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*South Dakota*

**PUBLIC UTILITIES COMMISSION**

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Jan Banghart  
Banghart Properties LLC  
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Gettysburg, SD 57442  
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Ms. Banghart,

**RE: Banghart Properties LLC Grain Purchases for Resale in Excess of Five Million Dollars in Licensing Year 2023**

## **Demand to CEASE AND DESIST Operation as a Grain Buyer**

On January 9, 2023, PUC Staff conducted a routine inspection of Banghart Properties LLC (Banghart). That inspection found documents showing that since July 1, 2022, Banghart has made purchases of grain for resale in excess of five million dollars. As a result of that inspection, PUC Staff issued a Memorandum of Adjustment.

For licensing year 2023, effective July 1, 2022, through June 30, 2023, Banghart holds a Class B grain buyer license. Under SDCL 49-45-7.1 “no grain buyer with a Class B grain buyer's license may purchase grain in excess of five million dollars for the annual licensed period or enter into voluntary credit sale contracts.”

Since Banghart has made at least five million dollars in grain purchases in the 2023 licensing period, the maximum permitted by its Class B license, any additional purchases made by Banghart are considered operation as an unlicensed grain buyer and may be prosecuted to the full extent of the law.

Under SDCL 49-45-1:

Before transacting the business of a grain buyer in this state, a person shall obtain a grain buyer license from the commission.

A violation of this section is a Class 5 felony if the person holds himself or herself out to be a grain broker and a Class 1 misdemeanor in all other cases. Each purchase of grain without a license is a separate offense.

A grain buyer transacting business without a license may be enjoined upon complaint of the commission.

The commission may assess a civil fine against an unlicensed grain buyer in the amount of five thousand dollars for each purchase of grain, up to a maximum fine of fifty thousand dollars per licensing period, as set forth in § 49-45-3.

For purposes of this section, the term, purchase of grain, means a transaction evidenced by the issuance of a uniform scale ticket or receipt, as described in § 49-45-10.1.

Additionally, SDCL 49-45-27 provides “The owner, manager, or chief executive officer of a grain buyer, or any other person in a managerial position, who is responsible for any violation of this chapter by a grain buyer is subject to any criminal penalty that applies to a grain buyer under the provisions of this chapter.”

PUC Staff hereby demands Banghart Properties LLC **CEASE AND DESIST** from any further operation as a grain buyer by making any additional grain purchases in South Dakota.

Sincerely,



Amanda M. Reiss  
Staff Attorney

CC: Robert Konrad, Konrad Law, Attorney for Banghart Properties, LLC