

1 State of Arkansas
2 92nd General Assembly
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4

As Engrossed: H3/25/19

A Bill

HOUSE BILL 1846

5 By: Representatives Sullivan, Hillman
6 By: Senators B. Johnson, D. Wallace
7

For An Act To Be Entitled

9 AN ACT TO ESTABLISH THE ARKANSAS GRAIN GRADING ACT;
10 AND FOR OTHER PURPOSES.
11
12
13
14

Subtitle

16 TO ESTABLISH THE ARKANSAS GRAIN GRADING
17 ACT.
18
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code Title 2, Subtitle 2, is amended to add an
23 additional chapter to read as follows:

CHAPTER 25 ARKANSAS GRAIN GRADING ACT

2-25-101. Title.

27 This chapter shall be known and may be cited as the "Arkansas Grain
28 Grading Act".
29

2-25-102. Definitions.

31 As used in this chapter:

32 (1) "Grain" means corn, soybeans, and wheat;

33 (2) "Grain dealer" means a person or entity that receives grain
34 from a grain producer and sells or distributes grain commercially;

35 (3) "Official grading agency" means an agency or laboratory
36 authorized by the United States Department of Agriculture Grain Inspection,



1 Packers, and Stockyards Administration to provide official inspection and
2 weighing services on the behalf of the Grain Inspection, Packers, and
3 Stockyards Administration; and

4 (4) "Producer" means a farmer who grows grain and delivers grain
5 to a grain dealer.

6
7 2-25-103. Administration.

8 (a) The Arkansas Agriculture Department shall adopt rules governing
9 the standards for sampling and grading grain that are consistent with the
10 standards for sampling and grading grain developed by the United States
11 Department of Agriculture.

12 (b) The Arkansas Agriculture Department shall certify:

13 (1) Grain dealers that employ grain samplers and graders; and

14 (2) Courses of instruction in the methods of sampling and
15 grading grain.

16 (c) The Arkansas Agriculture Department shall issue a certificate to a
17 grain dealer who conducts a course of instruction for sampling and grading
18 grain that is satisfactory to the Arkansas Agriculture Department.

19 (d) A grain dealer who issues grades for grain shall:

20 (1) Sample and grade each load of grain delivered by a producer
21 within twenty-four (24) hours of the time the grain is delivered to the grain
22 dealer; and

23 (2) Retain each sample of grain received from a producer that is
24 subject to excessive deductions for grain damage or foreign material.

25 (e)(1) The Arkansas Agriculture Department shall promulgate a rule
26 regarding the level of deduction that is excessive for each type of grain.

27 (2) The rule shall:

28 (A) Include the deductions for grain damage or foreign
29 material;

30 (B) Be based upon the numerical grades determined for each
31 type of grain by the United States Department of Agriculture; and

32 (C) Include a provision allowing for variance in the
33 moisture level of a sample, which shall not subject the sample to re-
34 inspection.

35 (f) Samples of grain that are subject to excessive deductions shall be
36 retained in separate containers for two (2) days from the date the sample was

1 graded.

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3 2-25-104. Disputes.

4 (a) If a dispute arises regarding the grading of a sample that is
5 subject to excessive deductions, the grain dealer or the producer, or both,
6 may request that the sample be regraded by an official grading agency for an
7 official grade that shall be deemed the official grade of the disputed
8 sample.

9 (b) If a regrading is requested, the grain dealer shall provide the
10 sample to the agency at the requester's expense.

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12 2-25-105. Enforcement.

13 (a) An employee of the Arkansas Agriculture Department may inspect
14 randomly selected grain dealers to ensure the grain dealer is certified by
15 the department for sampling and grading grain.

16 (b) An employee of the grain dealer that is responsible for sampling
17 and grading grain is required to demonstrate through skill an adequate
18 knowledge of sampling and grading grain as determined by the department.

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20 2-25-106. Penalties.

21 (a) If the Arkansas Agriculture Department conducts an inspection of a
22 grain dealer as permitted under § 2-25-105(a) and determines that a grain
23 dealer who issues grades does not take samples of graded grain in a manner
24 consistent with the standards adopted by the department, the department may
25 place the grain dealer on probation.

26 (b)(1) If a grain dealer who issues grades for grain is placed on
27 probation, an employee of an official grading agency may inspect randomly
28 selected samples of graded grain to determine whether the grain dealer is
29 taking samples and grading grain in a manner consistent with the rules
30 adopted by the department.

31 (2) The samples of graded grain shall be obtained and an
32 inspection performed during the normal working hours of the grain dealer.

33 (3) The grain dealer shall pay for the samples of graded grain
34 that are inspected.

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/s/Sullivan

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APPROVED: 4/8/19

GRADING AND SAMPLING OF CORN, SOYBEANS AND WHEAT**I. Definitions.** As used in this rule:

- A. "Department" means the Arkansas Department of Agriculture.
- B. "Excessive Deductions" as used in A.C.A. § 2-25-101 et seq., means deductions for grain that is graded as having more than four percent (4%) total damage.
- B. "Grain" means corn, soybeans and wheat.
- C. "Grain Dealer" means a Grain Dealer that employs a Grain Sampler or Grader and receives grain from a grain producer and sells or distributes grain commercially.
- D. "USDA" means the United States Department of Agriculture.

II. Elevators: Official Grades and Sampling

- A. All grain shall be graded and sampled in accordance with official USDA grading standards, as detailed in The Official United States Standards for Grain handbook. Procedures that result in equivalent results to USDA procedures are acceptable.
- B. If a sample is to be re-inspected due to excessive damage, the moisture content will not be subject to re-inspection. The moisture content determined at the original time of inspection will be considered the official moisture content.
- C. All applicants for certification by the Department as a Grain Dealer must:
 - 1. Submit to the Department an application on a form which shall be provided by the Department.
 - 2. Submit to the Department a course of instruction for sampling and grading that is based on USDA Grain Inspection, Packers and Stockyards Administration standards.
 - 3. Sign a statement acknowledging that Department employees may randomly inspect any of the Grain Dealers locations to ensure certification as provided in this rule.
 - 4. Sign a statement acknowledging that employees of the grain dealer who are responsible for sampling and grading grain may be required to demonstrate to the Department an adequate knowledge of sampling and grading as determined by the Department.

III. Official Grain Inspections

Standards established in *Regulations Under the United States Grain Standard Act, As Amended*, USDA, Federal Grain Inspection Service (CFR, Title 7, Chapter VIII, Pt. 800 (Section 800.0 to 800.219), 801 (Section 801.1-801.12), 802 (Section 802.0 to 802.1), and 810 (Section 810.101 - 810.108; 810.401 – 405; 810.1601 – 1605; and 810.2201 - 2205), shall apply to all Department grain inspections.

IV. Renewals and Probation.

- A. Renewals. All certifications shall expire on December 31 of each year and shall be renewed annually.
- B. Probation. Any Grain Dealer on probation may be subject to more frequent inspection and testing and may be required to demonstrate to the Department an adequate knowledge of sampling and grading before being removed from probation.

V. Authority. A.C.A. § 2-25-101 et seq.