

CHAPTER 1117

REAL ESTATE INVESTMENT TRUST INTEREST RATE

H. F. 254

AN ACT relating to the rate of interest which may be paid by a real estate investment trust.

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

1 SECTION 1. Section five hundred thirty-five point two (535.2),
2 subsection two (2), Code 1971, is amended as follows:

3 2. Any domestic or foreign corporation or real estate investment
4 trust as defined in section 856 of the Internal Revenue Code may
5 agree in writing to pay any rate of interest in excess of the rate
6 prescribed in subsection 1 hereof, and no such corporation or real
7 estate investment trust so agreeing in writing shall plead or inter-
8 pose the claim or defense of usury in any action or proceeding.

Approved February 11, 1972.

CHAPTER 1118

BONDED WAREHOUSES

H. F. 1272

AN ACT relating to bonded warehouses.

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

1 SECTION 1. Section five hundred forty-three point one (543.1),
2 Code 1971, is amended by striking subsection eight (8) and inserting
3 in lieu thereof the following:

4 8. "Warehouseman" means any person engaged in the business of
5 operating a warehouse for the storing, shipping, handling or process-
6 ing of agricultural products.

1 SEC. 2. Section five hundred forty-three point one (543.1), Code
2 1971, is amended by adding the following new subsections:

3 1. "'Unlicensed warehouseman' means a warehouseman who retains
4 grain in his warehouse not to exceed ten days and is not licensed under
5 the provisions of this chapter or Title VII, U.S.C.A."

6 2. "'Scale weight ticket' means a load slip or other evidence, other
7 than a receipt, given to a depositor by a warehouseman licensed under
8 this chapter upon initial delivery of the agricultural product to the
9 warehouse."

10 3. "'Depositor' means any person who deposits an agricultural
11 product in a warehouse for storage, handling, or shipment, or who
12 is the owner or legal holder of an outstanding warehouse receipt, or
13 who is lawfully entitled to possession of the agricultural product."

14 4. "'Station' means a warehouse located more than three miles from
15 the central office of the warehouse or in a different city or town than
16 the central office."

17 5. "Warehouseman's obligation" means a sufficient quantity and
 18 quality of grain or other products for which a warehouseman is
 19 licensed including company owned grain and grain of depositors as
 20 the warehouseman's records indicate. For an unlicensed warehouse-
 21 man it means a sufficient quantity and quality to cover company owned
 22 and all deposits of grain for which actual payment has not been made.
 23 At no time may a warehouseman have less grain in his warehouse
 24 than his obligations to depositors, as determined by investigation of
 25 the warehouseman's records."

1 SEC. 3. Section five hundred forty-three point four (543.4), Code
 2 1971, is amended to read as follows:

3 543.4 **Issuance of license.** The commission is authorized, upon
 4 application to it, to issue to any warehouseman or to any person about
 5 to become a warehouseman a license or licenses for the operation of
 6 a warehouse or warehouses in accordance with the provisions of this
 7 chapter and such rules and regulations as may be made by the com-
 8 mission under the authority of section 543.3. A single license may
 9 be issued for the operation of two or more warehouses located in the
 10 same city or town and operated by the same warehouseman. Licenses
 11 to a warehouseman to operate two or more warehouses located in dif-
 12 ferent cities or towns may be issued under a single application but a
 13 separate license shall be issued for such operation in each city or
 14 town. A license to operate two or more warehouses located in differ-
 15 ent cities or towns within a twenty-five mile radius of a central office
 16 may be issued under a single application, but a separate fee shall be
 17 charged for each station.

1 SEC. 4. Section five hundred forty-three point thirteen (543.13),
 2 unnumbered paragraph one (1), Code 1971, is amended to read as
 3 follows:

4 Each bond required under section 543.12 shall be in such form and
 5 shall contain such reasonable terms and conditions for the protection
 6 of the public as the commission shall prescribe, and shall be endorsed
 7 as surety by a bonding company authorized to do business in this
 8 state. No bond shall be canceled by the surety on less than ninety
 9 days' notice by certified mail to the commission and the principal. *In*
 10 *no event, shall the liability of the surety on any bond required by sec-*
 11 *tion 543.12 accumulate for each successive license period during which*
 12 *the bond is in force. The liability of the surety shall be limited in the*
 13 *aggregate to the face amount of the bond.*

1 SEC. 5. Section five hundred forty-three point thirteen (543.13),
 2 subsection three (3), Code 1971, is amended to read as follows:

3 3. If the agricultural products intended to be stored by the ware-
 4 houseman, as specified in his application for a license or an amended
 5 license, include both bulk grain and other agricultural products the
 6 minimum amount of the bond shall be the total of the minimum
 7 amount which would have been required for the exclusive storage of
 8 the bulk grain plus the minimum amount which would have been re-
 9 quired for the exclusive storage of the agricultural products other
 10 than bulk grain. One bond, cumulative as to minimum requirements,
 11 may be accepted from a warehouseman operating warehouses in two
 12 or more cities or towns. Notwithstanding any other provisions of this
 13 chapter, the bond provided in this section shall cover all bulk grain

14 deposited with a licensed warehouseman, *whether under open storage*
15 *or warehouse receipts.*

1 SEC. 6. Section five hundred forty-three point seventeen (543.17),
2 Code 1971, is amended by striking the section and inserting in lieu
3 thereof the following:

4 **543.17 Receiving bulk grain at licensed and unlicensed warehouses.**

5 1. Any grain which has been received at any licensed warehouse
6 for which the actual sale price is not fixed and proper documentation
7 made or payment made shall be construed to be grain held for storage
8 within the meaning of this chapter. Grain may be held in open stor-
9 age or placed on warehouse receipt. Actual payment shall be made
10 on all priced grain, or warehouse receipts shall be issued for all grain
11 held in open storage, within six months of delivery to the warehouse,
12 unless the depositor has signed a statement that he does not desire a
13 warehouse receipt. Such grain shall then be considered as open stor-
14 age. Any deposit of grain for which the price has not been fixed and
15 properly documented within thirty days from delivery to the ware-
16 house shall be deemed as storage. The warehouseman's tariff shall
17 apply for any grain that is retained in open storage or under ware-
18 house receipt.

19 Bulk grain deposited with a licensed warehouseman for processing,
20 cleaning, drying, shipping for the account of the depositor or any
21 other purpose shall be removed within thirty days or such grain shall
22 be determined as stored grain and the warehouseman's tariff charges
23 shall apply.

24 Grain received on a scale ticket which fails to have the price fixed
25 and properly documented on the records of the warehouseman shall be
26 construed to be in open storage and shall be covered by the ware-
27 houseman's bond within the provisions of this chapter.

28 All grain whether open storage or having been placed on warehouse
29 receipt shall be covered by the warehouseman's bond as required
30 under the provisions of this chapter.

31 2. Notwithstanding any provisions of this section, a written agree-
32 ment may be made within thirty days of first delivery of any bulk
33 grain to a licensed warehouseman that payment will be deferred to a
34 future date. Such agreement shall contain a statement informing the
35 seller that the warehouseman shall not be required to carry insurance
36 or bond on such grain for the benefit of the seller and that the pay-
37 ment for such grain becomes a common claim against the warehouse-
38 man.

39 The agreement in addition to such other information as may be
40 required shall contain the following:

- 41 a. The seller's or depositor's name and address.
- 42 b. The conditions of delivery.
- 43 c. The amount and kind of grain delivered.
- 44 d. The price per bushel or basis of value.
- 45 e. The date payment is to be made.

46 Such agreement must be numbered and signed by both parties and
47 executed in triplicate. One copy shall be retained by the warehou-
48 se-man, one copy shall be delivered to the seller and one copy shall be
49 forwarded to the commission within five days from execution of such
50 agreement.

51 Grain received under a deferred payment contract under the pro-
52 visions of this section shall not be deemed as stored grain.

53 Any grain which has been received at any unlicensed warehouse
54 and for which the actual sale price has not been fixed and payment
55 made within ten days from receipt of the grain, shall be construed to
56 be grain held for storage within the meaning of this chapter. Bulk
57 grain received at any unlicensed warehouse for any other purpose
58 must either be returned to the depositor or disposed of by order of
59 the depositor within ten days from date of actual deposit of the bulk
60 grain.

61 If the depositor of bulk grain in an unlicensed warehouse fails to
62 sell the grain or orders other disposition of the grain, the warehouse-
63 man may purchase the grain on the tenth day after deposit at not less
64 than the local market price at the close of business on the tenth day
65 or return the grain to the depositor by the tenth day.

1 SEC. 7. Section five hundred forty-three point thirty-three
2 (543.33), subsections three (3) and four (4), Code 1971, are
3 amended to read as follows:

4 3. For the renewal or extension of each license, twenty-four dollars
5 *per station*.

6 4. For the issuance of a license, two dollars for each month or frac-
7 tion thereof of the period of time for which such license is issued *per*
8 *station*.

1 SEC. 8. Section five hundred forty-three point nine (543.9), Code
2 1971, is repealed.

Approved April 21, 1972.

CHAPTER 1119

DEPARTMENT OF ENVIRONMENTAL QUALITY

S. F. 85

AN ACT creating a department of environmental quality, specifying its powers, duties, and functions, and providing penalties for violations thereof.

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

DIVISION I

1 SECTION 1. When used in this Act, unless the context otherwise
2 requires:

3 1. "Department" means the department of environmental quality.

4 2. "Executive director" means the executive director of the depart-
5 ment of environmental quality or his designee.

6 3. "Executive committee" means the executive committee of the
7 department of environmental quality.

1 SEC. 2. There is created a department of environmental quality.
2 The chief administrative officer of the department shall be the execu-
3 tive director of environmental quality, who shall be appointed by the