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## **Requirements for Grain Dealers**

**State of South Dakota**

*Auditing*

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## Requirements for Grain Dealers

### STATE OF SOUTH DAKOTA

*Current with legislation from 2014 Regular Sess.*

#### **SDCL § 49-45-13**

#### **49-45-13. Inspection of buyers' facilities--Examination of books--Subpoena power**

The commission shall cause the business facilities of every grain buyer, whether licensed or unlicensed, to be inspected at such times as the commission considers necessary. The inspector shall report in writing to the commission the result of the examination. The inspector may at any time during business hours enter any structure, vehicle, or enclosure in which the books or accounts of any grain buyer are kept, and may examine all the books, accounts, and electronic records relating to the transactions of the grain buyer either within or without the state. The commission may, in all matters arising under this chapter, exercise the power of subpoena and examine witnesses in accordance with chapter 1-26.

#### **SDCL § 49-45-14**

#### **49-45-14. Reports by buyers--Public inspection not permitted--Violation as misdemeanor**

Every grain buyer licensed in this state shall, at such times as the commission requires, furnish the commission on forms prepared by the commission, reports showing the facts and information required by the commission. The reports are not for public inspection, but the commission may, upon request, furnish the total of the figures shown on such reports if the figures requested are for not less than four grain buyers. The commission may also require that a grain buyer provide any other documents and information regarding the business of the grain buyer. None of the documents and information obtained through the licensing and inspection processes are subject to public inspection. A violation of this section is a Class 1 misdemeanor.

#### **SDCL § 49-45-18**

#### **49-45-18. Audit of scale tickets--Certification of quantity and class of grain**

If the commission becomes aware of any act by any grain buyer as described in § 49-45-16, the commission may:

- (1) Undertake an immediate audit and verify the names and addresses of all outstanding scale ticket holders as revealed by the audit, and audit and certify the quantity and class or classes of grain therein;
- (2) Immediately notify the surety named in the grain buyer bond, if any, held by such grain buyer.

**SDCL § 49-45-23**

**49-45-23. Records of grain purchased and contracts**

A grain buyer shall keep all records of grain purchased and all contracts issued and canceled in a safe place. The records shall be kept current and open for inspection by the commission. Each record shall be retained for a period of six years.

**SDCL § 49-45-26**

**49-45-26. Time and place for providing requested records--Violation as misdemeanor--Civil fine**

A grain buyer, whether licensed or unlicensed, who purchases grain within the state shall have the ability to provide all of the books, accounts, and electronic records relating to the transactions of the grain buyer, either within or without the state, upon request or within five working days of the request. Any requested materials shall be provided to the inspector at a licensed location within the state or at the offices of the commission. A willful violation of this section is a Class 1 misdemeanor. In addition, the commission may assess a civil fine in an amount not to exceed one thousand dollars for each day requested materials are withheld up to a maximum of twenty thousand dollars.