-1; IC 26-4-3-2

Sec. 2. “Board” means the governing body of the corporation created by IC 26-4-3-2. (*Indiana Grain Indemnity Corporation; 825 IAC 1-1-2; filed Sep 25, 1996, 10:00 a.m.: 20 IR 322; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-1-3 “Corn” defined

Authority: IC 26-4-7-1

Affected: IC 26-4-1

Sec. 3. “Corn” includes all corn for all uses, including popcorn, but excluding sweet corn and flint corn. (*Indiana Grain Indemnity Corporation; 825 IAC 1-1-3; filed Sep 25, 1996, 10:00 a.m.: 20 IR 322; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-1-4 “Corporation” defined

Authority: IC 26-4-7-1

Affected: IC 26-4-1; IC 26-4-3-1

Sec. 4. “Corporation” means the Indiana grain indemnity corporation established by IC 26-4-3-1. (*Indiana Grain Indemnity Corporation; 825 IAC 1-1-4; filed Sep 25, 1996, 10:00 a.m.: 20 IR 322; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-1-5 “Grain” defined

Authority: IC 26-4-7-1

Affected: IC 26-4

Sec. 5. “Grain” means corn, wheat, oats, rye, soybeans, barley, sorghum, oil seeds, and other agricultural commodities as approved by the agency, and includes any grain grown for seed use. (*Indiana Grain Indemnity Corporation; 825 IAC 1-1-5; filed Sep 25, 1996, 10:00 a.m.: 20 IR 322; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-1-6 “Outstanding charges” and “all credits and offsets” defined

Authority: IC 26-4-7-1

Affected: IC 26-4-5; IC 26-4

Sec. 6. “Outstanding charges” and “all credits and offsets”, as used in IC 26-4 and throughout this article, includes:

- (1) moisture discounts and drying charges;
- (2) foreign material discounts and quality discounts;
- (3) storage charges;
- (4) deferred pricing charges;

(5) marketing checkoffs; and

(6) all other deductions from the gross amount due to the producer on the sale of grain.

(Indiana Grain Indemnity Corporation; 825 IAC 1-1-6; filed Sep 25, 1996, 10:00 a.m.: 20 IR 323; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262)

Rule 2. Registration of Grain Buyers

825 IAC 1-2-1 Time for registration

Authority: IC 26-4-7-1

Affected: IC 26-4

Sec. 1. After May 1, 1996, as proscribed in IC 26-4, and prior to offering services as a grain buyer, a person must register with the corporation. *(Indiana Grain Indemnity Corporation; 825 IAC 1-2-1; filed Sep 25, 1996, 10:00 a.m.: 20 IR 323; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262)*

825 IAC 1-2-2 Form of registration

Authority: IC 26-4-7-1

Affected: IC 26-4-2

Sec. 2. Registration shall be submitted on the form provided by the corporation. *(Indiana Grain Indemnity Corporation; 825 IAC 1-2-2; filed Sep 25, 1996, 10:00 a.m.: 20 IR 323; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262)*

825 IAC 1-2-3 Registration fee

Authority: IC 26-4-7-1

Affected: IC 26-3-7; IC 26-4-2

Sec. 3. Each grain buyer that is not licensed under the Indiana Commodity Warehouse Law, IC 26-3-7, or the United States Warehouse Act, approved August 11, 1916, (39 STAT. 486; 7 U.S.C. 241–273 as amended) shall submit with the registration a fee of one hundred dollars (\$100), United States currency, in the form of a check or money order payable to “Indiana Grain Indemnity Corporation”. *(Indiana Grain Indemnity Corporation; 825 IAC 1-2-3; filed Sep 25, 1996, 10:00 a.m.: 20 IR 323; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262)*

825 IAC 1-2-4 Reporting changes

Authority: IC 26-4-7-1

Affected: IC 26-4-2

Sec. 4. A grain buyer shall report to the corporation any change in the information submitted on the registration form within thirty (30) days of the occurrence of the change. *(Indiana Grain Indemnity Corporation; 825 IAC 1-2-4; filed Sep 25, 1996, 10:00 a.m.: 20 IR 323; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262)*

Rule 3. Records of a Grain Buyer

825 IAC 1-3-1 Records

Authority: IC 26-4-7-1

Affected: IC 26-4-4

Sec. 1. Each grain buyer shall keep accurate and correct records of grain purchased from producers documenting the producer premiums paid by producers. Records shall be maintained by the grain buyer for a period of seven (7) years from the date of remittance of the producer premiums to the corporation. Such records shall be available to authorized agents of the corporation during normal business hours. *(Indiana Grain Indemnity Corporation; 825 IAC 1-3-1; filed Sep 25, 1996, 10:00 a.m.: 20 IR 323;*

readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262)

825 IAC 1-3-2 Inspection and verification of records

Authority: IC 26-4-7-1

Affected: IC 26-4-4

Sec. 2. Each year that producer premiums are being collected, the board shall determine the number of randomly selected grain buyers to be audited; however, that number shall not be less than five percent (5%) of the total registered grain buyers in Indiana. In addition to randomly selected audits, the board may audit particular grain buyers on the basis of complaints, prior audit results, or other reasons determined by the board to be sufficient. (*Indiana Grain Indemnity Corporation; 825 IAC 1-3-2; filed Sep 25, 1996, 10:00 a.m.: 20 IR 323; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

Rule 4. Producer Premiums

825 IAC 1-4-1 Collection of premiums

Authority: IC 26-4-7-1

Affected: IC 26-4

Sec. 1. (a) Beginning July 1, 1996, as proscribed in IC 26-4, and continuing until such time as the corporation gives notice of termination, each grain buyer who purchases grain shall withhold from the payment to the producer the producer premium.

(b) After the fund is capped and initial collection of producer premiums cease, any future collections shall commence on July 1 of the year in which the board determines that the fund is, or could be, below five million dollars (\$5,000,000) and continue until June 30 of the year in which the board determines that the fund is at or above ten million dollars (\$10,000,000). (*Indiana Grain Indemnity Corporation; 825 IAC 1-4-1; filed Sep 25, 1996, 10:00 a.m.: 20 IR 323; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-4-2 Calculation

Authority: IC 26-4-7-1

Affected: IC 26-4

Sec. 2. The amount of the producer premium, as defined in IC 26-4, shall be calculated using the gross sales price of the grain, including all premiums and discounts for moisture, quality, variety, or any other characteristic of the grain. The producer premium shall be calculated before the deduction of marketing assessments, storage, drying, cleaning, or any other service charge. (*Indiana Grain Indemnity Corporation; 825 IAC 1-4-2; filed Sep 25, 1996, 10:00 a.m.: 20 IR 323; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-4-3 Remittance to the corporation

Authority: IC 26-4-7-1

Affected: IC 26-4

Sec. 3. Each grain buyer shall, in accordance with the time frame set forth in IC 26-4, remit to the corporation the producer premium along with the remittance form provided by the corporation and completed by the grain buyer. (*Indiana Grain Indemnity Corporation; 825 IAC 1-4-3; filed Sep 25, 1996, 10:00 a.m.: 20 IR 324; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-4-4 Notification

Authority: IC 26-4-7-1

Affected: IC 26-4-4

Sec. 4. The corporation shall provide all registered grain buyers with thirty (30) days notice of the date that collection of producer premiums are to begin or cease. (*Indiana Grain Indemnity Corporation; 825 IAC 1-4-4; filed Sep 25, 1996, 10:00 a.m.:*

20 IR 324; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262)

Rule 5. New Producer Entry into the Program

825 IAC 1-5-1 Petition

Authority: IC 26-4-7-1

Affected: IC 26-4-4

Sec. 1. A new producer shall petition the board for approval of entry into the grain indemnity program by sending a written request to the board. The written request shall include a completed petition form. The petition form shall be provided by the board and be made available through all registered grain buyers. (*Indiana Grain Indemnity Corporation; 825 IAC 1-5-1; filed Sep 25, 1996, 10:00 a.m.: 20 IR 324; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-5-2 Successive monthly payments

Authority: IC 26-4-7-1

Affected: IC 26-4-4-10

Sec. 2. A new producer shall be considered as having made three (3) successive monthly payments when the new producer pays the producer premium to the board on a monthly basis for three (3) successive months during which months the new producer sells grain. (*Indiana Grain Indemnity Corporation; 825 IAC 1-5-2; filed Sep 25, 1996, 10:00 a.m.: 20 IR 324; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-5-3 Consideration of petitions

Authority: IC 26-4-7-1

Affected: IC 26-4-5

Sec. 3. All petitions for reentry into the grain indemnity fund shall only be considered at the May meeting of the board. (*Indiana Grain Indemnity Corporation; 825 IAC 1-5-3; filed Sep 25, 1996, 10:00 a.m.: 20 IR 324; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

Rule 6. Claimants

825 IAC 1-6-1 Eligibility as a claimant

Authority: IC 26-4-7-1

Affected: IC 26-4

Sec. 1. A producer who requests a refund of producer premiums paid will, upon the producer's first refund request, not be eligible to be a claimant as of the date the refund check is issued to the producer by the board. (*Indiana Grain Indemnity Corporation; 825 IAC 1-6-1; filed Sep 25, 1996, 10:00 a.m.: 20 IR 324; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262*)

825 IAC 1-6-2 Proof of eligibility as a claimant

Authority: IC 26-4-7-1

Affected: IC 26-4

Sec. 2. (a) The board may require a produce [*sic., producer*] to provide proof that the producer paid, or attempted to pay, producer premiums prior to validating a claim by the producer. The board may, however, based on information provided to the board, determine that the failure of the producer to pay producer premiums was not the fault of the producer, thereby allowing the producer to be an eligible claimant.

(b) When determining whether the failure of the producer to pay producer premiums was not the fault of the producer, the board shall consider:

GRAIN INDEMNITY CORPORATION

- (1) the previous record of payments by the producer;
- (2) the records of the grain buyer as to collection of producer premiums; and
- (3) other relevant evidence.

(Indiana Grain Indemnity Corporation; 825 IAC 1-6-2; filed Sep 25, 1996, 10:00 a.m.: 20 IR 324; readopted filed Dec 2, 2002, 2:52 p.m.: 26 IR 1262)

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