

CHAPTER 1224
INSPECTION OF GRAIN DEALERS
H.F. 2385

AN ACT relating to the frequency of inspection of grain dealers.

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

Section 1. Section 542.3, subsection 4, paragraph b, Code Supplement 1983, is amended to read as follows:

b. The grain dealer shall submit, as required by the commission, 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 commission 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 commission. The grain dealer may elect, however, to submit a financial statement satisfying the requirements of subsection 5, paragraph "b," in lieu of the audited financial statement specified in this paragraph, and if a grain dealer makes this election the commission shall cause the grain dealer to be inspected not less than twice during each twelve-month period, but not more than five times in a twenty-four month period without good cause, in the manner provided in section 542.9.

Sec. 2. Section 542.9, unnumbered paragraph 1, Code 1983, is amended to read as follows:

The commission may inspect the premises used by any grain dealer in the conduct of his or her the dealer's business at any time, and the books, accounts, records and papers of every grain dealer which pertain to grain purchases ~~shall be~~ are subject to inspection by the commission during ordinary business hours. The commission shall cause the business premises and books, accounts, records and papers of every grain dealer to be inspected not less than once during each twelve-month period, provided that but not more than three times in a twenty-four month period without good cause. However, if a class 1 grain dealer elects to submit the unaudited financial statement under section 542.3, subsection 4, paragraph "b," the commission shall cause the grain dealer to be inspected not less than twice during each twelve-month period, but not more than five times in a twenty-four month period without good cause. The transporter of grain in transit shall ~~have~~ possess bills of lading or other documents covering the grain in his or her ~~possession~~, and shall present them to any law enforcement officer or to a person designated as an enforcement officer under section 542.13 on demand. ~~Where~~ If there is good cause to believe that a person is engaged without a license in the business of a grain dealer in this state, the commission may inspect the books, papers, and records of the person which pertain to grain purchases.

Approved May 8, 1984