

*Sen. Agriculture 3/24 So Pass 3/30 (p. 958)*

HOUSE FILE 2448

Agriculture  
A. Miller, Chair  
Heister  
Hulse

*Mar. 2 1982*

HOUSE FILE 2448

BY COMMITTEE ON AGRICULTURE

(Formerly Study Bill 733)

Passed House, Date 3-19-82 (p. 902) Passed Senate, Date 4-7-82 (p. 1087)

Vote: Ayes 89 Nays 0 Vote: Ayes 47 Nays 0

Approved April 17, 1982

## A BILL FOR

1 An Act relating to the procedures for suspension or cancella-  
2 tion of a grain dealer or grain warehouse license.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HOUSE FILE 2448

H-5418

1 Amend House File 2448 as follows:

2 1. Page 2, by inserting after line 15 the  
3 following:

4 "Sec. 3. This Act, being deemed of immediate  
5 importance, takes effect from and after its  
6 publication in the Delaware County Leader, a newspaper  
7 published in Hopkinton, Iowa, and in The Pioneer-  
8 Republican, a newspaper published in Marengo, Iowa."

H-5418 FILED

MARCH 15, 1982

*Adopted 3/19 (p. 902)*

BY TYRRELL of Iowa  
HANSON of Delaware  
PELLETT of Cass

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2448

1 Section 1. Section 542.3, Code 1981, as amended by Acts  
2 of the Sixty-ninth General Assembly, 1981 Session, chapter  
3 180, section 4, is amended by adding the following new  
4 subsection:

5 NEW SUBSECTION. 7. a. When the net worth or current  
6 ratio of a licensee in good standing is less than that required  
7 by this section, the grain dealer shall correct the deficiency  
8 or file the necessary additional bond within thirty days of  
9 written notice by the commission. Unless the deficiency is  
10 corrected or the additional bond filed within thirty days,  
11 the grain dealer license shall be suspended.

12 b. If the commission finds that the welfare of grain  
13 producers requires emergency action, and incorporates a finding  
14 to that effect in its order, immediate suspension of the  
15 license may be ordered notwithstanding the thirty-day period  
16 otherwise allowed by paragraph a of this subsection.

17 Sec. 2. Section 543.11, unnumbered paragraph 1, Code 1981,  
18 as amended by Acts of the Sixty-ninth General Assembly, 1981  
19 Session, chapter 180, section 23, is amended to read as  
20 follows:

21 ~~Whenever~~ When the commission shall-~~determine~~ determines  
22 that a bond filed under ~~the-provisions-of~~ this chapter and  
23 approved by the commission, is, or has become, insufficient  
24 to secure the faithful performance of the obligations of the  
25 licensed warehouseman, or ~~whenever~~ when the commission shall  
26 ~~determine~~ determines that insurance is not fully provided  
27 as required under section 543.15, it may require the licensed  
28 warehouseman to provide additional bond ~~or-bonds~~ or additional  
29 evidence of insurance coverage so that the bond and insurance  
30 shall conform with the requirements of this chapter. If  
31 additional insurance is not provided within five days after  
32 receipt by the licensee of notice by certified mail, the  
33 license of the warehouseman concerned shall be automatically  
34 suspended. If additional insurance is not filed within another  
35 ten days, the warehouse license shall be automatically revoked.

1 If additional bond is not provided within a ~~period as set~~  
 2 ~~by the commission, but not to exceed twenty~~ thirty days after  
 3 receiving notice, the warehouse license shall be suspended.  
 4 If additional bond is not filed within ten days following  
 5 suspension, the warehouse license shall be automatically  
 6 revoked. When a license is so revoked, the commission shall  
 7 notify each holder of an outstanding warehouse receipt and  
 8 all known persons who have grain retained in open storage  
 9 of ~~such~~ the revocation. The commission shall further notify  
 10 each receipt holder and all known persons who have grain  
 11 retained in open storage that the grain must be removed from  
 12 the warehouse not later than the thirtieth day following the  
 13 revocation ~~as herein set forth.~~ Such The notice shall be  
 14 by ordinary mail sent to the last known address of each person  
 15 having grain in storage as provided in this section.

16 EXPLANATION

17 This bill amends the grain dealer and grain warehouse laws  
 18 to provide that a licensee must correct bond deficiencies  
 19 within thirty days or the commerce commission shall suspend  
 20 the license. Under a finding of emergency, immediate suspen-  
 21 sion of a grain dealer's license may be ordered.

22 The bill would take effect July 1 following enactment.

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HOUSE FILE 2448

AN ACT

RELATING TO THE PROCEDURES FOR SUSPENSION OR CANCELLATION OF  
A GRAIN DEALER OR GRAIN WAREHOUSE LICENSE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 542.3, Code 1981, as amended by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 180, section 4, is amended by adding the following new subsection:

NEW SUBSECTION. 7. a. When the net worth or current ratio of a licensee in good standing is less than that required by this section, the grain dealer shall correct the deficiency or file the necessary additional bond within thirty days of written notice by the commission. Unless the deficiency is corrected or the additional bond filed within thirty days, the grain dealer license shall be suspended.

b. If the commission finds that the welfare of grain producers requires emergency action, and incorporates a finding to that effect in its order, immediate suspension of the license may be ordered notwithstanding the thirty-day period otherwise allowed by paragraph a of this subsection.

Sec. 2. Section 543.11, unnumbered paragraph 1, Code 1981, as amended by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 180, section 23, is amended to read as follows:

~~Whenever~~ When the commission ~~shall-determine~~ determines that a bond filed under ~~the-provisions-of~~ this chapter and approved by the commission, is, or has become, insufficient to secure the faithful performance of the obligations of the licensed warehouseman, or ~~whenever~~ when the commission ~~shall determine~~ determines that insurance is not fully provided as required under section 543.15, it may require the licensed warehouseman to provide additional bond ~~or-bonds~~ or additional evidence of insurance coverage so that the bond and insurance ~~shall~~ conform with the requirements of this chapter. If additional insurance is not provided within five days after receipt by the licensee of notice by certified mail, the license of the warehouseman concerned shall be automatically suspended. If additional insurance is not filed within another ten days, the warehouse license shall be automatically revoked. If additional bond is not provided within ~~a-period-as-set~~ by-the-commission-but-not-to-exceed-twenty thirty days after receiving notice, the warehouse license shall be suspended. If additional bond is not filed within ten days following suspension, the warehouse license shall be automatically revoked. When a license is so revoked, the commission shall notify each holder of an outstanding warehouse receipt and all known persons who have grain retained in open storage of ~~such~~ the revocation. The commission shall further notify each receipt holder and all known persons who have grain retained in open storage that the grain must be removed from the warehouse not later than the thirtieth day following the revocation ~~as-herein-set-forth~~. ~~Such~~ The notice shall be by ordinary mail sent to the last known address of each person having grain in storage as provided in this section.

Sec. 3. This Act, being deemed of immediate importance, takes effect from and after its publication in the Delaware County Leader, a newspaper published in Hopkinton, Iowa, and in The Pioneer-Republican, a newspaper published in Marengo, Iowa.

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DELWYN STROMER  
Speaker of the House

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TERRY E. BRANSTAD  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2448, Sixty-ninth General Assembly.

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ELIZABETH A. ISAACSON  
Chief Clerk of the House

Approved 4/19, 1982

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ROBERT D. RAY  
Governor