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## HOUSE OF REPRESENTATIVES

### 140th GENERAL ASSEMBLY

### HOUSE BILL NO. 600

# AN ACT TO AMEND TITLE 3 OF THE DELAWARE CODE RELATING TO GRAIN INSPECTION, CERTIFICATION, AND GRAIN CONTRACTS.

### BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1	Section 1. Amend Title 3 of the Delaware Code by striking Chapter 16 thereof in its entirety and by
2	substituting in lieu thereof a new Chapter 16 as follows:
3	"Chapter 16. GRAIN INSPECTION, CERTIFICATION, AND GRAIN CONTRACTS
4	Subchapter I.
5	Grain Inspector Licensing; Certification of Commercial Grain Elevators,
6	Grain Warehouses, and Other Grain Storage Facilities.
7	§1601. Definitions.
8	As used in this chapter:
9	(a) 'Department' means the State of Delaware Department of Agriculture and includes, but is not
10	limited to, its officers, inspectors, employees, agents, or representatives
11	(b) 'Devices' means any grain moisture testing devices.
12	(c) 'Grain' means includes, but is not limited to, corn, wheat, rye, oats, barley, flaxseed, sorghum,
13	soybeans, mixed grain, and any other food grains, feed grains, and oilseeds which standards have
14	been established in the United Sates Grain Standards Act, 7 U.S.C. Chapter 3.
15	(d) 'Grain Inspector' means anyone who operates grain moisture testing devices, follows standard
16	grain inspection procedures and uses other grain inspection equipment.
17	§1602. Registration and approval.

(a) All grain moisture testing devices shall be registered with the Department, on forms supplied by
the Department. The devices used in the buying of grain shall be required to pass such
inspections, at any time, as the Department may determine. Such inspections shall be made at the
commercial grain elevator, warehouse, or other grain storage facility. Upon approval, inspected
devices shall bear the Department's seal, permitting their use.

(b) Devices which fail to pass the inspection of the Department shall be immediately removed from
service and repaired. The Department shall reinspect and approve the repair of a failed device
before it can be returned to service.

26 §1603. Installation and operation.

- 27 (a) The grain moisture testing devices shall be installed in such a manner that there will be no
  28 vibrations of indicating dials. Devices with moving parts shall be properly maintained, and kept
  29 from of dust and dirt.
- 30 (b) All devices shall be operated according to the manufacturer's instructions, or in accordance with
  31 instruction issued by the Department.

32 §1604. Licensed grain inspectors.

- 33 (a) Any person engaged in the operation of a commercial grain elevator, grain warehouse, or other
   34 grain storage facility shall only utilize licensed grain inspectors for all grain sampling and testing.
- 35 (b) To obtain a Grain Inspector's License applicants shall be required to furnish satisfactory evidence 36 of good character to the Department and to pass an examination conducted by the Department. 37 The examination shall test the applicant's ability to operate grain moisture testing devices, to use 38 grain inspecting equipment, and knowledge of grain inspection procedures.
- 39 (c) Upon attainment of a passing score on the examination, and payment of a required fee, the
  40 Department shall issue a Grain Inspector License to the applicant for two (2) calendar years. The
  41 license shall be renewed biennially upon successful re-examination, if the Licensed Grain
  42 Inspectors duties have been performed satisfactorily during the previous two (2) year period, and
  43 upon payment of a required fee. Grain Inspector Licenses shall be posted at the commercial grain
  44 elevator, grain warehouse, or other grain storage facility in full view of the public.
- 45 §1605. Certification of commercial grain elevators, grain warehouses, and other grain storage facilities.

46	Every commercial grain elevator, grain warehouse, or other grain storage facility shall be certified by the
47	Department to meet minimum standards of performance. These standards shall be determined by the Department.
48	§1606. Violations and penalties.
49	Failure to comply with the provisions of this Chapter shall result in the assessment of a civil penalty.
50	§1607. Enforcement; administrative rules and regulations.
51	The Department shall enforce this Chapter, and prescribe and enforce administrative rules, regulations,
52	definitions, penalties, fees, and standards in accordance with the Administrative Procedures Act.
53	Subchapter II.
54	Grain Contracts of Sale, Discount Rates and Test Weight Rates
55	§1611. Grain contracts of sale, discount rates and weight rates.
56	(a) Subject to any contractual provision to the contrary and based upon whatever market the
57	contracting parties agree to:
58	(1) The discount rates for foreign material and moisture content may not be higher
59	than the discount rates that prevail on the day the contract is formed;
60	(2) The test weight rates may not be higher than the test weight rates that prevail on
61	the day the contract is formed
62	(b) This section applies to any contract for sale of grain entered into in this State provided the date of
63	delivery is less then 1 year after the date the contract is formed."

#### SYNOPSIS

This Act replaces existing Chapter 16 of Title 3 of the Delaware Code with a new chapter governing the registration and approval of grain moisture testing devices; the installation and operation of such devices; the licensure of grain inspectors; the certification of commercial grain elevators, grain warehouses, and other grain storage facilities; and the negotiation of grain contracts for sale, discount rates, and weight rates. This Act also provides for civil penalties for violations of the provisions of new Chapter 16 and for the enforcement of the Chapter by the Department of Agriculture.