

WAREHOUSING AND DEPOSITS

CHAPTER 696

HOUSE BILL NO. 1137

(Committee on Agriculture)

(At the request of the Public Service Commission)

WAREHOUSING BEANS AND GRAIN

AN ACT to create and enact a new section to chapter 60-02 of the North Dakota Century Code, relating to warehouse charges for grain owned by the United States; to amend and reenact subsection 2 of section 60-02-16, and sections 60-02-17, 60-02-27, and 60-02-35.1 of the North Dakota Century Code, relating to the contents and provisions of warehouse receipts used by grain warehouses, use of and posting in grain warehouses of official grades of grain and seeds as established by the secretary of agriculture of the United States, and insurance and suspension of license for failure to maintain insurance of grain warehousemen; and to repeal section 60-02-31.1 of the North Dakota Century Code, relating to delivery of dry edible beans.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 2 of section 60-02-16 of the North Dakota Century Code is amended and reenacted as follows:

2. Contain the following provisions:

- a. The place and date when the grain was received;
- b. The name and address of the owner of the grain;
- c. The kind and grade of the grain according to the official standards established by the secretary of agriculture of the United States, except that receipts issued for dry edible beans must reference, in lieu of a grade designation, the number of the scale tickets containing a description of the beans including the percentage of foreign material, splits, check seed coats, total pick, and moisture; and
- d. The gross weight, dockage, and net weight of the grain according to North Dakota standard weight.

* SECTION 2. AMENDMENT. Section 60-02-17 of the North Dakota Century Code is amended and reenacted as follows:

60-02-17. Warehouse and storage contract - Storage rates - Terminal delivery. A warehouse receipt shall contain, either on its face or reverse side, the following warehouse and storage contract:

"This grain is received, insured, and stored subject to the following charges: one-tenth of one cent per net bushel [35.24 liters] per day, except for dry edible beans which shall be subject to a daily

* NOTE: Section 60-02-17 was also amended by section 1 of Senate Bill No. 2491, chapter 697.

storage rate fixed at the time of delivery no greater than one-half of one cent per net hundredweight [45.36 kilograms] per day, provided, however, that no storage shall be charged for grain so stored for fifteen days from date of delivery if such grain is sold within such fifteen-day period; however, if such grain is not sold within the fifteen days, storage charges shall commence from the date a warehouse receipt was issued. All grain received for storage shall be subject to a charge of seven cents per net bushel [35.24 liters], except for flax which shall be subject to a charge of seven cents per gross bushel [35.24 liters] and dry edible beans which shall be subject to a charge of ten cents per net hundredweight [45.36 kilograms]. Grain purchased by the warehouseman shall be exempt from the receiving and redelivery charges. Upon Except for dry edible beans, upon surrender of this receipt and payment or tender of a delivery charge per gross bushel [35.24 liters] of five cents on flax, three dollars per net hundredweight [45.36 kilograms] on dry edible beans, and five cents per net bushel [35.24 liters] on all other grains and all other stated lawful charges accrued up to the time of surrender of this receipt, the above amount, kind, and grade of grain will be delivered to the person named above or the person's order as rapidly as due diligence, care, and prudence will permit. At the option of the holder of this receipt, the amount, kind, and grade of grain for which this receipt is issued, upon demand, shall be delivered back to the holder at any terminal point customarily shipped to, or at the place where received, upon the payment of the above charges for receiving, handling, storage, and insurance and in case of terminal delivery, the payment in addition to the above of the regular freight charges on the gross amount called for by this ticket or in lieu thereof, a receipt issued by a bonded warehouse or elevator company doing business at the terminal point. Nothing in this receipt requires the delivery of the identical grain specified herein, but an equal amount of grain of the same kind and grade shall be delivered. Dry edible beans will be delivered to the holder in accordance with the warehouseman's delivery policy upon the surrender of this receipt and payment or tender of all lawful charges accrued up to the time of surrender including the charge for delivery contained in the delivery policy."

SECTION 3. AMENDMENT. Section 60-02-27 of the North Dakota Century Code is amended and reenacted as follows:

60-02-27. Federal grades to control - Grades to be posted. All public warehousemen shall purchase and store grain ~~and seeds~~ except dry edible beans in accordance with the official grades established from time to time by the secretary of agriculture of the United States, except as otherwise provided in rules and regulations applicable thereto adopted by federal officials pursuant to law. They shall post in a conspicuous place in their warehouse the official grades so established and also any change that may be made from time to time. Warehousemen of dry edible beans shall purchase, store, and deliver beans in accordance with their policy which must be filed with the commission and posted in a conspicuous place in their warehouse.

SECTION 4. AMENDMENT. Section 60-02-35.1 of the 1989 Supplement to the North Dakota Century Code is amended and reenacted as follows:

60-02-35.1. Insurance - Cancellation - Suspension of license. An insurance company shall give at least ~~thirty~~ sixty days' notice to the commission and the insured by certified mail return receipt requested before

cancellation of an insurance policy required in section 60-02-35. ~~if insurance is canceled.~~ Unless the warehouseman files proof of new or renewed insurance at least thirty days before the existing policy ceases, the commission, without hearing, shall immediately suspend the warehouseman's license of the warehouseman until satisfactory evidence of an effective insurance policy has been submitted to and the suspension may not be removed until a new policy has been filed and approved by the commission. When a license is so suspended the warehouseman shall give notice of such suspension to each receiptholder having grain stored in the warehouse. The warehouseman shall further notify each receiptholder having grain stored in the warehouse that the grain must be removed from the warehouse or it will be priced and redeemed in cash in accordance with section 60-02-41.

SECTION 5. A new section to chapter 60-02 of the North Dakota Century Code is created and enacted as follows:

Warehouse charges for grain owned by the United States. Notwithstanding any other provision of this chapter, the commission may establish charges by rule for the storage, receipt, and redelivery of grain owned by the United States or its agencies when necessary to allow public warehousemen to store that grain, recover their costs, and obtain a reasonable return. A warehouse receipt issued to the United States or its agencies must identify the charges established by the commission. Unless otherwise prohibited or limited by the commission, the charges may remain effective after assignment of the grain by the United States for such time as agreed to by the warehouseman after which time the grain is subject to the charges prescribed by this chapter.

SECTION 6. REPEAL. Section 60-02-31.1 of the North Dakota Century Code is repealed.

Approved March 27, 1991
Filed March 28, 1991

CHAPTER 697

SENATE BILL NO. 2491
(Senators Thane, Kinnoin, Dotzenrod)
(Representatives Nichols, Nicholas)

WAREHOUSE GRAIN STORAGE RATES

AN ACT to amend and reenact section 60-02-17 of the North Dakota Century Code, relating to warehouse storage rates; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 60-02-17 of the North Dakota Century Code is amended and reenacted as follows:

60-02-17. Warehouse and storage contract - Storage rates - Terminal delivery. A warehouse receipt shall contain, either on its face or reverse side, the following warehouse and storage contract:

"This grain is received, insured, and stored subject to the following charges: one-tenth of one cent per net bushel [35.24 liters] per day, except for dry edible beans which shall be subject to a daily storage rate fixed at the time of delivery no greater than one-half of one cent per net hundredweight [45.36 kilograms] per day, provided, however, that no storage shall be charged for grain so stored for fifteen days from date of delivery if such grain is sold within such fifteen-day period; however, if such grain is not sold within the fifteen days, storage charges shall commence from the date a warehouse receipt was issued. All grain received for storage shall be subject to a charge of seven cents per net bushel [35.24 liters], except for flax which shall be subject to a charge of seven cents per gross bushel [35.24 liters] and dry edible beans which shall be subject to a charge of ten cents per net hundredweight [45.36 kilograms]. Grain purchased by the warehouseman shall be exempt from the receiving and redelivery charges. Upon surrender of this receipt and payment or tender of a delivery charge per gross bushel [35.24 liters] of five cents on flax, three dollars per net hundredweight [45.36 kilograms] on dry edible beans, and five cents per net bushel [35.24 liters] on all other grains and all other stated lawful charges accrued up to the time of surrender of this receipt, the above amount, kind, and grade of grain will be delivered to the person named above or the person's order as rapidly as due diligence, care, and prudence will permit. At the option of the holder of this receipt, the amount, kind, and grade of grain for which this receipt is issued, upon demand, shall be delivered back to the holder at any terminal point customarily shipped to, or at the place where received, upon the payment of the above charges for receiving, handling, storage, and insurance and in case of terminal delivery, the payment in addition to the above of the regular freight charges on the gross amount called for by this ticket or in lieu thereof, a receipt issued by a bonded warehouse or elevator company doing business at the terminal point. Nothing in this receipt requires the delivery of the

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identical grain specified herein, but an equal amount of grain of the same kind and grade shall be delivered."

A warehouseman may charge a different storage rate for grain stored for the United States government under the Food Security Wheat Reserve Act, Pub. L. 101-624, as amended, if the rate is filed with the commission and identified on the warehouse receipt.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

Approved February 6, 1991
Filed February 6, 1991