

HOUSE BILL REPORT

HB 2868

As Passed House:

February 8, 2000

Title: An act relating to electronic forms of warehouse receipts.

Brief Description: Allowing electronic warehouse receipts.

Sponsors: Representatives Ericksen and Linville.

Brief History:

Committee Activity:

Agriculture & Ecology: 1/28/00, 2/1/00 [DP].

Floor Activity:

Passed House: 2/8/00, 97-0.

<p>Brief Summary of Bill</p> <ul style="list-style-type: none">· Allows warehouse receipts to be issued in an electronic form.

HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

Majority Report: Do pass. Signed by 12 members: Representatives G. Chandler, Republican Co-Chair; Linville, Democratic Co-Chair; Cooper, Democratic Vice Chair; Koster, Republican Vice Chair; Anderson; B. Chandler; Delvin; Fortunato; Grant; Reardon; Schoesler and Wood.

Staff: Bill Lynch (786-7092).

Background:

Article 7 of the Uniform Commercial Code governs warehouse receipts, bills of lading, and other documents of title. A warehouseman is a person who stores goods for hire and is authorized to issue warehouse receipts. Warehouse receipts are generally negotiable.

A warehouse receipt is not required to be in any particular form. There is a requirement, however, for a warehouse receipt to contain certain terms in written or

printed form in order for a warehouseman to avoid liability to a person injured by the omission of the terms. Some of these terms include the location of the warehouse where the goods are stored; the date of issue of the receipt; and a description of the goods. The Uniform Commercial Code does not authorize electronic warehouse receipts.

Summary of Bill:

Warehouse receipts, as defined in Article 7 of the Uniform Commercial Code, may be issued in an electronic form.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: This modernizes practices by allowing customers who want an immediate receipt to get one. It also saves businesses a lot of money in mailing and transaction costs. One warehouse issued 105,000 warehouse receipts last year.

Testimony Against: None

Testified: Representative Doug Ericksen, prime sponsor; and Sheryl Hershey, Bellingham Cold Storage.