

64. FARMER PROTECTION FOR PAYMENT OF GRAIN

We support:

1. The review of civil and criminal penalties to determine if they are adequate and enforced to the full extent of the law.
2. Changes in the U.S. Warehouse Act which would allow any state which has a warehouse law which is more restrictive and more protective than the federal law, to require warehouses operating in the state to comply with the state's provisions rather than the federal statute.
3. The maintenance of the current state powers of licensing of warehouses and grain dealers, and general regulation of the grain industry, as embodied in the Illinois Grain Code, and oppose federal preemption of state authority.
4. Educating farmers of the potential risks involved in selling grain to unlicensed parties and how to better identify licensed grain buying facilities.
5. The concept that farmers who buy more than 100,000 bushels of grain on an annual basis from other farmers for use as seed or feed, and use price-later contracts, must provide a bond to the Illinois Department of Agriculture (IDOA) to guarantee payment for all purchases of grain, except no bond shall be required in those situations where a tenant purchases, from his landlord, grain produced by the tenant.
6. The requirement of a reminder notification being made by licensee to the farmer no less than 30 days prior to the end of the 365-day period of coverage for price-later contracts.
7. Continuing educational programs to inform members of potential problems of marketing grain under priced later or deferred price contracts. Farmers should be encouraged to request prompt payment available to them under laws and regulations. Farmers should be informed of the risks and costs involved in selling grain without receiving payment.
8. Maintaining the target balance of the Illinois Grain Insurance Fund at a level that is commensurate with the cash value of Illinois grain commodities.
9. Legislation requiring that arbitration be voluntary on the part of both parties to a grain contract. This should be accomplished by specifying that both parties to a grain contract must agree to arbitration in writing after the dispute arises, as opposed to allowing farmers to be forced to give up their right to use the courts as part of a take-it-or-leave-it contract.
10. Continuing active dialogue and cooperation with IDOA to ensure it has inspectors and examiners in adequate numbers to fulfill the regulatory obligations of the Illinois Grain Code.