

Testimony of North Dakota Grain Dealers Association on HB 1026
Senate Agriculture Committee-Sen. Larry Luick, Chairman
Presented by Stu Letcher, Executive Vice President-February 18, 2021

Good morning Mr. Chairman and members of the Senate Ag Committee. My name is Stu Letcher. I am the Executive Vice President of the North Dakota Grain Dealers Association. We are here today in support of House Bill 1026.

NDGDA is a 109-year-old organization whose purpose is to further the interests of the cooperative and independent concerns of North Dakota engaged in the handling, processing and distribution of grain and other like commodities.

HB 1026 is the culmination of two years of work by many interested parties including the ND Department of Agriculture and NDGDA. We feel this bill will make improvements to current grain licensing law that will simplify the licensing process while strengthening protection for sellers and buyers alike.

Here are a few of the major changes this bill would make:

- Change licensing period to annually
- Add definitions for “deferred-payment contracts”, “grain processors”, “grain brokers” and accounts for them in licensing process
- Adds financial criteria for licensees
- Reduces scale ticket conversion time from 45-30 days and removes insolvency protection for unconverted tickets
- Increases minimum bond to \$100,000 and changes basis for bond determination to purchase value
- Requires bond protection be offered for deferred-payment contracts

Summary: NDGDA wants a strong and healthy industry and will support changes for that purpose. We feel this bill promotes that and would encourage you to vote in favor of it.

Thank you. I will try to answer any questions.