

CHAPTER 7-18-03 BONDING

Section

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7-18-03-01. Grain warehouse bonds.

A licensee's minimum bond is two and one-half percent of the licensee's total grain purchases in the state, based on a three-year rolling average during which the license has been active. A licensee shall report the value of purchases at renewal. A licensee's required minimum bond may not be less than one hundred thousand dollars.

1. A grain warehouse bond may not exceed two million five hundred thousand dollars.
2. The bond for any new applicant will be set based on projected purchases for the current license year.
3. The bond will continue to be based on total annual purchases until a three-year average is reached.

History: Effective January 1, 2022.

General Authority: NDCC 60-02-03

Law Implemented: NDCC 60-02-02, 60-02-07, 60-02-09

7-18-03-02. Processor bonds.

A licensee's minimum bond is five percent of the licensee's total grain purchases in the state, based on a three-year rolling average during which the license has been active. A licensee will report the value of purchases at renewal. A licensee's required minimum bond may not be less than one hundred thousand dollars.

1. A processor bond may not exceed two million five hundred thousand dollars.
2. For new applicants, the bond will be set based on projected purchases for the current license year.
3. The bond will continue to be based on total annual purchases until a three-year average is reached.

History: Effective January 1, 2022.

General Authority: NDCC 60-02.1-03

Law Implemented: NDCC 60-02.1-03, 60-02.1-08

7-18-03-03. Grain buyer bonds.

A licensee's minimum bond is eight percent of the licensee's total grain purchases in the state, based on annual purchases as reported monthly to the commissioner. A licensee's required minimum bond may not be less than one hundred thousand dollars:

1. A roving grain buyer bond may not exceed two million five hundred thousand dollars.
2. For new applicants, the bond will be set based on projected purchases for the current license year.

History: Effective January 1, 2022.

General Authority: NDCC 60-02.1-03

Law Implemented: NDCC 60-02.1-03, 60-02.1-08

7-18-03-04. Broker bonds.

A licensee's minimum bond is one hundred thousand dollars. A broker bond may not exceed two million five hundred thousand dollars.

History: Effective January 1, 2022.

General Authority: NDCC 60-02.1-03

Law Implemented: NDCC 60-02.1-03, 60-02.1-08