

House Bill 422

By: Representatives Houston of the 170th, McCall of the 30th, Black of the 174th, Roberts of the 154th, and Ray of the 136th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 9 of Title 2 of the Official Code of Georgia Annotated,
2 relating to general provisions relative to dealers in agricultural products, so as to change
3 certain provisions relating to bond requirements for dealers in agricultural products; to
4 change certain provisions relating to penalties relative to dealers in agricultural products; to
5 repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 1 of Chapter 9 of Title 2 of the Official Code of Georgia Annotated, relating to
9 general provisions relative to dealers in agricultural products, is amended by striking Code
10 Section 2-9-5, relating to bond requirements for dealers in agricultural products, and inserting
11 in lieu thereof the following:

12 "2-9-5.

13 Before any license is issued the applicant shall make and deliver to the Commissioner a
14 surety bond executed by a surety corporation authorized to transact business in this state
15 and approved by the Commissioner. Any and all bond applications shall be accompanied
16 by a certificate of 'good standing' issued by the Commissioner of Insurance. If any
17 company issuing a bond shall be removed from doing business in this state, it shall be the
18 duty of the Commissioner of Insurance to notify the Commissioner of Agriculture within
19 30 days. The bond shall be in such amount as the Commissioner may determine, ~~not~~
20 ~~exceeding an amount equal to the maximum amount of products purchased from or sold~~
21 ~~for Georgia producers or estimated to be purchased or sold in any month by the applicant~~
22 ~~or in the case of cotton not to exceed \$150,000.00~~ but not less than \$250,000.00. Such bond
23 shall be upon a form prescribed or approved by the Commissioner and shall be conditioned
24 to secure the faithful accounting for and payment to producers or their agents or
25 representatives of the proceeds of all agricultural products handled or sold by such dealer.
26 However, in lieu of a surety bond, the Commissioner may accept a cash bond, which shall

1 in all respects be subject to the same claims and actions as would exist against a surety
2 bond. Whenever the Commissioner shall determine that a previously approved bond has
3 for any cause become insufficient, the Commissioner may require an additional bond or
4 bonds to be given, conforming with the requirements of this Code section. Unless the
5 additional bond or bonds are given within the time fixed by written demand therefor, or if
6 the bond of a dealer is canceled, the license of such person shall be immediately revoked
7 by operation of law without notice or hearing."

8 **SECTION 2.**

9 Said article is further amended by striking Code Section 2-9-16, relating to penalties relative
10 to dealers in agricultural products, and inserting in lieu thereof the following:

11 "2-9-16.

12 (a) Any dealer in agricultural products who violates any of the provisions of this article
13 or who interferes with an agent of the Commissioner in the enforcement of this article
14 shall be guilty of a misdemeanor, except as otherwise provided by subsection (b) of this
15 Code section.

16 (b) Any person who violates Code Section 2-9-2 shall be guilty of a felony and upon
17 conviction thereof shall be punished by imprisonment for not less than one nor more than
18 five years, a fine of not less than \$5,000.00 nor more than \$10,000.00, or both such fine
19 and imprisonment."

20 **SECTION 3.**

21 All laws and parts of laws in conflict with this Act are repealed.