Q: Who is protected by the Dealer License?

**A:** Colorado owners, producers and/or dealers who sell livestock.

Q: What do I need if I am an agent for a Licensed Dealer?

A: You will need an agent's license.

Application for the agent's license must be endorsed by the licensed dealer and sent with the \$30.00 fee to the Department.

An agent's license will expire when the dealer's license expires.

**Q:** When Is A Small Volume Dealer License An Option?

**A:** If you meet **all** of the following:

- Purchase less than \$20,000 worth of livestock a year;
- Have no single purchase transaction over \$2,500;
- Have a fixed or established place of business in Colorado;
- Do not purchase livestock for commercial feeding;
- Do not broker, act as an agent or buy and/ or sell livestock on commission.

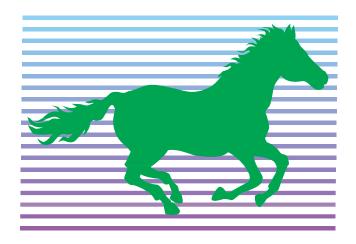
If you feel you qualify as a Small Volume Dealer, contact the Department for application. The application fee is \$75.00 and no bond is required. You will have to maintain certain records as required by the Department.

**Q:** Does the Dealer License cover purchases of other types of Farm Products?

**A:** Yes, except for grains and dry edible beans, which require a separate license.

Q: What if I have questions?

**A:** Call Farm Products at (303) 477-0054.



### **Division Mission**

The Division of Inspection & Consumer Services (ICS) is committed to promoting an honest, equitable marketplace and to encouraging integrity in Agriculture and Industry.

### For More Information:

Colo. Dept. Agriculture/ Farm Products Program 2331 W 31st. Ave Denver, CO 80211 Phone: (303) 867-9213 Fax: (303) 480-9236

Rev. 1/11



Livestock
Dealer
Licensing
Requirements
under the
Colorado
Farm Products
Act



Division of Inspection & Consumer Services

www.colorado.gov/ag/ics

### Q: What is a Farm Products (Livestock) Dealer's License?

**A:** The license required to **purchase or broker** livestock from Colorado producers, owners and dealers for resale or processing.

#### Q: What is considered livestock?

**A:** Cattle, sheep, goats, swine, mules, horses, domesticated elk and domesticated fallow deer.

# Q: Is a Dealer License required for all livestock purchases?

**A:** No, livestock purchased for your own consumption or held 90 days or more before being resold or processed are exempt from the law and no license is required for those purchases.



## Q: When are you required to have a Livestock Dealer License?

**A:** When you purchase livestock from Colorado owners or producers for resale or processing; or

When you solicit or negotiate sales of livestock (**broker**) between the seller and purchaser; or

When you receive on consignment or solicit livestock for sale on commission; or

When you accept livestock in trust from the owner for resale; or

When you sell or handle livestock for the account of or as an agent of the owner; or

For a commercial feeding operation which feeds more than 2500 head at any one time that are not wholly owned by the feeder.

Brand inspection is <u>mandatory</u> with any change of ownership of livestock.

### Q: What is required to become a Licensed Livestock Dealer?

- A completed license application.
- \$425.00 application fee.
- A surety bond or irrevocable letter of credit in the amount determined by the Department based on your annual livestock purchases. Minimum \$5,000 and maximum \$200,000.

You may be exempt from the required bond or irrevocable letter of credit (but not the required

license) if you pay in **cash** at the time you take possession of the livestock. Cash is U.S. currency, certified check, cashier's check, or postal or Western Union money order. You must fill out and sign a **Cash Buyer's Affidavit**, which is included on your application <u>each</u> year, to receive this exemption.

You may substitute a USDA Packers and Stockyards Administration bond for the required state bond.

Q: What are the penalties for not Licensing?

**A:** Acting as a dealer without having a license is a **class 6 felony**.

Civil fines of up to \$1000 per day may be issued for violations of the Act.

Cease and Desist Orders may be issued to individuals or companies violating the Act.

Court injunctions may be imposed for violations of the Act.

Acting as a dealer without having a license is a class 6 felony.