

**203D.5 Indemnity fees — imposition, adjustment of rates, or waiver.**

1. The board shall annually review the debits of and credits to the grain depositors and sellers indemnity fund created in [section 203D.3](#) and shall determine whether to impose the indemnity fees as provided in [section 203D.3A](#), make adjustments to the indemnity fees effective on the previous September 1, or waive the indemnity fees as necessary to comply with [this section](#). The board shall make the determination not later than May 1 of each year. The board shall impose the indemnity fees or adjust the indemnity fees effective on the previous September 1 in accordance with [chapter 17A](#). The imposition or adjustment of the indemnity fees shall become effective as follows:

a. For the participation fee, on the following September 1. However, the licensee shall continue to pay the participation fee at the rate in effect on the prior September 1, until the licensee has paid the amount owing.

b. For a per-bushel fee, on the following September 1.

2. a. Except as provided in paragraph “b”, the rate of a participation fee owed by a licensee shall be calculated as follows:

(1) For a licensed grain dealer, not more than fourteen thousandths of a cent per bushel assessed on all purchased grain during the grain dealer’s last fiscal year at each location at which records are maintained for transactions of the grain dealer, as determined according to information submitted by the grain dealer to the department for the issuance or renewal of a license as provided in [section 203.5](#).

(2) For a licensed warehouse operator, not more than fourteen thousandths of a cent per bushel of bulk grain storage capacity for each warehouse licensed pursuant to [section 203C.8](#) or five hundred dollars, whichever is less. The participation fee shall be determined using information provided to the department by the warehouse operator applying for the issuance or renewal of a license as provided in [sections 203C.7](#) and [203C.37](#).

b. A licensee shall pay a participation fee of at least fifty dollars.

3. The rate of the per-bushel fee shall not exceed one-quarter cent per bushel assessed on all purchased grain.

4. If on the last date of the fund’s assessment year as provided in [section 203D.3](#) the assets of the fund exceed sixteen million dollars, less any encumbered balances or pending or unsettled claims, all of the following apply:

a. The participation fee as provided in [section 203D.3A](#) shall be waived and shall not be assessable or owing for the following assessment year of the fund. However, the licensee shall continue to remit any owing participation fee that was in effect on the prior September 1.

b. The per-bushel fee as provided in [section 203D.3A](#) shall be waived and shall not be assessable or owing for the following assessment year. The waiver shall also apply to purchased grain that is unpriced on the last date of the fund’s assessment year. However, the licensed grain dealer shall remit any per-bushel fee that is owing on that date.

5. The board shall reinstate the indemnity fees as provided in [this section](#) if the assets of the fund, less any unencumbered balances or pending or unsettled claims, are eight million dollars or less.

[86 Acts, ch 1152, §35](#)

[C87, §543A.5](#)

[87 Acts, ch 147, §17](#); [88 Acts, ch 1148, §4](#); [89 Acts, ch 143, §907](#)

[C93, §203D.5](#)

[2009 Acts, ch 17, §1, 6](#); [2009 Acts, ch 133, §229](#); [2010 Acts, ch 1082, §9](#); [2015 Acts, ch 103, §14, 15](#); [2023 Acts, ch 154, §17 – 19](#); [2025 Acts, ch 105, §17, 18](#)

Referred to in [§203D.3A](#)

Subsection 1, unnumbered paragraph 1 amended

Subsections 4 and 5 amended