

See Agriculture 3/9 Amend pass 5516,
Do Pass 3/26
(p. 1862)

FEB 28 1984

Print on Calendar

HOUSE FILE 2385

BY COMMITTEE ON AGRICULTURE

(Formerly Study Bill 671)

Passed House, Date 3-7-84 (p. 805) Passed Senate, Date 3-30-84 (p. 1185)

Vote: Ayes 88 Nays 9 Vote: Ayes 46 Nays 0

Approved May 8, 1984

Repassed House 4-3-84 (p. 1610)
86-11

A BILL FOR

1 An Act relating to the frequency of inspection of grain dealers.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2385

1 Section 1. Section 542.3, subsection 4, paragraph b, Code
2 Supplement 1983, is amended to read as follows:

3 b. The grain dealer shall submit, as required by the
4 commission, a financial statement that is accompanied by an
5 unqualified opinion based upon an audit performed by a
6 certified public accountant licensed in this state. However,
7 the commission may accept a qualification in an opinion that
8 is unavoidable by any audit procedure that is permitted under
9 generally accepted accounting principles. An opinion that
10 is qualified because of a limited audit procedure or because
11 the scope of an audit is limited shall not be accepted by
12 the commission. The grain dealer may elect, however, to
13 submit a financial statement satisfying the requirements of
14 subsection 5, paragraph "b," in lieu of the audited financial
15 statement specified in this paragraph, and if a grain dealer
16 makes this election the commission shall cause the grain
17 dealer to be inspected not less than twice during each twelve-
18 month period in the manner provided in section 542.9.

S-554

19 Sec. 2. Section 542.9, unnumbered paragraph 1, Code 1983,
20 is amended to read as follows:

S-554

21 The commission may inspect the premises used by any grain
22 dealer in the conduct of ~~his-or-her~~ the dealer's business
23 at any time, and the books, accounts, records and papers of
24 every grain dealer which pertain to grain purchases ~~shall~~
25 be are subject to inspection by the commission during ordinary
26 business hours. The commission shall cause the business
27 premises and books, accounts, records and papers of every
28 grain dealer to be inspected not less than once during each
29 twelve-month period, provided that if a class 1 grain dealer
30 elects to submit the unaudited financial statement under
31 section 542.3, subsection 4, paragraph "b," the commission
32 shall cause the grain dealer to be inspected not less than
33 twice during each twelve-month period. The transporter of
34 grain in transit shall have possess bills of lading or other
35 documents covering the grain ~~in-his-or-her-possession~~, and

1 shall present them to any law enforcement officer or to a
2 person designated as an enforcement officer under section
3 542.13 on demand. ~~Where~~ If there is good cause to believe
4 that a person is engaged without a license in the business
5 of a grain dealer in this state, the commission may inspect
6 the books, papers, and records of the person which pertain
7 to grain purchases.

8 EXPLANATION

9 This bill changes the inspection duties of the commerce
10 commission from inspection of grain dealers once or twice
11 a year, depending upon the type of financial statement the
12 dealer submits, to inspection not less than once or not less
13 than twice a year, respectively. This bill takes effect July
14 1 following enactment.

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HOUSE FILE 2385

S-5516

1 Amend House File 2385 as passed by the House as
2 follows:

3 1. Page 1, line 18, by inserting after the word
4 "period" the words ", but not more than five times
5 in a twenty-four month period without good cause,".

6 2. Page 1, by striking line 29 and inserting in
7 lieu thereof the words "twelve month period, provided
8 that but not more than three times in a twenty-four
9 month period without good cause. However, if a class
10 of grain dealer".

11 3. Page 1, line 33, by inserting after the word
12 "period" the words ", but not more than five times
13 in a twenty-four month period without good cause".

S-5516 FILED
MARCH 26, 1984

Adopted 3/31 (p. 1185)

BY COMMITTEE ON AGRICULTURE
BERL E. PRIEBE, CHAIR

SENATE AMENDMENT TO HOUSE FILE 2385

H-6011

1 Amend House File 2385 as passed by the House as
2 follows:

3 1. Page 1, line 18, by inserting after the word
4 "period" the words ", but not more than five times
5 in a twenty-four month period without good cause,".

6 2. Page 1, by striking line 29 and inserting in
7 lieu thereof the words "twelve month period, provided
8 that but not more than three times in a twenty-four
9 month period without good cause. However, if a class
10 of grain dealer".

11 3. Page 1, line 33, by inserting after the word
12 "period" the words ", but not more than five times
13 in a twenty-four month period without good cause".

H-6011 FILED MARCH 30, 1984 RECEIVED FROM THE SENATE

House concurred 4/3 (p. 1610)

HOUSE FILE 2385

AN ACT

RELATING TO THE FREQUENCY OF INSPECTION OF GRAIN DEALERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 542.3, subsection 4, paragraph b, Code Supplement 1983, is amended to read as follows:

b. The grain dealer shall submit, as required by the commission, a financial statement that is accompanied by an unqualified opinion based upon an audit performed by a certified public accountant licensed in this state. However, the commission may accept a qualification in an opinion that is unavoidable by any audit procedure that is permitted under

generally accepted accounting principles. An opinion that is qualified because of a limited audit procedure or because the scope of an audit is limited shall not be accepted by the commission. The grain dealer may elect, however, to submit a financial statement satisfying the requirements of subsection 5, paragraph "b," in lieu of the audited financial statement specified in this paragraph, and if a grain dealer makes this election the commission shall cause the grain dealer to be inspected not less than twice during each twelve-month period, but not more than five times in a twenty-four month period without good cause, in the manner provided in section 542.9.

Sec. 2. Section 542.9, unnumbered paragraph 1, Code 1983, is amended to read as follows:

The commission may inspect the premises used by any grain dealer in the conduct of ~~his-or-her~~ the dealer's business at any time, and the books, accounts, records and papers of every grain dealer which pertain to grain purchases shall be ~~are~~ subject to inspection by the commission during ordinary business hours. The commission shall cause the business premises and books, accounts, records and papers of every grain dealer to be inspected not less than once during each twelve-month period, provided-that but not more than three times in a twenty-four month period without good cause. ~~However,~~ if a class 1 grain dealer elects to submit the unaudited financial statement under section 542.3, subsection 4, paragraph "b," the commission shall cause the grain dealer to be inspected not less than twice during each twelve-month period, but not more than five times in a twenty-four month period without good cause. The transporter of grain in transit shall have possess bills of lading or other documents covering the grain ~~in-his-or-her-possession~~, and shall present them to any law enforcement officer or to a person designated as an enforcement officer under section 542.13 on demand. ~~Where~~ If there is good cause to believe that a person is engaged

without a license in the business of a grain dealer in this state, the commission may inspect the books, papers, and records of the person which pertain to grain purchases.

DONALD D. AVENSON
Speaker of the House

CHARLES P. MILLER
President Pro Tempore of the
Senate

I hereby certify that this bill originated in the House and is known as House File 2385, Seventieth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved May 8, 1984

TERRY E. BRANSTAD
Governor