

credit in all counties in excess of a total of ten thousand dollars assessed valuation. A claim filed in 1980 and each succeeding even-numbered year shall be 1982 and thereafter is applicable for that the year in which the claim is filed and the succeeding odd-numbered year years.

Sec. 3. Section 427A.4, unnumbered paragraphs 3 and 4, Code 1981, are amended to read as follows:

~~It shall be the duty of the~~ The assessor ~~to shall~~ examine claims for ~~such the~~ credit filed with him in the assessor's office and recommend ~~on each such claim~~ the disallowance thereof where of any claim if it appears that an owner of tangible personal property has attempted to divide the ownership thereof of the property for purpose of obtaining additional credit beyond the amount of ten thousand dollars in a year.

If any person fails to make application for the credits provided for under this chapter as herein required, he shall be the person is deemed to have waived the personal property tax credit for the year in which he failed to make claim.

Sec. 4. Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 140, section 2, is repealed.

Sec. 5. Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 140, section 3, is amended to read as follows:

SEC. 3. Section 428.4, Code 1981, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. An assessor shall is not be required to contact a taxpayer in ~~odd-numbered years~~ any year for the purpose of listing personal property but each taxpayer shall be required to file a revised listing of personal property with the assessor itemizing any additions or deletions to the listing if the valuation of the taxpayer's personal property will affect the taxpayer's exemption. However, if a taxpayer fails to file a revised listing, where such a filing would show an increase in valuation of the taxpayer's personal property, the taxpayer shall only be assessed the taxes and interest due on the property the taxpayer has failed to report.

Approved May 7, 1982

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## CHAPTER 1191

### AGRICULTURAL AND VEGETABLE SEED REGULATION

S.F. 2221

**AN ACT** relating to the regulation of agricultural and vegetable seed, and relating to penalties.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 199.1, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

199.1 DEFINITIONS. For the purpose of this chapter or as used in labeling of seed:

1. "Person" means an individual, partnership, corporation, company, society, or association.
2. "Agricultural seed" means grass, forage, cereal, oil, fiber, and any other kind of crop seed commonly recognized within this state as agricultural seed, lawn seed, vegetable seed, or seed mixtures. Agricultural seed may include any additional seed the secretary designates by rules.
3. "Vegetable seed" means the crops which are grown in gardens or truck farms and are generally sold under the name of vegetable or herb seed in this state.
4. "Weed seed" means the seed of all plants listed as weeds in this chapter or listed as weeds in the rules of the department or commonly recognized as weeds in this state.
5. Noxious weed seed shall be divided into two classes, "primary noxious weed seed" and "secondary noxious weed seed" which are defined in paragraphs a and b of this subsection. The secretary, upon the recommendation of the dean of agriculture, Iowa state university of science and technology, shall adopt as a rule, after public hearing, pursuant to chapter 17A, the list of seed classified as "primary noxious weed seed" and "secondary noxious weed seed".
  - a. "Primary noxious weed seed" are the seed of perennial weeds that reproduce by seed and by underground roots or stems and which, when established, are highly destructive and difficult to control in this state by good cultural practices. For the purpose of this chapter and the sale of seed, primary noxious weeds in this state are the seeds of:
    - (1) Quack grass—*Agropyron repens* (L.) Beauv.
    - (2) Canada thistle—*Cirsium arvense* (L.) Scop.
    - (3) Perennial sow thistle—*Sonchus arvensis* L.
    - (4) Perennial pepper grass (hoary cress)—*Cardaria draba* (L.) Desv.
    - (5) European morning-glory (field bindweed)—*Convolvulus arvensis* L.
    - (6) Horse nettle—*Solanum carolinense* L.
    - (7) Leafy spurge—*Euphorbia esula* L.
    - (8) Russian knapweed—*Centaurea repens* L.
  - b. "Secondary noxious weed seed" are the seed of weeds that are very objectionable in fields, lawns, or gardens in this state, but can be controlled by good cultural practices. For the purpose of this chapter and the sale of seed, the secondary noxious weed seeds in this state are the seeds of:
    - (1) Wild carrot—*Daucus carota* L.
    - (2) Sour dock (curly dock)—*Rumex crispus* L.
    - (3) Smooth dock—*Rumex altissimus* Wood.
    - (4) Sheep sorrel (red sorrel)—*Rumex acetosella* L.
    - (5) Butterprint (velvet leaf)—*Abutilon theophrasti* Medic.
    - (6) Mustards—*Brassica juncea* (L.) Coss., *Sinapis arvensis* L. and *B. nigra* (L.) Koch.
    - (7) Cocklebur—*Xanthium strumarium* L.
    - (8) Buckhorn—*Plantago lanceolata* L.
    - (9) Dodders—*Cuscuta* species.
    - (10) Giant foxtail—*Setaria faberii* Herrm.
    - (11) Poison hemlock—*Conium maculatum*.
    - (12) Wild sunflower— Wild strain of *Helianthus annus* (L.)
    - (13) Puncture vine—*Tribulus terrestris*.
6. "Purity" means the pure seed percentage by weight, exclusive of inert matter and of other agricultural or weed seed which are distinguishable by their appearance from the crop seed in question.
7. "Tolerance" means the allowable deviation from any figure used on a label to designate the percentage of any component or the number of seeds given for the lot in question and is based on the law of normal variation from a mean. The secretary shall prepare tables of

tolerances allowable in the enforcement of this chapter and may be guided in the preparation by the regulations under the federal Seed Act, 7 C.F.R., sec. 201.59 et. seq.

8. "Treated seed" means agricultural seed that has been given an application of a substance, or subjected to a procedure, for which a claim is made or which is designed to reduce, control or repel disease organisms, insects, or other pests which attack seed or seedlings.

9. "Coated seed" means seed that has been encapsulated or covered with a substance other than those defined as "inoculated seed" or "treated seed". Pelleted seed is a subclass of "coated seed".

10. "Inoculant for leguminous plants" means a bacterial culture, or material containing bacteria, that is represented as causing the formation of nodules and aiding the growth of leguminous plants by the fixation of nitrogen.

11. "Inoculated seed" means seed to which has been added a substance containing the cells, spores or mycelia of microorganisms for which a claim is made.

12. "Labeling" means all labels and other written, printed, or graphic representations, in any form, accompanying and pertaining to seed, whether in bulk or in containers, and includes invoices.

13. "Advertisement" means all representations, other than those on the label, relating to seed within the scope of this chapter.

14. "Permit holder" is a person who has obtained a permit from the department as required under sections 199.15 and 199.16.

15. "Registered seed technologist" is a person who has attained registered membership in the society of commercial seed technologists through qualifying tests and experience as required by this society.

16. "Record" means all information relating to a shipment of agricultural seed and includes a file sample of each lot of seed.

17. "Kind" means one or more related species or subspecies which singly or collectively are known by one common name.

18. "Conditioning" means cleaning to remove chaff, sterile florets, immature seed, weed seed, inert matter, and other crop seed; scarifying; blending to obtain uniform quality; or any other operation which may change the purity or germination of the seed and require retesting to determine the quality of the seed.

19. "Cultivar" or "variety" means a cultivated subdivision of a kind of plant that may be characterized by growth habits, fruit, seed, or other characteristics, by which it can be differentiated from other plants of the same kind.

20. "Mixture" or "blend" means a combination of seed of more than one kind or variety if present in excess of five percent of the whole.

21. "Multiline cultivar" means a planned combination of two or more near-isogenic lines of a normally self-fertilizing kind of crop.

22. "Hybrid" means the first generation seed produced by controlled pollination of two inbred lines to produce a single cross; an inbred line and a single cross of two unrelated inbred lines to produce a three-way cross; an inbred line and a single cross of two related lines to produce a modified single cross; two single crosses to produce a double cross; an inbred line or a single cross with an open-pollinated or synthetic cultivar to produce a modified cultivar cross; or a cross of two open-pollinated or synthetic cultivars to produce a cultivar cross. The second or subsequent generation from such crosses are not hybrids. Hybrid designations shall be treated as cultivar names.

23. "Certifying agency" means an agency authorized under the laws of a state, territory, or possession to officially certify seed and which has standards and procedures approved by the

United States secretary of agriculture to assure genetic purity and identity of the seed certified, or an agency of a foreign country determined by the United States secretary of agriculture to adhere to the procedures and standards for seed certification comparable to those adhered to generally by seed certifying agencies in the United States.

The Iowa Secretary of Agriculture shall by rule, define the terms "breeder", "foundation", "registered", "certified" and "inbred", as used in this Act.

Sec. 2. Section 199.2, Code 1981, is amended to read as follows:

**199.2 BOTANIST DEAN OF AGRICULTURE AS ADVISOR.** The state botanist dean of agriculture of Iowa state university of science and technology or the dean's designee shall be the technical advisor to the secretary in the administration of this chapter.

Sec. 3. Section 199.3, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

**199.3 LABELING OF SEED.** Each container of agricultural or vegetable seed which is sold, offered for sale, exposed for sale, or transported within this state shall be labeled according to the following schedule:

1. Seed for sowing purposes shall be labeled as follows:

a. Agricultural or vegetable seed that is treated, inoculated, or coated shall contain a word or statement indicating that the treatment, inoculation, or coating has been done. A separate label may be used.

b. If treated, the label shall indicate the commonly accepted chemical or abbreviated chemical name of the applied substance or substances or a description of the type and purpose of procedure used. If the substance in the amount present with the seed is harmful to human or vertebrate animals, the label shall bear a caution statement such as "Do not use for food, feed, or oil purposes". In addition, for highly toxic substances, a poison statement or symbol shall be shown on the label.

c. If the seed is inoculated, the label shall indicate the month and year beyond which the inoculant is not claimed to be effective.

d. If the seed is coated, the label shall show the percentage by weight in the container of pure seed, inert matter, coating material, other crop seed, and weed seed. The percentage of germination shall be labeled on the basis of a determination made on at least four hundred pellets or capsules, whether or not they contain seed.

e. All seed in package or wrapped form which are required to be labeled, unless otherwise provided, shall conform to the requirements of sections 189.9 and 189.11.

2. Except for seed mixtures for lawn or turf purposes, agricultural seed shall bear a label indicating:

a. The name of the kind or kind and variety for each agricultural seed present in excess of five percent of the whole and the percentage by weight of each. If the variety of those kinds generally labeled as to variety is not stated, the label shall show the name of the kind and the words, "variety not stated". Hybrids shall be labeled as hybrids. Seed shall not be labeled or advertised under a trademark or brand name in a manner that may create the impression that the trademark or brand name is a variety name.

b. Lot number or other lot identification.

c. State or foreign country of origin, if known, of alfalfa and red clover. If the origin is unknown, the fact shall be stated.

d. Percentage by weight of all weed seed.

e. The name and rate of occurrence per unit of weight of each kind of secondary noxious weed seed present.

f. Percentage by weight of agricultural seed which may be designated as "other crop seed" other than those required to be named on the label.

- g. Percentage by weight of inert matter.
  - h. For each named agricultural seed:
    - (1) Percentage of germination, exclusive of hard seed.
    - (2) Percentage of hard seed, if present.
    - (3) The calendar month and year the test was completed to determine the percentages. Following (1) and (2), the "total germination and hard seed" may be stated as such, if desired.
  - i. Name and address of the person who labeled the seed, or who sells, offers, or exposes the seed for sale within this state.
3. For seed mixtures for lawn or turf purposes, the label shall indicate:
- a. The word "mixed" or "mixture" along with the name of the mixture.
  - b. The heading "pure seed" and "germination" or "germ" where appropriate.
  - c. Commonly accepted name of kind or kind and variety of each turf seed component in excess of five percent of the whole, and the percentage by weight of pure seed in order of its predominance and in columnar form.
  - d. Name and percentage by weight of other agricultural seed than those required to be named on the label which shall be designated as "other crop seed". If the mixture contains no "other crop seed" that fact may be indicated by the words "contains no other crop seed".
  - e. Percentage by weight of inert matter.
  - f. Percentage by weight of all weed seed. Maximum weed seed content not to exceed one percent by weight.
  - g. The name and rate of occurrence per unit of weight of each kind of secondary noxious weed seed present.
  - h. For each turf seed named under paragraph c:
    - (1) Percentage of germination, exclusive of hard seed.
    - (2) Percentage of hard seed, if present.
    - (3) Calendar month and year the test was completed to determine such percentages. The oldest current test date applicable to any single kind in the mixture shall appear on the label.
  - i. Name and address of the person who labeled the seed, or who sells, offers, or exposes the seed for sale within the state.
4. The labeling requirements for vegetable seed sold from containers of more than one pound shall be deemed to have been met if the seed is weighed from a properly labeled container in the presence of the purchaser. Packets of vegetable seed prepared for use in home gardens or household plantings or vegetable seed in preplanted containers, mats, tapes, or other planting devices, shall bear labels with the following information:
- a. Name of kind and variety of seed.
  - b. Lot identification.
  - c. The year for which the seed was packed for sale or the percentage of germination and the calendar month and year the test to determine such percentage was completed.
  - d. Name and address of the person who labeled the seed or who sells, offers, or exposes the seed for sale within the state.
  - e. For seed which germinate less than the standard last established by the secretary in rules adopted under chapter 17A:
    - (1) Percentage of germination, exclusive of hard seed.
    - (2) Percentage of hard seed, if present.
    - (3) The words "below standard" in not less than eight point type.
  - f. For seed placed in a germination medium, mat, tape, or other device in such a way as to make it difficult to determine the quantity of seed without removing the seed from the medium, mat, tape, or device, a statement to indicate the minimum number of seed in the container.

5. All other vegetable seed containers shall be labeled, indicating:

a. The name of each kind and variety present in excess of five percent and the percentage by weight of each in order of its predominance.

b. Lot number or other lot identification.

c. For each named vegetable seed:

(1) Percentage germination exclusive of hard seed.

(2) Percentage of hard seed, if present.

(3) The calendar month and year the test was completed to determine such percentages.

Following (1) and (2) the "total germination and hard seed" may be stated as such, if desired.

d. Name and address of the person who labeled the seed, or who sells, offers, or exposes the seed for sale within the state.

6. Seed sold on or from the farm, which is exempt from the permit requirements by section 199.15, shall be labeled on the basis of tests performed by the Iowa state university of science and technology seed laboratory, department of agriculture seed laboratory, or a commercial seed laboratory personally supervised by a registered seed technologist. Tests for labeling shall be as provided in section 199.10.

Sec. 4. Section 199.4, Code 1981, is amended to read as follows:

199.4 SALES FROM BULK. In case agricultural or vegetable seed is offered or exposed for sale in bulk or sold from bulk, the information required under section 199.3, subsection 1, may be supplied by (1) a placard conspicuously displayed with the several required items thereon or (2) a printed or written statement to be furnished to any purchaser of said the seed.

Sec. 5. Section 199.5, Code 1981, is amended to read as follows:

199.5 HYBRID CORN. It shall be unlawful for any person to sell, offer or expose for sale, or falsely mark or tag, within the state any seed corn as hybrid unless it represents the first generation of a cross between strains of different parentage and involving inbred lines of corn and (or) their combinations falls within the definition of hybrid in section 199.1. Any corn sold as "hybrid" shall have plainly printed or marked on the label or container in which such corn is sold the identifying symbols or numbers, clearly indicating the specific combination. The cross mentioned above shall be produced by cross fertilization, controlled either by hand or detasseling at the proper time.

Sec. 6. Section 199.7, unnumbered paragraph 1, Code 1981, is amended to read as follows:

The classes of certified seed shall be breeder, foundation, registered, and certified and shall be recognized by the certifying agency.

Sec. 7. Section 199.8, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

199.8 PROHIBITED ACTS.

1. It is unlawful for a person to sell, transport, offer for sale, expose for sale, or advertise an agricultural or vegetable seed:

a. Unless the test to determine the percentage of germination as required by this chapter has been completed within nine months, excluding the month of the test, immediately prior to selling, transporting, offering, exposing, or advertising for sale. A retest is not required for seed in hermetically sealed containers or packages provided they have not reached the thirty-six month expiration date.

b. Not labeled in accordance with the provisions of this chapter, or having a false or misleading label.

c. For which there has been false or misleading advertising.

d. Consisting of or containing primary noxious weed seed, subject to recognized tolerances.

e. Consisting of or containing secondary noxious weed seed per weight unit in excess of the number prescribed by rules adopted under this chapter, or in excess of the number declared on the label attached to the container of the seed or associated with the seed.

f. Containing more than one and one-half percent by weight of all weed seed.

g. If any labeling, advertising, or other representation subject to this chapter represents the seed to be certified seed or any class thereof, unless:

(1) It has been determined by a seed certifying agency that the seed conforms to standards of varietal purity and identity as to kind in compliance with the rules and regulations of the agency.

(2) The seed bears an official label issued for the seed by a seed certifying agency stating that the seed is of a specified class and a specified kind or variety.

h. Labeled with a variety name but not certified by an official seed certifying agency when it is a variety for which a United States certificate of plant variety protection under the Plant Variety Protection Act, 7 U.S.C. sec. 2321 et. seq., specifies sale only as a class of certified seed. Seed from a certified lot may be labeled as to variety name and used in a blend, by or with the approval of the owner of the variety.

2. It is unlawful for a person to:

a. Detach, alter, deface, or destroy a label provided for in this chapter or the rules adopted under this chapter, or to alter or substitute seed in a manner that may defeat the purpose of this chapter.

b. Disseminate false or misleading advertisements concerning seed subject to this chapter.

c. Hinder or obstruct in any way an authorized person in the performance of duties under this chapter.

d. Fail to comply with a "stop sale" order or to move or otherwise handle or dispose of any lot of seed held under a "stop sale" order or tags attached thereto, except with express permission of the enforcing officer, and for the purpose specified thereby.

e. Use the word "trace" as a substitute for any statement which is required.

f. Use the word "type" in labeling in connection with the name of an agricultural seed variety.

3. It is unlawful for a person to sell, transport, offer for sale, expose for sale, or advertise screenings of any agricultural seed subject to this chapter, unless it is stated on the label if in containers or on the invoice if in bulk, that they are not intended for seeding purposes. For the purpose of this subsection, "screenings" includes chaff, empty florets, immature seed, weed seed, inert matter, and other materials removed by cleaning from any agricultural seed subject to this chapter.

Sec. 8. Section 199.9, Code 1981, is amended to read as follows:

#### 199.9 EXEMPTIONS.

1. ~~The provisions of sections Sections 199.3 and 199.8 do not apply — to:~~

a. ~~To seed Seed or grain not intended for sowing purposes.~~

b. ~~To seed Seed in storage in, or consigned to, or for sale to, a seed cleaning or processing conditioning establishment for cleaning or processing conditioning; provided that any labeling or other representation which may be is made with respect to the unclean or unconditioned seed shall be is subject to this chapter.~~

c. ~~A carrier in respect to seed transported or delivered for transportation in the ordinary course of its business as a carrier provided that the carrier is not engaged in producing, conditioning, or marketing seed, and subject to this chapter.~~

2. ~~No A person shall be is not subject to the penalties of this chapter, for having sold, offered or exposed for sale in this state any agricultural seeds, which were incorrectly labeled or represented as to kind, species, variety, type, or origin which when those seeds cannot be identified by examination thereof, unless he the person has failed to obtain an invoice or genuine grower's declaration giving kind, or kind and variety, or kind and type, and origin, if required and to take such other precautions as shown by the records of purchase. The provisions of section 199.7 shall not be interpreted to restrict the color of the container or other~~

labeling information and to take other precautions as reasonable to ensure the identity. A genuine grower's declaration of variety shall affirm that the grower holds records of proof concerning parent seed such as invoices and labels.

Sec. 9. Section 199.10, subsection 1, unnumbered paragraph 1, Code 1981, is amended to read as follows:

Seed lots of all kinds of agricultural seed, ~~except seed corn~~, intended for sale in this state shall be tested in accordance with the ~~Association~~ association of Official Seed Analysts official seed analysts' rules for testing seed or the rules and regulations under the federal Seed Act. The tests required shall be:

Sec. 10. Section 199.10, subsection 2, Code 1981, is amended by striking the subsection.

Sec. 11. Section 199.10, subsection 3, paragraph a, Code 1981, is amended by striking the paragraph.

Sec. 12. Section 199.12, Code 1981, is amended to read as follows:

199.12 SEIZURE OF UNLAWFUL SEED. Upon the recommendation of the ~~state secretary of agriculture or his~~ the secretary's duly authorized agents, the court of competent jurisdiction in the area in which the seed is located shall cause the seizure and subsequent denaturing, ~~processing~~ conditioning, or destruction to prevent the use for sowing purposes of any lot of agricultural seed found to be prohibited from sale as set forth in section 199.8, ~~subsection 1, paragraphs "d" and "e", and subsection 2;~~ provided, that in no instance shall the denaturing, processing conditioning, or destruction be ordered without first having given the claimant of said the seed an opportunity to apply to said the court for the release of said the seed.

Sec. 13. Section 199.13, Code 1981, is amended to read as follows:

199.13 PENALTY. Every A violation of the provisions of this chapter shall be deemed is a simple misdemeanor. The department of agriculture through its duly authorized agent or agents, may institute criminal or civil proceedings in a court of competent jurisdiction to enforce the provisions of this chapter. When in the performance of the secretary's duties in enforcing this chapter the secretary applies to a court for a temporary or permanent injunction restraining a person from violating or continuing to violate any of the provisions of this chapter or rules adopted under this chapter, the injunction is to be issued without bond and the person restrained by the injunction shall pay the costs made necessary by the procedure.

Sec. 14. Section 199.15, Code 1981, is amended to read as follows:

199.15 PERMIT NUMBER - FEE - FRAUD. No A person shall not sell, distribute, advertise, solicit orders for, offer or expose for sale, any agricultural or vegetable seed without first obtaining from the department a permit number to engage in such the business. No A permit number shall be is not required of persons selling seeds, including seed corn, which has have been packed and distributed by a seedsman person holding and having in force a permit number as herein provided. No A permit number shall be is not required of persons selling or advertising, offering or exposing for sale seed of their own production, provided that such the seed is stored or delivered to a purchaser only on or from the farm or premises where grown. The fee for each a new permit number shall be five is ten dollars per annum, and the fee for a renewed permit is based on the gross annual sales of seeds in Iowa during the previous twelve-month period under the permit holder's label and all permit numbers shall permits expire on the first day of July following date of issue. Permits shall be issued subject to the following fee schedule:

<u>Gross sales of seeds</u>		<u>Fee</u>
Not more than	\$ 25,000	\$10
Over \$25,000 but not exceeding	50,000	20
Over \$50,000 but not exceeding	100,000	30
Over \$100,000 but not exceeding	200,000	40



For each additional increment of one hundred thousand dollars of sales in Iowa the fee shall increase by ten dollars. The fee shall not exceed five hundred dollars for a permit holder.

PARAGRAPH DIVIDED. After due notice given at least ten days prior to a date of hearing fixed by the secretary of agriculture, the department may revoke or refuse to renew any a permit issued under the authority of this section, if a violation of this chapter or if intent to defraud is established. The failure to fulfill any a contract to repurchase the seed crop produced from any agricultural seed, other than hybrid seed corn, if the same crop meets the requirements set forth in the contract and the standards specified in this chapter, shall be is prima-facie evidence of intent to defraud the purchaser at the time of entering into the contract. However, this does not apply when seed stock is furnished by the contractor to the grower at no cost.

Sec. 15. Section 199.16, Code 1981, is amended to read as follows:

199.16 PERMIT HOLDER'S BOND. It shall be is unlawful for the holder of any permit to enter into a contract with a purchaser of any person who purchases agricultural seed other than hybrid seed corn, whereby the permit holder agrees to repurchase the seed crop produced therefrom from the purchased seed at a price in excess of the current market price at time of delivery, unless the permit holder shall have has on file with the department of agriculture a bond, in a penal sum of ten twenty-five thousand dollars running to the state of Iowa, with sureties approved by the secretary of agriculture, for the use and benefit of any purchaser of seed the person holding such a the contract who might have a cause of action of any nature arising from or out of such the purchase or agreement, provided, however, that contract. However, the aggregate liability of the surety to all such purchasers the person shall, in no event, not exceed the sum of such the bond; and provided, further, however, that any permit holder may, upon the filing of a notarized and detailed financial statement, request that such showing be accepted in lieu of the bond and ask to be exonerated from the filing of the bond herein required. If, after considering the financial statement and any other evidence submitted, the secretary of agriculture finds that the applicant permit holder is accountable for the performance of such contract obligations the notarized financial statement shall be filed in lieu of the bond and applicant shall be so advised by registered mail.

Sec. 16. Chapter 199, Code 1981, is amended by adding the following new section:

NEW SECTION. A person whose name appears on the label as handling agricultural or vegetable seed subject to this chapter shall keep for a period of two years complete records of each lot of agricultural or vegetable seed handled and shall keep for one year a file sample of each lot of seed after final disposition of the lot. The records and samples pertaining to the shipments involved shall be accessible for inspection by the department during the customary business hours.

Approved May 12, 1982