

SENATE BILL NO. 2291

Introduced by

Senators Wanzek, Miller, Unruh

Representative D. Anderson

1 A BILL for an Act to amend and reenact sections 60-02-11 and 60-04-03.1 of the North Dakota
2 Century Code, relating to the allowable time for grain warehouse scale ticket conversions.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 60-02-11 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **60-02-11. Scale ticket - Contents - Conversion.**

7 1. a. Every public warehouseman, upon receiving grain into ~~its~~the warehouse, shall
8 issue a uniform scale ticket for each load of grain received. ~~Such~~The scale tickets
9 must be numbered consecutively, and one copy of each ticket must be retained
10 and remain as a permanent record. The original ticket must be delivered to the
11 person from whom the grain is received, upon receipt of each load of grain.

12 b. All scale tickets must be converted into cash, noncredit-sale contracts, credit-sale
13 contracts, or warehouse receipts, within forty-five days after the grain is delivered
14 to the warehouse, unless:

15 (1) The person to whom the scale ticket is issued signs a form waiving all rights
16 to trust benefits under section 60-04-03.1;

17 (2) The form identifies by number each scale ticket to which the waiver applies;
18 and

19 (3) The form is signed by the warehouseman.

20 c. The commission shall prepare the waiver form required by subdivision b and
21 make the form available to each warehouse. d. The

22 warehouseman shall keep one copy of the signed waiver form with the records of
23 the warehouse, provide one copy to the person who was issued the scale ticket
24 and signed the form, and file one copy with the commission.

1 2. Nothing in this chapter requires a warehouseman to receive grain for storage. A
2 warehouseman shall publish and post, in a conspicuous place in ~~its~~the warehouse, a
3 publication identifying whether storage will be available to ~~its~~ patrons or whether grain
4 will be accepted via cash or a credit-sale contract arrangement.

5 **SECTION 2. AMENDMENT.** Section 60-04-03.1 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **60-04-03.1. Trust fund established.**

8 1. Upon the insolvency of any warehouseman, a trust fund shall be established ~~for:~~

9 a. For the benefit of noncredit-sale receiptholders of the insolvent warehouseman,
10 other than those who have waived their rights as beneficiaries of the trust fund in
11 accordance with section 60-02-11; and ~~to~~

12 b. To pay the costs incurred by the commission in the administration of this chapter.

13 2. The trust fund ~~must consist~~consists of the following:

14 ~~1.~~ a. The grain in the warehouse of the insolvent warehouseman or the proceeds as
15 obtained through the sale of such grain;

16 ~~2.~~ b. The proceeds, including accounts receivable, from any grain sold from the time of
17 the filing of the claim that precipitated an insolvency until the commission is
18 appointed trustee ~~must be remitted to the commission and included in the trust~~
19 ~~fund;~~

20 ~~3.~~ c. The proceeds of insurance policies upon grain destroyed in the elevator;

21 ~~4.~~ d. The claims for relief, and proceeds therefrom, for damages upon any bond given
22 by the warehouseman to ensure faithful performance of the duties of a
23 warehouseman;

24 ~~5.~~ e. The claims for relief, and proceeds therefrom, for the conversion of any grain
25 stored in the warehouse;

26 ~~6.~~ f. Unencumbered accounts receivable for grain sold prior to the filing of the claim
27 that precipitated an insolvency;

28 ~~7.~~ g. Unencumbered equity in grain hedging accounts; and

29 ~~8.~~ h. Unencumbered grain product assets.