

203C.39 Grain stored in another warehouse.

A licensed warehouse operator may store grain in an alternative warehouse located in Iowa or another state as provided in this section.

1. *a.* The alternative warehouse located in Iowa must be another licensed warehouse or a warehouse licensed pursuant to the United States Warehouse Act.

b. The alternative warehouse located in another state must be licensed pursuant to the applicable laws of the state in which the alternative warehouse is located or the United States Warehouse Act. A warehouse operator shall not store grain in an alternative warehouse located in another state, unless approved in writing by the department in a manner required by the department.

2. In storing grain in an alternative warehouse under subsection 1, all of the following requirements apply:

a. The warehouse operator must obtain from such warehouse operator a nonnegotiable warehouse receipt and such receipt must show clearly the following notation:

Held in trust for depositors of (name of original receiving warehouse).

b. When the licensed warehouse operator begins to use the alternative warehouse, the licensed warehouse operator must have sufficient net worth under section 203C.6 or provide a deficiency bond or an irrevocable letter of credit to cover the increase in the licensed warehouse operator's gross capacity.

3. A licensed warehouse operator may transfer grain for storage to another licensed warehouse operator while the warehouse operator receiving such grain has grain stored elsewhere under the provisions of this section.

[C71, 73, 75, 77, 79, 81, §543.39]

86 Acts, ch 1152, §30; 89 Acts, ch 143, §1102

C93, §203C.39

2003 Acts, ch 69, §20; 2012 Acts, ch 1095, §116

[T] Section amended