

203.1 Definitions.

As used in this chapter, unless the context otherwise requires:

1. *"Bond"* means a bond issued by a surety company or an irrevocable letter of credit issued by a financial institution described in subsection 7.
2. *"Check"* means a paper instrument used for ordering, instructing, or authorizing a financial institution to make payment or credit a presenter's account and debit the issuer's account. *"Check"* includes instruments commonly referred to as a check, draft, share draft, or other negotiable instrument for the payment of money. An instrument may be a check even though it is described on its face by another term, such as "money order".
3. *"Credit-sale contract"* means a contract for the sale of grain pursuant to which the sale price is to be paid more than thirty days after the delivery of the grain to the buyer, or a contract which is titled as a credit-sale contract, including but not limited to those contracts commonly referred to as deferred-payment contracts, deferred-pricing contracts, and price-later contracts.
4. *"Custom livestock feeder"* means a person who buys grain for the sole purpose of feeding it to livestock owned by another person in a feedlot as defined in section 172D.1, subsection 6, or a confinement building owned or operated by the custom livestock feeder and located in this state.
5. *"Department"* means the department of agriculture and land stewardship.
6. *"Electronic funds transfer"* means a remote electronic transmission used for ordering, instructing, or authorizing a financial institution to pay money to or credit the account of the payee and debit the account of the payer. The remote electronic transmission may be initiated by telephone, terminal, computer, or similar device.
7. *"Financial institution"* means a bank or savings and loan association authorized by the state of Iowa or by the laws of the United States, which is a member of the federal deposit insurance corporation or the federal savings and loan insurance corporation, respectively; or the national bank for cooperatives established in the Agricultural Credit Act, Pub. L. No. 100-233.
8. *"Good cause"* means that the department has cause to believe that the net worth or current asset to current liability ratio of a grain dealer presents a danger to sellers with whom the grain dealer does business, based on evidence of any of the following:
 - a. The making of a payment by use of a check or electronic funds transfer, and a financial institution refuses payment because of insufficient moneys in a grain dealer's account.
 - b. A violation of recordkeeping requirements provided in this chapter or rules adopted pursuant to this chapter by the department.
 - c. A substantial risk of loss to the grain depositors and sellers indemnity fund caused by the possible insolvency of the grain dealer based on a statistical model provided in section 203.22.
9. *"Grain"* means any grain for which the United States department of agriculture has established standards including, but not limited to, corn, wheat, oats, soybeans, rye, barley, grain sorghum, flaxseeds, sunflower seed, spelt (emmer), and field peas.
10. *"Grain dealer"* means a person who cumulatively purchases at least one thousand bushels of grain from producers during any calendar month, if such grain is delivered within or into this state for purposes of resale, milling, or processing in this state. However, *"grain dealer"* does not include any of the following:

- a. A producer of grain who is buying grain for the producer's own use as seed or feed.
- b. A person solely engaged in buying grain future contracts on the board of trade.
- c. A person who purchases grain only for sale in a feed regulated under chapter 198.
- d. A person who purchases grain only from grain dealers licensed under this chapter.
- e. A person engaged in the business of selling agricultural seeds regulated by chapter 199.
- f. A person buying grain only as a farm manager.
- g. An executor, administrator, trustee, guardian, or conservator of an estate.
- h. A custom livestock feeder.
- i. A cooperative organized under chapter 501 or 501A, if the cooperative only purchases grain from its members who are producers or from a licensed grain dealer, and the cooperative does not resell that grain.
- j. A limited liability company as defined in section 490A.102 that meets all of the following requirements:
 - (1) The majority of voting rights in the limited liability company are held by its members who are producers.
 - (2) The purpose of the limited liability company is to produce renewable fuel as defined in section 159A.2.
 - (3) The limited liability company only purchases grain from its members who are producers or from a licensed grain dealer.
 - (4) The limited liability company does not resell grain that it purchases.

11. *"Person"* means the same as defined in section 4.1 and includes a business association as defined in section 202B.102 or joint or common venture regardless of whether it is organized under a chapter of the Code.

12. *"Producer"* means the owner, tenant, or operator of land in this state who has an interest in and receives all or a part of proceeds from the sale of grain produced on that land.

13. *"Seller"* means a person who sells grain which the person has produced or caused to be produced to a licensed grain dealer, and includes a person who executes a credit-sale contract as a seller.

[C75, 77, 79, 81, § 542.1; 81 Acts, ch 180, § 13]

85 Acts, ch 80, § 1, 2; 86 Acts, ch 1006, § 1; 86 Acts, ch 1152, § 1, 2; 86 Acts, ch 1245, § 669; 87 Acts, ch 147, §1; 89 Acts, ch 143, §1001; 92 Acts, ch 1239, §55

C93, § 203.1

95 Acts, ch 28, § 1; 96 Acts, ch 1010, § 2; 99 Acts, ch 106, §13; 2001 Acts, ch 36, §1, 2; 2003 Acts, ch 69, §1, 2, 46; 2004 Acts, ch 1038, §1; 2005 Acts, ch 135, §106