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Executive Orders

EXECUTIVE ORDER NO. DCT 83-6

WHEREAS, the Job Training Partnership Act of 1982 (JTPA), (Public Law 97-300), establishes a partnership between the private and public sectors in aspects of local policymaking, planning, administration, and program operations for the purpose of helping prepare people with serious employment barriers to be productive members of the labor force and,

WHEREAS, "JTPA" requires the Governor, after receiving the proposal of the State Job Training Coordinating Council, to designate service delivery areas for the State; and,

WHEREAS, "JTPA" requires the governor to coordinate and approve job training policy, plans and services of all service delivery and state agencies throughout the State of Louisiana; and,

WHEREAS, the term "Job Training" includes training, education programs, and supportive services aimed at increasing the skills and employment opportunities for persons who are economically disadvantaged and other individuals facing serious barriers to employment, who are in special need of such training to obtain productive employment; and,

WHEREAS, it is mandated that state and local agencies closely coordinate their efforts in developing plans which meet the locally determined need in recommending programs to alleviate employment problems, in reducing duplication and gaps in program plans and services, and in effectively and economically utilizing state and federal funds; and,

WHEREAS, employment and training programs should be coordinated with human services to better serve those in need of training in our society; and,

WHEREAS, the State Job Training Coordinating Council must be established in accordance with the guidelines set forth in the Job Training Partnership Act of 1982, and the Secretary of Labor's Rules and Regulations as published in the *Federal Register*.

NOW, THEREFORE, I, DAVID TREEN, Governor of the State of Louisiana, by virtue of the authority vested in me by the Constitution and the laws of this State, do hereby order and direct the following:

1. The Louisiana Department of Labor is herewith designated as the administrative entity for all JTPA operations in the State.

2. The Governor's State Job Training Coordinating Council is created and established and shall consist of the following:

(A) One-third of the membership of the State Council shall be representatives of business and industry (including agriculture, where appropriate) in the State, including individuals who are representatives of business and industry on private industry councils in the State.

(B) Not less than 20 percent of the membership of the State Council shall be representatives of the State legislature and State agencies and organizations, such as the State educational agency, the State vocational education board, the State advisory council on vocational education, the State board of education (when not otherwise represented), State public assistance agencies, the State employment security agency, the State rehabilitation agency, the State occupational information coordinating committee, State postsecondary institutions, the State economic de-

velopment agency, State veterans' affairs agencies or equivalent, and such other agencies as the Governor determines to have a direct interest in employment and training and human resource utilization within the State.

(C) Not less than 20 percent of the membership of the State Council shall be representatives of the units or consortia of units of general local government in such State (including those which are administrative entities or grantees under this Act) which shall be nominated by the chief executive officers of the units or consortia of units of general local government; and,

(D) Not less than 20 percent of the membership of the State Council shall be representatives of the eligible population and of the general public, representatives of organized labor, representatives of community-based organizations, and representatives of local educational agencies (nominated by local educational agencies).

(E) From these groups I will designate one non-governmental member to be chairman of the State Council.

3. The State Council shall meet at regular intervals and at other times it deems advisable.

4. The State Council shall be provided professional, technical, and clerical staff which organizationally will be within the Louisiana Department of Labor and answerable to the Secretary of Labor or his designee.

5. The plans and decisions of the State Council shall be subject to approval by the Governor.

6. The State Council shall:

(A) Plan, coordinate and monitor the provision of programs and services under the Act.

(B) Recommend a Governor's coordination and special services plan;

(C) Recommend to the Governor substate service delivery areas, plan resource allocations under Section 202 (b) for the Governor's coordination and special services plan, develop appropriate linkage with other programs, coordinate activities with private industry councils, develop the Governor's coordination and special services plan and recommend variations in performance standards;

(D) Advise the Governor and local entities on job training plans and certify the consistency of such plans with criteria under the Governor's coordination and special services plan for coordination of activities under the Act with other Federal, State, and local employment related programs, including programs operated in designated enterprise zones.

(E) Review the operation of programs conducted in each service delivery area, and the availability, responsiveness, and adequacy of State services, and make recommendations to the Governor, appropriate chief elected officials, and private industry councils, service providers, the State legislature, and the general public with respect to ways to improve the effectiveness of such programs or services;

(F) Review and comment on the State plan developed for the State employment service agency;

(G) Make an annual report to the Governor which shall be a public document and issue such other studies, reports or documents as it deems advisable to assist service delivery areas in carrying out the purpose of the Act.

(H) Identify, in coordination with the appropriate State agencies, the employment and training and vocational education needs throughout the State and assess the extent to which employment and training, vocational education, rehabilitation services, public assistance, economic development, and other Federal, State, and local programs and services represent a consistent, integrated, and coordinated approach to meeting such needs; and

(I) Comment at least once annually on the reports re-

quired pursuant to Section 105 (d) (3) of the Vocational Education Act of 1963; and

(J) Review plans of all State agencies providing employment, training, and related services, and provide comments and recommendations to the Governor, the State legislature, the State agencies, and the appropriate Federal agencies on the relevancy and effectiveness of employment and training and related service delivery systems in the State.

BE IT FURTHER RESOLVED, that Executive Order No. 80-5 is hereby rescinded and recalled, and is null, void, and of no effect.

IN WITNESS WHEREOF, I have hereunto set my hand officially and caused to be affixed the Great Seal of the State of Louisiana, at the Capitol, in the City of Baton Rouge, on this 19th day of April, A.D., 1983.

David C. Treen
Governor of Louisiana

EXECUTIVE ORDER NO. DCT 83-7

WHEREAS, Section 125 (A) of the Job Training Partnership Act of 1982 requires the Governor of each state to designate an organizational unit to oversee and manage a comprehensive statewide labor market and occupational supply and demand system; and

WHEREAS, under the new federal legislation each state is responsible for the design of a cost-effective labor market information system which is responsive to the economic demand and education and training supply support needs of the state and areas within the state; and

WHEREAS, each system must meet federal standards stipulated in Chapter 35 of Title 44, United States Code and other appropriate federal standards established by the Bureau of Labor Statistics of the United States Department of Labor; and

WHEREAS, each system must standardize available federal and state multi-agency administrative records and direct survey data sources to produce an employment and economic analysis to be used in carrying out the provisions of the Job Training Partnership Act, the Vocational Education Act, and the Wagner-Peyser Act; and

WHEREAS, the Louisiana Department of Labor, Office of Employment Security collects employment and occupational data from employers in order to operate Louisiana's Unemployment Insurance Program through a highly automated labor market information system; and

WHEREAS, the information gathered and developed by the Louisiana Department of Labor is the State's core information basic to any comprehensive, statewide labor market and occupational supply and demand information system;

NOW, THEREFORE, I, DAVID C. TREEN, Governor of the State of Louisiana, do hereby order and direct:

1. The administrative unit of Louisiana's labor market information programs shall be contained within the Louisiana Department of Labor under the direction of the Secretary of the Department;

2. The Secretary of the Department of Labor shall continue to use the Louisiana State Occupational Information Coordinating Committee as the lead agency in the dissemination of career and occupational information and, in addition, oversee the operation of such other systems as may be developed by the Committee;

3. The Secretary of the Department of Labor shall be responsible for the allocation of any federal, state or private funds

appropriated for labor market information purposes or programs.

IN WITNESS WHEREOF, I have hereunto set my hand officially and caused to be affixed the Great Seal of the State of Louisiana, at the Capitol, in the City of Baton Rouge, on this the 19th day of April, 1983.

David C. Treen
Governor of Louisiana

EXECUTIVE ORDER NO. DCT 83-8

WHEREAS, it has been reported to me by the Commissioner of Administration that the receipts of the Treasury appear likely to fall short of revenue estimates for the fiscal year 1982-1983; and

WHEREAS, continued maintenance of the appropriated level of expenditures will result, assuming the accuracy of current revenue estimates, in a deficit;

NOW, THEREFORE, pursuant to the authority granted me by Section 9 of Act 13 of the 1982 Regular Session of the Legislature, R.S. 39:55, and by Article IV, Section 5 of the Constitution, it is hereby ordered that the General Fund appropriations indicated in schedules 20-08-00, 20-09-00, and 20-10-00 of Act 13 of the 1982 Regular Legislative Session be reduced, on an annual basis, an additional 5.6 percent of the original amounts and that the State Treasurer shall make the distribution accordingly.

IN WITNESS WHEREOF, I have hereunto set my hand officially and caused to be affixed the Great Seal of the state of Louisiana, at the Capitol, in the city of Baton Rouge, on this the 4th day of May, A.D., 1983.

David C. Treen
Governor of Louisiana

Rules

RULE

Department of Agriculture Agricultural Commodities Commission

Notice is hereby given that the Louisiana Department of Agriculture, Louisiana Agricultural Commodities Commission, in accordance with the authority granted under LSA 3:3405 A (1) and pursuant to Notice of Intent published on February 20, 1983, has adopted the following Rules and Regulations for the Administration of LSA 3:3401 through LSA 3:3425:

LOUISIANA DEPARTMENT OF AGRICULTURE
Louisiana Agricultural Commodities Commission
RULES AND REGULATIONS
For the Administration of LSA 3:3401-3425

GENERAL PROVISIONS

- 1.0 Definitions
- 2.0 Administration of the affairs of the Commission
- 3.0 Agricultural commodities and other farm products regulated by the Commission

APPLICATION FOR LICENSE

- 4.0 Application for Warehouse and Grain Dealer License
- 5.0 Grounds for refusal to issue or renew a warehouse or grain dealer license

WAREHOUSE LICENSES

- 6.0 Requirements applicable to all warehouses
- 7.0 Standards for approval of facilities for storage of agricultural commodities
- 8.0 Bond required for warehouse license; provisions relative to licensed capacities
- 9.0 Provisional stock insurance required for warehouse license
- 10.0 Amendment to license required when change of status occurs
- 11.0 Procedure for initial licensing of warehouses during the period January 1, 1983 - June 30, 1983

GRAIN DEALERS

- 12.0 Requirements applicable to all grain dealers
- 13.0 Risk position requirements

ASSESSMENTS

- 14.0 Assessments; amount, time of payment, payment under special conditions

SCALE TICKETS

- 15.0 Scale tickets: filing, contents, maintenance in records

WAREHOUSE RECEIPTS

- 16.0 Warehouse receipts: required form; completion, distribution and maintenance requirements; form of non-negotiable receipts; use of State Warehouse Commission receipt forms
- 17.0 Warehouse receipts: issuance; open storage; partial delivery; duplicate receipts; delivery of commodities covered by receipts; cancellation; receipts on company-owned commodities; non-negotiable receipts; cessation of business; other applicable laws

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- 18.0 Official grades
- 19.0 Out-of-condition commodities

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- 20.0 Contracts required to be in written form
- 21.0 Records required to be maintained
- 22.0 Reports required

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- 23.0 Access requirements

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- 24.0 Posting requirements

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- 25.0 Adjudication required prior to suspension/revocation of license or imposition of other penalties; amount of penalties; surrender of license

SCHEDULE OF INSPECTIONS; VOLUNTARY INSPECTION SERVICE

- 26.0 Inspection of physical facilities and contents; schedule
- 27.0 Voluntary inspection service

EXEMPTIONS

- 28.0 Exemptions

General Provisions

1.0 Definitions

- 1.1 "Act" means the Agricultural Commodity Dealer and Warehouse Act (LSA 3:3401-3425).
- 1.2 "Advance" means a partial payment against total proceeds due to a seller.
- 1.3 "Adjudicatory proceeding" means an open public hearing by the Commission to determine whether violations of the Act or these regulations have occurred. Such proceedings are conducted in accordance with the Louisiana Administrative Procedure Act (LSA 49:951, et seq.).
- 1.4 "Agricultural commodities" means sugar, all agricultural products commonly classed as grain (rice, rough rice, corn, wheat, oats, rye, soybeans, barley, milo, and grain sorghum), and any other agricultural commodity, other than cotton, which the Commission may declare to be an agricultural commodity subject to regulation under the Act.
- 1.5 "Applicant" means any person making application for a license to engage in any of the activities regulated under the Act.
- 1.6 "Audited", with respect to a financial statement, means a financial statement prepared by an independent certified public accountant, the basis of which financial statement is the accountant's independent examination of the books and records of the business entity covered by the financial statement.
- 1.7 "Authentic act" means a statement executed before a notary public and at least two witnesses.
- 1.8 "Authorized agent", with reference to the authorized agent of a warehouse or grain dealer, means any representative thereof whose name has been filed with the Commission as such. A person whose name has not been filed with the Commission as an authorized agent will not be recognized by the Commission as entitled to act for or on behalf of a warehouse or grain dealer.
- 1.9 "Capacity" means all of the area of a licensee which is in any kind of protected enclosure.
- 1.10 "CCC" means Commodity Credit Corporation.
- 1.11 "Certified", with respect to the financial statements required under the Act, means a written statement signed by the independent certified public accountant preparing the financial statement.
- 1.12 "Commission" means the Louisiana Agricultural Commodities Commission.
- 1.13 "Commissioner" means the Louisiana Commissioner of Agriculture.
- 1.14 "Compilation", with respect to a financial statement, means a financial statement prepared by an independent certified public accountant solely on the basis of representations of the management of the business entity covered by the financial statement.

- 1.15 "Current financial statement" means a financial statement containing all of the documents listed in Rule 4.2 and presenting financial position as of the close of the applicant's or licensee's most recent fiscal year.
- 1.16 "Deferred price commodities" means commodities purchased by a grain dealer from a producer for which the sale price will be established after date of the initial agreement between the parties. The agreement between the parties covering deferred price commodities should be in writing. The term "deferred price commodities" is the same as the other following terms in general usage: price later, no price established (NPE), delayed price, basis contract, future settlement delivery, or contract for purchase.
- 1.17 "Department" means the Louisiana Department of Agriculture.
- 1.18 "Director" means the employee of the Commission who is responsible for implementing the policies of the Commission and performing the administrative responsibilities delegated to the Commissioner under the Act.
- 1.19 "Farm products" means products employed directly in the cultivation, production, or harvesting of any agricultural commodities, such as fertilizers or pesticides, and/or containers for agricultural commodities or farm products.
- 1.20 "Fee" means any charge imposed by a warehouse, directly or indirectly, for care of agricultural commodities belonging to any person other than the warehouse owner, including but not limited to base price adjustments, storage, handling, dockage, commission, drying, and/or conditioning fees.
- 1.21 "Field warehouse" means a warehouse operated by a management organization under a contractual agreement between the management organization and the owner of the warehouse.
- 1.22 "First point of sale" means (A) the initial time when title to agricultural commodities or farm products passes from a seller to a buyer, (B) the time when agricultural commodities or farm products are removed from storage, or (C) the time when agricultural commodities are placed under CCC loan.
- 1.23 "Grain dealer" means any person who purchases agricultural commodities from producers, sells agricultural commodities for producers, or represents producers in the purchase or sale of agricultural commodities. The term does not include producers who purchase grain commodities for their own use as feed or seed.
- 1.24 "Hedge", with respect to a contract to sell commodities, means a secondary contract to buy commodities to protect the obligations incurred with respect to the contract to sell. "Hedge", with respect to a contract to buy commodities, means a secondary contract to sell commodities to protect the obligations incurred with respect to the contract to buy.
- 1.25 "Independent certified public accountant" means a person who has completed all requirements established by the American Institute of Certified Public Accountants and the state Society of Certified Public Accountants. To be

recognized as an independent public accountant, the accountant, members of his immediate family, and his accounting business associates must be totally free of any obligation to or interest in the client, its management, or its owners.

- 1.26 "Licensee" means any person holding a license as a warehouse or grain dealer issued by the Commission.
- 1.27 "Licensed capacity" means the warehouse area which is bonded for the storage of agricultural commodities or farm products belonging to a person other than the owner of the warehouse.
- 1.28 "Open" or "open position" means the grain dealer's contracts for purchase or sale of agricultural commodities which are unhedged.
- 1.29 "Person" means any individual, partnership, company, firm, association, corporation, cooperative association, or any other legal entity engaged in any of the activities regulated under the Act.
- 1.30 "Producer" means the owner, tenant, lessee, or operator of land within this state who has an interest in or receives all or any part of the proceeds from the sale of agricultural commodities produced thereon.
- 1.31 "Review", with respect to a financial statement, means a financial statement prepared by an independent certified public accountant, in the preparation of which financial statement the accountant makes such inquiries of management and performs such analyses and/or comparisons as may appear appropriate to the accountant.
- 1.32 "Risk position" means the loss potential to the grain dealer resulting from bringing his open position to market.
- 1.33 "Scale ticket" means the document issued to a producer when agricultural commodities are delivered to a warehouse or grain dealer.
- 1.34 "Spot" or "spot sale" means a transaction where title to agricultural commodities passes from the producer to the buyer on the day of delivery, in which transaction the producer is paid promptly at the market price established on the day of delivery.
- 1.35 "Storage" means the physical possession by a warehouse, in any manner and/or under any type of fee arrangement, of agricultural commodities belonging to any person other than the owner of the warehouse. The term "storage" does not apply to a transaction in which title passes from the seller to the buyer upon delivery.
- 1.36 "Warehouse" means any building, structure, or any other protected enclosure in which agricultural commodities or farm products are stored for the public for a fee. The term includes facilities which commingle commodities, facilities which preserve the identity of separate lots of agricultural commodities, and facilities which dry and/or condition agricultural commodities belonging to any person other than the facility owner.

- 1.37 "Warehouseman" or "warehouse operator" means any person or other entity operating a warehouse.
- 1.38 "Warehouse receipts" may be negotiable or non-negotiable and are defined as follows:
- A. "Non-negotiable warehouse receipts" are written evidence of the deposit of agricultural commodities or farm products in a warehouse, which cannot be sold or traded by the holder and cannot be used to secure a loan.
 - B. "Negotiable warehouse receipts" are written evidence of the deposit of agricultural commodities or farm products in a warehouse, which can be sold or traded by the holder and can be used to secure a loan.

2.0 Administration of the affairs of the Commission

- 2.1 The officers of the Commission shall be a Chairman and a Vice-Chairman, who shall serve for terms of one year but may be elected for an indefinite number of terms.
- 2.2 After the initial election of officers, the Chairman and Vice-Chairman shall be elected at the Commission's regular meeting during the first quarter of each year.
- 2.3 In the absence of the Chairman at any meeting of the Commission, the Vice-Chairman shall preside.
- 2.4 The Commission shall hold at least one regular meeting during each quarter of the year, but may meet more frequently upon the call of the Chairman.
- 2.5 Meetings of the Commission shall normally be held in its domicile but may be held at other locations upon the determination of the Chairman or the will of the Commission.
- 2.6 The quorum of the Commission is five members.
- 2.7 An affirmative vote of a minimum of five members shall be required for the adoption of any motion.
- 2.8 There shall be no voting by proxy.
- 2.9 Rules and Regulations of the Commission, and amendments thereto, shall be noticed, adopted, and promulgated as required by the Louisiana Administrative Procedure Act.
- 2.10 The Chairman shall designate a Hearing Officer, who may or may not be a member of the Commission, to preside at all adjudicatory proceedings of the Commission. The Chairman may, if he so desires, serve as Hearing Officer at any adjudicatory proceeding.

- 2.11 The Commission shall serve as the Hearing Body in all adjudicatory proceedings and shall make the final determination with regard to the disposition of all matters coming to adjudication.
- 2.12 The Director shall provide clerical and other support services as may be required by the Commission and shall maintain and distribute appropriate Minute records of the Commission.
- 2.13 No member of the Commission shall participate in any discussion or vote concerning any matter before the Commission in which such member has a personal or commercial interest.
- 2.14 No member of the Commission or the staff shall disclose any financial information pertaining to any licensee or applicant for license.
- 2.15 The Commission may, from time to time, delegate any of its responsibilities to subcommittees appointed by the Chairman. Such subcommittees may perform such specific duties as may be assigned by the Chairman but all actions of such subcommittees shall be subject to ratification by the full Commission.

3.0 Agricultural commodities and other farm products regulated by the Commission

- 3.1 The following agricultural commodities shall be regulated by the Commission at all times:

- A. Sugar

- B. All agricultural commodities commonly classed as grain, including:

- | | |
|---------------|-------------------|
| 1. Rice | 6. Rye |
| 2. Rough rice | 7. Soybeans |
| 3. Wheat | 8. Barley |
| 4. Corn | 9. Milo |
| 5. Oats | 10. Grain sorghum |

- 3.2 Whenever Commission warehouse receipts are issued to cover any of the following agricultural commodities, the following agricultural commodities shall be regulated by the Commission:

- 1. Peppers
- 2. Oils (vegetables and mineral)
- 3. Pecans
- 4. Molasses and/or syrup
- 5. Any canned and/or frozen vegetables/fruits/juices

- 3.3 Whenever Commission warehouse receipts are issued to cover any of the following farm products while in storage, the following farm products shall be regulated by the Commission:

- A. Pesticides
- B. Fertilizers
- C. Containers for agricultural commodities listed in Rules 3.1 and 3.2 and farm products listed in this rule

- 3.4 Cotton being specifically excluded from the agricultural commodities regulated under the Act, warehouses storing cotton are not required to be governed by these regulations. However, whenever a warehouse storing cotton wishes to issue official Commission receipts on such cotton, the warehouse must voluntarily comply with these regulations. Approval for issuance of Commission warehouse receipts will not be granted for receipts covering cotton unless the warehouse voluntarily conforms to these regulations, certifies its willingness to do so, and collects and remits the assessments established by the Commission for cotton.
- 3.5 Commodities and farm products enumerated in Rules 3.2, 3.3, and 3.4 above shall be subject to all requirements set forth in these regulations whenever Commission warehouse receipts are issued.

Application for Warehouse and Grain Dealer License

- 4.0 Application for license (initial and renewal); time for filing; contents; fees; style of document
- 4.1 Applications for renewal of warehouse and grain dealer licenses must be filed no later than April 30th of each year. Applications for initial license may be filed at any time during the year. For both initial and renewal licenses, the following information must be furnished on the application form provided by the Commission:
- A. Type of application
 - 1. Warehouse
 - 2. Grain dealer
 - B. Date of submission
 - C. Nature of application
 - 1. Initial application
 - 2. Renewal application
 - D. Nature of applicant's business
 - 1. Sole proprietorship
 - 2. Partnership
 - 3. Corporation
 - 4. Association
 - 5. Agricultural cooperative
 - 6. Other
 - E. Name under which the business will operate
 - F. Address of the principal office of the business, either in-state or out-of-state, including mailing address, physical location, and phone number

- G. Name of the person in charge (e.g., manager, warehouseman, principal dealer, etc.) and his residence address and phone number
- H. If a partnership, the names, addresses, and interests of all partners
- I. If a corporation, the names and addresses of all officers
- J. If an association, including an agricultural cooperative, the names and addresses of all members of the board of directors
- K. Name and address of the owner of the business, if not shown under Items G, H, or I. Owner must be identified.
- L. Status of the facility in which the business will be operated:
 - 1. Owned by applicant
 - 2. Leased by applicant (short term or long term)
 - 3. Rented by applicant and name and address of owner
 - 4. Other
- M. Type of agricultural commodities that the applicant will store or trade
- N. For all business locations to be operated under one license:
 - 1. Address
 - 2. Total capacity
 - 3. Capacity to be licensed, if different from total capacity
 - 4. Name and residence address of person in charge of each facility
 - 5. Prior experience in storing or trading agricultural commodities of each person in charge (by years of experience)
- O. Bond status of the applicant
 - 1. Amount of bond posted
 - 2. Name and address of bonding company
 - 3. Period for which bond written
- P. Insurance of applicant
 - 1. Amount of provisional stock insurance carried
 - 2. Name and address of carrier
 - 3. Term of policy
- Q. Names and residence addresses of all authorized agents
- R. If business previously operated under another name, name and address of previous business

- S. Names and addresses of at least three references, by persons not in the employ of the applicant, as to the applicant's record, character, and business standing
- T. A statement that the applicant will abide by the requirements of the Act and these regulations
- U. A certified statement that all representations contained in the application and in all required attachments are true and correct
- V. Indication of the type of record storage available (fireproof, etc.)
- W. Grain dealer applicants only: Average total paid to producers during applicant's most recent fiscal year
- X. Warehouse applicants only:
 - 1. Date (month and year) of last inspection by Weights & Measures Division of the Department
 - 2. Name and license number of weighmaster for each location covered by the warehouse license
 - 3. Name and certificate number of employee certified as a pesticides applicator

4.2 For initial licensure under the Act, each applicant must provide a financial statement as of the close of the applicant's most recent fiscal year.

- A. The financial statement must be prepared and signed by an independent certified public accountant and must be presented in accordance with generally accepted accounting principles.
 - 1. Financial statements shall include contracts covering commodities which have not been delivered. Contracts covering commodities which have not been delivered to the licensee or applicant must be brought to market in the financial statement. Contracts on commodities which have not been delivered to the licensee or applicant may be made a part of the financial statement by means of a footnote to the statement.
 - 2. Fixed assets must be presented at cost on financial statements.
- B. The financial statement presented for initial licensure under the Act may be any of the following:
 - 1. Compilation
 - 2. Review
 - 3. Audited

C. The financial statement must contain:

1. A balance sheet
2. A statement of income (profit and loss)
3. A statement of retained earnings
4. A statement of changes in financial position
5. A certificate by the applicant or the chief executive officer of the applicant, in the form of an authentic act, that the financial statement accurately reflects the financial condition of the applicant for the period covered in the financial statement
6. Whenever the certificate required under Item 5 is executed by a representative of the applicant other than the owner or president, a resolution of the Board of Directors authorizing such representative to execute the certificate

D. Each applicant for initial licensure under the Act must agree to and cooperate with the conduct of a comprehensive audit of his books, records, and physical inventory by the Department immediately prior to the Commission's consideration of his application for license. The Department's report of the audit of the applicant's books, records, and inventory will be taken into account by the Commission in its consideration of the applicant's request for initial licensure under the Act. The Commission may waive this requirement for any applicant or licenses who submits an audited financial statement prepared by an independent certified public accountant.

E. Multi-state and/or multi-national corporations with subsidiary divisions located in Louisiana must either:

A. Submit a fully audited financial statement showing the position of the parent company, together with sufficient financial information pertaining to the Louisiana subsidiary to reasonably reflect the corporation's ability to satisfy all obligations to Louisiana producers; OR

B. Pay all expenses necessary for performance of a full audit, at one or more locations where pertinent corporation records are maintained, by the Department's Central Audit Committee.

4.3 Subsequent to July 1, 1983, each licensee must file a financial statement conforming to the requirements of Rule 4.2 above within ninety (90) days after the close of the licensee's fiscal year.

4.4 Each applicant must also provide the following information, in addition to completing the required application form and providing a financial statement:

A. Three signature cards, on card forms provided by the Commission, completed by each person listed as an authorized agent of the applicant, together with a resolution of the Board of Directors naming each person, other than the owner or president, whose name is listed as an authorized agent

- B. Bond which meets the requirements set forth in Rule 8.0 (warehouse license applicants) or Rule 12.7 (grain dealer license applicants)
 - C. Evidence of provisional stock insurance which meets the requirements set forth in Rule 9.0 (warehouses) or Rule 12.0 (grain dealers)
 - D. Copy of scale ticket. Applicants who do not use scale tickets in their business operations must certify to that effect in lieu of filing a scale ticket.
 - E. Applicants who apply under corporate status must provide evidence of compliance with Louisiana's Corporation Laws.
 - F. Applicants for warehouse license must also provide a copy of the warehouse's current schedule of tariffs or charges.
- 4.5 A fee of \$100, as required by the Act, must accompany each application at the time of filing. This fee is non-refundable, whether or not the license is granted.
- 4.6 All licenses shall signify on the face the following information:
- A. Name and address of licensee
 - B. Location of all licensed facilities
 - C. Licensed capacity of all locations
 - D. Amount of bond
 - E. Term of license
- 4.7 Approved licenses shall be issued in the name of the Commission and signed by the Commissioner.
- 5.0 Grounds for refusal to issue or renew a warehouse or grain dealer license
- 5.1 The Commission may refuse to issue or renew a warehouse or grain dealer license in any of the following circumstances:
- A. The applicant does not possess a good reputation.
 - B. The applicant cannot demonstrate to the satisfaction of the Commission that he is competent to operate the business for which the license is sought.
 - C. The applicant cannot demonstrate a reasonable net worth.
 - D. The applicant has failed to provide all of the information required in the application for license.
 - E. The applicant has previously refused to permit audit of his records.
 - F. The applicant has not or cannot secure the bond required by the Act.

- G. The applicant has not or cannot secure the insurance required by the Act.
 - H. If an applicant for a warehouse license: the facilities in which the business will be operated are not suitable for storage of agricultural commodities.
 - I. If an applicant for a grain dealer license: the applicant has failed to hedge his obligations to producers as required by the Act and these Rules and Regulations.
- 5.2 Any warehouse or grain dealer whose application for license is refused by the Commission may appeal the decision of the Commission under the Administrative Procedure Act or through the judicial process.

Warehouse Licenses

6.0 Requirements applicable to all warehouses

- 6.1 No person shall operate a warehouse subject to regulation under the Act unless licensed by the Commission or under the U. S. Warehouse Act. The following types of warehouses are specifically defined as warehouses subject to regulation under the Act:
 - A. Any facility offering storage as defined in Rule 1.35 hereof.
 - B. Any facility which issues state warehouse receipts covering agricultural commodities or farm products.
 - C. All field warehouses. The management organization operating a field warehouse must secure a separate license for each location. Field warehouses shall be licensed in the same manner as any other warehouses and regulations governing other warehouses shall apply equally to field warehouses.
- 6.2 Warehouses licensed under the U. S. Warehouse Act are not required to submit the application required under the Act but are subject to all other requirements of the Act, including the duty to collect and remit assessments levied on producers.
- 6.3 No warehouse, whether licensed under this Act or the U. S. Warehouse Act, shall buy or sell agricultural commodities for producers unless such warehouse is also licensed by the Commission as a grain dealer.
- 6.4 A single business entity which operates warehouse facilities at more than one location may be covered by one license. In such instances, the applicant must provide separate capacity and personnel information for each location but may submit a consolidated financial statement covering all locations.
- 6.5 When two or more businesses which are separate legal entities, even though owned and/or operated by the same individual or the same legal entity, are operated at one or more physical locations, each separate legal entity must obtain a separate license.

- 6.6 Each license is personal to the holder thereof and may not be transferred or assigned to another for any purpose or any period of time.
- 6.7 Licenses issued by the Commission shall be consecutively numbered and the the number shall include a fiscal year designation.
- 6.8 All warehouse licenses issued by the Commission shall expire on June 30th following date of issue, except licenses issued during the period January 1, 1983, through June 30, 1983, which may be issued to expire on June 30, 1984.
- 6.9 For initial and continuing licensure, the facility must meet all requirements of Rule 7.0 hereof.
- 6.10 The warehouse must meet all bonding and insurance requirements set forth in Rules 8.0 and 9.0 hereof prior to issuance of the license. Failure to maintain the required bond and insurance in full force and effect throughout the license period shall subject the licensee to revocation of his license.
- 6.11 The staff of each warehouse unit (excluding warehouses licensed under the U. S. Warehouse Act) must include a weighmaster licensed by the Weights and Measures Division of the Department who must be physically present at the facility during all normal business operations. The Commission may waive this requirement for any facility which does not normally weigh the agricultural commodities or farm products stored in the facility.
- 6.12 The staff of each warehouse unit must include a person certified as a commercial or private pesticide applicator. The Commission may waive this requirement for facilities which employ licensed pest control firms.
- 6.13 The person in charge of each warehouse unit must possess the following qualifications:
- A. Must be of legal age
 - B. Must demonstrate the following:
 - 1. Knowledge of the practical facts of keeping accurate records regarding the storage of agricultural commodities
 - 2. Knowledge of proper pest control and fumigation procedures
- 6.14 Provisions relative to the schedule of tariffs or charges
- A. On or before March 1, 1983, each warehouse must file its current tariff with the Commission for the Commission's approval as to form.
 - B. Whenever there is any change in any warehouse's tariff, the new tariff must be filed with the Commission prior to implementation of any changes.
 - C. The Director shall note on each warehouse's tariff the fact of its receipt by the Commission. Upon the warehouse's receipt of the tariff bearing the Director's notation, the warehouse shall post the copy bearing the Director's signature in a conspicuous location at the warehouse.

- D. Each tariff must indicate whether charges are made on the basis of barrels, bushels, or hundredweights.
 - E. The tariff should contain all fees routinely charged to depositors.
 - F. The tariffs or charges must be the same for the same class of services to each customer of the warehouse.
- 6.15 Each warehouse must maintain a daily inventory report on forms to be provided by the Commission.
- 7.0 Standards for approval of facilities for storage of agricultural commodities
- 7.1 The building must be of sound construction, in good physical condition, and suitable for storage of the agricultural commodities to be stored therein.
 - 7.2 The building must be weathertight so as to protect the commodities stored in it from the elements at all times.
 - 7.3 The building and the surroundings must be reasonably clean and free of debris of any kind.
 - 7.4 There must be safe ingress and egress to all storage units.
 - 7.5 Storage units having entrances more than 20 feet above ground or floor level must be equipped with a safe and adequate lift or ladder.
 - 7.6 All catwalks must be equipped with railings, must be structurally sound, and must be kept free of all grain or other matter which might endanger human human life.
 - 7.7 The facility must maintain reasonable provisions for rodent and insect control.
 - 7.8 Commodities or farm products stored in containers rather than in bulk must be separated by an aisle of sufficient width to permit passage for inspection.
 - 7.9 When different agricultural commodities are stored in the same facility in bulk, the different commodities must be separated by a substantial partition.
 - 7.10 When a warehouse license covers more than one facility, each warehouse unit must be designated by a number, beginning with the number "1", which number may not be changed without the prior approval of the Commission.
 - 7.11 Each storage unit, building, bin, or compartment must have painted thereon or securely affixed, in a conspicuous manner and location, an identifying number or letter, or both, which may not be changed without prior approval of the Commission.
 - 7.12 Bulk grain bins shall be numbered at all openings on top and also on or near all outlet valves underneath so as to be easily identified.

7.13 Each facility must contain adequate and accurate weighing and sampling equipment. All scales in warehouses licensed by the Commission are subject to examination by the Division of Weights and Measures of the Department.

7.14 Special requirements for rice:

Provisions for identification cards must be securely attached to all bins and when commodities are placed under receipt, an identification card showing the following information must be firmly attached to the bin boards:

- A. The lot number
- B. Whether the receipt is negotiable or non-negotiable
- C. The number of the receipt
- D. The name of the person or company to whom the receipt was issued
- E. The number of containers of commodities, if not in bulk, in the bin

8.0 Bond required for warehouse license; provisions relative to licensed capacities

8.1 Each applicant must execute and file a bond, on bond forms provided by the Commission, which bond must be issued by a company authorized to do business in Louisiana prior to issuance of the license.

8.2 Each bond must be conditioned upon (A) the faithful performance of all duties and obligations to patrons of the warehouse and (B) compliance with all requirements of the Act and these regulations.

8.3 The amount of the bond shall be established on the basis of the capacity to be licensed:

- A. The Commission shall establish capacity records for all licensed facilities. Whenever there is a discrepancy between the capacity claimed by the applicant and the Commission's capacity figures for the applicant, the bond to be required shall be determined by the Commission's capacity figures. A licensee may, however, appeal the decision of the Commission whenever he disagrees with the capacity figures established by the Commission for his facility.
- B. All facilities which commingle agricultural commodities must bond 100% of their available capacity, subject to the exemptions contained in Items E and F below.
- C. Facilities which store identity-preserved commodities may, with the prior approval of the Commission, bond 75% of their available capacity. In such event, the amount of the bond must be increased if commodities in storage exceed the licensed capacity.
- D. All capacity under one roof must be bonded.

- E. Outside tanks which are used solely for storage of company-owned commodities are not required to be bonded.
 - F. Buildings which are used solely for storage of company-owned commodities are not required to be bonded.
- 8.4 The amount of the bond shall be as follows:
- A. 20¢ per bushel for the 1st million bushels of licensed capacity - up to \$200,000 for a licensed capacity of 2 million bushels
 - B. Plus 15¢ per bushel for the 2nd million bushels of licensed capacity - a total of \$350,000 for a facility with a licensed capacity of 2 million bushels
 - C. Plus 10¢ per bushel for all bushels over 2 million bushels up to 3.5 million bushels of licensed capacity - a maximum of an additional \$150,000
- 8.5 A minimum bond of \$25,000 is required for all facilities of 125,000 bushels or less licensed capacity.
- 8.6 A maximum bond of \$500,000 is required for all facilities of 3.5 million or more bushels of licensed capacity.
- 8.7 Each bond shall be written for a period of one year, beginning on July 1st, or for such other period of time as the Commission may require for facilities licensed during the period of January 1, 1983, through June 30, 1983.
- 8.8 Each bond must provide for at least ninety (90) days written notice to the Commission prior to cancellation.
- 8.9 Each bond is subject to final approval by the Commission and must be so approved prior to issuance of the license.
- 8.10 Provisions for alternate security in lieu of the required bond:
- A. The Commission may accept alternate security in lieu of the required bond in an amount equal to 150% of the required bond. For example, alternate security for facilities containing 125,000 bushels or less licensed capacity would be \$37,500, and alternate security for facilities containing 3.5 million or more bushels licensed capacity would be \$750,000.
 - B. Alternate security may be offered only by:
 - 1. Pledging of certificates of deposit or similar negotiable instruments.
 - 2. Filing of an irrevocable letter of credit, which shall be non-cancellable for a period of one year
 - C. Alternate security is subject to the approval of the Commission and must be so approved prior to issuance of a license.