

Department of Agriculture and Markets

Fact Sheet

New York State's Agricultural Producers Security Law

Producers are Reminded to Sell to Licensed Farm Product Dealers

Article 20 of the NYS Department of Agriculture and Markets Law, requires dealers who buy and resell farm products from New York producers (in excess of \$10,000) annually to be licensed and to provide security in the form of a bond or irrevocable letter of credit.

Purpose:

- Ensure New York State producers are paid fully and promptly;
- Ensure some measure of financial protection in the event a dealer defaults in payment; and,
- To suppress and prevent any unfair and fraudulent marketing practices.
- Producers are provided further protection through a provision of the Article 20 Law, which authorizes a statutory trust in the event a dealer defaults in payment.

To be eligible for the financial protections available under the Agricultural Producers Security Law, producers must:

- Sell to licensed dealers. Only sales to licensed dealers are covered.
- Meet deadline requirements for:
 - Filing a claim
 - Preserving the trust benefit

For further information about the Agricultural Producers Security Program:

- Please visit <http://www.agriculture.ny.gov/programs/apsf.html>
- Or call the Department at 1-800-554-4501 or directly at 518-457-8861.
- Available on the website:
 - Directory of Licensed Farm Product Dealers
 - Forms to apply for a Farm Products Dealer License
 - Forms to file a complaint
 - Commissioner's Press Release
 - Copy of the Article 20 Law
 - Program Brochure

