



February 4, 2025

**Re: Agricultural Producers Security Program
Article 20 – Licensing of Farm Product Dealers – New Application**

Dear Prospective Dealer:

Thank you for your inquiry to obtain a Farm Products Dealer License to deal in farm products from New York producers required under Article 20 of the Agriculture and Markets Law. If you did not inquire, this letter is being sent because information has been received that you may be subject to the license.

Enclosed is the NY Farm Products Dealer License Program (FPDL) application and instructions for the license period of **May 1, 2025 - April 30, 2026**. If subject to the license, your completed application and payment of the Agricultural Producers Security Fund fee are required to be filed with the New York State Department of Agriculture and Markets (Department) by **April 1, 2025**.

If subject to the license, complete and return the enclosed application, together with payment of the Agricultural Producers Security Fund Fee, by **April 1, 2025**, to the following address:

Attention: Division of Agricultural Development, FPDL
NYS Department of Agriculture and Markets
10B Airline Drive
Albany, NY 12235

Instructions are enclosed to assist you in completing the application. If you do not think you are subject to the requirements for this license, we ask that you contact our office by email at FPDL@agriculture.ny.gov so we can update our records and answer any questions you have.

If you have any questions, please call (518) 457-7076 or email FPDL@agriculture.ny.gov.

Best Regards,

A handwritten signature in black ink, appearing to read "J. Boyer".

Jacqueline F. Boyer, MPH
Manager, Agricultural Producers Security Program

Instructions for Completing the Application – New Dealer Application

1. Complete the application if your annual dollar volume of purchases from **New York producers** is expected to exceed **\$20,000** this year; exclusions apply. If you do not meet the \$20,000 threshold, you may not be subject to the license, and you may not need to apply. Determinations are made annually. If you are not subject to the license this year, we would appreciate an email to FPDL@agriculture.ny.gov so we can update our records and answer any questions you have.

Retail Exclusions: Sale at Retail to the Ultimate Consumer

The law authorizes the exclusion of sales at retail to the ultimate consumer. A person who buys farm products only for sale, including sale in a processed form, at retail to the ultimate consumer shall not be deemed a dealer for purposes of this article. Sale at retail to the ultimate consumer shall not include sales to industrial, institutional, commercial or agricultural users. When calculating your expected annual dollar volume of farm product purchases from New York producers, exclude purchases intended for resale at retail by you to the ultimate consumer.

2. Applications are due **April 1, 2025**. Failure to obtain your license may result in enforcement action. Complete all questions, include financial statements, if required, and sign the application. Incomplete applications may not be approved until all required information is provided.
3. After your complete application is received and reviewed, you may be contacted by the Department regarding a surety bond or irrevocable letter of credit. Please respond promptly to any written communication from the Department regarding your security requirement, as applications may not be approved until all security requirements are met.

Security Requirement: Surety Bonds or Irrevocable Letters of Credit

All applicants must file a surety bond or irrevocable letter of credit in an amount determined by the Department unless they are notified by the Department that they are not required to do so. Surety bonds can be obtained by contacting an insurance company while letters of credit are issued by a financial institution. Surety bonds are typically continuous in nature and remain in full force until cancelled by the surety company. Applicants choosing to utilize an irrevocable letter of credit usually provide a new letter of credit annually, with a minimum term of 2-years. However, the Department does have a standard letter of credit form posted online that provides for a 5-year letter of credit term, to minimize the need to obtain a new letter of credit annually. Regardless of the security instrument, **coverage must remain in full force for one-year after the license period** (e.g., for license period 5/1/2025 – 4/30/2026, expiry day cannot be earlier than 4/30/2027).

See the Department's website for standard security form templates to share with an insurance company or financial institution. <https://agriculture.ny.gov/licenses/farm-products-dealer-licensing>

Written Payment Agreements

The law authorizes the use of written payment agreements if the dealer wishes to make payment to a producer **more than 30 days** after the product is sold by the producer and delivered to the dealer, or other person as the purchaser may designate, provided that in no event shall such period exceed 120 days from said date of delivery. Please note, the length of your written agreement will increase your security requirement obligation because extended payment agreements increase the Agricultural Protection Security Fund's exposure in the case of a default of payment.

4. Upon approval, your license will be mailed to the mailing address provided on your application.

Question? Email: FPDL@agriculture.ny.gov Phone: (518) 457-7076



FARM PRODUCTS DEALER LICENSE PROGRAM
NEW LICENSE APPLICATION FORM

License Period: May 1, 2025 - April 30, 2026

Instructions:

- Application Due Date: April 1, 2025
Read the application instructions to ensure you are subject to the license and the application is completed properly.
Complete all questions. Incomplete applications may not be approved until all required information is provided.
Make check or money order payable to "Department of Agriculture and Markets" and mail to address below.

Form with fields for: (1) Legal Business Name, (1a) Phone Number, (1b) Fax Number, (1c) Doing Business As, (1d) E-Mail, (1e) Principal Place of Business, (2) Mailing Address, (3) Federal ID Number, (3a) Bank Name, (4) Business Type, (4a) Officers/Partners, (5) State Incorporated, (5a) Foreign/Out-of-state, (5b) Designated individual, (6) Conviction, (7) Branch locations, (8) Grape processor, (9) New York producer, (10) Farm products.

FARM PRODUCTS DEALER LICENSE PROGRAM NEW LICENSE APPLICATION FORM

(11) Does the applicant sell New York farm products at retail direct to the ultimate consumer ? <input type="checkbox"/> Yes <input type="checkbox"/> No																	
(12) Fill in below the expected dollar volume of farm product purchases (or dealings as a broker) from New York producers . (As per instructions, do not include purchases from New York producers intended for resale at retail by you to the ultimate consumer.)																	
(12a) Expected Volume This Year (2025): (e.g., \$60,000): \$	(12b) Largest Volume Month (2025): (e.g., October):	(12c) Largest Volume Month (2025): (e.g., \$7,000): \$															
(13) If you are a broker, are you responsible for paying New York producers: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A																	
(13a) If yes, what percentage of your annual dollar volume of dealings with NY producers reported in question 12a will you be responsible for making payment on: ____%. If no, attach a list of those responsible for payment including name/address/phone.																	
Agricultural Producers Security Fund Fee: use the annual dollar volume reported in question 12a together with the table to the right to determine the Producers Security Fund Fee due and enter that amount here: Agricultural Producers Security Fund Fee: \$ _____ MAKE CHECK PAYABLE TO: Department of Agriculture and Markets	<u>AGRICULTURAL PRODUCERS SECURITY FUND FEE TABLE</u>																
	<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="text-decoration: underline;">Annual Volume</th> <th style="text-decoration: underline;">Fee</th> </tr> </thead> <tbody> <tr> <td>\$5,000,000 – and over</td> <td>\$1,250</td> </tr> <tr> <td>\$3,000,000 - \$4,999,999</td> <td>\$875</td> </tr> <tr> <td>\$1,000,000 - \$2,999,999</td> <td>\$500</td> </tr> <tr> <td>\$500,000 - \$999,999</td> <td>\$375</td> </tr> <tr> <td>\$300,000 - \$499,999</td> <td>\$250</td> </tr> <tr> <td>\$50,000 - \$299,999</td> <td>\$150</td> </tr> <tr> <td>\$20,000 - \$49,000</td> <td>\$100</td> </tr> </tbody> </table>		Annual Volume	Fee	\$5,000,000 – and over	\$1,250	\$3,000,000 - \$4,999,999	\$875	\$1,000,000 - \$2,999,999	\$500	\$500,000 - \$999,999	\$375	\$300,000 - \$499,999	\$250	\$50,000 - \$299,999	\$150	\$20,000 - \$49,000
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\$50,000 - \$299,999	\$150																
\$20,000 - \$49,000	\$100																
(14) Select payment terms or methods used for farm products producers: <input type="checkbox"/> COD <input type="checkbox"/> 15 Days <input type="checkbox"/> Payment within 30 Days <input type="checkbox"/> 45 Days <input type="checkbox"/> 60 Days <input type="checkbox"/> 90 Days <input type="checkbox"/> 120 Days Other: _____																	
(15) Is the applicant in violation (i.e. past due) of the payment terms listed in question 14? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes , please provide the producer's name, address, telephone number and the amount owed (attach list if necessary):																	
(16) If the applicant deals in livestock, is applicant registered and bonded under the Packers and Stockyards (P&S) Act administered by the U.S. Department of Agriculture, Packers and Stockyards Division? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A																	
(17) Financial information provided as of (date): _____. All applicants must complete this section. If any amounts are zero, enter zero on the line. Applicants who report more than \$1 million in annual purchases (question 12a), must also submit their most recent audited Financial Statements, including the Balance Sheet, Income & Expense Statement and Statement of Cash Flows.																	
(17a) Total Current Assets: \$	(17b) Total Current Liabilities: \$																
(17c) Total Assets: \$	(17d) Total Equity: \$																

Submit complete applications and payment together to:

NYS Department of Agriculture and Markets
 Division of Agricultural Development
 10B Airline Drive
 Albany, NY 12235

If you have any questions about this application or payment, email FPDL@agriculture.ny.gov

"I understand that the statements made in this application will be accepted for all purposes as the equivalent of an affidavit and that any false statements made herein, in addition to being the possible basis for a revocation of any license issued as a result of this application, may be punishable as a misdemeanor under the provisions of section 2120.45 of the Penal Law of the State of New York"

Print Name:	Signature:	Title:	Date:
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The authority to request the information contained in this document is found in Section 16 of the NYS Agriculture and Markets Law and the specific section or sections of that Law which relate to the license which you seek. **Your application for license is subject to denial and/or revocation if, after a hearing, it is determined that this applicant, licensee, officer, director, partner or share/stockholder, has been convicted of, or has pled guilty to, a felony in any court of the United States or any State or territory thereof, with respect to an offense involving, Article 20 of New York State Agriculture and Markets Law.**