



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](mailto:james.kennedy@iowaagriculture.gov).

Thank you,

*James Kennedy*  
James Kennedy

Grain Warehouse Bureau Chief