

DRAFT NEWS RELEASE

Voting on Producer Referendum to Establish State-Level Grain Indemnity Fund Scheduled December 5 through December 9

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Austin, Texas –Texas grain producers can vote December 5 through December 9, 2016, for a producer referendum that, if approved, would create a refundable assessment of two tenths percent of the gross sales price of the grain in Texas. The assessment would be collected at the “first point” of sale grain buyer in Texas.

Eligible producers can vote at any Texas A&M AgriLife Extension Service county office during each office’s regular business hours. A mail-in ballot may be requested from TDA no later than December 2, 2016, and postmarked no later than close of business Friday, December 9, 2016.

If passed, the funds would be collected at the “first point of sale” grain buyer when producers sell their grain, and remit to the Texas Grain Producer Indemnity Board (TGPIB). The rules adopted by the TGPIB set an assessment of **two tenths percent** of the gross sales price of the grain.

The TGPIB will set the minimum fund balance necessary to cover all anticipated administrative and operating costs, as well as a reasonable estimate for indemnity claim payments. Once the fund reaches an amount determined by the TGPIB as sufficient to cover the risk, a refund process will be initiated to refund assessments. The fund is managed by the TGPIB. This money will not be a part of the State Treasury, and can only be used for the indemnity fund program.

If producers pass the referendum, the fund will be managed by grain producers and industry stakeholders, a council appointed by the Texas Commissioner of Agriculture, and includes a representative from the Corn Producers Association of Texas, Texas Agricultural Cooperative Council, Texas Farm Bureau, Texas Grain and Feed Association, Texas Grain Sorghum Producers Association, Texas Soybean Association and Texas Wheat Producers Association, as well as a member with expertise in production agriculture financing and a representative with the non-warehouse grain buying industry.

Any grain producer regardless of age who has sold grain in Texas anytime between December 5, 2013, and December 5, 2016, is eligible to vote.

A producer may be an individual or legal business entity, such as a corporation, LLC, LLP, or LP. Each producer (individual and/or legal business entity) may only vote once. Youth younger than 16 years of age must have a parent or guardian co-sign the ballot.

If approved, collection of the assessment will begin February 1, 2017, and continue until the TGPIB notifies collection points to cease collection.

For more information, including voting locations and hours, visit www.texasagriculture.gov.

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