

REVISOR'S NOTE: This section is new language derived from Art. 48, §10 of the Code. The present reference to the surety bond issued in accordance with the provisions of Art. 78A, §§46 - 50 is omitted and a reference to the committee established by these sections is substituted.

SEC. 7-306. FUND.

ANY MONEY RECEIVED BY THE WAREHOUSE CONSTITUTES A FUND TO HELP DEFRAY PARTIALLY THE EXPENSES INCURRED IN ADMINISTERING THIS SUBTITLE. ANY UNEXPENDED FUNDS SHALL REVERT TO THE GENERAL FUNDS OF THE STATE AT THE END OF THE FISCAL YEAR.

REVISOR'S NOTE: This section is new language modeled after an analogous provision in §7-205. It is made applicable to the Warehouse because the funds collected by the Warehouse are used to defray the expense of administering this subtitle. The second sentence of this section is added by amendment to indicate explicitly that any funds of the Warehouse unexpended at the end of the fiscal year shall revert to the general funds of the State.

SEC. 7-307. INSURANCE COVERAGE FOR THE WAREHOUSE.

(A) SECRETARY SHALL OBTAIN COVERAGE.

IN ORDER TO COVER LOSSES SUSTAINED BY ANY PERSON STORING LEAF TOBACCO IN THE WAREHOUSE, THE SECRETARY SHALL ARRANGE FOR APPROPRIATE INSURANCE COVERING ANY LOSS BY FIRE, AND PROVIDING FOR EXTENDED COVERAGE, AND COVERAGE FOR LOSS BY WATER IF IT IS OBTAINABLE AT REASONABLE COST. COVERAGE SHALL BE AVAILABLE BY PROPER ENDORSEMENT FOR THE BENEFIT OF ANY PERSON STORING LEAF TOBACCO AS HIS INTERESTS MAY APPEAR.

(B) OWNER SHALL PAY CHARGE.

THE OWNER OF THE TOBACCO SHALL PAY THE CHARGE FOR HIS INSURANCE COVERAGE UPON REMOVAL OF THE TOBACCO FROM THE WAREHOUSE.

(C) EXCEPTION.

NO INSURANCE MAY BE PROVIDED AND NO CHARGE MADE WHERE THE OWNER MAKES A WRITTEN WAIVER OF INSURANCE