

## 203C.1 Definitions.

As used in this chapter:

1. "*Agricultural product*" shall mean any product of agricultural activity suitable for storage in quantity, including refined or unrefined sugar and canned agricultural products and shall also mean any product intended for consumption in the production of other agricultural products, such as stock salt, binding twine, bran, cracked corn, soybean meal, commercial feeds, and cottonseed meal.
2. "*Bond*" means a bond issued by a surety company or an irrevocable letter of credit issued by a financial institution.
3. "*Bulk grain*" shall mean grain which is not contained in sacks.
4. "*Check*" means the same as defined in section 203.1.
5. "*Credit-sale contract*" means a contract for the sale of grain pursuant to which the sale price is to be paid more than thirty days after the delivery of the grain to the buyer, or a contract which is titled as a credit-sale contract, including but not limited to those contracts commonly referred to as deferred-payment contracts, deferred-pricing contracts, and price-later contracts.
6. "*Department*" means the department of agriculture and land stewardship.
7. "*Depositor*" means any person who deposits an agricultural product in a warehouse for storage, handling, or shipment, or who is the owner or legal holder of an outstanding warehouse receipt, or who is lawfully entitled to possession of the agricultural product.
8. "*Electronic funds transfer*" means the same as defined in section 203.1.
9. "*Financial institution*" means a bank or savings and loan association authorized by the state of Iowa or by the laws of the United States, which is a member of the federal deposit insurance corporation or the federal savings and loan insurance corporation, respectively; or the national bank for cooperatives established in the Agricultural Credit Act, Pub. L. No. 100-233.
10. "*Good cause*" means that the department has cause to believe that the net worth or current asset to current liability ratio of a warehouse operator presents a danger to depositors with whom the warehouse operator does business, based on evidence of any of the following:
  - a. The making of a payment by use of a check or electronic funds transfer, and a financial institution refuses payment because of insufficient funds in the warehouse operator's account.
  - b. A violation of recordkeeping requirements provided in this chapter or rules adopted pursuant to this chapter by the department.
  - c. A quality or quantity shortage in the warehouse facility.
  - d. A high risk of loss to the grain depositors and sellers indemnity fund caused by the possible insolvency of the warehouse operator based on a statistical model provided in section 203C.40.
11. "*Grain*" shall mean wheat, corn, oats, barley, rye, flaxseed, field peas, soybeans, grain sorghums, spelt, and similar agricultural products, as defined in the Grain Standards Act.
12. "*Grain bank*" means grain owned by a depositor and held temporarily by the warehouse operator for use

in the formulation of feed or to be processed and returned to the depositor on demand.

13. "*Grain Standards Act*" means the United States Grain Standards Act, 7 U.S.C. ch. 3.

14. "*Incidental warehouse operator*" means a person regulated under chapter 198 whose grain storage capacity does not exceed twenty-five thousand bushels which is used exclusively for grain owned or grain which will be returned to the depositor for use in a feeding operation or as an ingredient in a feed.

15. "*Incidental warehouse operator's obligation*" means a sufficient quantity and quality of grain to cover company owned grain and deposits of grain for which actual payment has not been made.

16. "*License*" means a license issued under this chapter.

17. "*Licensed warehouse*" shall mean a warehouse for the operation of which the department has issued a license in accordance with the provisions of section 203C.6.

18. "*Licensed warehouse operator*" shall mean a warehouse operator who has obtained a license for the operation of a warehouse under the provisions of section 203C.6.

19. "*Official grain standards*" means the standards of quality and condition of grain which establishes the grade, fixed and established by the secretary of agriculture under the Grain Standards Act.

20. "*Open storage*" means grain or agricultural products which are received by a warehouse operator from a depositor for which warehouse receipts have not been issued or a purchase made and the records documented accordingly.

21. "*Person*" means the same as defined in section 4.1 and includes a business association as defined in section 202B.102 or a joint or common venture regardless of whether it is organized under a chapter of the Code.

22. "*Receiving and loadout charge*" shall mean the charge made by the warehouse operator for receiving grain into and loading grain from the warehouse, exclusive of the warehouse operator's other charges.

23. "*Scale weight ticket*" means a load slip or other evidence, other than a receipt, given to a depositor by a warehouse operator licensed under this chapter upon initial delivery of the agricultural product to the warehouse.

24. "*Station*" means a warehouse located more than three miles from the central office of the warehouse.

25. "*Storage*" means any grain or other agricultural products that have been received and have come under care, custody or control of a warehouse operator either for the depositor for which a contract of purchase has not been negotiated or for the warehouse operator operating the facility.

26. "*Unlicensed warehouse operator*" means a warehouse operator who retains grain in the warehouse not to exceed thirty days and is not licensed under the provisions of this chapter or Title VII, U.S.C.

27. "*Warehouse*" shall mean any building, structure, or other protected enclosure in this state used or usable for the storage of agricultural products. Buildings used in connection with the operation of the warehouse shall be deemed to be a part of the warehouse.

28. "*Warehouse operator*" means a person engaged in the business of operating or controlling a warehouse for the storing, shipping, handling or processing of agricultural products, but does not include an incidental warehouse operator.

29. *"Warehouse operator's obligation"* means a sufficient quantity and quality of grain or other products for which a warehouse operator is licensed including company owned grain and grain of depositors as the warehouse operator's records indicate. For an unlicensed warehouse operator it means a sufficient quantity and quality of grain to cover company owned grain and all deposits of grain for which actual payment has not been made.

[C24, 27, 31, § 9719; C35, § 9751-g1; C39, § **9751.01**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 543.1; 81 Acts, ch 180, § 18]

86 Acts, ch 1006, § 3; 86 Acts, ch 1152, § 12, 13; 86 Acts, ch 1245, § 671; 89 Acts, ch 143, §1002, 1101; 92 Acts, ch 1239, §66

C93, § 203C.1

95 Acts, ch 28, § 2; 99 Acts, ch 106, §911; 2003 Acts, ch 69, §1316