

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 203.2 and 203C.5(1), the Department of Agriculture and Land Stewardship hereby amends Chapter 90, “State Licensed Warehouses and Warehouse Operators,” and Chapter 91, “Licensed Grain Dealers,” Iowa Administrative Code.

The amendments specifically add to the rules a provision contained in the Iowa Code that requires a grain warehouse operator or a grain dealer to submit additional financial statements upon the Department’s request. The amendments set out what will be included in the additional financial information and when the information will be due. A technical correction is also made.

Notice of Intended Action was published in the Iowa Administrative Bulletin on January 8, 2014, as **ARC 1280C**. No comments were received from the public. These amendments are identical to those published under Notice.

After analysis and review of this rule making, no adverse impact on jobs has been found.

These amendments are intended to implement Iowa Code sections 203.3 and 203C.6.

These amendments will become effective April 23, 2014.

The following amendments are adopted.

ITEM 1. Renumber subrule **90.8(13)** as **90.8(14)**.

ITEM 2. Adopt the following **new** subrule 90.8(13):

90.8(13) Other financial statements. The bureau chief may require a warehouse operator to submit financial statements on a monthly or quarterly basis to verify the operator’s financial status or compliance with Iowa Code section 203C.6. These financial statements shall be filed with the bureau by the end of the next month and by the end of every month thereafter until no longer required by the bureau. These financial statements shall contain a minimum of a balance sheet and statement of income and shall be prepared in accordance with generally accepted accounting principles.

ITEM 3. Amend subrule 91.8(8), introductory paragraph, as follows:

91.8(8) Appraisals. Competent appraisals on file with the bureau shall be valid for use in determining asset value for a maximum period of three years. Thereafter, a new appraisal for asset valuation shall be required and shall be used for a like period of time. In the event the certified public accountant expresses doubt as to the licensee’s ability to continue as a going concern, the bureau shall not allow an appraisal to be used to meet net worth requirements. The bureau shall not allow an appraisal to be used to determine the percentage of total liabilities to total assets as it relates to subrule ~~91.17(2)~~ **91.17(3)**, paragraph “e,” concerning the suspension of a licensee’s authorization to use credit-sale contracts. All assets included in the appraisal shall be depreciated by the bureau using the following schedule:

ITEM 4. Renumber subrule **91.8(13)** as **91.8(14)**.

ITEM 5. Adopt the following **new** subrule 91.8(13):

91.8(13) Other financial statements. The bureau chief may require a grain dealer to submit financial statements on a monthly or quarterly basis to verify the grain dealer’s financial status or compliance with Iowa Code section 203C.6. These financial statements shall be filed with the bureau by the end of the next month and by the end of every month thereafter until no longer required by the bureau. These financial statements shall contain a minimum of a balance sheet and statement of income and shall be prepared in accordance with generally accepted accounting principles.

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 3/19/14.