

Sen. Ag 3/2) No. Base 3/25 (p. 931)

MAR 11 1986

Place On Calendar

HOUSE FILE 2446
BY COMMITTEE ON AGRICULTURE

(Formerly House Study Bill 778)

Passed House, Date 3-18-86 (p. 882) Passed Senate, Date 4-3-86 (p. 1037)
Vote: Ayes 95 Nays 0 Vote: Ayes 45 Nays 0
Approved April 18, 1986 (p. 1575)

A BILL FOR

1 An Act relating to the insurance and tariff provisions for bonded
2 warehouses for agricultural products.

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

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

HF 2446

1 Section 1. Section 543.15, Code 1985, is amended by adding
2 the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. However, notwithstanding the in-
4 surance requirements set forth in this section, a licensed
5 warehouse may exclude from the insurance coverage stored grain
6 to which title is fully vested in the United States government
7 or any of its subdivisions or agencies, provided that the
8 licensed warehouse has on file with the United States
9 government or any of its subdivisions or agencies a current
10 and accepted uninsured storage rate under the provisions of
11 their uniform grain storage agreement. The licensed warehouse
12 shall file a copy of the current uninsured tariff rate with
13 the commission immediately upon acceptance of the uninsured
14 rate by the United States government or any of its
15 subdivisions or agencies.

16 Sec. 2. Section 543.28, Code 1985, is amended by striking
17 the section and inserting in lieu thereof the following:

18 543.28 TARIFF RATES.

19 A warehouse operator shall, at the time of application for
20 a license, file a tariff with the commission which shall
21 contain rates to be charged for receiving, storage, and load-
22 out of grain. The tariff shall be posed in a conspicuous
23 place at the place of business of the licensee in a form
24 prescribed by the commission and shall become effective at the
25 time the license becomes effective.

26 Storage charges shall commence on the date of delivery to
27 the warehouse. Storage, receiving, or load-out charges other
28 than those specified in the tariff may be made if the charge
29 is required by the terms of a written contract with the United
30 States government or any of its subdivisions or agencies.

31 Grain deposited with the warehouse for the sole purpose of
32 processing and redelivery to the depositor is subject only to
33 the charges listed under the grain bank section of the tariff.
34 Drying and cleaning of grain shall not be construed as
35 processing.

1 A tariff may be amended at any time and is effective
2 immediately, except that grain in store on the effective date
3 of a storage charge increase does not assume the increased
4 rate until the subsequent anniversary date of deposit. Any
5 decrease in storage rates shall be effective immediately and
6 shall be applicable to all grain in store on the effective
7 date of the decrease.

8 A warehouse operator may file with the commission and
9 publish the supplemental tariff applicable only to grain meet-
10 ing special descriptive standards or characteristics as set
11 forth in the supplemental tariff. A supplemental tariff shall
12 be in a form prescribed by the commission and be posted ad-
13 jacent to the warehouse tariff.

14 All tariff charges shall be nondiscriminatory within
15 classes.

16 EXPLANATION

17 Under the uniform grain storage agreement executed by an
18 Iowa or federally licensed elevator with the commodity credit
19 corporation, the corporation allows a warehouse operator to
20 file both an insured and uninsured rate on corporation grain
21 which is wholly owned and titled to the corporation. Iowa law
22 has required that all grain be insured. CCC requires that the
23 uninsured rate be lower than the warehouse operator's insured
24 rate by the per-bushel cost of insurance. This bill allows
25 Iowa warehouse operators to exclude the CCC grain from the
26 insurance. This bill also allows Iowa warehouse operators to
27 file tariffs to specifically cover special situations such as
28 warehouse stored loan grain, and to reduce the rate on loan
29 grain.

30

31

32

33

34

35

HSB 778

Study Bill 778

Agriculture: Skow, Chair; Koenigs and Van Maanen.

Agriculture

now
HF 2446

HOUSE FILE 2446
BY (PROPOSED COMMITTEE ON
AGRICULTURE BILL)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the insurance and tariff provisions for bonded
2 warehouses for agricultural products.

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

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24

1 Section 1. Section 543.15, Code 1985, is amended by adding
2 the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. However, notwithstanding the in-
4 surance requirements set forth in this section, a licensed
5 warehouse may elect to exclude from the insurance coverage
6 that part of the licensed warehouse inventory in which title
7 is fully vested in the United States government or any of its
8 subdivisions or agencies, provided that the licensed warehouse
9 has on file with the United States government or any of its
10 subdivisions or agencies a current and accepted uninsured
11 storage rate under the provisions of a valid and current
12 agricultural products storage agreement. The licensed
13 warehouse shall file a copy of the current uninsured tariff
14 rate with the commission immediately upon acceptance of the
15 uninsured rate by the United States government or any of its
16 subdivisions or agencies.

17 Sec. 2. Section 543.28, Code 1985, is amended by striking
18 the section and inserting in lieu thereof the following:

19 543.28 TARIFF RATES.

20 A warehouse operator shall, at the time of application for
21 a license, file a tariff with the commission which shall
22 contain rates to be charged for receiving, storage, and load-
23 out of grain. The tariff shall be posed in a conspicuous
24 place at the place of business of the licensee in a form
25 prescribed by the commission and shall become effective at the
26 time the license becomes effective.

27 Storage charges shall commence on the date of receipt into
28 the warehouse. A receiving or load-out charge other than that
29 specified in the tariff may be made if the charge is required
30 by the terms of a written contract with the United States
31 government or any of its subdivisions or agencies, provided
32 that a copy of the contract is filed with the commission.

33 Grain deposited with the warehouse for the sole purpose of
34 processing and redelivery to the depositor is subject only to
35 the charges listed under the processing portion of the tariff.

1 Drying and cleaning of grain shall not be construed as
2 processing.

3 A tariff may be amended at any time subject to approval by
4 the commission and shall be effective immediately upon
5 approval except that grain in store on the effective date of a
6 storage charge increase does not assume the increased rate
7 until the subsequent anniversary date of the warehouse receipt
8 or documents representing the grain. Any decrease in storage
9 rates shall be effective immediately and shall be applicable
10 to all grain in store on the effective date of the decrease.

11 A warehouse operator may, upon approval of the commission,
12 publish a supplemental tariff applicable only to grain meeting
13 special descriptive standards or characteristics as set forth
14 in the supplemental tariff. A supplemental tariff shall be in
15 a form prescribed by the commission and be posted adjacent to
16 the warehouse tariff.

17 All tariff charges shall be just, reasonable, and nondis-
18 criminatory. Charges made under an approved supplemental
19 tariff are considered nondiscriminatory if they are available
20 to all depositors whose grain meets the special descriptive
21 standards or characteristics set forth in the supplemental
22 tariff.

23

EXPLANATION

24 Under the uniform grain storage agreement executed by an
25 Iowa or federally licensed elevator with the commodity credit
26 corporation, the corporation allows a warehouse operator to
27 file both an insured and uninsured rate on corporation grain
28 which is wholly owned and titled to the corporation. Iowa law
29 has required that all grain be insured. CCC requires that the
30 uninsured rate be lower than the warehouse operator's insured
31 rate by the per-bushel cost of insurance. This bill allows
32 Iowa warehouse operators to exclude the CCC grain from the
33 insurance. This bill also allows Iowa warehouse operators to
34 file tariffs to specifically cover special situations such as
35 warehouse stored loan grain, and to reduce the rate on loan
36 grain.

HOUSE FILE 2446

AN ACT
RELATING TO THE INSURANCE AND TARIFF PROVISIONS FOR BONDED
WAREHOUSES FOR AGRICULTURAL PRODUCTS.

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

Section 1. Section 543.15, Code 1985, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. However, notwithstanding the insurance requirements set forth in this section, a licensed warehouse may exclude from the insurance coverage stored grain to which title is fully vested in the United States government or any of its subdivisions or agencies, provided that the licensed warehouse has on file with the United States government or any of its subdivisions or agencies a current and accepted uninsured storage rate under the provisions of their uniform grain storage agreement. The licensed warehouse shall file a copy of the current uninsured tariff rate with the commission immediately upon acceptance of the uninsured

rate by the United States government or any of its subdivisions or agencies.

Sec. 2. Section 543.28, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

543.28 TARIFF RATES.

A warehouse operator shall, at the time of application for a license, file a tariff with the commission which shall contain rates to be charged for receiving, storage, and load-out of grain. The tariff shall be posted in a conspicuous place at the place of business of the licensee in a form prescribed by the commission and shall become effective at the time the license becomes effective.

Storage charges shall commence on the date of delivery to the warehouse. Storage, receiving, or load-out charges other than those specified in the tariff may be made if the charge is required by the terms of a written contract with the United States government or any of its subdivisions or agencies.

Grain deposited with the warehouse for the sole purpose of processing and redelivery to the depositor is subject only to the charges listed under the grain bank section of the tariff. Drying and cleaning of grain shall not be construed as processing.

A tariff may be amended at any time and is effective immediately, except that grain in store on the effective date of a storage charge increase does not assume the increased rate until the subsequent anniversary date of deposit. Any decrease in storage rates shall be effective immediately and shall be applicable to all grain in store on the effective date of the decrease.

A warehouse operator may file with the commission and publish the supplemental tariff applicable only to grain meeting special descriptive standards or characteristics as set forth in the supplemental tariff. A supplemental tariff shall be in a form prescribed by the commission and be posted adjacent to the warehouse tariff.

All tariff charges shall be nondiscriminatory within classes.

DONALD D. AVENSON
Speaker of the House

ROBERT T. ANDERSON
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2446, Seventy-first General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved April 18, 1986

TERRY E. BRANSTAD
Governor