

CHAPTER 232

PUBLIC LOCAL GRAIN WAREHOUSES

232.01 LOCAL WAREHOUSES; WHAT ARE.

HISTORY. 1923 c. 114 s. 1; G.S. 1923 s. 5059; M.S. 1927 s. 5059; 1937 c. 296 s. 1; 1943 c. 345 s. 1.

Grain shipped from a local warehouse consigned to a terminal outside of the state; shipped into the state from without; and grain shipped from one state to another through the state but temporarily stored within the state is interstate commerce. Grain shipped from one local warehouse consigned to a terminal within the state is intrastate commerce. OAG July 27, 1933.

Chapter 232 was entirely rewritten based on Laws 1943, Chapter 345.

232.02 WAREHOUSES MUST BE LICENSED.

HISTORY. 1923 c. 114 s. 2; G.S. 1923 s. 5060; M.S. 1927 s. 5060; 1937 c. 296 s. 2; 1941 c. 432; 1943 c. 345 s. 2.

The bushel tax is not applicable to a truck driver who buys grain from producers for re-sale. OAG 1940 306, June 29, 1939 (215c-10).

Protection of warehouse receipt holder. 15 MLR 303.

The commission has authority to designate track buyers and truck buyers as such and issue licenses. Such licensees are not required to file bond. OAG May 15, 1937 (371b-14).

Note Laws 1941, Chapter 422, requiring a bond. 26 MLR 241.

232.03 WAREHOUSES MUST BE KEPT OPEN.

HISTORY. 1923 c. 114 s. 3; G.S. 1923 s. 5061; M.S. 1927 s. 5061; 1943 c. 345 s. 3.

232.04 LICENSES MAY BE REVOKED.

HISTORY. 1923 c. 114 s. 4; G.S. 1923 s. 5062; M.S. 1927 s. 5062; 1937 c. 296 s. 3; 1943 c. 345 s. 4.

Where one warehouseman is succeeded by another, the commission in revoking the old license and issuing a new one has no power to determine ownership. OAG June 29, 1935 (371b-2).

232.05 STATE INSPECTION AND WEIGHING.

HISTORY. 1901 c. 157 ss. 1, 2; R.L. 1905 s. 2086; G.S. 1913 s. 4480; M. Supp. s. 5062-1; 1943 c. 345 s. 5.

232.06 GRAIN TO BE RECEIVED FOR STORAGE; RECEIPT FOR; PENALTIES.

HISTORY. 1923 c. 114 s. 5; G.S. 1923 s. 5063; 1927 c. 200 s. 1; M.S. 1927 s. 5063; 1937 c. 296 s. 4; 1941 c. 431; 1943 c. 345 s. 6.

A rightful demand of possession of personal property and a wrongful refusal establish a conversion; but if there is an actual conversion a demand is not essential to the maintenance of an action. Where grain stored in an elevator was mingled with other grain, the warehouseman has the right to either replace stored grain with other like grain, or if unable to replace stored grain is guilty of conversion. *Torgerson v Quinn-Shepherdson*, 161 M 380, 201 NW 615.

Under the statute the storage of grain with an agreement to return an equal amount in kind constitutes a bailment, and not a sale; the fact that the elevator

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company did not give a bond as required by statute does not make the storage a sale. The elevator cannot pass good title even to a bona fide purchaser to grain in the elevator when it is less in amount than the stored grain. *Torgerson v Quinn-Shepherdson*, 161 M 380, 201 NW 615.

The surety having made itself responsible for the performance by the warehouseman of all duties imposed upon it by statute cannot avoid liability on the ground that he failed to issue the prescribed storage ticket. *Anderson v Krueger*, 170 M 225, 212 NW 198.

Counties charged with the responsibility of handling relief grain may enter into bona fide leasing contracts with elevator operators in connection with the handling and storage of grain for relief purposes. The price to be paid for such leased space is a matter of agreement between the counties and the elevator operators. OAG Nov. 2, 1934 (215c-8) 752.

Storage liability starts as of date the grain is received. OAG March 3, 1937 (215c-9).

Where the holder of a receipt authorizes the warehouseman to ship and sell grain, the purchaser obtains title without the receipt being surrendered. OAG Feb. 9, 1935 (215c-8).

Notè Laws 1941, Chapter 431, permitting agreements with secretary of agriculture. 26 MLR 246.

232.07 FORM OF STORAGE RECEIPT.

HISTORY. 1923 c. 114 s. 6; G.S. 1923 s. 5064; M.S. 1927 s. 5064; 1943 c. 345 s. 7.

232.08 GRAIN DELIVERED ON SURRENDER OF RECEIPT.

HISTORY. 1923 c. 114 s. 7; G.S. 1923 s. 5065; M.S. 1927 s. 5065; 1943 c. 345 s. 8.

The assignee of a public grain warehouse receipt is protected by the bond. OAG March 15, 1933.

232.09 WAREHOUSEMAN SHALL KEEP RECORD.

HISTORY. 1923 c. 114 s. 8; G.S. 1923 s. 5066; M.S. 1927 s. 5066; 1943 c. 345 s. 9.

232.10 STANDARD WEIGHTS TO BE USED.

HISTORY. 1923 c. 114 s. 9; G.S. 1923 s. 5067; M.S. 1927 s. 5067; 1943 c. 345 s. 10.

232.11 POOLING PROHIBITED.

HISTORY. 1923 c. 114 s. 10; G.S. 1923 s. 5068; M.S. 1927 s. 5068; 1943 c. 345 s. 11.

232.12 REPORTS TO BE FILED.

HISTORY. 1923 c. 114 s. 12; G.S. 1923 s. 5070; M.S. 1927 s. 5070; 1937 c. 296 s. 5; 1943 c. 345 s. 13.

232.13 WAREHOUSEMAN TO BE LICENSED.

HISTORY. 1923 c. 114 s. 13; G.S. 1923 s. 5071; M.S. 1927 s. 5071; 1937 s. 296 s. 6; 1943 c. 345 s. 14.

The elevator was emptied of grain before the sale to the defendants. This fact does not affect the right of recovery for the conversion of grain stored before the sale, and the fact that the elevator company did not give a bond as required by statute did not make the storage a sale. *Torgerson v Quinn-Shepherdson*, 161 M 380, 201 NW 615.

Surety having made itself responsible for the warehouseman cannot avoid liability on the ground that the warehouseman failed to issue the prescribed storage ticket. *Anderson v Krueger*, 170 M 225, 212 NW 198.

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Where the surety executed a bond and forwarded it to be signed by the principal, the principal had authority to deliver the bond to the commission; but the appointment of a receiver for the principal because of insolvency would terminate such implied authority. In case of delivery after the appointment of the receiver, the bond would not be effective against the surety. *Larson v Nat'l Surety Co.* 171 M 455, 214 NW 507.

Demand not necessary in action against the surety for conversion of stored grain when the property of the warehouseman is in the hands of receiver. *Larson v Nat'l Surety Co.* 171 M 455, 214 NW 507.

Although the state may be named as obligee, it must be understood to be so named for itself and those entitled by statute to maintain an action on the required bond. *Graybar v St. Paul Mercury*, 208 M 478, 294 NW 654.

The bond covers the period of the license granted to the warehouseman who furnishes the bond. By custom such licenses expire on the 31st day of August following their issuance and the bond relates to acts or omissions of the warehouseman in respect to his duties from the time the bond is given until the following 31st day of August. 1936 OAG 442, July 12, 1935 (645b-2).

232.14 TERMINATION OF LICENSES.

HISTORY. 1923 c. 114 s. 14; G.S. 1923 s. 5072; M.S. 1927 s. 5072; 1937 c. 298 s. 7; 1943 c. 345 s. 15.

232.15 STORAGE RECEIPT MAY BE RENEWED.

HISTORY. 1923 s. 114 s. 15; G.S. 1923 s. 5073; M.S. 1927 s. 5073; 1943 c. 345 s. 16.

232.16 DISCRIMINATION PROHIBITED.

HISTORY. 1923 c. 114 s. 16; G.S. 1923 s. 5074; M.S. 1927 s. 5074; 1943 c. 345 s. 17.

232.17 GRAIN DELIVERED CONSIDERED SOLD; UNLESS.

HISTORY. 1923 c. 114 s. 17; G.S. 1923 s. 5075; M.S. 1927 s. 5075; 1943 c. 345 s. 18.

232.18 MUST ISSUE SCALE TICKETS.

HISTORY. 1923 c. 114 s. 18; G.S. 1923 s. 5076; M.S. 1927 s. 5076; 1943 c. 345 s. 19.

232.19 PENALTIES FOR VIOLATIONS.

HISTORY. 1923 c. 114 s. 11; G.S. 1923 s. 5069; M.S. 1927 s. 5069; 1943 c. 345 s. 12.