

1 AN ACT concerning agriculture.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Grain Code is amended by changing Section  
5 30-10 as follows:

6 (240 ILCS 40/30-10)

7 Sec. 30-10. Participants in the Fund.

8 (a) A licensee under this Code is subject to this  
9 Article and must ~~shall~~ pay assessments into the Fund as  
10 provided in Section 5-30.

11 (b) Except as provided in subsection (c) of this  
12 Section, a person engaged in the business of a grain dealer  
13 or warehouseman but not licensed under this Code shall not  
14 participate in or benefit from the Fund and its claimants  
15 shall not receive proceeds from the Fund.

16 (c) Participation of federal warehousemen.

17 (1) A federal warehouseman may participate in the  
18 Fund. If a federal warehouseman chooses to participate  
19 in the Fund, it shall to the extent permitted by federal  
20 law:

- 21 (A) pay assessments into the Fund;
- 22 (B) be deemed a licensee and a warehouseman  
23 under this Code;
- 24 (C) be subject to this Code; and
- 25 (D) execute a cooperative agreement between  
26 itself and the Department.

27 (2) The cooperative agreement shall, at a minimum,  
28 provide each of the following to the extent permitted by  
29 federal law:

- 30 (A) Authorization for the Department to obtain  
31 information about the federal warehouseman

1 including, but not limited to, bushel capacity of  
2 storage space, financial stability, and examinations  
3 performed by employees of the United States  
4 Department of Agriculture.

5 (B) That the federal warehouseman submits  
6 itself to the jurisdiction of the Department and  
7 that it agrees to be subject to and bound by this  
8 Code and deemed a licensee under this Code.

9 (C) That in the event of a failure of the  
10 federal warehouseman, the Department shall have  
11 authority to seize, liquidate, and collect upon all  
12 grain assets, collateral, and guarantees relating to  
13 the federal warehouseman as in the case of any other  
14 licensee.

15 (D) Such other requirements as established by  
16 rule.

17 (3) A federal warehouseman that participates in the  
18 Fund shall at a minimum meet the licensing requirements  
19 of this Code and shall comply with all requirements of a  
20 licensee and a warehouseman under this Code to the extent  
21 permitted by federal law.

22 (d) A federal warehouseman that participates in the Fund  
23 or a warehouseman that desires to or has become a federal  
24 warehouseman cannot withdraw from participation in the Fund  
25 for the benefit of existing depositors until the occurrence  
26 of all of the following:

27 (1) Payment in full by the federal warehouseman or  
28 withdrawing warehouseman of all assessments under  
29 subsection (a) of Section 5-30.

30 (2) Payment in full by the federal warehouseman or  
31 withdrawing warehouseman of all assessments under  
32 subsection (d) of Section 5-30 if the Fund is under  
33 \$3,000,000 at any time after the federal warehouseman or  
34 withdrawing warehouseman notifies the Department that it

1 desires to withdraw from participation in the Fund and  
2 before the issuance by the Department of a certificate of  
3 withdrawal from the Fund.

4 (3) The expiration of 30 days following the later  
5 of:

6 (A) the date the federal warehouseman or  
7 withdrawing warehouseman has ceased providing its  
8 depositors with coverage under the Fund;

9 (B) the date the federal warehouseman or  
10 withdrawing warehouseman has posted at each of its  
11 locations a notice stating when it will cease  
12 providing its depositors with coverage under the  
13 Fund;

14 (C) notification of all potential claimants by  
15 the federal warehouseman or withdrawing warehouseman  
16 of the date on which it will cease providing its  
17 depositors with coverage under the Fund; and

18 (D) Completion of an audit and examination  
19 satisfactory to the Department as provided for in  
20 this Code and by rule, which is to be the  
21 Department's final examination.

22 (4) Obtaining releases of liability from all  
23 existing depositors or posting collateral with the  
24 Department for 270 days after withdrawing from the Fund  
25 in an amount equal to the liability to existing  
26 depositors who have not executed releases before the  
27 completion of the Department's final examination.

28 (5) Compliance with all notification requirements  
29 as provided for in this Code and by rule.

30 (6) Issuance by the Department of a certificate of  
31 withdrawal from the Fund when the federal warehouseman or  
32 withdrawing warehouseman has met all requirements for  
33 withdrawal from participation in the Fund.

34 (e) Before a federal warehouseman or a warehouseman that

1 desires to or has become a federal warehouseman may withdraw  
2 from participation in the Fund, it must pay for an audit and  
3 examination and must provide to the Department all names and  
4 addresses of potential claimants for the purposes of  
5 notification of withdrawal of participation in the Fund.

6 (Source: P.A. 89-287, eff. 1-1-96.)