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## **Requirements for Grain Dealers**

**State of Maryland**

*Bonding*

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## Requirements for Grain Dealers

### STATE OF MARYLAND

*Current through the 2014 Regular Sess. of the General Assembly*

#### **MD Code, Agriculture, § 13-212** **§ 13-212. Information and bond requirements**

(a) A license may not be issued or renewed under this subtitle until the applicant has:

(1)

- (i) Filed with the Secretary a financial statement, as provided in subsection (b) of this section, establishing the net worth of the applicant's grain business; or
- (ii) Posted a surety bond, irrevocable letter of credit, or cash guaranty at least as large as the following amounts for the different types of licenses:

Type of license	Minimum amounts
A	\$ 15,000
B	\$ 35,000
C	\$100,000
D	\$100,000; and

(2) Demonstrated proof of insurance coverage as required by this subtitle.

(b)

(1) An applicant for a Type A or B license shall submit a financial statement that:

- (i) Is prepared and signed by a person other than the applicant or a member of the applicant's business or family;
- (ii) Establishes a net worth for the applicant; and
- (iii) Is signed by the applicant.

(2) A Type C or D license may not be issued or renewed under this subtitle until the applicant has:

- (i) Filed with the Secretary a financial statement reviewed by a certified public accountant establishing the net worth of the applicant's business as provided in paragraph (3) of this subsection; or
- (ii) Filed with the Secretary a letter from a certified public accountant stating that a review of the applicant's business records shows a net worth as provided in paragraph (3) of this subsection.

(3) The financial statement shall indicate a minimum net worth for each type of grain dealer's license as follows:

Type of license	Minimum amounts
A	\$ 15,000
B	\$ 35,000
C	\$100,000
D	\$100,000