



MICHIGAN DEPARTMENT OF AGRICULTURE & RURAL DEVELOPMENT  
 PRODUCER SECURITY SERVICES SECTION

**Grain Dealer License Application Information**

License applications must be submitted 30 days before license expiration date.

**License Fee Schedule**

Receiving Point at Each Facility	Facility		License Fee
	Total Bushel Capacity Min	Max	
	0	100,000	\$500
	100,001	200,000	\$625
	200,001	300,000	\$750
	300,001	400,000	\$875
400,001	and over	\$1,000	

Merchandiser	
Merchandiser	License Fee
Grain Merchandiser	\$1,000

Trucker	
Vehicle(s)	License Fee
First vehicle	\$500
Each additional vehicle	\$200

Sec 8 (1) of the Grain Dealers Act, P.A. 141 of 1939, as amended

A financial statement, copy of current bond and copy of insurance MUST accompany each application. If the applicant's financial statement is not complete at the time of submission, please include a note indicating the approximate date of completion.

The financial statement must be prepared in accordance with Generally Accepted Accounting Principles and not less in scope than a review. A Certified Public Accountant must prepare the financial statement, which must include a balance sheet, an income statement, and notes and disclosures.

**Submission of Forms Used in Grain Transactions**

Please attach to the application one copy of the scale ticket, warehouse receipt, price later agreement and other forms proposed to be used in grain transactions. Retain one copy for your files. If all forms are currently on file with the Department, no submission is necessary.

**Temporary Facilities**

Each temporary facility need only be reported once annually. If temporary facilities are being used at time of licensing, report location and temporary capacity in Section 8 and total of temporary and permanent capacities in Section 9 of the license application and remit the appropriate fee. If temporary facilities are used during the license year and were not reported on the license application, report the location on the Grain Dealer [Daily Position Report](#) form and remit additional fee (if required) with the Daily Position Report form. If not previously submitted, include a copy of the lease agreement and bin charts, if any, for the temporary facility.

**Bond – Grain Dealer Facility**

Section 27 of the Grain Dealers Act requiring warehouse receipt bonds was eliminated on May 30, 2012, with the enactment of Public Act 887.

Sec. 27 of the Grain Dealers Act, P.A. 141 of 1939, as amended.

**Bond – Grain Merchandiser, Trucker**

The amount of the bond shall be \$100,000 and shall secure the faithful performance of the grain merchandiser or farm produce trucker of his or her obligations in any farm produce transaction. [Click here](#) to obtain a copy of bond form GD-121.

Sec. 28 of the Grain Dealers Act, P.A. 141 of 1939, as amended.

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**Allowable Net Assets Requirement**

A grain dealer shall not be issued a license unless one of the following is met:

- a) The grain dealer has allowable net assets of \$100,000 or more and handled 1,000,000 or fewer bushels of farm produce in the grain dealer's most recent fiscal year.
- b) The grain dealer has allowable net assets of \$100,000 or more and the allowable net assets equal or exceed the product of \$0.10 multiplied by the number of bushels of farm produce handled by the grain dealer in the grain dealer's most recently completed fiscal year.

Sec 3 of the Grain Dealers Act, P.A. 141 of 1939, as amended.

**Grain Dealer Daily Position Report Forms (DPRs)**

During the first 10 business days of each month, all licensees are required to submit a Daily Position Report for the previous month. Licensees may use the Department-approved [Daily Position Report form](#) available from the Marketing and Communications Division of the Michigan Department of Agriculture & Rural Development. Reports must be submitted whether or not there is any farm produce activity during the month. Failure to submit monthly DPR forms on a timely basis may result in fines, suspension, or revocation of the grain dealer's license.

Sec 15 of the Grain Dealers Act, P.A. 141 of 1939, as amended.

**Summary**

- License applications
  - Must include:
    - A copy of scale tickets, warehouse receipts, price later agreements and other forms to be used in grain transactions unless forms are currently on file with the Department.
    - Financial statement (or note estimating date of completion) prepared by a Certified Public Accountant including balance sheet, income statement, and notes and disclosures.
    - Copy of current bond.
    - Copy of insurance.
    - Check or money order payable to STATE OF MICHIGAN.
  - Return application and payment to:  
Michigan Department of Agriculture & Rural Development  
Producer Security Services Section  
PO Box 30776  
Lansing MI 48909
  - Renewals must be submitted 30 days before the current license's expiration date.
- Quick Links
  - [Facility](#) and [grain merchandising/trucking](#) license applications
  - [Bond form GD-121](#) for grain merchandisers/truckers
  - [Bond form GD-123](#) for deficiencies in allowable net assets requirement
  - [Escrow Agreement](#)
  - [Declaration of Liability](#)
  - [License FAQs](#)
  - [Grain Dealer Daily Position Report](#) form and [instructions](#)
  - [Grain Dealers Act](#)
- Still have questions? Contact Jeff Haarer, Manager, Producer Security Services Section, at 517-284-5642 or [haarerj@michigan.gov](mailto:haarerj@michigan.gov).