

CHAPTER 223

GRAIN BUYERS

223.17 Licenses; bonding; claims; disbursements.

223.17 LICENSES; BONDING; CLAIMS; DISBURSEMENTS.

[For text of subs 1 to 3, see M.S.2002]

Subd. 4. **Bond.** Before a grain buyer's license is issued, the applicant for the license must file with the commissioner a bond in a penal sum prescribed by the commissioner but not less than the following amounts:

- (a) \$10,000 for grain buyers whose gross annual purchases are \$100,000 or less;
- (b) \$20,000 for grain buyers whose gross annual purchases are more than \$100,000 but not more than \$750,000;
- (c) \$30,000 for grain buyers whose gross annual purchases are more than \$750,000 but not more than \$1,500,000;
- (d) \$40,000 for grain buyers whose gross annual purchases are more than \$1,500,000 but not more than \$3,000,000; and
- (e) \$50,000 for grain buyers whose gross annual purchases exceed \$3,000,000. A grain buyer who has filed a bond with the commissioner prior to July 1, 1983 is not required to increase the amount of the bond to comply with this section until July 1, 1984. The commissioner may postpone an increase in the amount of the bond until July 1, 1985, if a licensee demonstrates that the increase will impose undue financial hardship on the licensee, and that producers will not be harmed as a result of the postponement. The commissioner may impose other restrictions on a licensee whose bond increase has been postponed. The amount of the bond shall be based on the most recent financial statement of the grain buyer filed under subdivision 6.

A first-time applicant for a grain buyer's license after July 1, 1983 shall file a \$20,000 bond with the commissioner. This bond shall remain in effect for the first year of the license. Thereafter, the licensee shall comply with the applicable bonding requirements contained in clauses (a) to (e).

In lieu of the bond required by this subdivision the applicant may deposit with the commissioner of finance cash, a certified check, a cashier's check, a postal, bank, or express money order, assignable bonds or notes of the United States, or an assignment of a bank savings account or investment certificate or an irrevocable bank letter of credit as defined in section 336.5-102, in the same amount as would be required for a bond.

[For text of subs 5 to 9, see M.S.2002]

History: 2003 c 112 art 2 s 50