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)
_____ and [= New Language by the Senate

A BILL FOR

An Act relating to agriculture, including by providing for the powers and duties of the department of agriculture and land stewardship, including the promotion and regulation of commodities and products, the regulation of the transportation of agricultural items, the use of agricultural land, sales and use taxes, and veterinary practice and income taxes, making penalties applicable, and including effective date and applicability provisions.

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

DIVISION I

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — PROMOTION — RENEWABLE FUEL INFRASTRUCTURE

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

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

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

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

DIVISION II

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — PROMOTION

PART A

GENERAL

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

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

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

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

by the general assembly.

PART B

CHOOSE IOWA PROMOTION PROGRAMS

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

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

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

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

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

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

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

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

2. The department may enter into a licensing agreement with a person ~~participating~~ enrolled as a member in the program. ~~The participating person~~ A member may use the choose Iowa logo to advertise a ~~food item~~ product originating as an agricultural commodity produced on an Iowa farm, subject to terms and conditions required by rules adopted by the department. A licensing agreement shall not be for more than one year.

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

program.

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

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

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

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

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

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

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

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

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

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

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

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

187.331 Choose Iowa food bank purchasing program.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 14. CODE EDITOR DIRECTIVE.

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

a. Section 187.331 to section 187.308.

b. Section 159.25 to section 187.309.

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

PART C

INNOVATION AND REVITALIZATION PROGRAMS

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

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

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

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

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

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

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

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

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

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

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

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

a. The business must be located in this state.

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

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

d. The business must not currently be in bankruptcy.

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

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

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

a. Create new jobs.

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

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

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

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

DIVISION III

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP REGULATION — ANIMAL HEALTH

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

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

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

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

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

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

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

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

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

DIVISION IV

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

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

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

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

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

213.1 State metrologist.

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

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

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

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

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

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

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

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

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

~~term~~

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

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

(2) A public scale or a commercial scanner.

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

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

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

215.1A Inspections.

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

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

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

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

of a report may be in lieu of an inspection.

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

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

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

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

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

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

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

215.19 Automatic recorders on scales.

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

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

to read as follows:

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

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

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

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

Sec. 32. CODE EDITOR DIRECTIVE.

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

a. Section 213.1 to section 215.1B.

b. Section 213.2 to section 215.1C.

c. Section 215.18 to section 215.1D.

d. Section 215.1A to section 215.1E.

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

DIVISION V

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP REGULATION — GRAIN MARKETING

PART A

GRAIN DEALERS

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

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

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

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

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

department. The department shall not require that a grain dealer submit more than one such unqualified opinion per year. The grain dealer may elect, however, to submit a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by the certified public accountant in lieu of the audited financial statement specified in this paragraph. However, at any time the department may require a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by a certified public accountant if the department has good cause. A grain dealer shall submit financial statements to the department in addition to those required in this paragraph if the department determines that it is necessary to verify the grain dealer's financial status or compliance with this section.

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

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

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

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

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

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

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

~~revocation, cancellation, or expiration~~ pursuant to section 203.10 or upon the filing of a petition in bankruptcy by a grain dealer, any claim for the purchase price of grain against the grain dealer shall be made in writing and filed with the grain dealer and with the issuer of a deficiency bond or of an irrevocable letter of credit and with the department within one hundred twenty days after the date of the cessation or the filing of a petition in bankruptcy, whichever occurs earlier. A failure to make this timely claim relieves the issuer and the grain depositors and sellers indemnity fund provided in chapter 203D of all obligations to the claimant.

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

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

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

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

b. A grain dealer who is also a warehouse operator licensed by the department under chapter 203C or the United States

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

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

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

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

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

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

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

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

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

PART B

GRAIN OPERATORS

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

b. The warehouse operator shall submit, as required by the department, a financial statement that is accompanied by an unqualified opinion based upon an audit performed by a certified public accountant licensed in this state. However, the department may accept a qualification in an opinion that is unavoidable by any audit procedure that is permitted under generally accepted accounting principles. An opinion that is qualified because of a limited audit procedure or because the scope of an audit is limited shall not be accepted by the department. The department shall not require that a warehouse operator submit more than one such unqualified opinion per year. The warehouse operator may elect, however, to submit a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by the certified public accountant in lieu of the audited financial statement specified in this paragraph. However, at any time the department may require a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by a certified public accountant if the department has good cause. A warehouse operator shall submit financial statements to the department in addition to those required in this paragraph if the department determines



that it is necessary to verify the warehouse operator's financial status or compliance with this subsection.

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

b. The warehouse operator shall submit, as required by the department, a financial statement that is accompanied by an unqualified opinion based upon an audit performed by a certified public accountant licensed in this state. However, the department may accept a qualification in an opinion that is unavoidable by any audit procedure that is permitted under generally accepted accounting principles. An opinion that is qualified because of a limited audit procedure or because the scope of an audit is limited shall not be accepted by the department. The department shall not require that a warehouse operator submit more than one such unqualified opinion per year. The warehouse operator may elect, however, to submit a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by the certified public accountant in lieu of the audited financial statement specified in this paragraph. However, at any time the department may require a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by a certified public accountant if the department has good cause. A warehouse operator shall submit financial statements to the department in addition to those required in this paragraph if the department determines that it is necessary to verify the warehouse operator's financial status or compliance with this subsection.

PART C

GRAIN DEPOSITORS AND SELLERS INDEMNIFICATION

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

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

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

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

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

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

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

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

PART D

EFFECTIVE DATE

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

DIVISION VI

DEPARTMENT OF TRANSPORTATION — IMPLEMENTS OF HUSBANDRY

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

2026, is amended to read as follows:

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

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

DIVISION VII

AGRICULTURAL TOURISM

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

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

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

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

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

used for forage or silage.

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

c. Honey.

DIVISION VIII

LAND USE

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

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

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

335.28 Agricultural ~~experiences~~ experience.

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

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

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

(2) A fair event conducted on a fairgrounds under the management or control of a fair as defined in section 174.1.

2. To assist in the promotion of agricultural experiences, a county shall not require a conditional use permit, special use permit, special exception, or variance for an agricultural ~~experiences~~ experience on property of which the primary use is agricultural production.

Sec. 50. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 51. APPLICABILITY. Any conditional use permit, special use permit, special exception, or variance described in section 335.28, as amended by this division of this Act, is void and unenforceable.

DIVISION IX

HONEYBEES — SALES AND USE TAX EXEMPTION

Sec. 52. Section 423.3, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION. 111. The sales price of honeybees.

DIVISION X

VETERINARY PRACTICE

PART A

RURAL VETERINARIAN LOAN REPAYMENT PROGRAM

Sec. 53. Section 256.226, subsection 4, paragraph c, Code 2026, is amended to read as follows:

c. (1) ~~Secure~~ Subject to subparagraph (2), secure an offer of employment or establish and maintain a practice in a veterinary shortage situation or rural service commitment area and engage in the full-time practice of veterinary medicine for a period of four consecutive years after entering into the agreement in the veterinary shortage area or rural service commitment area~~, unless the loan repayment recipient receives~~.

(2) (a) The loan repayment recipient may notify the commission that the loan repayment recipient will complete the years of full-time practice required under the agreement by securing new employment, or establishing and maintaining a new

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

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

PART B

INCOME TAX EXEMPTION

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

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

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

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

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

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

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

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