
General Government Appropriations & Oversight Committee

SSB 6208

Brief Description: Regarding license fees under the warehouse act.

Sponsors: Senate Committee on Agriculture, Water & Rural Economic Development (originally sponsored by Senators Schoesler and Hatfield).

Brief Summary of Substitute Bill

- Increases several fees related to the Department of Agriculture's Warehouse Audit Program.

Hearing Date: 2/22/12

Staff: Michael Bennion (786-7118).

Background:

The Warehouse Audit Program is administered by the Department of Agriculture (DOA) and is tasked with protecting commodity depositors and producers by regulating and educating stakeholders on state and federal grain warehouse and dealer requirements. Warehouses that store specified agricultural commodities are required to be licensed and bonded if they are in operation. The DOA supervises the receiving, storage, weighing, and inspection of grain to ensure licensees are meeting storage requirements and other contractual obligations.

The program is supported through fees that vary according to warehouse or licensee type. Current license fees range from \$300 for exempted grain dealers to \$1,350 for terminal warehouses. Routine audits are performed to determine if licensees are in compliance with state laws. A minimum of one compliance examination is performed during the license period. The license period begins each July 1 and expires on June 30.

Summary of Bill:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The bill increases license fees as follows:

- terminal warehouses - the current fee of \$1,350 is increased to \$1,900;
- sub-terminal warehouses - the current fee of \$1,050 is increased to \$1,500;
- grain dealers - the current fee of \$750 is increased to \$1,750; and
- exempt grain dealers - the current fee of \$300 is increased to \$500; and
- country warehouses - the current \$500 fee is increased to \$700.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.