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## **Requirements for Grain Dealers**

### **State of Georgia**

*Licensing*

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## Requirements for Grain Dealers

### STATE OF GEORGIA

*Current with legislation from the 2014 Reg.Sess..*

#### **Ga. Code Ann., § 2-9-31** **§ 2-9-31. License required of grain dealers**

It shall be unlawful for any dealer in grain who comes within the terms of this article to engage in such business in this state without a state license issued by the Commissioner.

#### **Ga. Code Ann., § 2-9-32** **§ 2-9-32. Application for license; contents**

(a) Every grain dealer desiring to transact business in this state shall file an application for a license with the Commissioner. The application shall be on a form furnished by the Commissioner and, together with such other information as the Commissioner shall require, shall state:

- (1) The name of the business;
- (2) The business address of the applicant;
- (3) The complete telephone number of the applicant;
- (4) The type of ownership, whether individual, partnership, corporation, or other;
- (5) The name of the owner or, if a partnership or corporation, the name of the partners or stockholders;
- (6) The names of the certified public weighers;
- (7) The name of the manager; and
- (8) The dollar value of business transacted from producers for the highest month during the preceding calendar year.

(b)

- (1) Each applicant for a license or renewal shall furnish with his application a current financial statement which shall include:
  - (A) A balance sheet;
  - (B) A profit and loss statement of income;
  - (C) A statement of retained earnings; and
  - (D) A statement of changes in financial position.
- (2) The chief executive officer for the business shall certify under penalties of perjury that the statements as prepared accurately reflect the financial condition of the business as of the date named and fairly represent the results of operations for the period named.
- (3) Except as otherwise provided in this paragraph, each applicant shall have the financial statements required in paragraph (1) of this subsection audited by an independent certified public accountant. Alternatively, financial statements audited or reviewed by an independent public accountant will be accepted with the understanding that the applicant will be subject to

an additional on-site examination by the Commissioner and to an audit by the Commissioner. Audits and reviews by independent certified public accountants and independent public accountants specified in this Code section shall be made in accordance with standards established by the American Institute of Certified Public Accountants. The accountant's certification, assurances, opinion, comments, and notes on such statements, if any, shall be furnished along with the statements. Applicants who cannot immediately meet these requirements may apply to the Commissioner for a temporary waiver of this provision. The Commissioner may grant such waiver for a temporary period not to exceed 180 days if the applicants can furnish evidence of good and substantial reasons therefor. This paragraph shall not be applicable to any applicant who maintains a bond in the maximum amount required by subsection (a) of Code Section 2-9-34.

**Ga. Code Ann., § 2-9-33**

**§ 2-9-33. Issuance of license; bond; fee; renewal**

Unless the Commissioner refuses the application on one or more of the grounds provided in Code Section 2-9-36, he or she shall issue to an applicant, upon the execution and delivery of a bond as provided in Code Section 2-9-34, a state license entitling the applicant to conduct business as a dealer in grain. A fee in an amount fixed by rule or regulation of the Commissioner at not less than \$100.00 nor more than \$150.00 per annum shall be charged for such license. All such licenses shall be renewed annually on or before June 30. Any license which is not renewed on or before such date shall expire on June 30. Any fees collected pursuant to this Code section shall be retained pursuant to the provisions of Code Section 45-12-92.1.

**Ga. Code Ann., § 2-9-34**

**§ 2-9-34. Surety bond required for license; cash bond in lieu of surety bond; revocation of license**

(a) Before any license is issued, the applicant shall make and deliver to the Commissioner a surety bond in the amount of 20 percent of the average of the highest dollar volume of grain purchases from producers made in any single month for each of the three preceding calendar years or such shorter period of years as the applicant has done business as a grain dealer, provided that the minimum amount of such bond shall be \$20,000.00 and the maximum amount of such bond shall be \$300,000.00. If a licensed grain dealer operates his or her grain-dealing activities at more than one physical location, he or she shall furnish a surety bond for each location of grain-dealing activities, each bond to be computed as stated in this Code section and each bond to be subject to the minimum and maximum amounts stated in this Code section. The bonds shall be executed by a surety corporation authorized to transact business in this state and approved by the Commissioner. Any and all bond applications shall be accompanied by a certificate of "good standing" issued by the Commissioner of Insurance. If any company issuing a bond shall be removed from doing business in this state, it shall be the duty of the Commissioner of Insurance to notify the Commissioner of Agriculture within 30 days. Such bonds shall be upon forms prescribed by the Commissioner and shall be conditioned to secure the faithful accounting for and payment to the producers or their agents or representatives of the proceeds of all grain handled or sold by such dealer. Whenever the Commissioner shall determine that a previously approved bond has for any cause become insufficient, the Commissioner may require an additional bond or bonds to be given, conforming with the requirements of this Code section. Unless the

additional bond or bonds are given within the time fixed by written demand therefor, or if the bond of a dealer is canceled, the license of such person shall be immediately revoked by operation of law without notice or hearing.

(b) In lieu of a surety bond, the Commissioner may accept a cash bond which shall be subject in all respects to the same claims and actions as would exist against a surety bond.

(c) If the surety bond or cash bond of a licensed grain dealer is canceled, the license of such grain dealer shall immediately be revoked by operation of law without notice or hearing.

**Ga. Code Ann., § 2-9-36**  
**§ 2-9-36. Grounds for refusal or revocation of license**

The Commissioner may decline to grant a license or may suspend or revoke a license already granted if he is satisfied that the applicant or licensee has:

- (1) Suffered a money judgment to be entered against him upon which execution has been returned unsatisfied;
- (2) Made false charges for handling or services rendered;
- (3) Failed to account promptly and properly or to make settlements with any producer;
- (4) Made any false statement or statements as to the condition, quality, or quantity of grain received or held for sale, when he could have ascertained the true condition, quality, or quantity by reasonable inspection;
- (5) Made any false or misleading statement or statements as to market conditions or service rendered;
- (6) Been guilty of a fraud in the attempt to procure or in the procurement of a license;
- (7) Directly or indirectly sold grain received on consignment or on a net return basis for his own account, without prior authority from the producer consigning the same or without notifying such producer; or
- (8) Through any other action, violated this article.

**Ga. Code Ann., § 2-9-37**  
**§ 2-9-37. Revocation or refusal of license; hearing; notice and order**

Before the Commissioner refuses or revokes any license, he shall give the applicant or licensee ten days' notice, by registered or certified mail or statutory overnight delivery, of a time and place of hearing. At such hearing the applicant or licensee shall be privileged to appear in person or by or with counsel and to produce witnesses. If the Commissioner finds the applicant or licensee to be in violation of this article, the Commissioner may refuse, suspend, or revoke such license. He shall give immediate notice of his action to the applicant or licensee.