



Agricultural Marketing Service
U.S. DEPARTMENT OF AGRICULTURE

United States Warehouse Act Fiscal Year 2025 Annual Report

**Warehouse and
Commodity
Management Division**

FAIR TRADE PRACTICES PROGRAM

August 2026



Contents

Administration of the United States Warehouse Act	3
Message From the Director	4
Introduction	5
Purpose of the United States Warehouse Act:	6
Organizational Structure	6
Employees and Locations	7
Key Stakeholders	8
USWA Overview of Operations	9
Warehouse License and Capacity Overview	9
Program Integrity Components	11
Financial Information.....	13
Ensuring Financial Stewardship.....	13
Status of USWA Funds.....	13
Efficiencies and Cost Savings	14
Gaining Efficiencies and Controlling Costs	14
Efficient Use of Personnel.....	14
Maximizing Efficiencies via Practical, Resource Focused Solutions.....	14
Effective Collaboration and Communication	15



Administration of the United States Warehouse Act

The U.S. Department of Agriculture, Agricultural Marketing Service (AMS) administers programs that create domestic and international marketing opportunities for U.S. producers of food, fiber, and specialty crops. AMS also provides the agriculture industry with valuable services to ensure the quality and availability of wholesome food for consumers across the country.

AMS administers all provisions and activities under the United States Warehouse Act (USWA) (7 U.S.C. 241 et seq.; 7 CFR Part 869) through the Fair Trade Practices Program under the leadership and oversight of the Director of the Warehouse and Commodity Management Division.

USWA-valued customers are agricultural commodity warehouses that acquire USWA licenses. USWA license holders provide services and security to commodity depositors, which include farmers, cooperatives, merchandisers, banks, investors, the Commodity Credit Corporation (CCC), and other entities.

USWA stakeholders, including industry associations that represent warehouse operators and other agricultural sectors, are valued partners that work closely with WCMD to support program delivery, improve operations, and quickly remediate any issues.



Message From the Director

As we reflect on Fiscal Year (FY) 2025, we are proud to share the progress and achievements of the USWA program. This year represents 109 years of USDA and industry partnership dedicated to strengthening America's public commodity warehousing system. Through the provisions of the USWA, our mission remains as vital as ever: to instill confidence in the U.S. agricultural marketplace by advancing and maintaining fair trade practices.

During FY25 we emphasized knowledge retention and workforce development. Our field examiners continue to be the heart of the program—the individuals whose expertise, professionalism, and daily engagement with industry partners ensure the integrity and reliability of our operations. With a significant number of retirements, we are taking deliberate steps to capture institutional knowledge and prepare the next generation of leaders who will carry this mission forward.

We remain committed to managing the program efficiently and maintaining cost-for-service pricing. To ensure fiscal stability, a user fee increase is necessary in FY26. Our team continues to implement cost saving measures, improve operations, and explore new strategies to enhance efficiency and service quality. Consistent with the USWA requirements, we are optimizing personnel use, modernizing systems, and strengthening engagement with the commodity warehouse industry.

Moving ahead, we remain steadfast in our mission and the values that guide our work. We are deeply grateful for the collaboration and support of our stakeholders, whose partnership is essential to the success of the USWA Program.

Sincerely,

Carie Cameron

Director, Warehouse and Commodity Management Division

Introduction

Established by Congress in 1916, the USWA created a consistent, dependable framework for the public storage of agricultural commodities. The USWA authorizes USDA to license warehouse operators, oversee their compliance through routine examinations, and collect user fees that support these activities. Because enrollment in the program is voluntary, warehouse operators choose USWA licensing to satisfy state or industry expectations or to demonstrate adherence to nationally recognized standards.

For more than a century, the USWA has helped shape a reliable commodity storage network that underpins agricultural commerce. By ensuring the integrity of warehouse receipts and establishing uniform operating requirements, the USWA enables Federal Reserve member banks to extend credit to producers using stored commodities as collateral. USWA issued negotiable warehouse receipts continue to serve as trusted instruments throughout the banking sector, the Commodity Credit Corporation, and commodity exchanges. The regulations implementing the Act (7 CFR Part 869) offer producers vital safeguards and contribute to uniform business practices across the warehousing industry. Warehouse operators who pursue USWA licensing must comply with USDA standards, follow all regulatory requirements, and remit associated user fees.

The USWA requires the Secretary of Agriculture to publish an annual report outlining actions to reduce costs and improve operational efficiency within the program. The FY25 USWA Annual Report summarizes program performance, financial conditions, and key actions taken throughout the year to enhance efficiency and responsibly manage user fee resources.



Purpose of the United States Warehouse Act:

- To provide protection for depositors of agricultural products;
- To offer a nationwide uniform regulatory system for storing agricultural products;
- To maintain integrity and acceptability of warehouse receipts in the commodity and financial marketplaces;
- To facilitate interstate and global commerce for the marketing of agricultural products;
- To provide safe storage of agricultural products at reasonable rates; and
- To require warehouse operators to accept agricultural products for storage in a fair and impartial manner.

To qualify for licensing a warehouse operator must:

- Have a suitable and properly maintained warehouse;
- Uphold a good business reputation;
- Maintain a minimum net worth;
- Furnish an acceptable bond; and
- Employee qualified personnel to weigh, sample, inspect and grade commodities.

Organizational Structure

The Warehouse and Commodity Management Division (WCMD) has four organizational components: the Office of the Division Director; the Examination Branch; the License and Storage Contract Branch; and the Commodity Management Branch.

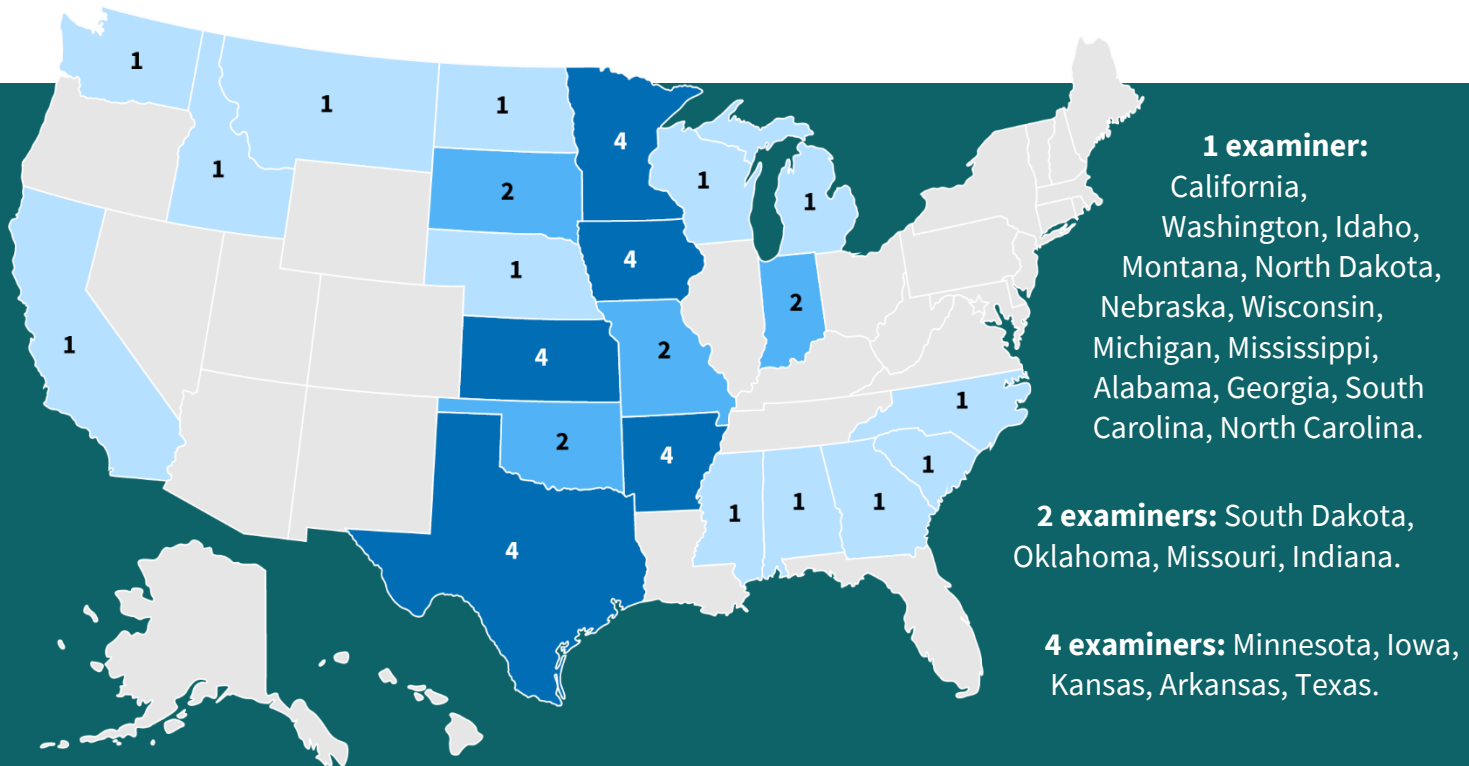
USWA services are delivered by staff in WCMD's Examination Branch and the License and Storage Contract Branch with leadership provided by the Office of the Director. WCMD also conducts various activities on behalf of the CCC and other USDA programs.



Employees and Locations

WCMD staff supporting USWA activities are strategically located throughout the United States. Warehouse examiners are distributed for effective and efficient delivery of on-site services. Staff supporting USWA administrative functions work out of offices located in Washington, DC and Kansas City, MO. Staff members split their time between USWA and other program activities to maximize efficient resource allocation.

Number of Warehouse Examiners across the United States



Warehouse examiners at a Superior, WI federal warehouse. Back row from left to right: Alex Bernard, Marc Bernard, Dean Mather, Taylor Rex, Richard Liggett. Front row left to right: Jerry Qualley, Nelson Hernandez, John Hagenow.





Key Stakeholders

USWA stakeholders have a shared interest in protecting agricultural commodity depositors, which include farmers, cooperatives, merchandisers, banks, investors, CCC, and other entities. Industry associations that represent warehouse operators and other agricultural sectors work closely with WCMD to support delivery of services, improve efficiencies, and resolve issues quickly. Associations and government entities with shared responsibilities or interests in oversight of agricultural commodity warehouses are key partners.

WAREHOUSE AND AGRICULTURAL SECTOR STAKEHOLDERS

- American Cotton Shippers Association
- American Peanut Shellers Association
- Cotton Growers Warehouse Association
- Cotton Warehouse Association of America
- National Cotton Council
- National Grain and Feed Association
- National Peanut Buying Point Association
- US Dry Pea and Lentil Association
- US Rice Producers Association
- USA Rice Federation

AGENCIES AND ASSOCIATIONS WITH SHARED RESPONSIBILITIES AND INTERESTS

- Association of Grain Regulatory Officials
- National Association of State Departments of Agriculture
- USDA - AMS Commodity Procurement Program
- USDA - Farm Service Agency

USWA Overview of Operations

Warehouse License and Capacity Overview

Cottonseed Licenses

- 1 license
- 1 functional unit
- 8,000 tons capacity

Dry Edible Bean Licenses

- 4 licenses
- 28 functional units
- 10,572,000 cwt capacity

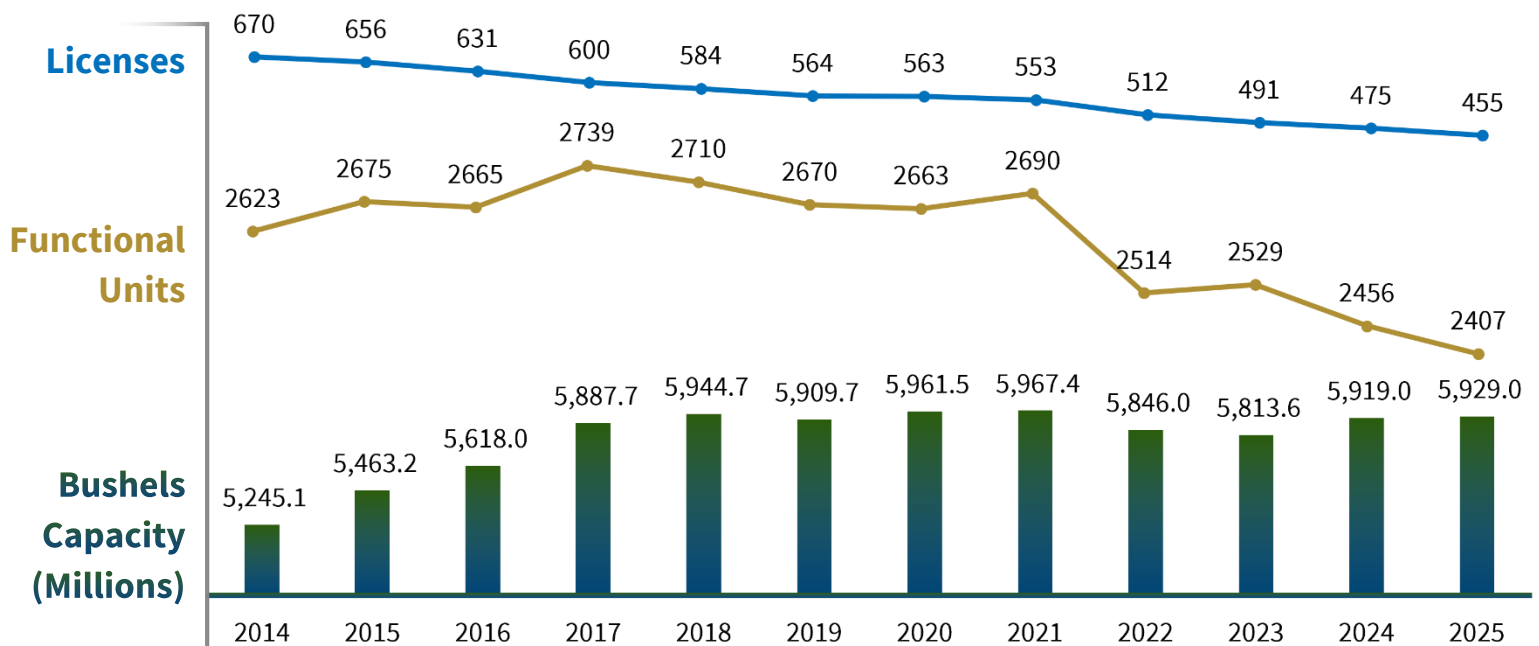
Export Food Aid Commodity Licenses

- 16 licenses
- 19 functional units

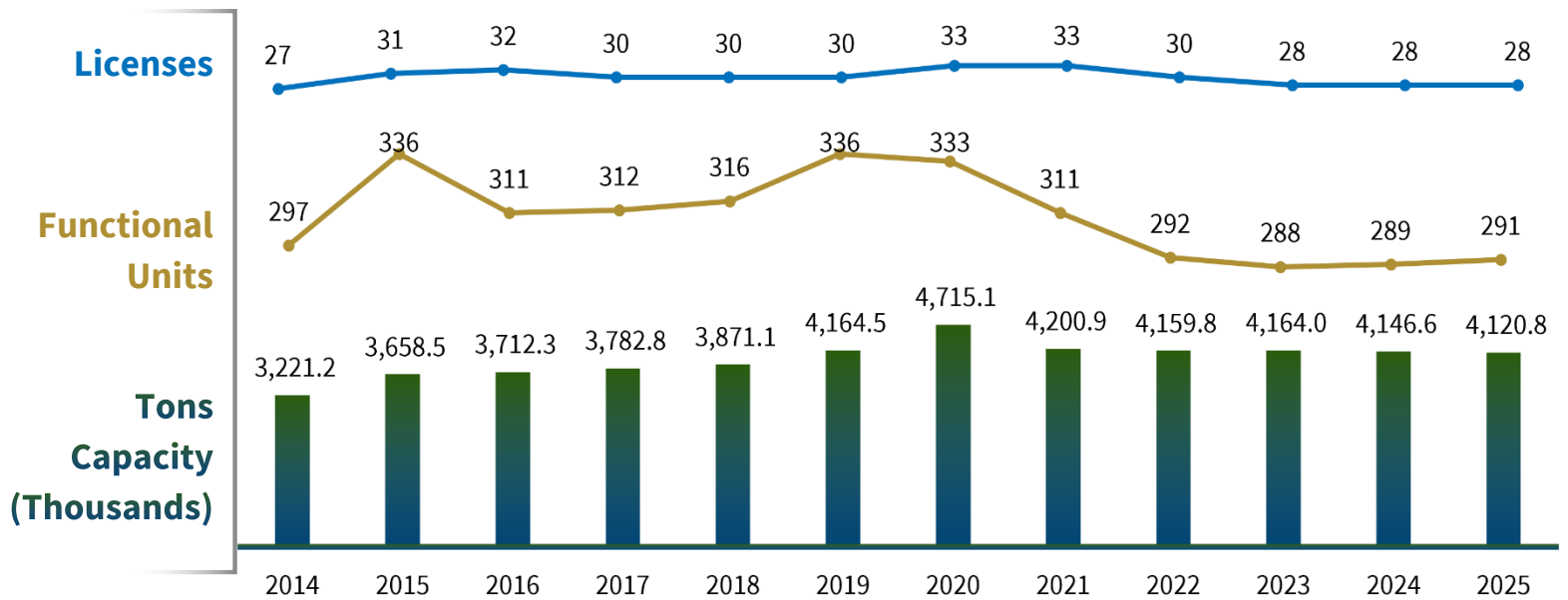
Electronic Provider Licenses

- 4 licenses

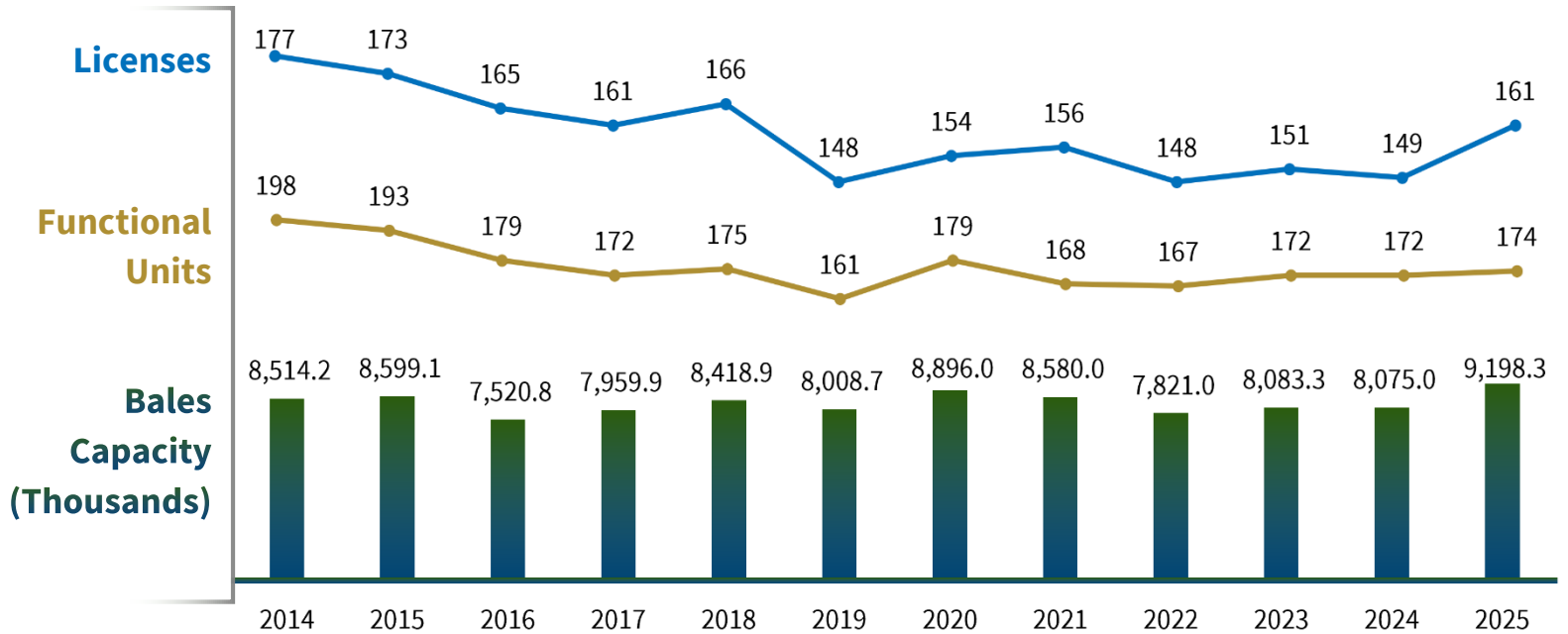
Grain Licenses –10-year chart



Peanut Licenses -10-year chart



Cotton Licenses -10-year chart





Program Integrity Components

USWA integrity is upheld through: warehouse operator financial stability; routine warehouse and inventory examinations; warehouse receipt traceability; and provider licensing. Together, these components ensure agricultural commodities are stored responsibly, documented accurately, and protected for the benefit of producers, depositors, and the broader agricultural marketplace.

To maintain a secure and reliable storage system, all USWA licensed warehouse operators must demonstrate ongoing financial soundness by submitting an annual review or audit level financial statement, enabling WCMD to verify compliance with established net worth and liquidity standards. Operators must also maintain a bond or other approved financial assurance for a period of no less than one year, sized according to their storage capacity. These requirements protect depositors by ensuring operators have the ability to meet financial obligations, respond to market disruptions, and uphold custodial responsibilities. In FY25, WCMD analyzed 400 financial statements for USWA-licensed entities.

USWA-licensed warehouse operators must post their license and schedule of charges in a conspicuous space, and maintain current and complete records, which are subject to review at any time. WCMD conducts routine unannounced warehouse and inventory examinations to verify USWA licensed warehouses meet all regulatory, operational, and documentation requirements. These examinations include a comparison of physical inventory to storage obligations, evaluation of facility conditions, and a regulatory compliance review of business practices. Examiners also test the warehouse's approved system of records to ensure accurate, reliable documentation of commodity ownership and movement. Operators found violating the USWA or regulations are subject to suspension pursuant to corrective action or revocation, depending on nature of the violation. In FY25, WCMD completed 1,341 examinations. Of these, 350 examinations identified a total of 509 compliance items requiring corrective action. WCMD staff continuously work with the industry to resolve compliance items quickly and at all levels, enabling enhanced warehouse operations and industry integrity.

Warehouse receipts—either paper or electronic—are issued by licensed warehouse operators to serve as documents of title for commodities held in storage. If a warehouse receipt holder requests delivery, surrenders the receipt, and pays outstanding storage, handling and service charges, the warehouse operator must deliver the commodity without undue delay.

The warehouse receipts can be issued as negotiable or nonnegotiable documents, with negotiable receipts allowing title to be transferred through endorsement. Cotton warehouses issue a receipt for nearly every bale stored, given the industry's strong reliance on receipts for marketing, financing, and ownership transfer. Peanut facilities also rely heavily on receipts due to their participation in USDA programs, marketing systems, and inventory management. Grain receipts are used more variably, depending on whether grain is pledged as collateral or documented for nonnegotiable forward grain arrangements.

Three central filing systems are licensed under the USWA to provide electronic warehouse receipts (EWRs) and other documents, offering efficient and secure platforms for issuing, storing, transferring, and auditing receipts. USWA standards ensure EWRs align with traditional paper receipt requirements and are widely accepted. These systems are used by USWA licensed, state licensed, and non-licensed warehouses throughout the commodity storage sector, supporting consistent, reliable documentation of ownership and movement.

WCMD also licenses industry inspectors, weighers, classifiers, and graders, who provide both validation and legal recourse at the point of delivery. In FY25, more than 15,000 individuals held active licenses authorizing them to conduct sampling, weighing, and grading activities for agricultural products. This credentialing system ensures that commodity assessments are accurate, consistent, and legally supportable, reinforcing confidence in warehouse transactions and overall market operations.

Together, these integrity components—financial assurance, regulatory examinations, standardized documentation, and licensed technical personnel—form a comprehensive oversight framework so that market participants can rely on USWA backed assurances.

State warehouse examiner Gina Green (front row, bright blue shirt) and the Ledit Team at an event researching QR code inventory tracking, at a federal Licensed facility in Houston, TX.



Financial Information

Ensuring Financial Stewardship

The USWA authorizes the assessment and collection of user fees to cover the costs of administering the program, including delivery of program services, employee salaries, travel costs, equipment, supplies, information technology, legal support and other administrative expenses.

Status of USWA Funds

At the close of FY25, the reserve balance was \$1.4 million, representing approximately four months of operating expenses. The reserve is maintained to absorb unexpected fluctuations in user fee revenue, address market disruptions, and cover accrued liabilities should the program experience an unforeseen cessation. Program fees were last increased in October 2019. As noted in the FY24 Annual Report, maintaining the program's long term fiscal stability will require a fee increase in FY26, starting in October 2025. Annual capacity-based user fees and specific license action fees are compiled and invoiced at month end. The Fees Generated line item below reflects all fees collected during FY25.

<i>Annual Report FY24 Ending Balance</i>	\$1,269,189
<i>End of FY24 adjustments</i>	<i>\$ (\$17,156)</i>
Reserve Account Balance – October 1, 2024	\$ 1,252,033
Fees Generated	\$ 3,814,711
EXPENSES	
Salaries	\$2,149,359
Employee Benefits	\$883,000
Travel	\$415,590
Other Operating Expenses	\$70,082
Shared Services – Fair Trade Practices Program	\$132,327
Shared Services – Agricultural Marketing Service	\$271,654
Shared Services – US Department of Agriculture	\$111,771
End of Year adjustments	<i>\$ (402,122)</i>
TOTAL EXPENSES	\$3,631,661
Reserve Account Balance-September 30, 2025	\$1,435,082

NOTE: Financial and/or accounting adjustments as a result of de-obligations, final billing, accruals, salary expense offset, etc.



Efficiencies and Cost Savings

Gaining Efficiencies and Controlling Costs

Under 7 U.S.C. § 243(e)(2), the Secretary must minimize program fees by improving operational efficiencies and reducing costs, including efficiently using personnel. In alignment with this mandate, WCMD continues to prioritize initiatives that reduce expenses, streamline processes, and maintain strong service delivery to the warehouse industry. WCMD's efforts focus on:

- Strategic and efficient deployment of personnel;
- Streamlined business processes supported by existing systems and technology; and
- Ongoing outreach and collaboration with the commodity warehouse industry.

Efficient Use of Personnel

In FY25, WCMD allocated portions of staff time to other USDA programs to maximize the value of personnel expenditures, including Country of Origin Labeling regulatory reviews, Commodity Procurement warehouse inspections, and CCC Storage Agreement examinations. Conducting USWA examination activities alongside these programs allowed WCMD to manage human capital efficiently while maintaining national coverage and providing timely, accurate services. This approach supported cost savings by reducing personnel expenses paid solely by user fees.

Maximizing Efficiencies via Practical, Resource Focused Solutions

WCMD maintained stable operations during FY25 despite rising workloads and limited resources. By emphasizing core functions, simplifying internal processes, and strengthening cross team coordination, the Division realized meaningful cost savings without compromising service to the warehouse industry. While these efforts were effective, this is not a long-term solution. Looking ahead, WCMD is prioritizing continued hiring of field examiners and expanding knowledge transfer efforts to build greater resilience across the team. These proactive steps position the Division to support stakeholders even more effectively in the years ahead.

Recognizing the need for sustained, long term oversight, WCMD continues to evaluate emerging operational requirements to ensure program integrity and industry confidence remain strong. This ongoing assessment provides a solid foundation for the Division to advance targeted improvements and modernization efforts, aligned with USDA's strategy to consolidate contracts and incorporate enterprise level efficiencies.

Effective Collaboration and Communication

WCMD's longstanding collaboration with warehouse operators, industry associations, and other stakeholders remains a key driver of efficiency. Strong communication and shared problem-solving help streamline processes, resolve issues quickly, and support reliable delivery of USWA services. This collaborative focus contributes to reduced risk for agricultural depositors and reinforces confidence in the program's oversight and operational stability.

For USWA inquiries, visit our website at www.ams.usda.gov/services/warehouse, email us at warehousing@usda.gov, call (816) 926-6474, or write:

Warehouse and Commodity Management Division
Agricultural Marketing Service
United States Department of Agriculture
PO Box 419205, Mail Stop 9148
Kansas City, MO 64141



In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the State or local Agency that administers the program or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Mail Stop 9410, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

Use of commercial and trade names does not imply approval or constitute endorsement by USDA.

August 2026

United States Department of Agriculture, Agricultural Marketing Service
Fair Trade Practices Program, Warehouse and Commodity Management Division
805 Pennsylvania Avenue, Kansas City, Missouri 64105