



Iowa Institute for
Cooperatives

CO-OPVIEWS

News and information for the benefit of Iowa cooperatives.

Dec. 2022 Vol. 53, No. 4

STRONG FOUNDATIONS

RECAP OF THE 2022 IIC ANNUAL MEETING

Iowa Cooperative members and guests gathered for the Iowa Institute for Cooperatives annual meeting on November 22 at ISU's Scheman Building in Ames, IA. The theme of Strong Foundations was reinforced with over 270 attendees from 70 IIC member organizations across Iowa.

This year's annual meeting included productive member meetings; "Perspectives on Putin" from former Chief of Soviet Operations at the CIA

James Olson; our annual business meeting; and a variety of cooperative focused breakout sessions.

Carrying on the cooperative legacy, we proudly inducted Dave Leiting of Farmers Cooperative Elevator Company and John T. Ward of Sullivan & Ward PC into the Iowa Cooperative Hall of Fame.

Thank you for your continued support of the Iowa Institute for Cooperatives as a valued partner and resource for Iowa cooperatives.



Photo: Dave Leiting, Farmers Cooperative Elevator Company (left) and John T. Ward, Sullivan & Ward PC (right).



Save The Date

Virtual Program Presented By

Dr. Pippa Malmgren

Join us **January 12, 2023 from 10:00 to 11:30 a.m.** as we hear from Dr. Pippa Malmgren, an economist known for making sense of the world economy through books, founding tech businesses, advising policymakers around the world and through public speaking and teaching.

For more information regarding this event and registration, please visit our website at www.iowainstitute.coop under the "Events" tab.

Special thanks to **CoBank** for underwriting and supporting this program.



This event is presented by



You won't want to miss this!

"I recently attended a conference where Pippa Malmgren presented. It has been a long time since someone impressed me as much as she did. Pippa possesses the skills to speak as a futurist, economist and policy maker with the ability to connect independent events into plausible outcomes. She leverages her knowledge and past experiences in a manner that makes her a credible expert on many topics."

- Bill Beukema

CEO StateLine Cooperative, Burt, IA

2023 Iowa State Legislature

40 New Faces Set To Join Legislature in January

Rebecca Boyer, Director of Government Affairs



While 2022 is winding down, the Iowa Institute for Cooperatives is already looking ahead at what 2023 has in store for the cooperative industry. One of the key focuses we've been preparing for is the beginning of the 90th General Assembly of the Iowa State Legislature.

Redistricting and retirements will bring a lot of new legislators to the statehouse in January. After the midterm elections in November, House Republicans picked up four more seats, bringing the balance in the Iowa House to 64-R - 36-D. There will be 37 new representatives, both Republicans and Democrats, when the session convenes in January.

CHANGES IN THE SENATE

Iowa Senate Republicans picked up two seats, giving them a supermajority of 34 Republican senators. This means Senate Republicans will not have to rely on two Democrats to approve Governor appointments, which require two-thirds support for approval. The Senate will have 14 new members in January—seven who moved over from the House of Representatives and seven new faces in the Capitol.

There were also changes in Senate leadership with Senate President

Jake Chapman (R-Adel), losing to incumbent Sen. Sarah Trone Garriott (D-Windsor Heights). Sen. Amy Sinclair (R-Allerton) was elected Senate President and Sen. Jack Whitver (R-Grimes) was reelected Majority Leader. Another race that had eyes on it due to redistricting saw Sen. Dawn Driscoll (R-Williamsburg) defeat fellow incumbent Sen. Kevin Kinney (D-Oxford). With a reshuffling in committee assignments, Sen. Driscoll takes over as the new Senate Agriculture committee chair. Sen. Dan Zumbach, who previously chaired the agriculture committee, moves into the appropriation world as the new Senate Agriculture and Natural Resources Appropriations subcommittee chair.

HOUSE LEADERSHIP HOLDS

The House did not see change in the top leadership positions. Speaker Pat Grassley (R-New Hartford) was reelected as Speaker and Rep. Matt Windschitl (R-Missouri Valley) was reelected as Majority Leader. Rep. Mike Sexton (R-Rockwell City) is the new House Agriculture committee chair after the retirement of the previous chair.

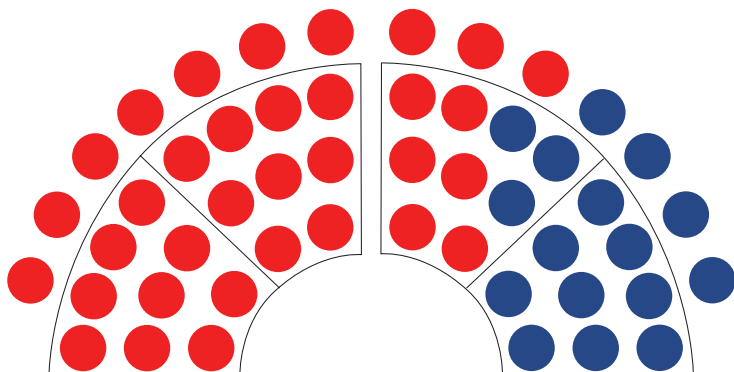
NEW FACES

With over 40 new faces in the statehouse in January, it is important to connect with your legislators and make your positions on issues known. Take this opportunity to reach out to your legislators, whether they are new to their positions or returning to a familiar role in their respective chambers in January, to make sure they know who their cooperatives are and all you do for your communities.

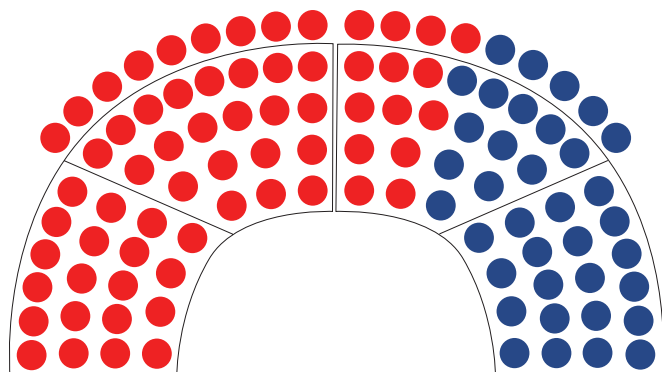
IIC POSITIONS APPROVED

At our annual meeting in November, members approved our legislative policy positions for both the state and federal level for the upcoming year. These updated resolutions will be available on our website at www.iowainstitute.coop. If you have any questions about policy resolutions, election results or contacting legislators, please reach out to Rebecca Boyer at rboyer@iowainstitute.coop.

90TH GENERAL ASSEMBLY OF IOWA STATE LEGISLATURE



2023 IOWA SENATE



2023 IOWA HOUSE OF REPRESENTATIVES

● REP ● DEM

KEEPING A PULSE ON THE GRAIN INDEMNITY FUND

Its Purpose, Status & Where It May Be Headed

*Jim Kennedy, Bureau Chief
Iowa Department of Agriculture & Land Stewardship*

With the Grain Indemnity Fund to be a point of conversation in the Iowa Legislature this upcoming session due to current and anticipated fund balances, it is important to understand its background and what they could mean for near-term considerations.

The Iowa Grain Depositors and Sellers Indemnity Fund (GIF) was enacted on May 15, 1986, due to several warehouse and grain dealer failures. Prior to that, a bonding system was in place. However, due to the quantity of failures resulting from the 1980's farm crisis and the resulting increased payouts, bonding companies increased rates and reduced coverage for licensees. The Iowa Legislature enacted the GIF to provide protection for depositors and sellers in the event of a bankruptcy or the revocation of a warehouse operator or grain dealer license.

PROVIDING PROTECTION

Under the initial GIF law, grain storage obligations in a state licensed warehouse were covered at 90 percent of the current market value. Producer grain sold to the licensed grain dealer was covered at 90 percent of the contracted price or at the current market price of unpriced credit sale contracts. All claims had a maximum payout of \$150,000 per claimant, and GIF coverage was limited to grain sales within

six months of the bankruptcy or revocation date. There was no GIF coverage of grain stored at a federally licensed warehouse or grain sold to an unlicensed buyer.

The law set the GIF minimum level at \$3 million and the maximum cap at \$6 million. The GIF was funded by participation fees from licensed warehouses and grain dealers along with per bushel assessments that were passed along to producers. Participation fee rates were set at \$0.0025 per bushel purchased for grain dealers and scaled warehouse fees with a maximum of \$500.00 per warehouse operator. The assessment passed along to producers was set at \$0.0025 per bushel.

GIF TRANSFORMS

The law changed in 1987 to discontinue covering grain purchased by credit sale contract (deferred payment, price later, basis, minimum price). The GIF reached \$6 million in mid-1988, and the annual participation fees and producer assessments ceased on June 30, 1988. The law was changed again in 2009 to increase the coverage from \$150,000 per claimant to \$300,000 per claimant, raise the cap level from \$6 million to \$8 million and change the fee structure to the current format.

The GIF board is made up of seven members, including the Secretary of Agriculture or designee, the State

Treasurer or designee, a banking industry representative, two active producers and two active grain dealers or warehouse operators.

THE GIF TODAY

In the current fee structure, Iowa licensed warehouses pay \$0.00014 per bushel of capacity with a maximum fee of \$500. Licensed grain dealers pay \$0.00014 on all bushels purchased with some exclusions. All purchased grain is also assessed \$0.0025 per bushel with some exclusions. This assessment may be passed along to the producer/seller. The exclusions include grain purchased from other licensed grain dealers, grain purchased from credit sale contracts, grain purchased from the United States government or subdivisions or agencies, redemption of collateral receipts or intra company transfers.

As of November 16, 2022, the GIF has a balance of \$3,443,134.59. Two pending cases may potentially draw the GIF to below a balance of \$3 million. Since fees and assessments to the fund have ceased since 1988, this potential dip below minimum level could trigger the warehouse and grain dealer participation fees and producer assessments on July 1, 2023.



Iowa Institute for Cooperatives

2515 University Blvd., Suite 104

Ames, Iowa 50010

IIC Staff

Dave Holm, Executive Director

Nancy Cyr, Office Manager

Rebecca Boyer, Director of Government Affairs

Rick Kievits, Director of Co-op Development

Mike St. Clair, Lobbyist

Contact Info

P: 515-292-2667

F: 515-292-1672

E: info@iowainstitute.coop

W: www.iowainstitute.coop



UPCOMING EVENTS

As we head into the new year, we urge your cooperative to attend the following events. See you there!

DCP SHELTON

January 4

Crossroads Pavilion Event Center
301 34th Ave, Sheldon, IA

Receive your DCP Phase II training and discuss the importance of strategic planning in your success.

2023 WELCOME BACK RECEPTION

January 10 | 3:30 - 5:30pm

Downtown Embassy Suites
101 E Locust Street, Des Moines IA

Come and meet our Iowa legislators and welcome them to the upcoming legislative session!

DCP PHASE I & II

January 24/25

Carroll, IA

Attend TWO days of DCP training. Phase I will focus on the history of cooperatives and legal responsibilities. Phase II will focus on planning and handling both problems and opportunities within the cooperative industry.

DCP PHASE III & IV

January 26/27

Cedar Falls, IA

Understand and analyze cooperative financial statements in Phase III. Phase IV will focus on management communication and how to perform an annual review.

2023 BOARD PRESIDENTS MEETING

February 15

Courtyard by Marriott
2405 SE, Creekview Dr. Ankeny, IA

Board Presidents will meet to discuss current cooperative issues, and participate in an interactive session discussing a variety of cooperative topics.

CO-OP DAY AT THE CAPITOL

February 16

Iowa State Capitol
1007 E Grand Ave, Des Moines, IA

Meet with Iowa legislators and discuss key topics impacting cooperatives.



Looking to attend any of these events? Scan the QR code to the right with your phone's camera or head on over to our website iowainstitute.coop and register for these events under the "Events" tab. For more information, please contact our main office at 515-292-2667.

