

203C.17 Receiving bulk grain at licensed and unlicensed warehouses.

1. Grain deposited with a licensed warehouse operator for which the actual sale price has not been fixed and either proper documentation has not been furnished or payment has not been made shall be considered stored grain and may be retained in open storage or placed under warehouse receipt. The licensed warehouse operator shall issue a warehouse receipt to the depositor upon request by the depositor. The warehouse operator's tariff shall apply to any grain that is retained in open storage or placed under warehouse receipt as provided in [section 203C.18](#).

2. Bulk grain deposited with a licensed warehouse operator for processing, cleaning, drying, shipping for the account of the depositor, or any other purpose shall be removed within thirty days from the date of deposit or such grain shall be considered stored grain. The warehouse operator's tariff shall apply to the bulk grain as provided in [section 203C.28](#).

3. Grain deposited and subject to a scale weight ticket that fails to have the price fixed and properly documented on the records of the licensed warehouse operator shall be retained in open storage.

4. All bulk grain whether retained in open storage and deposited subject to a scale weight ticket or placed under warehouse receipt is covered by the grain depositors and sellers indemnity fund as provided in [chapter 203D](#).

5. An unlicensed warehouse operator shall not retain deposited bulk grain, if its actual sale price has not been fixed, and payment for the bulk grain has not been made within thirty days from its date of deposit, unless purchased by credit-sale contract. An unlicensed warehouse operator who retains deposited bulk grain under any other circumstance must either return the bulk grain to the depositor, or dispose of the bulk grain by order of the depositor, within thirty days from date of the deposit of the bulk grain.

6. If the depositor of bulk grain in an unlicensed warehouse fails to sell the grain or orders other disposition of the grain, the warehouse operator may purchase the grain, if otherwise allowed by law, on the thirtieth day after deposit at not less than the local market price at the close of business on the thirtieth day or return the grain to the depositor by the thirtieth day.

7. A licensed warehouse operator who does not have a sufficient quantity or quality of grain to satisfy the warehouse operator's obligations based on an examination by the department shall not purchase grain on credit-sale contract to correct the shortage of grain. A licensed warehouse operator shall not issue a warehouse receipt for purposes of providing collateral, if the grain which is the subject of the warehouse receipt was purchased by credit-sale contract and is unpaid for by the warehouse operator.

8. *a.* At least once each year, a licensed warehouse operator shall send a statement to each holder of a warehouse receipt covering grain stored at the licensed warehouse operator's licensed warehouse for more than one year. The statement shall be delivered in person or mailed to the holder's last known address. The statement shall show the amount of all grain stored pursuant to a warehouse receipt for such warehouse receipt holder and the amount of any storage charges held by the licensed warehouse operator against that grain.

b. The failure to prepare a statement required by [this subsection](#) is a simple misdemeanor.

c. A violation of [this section](#) shall not constitute grounds for the suspension or revocation of a warehouse operator's license.

[C24, 27, 31, §9730; C35, §9751- g12; C39, §9751.12; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §543.17; [81 Acts, ch 180, §24](#)]

[86 Acts, ch 1152, §27](#); [92 Acts, ch 1239, §72, 73](#)

C93, §203C.17

[99 Acts, ch 106, §12](#); [2007 Acts, ch 30, §45, 46, 80](#); [2009 Acts, ch 41, §218](#); [2012 Acts, ch 1095, §112](#); [2023 Acts, ch 154, §11, 19](#)

See [§203.15](#)

Subsections 1, 2, 3, 4, and 5 amended