WAC 16-237-175 Outside storage. (1) Grain may be stored outside the warehouse operator's permanent enclosed storage space only under the following conditions:

(a) The warehouse operator has insufficient permanent enclosed storage space to handle commodities for the current license year.

(b) Outside storage shall be on ground properly crowned and groomed to provide adequate drainage. Prior to its use, the storage space shall be approved by the department.

(c) Outside storage not filled through the warehouse operator's permanent enclosed storage facility shall have a separate letter designation and license fee.

(d) Outside storage must be free of contact with any building or elevator after October 15th of each year.

(e) The warehouse operator shall maintain a net worth of twenty-five cents per bushel in addition to the net worth requirements of WAC 16-237-035.

(2) Uncovered and/or nonaerated outside storage must be moved to a covered licensed storage facility by October 31st. A warehouse operator may submit a written request to the department for a thirty-day extension. The request for extension shall indicate the amount and condition of the commodity for which the extension is requested along with other information that may be necessary to assist the department in the evaluation of the request. This request must be received by October 15th. The request will be granted upon satisfying the following conditions:

(a) That the amount of outside storage does not exceed fifty-percent of the warehouse operator's license permanent enclosed storage space.

(b) The warehouse operator maintains a total net worth of seventy-five cents per bushel for uncovered outside storage in addition to the net worth requirements of WAC 16-237-035.

(c) There is no unreasonable risk to depositors.

(3) Licensed outside piles that have been covered and aerated prior to November 1 may be relicensed for the next license period provided that the warehouse operator samples each pile and submits the samples for grading.

(a) A sufficient number of samples that is representative of the entire pile shall be drawn, at a minimum, one sample for every ten thousand bushels in each outside pile and submitted for grading by June 1st. Samples are required to be graded using the grades and standards established by the United States Department of Agriculture.

(b) The results of the grading must be made available to the department within ten days of receipt of the grades.

(c) The department may deem that the requirements of this subsection have been met if outside storage samples are drawn and graded under the requirements of a United States Department of Agriculture Uniform Grain and Rice Storage Agreement and those certificates are provided to the department.

(d) If the average of the grades of the samples falls two grades below the average of the grades when the commodity was placed in the outside pile, the pile will not be approved for relicensing. Unless otherwise documented, "average grade" is considered to be U.S. No. 1.

[Statutory Authority: RCW 22.09.020(13). WSR 00-21-043, § 16-237-175, filed 10/13/00, effective 11/13/00.]