

ysis to be made of those state lands held in trust, where the nature of the trust makes maximization of the economic return to the beneficiaries of income from state lands the prime objective. The analysis shall be by specific tracts, or where such tracts are of similar economic characteristics, by groupings of such tracts.

The most recently made analysis shall be considered by the department of natural resources in making decisions as to whether to sell or lease state lands, standing timber or crops thereon, or minerals therein, including but not limited to oil and gas and other hydrocarbons, rocks, gravel and sand.

The economic analysis shall include, but shall not be limited to the following criteria: (1) Present and potential sale value; (2) Present and probable future returns on the investment of permanent state funds; (3) Probable future inflationary or deflationary trends; (4) Present and probable future income from leases or the sale of land products; and (5) Present and probable future tax income derivable therefrom specifically including additional state, local and other tax revenues from potential private development of land currently used primarily for grazing and other similar low priority use; such private development would include, but not be limited to, development as irrigated agricultural land.

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CHAPTER 132
[House Bill No. 291]
AGRICULTURAL PRODUCTS AND
COMMODITIES--COMMISSION
MERCHANTS--WAREHOUSEMEN

AN ACT Relating to agriculture and regulating agricultural products and commodities; amending section 3, chapter 139, Laws of 1959, as amended by section 41, chapter 240, Laws of 1967, and RCW 20.01.030; and amending section 9, chapter 124, Laws of 1963 and RCW 22.09.090.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 3, chapter 139, Laws of 1959 as amended by

section 41, chapter 240, Laws of 1967 and RCW 20.01.030 are each amended to read as follows:

This chapter does not apply to:

(1) Any cooperative marketing associations or federations incorporated under, or whose articles of incorporation and bylaws are equivalent to, the requirements of chapter 23.86 or chapter 24.32 RCW, except as to that portion of the activities of such association or federation as involves the handling or dealing in the agricultural products of nonmembers of such organization.

(2) Any person who sells exclusively his own agricultural products as the producer thereof.

(3) Any public livestock market operating under a bond required by law or a bond required by the United States to secure the performance of such public livestock market's obligation.

(4) Any retail merchant having a bona fide fixed or permanent place of business in this state.

(5) Any person buying farm products for his own use or consumption.

(6) Any warehouseman or grain dealer licensed under the state grain warehouse act (~~with respect to his operation as such licensee~~)

(7) Any nurseryman who is required to be licensed under the horticultural laws of the state with respect to his operations as such licensee.

(8) Any person licensed under the now existing dairy laws of the state with respect to his operations as such licensee.

Sec. 2. Section 9, chapter 124, Laws of 1963 and RCW 22.09.090 are each amended to read as follows:

(1) Before any person shall be granted a license pursuant to the provisions of this chapter, such person shall give a bond to the state of Washington executed by the warehouseman as principal and by a corporate surety licensed to do business in this state as surety. The bond shall be in the sum of not less than ten thousand dollars nor more than two hundred thousand dollars. The department shall,

after holding a public hearing, determine the amount of the bond which shall be computed at a rate of not less than ten cents nor more than twenty-five cents per bushel multiplied by the number of bushels of licensed commodity storage capacity of the warehouses of the licensee furnishing the bond. The department shall, in determining the rate per bushel in fixing the amount of the bond, take into consideration the bonding requirements of the United States Warehouse Act (7 USCA § 241 et seq.).

(2) The bond shall be approved by the department and shall be conditioned upon the faithful performance by the warehouseman of the duty to keep in the warehouse for the depositor the commodity delivered, and to deliver the commodity to, or ship it for, such depositor, and such additional obligations as a warehouseman ((as)) may ((be assumed-by-him-under-storage-contracts)) assume with the respective depositors of commodities in such warehouse. In case a person has applied for licenses to conduct two or more warehouses in the state, the assets applicable to all warehouses, but not the deposits except in case of a station, shall be subject to the liabilities of each. The total and aggregate liability of the surety for all claims upon such bond shall be limited to the amount specified in the bond.

(3) The warehouseman may give a single bond meeting the requirements of this chapter, and all warehouses operated by the warehouseman shall be deemed as one warehouse for the purpose of the bond required under such section. Any change in the capacity of a warehouse or installation of any new warehouse involving a change in bond liability under this chapter shall be immediately reported to the department prior to the operation thereof.

(4) If a bond has been filed with, and approved by, the department of agriculture of the United States, as required by the United States Warehouse Act (7 USCA § 241 et seq.), then such bond shall be considered as in lieu of the bond required by this section only when:

(a) Satisfactory proof of the filing and approval of the bond

is filed with the department;

(b) The surety is a corporation authorized to do business as a surety in this state.

(5) The department may when the sum of such surety bond is less than that required in this chapter accept in addition thereto a surety bond whose sum when added to the sum of the surety bond filed with the United States department of agriculture shall satisfy the requirement of this chapter.

(6) Notwithstanding any other provisions of this chapter, the license of a warehouseman shall automatically be suspended in accordance with the provisions of RCW 22.09.100 for failure at any time to have or to maintain a bond in the amount and type required herein. The department shall remove the suspension or issue a license as the case may be, when the required bond has been obtained.

(7) Any warehouseman required to submit a bond to the department pursuant to the provisions of this chapter shall have the option to file a policy of insurance with the department in lieu of the warehouseman's bond. Such insurance policy before being accepted, shall be approved by the attorney general and the insurance commissioner of the state of Washington if they deem the coverage provided thereby is equivalent to or greater than the coverage for depositors provided by the warehouseman's bond. If such an insurance policy is accepted in place of the bond, such insurance policy, as between the department, warehouseman, and the depositors, shall be treated exactly the same as if it were a bond filed with the department. It is the intention of the legislature in this subsection to have the insurance policy replace the bond, as between the department, warehouseman, and the depositors, for all purposes as though the term bond used throughout the several sections of this chapter were to contain instead the term insurance policy.

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