

CHAPTER 232

BONDED WAREHOUSES FOR AGRICULTURAL PRODUCTS

H. F. 575

AN ACT to amend chapter four hundred twenty-six (426), code, 1935, relating to bonded warehouses for agricultural products; providing for a broadening of the permissible storage commodities to include items used in the production of agricultural products; providing rules and regulations by which grain elevators may conform to the requirements of the United States government and its various departments and agencies in the storage of grain; and to provide penalties for noncompliance with and for violation of the provisions of this act.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section ninety-seven hundred fifty-one-g one (9751-
2 g1), Code, 1935, is hereby amended as follows:

3 (1) By striking subsection two (2) of said section and inserting
4 in lieu thereof the following:

5 "Warehouse" shall be deemed to mean every building, structure, or
6 other protected inclosure in which any agricultural product, or prod-
7 ucts, the consumption of which is specially related to agricultural
8 activities, is or may be stored within the state. Auxiliary buildings
9 to a key building, for the administrative purposes of this chapter, shall
10 be construed to be a part of such key building.

11 (2) By striking subsection four (4) of said section and inserting
12 in lieu thereof the following:

13 "Agricultural product" means any unprocessed product of agricul-
14 ture found by the commission to be suitable for keeping in storage,
15 which shall include cotton, wool, grain, tobacco, flax seed, forage,
16 and meadow plant seed, and shall include sugar and all canned goods
17 made from agricultural products.

18 (3) By striking subsection seven (7) of said section and inserting
19 in lieu thereof the following:

20 "Warehouseman" means a person lawfully engaged in the business
21 of storing warehouseable products as defined in this section.

22 (4) By striking subsection eight (8) of said section and inserting
23 in lieu thereof the following:

24 "Receipt" means a warehouse receipt drawn under authority of a
25 warehouse license or permit issued by the commission.

26 (5) By adding to said section a new subsection which shall read
27 as follows:

28 12. "Warehouseable products" shall include all agricultural products
29 as defined in subsection four (4) of this section and shall also include
30 such products generally consumed in the production of agricultural
31 products, as binding twine, stock salt, bran, cracked corn, soybean
32 meal, cotton seed meal, and the commercial feeds labeled as required
33 in section thirty-one hundred fourteen (3114), of the Code, when
34 such products are designated by the commission.

35 (6) By adding to said section a new subsection which shall read
36 as follows:

37 13. "Grain elevator operating unit" means a grain elevator or ele-
38 vators including auxiliary buildings thereto for which a common and
39 distinct primary record of grain accounts is kept.

1 SEC. 2. Section ninety-seven hundred fifty-one-g two (9751-g2),
2 Code, 1935, is hereby amended as follows:

3 (1) By inserting after the word "storage" in line three (3) of said
4 section the following: "as defined in this chapter,".

5 (2) By striking from line five (5) of said section the following:
6 "board of railroad commissioners" and inserting in lieu thereof the
7 word "commission".

8 (3) By striking the balance of said section beginning in line nine
9 (9) thereof with words "Any grain elevator" and inserting in lieu
10 thereof the following: "No unlicensed elevator shall receive grain,
11 other than that which is the property of its operator, except for the
12 purpose that such grain is to be sold to the elevator at a price to be
13 determined within ten days or is to be processed, cleaned, and/or re-
14 turned to the depositor within ten days, or except that such grain is
15 to be shipped by the elevator for account of the depositor within ten
16 days; provided, however, that in the case of grain owned by the United
17 States government or subdivisions thereof, the period of leniency shall
18 be thirty days instead of ten. No grain elevators in this state shall
19 receive grain for purchase, nor under agreement to purchase, at a
20 price left for determination later than ten days after the receipt of
21 the grain, except that this shall not be construed to prohibit licensed
22 or permit warehouses from purchasing grain for which lawful re-
23 cepts have been issued."

1 SEC. 3. Section ninety-seven hundred fifty-one-g three (9751-g3),
2 Code, 1935, is hereby amended as follows:

3 (1) By striking from lines one (1) and two (2) of said section the
4 word "commissioners" and inserting in lieu thereof the word "com-
5 mission".

6 (2) By striking from line five (5) of said section the period after
7 the word "chapter" and adding thereto the following:

8 "and may at its discretion designate an employee or officer of the
9 commission to act for the commission in any details connected with
10 the administration of this chapter, including the issuance of licenses
11 and approval of warehouse bonds in the name of the commission,
12 but not to include matters requiring a public hearing or suspension
13 or revocation of licenses."

1 SEC. 4. Section ninety-seven hundred fifty-one-g six (9751-g6),
2 Code, 1935, is hereby amended as follows:

3 (1) By striking from line one (1) of said section the words "Said
4 bond" and inserting in lieu thereof the following: "Bonds required
5 under the preceding section".

6 (2) By striking from lines two (2) and three (3) of said section
7 the word "commissioners" and inserting in lieu thereof the word "com-
8 mission".

9 (3) By striking from line eight (8) of said section the word
10 "twenty" and inserting in lieu thereof the word "twelve".

11 (4) By striking from line nine (9) of said section the word "five"
12 and inserting in lieu thereof the word "three".

13 (5) By striking from line eleven (11) of said section the word
14 "twenty" and inserting in lieu thereof the word "twelve".

15 (6) By striking beginning in line twenty-three (23) of said sec-

16 tion with the words "shall be five" the balance of said section and
 17 inserting in lieu thereof the following: "for storage products of a
 18 value up to six thousand dollars at the time of storage shall be three
 19 thousand dollars, the minimum for storage products of a value above
 20 six thousand dollars shall be increased at the rate of one thousand
 21 dollars for each two thousand dollars value or fraction thereof up to
 22 twenty thousand dollars value, and shall be increased at the rate of one
 23 thousand dollars for each additional three thousand dollars value of
 24 products or fraction thereof up to fifty thousand dollars value, and
 25 shall be increased at the rate of one thousand dollars for each addi-
 26 tional five thousand dollars value of products or fraction thereof above
 27 fifty thousand dollars value. One bond cumulative as to minimum re-
 28 quirements may be accepted from a warehouseman operating ware-
 29 houses of the same kind in two or more cities or towns, when the
 30 licenses to operate the several warehouses are issued under one appli-
 31 cation."

1 SEC. 5. Section ninety-seven hundred fifty-one-g seven (9751-g7),
 2 Code, 1935, is hereby amended by adding after the period in line thir-
 3 teen (13) of said section the following:

4 "Holders of licensed warehouse receipts shall have first claim against
 5 such insurance as their interest may appear, and owners other than
 6 the warehouseman of products not covered by licensed warehouse
 7 receipts shall have second claim against such insurance as their inter-
 8 est may appear."

1 SEC. 6. Section ninety-seven hundred fifty-one-g eight (9751-g8),
 2 Code, 1935, is hereby repealed and the following is enacted in lieu
 3 thereof:

4 "Tenure of license—renewal. Each license issued under section
 5 ninety-seven hundred fifty-one-g four (9751-g4), of the Code, 1935,
 6 shall terminate on the thirtieth day of June next after the date of
 7 issuance, except that upon a showing satisfactory to the commission
 8 that the minimum storage of certain products usually occurs at some
 9 other season of the year, the commission may set some other date
 10 for termination of licenses relating to the storage of such products.
 11 Licenses may from time to time be renewed or extended by a written
 12 instrument, which shall likewise terminate on the next anniversary
 13 of the terminal date of the original license after the effective date
 14 of such renewal or extension."

1 SEC. 7. Section ninety-seven hundred fifty-one-g nine (9751-g9),
 2 Code, 1935, is hereby amended as follows:

3 (1) By striking from line one (1) of said section the word "com-
 4 missioners" and inserting in lieu thereof the word "commission".

5 (2) By inserting after the word "a" and before the word "license"
 6 in line six (6) of said section the word "warehouse".

7 (3) By striking the balance of said section following the words
 8 "term of each" in line eight (8) and inserting in lieu thereof the fol-
 9 lowing: "original warehouse license, and a fee of twelve dollars for
 10 each renewal or extension of warehouse license issued under this chap-
 11 ter. All such fees shall be deposited with the treasurer of state as
 12 miscellaneous receipts."

1 SEC. 8. Section ninety-seven hundred fifty-one-g ten (9751-g10),
2 Code, 1935, is hereby amended as follows:

3 By striking the word "commissioners" in lines one (1) and two (2)
4 of said section and inserting in lieu thereof the word "commission".

1 SEC. 9. Section ninety-seven hundred fifty-one-g eleven (9751-g11),
2 Code, 1935, is hereby amended as follows:

3 (1) By striking from line four (4) thereof after the comma following
4 the word "permits" the following: "any agricultural product of the
5 kind customarily stored therein by him" and insert in lieu thereof
6 the following: "any product of the kind covered by his license".

7 (2) By striking the period following the word "facilities" at the
8 end of said section and inserting in lieu thereof a comma and the fol-
9 lowing: "except that the provisions of this section do not apply to
10 storage rates to be paid by the United States government or any sub-
11 divisions thereof."

1 SEC. 10. Section ninety-seven hundred fifty-one-g thirteen (9751-
2 g13), Code, 1935, is hereby amended by striking the balance of said
3 section after the comma following the word "separate" in line seven-
4 teen (17) and inserting in lieu thereof the following: "except that
5 as to grain for which nonnegotiable receipts are issued the ware-
6 houseman may deliver like kinds of grain of higher grade in such
7 quantity as will equal in value at the warehouse the grade and quantity
8 of grain described in the receipt."

1 SEC. 11. Section ninety-seven hundred fifty-one-g fifteen (9751-
2 g15), Code, 1935, is hereby amended by adding after the period at the
3 end of said section the following:

4 "It shall be construed that any person licensed under the United
5 States grain standards act to grade grain is automatically licensed
6 under the provisions of this section to render such service, and con-
7 senting to render the service will be assumed to be an agreement to
8 abide by the terms of this chapter so far as they relate to him. In
9 cities and towns where public weighing is prohibited by ordinance ex-
10 cept by persons licensed or otherwise authorized by such city or town,
11 any person so authorized and is subject to regulations by the city or
12 town will be construed to be automatically licensed under the provi-
13 sions of this section, and consenting to render the service will be as-
14 sumed to be an agreement to abide by the terms of this chapter so
15 far as they relate to him."

1 SEC. 12. Section ninety-seven hundred fifty-one-g seventeen (9751-
2 g17), Code, 1935, is hereby amended by adding after the period in
3 line seven (7) of said section the following: "Receipts that do not
4 specifically show to be nonnegotiable shall be construed to be
5 negotiable."

1 SEC. 13. Subsection five (5) of section ninety-seven hundred fifty-
2 one-g eighteen (9751-g18), Code, 1935, is hereby repealed and the
3 following is enacted in lieu thereof:

4 "The rate of storage and delivery charges. In the case of grain
5 stored in grain elevators, the storage rate shall not be less than one
6 thirtieth cent per day per bushel, after the date of warehouse receipt

7 which must be not later than ten days after the date of deposit of
8 the first consignment of any lot, except that a warehouseman upon
9 filing a copy of the contract with the commission, may make a special
10 contract for a reduced rate of storage for grain owned by the United
11 States government or its subdivisions, and may delay issuing receipts
12 for such government grain for thirty days instead of ten. The deliv-
13 ery charge shall be two (2) cents per bushel. No delivery charge
14 shall be made for products sold to the warehouseman whether such
15 product has been in storage or not. The specific delivery charge herein
16 provided shall not be mandatory as to grain received into grain ele-
17 vators from railroad cars nor as to grain sold by a warehouseman
18 and carried as storage for the purchaser. The commission may, after
19 public hearing, change such minimum storage rates and delivery
20 charges, and may provide different rates for different kinds of grain."

1 SEC. 14. Section ninety-seven hundred fifty-one-g twenty-one
2 (9751-g21), Code, 1935, is hereby amended as follows:

3 (1) By striking from lines three (3) and four (4) of said section
4 the following: "June thirtieth, next after date of contract", and in-
5 serting in lieu thereof the following: "the expiration date of the
6 license under which it is issued."

7 (2) By striking the period at the end of the section and inserting
8 the words: ", except as otherwise provided in subsection three (3) of
9 section ninety-seven hundred fifty-one-g twenty-six (9751-g26), of the
10 Code."

1 SEC. 15. Section ninety-seven hundred fifty-one-g twenty-nine
2 (9751-g29), Code, 1935, is hereby amended as follows:

3 By striking from lines one (1) and ten (10) thereof the word "com-
4 missioners" and inserting in lieu thereof the word "commission".

1 SEC. 16. Section ninety-seven hundred fifty-one-g thirty-three
2 (9751-g33), Code, 1935, is hereby repealed and the following is enacted
3 in lieu thereof:

4 "Penalties. Every person who shall violate or fail to comply with
5 any of the provisions of Section 9751-g2, 9751-g7, and 9751-g10 of
6 this chapter shall be deemed guilty of a misdemeanor and upon con-
7 viction thereof shall be punished by a fine of not more than one hun-
8 dred dollars or by imprisonment in the county jail not more than
9 thirty days. Every person who shall without proper authority use or
10 shall falsely represent, forge, alter, counterfeit or simulate any license
11 issued under this chapter, or who shall issue or utter a false or fraudu-
12 lent receipt or certificate, shall be deemed guilty of a misdemeanor and
13 upon conviction thereof shall be punished by a fine of not more than
14 five hundred dollars or by imprisonment in the county jail not more
15 than ninety days, or both, in the discretion of the court."

Approved May 17, 1939.