

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1197

Page 1, line 14, replace "cash sale" with "noncredit-sale"

Page 2, line 19, replace "cash sale and storage" with "noncredit-sale"

Page 3, line 12, replace "warehouseman" with "licensee"

Page 3, line 14, replace "warehouseman" with "licensee"

Page 3, line 24, replace "may" with "shall"

Page 3, line 29, after "a" insert "licensed" and after "warehouse" insert "or a grain buyer"

Page 3, line 31, after "The" insert "licensed" and after "grain" insert "or the grain buyer to whom the person sold grain"

Page 4, line 1, after "The" insert "licensed" and after "warehouse" insert "or the grain buyer"

Page 4, line 4, after the first "a" insert "licensed" and after "warehouse" insert "or a grain buyer"

Page 4, line 6, replace "warehouse's" with "licensee's"

Page 4, line 7, replace "warehouse" with "licensee"

Page 4, line 11, replace the second "the" with "all of that person's unsatisfied"

Page 4, line 12, replace "contract or one" with "contracts or two" and after "hundred" insert "fifty"

Page 4, line 18, remove "section 6 of"

Page 4, after line 31, insert:

Revocation and suspension. The commission may suspend or revoke the license of any licensee for cause upon notice and hearing for violation of this chapter.

Cease and desist. If a person engages in an activity or practice that is contrary to this chapter or rules adopted by the commission, the commission, upon its own motion without complaint and with or without a hearing, may order the person to cease and desist from the activity until further order of the commission. The order may include any corrective action up to and including license suspension. A cease and desist order must be accompanied by a notice of opportunity to be heard on the order within fifteen days of the issuance of the order.

Claims. A claim concerning a grain buyer must be administered in a manner consistent with chapter 60-02.1. A claim concerning a state licensed grain warehouse must be administered in a manner consistent with chapter 60-04. A payment may not

be made from the credit-sale contract indemnity fund for a claim based on losses resulting from the sale of grain to a person not licensed under chapter 60-02, chapter 60-02.1, or the United States Warehouse Act [Pub. L. 106-472; 114 Stat. 2061; 7 U.S.C. 241 et seq.].

Subrogation. Money paid from the credit-sale contract indemnity fund in satisfaction of a valid claim constitutes a debt obligation of the person against whom the claim was made. The commission may take action on behalf of the fund against a person to recover the amount of payment made, plus costs and attorney's fees. Any recovery for reimbursement to the fund must include interest computed at the weight average prime rate charged by the Bank of North Dakota. Upon payment of a claim from the credit-sale contract indemnity fund, the claimant shall subrogate its interest, if any, to the commission in a cause of action against all parties, to the amount of the loss that the claimant was reimbursed by the fund.

Unlicensed facility-based grain buyer. This chapter also applies to a facility-based grain buyer, as defined in section 60-02.1-01, which is licensed under the United States Warehouse Act but which does not possess a state grain buyer license. The commission has the duty and power to examine and inspect, during regular business hours, all books, documents, and records related to collections and remittances pertaining to the credit-sale contract indemnity fund. In the case of insolvency, credit-sale contract payments to valid claimants must be reduced by an amount equal to the credit-sale contract indemnity payments received from payments administered by the United States department of agriculture."

Renumber accordingly