

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 188

BY WAYS AND MEANS COMMITTEE

AN ACT

RELATING TO SEED BUYERS; AMENDING SECTION 22-5103, IDAHO CODE, TO REVISE  
CONDITIONS OF LICENSURE AND TO MAKE TECHNICAL CORRECTIONS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 22-5103, Idaho Code, be, and the same is hereby  
amended to read as follows:

22-5103. LICENSES. (1) Prior to beginning operation, a person intend-  
ing to operate as a seed buyer shall first procure a license from the depart-  
ment. Each license issued pursuant to this chapter shall be issued for a pe-  
riod of one (1) year and the license or legible copy thereof shall be promi-  
nently displayed in each place of business.

(2) A seed facility endorsement showing the location of each seed fa-  
cility in Idaho shall be attached to the seed buyer's license.

(3) The department is authorized to issue or renew a seed buyer license  
in accordance with this chapter, and the rules promulgated by the depart-  
ment, provided each applicant meets the following conditions:

(a) Pay an application fee of up to five hundred dollars (\$500) pursuant  
to criteria established by rule, with the exception of those persons  
holding a license issued pursuant to chapter 4, title 22, Idaho Code;

(b) Submit a completed application form provided by the department,  
with required exhibits. The application shall include:

(i) The name of the applicant;

(ii) The names of the officers and directors if the applicant is a  
corporation or association;

(iii) The names of the partners if the applicant is a partnership  
or a limited liability company;

(iv) The location of the principal place of business;

(v) Information relating to any judgment against the applicants;  
and

(vi) Any other reasonable information the department finds neces-  
sary to carry out the provisions and purposes of this chapter.

(c) Provide a sufficient and valid bond as required by this chapter;

(d) Provide a current, sufficient policy of insurance covering losses  
as required by this chapter;

(e) Provide the location of its seed facilities in Idaho;

(f) Provide a written schedule of conditioning, bagging and testing  
charges;

(g) Have on file a test report pursuant to sections 71-113 and 71-117,  
Idaho Code, from the Idaho state department of agriculture bureau of  
weights and measures showing approved status for any scales used for  
weighing received seed crops and any scales used for weighing clean  
weight of seed crops; and

1 (h) Provide with the initial license application, and annually there-  
2 after, an audited or reviewed financial statement prepared by an  
3 independent certified public accountant or licensed public accountant  
4 showing that the applicant has and does maintain a balance sheet with  
5 current assets not less than current liabilities, a statement of profit  
6 or loss, a statement of net worth and a statement of cash flows, all of  
7 which have been prepared according to generally accepted accounting  
8 principles not more than ~~twelve (12) months~~ ninety (90) days prior to  
9 the date of the ~~initial~~ license application and additional financial  
10 information as determined by the director-;

11 (i) Provide proof the license applicant has maintained a net worth of  
12 at least fifty thousand dollars (\$50,000) or a bond in the amount of two  
13 thousand dollars (\$2,000) for each one thousand dollars (\$1,000) or  
14 fraction thereof of net worth financial requirement. Provided however,  
15 a person shall not be licensed as a seed buyer if the person has a net  
16 worth of less than twenty-five thousand dollars (\$25,000). A bond sub-  
17 mitted for purposes of this subsection shall be in addition to any bond  
18 otherwise required under the provisions of this chapter; and

19 (j) Once licensed, every licensee shall annually prepare a financial  
20 statement either at the close of business on December 31, or at the end  
21 of the licensee's fiscal year and file the statement with the department  
22 not later than ninety (90) days thereafter. These statements shall be  
23 prepared in conformity with generally accepted accounting principles  
24 and shall include, but not be limited to, a reviewed financial statement  
25 prepared by an independent certified public accountant or licensed pub-  
26 lic accountant, a statement of current assets and current liabilities,  
27 and a statement of net worth.

28 (4) All fees collected, pursuant to this chapter, for license applica-  
29 tion and renewal shall be deposited in the seed indemnity fund.

30 (5) All materials required for renewal of a license shall be received  
31 by the department prior to the expiration date of the current license. A  
32 license ~~which~~ that has expired may be reinstated by the department upon  
33 receipt of all necessary licensing materials required by the provisions of  
34 this chapter and a reinstatement fee in an amount up to one thousand dollars  
35 (\$1,000) pursuant to criteria established by rule, ~~providing~~ provided that  
36 this material is filed within thirty (30) days from the date of expiration of  
37 the current license.

38 (6) A delivery of seed crop between producers, none of whom are seed  
39 buyers, shall be exempt from the provisions of this chapter.