

FROM: AGRICULTURE  
(Name of Agency)

TO: CODE REVISER  
LEGISLATIVE BLDG. (Southwest Corner, Ground Floor)  
OLYMPIA 98504

The enclosed rules Permanent rules  , being Order No. 1423  
Emergency rules

relating to (Name of rules or description of subject matter)

The bonding and net worth requirements of licensed warehousemen, financial statements, minimum requirements for contracts and grades and standards.

(ALTERNATIVE A. Use only for adoption of permanent rules)

pursuant to Notice No. 5415 <sup>①</sup> filed with the code reviser on 8/20/75 <sup>②</sup> were regularly adopted as permanent rules of this agency at Olympia, Washington on 9/24/75 and are herewith filed in the office of the code reviser pursuant to chapter 34.04 RCW. The effective date of such rules shall be 10/23/75. <sup>③</sup>

(ALTERNATIVE B. Use only for adoption of emergency rules)

pursuant to its finding in the attached administrative order, that the immediate adoption of these rules is necessary for the preservation of the public health, safety, or general welfare and that observance of the requirements of notice and opportunity to present views on the proposed action would be contrary to the public interest, were regularly adopted as emergency rules of this agency at \_\_\_\_\_ on \_\_\_\_\_ and \_\_\_\_\_ (place) (date) are herewith filed in the office of the code reviser pursuant to chapter 34.04 RCW.

The undersigned hereby certifies that the requirements of chapter 34.04 RCW and of the Open Public Meetings Act of 1971, chapter 42.30 RCW have been fulfilled.

Dated this twenty-fourth day of September 1975.

STATE OF WASHINGTON  
**FILED**  
SEP 24 1975  
CODE REVISER'S OFFICE  
DOCKET # 812 FILE # 28

AGRICULTURE  
(AGENCY)  
Stewart Bledsoe  
By \_\_\_\_\_  
DIRECTOR  
Title \_\_\_\_\_

① Notice number as appears on the copy of notice returned to you by reviser's office (if proceedings were continued, use no. of last notice)  
② Stamped date as appears on the copy of notice returned to you by reviser's office (if proceedings were continued, use date of last notice)  
③ Unless a later date is specified in this order or is prescribed in another statute, rules are effective 30 days after filing:  
RCW 34.04.040. Leave this space blank except in such special cases.  
[Order 9, filed 9/25/74, eff. 10/25/74] [Form CR-2: Rev. 9/21/74]

STATE OF WASHINGTON  
DEPARTMENT OF AGRICULTURE  
Order No. 1423  
(Amending Orders No. 1267 & 1358)  
Effective October 23, 1975

WAC 16-212-004 PROMULGATION. (This promulgation relates to Orders 1267 and 1358 and WAC 16-212-110, 120 and 130).

I, Stewart Bledsoe, director of agriculture of the state of Washington, by virtue of the authority vested in me under chapter 22.09 RCW, after due notice as provided under chapters 42.32 and 34.04 RCW, and a public hearing held in Spokane, Washington on September 11, 1975, do hereby promulgate the following regulations relating to warehouse bonding requirements, warehouseman net worth requirements, grades and standards, financial statements and contracts.

AMD WAC 16-212-110 WAREHOUSE BONDING REQUIREMENTS. (1) A bond of not less than \$25,000 nor more than \$500,000 is required for each warehouseman licensed pursuant to chapter 22.09 RCW, Laws of 1963, the Washington Warehouse Act. The amount of such bond shall be computed at the rate of \$0.18 per bushel of licensed storage capacity or 6% of gross sales of agricultural commodities, whichever is higher.

(2) For the purposes of this Act, gross sales are limited to those sales of agricultural commodities stored, handled, and/or merchandised through a Washington State licensed warehouse. Sales will be determined from the last available statement and the director may consult with the warehouse committee and may apply a factor to the gross sales to reflect the current market trends.

AMD WAC 16-212-120 GRADES AND STANDARDS. The grades and standards established by the United States Department of Agriculture as of July 1, 1975, for all commodities included within the provisions of this chapter are hereby adopted as the grades and standards for such commodities in this state.

AMD WAC 16-212-130 WAREHOUSEMAN NET WORTH REQUIREMENTS. An allowable net worth of \$0.15 per bushel of licensed space, with a minimum of \$10,000 is required for each warehouseman licensed pursuant to chapter 22.09 RCW, Laws of 1963, the Washington Warehouse Act. Any deficiency above the \$10,000 minimum must be compensated for by increasing the amount of the warehouse bond by the amount of the deficiency, regardless of the \$500,000 maximum as set forth in WAC 16-212-110.

NEW WAC 16-212-160 FINANCIAL STATEMENTS. The department shall receive annually, as close to the end of the warehouseman's fiscal year as practical but in no case later than six months, an independent audited financial statement from each licensed warehouseman.

NEW

WAC 16-212-170 CONTRACT - MINIMUM REQUIREMENTS. Contracts between depositors and warehouseman should contain as a minimum the following:

- (1) Serially numbered.
- (2) Date title passes.
- (3) Net price due seller or charges to be deducted from selling price.
- (4) Time of payment.
- (5) Method of adjustment for over and under delivery.
- (6) Minimum acceptable grade without mutual consent as stipulated in contract.

I hereby certify that the foregoing is a true and correct copy of the regulations promulgated by the department of agriculture.



Stewart Bledsoe  
Director of Agriculture  
State of Washington

Signed at Olympia, Washington

Date: \_\_\_\_\_

9/24/75