

CHAPTER 231

WAREHOUSES

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231.08 WHAT IS REQUIRED OF WAREHOUSE OPERATORS AND HOUSEHOLD GOODS WAREHOUSE OPERATORS.

[For text of subs 1 and 2, see M.S.2004]

Subd. 3. **Tender for storage.** At the time of or prior to tender of goods for storage by a depositor, a storage order must be signed in writing by the depositor or the depositor's duly authorized representative and must show the name and address of the warehouse operator in whose custody the goods are to be deposited.

Subd. 4. **Identification of goods.** A warehouse operator who receives a lot of goods must identify each article or lot by tag or lot number, as recorded on the operator's books and on the warehouse receipt or contract.

Subd. 5. **Fire protection.** All warehouses must be protected against fire in accordance with the State Fire Code.

Subd. 6. **Floor load.** A warehouse floor or part of a floor must not at any time be loaded or stored with a greater weight of goods or materials per square foot than the floor will sustain with safety. If the department directs a warehouse operator to ascertain from a competent registered architect or engineer or from the proper municipal authorities what may be the safe load capacity in pounds per square foot of each floor of the operator's warehouse or warehouses, the operator must do so without unnecessary delay and must post signs in several conspicuous places on each floor stating the safe live load that floor will sustain.

Subd. 7. **Storage conditions.** (a) On each floor where there is open storage of goods, wares, or merchandise, there must be aisles wide enough to permit the free and unimpeded passage of goods, wares, or merchandise. All aisles must be kept free from obstructions, dust, and litter.

(b) Pieces of overstuffed furniture, mattresses, rugs, carpets, and other goods not stored in containers must be protected by wrapping before being placed in permanent storage.

History: 2005 c 92 s 1-5; 2005 c 136 art 9 s 2

231.09 OBLIGATION TO ISSUE UNIFORM RECEIPTS.

Subdivision 1. **Receipts.** A warehouse operator receiving goods in store shall issue for the goods a receipt embodying the terms of such receipts as authorized by article 7 of the Uniform Commercial Code. Receipts or records of storage in electronic form are acceptable.

Subd. 2. **Copy to department.** A copy of the form of receipt used by the warehouse operator must be furnished to the department with the application for license.

Subd. 3. **Insurance.** Receipts must show in conspicuous type whether or not the property for which the receipt has been issued is insured for the benefit of the depositor against fire or any other casualty.

Subd. 4. **Lot number.** The property of each depositor must be specifically designated under a lot number, which must appear on the receipt for the purpose of identification.

Subd. 5. **Correctness of receipt.** Unless notice is given by the depositor to the warehouse operator in writing within 30 days after the date of mailing or delivery to the

depositor of the warehouse receipt stating that there are errors or omissions in the list of goods and specifying them, the operator is entitled to assume that the list of goods on the warehouse receipt is a complete and correct list of goods tendered to the operator for storage under the terms and conditions of the contract and that the depositor has accepted all terms and conditions of the contract.

Subd. 6. Storing additional goods. If the depositor, subsequent to the original storing, places other goods with the warehouse operator for storage, the additional goods may come in under the same terms and conditions as if they were part of the original lot.

Subd. 7. Notices to depositor. Notices by the warehouse operator to the depositor pertaining to the goods, wares, or merchandise must be sent to the depositor at the address given at the time of depositing the goods, wares, or merchandise with the operator, unless written notice of a change of address is received by the operator from the depositor. Notices mailed by the operator to the last address given by the depositor constitute effective notice for all purposes.

Subd. 8. Liability limitations; other than household goods. Unless otherwise specified by the depositor in writing, it is agreed and is prima facie proof that no piece, package, or complete article with its contents enumerated in the list of goods in the warehouse receipt of contract exceeds the sum of \$50 in value. If the depositor declares in writing a higher valuation, the warehouse operator may charge a higher rate for storing the pieces, packages, or complete articles. Each operator must, upon the day of storage, clearly inform the depositor, in writing, that the depositor may declare a higher valuation.

Subd. 9. Liability limitations; household goods. (a) From and after the date of storage, the warehouse operator storing household goods must, on behalf of the depositor, cause the stored goods of the depositor to be insured at least in the amount of \$1.25 per pound per article against loss from any peril covered by standard fire and extended coverage policies. The depositor must pay to the operator the cost of the insurance in addition to other warehousing charges; provided, however, that the depositor may declare in writing that the value of the stored goods does not exceed 60 cents per pound per article, in which case the depositor is limited to that amount in the recovery of any damages against the warehouse operator.

(b) Warehouse operators whose charges for storage are not based upon actual weight, and who may not have available an actual weight figure, may use a weight figure obtained by application of the constructive weight rule in effect in the operator's tariff.

(c) Each warehouse operator must, on the day of storage, clearly inform the depositor in writing of the substance of paragraph (a). If the depositor's goods are delivered to the operator for storage by another person, the operator must inform that person of the depositor's rights and obligations under paragraph (a).

(d) Nothing in this section imposes liability upon a warehouse operator for damages where the liability would not otherwise be imposed under the provisions of the Uniform Commercial Code, chapter 336, and specifically section 336.7-204.

History: 2005 c 92 s 6

231.11 SCHEDULE OF RATES; STORING HOUSEHOLD GOODS.

Subdivision 1. Filing; inspection. A household goods warehouse operator must file with the department and keep open for public inspection a printed schedule of rates and charges complying with subdivision 2. All tariffs of rates and charges must contain terms and conditions under which the rates and charges are assessed.

Subd. 2. Rate-making procedure. In order to ensure nondiscriminatory rates and charges for all depositors of household goods, the commissioner shall establish a collective rate-making procedure which will ensure the publication and maintenance of just and reasonable rates and charges under uniform, reasonably related rate structures. These procedures must provide for the joint consideration, initiation, and establishment of rates and charges and ensure that the respective revenues and expenses of household

goods warehouse operators are ascertained. Any participating household goods warehouse operator party to a collectively mandated rate or charge has the right to petition the commissioner for the establishment of a rate or charge which deviates from the collectively set rate. Upon receiving the commissioner's approval, that household goods warehouse operator may proceed to establish the requested rate or charge. All household goods warehouse operators subject to rate regulation under this chapter must comply with the commissioner's rate-making procedures. No household goods warehouse operator shall undertake to perform any service or store any household goods until a schedule of rates has been filed and published in accordance with this chapter. In case of emergency, however, a service or storage not specifically covered by the schedules filed, may be performed or furnished at a reasonable rate, which must then be promptly filed, and which is subject to review in accordance with this chapter.

History: 2005 c 92 s 7

231.16 WAREHOUSE OPERATOR OR HOUSEHOLD GOODS WAREHOUSE OPERATOR TO OBTAIN LICENSE.

A warehouse operator or household goods warehouse operator must be licensed annually by the department. The department shall prescribe the form of the written application. If the department approves the license application and the applicant files with the department the necessary bond, in the case of household goods warehouse operators, or proof of warehouse operators legal liability insurance coverage in an amount of \$50,000 or more, as provided for in this chapter, the department shall issue the license upon payment of the license fee required in this section. A warehouse operator or household goods warehouse operator to whom a license is issued shall pay a fee as follows:

Building square footage used for public storage

(1) 5,000 or less	\$110
(2) 5,001 to 10,000	\$220
(3) 10,001 to 20,000	\$330
(4) 20,001 to 100,000	\$440
(5) 100,001 to 200,000	\$550
(6) over 200,000	\$660

A penalty amount not to exceed ten percent of the fees due may be imposed by the commissioner for each month for which the fees are delinquent.

Fees collected under this chapter must be paid into the grain buyers and storage account established in section 232.22.

The license must be renewed annually on or before July 1, and always upon payment of the full license fee required in this section. No license shall be issued for any portion of a year for less than the full amount of the license fee required in this section. Each license obtained under this chapter must be publicly displayed in the main office of the place of business of the warehouse operator or household goods warehouse operator to whom it is issued. The license authorizes the warehouse operator or household goods warehouse operator to carry on the business of warehousing only in the one city or town named in the application and in the buildings therein described. The department, without requiring an additional bond and license, may issue permits from time to time to any warehouse operator already duly licensed under the provisions of this chapter to operate an additional warehouse in the same city or town for which the original license was issued during the term thereof, upon the filing an application for a permit in the form prescribed by the department.

A license may be refused for good cause shown and revoked by the department for violation of law or of any rule adopted by the department, upon notice and after hearing.

History: 1Sp2005 c 1 art 1 s 86

231.18 CLAIMS AGAINST A BOND.

[For text of subs 1 and 2, see M.S.2004]

Subd. 3. **Where to file.** All claims must be filed with the Minnesota Department of Agriculture, Grain Licensing and Auditing Section.

[For text of subd 4, see M.S.2004]

Subd. 5. **Public notice of a claim.** Upon determining that a depositor has filed a valid claim, the department shall publish notice of the claim in the official county newspaper of the county in which the licensee's primary place of business is located.

The notice must state that a claim against the bond of a licensee has been filed with the department, the name and address of the licensee, that any additional claims should be filed with the department, the date by which claims must be filed, and where the claims should be filed.

The public notice of the claim must appear for three consecutive days in newspapers with a daily circulation and for two consecutive publications in newspapers published less than daily.

[For text of subd 6, see M.S.2004]

History: 2005 c 92 s 8,9

231.375 OPENING OR ABANDONING WAREHOUSE BUILDING.

No building or structure may be used as a warehouse or branch warehouse until it has been inspected and approved for warehousing purposes by the department.

On ceasing to use a building or other structure, a warehouse operator must promptly notify the department.

History: 2005 c 92 s 10