

TITLE 69
WAREHOUSES

CHAPTER 5
COMMODITY DEALER LAW

69-501. SHORT TITLE. This chapter shall be known as the "Commodity Dealer Law."

[69-501, added 1982, ch. 94, sec. 2, p. 177.]

69-502. DEFINITIONS. As used in this chapter, except as otherwise specified:

(1) "Agricultural commodity" means any grain, wheat, barley, oats, corn, rye, oilseeds, dry edible beans, peas, lentils and other leguminous seeds and feeds (not including minerals or seed crops) or any other commodity as determined by the director.

(2) "Commodity dealer" or "dealer" means any person who solicits, contracts for, or obtains from an Idaho producer or producers, title, possession, or control of any agricultural commodity through his place of business located in the state of Idaho or through his place of business located outside the state of Idaho for the purpose of sale or resale or who buys, during any calendar year, at least ten thousand dollars (\$10,000) worth of agricultural commodities from an Idaho producer or producers of the commodities. Commodity dealer or dealer shall not mean any person who purchases agricultural commodities for his own use as seed or feed within his own operation.

(3) "Credit-sale contract" means a contract for the sale of an agricultural commodity pursuant to which the sale price is to be paid at a date subsequent to the delivery of the agricultural commodity to the buyer and includes, but is not limited to, those contracts commonly referred to as deferred payment contracts, deferred pricing contracts and price-later contracts.

(4) "Department" means the department of agriculture of the state of Idaho.

(5) "Director" means the director of the department of agriculture.

(6) "Person" means any individual, firm, association, partnership, corporation, or limited liability company.

(7) "Producer" means the owner, tenant or operator of land in this state who has an interest in the proceeds from the sale of agricultural commodities produced on that land. Producer does not include growers who sell their commodity to a facility in which they have a financial or management interest except members of a cooperative marketing association qualified under [chapter 26, title 22](#), Idaho Code.

(8) "Public warehouse" or "warehouse" or "warehouseman" means any elevator, mill, warehouse, subterminal commodity warehouse, public warehouse or other structure or facility in which agricultural commodities are received for storage, shipment, processing, reconditioning or handling.

(9) "Revocation" means the permanent removal of a commodity dealer license following a hearing on violations of the provisions of this chapter by the hearing officer or director.

(10) "Suspension" means the temporary removal of a commodity dealer license by the department pending a hearing for violations of the provisions of this chapter. Correction of the violations prior to a hearing may result in the reinstatement of a license without a hearing.

(11) "Termination" means the expiration of a commodity dealer license due to failure to meet minimum licensing requirements, failure to renew a commodity dealer license or as requested by the licensee, unless a complaint has been filed against the licensee alleging a violation of any provision of this chapter.

[69-502, added 1982, ch. 94, sec. 2, p. 177; am. 1983, ch. 116, sec. 1, p. 249; am. 1990, ch. 184, sec. 1, p. 407; am. 2002, ch. 258, sec. 1, p. 750.]

69-503. LICENSE REQUIREMENTS -- FINANCIAL RESPONSIBILITY. (1) A person shall not engage in the business of a commodity dealer in this state without having obtained a license issued by the department.

(2) The type of license required shall be determined as follows:

(a) A class 1 license is required if the commodity dealer purchases agricultural commodities by credit-sale contract or if the value of the agricultural commodities purchased by the commodity dealer from producers during the previous twelve (12) month period exceeds two hundred and fifty thousand dollars (\$250,000), or if the value of the agricultural commodities expected to be purchased by the commodity dealer from the producers during the succeeding twelve (12) month period will exceed two hundred and fifty thousand dollars (\$250,000). Any other commodity dealer may elect to be licensed as a class 1 commodity dealer.

(b) A class 2 license is required for any commodity dealer if the value of the agricultural commodities purchased by the commodity dealer from producers during the previous twelve (12) month period exceeds ten thousand dollars (\$10,000) and is less than two hundred and fifty thousand dollars (\$250,000), or if the value of the agricultural commodities expected to be purchased by the commodity dealer from producers during the succeeding twelve (12) month period will be more than ten thousand dollars (\$10,000) but less than two hundred and fifty thousand dollars (\$250,000). A class 2 licensee whose purchases from producers exceed two hundred and fifty thousand dollars (\$250,000) in value during any twelve (12) month period shall immediately apply for a class 1 license. If a class 1 license is denied, the person shall immediately cease doing business as a commodity dealer.

(3) An application for a license to engage in business as a commodity dealer shall be filed with the department and shall be on a form prescribed by the department. A separate license is required for each location at which records are maintained for transactions of the commodity dealer.

(4) A license application shall include the following:

- (a) The name of the applicant;
- (b) The names of the officers and directors if the applicant is a corporation;
- (c) The names of the partners if the applicant is a partnership;
- (d) The location of the principal place of business; and
- (e) Any other reasonable information the department finds necessary to carry out the provisions and purposes of this chapter.

(5) A license applicant shall further provide a sufficient and valid bond as specified in section [69-506](#), Idaho Code.

(6) A license applicant shall further provide a complete financial statement setting forth the applicant's assets, liabilities and net worth. This financial statement shall be prepared by an independent certified

public accountant or a licensed public accountant according to generally accepted accounting principles. The commodity dealer shall have and maintain current assets equal to or greater than current liabilities. Assets shall be shown at original cost less depreciation. Upon written request filed with the department, the director may allow asset valuations in accordance with a competent appraisal.

(7) In order to receive and retain a commodity dealer's license the following additional conditions must be satisfied:

(a) For a class 1 license a commodity dealer shall have and maintain a net worth of at least fifty thousand dollars (\$50,000) or maintain a bond in the amount of two thousand dollars (\$2,000) for each one thousand dollars (\$1,000) or fraction thereof of net worth deficiency; however, a person shall not be licensed as a class 1 commodity dealer if the person has a net worth of less than twenty-five thousand dollars (\$25,000). A bond submitted for purposes of this subsection shall be in addition to any bond otherwise required under the provisions of this chapter.

(b) For a class 2 license a commodity dealer shall have and maintain a net worth of at least twenty-five thousand dollars (\$25,000) or maintain a bond in the amount of two thousand dollars (\$2,000) for each one thousand dollars (\$1,000) or fraction thereof of net worth deficiency; however, a person shall not be licensed as a class 2 commodity dealer if the person has a net worth of less than ten thousand dollars (\$10,000). A bond submitted for purposes of this subsection shall be in addition to any bond otherwise required under the provisions of this chapter.

(8) The department may require additional information or verification regarding the financial resources of the applicant and the applicant's ability to pay producers for agricultural commodities purchased from them.

(9) Any commodity dealer that accepts physical delivery of a commodity purchased directly from producers, for which the producers have not been paid, must insure the value of all commodities in his possession at full market price for insurable physical perils until all liabilities to producers have been paid.

[69-503, added 1982, ch. 94, sec. 2, p. 178; am. 1983, ch. 116, sec. 2, p. 250; am. 1990, ch. 184, sec. 2, p. 408; am. 2009, ch. 37, sec. 1, p. 107.]

69-504. LICENSE ISSUANCE -- RENEWAL -- EXPIRATION. (1) The department shall issue a license when the applicant has filed the application and complied with the terms and conditions of the provisions of this chapter and the rules of the department. The license shall expire on December 31 of each year.

(2) A commodity dealer's license may be renewed annually by submitting all necessary licensing materials required by the provisions of this chapter. This material shall be received by the department before December 31 of each year.

(3) A commodity dealer's license which has expired may be reinstated by the department upon receipt of all necessary licensing materials required by the provisions of this chapter and a reinstatement fee in the amount of five hundred dollars (\$500); providing, that this material is filed within thirty (30) days from the date of expiration of the commodity dealer's license. At the end of the thirty (30) day reinstatement period, a commodity dealer's license shall terminate. All license applications received after

the thirty (30) day reinstatement period shall be considered original applications and, after the five hundred dollar (\$500) reinstatement fee has been remitted to the department, license fees shall be assessed according to section [69-508](#)(1), Idaho Code.

(4) A license may terminate upon request of the licensee unless a complaint has been filed against the licensee alleging a violation of any provision of this chapter. A commodity dealer's license is not transferable between legal entities.

(5) If an applicant has had a license revoked under the provisions of chapter 2 or 5, [title 69](#), Idaho Code, or the United States warehouse act within the past three (3) years or been convicted of a violation of the provisions of chapter 2 or 5, [title 69](#), Idaho Code, or the United States warehouse act within the past three (3) years, the department may deny a commodity dealer's license to the applicant.

(6) Any partnership with a partner or any corporation, limited liability company or any association which has an officer, director or majority stockholder owning at least ten percent (10%) of issued stock who has had a license revoked under the provisions of chapter 2 or 5, [title 69](#), Idaho Code, or the United States warehouse act within the previous three (3) years or has been convicted of a felony involving violations of the provisions of chapter 2 or 5, [title 69](#), Idaho Code, or the United States warehouse act, may be denied a commodity dealer's license by the department.

[69-504, added 1982, ch. 94, sec. 2, p. 179; am. 1983, ch. 116, sec. 3, p. 252; am. 2002, ch. 258, sec. 2, p. 751.]

69-505. EXEMPTIONS. Any person currently licensed under [chapter 2, title 69](#), Idaho Code, is exempt from the licensing provisions of this chapter.

[69-505, added 1982, ch. 94, sec. 2, p. 180.]

69-506. BONDING REQUIREMENTS -- CANCELLATION -- IRREVOCABLE LETTER OF CREDIT OR CERTIFICATE OF DEPOSIT IN LIEU OF BOND -- SINGLE BOND. Except as provided in [chapter 2, title 69](#), Idaho Code, an applicant for a license to operate as a commodity dealer shall, before a license will be issued, file with the department a bond in favor of the commodity indemnity fund with a corporate surety approved by the department with the condition that the applicant will pay the purchase price of any agricultural commodity to the seller. The aggregate annual liability of the surety shall in no event exceed the sum of the bond.

At the discretion of the director, any person required to submit a bond to the department in accordance with this chapter, may give to the department a certificate of deposit or irrevocable letter of credit payable to the commodity indemnity fund in lieu of the bond required herein. The principal amount of the certificate of deposit or irrevocable letter of credit shall be the same as that required for a surety bond pursuant to this chapter. Accrued interest upon the certificate of deposit shall be payable to the purchaser of the certificate. The certificate of deposit or irrevocable letter of credit shall remain on file with the department until it is released, canceled or discharged by the director. The provisions of this chapter that apply to a bond required pursuant to this chapter apply to each certificate of deposit or irrevocable letter of credit given in lieu of such bond. The certificate of deposit or irrevocable letter of credit shall remain on file with the department until it is released, canceled, or discharged by the director, or

until the director is notified ninety (90) days in advance, by registered or certified mail, return receipt requested, that the certificate of deposit or irrevocable letter of credit is renewed, canceled or amended. Failure to notify the director may result in the suspension or revocation of the commodity dealer's license. Under the provisions of this chapter, an irrevocable letter of credit or certificate of deposit shall not be accepted unless it is issued by a national bank or federal thrift institution in Idaho or by a state-chartered bank or thrift institution authorized to conduct business in Idaho and insured by the federal deposit insurance corporation. A certificate of deposit shall be submitted with an audited or reviewed financial statement prepared in accordance with the rules of the department by an independent Idaho certified public accountant or Idaho licensed public accountant.

The amount of bond to be furnished for each commodity dealer shall be fixed at whichever of the following amounts is greater:

(1) The combined total indebtedness paid and owed to producers for agricultural commodity and seed crop for the previous license year; or

(2) The indebtedness owed and estimated to be owed to producers for agricultural commodity and seed crop for the current license year.

Subsequent to determining whichever of the preceding amounts is greater, and based on that amount, the amount of bond shall be calculated as follows:

Gross Dollars:	Amount of Bond:
\$0 - \$450,000	\$20,000 bond or 6% of the gross dollars, whichever is less
\$450,001 - \$1,000,000	\$40,000 bond
\$1,000,001 - \$8,000,000	\$100,000 bond
Over \$8,000,000	\$500,000 bond

In any case, the amount of the bond shall not be more than five hundred thousand dollars (\$500,000). A surety shall notify the commodity dealer and the department by certified mail at least ninety (90) days prior to the cancellation of a bond issued under the provisions of this chapter. The liability of the surety shall cover purchases made by the commodity dealer during the time the bond is in force. A commodity dealer's bond filed with this department shall be continuous until canceled by the surety upon ninety (90) days' notice. The director reserves the right to waive the ninety (90) day cancellation period.

If a commodity dealer is licensed pursuant to [chapter 51, title 22](#), Idaho Code, that same commodity dealer may obtain a single bond, certificate of deposit or irrevocable letter of credit as a surety under [chapter 5, title 69](#), Idaho Code, and [chapter 51, title 22](#), Idaho Code. If a single bond, certificate of deposit or irrevocable letter of credit is written covering [chapter 5, title 69](#), Idaho Code, and [chapter 51, title 22](#), Idaho Code, the bond, certificate of deposit or irrevocable letter of credit shall be made out in favor of the commodity indemnity fund and the seed indemnity fund. In the event a commodity dealer fails as defined in section [69-202\(8\)](#), Idaho Code, and a single bond, certificate of deposit or irrevocable letter of credit is written in favor of the commodity indemnity fund and seed indemnity fund, the proceeds of the bond, certificate of deposit or irrevocable letter of credit will be allocated based on the dollar amount of the verified claims

approved pursuant to [chapter 2, title 69](#), Idaho Code, and [chapter 51, title 22](#), Idaho Code.

[69-506, added 1982, ch. 94, sec. 2, p. 180; am. 1983, ch. 116, sec. 4, p. 253; am. 1985, ch. 139, sec. 1, p. 382; am. 1988, ch. 350, sec. 4, p. 1049; am. 1990, ch. 184, sec. 3, p. 410; am. 1992, ch. 44, sec. 2, p. 146; am. 2002, ch. 258, sec. 3, p. 752; am. 2003, ch. 149, sec. 1, p. 427.]

69-507. SUSPENSION OR REVOCATION OF A LICENSE. The director may, after opportunity for hearing has been afforded to the licensee concerned, suspend or revoke any license issued to any commodity dealer under the provisions of this chapter for any violation of or failure to comply with any provisions of this chapter or the rules and regulations made hereunder. Pending investigation, the director whenever he deems necessary may temporarily suspend a license without a hearing.

[69-507, added 1982, ch. 94, sec. 2, p. 180; am. 1983, ch. 116, sec. 5, p. 253.]

69-508. LICENSE FEES. (1) The department shall assess and collect an annual fee for each commodity dealer's license on an original application according to the following schedule:

(a) For a class 1 license the fee shall be three hundred sixty dollars (\$360).

(b) For a class 2 license the fee shall be one hundred eighty dollars (\$180).

(2) The department shall assess and collect an annual fee for the renewal of each commodity dealer's license according to the following schedule:

(a) For a class 1 license the renewal fee shall be sixty-five dollars (\$65.00).

(b) For a class 2 license the renewal fee shall be thirty-five dollars (\$35.00).

(3) All license fees, assessments and moneys collected by the director under the provisions of this chapter shall be deposited into the commodity indemnity fund to be used for the purposes set forth in section [69-256](#), Idaho Code.

[69-508, added 1982, ch. 94, sec. 2, p. 181; am. 2002, ch. 258, sec. 4, p. 753.]

69-509. POSTING OF LICENSE. The commodity dealer's license shall be posted in a conspicuous location at his place of business.

[69-509, added 1982, ch. 94, sec. 2, p. 181.]

69-510. PAYMENT OF PURCHASE PRICE. A person required to be licensed as a commodity dealer under the provisions of this chapter shall pay the purchase price to the owner or his agent for agricultural commodities upon delivery or demand by the owner or agent, but not later than thirty (30) days after delivery by the owner or agent, unless otherwise agreed to by the parties in writing. As used in this section, "delivery" means the transfer of title to and possession of agricultural commodities by the owner or agent to the commodity dealer or to another person in accordance with the agreement of the

owner or agent and the commodity dealer. As used in this section, "payment" means the actual payment or tender of payment by the commodity dealer to the owner or agent of the agreed purchase price.

[69-510, added 1982, ch. 94, sec. 2, p. 181; am. 1983, ch. 116, sec. 6, p. 253; am. 1990, ch. 184, sec. 4, p. 410; am. 2002, ch. 258, sec. 5, p. 753.]

69-511. INSPECTION OF PREMISES, BOOKS AND RECORDS -- AUTHORIZATION TO COPY. The department may inspect the premises used by any commodity dealer in the conduct of his business at any reasonable time. The department is authorized through officials, employees, or agents of the department designated by it, to examine all books, accounts, records and papers pertaining to any commodity or seed crop purchased, contracted for, or in the possession of, any commodity dealer licensed under the provisions of this chapter. A commodity dealer licensed in this state who does not have a place of business within the state shall, upon the request of the director, make available and furnish to the department at any reasonable time and place the department may set, all books, accounts, records and papers relating to agricultural commodity transactions within the state of Idaho. Where there is good cause to believe that a person is doing business as a commodity dealer in the state of Idaho without a license, the department may inspect the books, papers and records of the person which pertain to agricultural commodity purchases. The department is authorized to make copies of any documents or records relevant to compliance with the provisions of this chapter.

[69-511, added 1982, ch. 94, sec. 2, p. 181; am. 1990, ch. 184, sec. 5, p. 411; am. 2002, ch. 258, sec. 6, p. 753; am. 2003, ch. 149, sec. 2, p. 429.]

69-512. PENALTIES. (1) Any person who engages in business as a commodity dealer without obtaining a license or who refuses to permit inspection of licensed premises, books, accounts, records or other documents required by the provisions of this chapter or who uses a scale ticket or credit-sale contract that fails to satisfy the requirements of the provisions of this chapter shall be guilty of a felony and be punished by imprisonment for not more than ten (10) years, or by a fine of not more than ten thousand dollars (\$10,000), or both.

(2) Any person who knowingly submits false information to or who knowingly withholds information from the department when such information is required to be submitted or maintained pursuant to the provisions of this chapter shall be guilty of a felony and be punished by imprisonment for not more than ten (10) years, or by a fine of not more than ten thousand dollars (\$10,000), or both.

(3) Any person who shall misrepresent, forge, alter or counterfeit a license required by the provisions of this chapter, or who shall issue, utter or aid in the issuance or utterance or attempt to issue or utter a false or fraudulent receipt for any commodity shall be guilty of a felony and be punished by imprisonment for not more than ten (10) years, or by a fine of not more than ten thousand dollars (\$10,000), or both.

(4) Any violation of the provisions of this chapter except as provided in subsections (1), (2) or (3) of this section or section [69-520](#), Idaho Code, shall be a misdemeanor and punishable by imprisonment in a county jail for

not more than six (6) months, or by a fine of not more than one thousand dollars (\$1,000), or by both.

[69-512, added 1982, ch. 94, sec. 2, p. 182; am. 1983, ch. 116, sec. 7, p. 254.]

69-513. INJUNCTION. Any violation of the provisions of this chapter or any violation involving the business of a commodity dealer may be enjoined upon complaint by the director.

[69-513, added 1982, ch. 94, sec. 2, p. 182.]

69-514. CREDIT-SALE CONTRACTS. (1) A commodity dealer who purchases agricultural commodities by credit-sale contracts shall maintain books, records and other documents as required by the department to establish compliance with the provisions of this section.

(2) In addition to other information as may be required, a credit-sale contract shall contain or make provision for all of the following:

- (a) The seller's name and address;
- (b) The conditions of delivery;
- (c) The amount and kind of agricultural commodities delivered;
- (d) The price per unit or basis of value; and
- (e) The date payment is to be made.

(3) Title to all agricultural commodities sold by a contract is in the purchasing dealer as of the time the contract is signed, unless the contract provides otherwise. The contract must be signed by all parties and executed in duplicate. One (1) copy shall be retained by the commodity dealer and one (1) copy shall be delivered to the seller. Upon revocation or termination of a commodity dealer's license, the payment date for all credit-sale contracts shall be advanced to a date not later than thirty (30) days following the effective date of the revocation or termination and the purchase price for all agricultural commodities without a price shall be determined as of the effective date of revocation or termination in accordance with all other provisions of the contract. However, if the business of the commodity dealer is sold to another licensed commodity dealer, credit-sale contracts may be assigned to the purchaser of the business.

[69-514, added 1982, ch. 94, sec. 2, p. 182; am. 1983, ch. 116, sec. 8, p. 254; am. 1990, ch. 184, sec. 6, p. 411.]

69-515. CONFIDENTIAL AND PROTECTED RECORDS. Records required by the department including, but not limited to, production summaries, receiving records, conditioning reports, records relating to the payment of agricultural commodities, commodity indemnity fund and seed indemnity fund reporting forms of a commodity dealer, and financial records that are required pursuant to sections [69-503](#)(6) and [69-521](#), Idaho Code, shall be held confidential and will be protected as production records according to [chapter 1, title 74](#), Idaho Code. These records shall not be subject to disclosure unless specifically authorized in writing by the licensee or as otherwise authorized pursuant to the provisions of [chapter 1, title 74](#), Idaho Code.

[69-515, added 1982, ch. 94, sec. 2, p. 183; am. 1983, ch. 116, sec. 9, p. 255; am. 1990, ch. 213, sec. 105, p. 561; am. 2002, ch. 258, sec. 7,

p. 754; am. 2003, ch. 149, sec. 3, p. 429; am. 2015, ch. 141, sec. 191, p. 529.]

69-516. STANDARDIZATION OF RECORDS AND DOCUMENTS. The department may adopt rules specifying the form and content of scale tickets and credit-sale contracts.

[69-516, added 1982, ch. 94, sec. 2, p. 183; am. 2002, ch. 258, sec. 8, p. 754.]

69-517. DIRECTOR'S AUTHORITY. The director may, upon his own motion, whenever he has reason to believe the provisions of this chapter have been violated, or upon verified complaint of any person in writing, investigate the actions of any commodity dealer licensed under the provisions of this chapter, and if he finds probable cause to do so, shall file a complaint against said commodity dealer which shall be set down for hearing before the director upon thirty (30) days' notice served upon such license holder either by personal service, registered mail or facsimile prior to such hearing.

The director shall have the power to administer oaths, certify to all official acts and shall have the power to subpoena any person in this state as a witness, to compel through subpoena the production of books, papers and records, and to take the testimony of any person on deposition in the same manner as is prescribed by law in the procedure before the courts of this state. A subpoena issued by the director shall extend to all parts of the state and may be served by any person authorized to do so.

All powers of the director herein enumerated in respect to administering oaths, power of subpoena, and other enumerated powers in hearings on complaints shall likewise be applicable to hearings held on applications for the issuance or renewal of a commodity dealer's license.

Nothing in this chapter shall be construed to require the director or his authorized representative to report for prosecution or to institute civil, criminal or administrative action against a commodity dealer for a violation of the provisions of this chapter when he believes that public interest will best be served by a suitable warning or other administrative action. The director shall maintain a record of any administrative action involving a commodity dealer with that commodity dealer's license file.

[69-517, added 1982, ch. 94, sec. 2, p. 183; am. 1983, ch. 116, sec. 10, p. 255; am. 2002, ch. 258, sec. 9, p. 754.]

69-518. APPEALS FROM DECISION OF DIRECTOR. The director shall keep a complete transcript of all proceedings and evidence presented in any hearing before him. The commodity dealer or applicant thereof, or any protestant formally appearing at a hearing before the director for such license, or the holder of any commodity dealer license suspended or revoked, or any party to a transfer application may appeal to the district court in accordance with the terms of [chapter 52, title 67](#), Idaho Code.

[69-518, added 1982, ch. 94, sec. 2, p. 184.]

69-519. LICENSE DENIAL. (1) Any person against whose commodity dealer bond a claim has been ordered collected or has actually been collected shall not be licensed by the department for a period of three (3) years from the

date of such order or collection. License denial may be waived if the person can show to the satisfaction of the director that full settlement of all claims against the bond has been made. A change in a person's business name shall not absolve any unsettled claim against that person's prior bond.

(2) The director shall, after a public hearing, have the right to deny or refuse to issue a license or renewal thereof to an applicant when it is determined that public interest is best served by that denial or refusal.

(3) Upon refusal or denial of a license pursuant to subsection (2) of this section, an applicant may reapply for a license or renewal after a period of ninety (90) days at which time a new hearing will be held to review the application.

(4) The applicant shall have the right of appeal on any decision to refuse or deny a license under subsection (2) of this section to a court of competent jurisdiction.

[69-519, added 1982, ch. 94, sec. 2, p. 184; am. 1983, ch. 116, sec. 11, p. 256.]

69-520. DRAWING CHECKS INSUFFICIENTLY COVERED A VIOLATION. Any person engaged in business as a commodity dealer, as defined in this chapter, who shall make, draw, utter or deliver any check, draft or order for the payment of money upon any bank or other depository in payment to the seller of the purchase price of any agricultural commodity or any part thereof upon obtaining possession or control thereof, when at the time of such making, drawing, uttering or delivery the maker or drawer has not sufficient funds in or credit with such bank or other depository for the payment of such check, draft or order in full upon its presentation, shall be in violation of the provisions of this chapter. The word "credit" as used herein shall mean an arrangement or understanding with the bank or depository for the payment of such check, draft or order.

[69-520, added 1982, ch. 94, sec. 2, p. 184; am. 1983, ch. 116, sec. 12, p. 256; am. 1990, ch. 184, sec. 7, p. 412.]

69-521. FINANCIAL STATEMENTS. In order to obtain a commodity dealer's license, the applicant shall submit an audited or reviewed financial statement prepared by an independent certified public accountant or licensed public accountant, a statement of current assets and current liabilities and a statement of net worth, all of which shall be prepared in accordance with generally accepted accounting principles. This statement must have been prepared not more than ninety (90) days prior to the date of application and shall conform to the applicable requirements of this chapter as to annual financial statements.

Once licensed, every licensee shall annually prepare a financial statement either at the close of business, December 31, or at the end of their fiscal year and file the statement with the department not later than ninety (90) days thereafter. These statements shall be prepared in conformity with generally accepted accounting principles and shall include, but not be limited to, a reviewed financial statement prepared by an independent certified public accountant or licensed public accountant, a statement of current assets and current liabilities, and a statement of net worth.

[69-521, added 1983, ch. 116, sec. 13, p. 257; am. 1989, ch. 300, sec. 3, p. 749; am. 1990, ch. 184, sec. 8, p. 412; am. 2002, ch. 258, sec. 10, p. 755.]

69-522. ACTION ON BOND, CERTIFICATE OF DEPOSIT OR IRREVOCABLE LETTER OF CREDIT BY PRODUCERS INJURED. Any producer injured by the breach of any obligation for which a bond, certificate of deposit or irrevocable letter of credit is written, under the provisions of section [69-506](#), Idaho Code, must petition the director to make demand upon the commodity dealer, certificate of deposit, irrevocable letter of credit or bond. The director may thereupon make demand for payment of such damages and in the event such damages are not promptly paid the director may commence an action to enforce payment of such damages. The liability of the bank on a certificate of deposit or irrevocable letter of credit, and the surety upon the bond required to be given by a commodity dealer as provided by section [69-506](#), Idaho Code, for any one (1) annual licensing period shall be limited to the amount specified in the bond, certificate of deposit, or irrevocable letter of credit and in case of recoveries had by two (2) or more producers for violation of the conditions of this chapter in excess of the amount of the bond, certificate of deposit, or irrevocable letter of credit, such recovery shall be prorated and the total recovery for any one (1) annual licensing period shall not exceed the amount of the bond, certificate of deposit, or irrevocable letter of credit. In the event the director sues and obtains a judgment against the commodity dealer and/or his surety or bank for payment of such damages under this chapter, he shall be entitled to recover a reasonable attorney's fee.

[69-522, added 1983, ch. 116, sec. 14, p. 257; am. 1990, ch. 184, sec. 9, p. 412; am. 2002, ch. 258, sec. 11, p. 755; am. 2003, ch. 149, sec. 4, p. 429.]

69-523. PUBLICATION OF REPORTS. The department of agriculture may publish the results of any investigations made under the provisions of this chapter and may publish the names and addresses of persons licensed under this chapter and a list of all licenses terminated under this chapter and the causes therefor.

[69-523, added 1983, ch. 116, sec. 15, p. 257.]

69-524. RULES. The department of agriculture shall make such rules as it may deem necessary for the efficient execution of the provisions of this chapter.

[69-524, added 1983, ch. 116, sec. 16, p. 258; am. 2002, ch. 258, sec. 12, p. 756.]

69-525. DUTY TO PROSECUTE. It shall be the duty of each prosecuting attorney to whom any violation is reported by the department to cause appropriate proceedings to be instituted and prosecuted without delay in a court of competent jurisdiction.

[69-525, added 1983, ch. 116, sec. 17, p. 258; am. 2002, ch. 258, sec. 13, p. 756.]

69-526. COOPERATION WITH GOVERNMENTAL AGENCIES AND PRIVATE ASSOCIATIONS. The director may cooperate with and enter into agreements with governmental agencies of this state, other states, agencies of the federal government, and private associations in order to carry out the purpose and provisions of this chapter and the United States warehouse act (7 U.S.C.A. section 241, et seq.). Notwithstanding any other provisions of this chapter, such agreements may also relate to a joint program for licensing, bonding and inspecting stations. Such a program should be designed to avoid duplication of effort on the part of the licensing authority and requirements for operation, and promote more efficient enforcement of the provisions of this chapter and comparable provisions of the laws of the states of Oregon, Washington, Montana, Wyoming, Utah and Nevada and the province of British Columbia, Canada.

[69-526, added 1990, ch. 184, sec. 10, p. 413.]