

The National Agricultural  
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An Agricultural Law Research Project

## **Requirements for Grain Dealers**

### **State of Maine**

*Bonding*

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## Requirements for Grain Dealers

### STATE OF MAINE

*Current with legislation from the 2013 2<sup>nd</sup> Regular Sess.*

#### 7 M.R.S.A. § 455 § 455. Application for license

**1. Application.** The applicant shall file an application on forms as prescribed and furnished by the commissioner. These forms shall include the full name of the person applying for the license and, if the applicant is a corporation, partnership, association, exchange or legal representative or officer, director, partner or member thereof, all names and positions are to be stated on the application. If the applicant is a foreign corporation, it shall certify that it is registered with the Secretary of State under Title 13-A, chapter 121 and further state the principal business address of the applicant in the State or elsewhere, the address of all places of business in the State and the name or names of the person or persons authorized to receive and accept service of lawful process upon the applicant within the State. All questions required to be answered in application for licenses shall be sworn to.

**2. Notice to interested persons.** Upon receipt of the applications, the commissioner shall cause written notice to be provided to any person who has filed, within the preceding year, a written request to receive the notice of applications. Any interested person shall have 10 days in which to file comments as to the applicant's qualifications or to request a hearing prior to the issuance of the license.

**3. Qualifications of applicant.** The applicant shall satisfy the commissioner of his character, financial responsibility and good faith in seeking to engage in the business. The commissioner may issue a license to the applicant if he is satisfied as to the applicant's qualifications. When the license is issued, the applicant may act in the capacity described in the license for a period of one year from the date of issuance.

**4. Bond.** In order to insure the licensee's financial responsibility and to protect producers of licensed commodities, the commissioner shall require the licensee to file a bond in a form and amount satisfactory to the commissioner, but in any event not less than \$5,000 nor more than \$100,000, payable to the commissioner in his official capacity and conditioned on the full and prompt payment for all licensed commodities received or purchased from producers or other licensees during the effective period of the license.

**5. License fees.** Each license shall plainly state the name and business address or addresses of the licensee and shall be posted in a conspicuous place in each office where the business is transacted. The fee for each license is \$50. If the licensee desires to carry on business in more than one place within the State, he shall procure additional copies of the license, certified by the commissioner, for each place where business is to be conducted. The fee for each certification is \$10. All fees collected under this subchapter shall be paid forthwith to the Treasurer of State and credited to the Department of Agriculture, Conservation and Forestry for the administration of this subchapter and other expenses incident to the administration of the department, and shall be expended by the commissioner for the purposes for which the department is created. If any fees are not expended during the year in which they are collected, the unexpended balance shall not lapse, but shall be carried as a continuing account

available for the purposes specified, until expended.

**7 M.R.S.A. § 459**

**§ 459. Forfeiture of bond; recovery on bond**

If a licensee fails to make payment as provided in section 457, subsection 1, paragraph B, that licensee by reason of the nonpayment is in default as to all producers or licensees whose accounts then remain unpaid and the bond provided for must be forfeited to the extent of all sums then due from the licensee to the producers or licensees. Whenever the commissioner determines that a licensee has failed to make payment, the commissioner shall provide notice, in a manner consistent with the Maine Administrative Procedure Act, that payment under the bond will be sought and indicating the time within which other producer or licensee claims may be made known to the commissioner. Upon determination of the commissioner that there has been a default in payment by a licensee, the conditions of the bond are deemed to be broken and the commissioner may bring action on the defaulted bond for the benefit of producers or licensees. Whenever the amount of the bond is not sufficient to cover all valid claims, the commissioner shall distribute the amount available on a pro rata basis.