

**Senate File 2465 - Reprinted**

SENATE FILE 2465  
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SF 2420)  
(SUCCESSOR TO SSB 3123)

(As Amended and Passed by the Senate April 28, 2026)

**A BILL FOR**

1 An Act relating to agriculture, including by providing for  
2 the powers and duties of the department of agriculture  
3 and land stewardship, including the promotion and  
4 regulation of commodities and products, the regulation  
5 of the transportation of agricultural items, the use of  
6 agricultural land, sales and use taxes, and veterinary  
7 practice and income taxes, making penalties applicable, and  
8 including 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~~  
7 ~~seven hundred fifty thousand dollars shall be allocated to~~  
8 ~~support the renewable fuel infrastructure program for retail~~  
9 ~~motor fuel sites as provided in [section 159A.14](#) to finance~~  
10 ~~the installation, replacement, or conversion of biodiesel~~  
11 ~~infrastructure as provided in that section.~~

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

15 ~~c.~~ 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  
19 to 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  
25 by 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  
28 of Iowa commodities and products, including as provided in  
29 chapters 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~~  
20 enroll as a member in the choose Iowa promotional program  
21 according to procedures established by rules adopted by the  
22 department. The department shall evaluate and approve or  
23 disapprove ~~applications~~ an application based on criteria  
24 established by rules adopted by the department. The department  
25 may disapprove an application if the department determines the  
26 applicant's use of the choose Iowa logo would be associated  
27 with the consumption of an adulterated 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  
7 the program if the farm or business is enrolled as a member of  
8 the choose Iowa promotional program as provided in this part 1  
9 of 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  
16 a qualified food product from an eligible farm or business  
17 shall be reimbursed on a matching basis with the department  
18 contributing one dollar for every one dollar expended by the  
19 eligible school 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  
25 all claims that may be submitted by schools and school  
26 districts, the department shall provide for the distribution  
27 of the available moneys in a manner determined equitable by  
28 the department, which may include a prorated distribution to  
29 participating schools and school districts.

30 4. The department may administer the program in cooperation  
31 with the department of education and the participating school  
32 or 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  
2 regarding its findings and recommendations to the governor and  
3 general 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  
16 in this part 1 of subchapter III. ~~Otherwise, a farm or~~  
17 ~~business may participate in the program if the farm or business~~  
18 ~~has applied to participate in the choose Iowa promotional~~  
19 ~~program and the department determines that the application will~~  
20 ~~be approved.~~

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

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

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

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

1 ~~e.~~ b. An Iowa food bank or Iowa emergency feeding  
2 organization shall not receive more than fifty thousand dollars  
3 per fiscal year for participating in the program.

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

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

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

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

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

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

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

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

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

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

1 and fund incurred by the department during that fiscal year.  
2 Moneys expended from the fund shall not require further special  
3 authorization by the general assembly.

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

5 Sec. 14. CODE EDITOR DIRECTIVE.

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

8 a. Section 187.331 to section 187.308.

9 b. Section 159.25 to section 187.309.

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

13 PART C

14 INNOVATION AND REVITALIZATION PROGRAMS

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

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

19 Sec. 16. NEW SECTION. 187.315 **Butchery innovation and**  
20 **revitalization program.**

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

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

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

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

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

34 d. To expand or refurbish an existing, or to establish a  
35 new, mobile slaughter unit that operates in compliance with

1 the most current mobile slaughter unit compliance guide issued  
2 by the United States department of agriculture food safety and  
3 inspection service.

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

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

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

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

16 c. The business must only employ individuals legally  
17 authorized to work in this state.

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

19 e. The business must employ less than two hundred full-time  
20 nonseasonal individuals.

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

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

35 a. Create new jobs.

1     *b.* Create or expand opportunities for local small-scale  
2 farmers to market processed meat under private labels.

3     *c.* Provide greater flexibility or convenience for local  
4 small-scale farmers to have animals processed.

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

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

9

DIVISION III

10    DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP REGULATION —

11

ANIMAL HEALTH

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

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

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

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

25    *a.* The name, address, and contact information of any person  
26 owning or caring for an animal suspected of or being affected  
27 with any infectious or contagious disease.

28    *b.* Any location where an animal suspected of or being  
29 affected with any infectious or contagious disease has been  
30 kept.

31    *c.* Information that when considered together leads to the  
32 identity of a person described in paragraph “*a*” or a location or  
33 premises described in paragraph “*b*”.

34    2. Notwithstanding subsection 1, the department, in  
35 acting as the lawful custodian of the confidential record, may

1 disclose the record or any part of the record if it is deemed  
2 necessary by the state veterinarian to protect the public  
3 health or the health or well-being of animals within the state.

4 DIVISION IV

5 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — REGULATION  
6 — WEIGHTS AND MEASURES

7 Sec. 20. Section 210.1, Code 2026, is amended to read as  
8 follows:

9 **210.1 ~~Standard established~~ Weights and measures standards —**  
10 **compliance with federal law.**

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

19 Sec. 21. Section 213.1, Code 2026, is amended to read as  
20 follows:

21 **213.1 State metrologist.**

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

32 Sec. 22. Section 213.2, Code 2026, is amended to read as  
33 follows:

34 **213.2 ~~Physical~~ United States standards — conformity.**

35 ~~Weights and measures, which conform to the standards of the~~

1 ~~United States national institute of standards and technology~~  
2 ~~existing as of January 1, 1979,~~ that are metrologically  
3 ~~traceable to the United States standards supplied by the~~  
4 ~~federal government or approved as being in compliance with~~  
5 ~~its standards~~ recognized by the national ~~bureau~~ institute of  
6 standards and technology shall be the Iowa's state primary  
7 standard of weights and measures as verified by the department.  
8 ~~Such~~ The traceable standards of weights and measures shall  
9 be verified upon their initial receipt ~~of same~~ by the  
10 department and as often as deemed necessary by the secretary  
11 ~~of agriculture~~ department. The ~~secretary~~ department may  
12 ~~provide for the alteration in~~ revise the state primary standard  
13 of weights and measures in order to maintain metrological  
14 traceability with the ~~standard~~ standards of the ~~United States~~  
15 national institute of standards and technology. ~~All such~~  
16 ~~alterations~~ The verification or revision shall be made pursuant  
17 to rules ~~promulgated~~ adopted by the ~~secretary~~ department in  
18 accordance with chapter 17A.

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

21 1. A license fee is imposed on a person who uses or  
22 displays for use a commercial weighing and measuring device.  
23 The license fee is due the day the department issues the  
24 license. The amount of the license fee shall be calculated in  
25 accordance with the class or section for devices as established  
26 by handbook 44 of the ~~United States~~ national institute of  
27 standards and technology.

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

30 1. a. "Commercial weighing and measuring device" or "device"  
31 means a weight or measure or weighing or measuring device  
32 used to establish size, quantity, area or other quantitative  
33 measurement of a commodity sold by weight or measurement, or  
34 ~~where~~ when the price to be paid for producing the commodity is  
35 based upon the weight or measurement of the commodity. ~~The~~

1 term

2 b. "Commercial weighing and measuring device" includes ~~an~~ any  
3 of the following:

4 (1) An accessory attached to or used in connection with  
5 a commercial weighing or measuring device when the accessory  
6 is so designed or installed that its operation may affect the  
7 accuracy of the device. ~~"Commercial weighing and measuring~~  
8 ~~device" includes a~~

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

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

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

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

18 **215.1A Inspections.**

19 1. The Except as otherwise expressly provided by statute,  
20 the department shall regularly of agriculture and land  
21 stewardship may inspect all any commercial weighing and  
22 measuring devices, and when device. If the department  
23 receives a complaint is made to the department that any false  
24 or incorrect alleging weights or measures are being made  
25 inaccurately recorded by a device, the department shall inspect  
26 the commercial weighing and measuring devices which caused the  
27 complaint device.

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

30 3. a. The department may order the owner of the device  
31 or a service agency that installed, serviced, or repaired the  
32 device, to deliver to the department one or more of the service  
33 agency's most recent test reports documenting the device's  
34 accuracy.

35 b. (1) Except as provided in subparagraph (2), the delivery

1 of a report may be in lieu of an inspection.

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

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

5 (b) A moisture-measuring device as required in section  
6 215A.2.

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

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

11 3. Before approval by the department, the specifications  
12 for a commercial weighing and measuring device shall be  
13 furnished to the purchaser of the device by the manufacturer.  
14 The approval shall be based upon the recommendation of the  
15 ~~United States~~ national institute of standards and technology.

16 Sec. 28. Section 215.19, Code 2026, is amended to read as  
17 follows:

18 **215.19 Automatic recorders on scales.**

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

35 Sec. 29. Section 215.23, subsection 2, Code 2026, is amended

1 to read as follows:

2 2. In determining a servicer's qualifications, the  
3 department may consider the specifications of the ~~United States~~  
4 national institute of standards and technology, handbook 44,  
5 "Specifications, Tolerances, and Technical Requirements for  
6 Weighing and Measuring Devices", or the current successor or  
7 equivalent specifications adopted by the ~~United States~~ national  
8 institute of standards and technology.

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

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

13 Sec. 31. REPEAL. Sections 213.3 and 213.7, Code 2026, are  
14 repealed.

15 Sec. 32. CODE EDITOR DIRECTIVE.

16 1. The Code editor is directed to make the following  
17 transfers:

18 a. Section 213.1 to section 215.1B.

19 b. Section 213.2 to section 215.1C.

20 c. Section 215.18 to section 215.1D.

21 d. Section 215.1A to section 215.1E.

22 2. The Code editor shall correct internal references in the  
23 Code and in any enacted legislation as necessary due to the  
24 enactment of this section.

25 DIVISION V

26 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP REGULATION —

27 GRAIN MARKETING

28 PART A

29 GRAIN DEALERS

30 Sec. 33. Section 203.3, subsection 4, paragraph b, Code  
31 2026, is amended by striking the paragraph and inserting in  
32 lieu thereof the following:

33 b. The grain dealer shall submit, as required by the  
34 department, a financial statement that is accompanied by  
35 an unqualified opinion based upon an audit performed by a

1 certified public accountant licensed in this state. However,  
2 the department may accept a qualification in an opinion that  
3 is unavoidable by any audit procedure that is permitted under  
4 generally accepted accounting principles. An opinion that  
5 is qualified because of a limited audit procedure or because  
6 the scope of an audit is limited shall not be accepted by  
7 the department. The department shall not require that a  
8 grain dealer submit more than one such unqualified opinion  
9 per year. The grain dealer, except as provided in section  
10 203.15, may elect to submit a financial statement that is  
11 accompanied by the report of a certified public accountant  
12 licensed in this state that is based upon a review performed  
13 by the certified public accountant in lieu of the audited  
14 financial statement specified in this paragraph. However, at  
15 any time the department may require a financial statement that  
16 is accompanied by the report of a certified public accountant  
17 licensed in this state that is based upon a review performed  
18 by a certified public accountant if the department has good  
19 cause. A grain dealer shall submit financial statements to  
20 the department in addition to those required in this paragraph  
21 if the department determines that it is necessary to verify  
22 the grain dealer's financial status or compliance with this  
23 subsection.

24 Sec. 34. Section 203.3, subsection 5, paragraph b, Code  
25 2026, is amended by striking the paragraph and inserting in  
26 lieu thereof the following:

27 *b.* The grain dealer shall submit, as required by the  
28 department, a financial statement that is accompanied by  
29 an unqualified opinion based upon an audit performed by a  
30 certified public accountant licensed in this state. However,  
31 the department may accept a qualification in an opinion that  
32 is unavoidable by any audit procedure that is permitted under  
33 generally accepted accounting principles. An opinion that  
34 is qualified because of a limited audit procedure or because  
35 the scope of an audit is limited shall not be accepted by the

1 department. The department shall not require that a grain  
2 dealer submit more than one such unqualified opinion per year.  
3 The grain dealer may elect, however, to submit a financial  
4 statement that is accompanied by the report of a certified  
5 public accountant licensed in this state that is based upon  
6 a review performed by the certified public accountant in  
7 lieu of the audited financial statement specified in this  
8 paragraph. However, at any time the department may require  
9 a financial statement that is accompanied by the report of a  
10 certified public accountant licensed in this state that is  
11 based upon a review performed by a certified public accountant  
12 if the department has good cause. A grain dealer shall submit  
13 financial statements to the department in addition to those  
14 required in this paragraph if the department determines that it  
15 is necessary to verify the grain dealer's financial status or  
16 compliance with [this section](#).

17 Sec. 35. Section 203.8, subsection 2, paragraph a, Code  
18 2026, is amended to read as follows:

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

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

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

30 (b) The grain dealer has possession of the grain or another  
31 person has possession of the grain in accordance with the terms  
32 of the credit-sale contract.

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

35 1. Upon the cessation of a grain dealer license ~~by~~

1 ~~revocation, cancellation, or expiration~~ pursuant to section  
2 203.10 or upon the filing of a petition in bankruptcy by a  
3 grain dealer, any claim for the purchase price of grain against  
4 the grain dealer shall be made in writing and filed with the  
5 grain dealer and with the issuer of a deficiency bond or of an  
6 irrevocable letter of credit and with the department within  
7 one hundred twenty days after the date of the cessation or the  
8 filing of a petition in bankruptcy, whichever occurs earlier.

9 A failure to make this timely claim relieves the issuer and the  
10 grain depositors and sellers indemnity fund provided in chapter  
11 203D of all obligations to the claimant.

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

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

23 Sec. 38. Section 203.15, subsection 4, Code 2026, is amended  
24 by striking the subsection and inserting in lieu thereof the  
25 following:

26 4. a. A grain dealer shall not purchase grain on  
27 credit-sale contract during any time period in which the grain  
28 dealer fails to maintain fifty cents of net worth for each  
29 outstanding bushel of grain purchased under credit. The grain  
30 dealer may maintain a deficiency bond or an irrevocable letter  
31 of credit in the amount of two thousand dollars for each one  
32 thousand dollars or fraction thereof of deficiency in net  
33 worth.

34 b. A grain dealer who is also a warehouse operator licensed  
35 by the department under [chapter 203C](#) or the United States

1 department of agriculture under the United States Warehouse  
2 Act, and who does not have a sufficient quantity or quality  
3 of grain to satisfy the warehouse operator's obligations  
4 based on an examination by the department or the United  
5 States department of agriculture shall not purchase grain on  
6 credit-sale contract to correct the shortage of grain.

7 c. (1) A grain dealer must meet at least either of the  
8 following conditions:

9 (a) The grain dealer's last financial statement required  
10 to be submitted to the department pursuant to [section 203.3](#)  
11 is accompanied by an unqualified opinion based upon an audit  
12 performed by a certified public accountant licensed in this  
13 state.

14 (b) The grain dealer files a bond with the department in  
15 the amount of one hundred thousand dollars payable to the  
16 department.

17 (2) (a) The bond filed with the department under this  
18 paragraph shall be used to indemnify sellers for losses  
19 resulting from a breach of a credit-sale contract as provided  
20 by rules adopted by the department. The rules shall include  
21 but are not limited to procedures and criteria for providing  
22 notice, filing claims, valuing losses, and paying claims. The  
23 bond provided in this paragraph shall be in addition to any  
24 other bond required in [this chapter](#).

25 (b) The bond shall not be canceled by the issuer on less  
26 than ninety days' notice by certified mail to the department  
27 and the principal. However, if an adequate replacement bond  
28 is filed with the department, the department may authorize  
29 the cancellation of the original bond before the end of the  
30 ninety-day period.

31 (c) If an adequate replacement bond is not received by the  
32 department within sixty days of the issuance of the notice of  
33 cancellation, the department shall suspend the grain dealer's  
34 license. The department shall cause an inspection of the  
35 licensed grain dealer immediately at the end of the sixty-day

1 period. If a replacement bond is not filed within another  
2 thirty days following the suspension, the department shall  
3 revoke the grain dealer's license.

4 (3) When a license is revoked, the department shall provide  
5 notice of the revocation by ordinary mail to the last known  
6 address of each holder of an outstanding credit-sale contract  
7 and all known sellers.

8 PART B

9 GRAIN OPERATORS

10 Sec. 39. Section 203C.6, subsection 4, paragraph b, Code  
11 2026, is amended by striking the paragraph and inserting in  
12 lieu thereof the following:

13 b. The warehouse operator shall submit, as required by  
14 the department, a financial statement that is accompanied by  
15 an unqualified opinion based upon an audit performed by a  
16 certified public accountant licensed in this state. However,  
17 the department may accept a qualification in an opinion that  
18 is unavoidable by any audit procedure that is permitted under  
19 generally accepted accounting principles. An opinion that  
20 is qualified because of a limited audit procedure or because  
21 the scope of an audit is limited shall not be accepted by the  
22 department. The department shall not require that a warehouse  
23 operator submit more than one such unqualified opinion per  
24 year. The warehouse operator may elect, however, to submit  
25 a financial statement that is accompanied by the report of  
26 a certified public accountant licensed in this state that  
27 is based upon a review performed by the certified public  
28 accountant in lieu of the audited financial statement specified  
29 in this paragraph. However, at any time the department may  
30 require a financial statement that is accompanied by the report  
31 of a certified public accountant licensed in this state that is  
32 based upon a review performed by a certified public accountant  
33 if the department has good cause. A warehouse operator shall  
34 submit financial statements to the department in addition to  
35 those required in this paragraph if the department determines

1 that it is necessary to verify the warehouse operator's  
2 financial status or compliance with [this subsection](#).

3 Sec. 40. Section 203C.6, subsection 5, paragraph b, Code  
4 2026, is amended by striking the paragraph and inserting in  
5 lieu thereof the following:

6 *b.* The warehouse operator shall submit, as required by  
7 the department, a financial statement that is accompanied by  
8 an unqualified opinion based upon an audit performed by a  
9 certified public accountant licensed in this state. However,  
10 the department may accept a qualification in an opinion that  
11 is unavoidable by any audit procedure that is permitted under  
12 generally accepted accounting principles. An opinion that  
13 is qualified because of a limited audit procedure or because  
14 the scope of an audit is limited shall not be accepted by the  
15 department. The department shall not require that a warehouse  
16 operator submit more than one such unqualified opinion per  
17 year. The warehouse operator may elect, however, to submit  
18 a financial statement that is accompanied by the report of  
19 a certified public accountant licensed in this state that  
20 is based upon a review performed by the certified public  
21 accountant in lieu of the audited financial statement specified  
22 in this paragraph. However, at any time the department may  
23 require a financial statement that is accompanied by the report  
24 of a certified public accountant licensed in this state that is  
25 based upon a review performed by a certified public accountant  
26 if the department has good cause. A warehouse operator shall  
27 submit financial statements to the department in addition to  
28 those required in this paragraph if the department determines  
29 that it is necessary to verify the warehouse operator's  
30 financial status or compliance with [this subsection](#).

31

PART C

32

GRAIN DEPOSITORS AND SELLERS INDEMNIFICATION

33

34

Sec. 41. Section 203D.3A, subsection 2, Code 2026, is  
amended by adding the following new paragraph:

35

NEW PARAGRAPH. *e.* (1) If the per-bushel fee is passed

1 on to a seller, the per-bushel fee shall occur at the time of  
2 payment.

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

5 Sec. 42. Section 203D.6, subsection 8, paragraph a, Code  
6 2026, is amended to read as follows:

7 a. Upon a determination by the board that an eligible  
8 claim satisfies the requirements in subsection 4, the board  
9 shall indemnify the claimant as a depositor under subsection  
10 5, and a seller under subsection 6. Upon a determination by  
11 the board that an eligible repayment claim was filed by that  
12 seller under section 203D.6A, ~~derives from the same covered~~  
13 ~~transaction during the claim period, and the repayment loss~~  
14 ~~incurred for that claim,~~ the board shall indemnify the claimant  
15 ~~as a seller~~ subject to the requirements of this section and  
16 ~~section 203D.6A.~~

17 Sec. 43. Section 203D.6A, subsection 2, Code 2026, is  
18 amended to read as follows:

19 2. To be timely, a seller must file a repayment claim with  
20 the department not later than sixty days after the amount  
21 of the seller's loss is finalized by a bankruptcy court,  
22 whether by an order issued, judgment entered, or settlement  
23 agreement approved. However, if a seller's loss is based upon  
24 a bankruptcy court's default judgment, to be timely, the seller  
25 must file a repayment claim with the department not later than  
26 sixty days after the bankruptcy court's default judgment is  
27 entered or a subsequent settlement agreement is approved and  
28 entered, whichever is later.

29 PART D

30 EFFECTIVE DATE

31 Sec. 44. EFFECTIVE DATE. This division of this Act, being  
32 deemed of immediate importance, takes effect upon enactment.

33 DIVISION VI

34 DEPARTMENT OF TRANSPORTATION — IMPLEMENTS OF HUSBANDRY

35 Sec. 45. Section 321.457, subsection 2, paragraph f, Code

1 2026, is amended to read as follows:

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

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

18 DIVISION VII

19 AGRICULTURAL TOURISM

20 Sec. 46. Section 673A.3, subsection 6, paragraph b, Code  
21 2026, is amended to read as follows:

22 *b.* "*Farm*" includes but is not limited to a farm field,  
23 orchard, tree farm, nursery, greenhouse, garden, elevator,  
24 seedhouse, barn, warehouse, animal feeding operation structure,  
25 winery, brewery, distillery, or any personal property located  
26 on the land including machinery or equipment used in the  
27 production of a farm commodity.

28 Sec. 47. Section 673A.3, subsection 9, Code 2026, is amended  
29 to read as follows:

30 9. "*Farm crop*" means a plant or fungus used for food, animal  
31 feed, fiber, ~~or~~ oil, energy, or decoration, including any of  
32 the following:

33 *a.* A forage or cereal plant, including but not limited to  
34 alfalfa, barley, buckwheat, corn, flax, forage, millet, oats,  
35 popcorn, rye, sorghum, soybeans, sunflowers, wheat, and grasses

1 used for forage or silage.

2 *b.* Edible or ornamental produce, including but not limited  
3 to fruit such as apples, cherries, peaches, pears, berries, and  
4 grapes; vegetables such as asparagus, broccoli, and carrots;  
5 lentils; tubers; squashes and pumpkins; gourds; nuts; maple  
6 syrup; mushrooms; Christmas trees; and flowers.

7 *c.* Honey.

8 DIVISION VIII

9 LAND USE

10 Sec. 48. Section 335.2, Code 2026, is amended by adding the  
11 following new subsection:

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

17 Sec. 49. Section 335.28, Code 2026, is amended to read as  
18 follows:

19 **335.28 Agricultural ~~experiences~~ experience.**

20 1. *a.* For purposes of this section, "*agricultural*  
21 *experience*" includes but is not limited to any  
22 agriculture-related activity, or agriculture-related  
23 event, as a that constitutes a secondary use in conjunction  
24 with agricultural production, on a farm which if the  
25 agriculture-related activity, or agriculture-related event,  
26 is located on a farm and open to the public with for the  
27 intended purpose of promoting or educating the public about  
28 agriculture, agricultural practices, agricultural activities,  
29 or agricultural products.

30 *b.* "Agricultural experience" also includes any of the  
31 following:

32 (1) Agricultural tourism activities, such as recreational,  
33 entertainment, dining, or celebratory events, or short-term  
34 rental opportunities offered on a working farm, so long as the  
35 farm's primary use remains agricultural production.



1 practice, in the same veterinary shortage area or rural service  
2 commitment area, according to rules adopted by the commission.

3 (b) The commission may grant the loan repayment recipient a  
4 waiver from the commission to complete the years of full-time  
5 practice required under the agreement in another veterinary  
6 shortage area or rural service commitment area pursuant to  
7 subsection 7.

8 PART B

9 INCOME TAX EXEMPTION

10 Sec. 54. Section 422.7, Code 2026, is amended by adding the  
11 following new subsection:

12 NEW SUBSECTION. 46. a. Subtract, to the extent included,  
13 loan repayments received under a program agreement entered into  
14 by a taxpayer who is a loan repayment recipient and the Iowa  
15 college student aid commission pursuant to section 256.226, if  
16 the taxpayer fulfills the obligation to engage in the practice  
17 of veterinary medicine according to terms of that section and  
18 the program agreement.

19 b. The amount subtracted in paragraph "a" shall not exceed  
20 the following limits:

21 (1) For any tax year, fifteen thousand dollars.

22 (2) For the aggregate of all tax years, sixty thousand  
23 dollars.

24 (3) In any case, the amount of the outstanding eligible  
25 loan.

26 Sec. 55. EFFECTIVE DATE. This part of this division of this  
27 Act takes effect January 1, 2027.

28 Sec. 56. APPLICABILITY. This part of this division of this  
29 Act applies to tax years beginning on or after January 1, 2027.