IOWA DEPARTMENT OF
AGRICULTURE &
LAND STEWARDSHIP

MIKE NAIG
SECRETARY OF AGRICULTURE

Hoover State Office Building ■ 1305 E. Walnut Street ■ Des Moines, IA 50319 ■ (515) 281.5321 ■ IowaAgriculture.gov

June 1, 2026

Dear Licensee,

The 2026 Iowa Legislative session has concluded, and I want to highlight one important provision that will impact grain dealers and warehouses operating in Iowa. SF 2465 reverses a 2025 code change that required grain licensees to undergo an unqualified audit conducted by a Certified Public Accountant (CPA) to maintain a license. Gov. Kim Reynolds signed this bill into law on June 1, 2026.

Beginning on June 2, 2026, the law returns to the pre-2025 license requirements which gives grain licensees the flexibility to provide either an unqualified audit or a financial statement reviewed by a CPA. Additionally, for those licensees providing the review-type statement in lieu of an unqualified audit, a bond of $100,000 is required for authorization to purchase grain by credit sale contract.

If a licensee has submitted a Reviewed financial statement and received an eleven or twelve month extension to file the Unqualified audit, the Bureau will waive licensee's requirement to file the Unqualified audit.

A reminder that effective July 1, 2026, the acknowledgement verbiage noted below shall be on all Credit Sale Contracts, directly above the signatures:

"The Grain Depositors and Sellers Indemnity Fund provides limited protection if a licensed grain dealer fails to pay for grain. Ordinary cash sales may be covered up to 90% of a loss, with a maximum of $400,000. However, credit-sale contracts do not receive the same level of protection. Deferred-pricing contracts may be eligible for up to 75% coverage, while deferred-payment contracts are not covered by the Fund at all. By signing below, the seller acknowledges and accepts these limitations on coverage."

If you have questions about what this means for your warehouse or grain dealer license financial reporting, you can reach me at (515) 281-5324 or james.kennedy@iowaagriculture.gov.

Thank you,

James Kennedy

James Kennedy
Grain Warehouse Bureau Chief

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