

**House File 2748 - Reprinted**

HOUSE FILE 2748  
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 2340)  
(SUCCESSOR TO HSB 588)

(As Amended and Passed by the House April 8, 2026)

**A BILL FOR**

1 An Act relating to agriculture, including by providing for  
2 the powers and duties of the department of agriculture and  
3 land stewardship, including the promotion and regulation of  
4 commodities and products; the regulation of the transportation  
5 of agricultural commodities; the use of agricultural land; and  
6 taxation, including property taxes, excise and sales taxes,  
7 and income taxes; making penalties applicable; and including  
8 effective date and applicability provisions.

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

1

DIVISION I

2 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — PROMOTION —

3

RENEWABLE FUEL INFRASTRUCTURE

4 Section 1. Section 159A.16, subsection 3, paragraphs a, b,  
5 and c, Code 2026, are amended to read as follows:

6 ~~a. For each fiscal year, not more than one million seven~~  
7 ~~hundred fifty thousand dollars shall be allocated to support~~  
8 ~~the renewable fuel infrastructure program for retail motor fuel~~  
9 ~~sites as provided in section 159A.14 to finance the installation,~~  
10 ~~replacement, or conversion of biodiesel infrastructure as~~  
11 ~~provided in that section.~~

12 b. a. For each fiscal year, not more than one hundred fifty  
13 thousand dollars shall be allocated to the department to support  
14 the administration of the programs.

15 e. b. For each fiscal year, the department may use up to  
16 three-quarters of one percent of the program funds to market  
17 the programs. Otherwise the moneys shall not be transferred,  
18 used, obligated, appropriated, or otherwise encumbered except to  
19 allocate as financial incentives under the programs.

20

DIVISION II

21 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — PROMOTION

22

PART A

23

GENERAL

24 Sec. 2. Section 23A.2, subsection 8, Code 2026, is amended by  
25 adding the following new paragraph:

26 NEW PARAGRAPH. p. An activity carried out by the department  
27 of agriculture and land stewardship to promote the marketing of  
28 Iowa commodities and products, including as provided in chapters  
29 159 and 187.

30 Sec. 3. Section 187.201, subsection 3, Code 2026, is amended  
31 to read as follows:

32 3. Moneys in the fund are appropriated to the department and  
33 shall be used exclusively to administer the programs created  
34 in this ~~subchapter~~ chapter as determined and directed by the  
35 department, and shall not require further special authorization

1 by the general assembly.

2 PART B

3 CHOOSE IOWA PROMOTION PROGRAMS

4 Sec. 4. Section 187.301, Code 2026, is amended by adding the  
5 following new subsection:

6 NEW SUBSECTION. 1A. The department shall enroll a person as  
7 a choose Iowa member who is any of the following:

8 a. Actively participating in the program by producing,  
9 processing, or marketing Iowa agricultural products originating  
10 as commodities produced on Iowa farms.

11 b. Otherwise supporting the program as required by the  
12 department.

13 Sec. 5. Section 187.301, subsection 2, Code 2026, is amended  
14 by adding the following new paragraph:

15 NEW PARAGRAPH. c. The department may adopt rules providing  
16 for choose Iowa membership criteria.

17 Sec. 6. Section 187.303, subsections 1 and 2, Code 2026, are  
18 amended to read as follows:

19 1. A person may apply to the department to ~~participate~~ enroll  
20 as a member in the choose Iowa promotional program according to  
21 procedures established by rules adopted by the department. The  
22 department shall evaluate and approve or disapprove ~~applications~~  
23 an application based on criteria established by rules adopted by  
24 the department. The department may disapprove an application if  
25 the department determines the applicant's use of the choose Iowa  
26 logo would be associated with the consumption of an adulterated  
27 or illegal food item.

28 2. The department may enter into a licensing agreement with  
29 a person ~~participating~~ enrolled as a member in the program.

30 ~~The participating person~~ A member may use the choose Iowa logo  
31 to advertise a ~~food item~~ product originating as an agricultural  
32 commodity produced on an Iowa farm, subject to terms and  
33 conditions required by rules adopted by the department. A  
34 licensing agreement shall not be for more than one year.

35 Sec. 7. NEW SECTION. **187.307 Choose Iowa school purchasing**

1 **program.**

2 1. There is created within the department a choose Iowa  
3 school purchasing program.

4 2. The department shall administer the program according to  
5 all of the following:

6 a. A farm or business shall be eligible to participate in the  
7 program if the farm or business is enrolled as a member of the  
8 choose Iowa promotional program as provided in this part 1 of  
9 subchapter III.

10 b. A school or school district is eligible to participate in  
11 the program, if recognized by the department.

12 c. A qualified food product is limited to meat and poultry,  
13 dairy products other than milk, grains, flour, eggs, honey, and  
14 produce.

15 3. a. An eligible school or school district purchasing a  
16 qualified food product from an eligible farm or business shall be  
17 reimbursed on a matching basis with the department contributing  
18 one dollar for every one dollar expended by the eligible school  
19 or school district.

20 b. The department may establish by rule the method and  
21 limitations for determining the amount of funding available to  
22 each school or school district under this section.

23 c. Notwithstanding paragraph "b", if the department  
24 determines that there are not sufficient moneys to satisfy all  
25 claims that may be submitted by schools and school districts, the  
26 department shall provide for the distribution of the available  
27 moneys in a manner determined equitable by the department, which  
28 may include a prorated distribution to participating schools and  
29 school districts.

30 4. The department may administer the program in cooperation  
31 with the department of education and the participating school or  
32 school district in which a participating school is located.

33 5. The department may use not more than five percent of the  
34 moneys appropriated to support the program in a fiscal year to  
35 pay for the costs of administering the program.

1 6. The department shall prepare and submit a report regarding  
2 its findings and recommendations to the governor and general  
3 assembly not later than July 31 of each year.

4 Sec. 8. Section 187.331, Code 2026, is amended to read as  
5 follows:

6 **187.331 Choose Iowa food bank purchasing program.**

7 1. There is created within the department a choose Iowa food  
8 bank purchasing program.

9 2. The department shall administer the program according to  
10 all of the following requirements:

11 a. A farm or business ~~that owns or operates the farm source~~  
12 ~~shall be given a preference to participate in the program if~~  
13 ~~the farm or business is currently participating~~ eligible to  
14 participate in the program if the farm or business is enrolled  
15 as a member in the choose Iowa promotional program as provided in  
16 this part 1 of subchapter III. Otherwise, a farm or business may  
17 participate in the program if the farm or business has applied  
18 to participate in the choose Iowa promotional program and the  
19 department determines that the application will be approved.

20 b. An eligible participant is limited to any Iowa food bank  
21 or an Iowa emergency feeding organization, recognized by the  
22 department.

23 c. A qualified food product is limited to meat and poultry,  
24 dairy products, grains, flour, eggs, honey, and produce.

25 3. ~~a. Of the moneys appropriated to support the program in~~  
26 ~~a fiscal year, not more than two hundred thousand dollars shall~~  
27 ~~be used to reimburse Iowa food banks and Iowa emergency feeding~~  
28 ~~organizations.~~

29 ~~b.~~ 3. a. An eligible participant Iowa food bank or an  
30 emergency feeding organization purchasing a qualified food  
31 product from an eligible farm or business shall be reimbursed on  
32 a matching basis with the department contributing one dollar for  
33 every one dollar expended by the eligible participant Iowa food  
34 bank or emergency feeding organization.

35 ~~e.~~ b. An Iowa food bank or Iowa emergency feeding

1 organization shall not receive more than fifty thousand dollars  
2 per fiscal year for participating in the program.

3 4. c. The department may use not more than five percent of  
4 the moneys appropriated to support the program in a fiscal year  
5 to pay for the costs of administering the program.

6 5. 4. The department shall prepare and submit a report  
7 regarding its findings and recommendations to the governor and  
8 general assembly not later than ~~January 15~~ July 31 of each year.

9 ~~6. This section is repealed July 1, 2030.~~

10 Sec. 9. Section 190A.2, subsections 5 and 9, Code 2026, are  
11 amended by striking the subsections.

12 Sec. 10. Section 190A.2, subsection 7, Code 2026, is amended  
13 to read as follows:

14 7. "Program" means the farm-to-school program created in  
15 section ~~190A.6~~ 190A.3.

16 Sec. 11. Section 190A.3, subsection 1, Code 2026, is amended  
17 to read as follows:

18 1. The A farm-to-school program is created within the  
19 department. The program shall seek to link elementary and  
20 secondary public and nonpublic schools in this state with Iowa  
21 farms to provide schools with fresh and minimally processed food  
22 products for inclusion in school meals and snacks, encourage  
23 children to develop healthy eating habits, and provide Iowa  
24 farmers access to consumer markets.

25 Sec. 12. Section 190A.5, subsection 3, Code 2026, is amended  
26 to read as follows:

27 3. Moneys in the fund are appropriated to support the  
28 farm-to-school program in a manner determined by the department,  
29 including for reasonable administrative costs incurred by the  
30 department. However, the department shall not expend more than  
31 four percent of moneys existing at any one time in the fund  
32 during each fiscal year for purpose of paying costs associated  
33 with the administration of the program and fund incurred by  
34 the department during that fiscal year. Moneys expended from  
35 the fund shall not require further special authorization by the

1 general assembly.

2 Sec. 13. REPEAL. Section 190A.6, Code 2026, is repealed.

3 Sec. 14. CODE EDITOR DIRECTIVE.

4 1. The Code editor is directed to make the following  
5 transfers:

6 a. Section 187.331 to section 187.308.

7 b. Section 159.25 to section 187.309.

8 2. The Code editor shall correct internal references in the  
9 Code and in any enacted legislation as necessary due to the  
10 enactment of this section.

11 PART C

12 INNOVATION AND REVITALIZATION PROGRAMS

13 Sec. 15. Section 187.311, Code 2026, is amended by adding the  
14 following new subsection:

15 NEW SUBSECTION. 5A. The department may give priority to an  
16 applicant who is a beginning farmer.

17 Sec. 16. NEW SECTION. **187.315 Butchery innovation and**  
18 **revitalization program.**

19 1. A butchery innovation and revitalization program is  
20 created within the department. The purpose of the program is  
21 to promote the development, modernization, and expansion of this  
22 state's butchery industry.

23 2. In administering the program, the department shall award  
24 financial assistance to eligible businesses to support projects  
25 that do one or more of the following:

26 a. To expand or refurbish an existing, or to establish a new,  
27 state-inspected small-scale meat processing business.

28 b. To expand or refurbish an existing, or to establish a new,  
29 federally inspected small-scale meat processing business.

30 c. To expand or refurbish an existing, or to establish a new,  
31 licensed custom locker.

32 d. To expand or refurbish an existing, or to establish a  
33 new, mobile slaughter unit that operates in compliance with  
34 the most current mobile slaughter unit compliance guide issued  
35 by the United States department of agriculture food safety and

1 inspection service.

2 e. To rent buildings, refrigeration facilities, freezer  
3 facilities, or equipment necessary to expand processing  
4 capacity, including mobile slaughter or refrigeration units used  
5 exclusively for meat or poultry processing.

6 3. The department shall establish eligibility criteria for  
7 the program. The eligibility criteria must include all of the  
8 following:

9 a. The business must be located in this state.

10 b. The business must not have been subject to any  
11 regulatory enforcement action related to federal, state, or local  
12 environmental, worker safety, food processing, or food safety  
13 laws, rules, or regulations within the last five years.

14 c. The business must only employ individuals legally  
15 authorized to work in this state.

16 d. The business must not currently be in bankruptcy.

17 e. The business must employ less than two hundred full-time  
18 nonseasonal individuals.

19 4. An eligible business seeking financial assistance under  
20 this section shall make application to the department in the  
21 manner and on forms prescribed by the department.

22 5. Applications for financial assistance under this section  
23 shall be accepted during one or more annual application periods  
24 established by the department. Upon reviewing and scoring all  
25 applications that are received during an application period,  
26 and subject to the availability of moneys, the department may  
27 award financial assistance to eligible businesses. A financial  
28 assistance award shall not exceed the amount of eligible project  
29 costs included in the eligible business's application. Priority  
30 shall be given to eligible businesses whose proposed project or  
31 projects under subsection 2 are most likely to do one or more of  
32 the following:

33 a. Create new jobs.

34 b. Create or expand opportunities for local small-scale  
35 farmers to market processed meat under private labels.

1 c. Provide greater flexibility or convenience for local  
2 small-scale farmers to have animals processed.

3 6. An eligible business that is awarded financial assistance  
4 under this section may apply for financial assistance under other  
5 programs administered by the department.

6 Sec. 17. REPEAL. Section 15E.370, Code 2026, is repealed.

7 DIVISION III

8 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP REGULATION —

9 ANIMAL HEALTH

10 Sec. 18. Section 163.1, Code 2026, is amended by adding the  
11 following new subsection:

12 NEW SUBSECTION. 7A. Lease facilities in order to carry out  
13 and administer the provisions of this chapter related to an  
14 infectious or contagious disease or a foreign animal disease  
15 preparedness and response effort.

16 Sec. 19. NEW SECTION. **163.2B Confidentiality.**

17 1. Notwithstanding section 22.7, all information and records  
18 relating to an infectious or contagious disease received  
19 or collected by the department pursuant to this chapter,  
20 including rules adopted under this chapter by the department, is  
21 confidential to the extent it identifies any of the following:

22 a. The name, address, and contact information of any person  
23 owning or caring for an animal suspected of or being affected  
24 with any infectious or contagious disease.

25 b. Any location where an animal suspected of or being  
26 affected with any infectious or contagious disease has been kept.

27 c. Information that when considered together leads to the  
28 identity of a person described in paragraph "a" or a location or  
29 premises described in paragraph "b".

30 2. Notwithstanding subsection 1, the department, in acting as  
31 the lawful custodian of the confidential record, may disclose the  
32 record or any part of the record if it is deemed necessary by the  
33 state veterinarian to protect the public health or the health or  
34 well-being of animals within the state.

35 DIVISION IV

1 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — REGULATION —  
2 WEIGHTS AND MEASURES

3 Sec. 20. Section 210.1, Code 2026, is amended to read as  
4 follows:

5 **210.1 ~~Standard established~~ Weights and measures standards —**  
6 **compliance with federal law.**

7 ~~The weights and measures which have been presented by the~~  
8 ~~department to the United States national institute of standards~~  
9 ~~and technology and approved, standardized, and certified by~~  
10 ~~the institute in accordance with the laws of the Congress of~~  
11 ~~the United States shall be the standard weights and measures~~  
12 throughout the state regulated under this chapter shall conform  
13 with Iowa's state primary standard of weights and measures as  
14 described in section 215.1B.

15 Sec. 21. Section 213.1, Code 2026, is amended to read as  
16 follows:

17 **213.1 State metrologist.**

18 ~~The department~~ secretary of agriculture may designate one  
19 ~~of its assistants~~ the bureau chief of the department's weights  
20 and measures bureau to act as state metrologist of weights  
21 and measures. ~~All weights and measures sealed by the state~~  
22 ~~metrologist shall be impressed with the word "Iowa."~~ The  
23 bureau chief is the appropriate state official responsible  
24 for cooperating with the national institute of standards and  
25 technology as defined in section 215.1 and in the administration  
26 of weights and measures as regulated in this subtitle.

27 Sec. 22. Section 213.2, Code 2026, is amended to read as  
28 follows:

29 **213.2 ~~Physical~~ United States standards — conformity.**

30 ~~Weights and measures, which conform to the standards of the~~  
31 ~~United States national institute of standards and technology~~  
32 ~~existing as of January 1, 1979, that are metrologically traceable~~  
33 ~~to the United States standards supplied by the federal government~~  
34 ~~or approved as being in compliance with its standards~~ recognized  
35 by the national bureau institute of standards and technology

1 shall be ~~the Iowa's~~ state primary standard of weights and  
 2 measures as verified by the department. ~~Such~~ The traceable  
 3 standards of weights and measures shall be verified upon their  
 4 initial receipt of same by the department and as often as  
 5 deemed necessary by the ~~secretary of agriculture~~ department. The  
 6 ~~secretary~~ department may ~~provide for the alteration in~~ revise  
 7 the state primary standard of weights and measures in order to  
 8 maintain metrological traceability with the ~~standard~~ standards of  
 9 the ~~United States~~ national institute of standards and technology.  
 10 ~~All such alterations~~ The verification or revision shall be made  
 11 pursuant to rules ~~promulgated~~ adopted by the ~~secretary~~ department  
 12 in accordance with chapter 17A.

13 Sec. 23. Section 214.3, subsection 1, Code 2026, is amended  
 14 to read as follows:

15 1. A license fee is imposed on a person who uses or displays  
 16 for use a commercial weighing and measuring device. The license  
 17 fee is due the day the department issues the license. The amount  
 18 of the license fee shall be calculated in accordance with the  
 19 class or section for devices as established by handbook 44 of the  
 20 ~~United States~~ national institute of standards and technology.

21 Sec. 24. Section 215.1, subsection 1, Code 2026, is amended  
 22 to read as follows:

23 1. a. "Commercial weighing and measuring device" or "device"  
 24 means a weight or measure or weighing or measuring device used to  
 25 establish size, quantity, area or other quantitative measurement  
 26 of a commodity sold by weight or measurement, or ~~where~~ when the  
 27 price to be paid for producing the commodity is based upon the  
 28 weight or measurement of the commodity. ~~The term~~

29 b. "Commercial weighing and measuring device" includes an any  
 30 of the following:

31 (1) An accessory attached to or used in connection with  
 32 a commercial weighing or measuring device when the accessory  
 33 is so designed or installed that its operation may affect the  
 34 accuracy of the device. ~~"Commercial weighing and measuring~~  
 35 ~~device" includes a~~

1     (2) A public scale or a commercial scanner.

2     Sec. 25. Section 215.1, Code 2026, is amended by adding the  
3 following new subsection:

4     NEW SUBSECTION. 3A. "National institute of standards and  
5 technology" means the national institute of standards and  
6 technology established within the United States department of  
7 commerce pursuant to 15 U.S.C. §272.

8     Sec. 26. Section 215.1A, Code 2026, is amended to read as  
9 follows:

10     **215.1A Inspections.**

11     1. The Except as otherwise expressly provided by statute, the  
12 department shall regularly of agriculture and land stewardship  
13 may inspect all any commercial weighing and measuring devices,  
14 and when device. If the department receives a complaint is made  
15 to the department that any false or incorrect alleging weights  
16 or measures are being made inaccurately recorded by a device, the  
17 department shall inspect the commercial weighing and measuring  
18 devices which caused the complaint device.

19     2. The department may inspect a prepackaged goods good to  
20 determine the accuracy of their its recorded weights weight.

21     3. a. The department may order the owner of the device or a  
22 service agency that installed, serviced, or repaired the device,  
23 to deliver to the department one or more of the service agency's  
24 most recent test reports documenting the device's accuracy.

25     b. (1) Except as provided in subparagraph (2), the delivery  
26 of a report may be in lieu of an inspection.

27     (2) The department shall provide for an inspection of any of  
28 the following:

29     (a) A motor fuel pump as required in section 214.11.

30     (b) A moisture-measuring device as required in section  
31 215A.2.

32     (c) A charging station dispensing electric fuel as required  
33 in section 452A.41.

34     Sec. 27. Section 215.14, subsection 3, Code 2026, is amended  
35 to read as follows:

1 3. Before approval by the department, the specifications for  
2 a commercial weighing and measuring device shall be furnished to  
3 the purchaser of the device by the manufacturer. The approval  
4 shall be based upon the recommendation of the ~~United States~~  
5 national institute of standards and technology.

6 Sec. 28. Section 215.19, Code 2026, is amended to read as  
7 follows:

8 **215.19 Automatic recorders on scales.**

9 Except for ~~scales~~ a scale used by ~~packers~~ a packer  
10 slaughtering fewer than one hundred twenty head of livestock  
11 per day, ~~all scales~~ a scale with a capacity over five hundred  
12 pounds, ~~which are used for commercial purposes, in this state,~~  
13 ~~and installed after January 1, 1981,~~ shall be equipped with a  
14 type-registering weigh beam, a dial with a mechanical ticket  
15 printer, an automatic weight recorder, or some similar commercial  
16 weighing and measuring device, which shall be used for printing  
17 or stamping the weight values on scale tickets. A scale or  
18 similar device equipped with a malfunctioning automatic weight  
19 recorder ~~may~~ shall not be used for ~~not~~ more than seven days  
20 if the scale or similar device is unable to print or stamp  
21 the ticket ~~so long as~~ and only if a repair to the automatic  
22 recorder is immediately initiated and the user dates, signs,  
23 and accurately handwrites the required information on the ticket  
24 until the scale or similar device is operational.

25 Sec. 29. Section 215.23, subsection 2, Code 2026, is amended  
26 to read as follows:

27 2. In determining a servicer's qualifications, the department  
28 may consider the specifications of the ~~United States~~  
29 national institute of standards and technology, handbook 44,  
30 "Specifications, Tolerances, and Technical Requirements for  
31 Weighing and Measuring Devices", or the current successor or  
32 equivalent specifications adopted by the ~~United States~~ national  
33 institute of standards and technology.

34 Sec. 30. Section 452A.40, Code 2026, is amended by adding the  
35 following new subsection:

1 NEW SUBSECTION. 5A. "National institute of standards and  
2 technology" means the same as defined in section 215.1.

3 Sec. 31. REPEAL. Sections 213.3 and 213.7, Code 2026, are  
4 repealed.

5 Sec. 32. CODE EDITOR DIRECTIVE.

6 1. The Code editor is directed to make the following  
7 transfers:

8 a. Section 213.1 to section 215.1B.

9 b. Section 213.2 to section 215.1C.

10 c. Section 215.18 to section 215.1D.

11 d. Section 215.1A to section 215.1E.

12 2. The Code editor shall correct internal references in the  
13 Code and in any enacted legislation as necessary due to the  
14 enactment of this section.

15 DIVISION V

16 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP REGULATION —

17 GRAIN MARKETING

18 PART A

19 GRAIN DEALERS

20 Sec. 33. Section 203.3, subsection 4, paragraph b, Code 2026,  
21 is amended to read as follows:

22 b. (1) The grain dealer shall submit to the department,  
23 as required by the department, a financial statement that  
24 is accompanied by an unqualified opinion based upon an audit  
25 performed by a certified public accountant licensed in this  
26 state.

27 (2) Notwithstanding subparagraph (1), if a grain dealer does  
28 not purchase grain by credit-sale contract, the department may  
29 accept any of the following:

30 (a) A qualification in an opinion based on an audit that  
31 is unavoidable by any audit procedure that is permitted under  
32 generally accepted accounting principles. An opinion that is  
33 qualified because of a limited audit procedure or because the  
34 scope of an audit is limited shall not be accepted by the  
35 department.

1     (b) A financial statement that is accompanied by the report  
2 of a certified public accountant licensed in this state. The  
3 report must be based upon a review performed by the certified  
4 public accountant. The report shall be in lieu of an unqualified  
5 opinion based on an audit. However, at any time, upon good  
6 cause, the department may require the grain dealer to submit  
7 to the department a subsequent financial statement that is  
8 accompanied by the report.

9     (3) The department shall not require ~~that~~ a grain dealer to  
10 submit to the department more than one such unqualified opinion  
11 based on an audit per year.

12     (4) A grain dealer shall submit one or more financial  
13 statements to the department in addition to the financial  
14 statement accompanied by an unqualified opinion based on an audit  
15 as required in this paragraph if the department determines that  
16 it is necessary to verify the grain dealer's financial status or  
17 compliance with this section.

18     Sec. 34. Section 203.3, subsection 5, paragraph b, Code 2026,  
19 is amended to read as follows:

20     b. (1) The grain dealer shall submit to the department,  
21 as required by the department, a financial statement that  
22 is accompanied by an unqualified opinion based upon an audit  
23 performed by a certified public accountant licensed in this  
24 state.

25     (2) Notwithstanding subparagraph (1), the department may  
26 accept any of the following:

27     (a) A qualification in an opinion based on an audit that  
28 is unavoidable by any audit procedure that is permitted under  
29 generally accepted accounting principles. An opinion that is  
30 qualified because of a limited audit procedure or because the  
31 scope of an audit is limited shall not be accepted by the  
32 department.

33     (b) A financial statement that is accompanied by the report  
34 of a certified public accountant licensed in this state. The  
35 report must be based upon a review performed by the certified

1 public accountant. The report shall be in lieu of an unqualified  
2 opinion based on an audit. However, at any time, upon good  
3 cause, the department may require the grain dealer to submit  
4 to the department a subsequent financial statement that is  
5 accompanied by the report.

6 (3) The department shall not require ~~that~~ a grain dealer to  
7 submit to the department more than one ~~such~~ unqualified opinion  
8 based on an audit per year.

9 (4) A grain dealer shall submit one or more financial  
10 statements to the department in addition to the financial  
11 statement accompanied by an unqualified opinion based on an audit  
12 required in this paragraph if the department determines that it  
13 is necessary to verify the grain dealer's financial status or  
14 compliance with this section.

15 Sec. 35. Section 203.8, subsection 2, paragraph a, Code 2026,  
16 is amended to read as follows:

17 a. (1) "Delivery" Subject to subparagraph (2), "delivery"  
18 means the transfer of title to and possession of grain by a  
19 seller to a grain dealer or to another person in accordance with  
20 the terms of an agreement of ~~of~~ by the seller and the grain dealer.

21 (2) Unless title to grain was previously transferred pursuant  
22 to an ordinary cash-sale contract, title to grain sold by  
23 credit-sale contract is deemed to have transferred to the grain  
24 dealer when all of the following occurs:

25 (a) The credit-sale contract is signed by both the grain  
26 dealer and the seller.

27 (b) The grain dealer has possession of the grain or another  
28 person has possession of the grain in accordance with the terms  
29 of the credit-sale contract.

30 Sec. 36. Section 203.12, subsection 1, Code 2026, is amended  
31 to read as follows:

32 1. Upon the cessation of a grain dealer license ~~by~~  
33 ~~revocation, cancellation, or expiration pursuant to section~~  
34 203.10 or upon the filing of a petition in bankruptcy by a  
35 grain dealer, any claim for the purchase price of grain against

1 the grain dealer shall be made in writing and filed with the  
2 grain dealer and with the issuer of a deficiency bond or of  
3 an irrevocable letter of credit and with the department within  
4 one hundred twenty days after the date of the cessation or the  
5 filing of a petition in bankruptcy, whichever occurs earlier. A  
6 failure to make this timely claim relieves the issuer and the  
7 grain depositors and sellers indemnity fund provided in chapter  
8 203D of all obligations to the claimant.

9 Sec. 37. Section 203.12A, subsection 5, Code 2026, is amended  
10 to read as follows:

11 5. The Iowa grain indemnity fund board, upon written demand  
12 of the grain dealer, shall file a termination statement with the  
13 secretary of state, if after one hundred eighty days from the  
14 date that the lien is perfected the grain dealer's license has  
15 not ceased ~~by revocation, cancellation, or expiration~~ pursuant to  
16 section 203C.10. Upon filing the termination statement, the lien  
17 becomes unperfected. The board shall also deliver a copy of the  
18 termination statement to the grain dealer.

19 PART B

20 GRAIN OPERATORS

21 Sec. 38. Section 203C.6, subsection 4, paragraph b, Code  
22 2026, is amended to read as follows:

23 b. (1) The warehouse operator shall submit to the  
24 department, as required by the department, a financial statement  
25 that is accompanied by an unqualified opinion based upon an  
26 audit performed by a certified public accountant licensed in this  
27 state.

28 (2) Notwithstanding subparagraph (1), the department may  
29 accept any of the following:

30 (a) A qualification in an opinion based on an audit that  
31 is unavoidable by any audit procedure that is permitted under  
32 generally accepted accounting principles. An opinion that is  
33 qualified because of a limited audit procedure or because the  
34 scope of an audit is limited shall not be accepted by the  
35 department.

1     (b) A financial statement that is accompanied by the report  
2 of a certified public accountant licensed in this state. The  
3 report must be based upon a review performed by the certified  
4 public accountant. The report shall be in lieu of an unqualified  
5 opinion based on an audit. However, at any time, upon good  
6 cause, the department may require the warehouse operator to  
7 submit to the department a subsequent financial statement that is  
8 accompanied by the report.

9     (3) The department shall not require ~~that~~ a warehouse  
10 operator to submit to the department more than one such  
11 unqualified opinion based on an audit per year.

12     (4) A warehouse operator shall submit one or more financial  
13 statements to the department in addition to the financial  
14 statement accompanied by an unqualified opinion based on an audit  
15 as required in this paragraph if the department determines that  
16 it is necessary to verify the warehouse operator's financial  
17 status or compliance with this section.

18     Sec. 39. Section 203C.6, subsection 5, paragraph b, Code  
19 2026, is amended to read as follows:

20     b. (1) The warehouse operator shall submit to the  
21 department, as required by the department, a financial statement  
22 that is accompanied by an unqualified opinion based upon an  
23 audit performed by a certified public accountant licensed in this  
24 state.

25     (2) Notwithstanding subparagraph (1), the department may  
26 accept any of the following:

27     (a) A qualification in an opinion based on an audit that  
28 is unavoidable by any audit procedure that is permitted under  
29 generally accepted accounting principles. An opinion that is  
30 qualified because of a limited audit procedure or because the  
31 scope of an audit is limited shall not be accepted by the  
32 department.

33     (b) A financial statement that is accompanied by the report  
34 of a certified public accountant licensed in this state. The  
35 report must be based upon a review performed by the certified

1 public accountant. The report shall be in lieu of an unqualified  
2 opinion based on an audit. However, at any time, upon good  
3 cause, the department may require the warehouse operator to  
4 submit to the department a subsequent financial statement that is  
5 accompanied by the report.

6 (3) The department shall not require ~~that~~ a warehouse  
7 operator to submit more than one ~~such~~ unqualified opinion based  
8 on an audit per year.

9 (4) A warehouse operator shall submit one or more financial  
10 statements to the department in addition to the financial  
11 statement accompanied by an unqualified opinion based on an audit  
12 as required in this paragraph if the department determines that  
13 it is necessary to verify the warehouse operator's financial  
14 status or compliance with this section.

15 Sec. 40. Section 203C.12A, subsection 5, Code 2026, is  
16 amended to read as follows:

17 5. The Iowa grain indemnity fund board shall upon written  
18 demand of the warehouse operator file a termination statement  
19 with the secretary of state, if after one hundred eighty days  
20 from the date that the lien is perfected the warehouse operator's  
21 license has not ceased by ~~revocation, cancellation, or expiration~~  
22 pursuant to section 203C.10. Upon filing the termination  
23 statement, the lien becomes unperfected. The board shall also  
24 deliver a copy of the termination statement to the warehouse  
25 operator.

26 Sec. 41. Section 203C.14, subsection 2, paragraphs a and c,  
27 Code 2026, are amended to read as follows:

28 a. Upon the cessation of a warehouse operator's license ~~due~~  
29 ~~to revocation, cancellation, or expiration~~ pursuant to section  
30 203C.10 or upon the filing of a petition in bankruptcy by  
31 a warehouse operator, a claim against the warehouse operator  
32 arising under this chapter shall be made in writing with the  
33 warehouse operator, with the issuer of a bond on agricultural  
34 products other than bulk grain, a deficiency bond, or an  
35 irrevocable letter of credit, and, if the claim relates to bulk

1 grain, with the department. The claim must be made within one  
2 hundred twenty days after the cessation of the license or the  
3 filing of a petition in bankruptcy, whichever occurs earlier.  
4 The failure to make a timely claim relieves the issuer and, if  
5 the claim relates to bulk grain, the grain depositors and sellers  
6 indemnity fund provided in chapter 203D of all obligations to the  
7 claimant.

8 c. This subsection does not apply if a receiver is appointed  
9 as provided in this chapter pursuant to a petition ~~which~~ that is  
10 filed by the department prior to the expiration of one hundred  
11 twenty days after cessation of a warehouse operator's license  
12 pursuant to section 203C.10.

13 Sec. 42. Section 203C.18, subsection 3, Code 2026, is amended  
14 to read as follows:

15 3. A form for a warehouse receipt shall only be printed by  
16 a person approved by the department. A form for a warehouse  
17 receipt shall be printed in accordance with specifications set  
18 forth by the department. A warehouse operator shall surrender to  
19 the department all forms for warehouse receipts that are unused  
20 at the time that the warehouse operator's license is suspended  
21 ~~or ceases due to revocation, cancellation, or expiration~~ pursuant  
22 to section 203C.10. The warehouse operator shall surrender the  
23 warehouse receipts in a manner required by the department.

24 PART C

25 GRAIN DEPOSITORS AND SELLERS INDEMNIFICATION

26 Sec. 43. Section 203D.3A, subsection 2, Code 2026, is amended  
27 by adding the following new paragraph:

28 NEW PARAGRAPH. e. (1) If the per-bushel fee is passed on to  
29 a seller, the per-bushel fee shall occur at the time of payment.

30 (2) As used in subparagraph (1), "payment" means the same as  
31 defined in section 203.8.

32 Sec. 44. Section 203D.6, subsection 8, paragraph a, Code  
33 2026, is amended to read as follows:

34 a. Upon a determination by the board that an eligible claim  
35 satisfies the requirements in subsection 4, the board shall

1 indemnify the claimant as a depositor under subsection 5, and a  
2 seller under subsection 6. Upon a determination by the board  
3 that an eligible repayment claim was filed by that seller under  
4 section 203D.6A, ~~derives from the same covered transaction during~~  
5 ~~the claim period, and the repayment loss incurred for that claim,~~  
6 the board shall indemnify the claimant as a seller subject to the  
7 requirements of this section ~~and section 203D.6A.~~

8 Sec. 45. Section 203D.6A, subsection 2, Code 2026, is amended  
9 to read as follows:

10 2. To be timely, a seller must file a repayment claim with  
11 the department not later than sixty days after the amount of the  
12 seller's loss is finalized by a bankruptcy court, whether by an  
13 order issued, judgment entered, or settlement agreement approved.  
14 However, if a seller's loss is based upon a bankruptcy court's  
15 default judgment, to be timely, the seller must file a repayment  
16 claim with the department not later than sixty days after the  
17 bankruptcy court's default judgment is entered or a subsequent  
18 settlement agreement is approved and entered, whichever is later.

19 PART D

20 EFFECTIVE DATE

21 Sec. 46. EFFECTIVE DATE. This division of this Act, being  
22 deemed of immediate importance, takes effect upon enactment.

23 DIVISION VI

24 DEPARTMENT OF TRANSPORTATION REGULATION — MOTOR VEHICLES

25 PART A

26 MILK HAULERS

27 Sec. 47. Section 321E.29B, subsection 1, Code 2026, is  
28 amended to read as follows:

29 1. Notwithstanding section 321E.8, the ~~department~~  
30 permit-issuing authority may issue annual permits for the  
31 operation of vehicles or combinations of vehicles transporting  
32 fluid milk products to or from a milk plant, receiving station,  
33 or transfer station, exceeding the weight limitation of section  
34 321.463 but not exceeding a gross weight of ~~ninety-six~~ one  
35 hundred thirty-six thousand pounds, ~~on primary roads and primary~~

1 ~~road extensions in cities.~~ The department shall establish rules  
2 regarding minimum distances for axle configurations.

3 Sec. 48. EFFECTIVE DATE. This part of this division of this  
4 Act takes effect January 1, 2027.

5 PART B

6 IMPLEMENTS OF HUSBANDRY

7 Sec. 49. Section 321.457, subsection 2, paragraph f, Code  
8 2026, is amended to read as follows:

9 f. (1) A trailer or semitrailer, laden or unladen, shall  
10 not have an overall length in excess of fifty-three feet when  
11 operating in a truck tractor-semitrailer combination exclusive of  
12 retractable extensions used to support the load. However, when a  
13 trailer or semitrailer is used exclusively for the transportation  
14 of passenger vehicles, light delivery trucks, panel delivery  
15 trucks, pickup trucks, recreational vehicle chassis, or boats,  
16 the load carried on the trailer or semitrailer may extend up to  
17 three feet beyond the front bumper and up to four feet beyond the  
18 rear bumper of the trailer or semitrailer.

19 (2) A lowboy semitrailer, laden or unladen, ~~which~~ that is  
20 designed and exclusively used for the transportation of either  
21 construction equipment or an implement of husbandry shall not  
22 have an overall length in excess of fifty-seven feet when used  
23 in a truck tractor-semitrailer combination.

24 DIVISION VII

25 AGRICULTURAL TOURISM

26 Sec. 50. Section 673A.3, subsection 6, paragraph b, Code  
27 2026, is amended to read as follows:

28 b. "Farm" includes but is not limited to a farm field,  
29 orchard, tree farm, nursery, greenhouse, garden, elevator,  
30 seedhouse, barn, warehouse, animal feeding operation structure,  
31 winery, brewery, distillery, or any personal property located on  
32 the land including machinery or equipment used in the production  
33 of a farm commodity.

34 Sec. 51. Section 673A.3, subsection 9, Code 2026, is amended  
35 to read as follows:

1 9. "Farm crop" means a plant or fungus used for food,  
2 animal feed, fiber, ~~or~~ oil, or decoration, including any of the  
3 following:

4 a. A forage or cereal plant, including but not limited to  
5 alfalfa, barley, buckwheat, corn, flax, forage, millet, oats,  
6 popcorn, rye, sorghum, soybeans, sunflowers, wheat, and grasses  
7 used for forage or silage.

8 b. Edible or ornamental produce, including but not limited  
9 to fruit such as apples, cherries, peaches, pears, berries, and  
10 grapes; vegetables such as asparagus, broccoli, and carrots;  
11 lentils; tubers; squashes and pumpkins; gourds; nuts; maple  
12 syrup; mushrooms; Christmas trees; and flowers.

13 c. Honey.

14 d. Hemp as defined in section 204A.2.

15 DIVISION VIII

16 LAND USE

17 Sec. 52. Section 335.2, Code 2026, is amended by adding the  
18 following new subsection:

19 NEW SUBSECTION. 4. As used in subsection 1, an agricultural  
20 purpose includes but is not limited to an agricultural  
21 tourism activity or event, value-added agricultural processing,  
22 direct-to-consumer marketing, or other on-farm enterprises that  
23 support the economic viability of the farm.

24 Sec. 53. Section 335.28, Code 2026, is amended to read as  
25 follows:

26 **335.28 Agricultural ~~experiences~~ experience.**

27 1. a. For purposes of this section, "agricultural  
28 experience" includes but is not limited to any  
29 agriculture-related activity, or agriculture-related event, as  
30 that constitutes a secondary use in conjunction with agricultural  
31 production, ~~on a farm which~~ if the agriculture-related activity,  
32 or agriculture-related event, is located on a farm and open  
33 to the public with for the intended purpose of promoting or  
34 educating the public about agriculture, agricultural practices,  
35 agricultural activities, or agricultural products.



1 to read as follows:

2 2. a. The commencement of actions for ad valorem taxes  
3 authorized under this section shall not begin until the issuance  
4 of a tax sale certificate under the requirements of section  
5 446.19. The commencement of actions for all other taxes  
6 authorized under this section shall not begin until ten days  
7 after the publication of tax sale under the requirements of  
8 section 446.9, subsection 2. ~~This subsection~~

9 b. Paragraph "a" does not apply to the collection of ad  
10 valorem taxes under section 445.32, ~~and grain handling taxes~~  
11 ~~under section 428.35.~~

12 Sec. 61. REPEAL. Section 428.35, Code 2026, is repealed.

13 Sec. 62. IMPLEMENTATION. Section 25B.7 shall not apply to  
14 the property tax exemption enacted in this Act.

15 Sec. 63. APPLICABILITY. This division of this Act applies to  
16 tax years beginning on or after January 1, 2027.

17 DIVISION XI

18 SALES AND USE TAX EXEMPTION — HONEYBEES

19 Sec. 64. Section 423.3, Code 2026, is amended by adding the  
20 following new subsection:

21 NEW SUBSECTION. 111. The sales price of honeybees.

22 DIVISION XII

23 INCOME TAX EXEMPTIONS

24 PART A

25 FARM TENANCIES

26 Sec. 65. Section 422.7, subsection 14, paragraph e, Code  
27 2026, is amended by striking the paragraph and inserting in lieu  
28 thereof the following:

29 e. Net income from a farm tenancy agreement earned, received,  
30 or reported by an entity taxed as a disregarded entity,  
31 partnership for federal tax purposes, an S corporation, a  
32 trust, or estate is eligible for the election and deduction  
33 in this subsection for the portion of net income derived from  
34 a farm tenancy agreement if the eligible individual receives  
35 or is entitled to receive the portion of net income through

1 distributions from an entity taxed as a disregarded entity, a  
2 partnership, an S corporation, a trust, or an estate, to the  
3 same extent that an eligible individual could subtract net income  
4 received directly from the farm tenant rather than passing to  
5 the eligible individual through an entity taxed as a disregarded  
6 entity, a partnership, an S corporation, a trust, or an estate.  
7 For purposes of this paragraph, net income accruing to a grantor  
8 trust or to a business entity that is a disregarded entity shall  
9 be deemed to have been distributed to its sole owner to the  
10 extent the sole owner of such disregarded entity or trust has the  
11 right to withdraw or compel distribution of such net income.

12 Sec. 66. EFFECTIVE DATE. This part of this division of this  
13 Act takes effect January 1, 2027.

14 Sec. 67. APPLICABILITY. This part of this division of this  
15 Act applies to tax years beginning on or after January 1, 2027.

16 PART B

17 VETERINARY PRACTICE

18 Sec. 68. Section 422.7, Code 2026, is amended by adding the  
19 following new subsection:

20 NEW SUBSECTION. 46. a. (1) Subtract, to the extent  
21 included, loan repayments received under a program agreement  
22 entered into by a taxpayer who is a loan repayment recipient  
23 and the Iowa college student aid commission pursuant to section  
24 256.226, if the taxpayer fulfills the obligation to engage in  
25 the practice of veterinary medicine according to terms of that  
26 section and the program agreement.

27 (2) The amount subtracted in subparagraph (1) shall not  
28 exceed the following limits:

29 (a) For any tax year, fifteen thousand dollars.

30 (b) For the aggregate of all tax years, sixty thousand  
31 dollars.

32 (c) In any case, the amount of the outstanding eligible loan.

33 b. (1) Subtract, to the extent included, loan repayments  
34 received on an eligible loan under an agreement between a  
35 taxpayer and a nongovernmental entity. If the taxpayer meets

1 the eligibility requirements of section 256.226 and fulfills  
2 the obligation to engage in the practice of veterinary medicine  
3 according to the terms of that section and the agreement.

4 (2) The amount subtracted in subparagraph (1) shall not  
5 exceed the following limits:

6 (a) For any tax year, fifteen thousand dollars.

7 (b) For the aggregate of all tax years, sixty thousand  
8 dollars.

9 (c) In any case, the amount of the outstanding eligible loan.

10 c. (1) Subtract, to the extent included, loan repayments  
11 and related tax liability payments received by a taxpayer  
12 pursuant to the federal veterinary medicine loan repayment  
13 program authorized by 7 U.S.C. §3151a and administered by the  
14 United States department of agriculture, national institute of  
15 food and agriculture.

16 (2) The amount subtracted in subparagraph (1) shall not  
17 exceed the amount of the loan and related tax liability payments  
18 or fifty-five thousand six hundred dollars per year, whichever is  
19 less.