

of the United States with respect to monopolies and illegal restraint of trade.

SEC. 66. This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it. Interpretation.

SEC. 67. This act shall take effect on and after the first day of January, 1934. Date effective.

SEC. 68. This act may be cited as the uniform business corporation act. Title.

Passed the Senate February 21, 1933.

Passed the House March 8, 1933.

Approved by the Governor March 21, 1933.

CHAPTER 186.

[S. B. 181.]

PUBLIC WAREHOUSES.

AN ACT relating to public warehouses, and warehousemen handling, storing and shipping grain, hay and other commodities; providing for and fixing the liability of warehousemen, and/or of surety bonds; fixing fees; creating a special fund and providing for revenues therefor and disbursements therefrom; regulating the printing and issuance of negotiable warehouse receipts; defining the powers and duties of the director of agriculture; and amending section 18 of chapter 189 of the Laws of 1919, as amended by section 1 of chapter 123 of the Laws of 1923, and as amended by chapter 46, section 3 of the Laws of 1931, and amending section 22-b of chapter 189 of the Laws of 1919 as added thereto by chapter 46, section 5, of the Laws of 1931.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. That section 18 of chapter 189 of the Laws of 1919, as amended by section 1 of chapter 123 of the Laws of 1923 (section 6996 of Remington's Compiled Statutes, 1927 Supplement) and Amends § 18, Ch. 189, Laws of 1919; § 1, Ch. 123, Laws of 1923;

§ 3, Ch. 46,
Laws of
1931.

as amended by chapter 46, section 3 of the Laws of 1931, page 149, be amended to read as follows:

Bond.

Section 18. Each person, firm, corporation or association of persons operating any public warehouse subject to the provisions of this act shall, on or before the first day of July of each year, give a bond to the State of Washington, with surety to be approved by the director of agriculture in a sum equal to five cents per bushel of the grain capacity of any such warehouse, as may be determined by the director of agriculture, but in no case less than the sum of five thousand dollars (\$5,000.00), to be approved by the director of agriculture and the attorney general, conditioned upon the faithful performance of the duty to keep in such warehouse for the holder of any warehouse receipt the commodity described in such receipt, and to deliver such commodity to, or ship such commodity for, such holder only upon the surrender of such receipt, in case such person, firm, corporation or association of persons has applied for licenses to conduct two or more warehouses in the State of Washington, the assets applicable to all of which shall be subject to the liabilities of each and shall desire to give a single bond meeting the requirements of this act, such warehouses shall be deemed to be one warehouse for the purpose of the bond required under this act and the amount of said bond shall be fixed at the rate of five cents per bushel of the maximum number of bushels that all of said warehouses will accommodate when stored in the manner customary to each of such warehouses for which such bond is required as determined by the director of agriculture of the State of Washington, but not less than five thousand dollars (\$5,000.00), nor more than fifty thousand dollars (\$50,000.00): *Provided, however,* That if a bond has been filed with and approved by the department of agriculture of the

Dept. of
Agriculture
of U. S.

United States, as required by section 6 of the United States warehouse act, then such bond filed with and approved by the department of agriculture of the United States shall be considered as in lieu of the bond required by this section: *Provided*, That satisfactory proof of said filing and approval of such bond be filed with the director of agriculture. Every such person, firm, corporation, or association of persons shall, on or before July 1st of each year, procure from the director of agriculture a license for each such warehouse so owned or operated for the ensuing year before transacting business at such public warehouse or warehouses: *Provided*, That no such licenses shall be issued before the bond hereinbefore required shall have been given and approved or said proof of the filing and approval of a bond as required by section 6 of the United States warehouse act shall be filed with the director of agriculture. Such license shall be posted in a conspicuous place in the office of each warehouse. The fee for such license shall be twelve and one-half dollars (\$12.50) per warehouse per annum for all warehouses, except terminal warehouses; and fifty dollars (\$50.00) per warehouse per annum for all terminal warehouses; and the director of agriculture may revoke any such license for cause, upon notice and hearing. Any person, corporation or association operating any public or terminal warehouse in this state without a license shall forfeit to the state for each day's operation fifty dollars (\$50.00), the same to be recovered on action brought in the superior court of the county in which the warehouse is situated, by the prosecuting attorney for such county, upon complaint of the director of agriculture, and further such operation may be enjoined upon complaint of the director of agriculture.

License.

Fee.

Violation.

Amends
§ 22-b, Ch.
189, Laws of
1919; § 5,
Ch. 146,
Laws of
1931.

SEC. 2. That section 22-b of chapter 189 of the Laws of 1919, as added thereto by chapter 46, section 5 of the Laws of 1931, page 155, be amended to read as follows:

Shortage.

Section 22-b. Whenever it shall appear to the satisfaction of the director of agriculture that any public warehouseman operating a warehouse for the handling, storage and shipment of grain, hay or other commodities, has not in his possession sufficient grain, hay or other commodity, to cover the outstanding negotiable warehouse receipts issued by him, and/or that such warehouseman refuses to submit his books, papers, or concerns to lawful inspection, the director of agriculture may give notice to the warehouseman so offending or delinquent, to cover such shortage or give such additional bond as provided in section 18 of this act as the director may require, and/or submit to such inspection, as the case may be, and if such warehouseman fails to comply with the terms of such notice within twenty-four hours from the date of its issuance, or within such further time as the director may allow, then the director shall take possession by virtue of an order of the superior court of the county in which such warehouse is situated procured upon petition by the prosecuting attorney of such county, upon the complaint of the director of agriculture, of all special piles or bins of grain, hay or other commodities in which there is an apparent shortage, and/or of all grades of co-mingled grain, hay or other commodities in which there is apparent shortage, and of all books, papers or concerns of such warehousemen subject to lawful inspection, and upon taking possession shall forthwith give notice in writing by mail, and by telegraph or telephone, to the surety on the bond required in section 18 of this act conditioned upon

the faithful performance of the duty of such warehouseman to deliver to, or ship for, the holder of any negotiable warehouse receipt issued in respect to any commodity deposited in such warehouse only upon the delivery of such receipt, and shall give notice to the holders of all warehouse receipts issued against such specially piled or binned or co-mingled commodities in respect to which there is an apparent shortage, to present their warehouse receipts for inspection or account for the same, and the director shall thereupon cause an audit to be made of the affairs of such warehouse with respect to the commodities in which there is an apparent shortage, determine the amount of such shortage and compute the shortage with respect to each warehouse receipt holder affected thereby, and notify the warehouseman and the surety on the bond of the amount of such shortage, and notify each warehouse receipt-holder affected thereby of his respective interest in such shortage. The director of agriculture shall retain possession of such commodities in which there is a shortage found, and of the books, papers and concerns of the warehouseman, until such time as the warehouseman, or the surety on the bond shall have satisfied the claims of all holders of warehouse receipts on account of such shortage, or in case the shortage exceeds the amount of the bond, the surety on the bond shall have satisfied such claims pro rata, or until such time as he is ordered to surrender possession by order of the court, as in this act provided.

If, after the audit provided for herein is made, the director of agriculture discovers that such a warehouseman is insolvent and/or unable to satisfy the claims of all holders of warehouse receipts, the director of agriculture shall have the right, through the prosecuting attorney of the county wherein such warehouse is located, to petition in

Receiver.

the superior court of the county in which such warehouse is located, for the appointment of a receiver to liquidate the business of such a warehouseman in accordance with the law.

Hearing.

At any time within ten days after the director shall have taken possession of any commodity in, and/or the books, papers and concerns of, any public warehouse, the warehouseman may serve a notice upon the director to appear in the superior court of the county in which such warehouse is located, at a time to be fixed by said court, which shall not be less than five nor more than fifteen days from the date of the service of such notice, and show cause why such commodities, books, papers and concerns should not be restored to his possession. Upon the return day of such notice, or at such time as the court may fix, the court shall summarily hear said cause and shall dismiss the same if it shall find that the possession was taken by the director in good faith and for sufficient cause; but if it shall find that no cause existed for taking such possession, it shall require the director to restore such possession, and enjoin him from further interference therewith, without cause.

Expenses.

All expenses incurred by the director of agriculture in taking possession of any commodities in, and/or books, papers and concerns of, any public warehouse, and issuing notices, determining shortages, and computing respective shortages as affecting holders of outstanding warehouse receipts, and approving the settlement of claims for shortages, including the expenses of deputies, or other assistants, who may be employed by him in connection therewith, and the reasonable compensation to any special deputies placed in charge thereof, shall be a first charge upon the assets of such warehouseman and may be recovered in a civil action brought in the superior court of the county in which such

warehouse is situated, by the prosecuting attorney of such county, upon the complaint of the director of agriculture.

Passed the Senate February 11, 1933.

Passed the House March 8, 1933.

Approved by the Governor March 21, 1933.

CHAPTER 187.

[S. B. 221.]

PUBLIC WAREHOUSES.

AN ACT relating to public warehouses and warehousemen handling, storing and shipping grain, hay and other commodities; providing for and fixing the liability of warehousemen and/or of surety bonds; fixing fees; creating a special fund, and providing for revenues therefor and disbursements therefrom; regulating the printing and issuance of negotiable warehouse receipts; defining the powers and duties of the director of agriculture; requiring certain reports from warehousemen; and amending section 22 of chapter 189 of the Laws of 1919, as amended by section 4 of chapter 145 of the Laws of 1921, as amended by section 4 of chapter 46 of the Laws of 1931, and amending section 24 of chapter 189 of the Laws of 1919 as amended by section 1 of chapter 70 of the Extraordinary Session of 1925, as amended by section 6 of chapter 46 of the Laws of 1931.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. That section 22 of chapter 189 of the Laws of 1919, as amended by section 4 of chapter 145 of the Laws of 1921 (section 7000 of Rem. Comp. Stat. 1927 Sup.), as amended by section 4 of chapter 46 of the Laws of 1931, be amended to read as follows:

Section 22. Every public warehouseman shall receive for storage and shipment, so far as the

Amends
§ 22, Ch. 189,
Laws of
1919; § 4,
Ch. 145,
Laws of
1921; § 4,
Ch. 46, Laws
of 1931.