

CHAPTER 233

PUBLIC TERMINAL WAREHOUSES

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233.01 DEFINITIONS.

Subdivision 1. **Scope.** The definitions in this section apply to this chapter.

Subd. 1a. **Department.** "Department" means the department of agriculture.

Subd. 2. **Warehouse operator.** "Warehouse operator" means the party, copartnership, association, or corporation engaged in the operation of a public terminal warehouse.

Subd. 3. **Public terminal warehouse.** "Public terminal warehouse" means an elevator or warehouse designated as a terminal point in which grain not belonging to the warehouse operator is received for storage, whether for hire or without charge. The term includes warehouses where grain stored for different owners is mixed with the grain of other owners and where the identity of the different lots or parcels is not preserved and warehouses where grain other than that of the warehouse operator is stored in separate bins and its identity preserved.

Subd. 4. [Repealed by amendment, 1989 c 197 art 3 s 1]

History: 1989 c 197 art 3 s 1

233.015 EXCLUSION.

Provisions of sections 233.03, 233.04, 233.06, and 233.09 that relate to grade and dockage do not apply to a public terminal warehouse if:

(1) the warehouse is used and operated exclusively for cleaning, drying, cooling, mixing, and conditioning for the market of grain belonging to others and storing that grain until it is disposed of by its owner; and

(2) in that warehouse, the grain of each owner or depositor is stored in separate bins or tanks and is kept separate from the grain of every other owner or depositor, and no grain belonging to that warehouse operator is received, handled, or stored.

History: 1989 c 197 art 3 s 1

233.017 RECEIPT ISSUANCE.

If grain is delivered to a public terminal warehouse, the receipt must be issued in the name of the owner or owner's agent unless otherwise ordered in writing.

History: 1989 c 197 art 3 s 1

233.02 RULES.

The department shall make necessary rules in regard to the receipt, care, and delivery of grain, the issuance, cancellation, division, and consolidation of warehouse receipts, and other matters relative to the management of the business of public terminal warehouses the department considers proper, consistent with this chapter.

History: 1989 c 197 art 3 s 1

233.03 DUTIES OF A WAREHOUSE OPERATOR.

Subdivision 1. Receipt of grain; inspection. A warehouse operator shall receive for storage and shipment, to the extent of warehouse capacity, all grain in suitable condition for storage tendered in the usual course of business, without discrimination of any kind. Grain must be inspected on receipt and stored with other grain of the same grade subject to other provisions of this chapter.

Subd. 2. Warehouse receipt; form. At the time of receipt of the grain, the warehouse operator shall issue and deliver to the owner or consignee a warehouse receipt, authorized by the department, in the following form:

Warehouse Receipt No.
 Elevator Co.
, Minn., 19.....
 The Elevator
 Company has received in store in its elevator known
 as
 situated at
 Minnesota, for storage from
 owner, bushels of
 which has been duly
 inspected by a duly authorized inspector of grain
 appointed by the department of agriculture of
 Minnesota, or licensed by the Secretary of
 Agriculture of the United States, and has been
 graded by the inspector as No.
 and is that grade. This grain, or an equal amount of
 grain of the same kind and grade, is deliverable upon
 the return of this receipt properly endorsed by the
 owner above named and the payment of all lawful
 charges; in case of grain stored separately in a
 special bin, at the request of the owner or consignee,
 the identity of the grain will be preserved while in
 store and the grain will be delivered as a separate
 lot or parcel, in accordance with the law, upon
 surrender of the receipt. Loss by fire, heating or
 the elements is at the owner's risk.

Countersigned by

.....
 Secretary
 The Elevator Company
 conducts this elevator as a public terminal warehouse
 and receives and stores therein grain of others for
 hire.
 bushels grade.

.....
 By

STUB RECORD

Initial Car No. Bushels

Receipt No. 19....

Received in store from

.....

Bushels.... Lbs.... Grade....

Car No. Bushels Car No. Bushels

Subd. 3. Other duties regarding receipts. The receipts must be consecutively numbered and delivered to the owner immediately upon receipt of each lot or parcel of grain, giving the grain's correct grade and weight. The manner of receipt of the grain must be stated in the receipt, along with the number and distinctive mark of each car, and the name of each barge or other vessel. The failure to issue a receipt as directed

or the issuance of a warehouse receipt that does not comply with this section is a misdemeanor. A warehouse receipt may, at the request of the owner or consignee, provide for delivery of the grain it represents to the depositor or another specified person, and may have printed or stamped on it the words "nonnegotiable."

History: 1989 c 197 art 3 s 1

233.04 GRAIN REDELIVERED ON WAREHOUSE RECEIPT.

Upon return of the receipt for grain not stored in separate bins to the proper warehouse operator, properly endorsed, and upon payment or tender of all advances and legal charges, grain of the same grade and quantity named in the receipt must be delivered to the holder of the receipt within 24 hours after facilities for receiving the grain have been provided. The identical grain, if stored in separate bins, must be delivered. A warehouse operator who fails to deliver it is liable to the owner in damages at the rate of one cent a bushel for each day's delay, unless the property is delivered to the several owners in the order of demand as rapidly as it can be done by ordinary diligence. If the warehouse operator fails to deliver the grain, the person entitled to it may recover it if it is kept in separate bins, the same amount of grain of the same grade if it is stored with other grain, or the value of the grain in a civil action. A warehouse operator who fails to deliver grain to the person entitled to it is guilty of theft.

History: 1989 c 197 art 3 s 1

233.05 WAREHOUSE OPERATOR NOT TO SELL WITHOUT AUTHORITY FROM OWNER.

A warehouse operator may not, in violation of this chapter, sell or otherwise dispose of or deliver out of store any grain stored in the warehouse without the express authority of its owner and the return of the storage receipt, mix together grain of different grades in store, select grain of different qualities but of the same grade for storage or delivery, tamper with grain of others while in the operator's possession or custody with the purpose of securing personal profit or a profit for another person, or attempt to deliver grain of one grade for that of another. A person who violates this section must be punished by a fine of not more than \$3,000 or imprisonment in the Minnesota Correctional Facility-Stillwater for not more than five years, or both.

History: 1989 c 197 art 3 s 1

233.06 GRAIN STORED IN SEPARATE BINS.

At the request of the owner or consignee, a warehouse operator shall store grain of an owner or consignee in separate bins bearing the name of the owner or consignee. The warehouse operator shall issue to the owner or consignee, distinguishing whether owner or consignee, a warehouse receipt or receipts for all or any part of the grain. Every warehouse receipt must contain the name of the owner or consignee and state the amount, kind, and grade of grain for which the receipt is issued and that the grain of the owner or consignee is stored separately from the grain of any other owner or consignee. The warehouse operator shall, on presentation and surrender of the warehouse receipt bearing the proper endorsement of the person to whom it was issued, deliver to the person surrendering the receipt the amounts of the same grain demanded and of the same grade as called for by receipt. The warehouse operator, at the request of the owner or consignee, shall clean, dry, mix or otherwise improve the condition or value of the grain, and it must be delivered separately from the grain of any other owner or consignee upon the order of the owner or consignee, in accordance with the terms of the warehouse receipt issued for it and endorsed by the owner or consignee. A special bin receipt, at the request of the owner or consignee, may have printed or stamped on it the words "nonnegotiable" and the delivery of the identical grain described in it must be a sufficient delivery and satisfaction of the receipt.

History: 1989 c 197 art 3 s 1

233.07 INSPECTION AT PUBLIC TERMINAL WAREHOUSE.

Grain received at a public terminal warehouse must be inspected and graded at the time of its receipt by an inspector licensed by the United States Department of Agriculture under the United States Grain Standards Act if the grain has not previously been inspected by a licensed inspector. No inspection is required of grain being moved between elevators owned or operated by the same person, firm, or corporation. Interested parties have the right of reinspection and appeal.

History: 1989 c 197 art 3 s 1

233.08 LICENSE.

No public terminal warehouse may be operated or receive grain for storage until the owners or parties in charge and operating the warehouse obtain a license from the department authorizing the warehouse operator to operate a warehouse under this chapter. Licenses issued or renewed annually expire at midnight on June 30 following the date of issuance or renewal. Before a license may be issued, written application must be made to the department for a license specifying the kind of warehouse, the nature of its construction, its capacity and location, the name of the firm or corporation operating it, each member of the firm or officer of the corporation, and other facts the department requires. The department shall act on the application with reasonable dispatch. If no reason exists for refusing the application, a license must be issued upon the payment of the fee set by the commissioner. The amount of the fee must be set to cover the costs of administering and enforcing this chapter.

A license may be issued only upon the warehouse operator furnishing to the department a bond to the state, to be approved by the department, in a penal sum to be fixed by the department but not less than \$50,000 for each warehouse. The bond must be conditioned on the faithful discharge of the duties of warehouse operator and full compliance with the laws of the state and rules of the department relative to the operation of public terminal warehouses and the delivery to parties storing grain in the warehouses under the terms of this chapter of the grain, an equal amount of the same kind and grade of grain stored, or payment of the value of the grain in case of failure to make the delivery.

A license may be revoked by the department for violation of the law or a rule of the department, but may only be revoked upon a written notice or complaint specifying the charges and after a hearing before the department. A license may be refused to a warehouse operator whose license has been revoked within the preceding year. If a warehouse operator applies for a license for more than one warehouse in the same county, only one bond needs to be furnished but the bond must be in proportion to the capacity of all warehouses.

Fees collected under this chapter must be paid into the grain buyers and storage fund established in section 232.22.

History: 1989 c 197 art 3 s 1

233.09 STATEMENT OF GRAIN IN WAREHOUSE; REPORTS.

A warehouse operator shall post conspicuously in the operator's business office by Tuesday morning of each week a statement of the amount of grain of each kind and grade in store in the warehouse at the close of business on the preceding Saturday and send a similar statement, verified by the operator or a bookkeeper having personal knowledge of the facts, to the warehouse registrar of the department. The operator shall also make a daily statement to the registrar of:

- (1) the amount of each kind and grade of grain received in store in the warehouse the preceding day;
- (2) the amount shipped or delivered, and the warehouse receipt canceled on the delivery, stating the number of each receipt and the amount, kind, and grade of grain shipped or delivered on it;
- (3) the amount, kind, and grade of grain delivered for which no warehouse receipt

was issued and how and when the grain was received, the aggregate of reported cancellation and delivery of unreceipted grain corresponding in amount, grade, and kind with the shipments and deliveries reported; and

(4) the receipts canceled upon issue of new ones, with the number of each canceled receipt and the one issued in its place.

The operator shall furnish the registrar further information regarding receipts issued or canceled necessary for a correct record of the receipts and of grain received and delivered. The operator shall send a verified statement to the department of the condition and management of each terminal warehouse under the operator's control at the times and in the form the department requires.

History: 1989 c 197 art 3 s 1

233.10 PUBLICATION OF RATES; CHARGES FOR HANDLING AND STORING GRAIN.

A warehouse operator operating a public terminal warehouse located within the switching limits of St. Paul, Minneapolis, Duluth, or other terminal points under section 233.01, subdivision 3, shall annually publish a schedule of storage rates for the ensuing year. The schedule must be published during the first week in July in a newspaper published in the place where the warehouse is situated. The newspaper in which the rates are published must be a daily, if there is one. The rates may not be increased during the year and the warehouse operator may not discriminate in applying rates. The charges for receiving, handling, and delivering grain at a warehouse and the charges for storing grain in a warehouse must be fixed by the department, subject to Minnesota Statutes 1969, chapter 15.

History: 1989 c 197 art 3 s 1

233.11 INSPECTION.

A person who has an interest in grain stored in a public terminal warehouse and a state grain inspector have the right to examine stored grain and all parts of the warehouse at all times during ordinary business hours. The warehouse operator and the operator's agents shall furnish proper facilities for an examination under this section.

History: 1989 c 197 art 3 s 1

233.12 RIGHTS OF OWNER AND SHIPPER EXTENDED TO OTHERS.

A right or privilege granted by this chapter to the owner or shipper of grain for storage in a public terminal warehouse and a right granted to that owner while the grain remains in and is removed from the warehouse, is extended to and may be exercised by an individual or association of individuals, copartners, cooperative company or association, or corporation. A right or privilege granted by this chapter to citizens, associations, or corporations in this state may be exercised by a citizen, association, or corporation of another state who may exercise the same rights and privileges as citizens, associations, or corporations of this state and be subject to the same restrictions and liabilities.

History: 1989 c 197 art 3 s 1

233.22 WITHHOLDING GRAIN.

The owner or consignee of grain consigned to a public terminal warehouse may have the grain withheld from storage and delivered to or at the direction of the owner or consignee by giving notice to the carrier who possesses the grain and to the warehouse operator to whom the grain was consigned, and paying all charges that may be a lien on the grain. The grain must be removed within 24 hours after the car or boat containing it is placed in a proper and convenient place for unloading. If the grain is delivered contrary to the notice, the warehouse operator and the carrier delivering the grain are jointly and severally liable to the owner for double its value.

History: 1989 c 197 art 3 s 1

233.23 UNAUTHORIZED STORAGE.

No contract, agreement, understanding, or combination may be entered into between a warehouse operator and a common carrier or other person for the delivery of grain at a public terminal warehouse contrary to the direction of the owner. No grain may be delivered or received contrary to the direction of the owner.

History: 1989 c 197 art 3 s 1

233.24 INSPECT SCALES.

Scales in public terminal warehouses or scales used for weighing grain in railroad yards at terminal points are under the control of the department of agriculture and subject to inspection by it and are exempt from the jurisdiction of sealers of weights and measures. They must be inspected at the request of a person interested in grain weighed or to be weighed on them. If scales are found to be incorrect, the cost of inspection must be paid by their owner or by the person requesting inspection. No scales found to be incorrect may be used until they are reexamined and found correct.

History: 1989 c 197 art 3 s 1

233.33 POLICE PROTECTION.

Subdivision 1. Protection to grain. Railroad companies, warehouse operators, and millers operating at the terminal points of this state shall furnish sufficient police protection at their terminal yards and on their terminal tracks to securely protect all cars containing grain while in their possession, shall prohibit and restrain all unauthorized persons from entering or loitering in or about their respective railroad yards or tracks and from entering any cars of grain under their control or removing grain from the cars, and shall employ and detail security guards as necessary to carry out this section.

Subd. 2. Violations and penalties. A railroad company, warehouse operator, or miller operating at a terminal point of this state who fails to comply with this section is guilty of a misdemeanor. An unauthorized person who removes grain from a car before the car is unloaded or who sweeps or removes grain from a car after it is unloaded at a terminal point in this state, is guilty of a misdemeanor.

History: 1989 c 197 art 3 s 1