

FOR IMMEDIATE RELEASE

**PSC TO PRESENT INFORMATION ON SELF-INSURANCE GRAIN FUND**

LINCOLN – Representatives of the Nebraska Public Service Commission will be a part of the program at a multi-organization agriculture meeting December 16 in Kearney.

The Commission's topic at the Nebraska Ag Classic will be a self-insurance grain protection fund for producers initially outlined at a September 17 meeting in Lincoln before several organizations and individual farmers. The purpose of the fund would be to better protect producers in the event of failures in the grain warehouse and grain dealer arenas.

Grain dealers by law, must post up to a \$300,000 bond which is determined by the value of their yearly grain purchases. \$300,000 is the maximum bond state law requires. Grain warehouses by law, must post up to a \$500,000 bond which is determined by their licensed bushel capacity. The Commission distributes the bond proceeds, in the event of a failure, to eligible producers. In today's environment, these bonds can be, and usually are, woefully short in covering grain values. As envisioned, the fund would be financed by an assessment from farmers from the sale of their grain and would grow into a multi-million dollar fund.

The Nebraska Ag Classic for 12 agricultural organizations will be at the Kearney Holiday Inn. The Commission's portion of the meeting will be at 2:30 p.m.

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