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Requirements for Grain Dealers

State of Delaware

Licensing

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Requirements for Grain Dealers

STATE OF DELAWARE

Current through 79 Laws 2014, ch. 443.

3 Del.C. § 2502

§ 2502. License required of dealer

It shall be unlawful for any dealer in agricultural products to operate and conduct a business without first having obtained a license as provided in this chapter. The Department shall publish annually a list of licensed dealers under this chapter.

3 Del.C. § 2503

§ 2503. Dealers licensed annually

Every dealer in agricultural products proposing to transact business with producers and/or auction markets in this State shall file a written application for a license or for the renewal of a license with the Department. The application shall be on a form furnished by the Department and shall contain the following information along with such other information as the Department shall require: (1) The name and address of the applicant and that of its local agents, if any, and the location of its principal place of business; (2) the kinds of agricultural products the applicant proposes to handle; (3) the type of produce business proposed to be conducted. All licenses shall expire on March 31 of each year.

3 Del.C. § 2504

§ 2504. License fee; bond required; exceptions to bond requirement

All applications shall be accompanied by a license fee of \$25 and a good and sufficient bond in the minimum sum of \$25,000. In any event, the bond shall be equal to or greater than the maximum amount of gross business done in this State the previous calendar year, but in no event shall the amount of bond required exceed \$50,000. After a hearing on any complaint against a licensee, a maximum bond of \$100,000 may be required at the discretion of the Secretary. In lieu of the bond, applicants may deposit with the Secretary, United States government securities, irrevocable letters of credit, or appropriate certificate of deposit, satisfactory to the Secretary, to which every producer and/or auction market with whom the licensee does business has recourse on a claim filed in writing with the Department of Agriculture. In lieu of bond Delaware brokers may submit evidence satisfactory to the Secretary that they have net assets in the State with value equal to or exceeding the bonding requirements of this section.

3 Del.C. § 2506
§ 2506. Renewal of license

Upon proof of payment of the renewal premium continuing the bond required by this chapter in full force and effect, or proof that the applicant meets 1 of the exceptions to the bond requirement set forth in § 2504 hereof, and upon the payment of a fee of \$25 on or before the expiration date of any license issued under this chapter, the applicant shall be entitled to a renewal of license for another year.

3 Del.C. § 2510
§ 2510. Refusal or revocation of license; hearing

- (a) The Department may refuse to grant a license or may revoke any license already granted, as the case may be, when it is satisfied of the existence of any of the following causes:
- (1) The dealer has suffered a money judgment to be entered against the dealer upon which execution has been returned unsatisfied;
 - (2) The dealer has failed promptly and properly to account and to pay for agricultural products;
 - (3) The dealer has made a false or misleading statement as to market conditions or the service rendered, if any, with the intent to defraud;
 - (4) The dealer has perpetrated a fraud or engaged in deceit in procuring the license;
 - (5) The dealer has engaged in any fraudulent or deceitful practices in dealings with producers.
- (b) Before any license is refused or revoked, the Department or its authorized agents shall give the applicant or licensee at least 20 days' notice of the time and place of hearing on refusal or revocation of a license. At the time and place of hearing, the Department or its authorized agents shall receive evidence, administer oaths, examine witnesses and hear testimony and shall file an order either dismissing the proceeding or refusing or revoking the license.