Senate Study Bill 1131 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON WAYS AND MEANS BILL BY CHAIRPERSON DAWSON)

A BILL FOR

An Act regulating the marketing of grain, by providing for fees paid by grain dealers and warehouse operators into the grain depositors and sellers indemnity fund, and the payment of claims to reimburse sellers and depositors for losses covered by the fund, and including effective date provisions.

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

DIVISION I

CLAIMS AGAINST GRAIN DEPOSITORS AND SELLERS INDEMNITY FUND

Section 1. Section 203.12, subsection 1, Code 2025, is amended to read as follows:

1. Upon the cessation of a grain dealer license by revocation, cancellation, or expiration, any claim for the purchase price of grain against the grain dealer shall be made in writing and filed with the grain dealer and with the issuer of a deficiency bond or of an irrevocable letter of credit and with the department within one hundred twenty days after the date of the cessation. A failure to make this timely claim relieves the issuer and the grain depositors and sellers indemnity fund provided in ~~chapter 203D~~ section 203D.6 or 203D.6A of all obligations to the claimant.

Sec. 2. Section 203.15, subsection 6, Code 2025, is amended by striking the subsection.

Sec. 3. Section 203C.14, subsection 2, paragraph a, Code 2025, is amended to read as follows:

a. Upon the cessation of a warehouse operator's license due to revocation, cancellation, or expiration, a claim against the warehouse operator arising under this chapter shall be made in writing with the warehouse operator, with the issuer of a bond on agricultural products other than bulk grain, a deficiency bond, or an irrevocable letter of credit, and, if the claim relates to bulk grain, with the department. The claim must be made within one hundred twenty days after the cessation of the license. The failure to make a timely claim relieves the issuer and, if the claim relates to bulk grain, the grain depositors and sellers indemnity fund provided in ~~chapter 203D~~ section 203D.6 or 203D.6A of all obligations to the claimant.

Sec. 4. Section 203D.1, Code 2025, is amended by adding the following new subsections:

NEW SUBSECTION. 8A. "*Indemnity fees*" or "*fees*" means a participation fee and per-bushel fee as provided in sections 203D.3 and 203D.3A.

NEW SUBSECTION. 14A. *"Repayment loss"* means the amount of a repayment claim held by a seller for purchased grain that the seller had paid back or is required to pay back to a grain dealer's bankruptcy estate, pursuant to an order issued, judgment entered, settlement agreement approved, or reorganization plan approved by a bankruptcy court, and which amount has not been subsequently recovered through other legal or equitable remedies including the liquidation of assets.

Sec. 5. Section 203D.1, subsection 14, Code 2025, is amended to read as follows:

14. *a.* *"Purchased grain"* means ~~grain~~ any of the following:

(1) Grain entered in the company-owned paid position as evidenced on the grain dealer's daily position record.

(2) Grain purchased under credit-sale contract.

b. *"Purchased grain"* does not include grain that is subject to an exempt transaction based on documentation satisfactory to the department showing that the grain dealer did any of the following:

(1) Purchased the grain from the United States government or any of its subdivisions or agencies.

(2) Purchased the grain from a person licensed as a grain dealer in any jurisdiction.

~~(3) Purchased the grain under a credit-sale contract.~~

~~(4)~~ (3) Entered the grain in the company-owned paid position as a cancellation of a collateral warehouse receipt.

~~(5)~~ (4) Entered the grain in the company-owned paid position as an intra-company location transfer.

Sec. 6. Section 203D.1, subsection 16, Code 2025, is amended to read as follows:

16. *a.* *"Seller"* means a person who sells grain which the person has produced or caused to be produced to a licensed grain dealer~~, but excludes a person who executes a credit-sale contract as a seller as provided in section 203.15~~. ~~However, *"seller"*~~

b. *"Seller"* does not include any of the following:

~~*a.*~~ (1) A person licensed as a grain dealer in any jurisdiction who sells grain to a licensed grain dealer.

~~b.~~ (2) A person who sells grain that is not produced in this state unless such grain is delivered to a licensed grain dealer at a location in this state as the first point of sale.

Sec. 7. Section 203D.3, subsections 1 and 4, Code 2025, are amended to read as follows:

1. The grain depositors and sellers indemnity fund is created in the state treasury as a separate account. The general fund of the state is not liable for claims presented against the fund under section 203D.6 or 203D.6A.

4. The moneys collected under this section and deposited in the fund shall be used exclusively to indemnify depositors and sellers as provided in section 203D.6 or 203D.6A and to pay the administrative costs of this chapter.

Sec. 8. Section 203D.3A, unnumbered paragraph 1, Code 2025, is amended to read as follows:

The department shall collect indemnity fees, including participation fees and per-bushel fees as provided in this section, if ~~established~~ imposed by the board pursuant to section 203D.5, at rates determined by the board as provided in that section. A ~~person required to pay a fee shall use~~ licensee shall remit indemnity fees and forms ~~and deliver the payment~~ to the department as required by the department.

Sec. 9. Section 203D.3A, subsection 1, paragraph a, subparagraph (1), Code 2025, is amended to read as follows:

(1) In calculating the amount of the initial participation fee, an applicant for a new license shall be deemed a licensee ~~paying~~ remitting the full annual amount of the participation fee owing on the licensee's first anniversary date ~~as provided in paragraph "b"~~. The department must be satisfied that the applicant is calculating the amount due in good faith and using the best information available.

(a) For a licensed grain dealer, the anniversary date is the last date to apply for the renewal of the grain dealer's license before the license expires as provided in section 203.5.

(b) For a licensed warehouse operator, the anniversary date is the last date to apply for the renewal of the warehouse operator's license before the license expires as provided in section 203C.37.

Sec. 10. Section 203D.3A, subsection 1, paragraph b, Code 2025, is amended to read as follows:

b. A licensee shall ~~pay~~ remit a participation fee in one installment as part of a license renewal application in the same manner provided in paragraph "*a*". However, the licensee may elect to remit the participation fee on four successive installment dates, with each installment date ~~occurring on~~ determined by the department not later than in the month succeeding each of the ~~last date of the~~ fund's latest assessment ~~quarter~~ quarters as provided in section 203D.3. The licensee shall ~~pay~~ remit twenty-five percent of the total participation fee assessed on each installment date. ~~However, nothing in this subsection prevents a licensee from paying the participation fee on an accelerated basis. A licensee shall pay the first installment on the last date of the fund's assessment quarter immediately following the licensee's anniversary date.~~

~~(1) For a licensed grain dealer, the anniversary date is the last date to apply for the renewal of the grain dealer's license before the license expires as provided in section 203.5.~~

~~(2) For a licensed warehouse operator, the anniversary date is the last date to apply for the renewal of the warehouse operator's license before the license expires as provided in section 203C.37.~~

Sec. 11. Section 203D.3A, subsection 2, Code 2025, is amended to read as follows:

2. *a.* A licensed grain dealer shall remit a per-bushel fee ~~shall be assessed~~ on all purchased grain.

b. The licensed grain dealer shall ~~forward~~ remit the per-bushel fee to the department on a quarterly basis in the manner and using ~~the forms~~ a form prescribed by the department. The licensed grain dealer shall remit the per-bushel fee and form on four successive installment dates, with each installment date determined by the department not later than in the month succeeding each of the fund's latest assessment quarters as provided in section 203D.3.

c. A ~~licensee~~ licensed grain dealer is delinquent if the ~~licensee~~ grain dealer fails to ~~submit~~ remit the full quarterly per-bushel fee ~~or quarterly forms~~ and form when due or if, upon examination, an underpayment of the fee is found by the department. The licensed grain dealer is subject to a penalty of ten dollars for each day the licensed grain dealer is delinquent or an amount equal to the amount of the deficiency, whichever is less. However, a ~~licensee~~ licensed grain dealer who fails to ~~submit~~ remit the full quarterly per-bushel fee or ~~quarterly forms~~ form when due~~,~~ is subject to a minimum payment of ten dollars. The department may establish and apply a margin of error in determining whether a licensed grain dealer is delinquent. ~~The per-bushel fee shall be collected only once on each bushel of grain.~~

~~*c.*~~ *d.* The per-bushel fee shall not be collected more than once on each bushel of grain. A licensed grain dealer may ~~choose to~~ pass on the cost of a per-bushel fee to the sellers by an itemized discount noted on the settlement sheet. However, if the per-bushel fee is not in effect, ~~no~~ a licensed grain dealer shall not make such a discount on the purchase of grain. A discount made nominally for the per-bushel fee while the per-bushel fee is not in effect is grounds for a license suspension or revocation under chapter 203.

Sec. 12. Section 203D.5, subsection 1, Code 2025, is amended to read as follows:

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 ~~participation fee and per-bushel fee~~ indemnity fees as provided in section 203D.3A, make adjustments to the indemnity fees ~~effective on the previous September 1~~ in effect, or waive

the indemnity fees in effect 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 effect 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 first day of the fund's following ~~September 1~~ assessment year. However, the licensee shall continue to pay ~~the~~ any owing participation fee at the rate in effect on the ~~prior September 1~~ first day of the fund's current assessment year, until the licensee has paid the amount owing.

b. For a per-bushel fee, on the ~~following September 1~~ first day of the fund's assessment year.

Sec. 13. Section 203D.5, subsections 4 and 5, Code 2025, are amended to read as follows:

4. If on the last date of the fund's assessment year as provided in section 203D.3 the assets of the fund exceed ~~eight~~ twelve million dollars, less any encumbered balances or pending or unsettled claims, all of the following apply:

a. The participation fee shall be waived and shall not be assessable or owing for the fund's following assessment year ~~of the fund~~. However, the licensee shall continue to pay any owing participation fee that was in effect on the ~~prior September 1~~ first day of the fund's current assessment year.

b. The per-bushel fee shall be waived and shall not be assessable or owing.

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 ~~three~~ five million dollars or less.

Sec. 14. Section 203D.6, subsection 4, paragraph d, Code 2025, is amended to read as follows:

d. That the claim derives from a covered transaction. For purposes of this paragraph, a claim derives from a covered transaction if the claimant is a seller who transferred title to the grain to a licensed grain dealer ~~other than by credit-sale contract~~ within six months of the incurrence date for a claim period as provided in subsection 2, or if the claimant is a depositor who delivered the grain to a licensed warehouse operator.

Sec. 15. Section 203D.6, subsection 8, Code 2025, is amended to read as follows:

8. *Payment of claims.* Upon a determination that the claim is eligible for payment, the board shall provide for payment of ninety percent of the loss, as determined under subsection 5, but not more than three hundred thousand dollars per claimant. If at any time the board determines that there are insufficient ~~funds~~ moneys to make ~~payment~~ payments of all claims under this section and all repayment claims under section 203D.6A, the board may order that ~~payment~~ payments be deferred on specified claims. The department, upon the board's instruction, shall hold those claims for ~~payment~~ deferred payments until the board determines ~~that the fund again contains~~ there are sufficient ~~assets~~ moneys in the fund to make payments on all those claims.

Sec. 16. NEW SECTION. **203D.6A Repayment claims against fund.**

1. A separate indemnity claim process is established to provide for the indemnification of a repayment loss incurred by a seller against a grain dealer who is a debtor in bankruptcy under the protections provided in Tit. 11 of the United States Code.

a. A repayment claim shall be filed with the department in the manner prescribed by the department.

b. A seller may file an eligible claim for a loss under section 203D.6 and an eligible repayment claim for a repayment loss under this section.

2. To be timely, a seller must file a repayment claim with the department not later than thirty days after the repayment loss is finalized by a bankruptcy court, whether by an order

issued, judgment entered, settlement agreement approved, or reorganization plan approved by a bankruptcy court.

3. The department may provide notice of the repayment claim process to a seller that may become or has become subject to an order issued, judgment entered, settlement agreement approved, or reorganization plan approved by a bankruptcy court that requires the seller to pay back amounts previously received for purchased grain in the bankruptcy of a grain dealer. If the department chooses to provide a notice to the seller, it shall have discretion to determine any reasonable method and manner of providing such notice. A failure by the department to provide a notice or a failure by a seller to receive a notice under this subsection, does not relieve the seller of the requirement to timely file a repayment claim.

4. The board shall determine that a repayment claim is eligible for payment from the fund if the board finds all of the following:

a. The repayment claim was timely filed.

b. The repayment claimant qualifies as a seller.

c. The repayment claim derives from a covered transaction. For purposes of this paragraph, a claim derives from a covered transaction if the claimant is a seller who transferred title to purchased grain to a licensed grain dealer other than by credit-sale contract within six months of the incurrence date as provided in section 203D.6.

d. The seller submits adequate proof to establish the repayment claim and the amount of the repayment loss.

e. A claim has not been paid for the same repayment loss.

5. A seller is not entitled to indemnify a claim for a repayment loss if the repayment loss is incurred as a result of a fraudulent transfer or conveyance in the bankruptcy proceeding.

6. The dollar value of a repayment claim is the amount a seller is required to pay back that was previously received for purchased grain as a result of an order issued, judgment entered, or settlement agreement approved by a bankruptcy court and which

has not been recovered through other legal or equitable remedies including the liquidation of assets.

7. The department acting on behalf of the board shall deliver a notice to a seller filing a claim under this section. The notice must include the board's determination of the seller's eligibility and the value of the seller's repayment loss. Within twenty days of delivering the notice, the seller may request a hearing for the review of either determination. The request shall be made in the manner provided by the board. The hearing and any further appeal shall be conducted as a contested case subject to chapter 17A. A seller whose repayment claim has been refused by the board may appeal the refusal to either the district court of Polk county or the district court of the county in which the seller resides.

8. Upon a determination that the claim is eligible for indemnification, the board shall provide for payment of ninety percent of the repayment loss, as determined by the board, but not more than three hundred thousand dollars. If at any time the board determines that there are insufficient moneys in the fund to make payment of all claims under section 203D.6 and this section, the board may order that payment be deferred on specified claims. The department, upon the board's instruction, shall hold the claims for deferred payment until the board determines that the fund again contains sufficient assets.

9. In the event of the payment of a repayment loss under this section, the fund is subrogated to the extent of the amount of any payments to all rights, powers, privileges, and remedies of the seller against any person regarding the repayment loss. The seller shall render all necessary assistance to the department and the board in securing the rights granted in this section. No action or claim initiated by a seller and pending at the time of payment from the fund shall be compromised or settled without the consent of the board.

10. *a.* A repayment claim shall expire if five years after the board determines that the repayment claim is eligible, and

the claimant has failed to do any of the following:

(1) Provide for the fund's subrogation or render all necessary assistance to the department and the board in securing the department's rights of subrogation as required in this section.

(2) Provide necessary documentation or information required by the board in order to process the repayment claim.

b. The fund is not liable for the payment of an expired repayment claim.

Sec. 17. EMERGENCY RULES. The department of agriculture and land stewardship shall adopt emergency rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b", to implement the provisions of this division of this Act within thirty business days of the effective date of this section of this Act and shall submit such rules to the administrative rules coordinator and the administrative code editor pursuant to section 17A.5, subsection 1, within the same period. The rules shall be effective immediately upon filing unless a later date is specified in the rules. Any rules adopted in accordance with this section shall also be published as a notice of intended action as provided in section 17A.4.

Sec. 18. ASSESSMENT OF INDEMNITY FEES. A grain dealer licensed under chapter 203 who is a party to a credit-sale contract shall owe any indemnity fees assessed on grain purchased under the credit-sale contract beginning on September 1 of the first assessment quarter pursuant to section 203D.3A.

Sec. 19. EFFECTIVE DATE. The following, being deemed of immediate importance, takes effect upon enactment:

The section of this division of this Act requiring the department of agriculture and land stewardship to adopt emergency rules.

DIVISION II

ASSESSMENT YEAR

Sec. 20. Section 203D.3, subsection 3, Code 2025, is amended to read as follows:

3. The assessment year of the fund ~~begins September~~ is the same as the state fiscal year beginning on July 1 and ~~ends~~ ending on ~~August 31~~ June 30. Assessment quarters of the fund begin ~~September~~ on July 1, ~~December~~ October 1, ~~March~~ January 1, and ~~June~~ April 1. The finances of the fund shall be calculated on an accrual basis in accordance with generally accepted accounting principles.

Sec. 21. CONTINGENT EFFECTIVE DATE.

1. This division of this Act takes effect on the publication date of the issue of the Iowa administrative bulletin that includes a notice by the secretary of agriculture stating that the indemnity fees paid by grain dealers and warehouse operators have been waived as provided in section 203D.5.

2. The department of agriculture and land stewardship shall send a copy of the notice to the Code editor at least two weeks prior to the publication date of the Iowa administrative bulletin as described in subsection 1.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

BACKGROUND —— GRAIN DEALERS AND WAREHOUSE OPERATORS. This bill amends provisions regulating marketers of grain, referred to as grain dealers purchasing grain (Code chapter 203), and warehouse operators storing grain under bailment (Code chapter 203C), administered by the department of agriculture and land stewardship (DALS).

DIVISION I BACKGROUND —— GRAIN DEPOSITORS AND SELLERS INDEMNITY FUND. A person selling grain to a licensed grain dealer (seller) or a person depositing grain with a licensed warehouse operator (depositor) may be reimbursed for a loss incurred by the failure of the licensee to honor a contractual obligation regarding the transaction (Code section 203D.6). A payment is made from the grain depositors and sellers indemnity fund (indemnity fund) upon a determination that the claim is eligible for payment by the Iowa grain indemnity fund board (indemnity board) acting in cooperation with DALS.

DIVISION I BACKGROUND —— FEES. In addition to license fees deposited into the general fund of the state (Code sections 203.6 and 203C.33), each licensee may be required to pay either one or two special fees (indemnity fees) to support the indemnity fund, referred to as a participation fee and per-bushel fee. The licensed grain dealer's participation fee is calculated according to the following formula: the assessment rate of not more than $0.014 multiplied by all bushels of purchased grain during the grain dealer's prior fiscal year with a minimum of $50 and no maximum limit. The licensed grain dealer's per-bushel fee is calculated according to a similar formula: the assessment rate of not more than $0.25 multiplied by all bushels of purchased grain for the grain dealer's assessment year with no minimum and a $500 maximum limit. The qualifying term "purchased grain" equals the total number of bushels purchased from sellers minus a number of exempt bushel purchases, including those purchased under credit-sale contract (Code section 203D.1). Purchased grain is reported to DALS as "paid company-owned" (Code section 203D.1). The licensed warehouse operator's participation fee is $0.014 multiplied by the number of bushels of storage capacity of the warehouse (Code section 203D.5).

DIVISION I BACKGROUND —— INDEMNITY BOARD REVIEW OF INDEMNITY FUND. The indemnity board must annually review the debits of and credits to the indemnity fund and by May 1 determine whether the balance triggers a waiver or reinstatement (Code section 203D.5). The triggered waiver or reinstatement is effective on the first day of the following assessment year (September 1). If a waiver is triggered on the last day of an assessment year, a licensee is subject to pay the outstanding amount of the participation fee that is otherwise owing for the current assessment year. However, a licensed grain dealer is no longer obligated to pay the outstanding amount of the per-bushel fee otherwise owing for that period, unless the amount is delinquent (Code section 203D.5). The board must reinstate the indemnity fees if assets in the fund are $3 million or less.

DIVISION I BACKGROUND —— CREDIT-SALE CONTRACTS. A credit-sale contract (also referred to as deferred-payment contract, deferred-pricing contract, or price-later contract) involves a transaction for the sale of grain in which the sales price is to be paid to the seller by the licensed grain dealer more than 30 days after the delivery of the grain to the licensed grain dealer (Code section 203.1). The delayed price arrangement may be made on the basis of an expectation of higher price or deferred tax liability. For regulations regarding the use of credit-sale contracts by licensees, see Code sections 203.3, 203.8, 203.15, 203.17, and 203C.17.

DIVISION I BACKGROUND —— PAYMENT OF CLAIMS. A claim by a seller or depositor (claimant) for the reimbursement of a loss from the indemnity fund begins on the incurrence date which is when the grain dealer's or warehouse operator's state license ceases or when the grain dealer or warehouse operator files a petition in bankruptcy, as elected by the claimant (Code section 203D.6). The claim must meet eligibility requirements, meaning that it is timely filed, there is evidence of a loss incurred by a claimant, and the claim derives from a covered transaction. For a claimant who is a seller, a covered transaction requires that title be transferred with six months of the incurrence date. A covered transaction excludes sale by credit-sale contract. The value of a loss incurred by a seller is based on the grain's sales price. If the sold grain was unpriced, the value of a claim is presumed to be based upon the price paid on the incurrence date at the nearest terminal. For a claimant who is a depositor, a covered transaction requires that the grain must have been delivered to a licensed warehouse operator. Generally, the value of the depositor's claim is based on the grain's fair market value. A seller or depositor is entitled to be reimbursed 90 percent of a loss but not more than $300,000.

DIVISION I PROVISIONS —— INDEMNITY FEES TRIGGERS. The division adjusts both triggers waiving or reinstating the two indemnity fees. The division increases from $8 million to $12 million the balance in the indemnity fund required to trigger a waiver and increases from $3 million to $5 million the balance in the indemnity fund required to trigger a reinstatement.

DIVISION I PROVISIONS —— INDEMNIFICATION OF LOSSES (REPAYMENT CLAIMS). The division allows a seller to file a special repayment claim against the indemnity fund as a result of the grain dealer's bankruptcy. The special repayment process allows such a seller to recover the amount of the grain dealer payment that the seller was forced to repay to the grain dealer's bankruptcy estate. To be timely, a seller must file a repayment claim with DALS not later than 30 days after the repayment loss is finalized by a bankruptcy court. DALS may provide notice of the repayment claim process to a seller who may file a repayment claim. If DALS chooses to provide a notice to the seller, DALS has discretion to determine a reasonable method and manner of providing such notice. The indemnity board must determine that a repayment claim is eligible for payment from the indemnity fund, including whether the repayment claim derives from a covered transaction. DALS is required to deliver notice to a seller filing a repayment claim regarding the indemnity board's determination in the same manner as for an ordinary loss. Like an ordinary loss, the seller is entitled to receive 90 percent of a loss but not more than $300,000, a deferral of payments based on insufficient moneys in the indemnity fund, subrogation, and a five-year expiration period.

DIVISION I PROVISIONS —— INDEMNITY FUND (FEES AND REIMBURSEMENT BASED ON CREDIT-SALE CONTRACT TRANSACTIONS). The division provides that grain sold by credit-sale contract is considered purchased grain. Therefore, a licensed grain dealer is assessed a participation fee and per-bushel fee and a licensed warehouse operator is assessed a participation fee. The division also provides that the sale of grain by credit-sale contract is no longer excluded from the meaning of a covered transaction. A seller may therefore claim a loss resulting from the grain dealer's breach of this type of contract. Generally, the amount of the loss equals the sales price after deducting any amount received or otherwise recovered through other legal and equitable remedies including the liquidation of assets (Code section 203D.1). In the case of a claim filed for a loss resulting from a credit-sale contract for which no price was established, the valuation would be determined in the manner described for unpriced grain. The division does not modify special regulations that apply to a licensee's use of a credit-sale contract.

DIVISION I PROVISIONS —— INDEMNITY FEES (PAYMENT DATES). The bill provides that a licensee may remit the participation fee in one installment as part of the license renewal or four successive installments not later than in the month following the end of the fund's assessment quarter. The bill provides that the grain dealer pays the per-bushel fee on the same installment dates.

DIVISION I PROVISIONS —— EMERGENCY RULES. DALS is authorized to adopt rules on an emergency basis necessary to administer the division's provisions. When a statute authorizes emergency rulemaking, an agency may adopt a rule immediately without going through the periods of the rulemaking process known as regulatory analysis (Code section 17A.4A) and notice of intended action (Code section 17A.4(3)). The division requires that such emergency rulemaking be "double barreled". Under that process, when an agency files an emergency rule, it also files the same rule as a notice of intended action that will follow the regular rulemaking process. Normally, a rule cannot be effective prior to 35 days after its filing with the administrative rules coordinator and publication in the Iowa administrative bulletin. Under emergency rulemaking, a rule can be made effective on the date of filing and acceptance by the administrative rules coordinator or any subsequent date, as specified by the agency in the filing (Code section 17A.5(2)(b)(1)). This provision of the bill takes effect upon enactment.

DIVISION I PROVISIONS —— ASSESSMENT OF FEES (CREDIT-SALE CONTRACT). A grain dealer who is a party to a credit-sale contract owing an indemnity fee assessed on grain purchased by credit-sale contract is imposed on September 1 of the first assessment quarter.

DIVISION II BACKGROUND —— FUND'S ASSESSMENT YEAR. Prior to 2023, the fund's assessment year began on July 1 and ended on June 30, which corresponded to the state fiscal year, with assessment quarters beginning July 1, October 1, January 1, and April 1. In 2023 Iowa Acts, chapter 154, the assessment year was changed to September 1, and the assessment quarters begin on September 1, December 1, March 1, and June 1.

DIVISION II PROVISIONS —— FUND'S ASSESSMENT YEAR. The division restores the former assessment year and quarters. However, the division takes effect on the publication date of the issue of the Iowa administrative bulletin stating that the current indemnity fees have been waived.