



KIM REYNOLDS
GOVERNOR

OFFICE OF THE GOVERNOR

ADAM GREGG
LT GOVERNOR

April 9, 2024

The Honorable Paul Pate
Secretary of State of Iowa
State Capitol
Des Moines, Iowa 50319

Dear Mr. Secretary,

I hereby transmit:

Senate File 2204, an Act relating to interests in agricultural land acquired or held by foreign businesses, foreign governments, or nonresident aliens, or by agents, trustees, or fiduciaries thereof, by providing for registration and reporting requirements, providing for enforcement, and providing penalties.

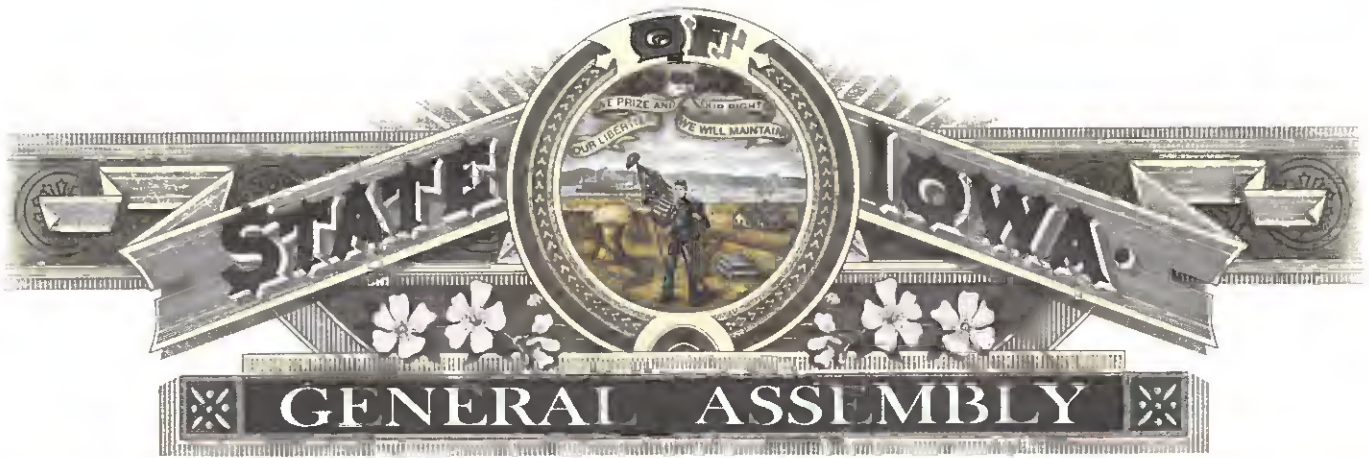
The above Senate File is hereby approved on this date.

Sincerely,

A handwritten signature in black ink that reads "Kim Reynolds".

Kim Reynolds
Governor of Iowa

cc: Secretary of the Senate
Clerk of the House



Senate File 2204

AN ACT

RELATING TO INTERESTS IN AGRICULTURAL LAND ACQUIRED OR HELD BY FOREIGN BUSINESSES, FOREIGN GOVERNMENTS, OR NONRESIDENT ALIENS, OR BY AGENTS, TRUSTEES, OR FIDUCIARIES THEREOF, BY PROVIDING FOR REGISTRATION AND REPORTING REQUIREMENTS, PROVIDING FOR ENFORCEMENT, AND PROVIDING PENALTIES.

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

Section 1. Section 9I.1, Code 2024, is amended by adding the following new subsections:

NEW SUBSECTION. 4A. "*Interest*" means any estate, remainder, or reversion, or portion of the estate, remainder, or reversion, or an option pursuant to which one party has a right to cause legal or equitable title to agricultural land to be transferred.

NEW SUBSECTION. 4B. "*Intermediary*" means any person, including a bank, broker, or dealer, that makes business or financial arrangements between companies or organizations that do not deal with each other directly.

NEW SUBSECTION. 6. "*Parent*" means any corporation which directly, or indirectly through one or more intermediaries, controls more than fifty percent of the voting stock of another corporation.

Sec. 2. Section 9I.7, Code 2024, is amended to read as follows:

9I.7 Registration.

A nonresident alien, foreign business, or foreign

government, or an agent, trustee, or fiduciary thereof, which owns an interest in agricultural land within this state on or after January 1, 1980, shall register the agricultural land with the secretary of state. The registration shall be made within sixty days after January 1, 1980, or within sixty days after acquiring the land or the interest in land, whichever time is the later. The registration shall be made online or in the form and manner prescribed by the secretary and shall contain the name of the owner and the location and number of acres of the agricultural land by township and county of state. ~~If the owner of the agricultural land or owner of the interest in agricultural land is an agent, trustee or fiduciary of a nonresident alien, foreign business or foreign government, the registration shall also include the name of any principal for whom that land, or interest in that land was purchased as agent.~~ Information described in this section is a confidential record and subject to use in the same manner as provided in section 10B.5. As part of the registration, the nonresident alien, foreign business, or foreign government, or an agent, trustee, or fiduciary thereof, shall file all of the following information:

1. The legal name, street address, mailing address, if different, and the birthplace and nationality of the nonresident alien, foreign business, or foreign government that owns the interest in the agricultural land.

2. The legal name, street address, mailing address, if different, and the birthplace and nationality of the agent, trustee, or fiduciary of the nonresident alien, foreign business, or foreign government in subsection 1, if specifically authorized to do any of the following:

a. Purchase the agricultural land.

b. Supervise the daily operations on the agricultural land.

3. A statement of the purpose for conducting business in this state.

4. A description of the purpose of the interest in the agricultural land in this state as it relates to the stated business purpose in subsection 3.

5. The legal name, street address, and mailing address of any parent of the registering party, including the legal

name, street address, and mailing address of any subsidiary or intermediary of the parent.

6. The legal name, street address, and mailing address of any subsidiary of the registering party.

7. A listing of all other interests in agricultural land that are held directly or indirectly by the registering party, parent of the registering party, or subsidiary or intermediary of the parent in the United States that exceeds two hundred fifty acres.

Sec. 3. Section 9I.10, subsection 1, Code 2024, is amended to read as follows:

1. If the secretary of state finds that a nonresident alien, foreign business, foreign government, or an agent, trustee, or other fiduciary thereof, has acquired or holds title to or interest in agricultural land in this state in violation of this chapter or has failed to timely register as required under section 9I.7 or has failed to timely report as required under section ~~9I.8~~ 10B.4, the secretary shall report the violation to the attorney general.

Sec. 4. Section 9I.10, Code 2024, is amended by adding the following new subsection:

NEW SUBSECTION. 4. The attorney general may conduct an inquiry or investigation regarding a violation of this chapter or section 10B.4. As part of that inquiry or investigation, and in accordance with the Iowa rules of civil procedure, the attorney general may issue a subpoena for the production of records, including but not limited to books, accounts, papers, correspondence, memoranda, purchase agreements, files, or other documents in a print or electronic format. If a person refuses compliance, the attorney general may seek enforcement by the district court.

Sec. 5. Section 9I.12, Code 2024, is amended to read as follows:

9I.12 Penalty — failure to timely file.

A civil penalty of not more than two thousand dollars to exceed twenty-five percent of the county's assessed value of the subject agricultural land for the previous year shall be imposed, for each offense, upon a nonresident alien, foreign business, or foreign government, or an agent, trustee, or other

fiduciary thereof, who fails to timely file the registration as required by section 9I.7, ~~or who fails to timely file a report required by section 9I.8.~~

Sec. 6. Section 10B.4, subsection 1, Code 2024, is amended to read as follows:

1. A biennial report shall be filed by a reporting entity with the secretary of state on or before March 31 of each odd-numbered year as required by rules adopted by the secretary of state pursuant to chapter 17A. However, a reporting entity required to file a biennial report pursuant to chapter 489, 490, 496C, 497, 498, 499, 501, 501A, or 504 shall file the report required by this section in the same year as required by that chapter. The reporting entity may file the report required by this section together with the biennial report required to be filed by one of the other chapters referred to in this subsection. The reports shall be filed online or on forms prepared and supplied by the secretary of state. The secretary of state may provide for combining its reporting forms with other biennial reporting forms required to be used by the reporting entities.

Sec. 7. Section 10B.4, subsection 2, unnumbered paragraph 1, Code 2024, is amended to read as follows:

A report required pursuant to this section shall contain information for the reporting period regarding the reporting entity as required by the secretary of state which shall at least include any updates to the information provided in the registration to the secretary of state in section 9I.7 and all of the following:

Sec. 8. Section 10B.4, Code 2024, is amended by adding the following new subsection:

NEW SUBSECTION. 4. The attorney general may conduct an inquiry or investigation regarding a violation of this section as provided in section 9I.10.

Sec. 9. Section 10B.4A, Code 2024, is amended to read as follows:

10B.4A Suspension of other filing requirements.

The secretary of state shall not prepare or distribute forms for reports or file reports otherwise required pursuant to section ~~9I.8~~ or 501.103. A person required to file a report

pursuant to this chapter is not required to file a report under ~~those sections~~ section 501.103. ~~A person required to file a report pursuant to this chapter is not required to register with the secretary of state as otherwise required in section 9I.7.~~

Sec. 10. NEW SECTION. 10B.5A Annual summary to governor and general assembly.

The secretary of state shall prepare an annual summary of foreign landholding. The summary must be a report summarizing the compiled information included in the current registrations filed pursuant to section 9I.7 and the last reports filed pursuant to section 10B.4. The information is a confidential record as provided in section 22.7. The attorney general may have access to the annual summary and may use information in the annual summary in any action to enforce state law, including but not limited to chapters 9H and 9I, and this chapter. The annual summary shall be made available to the governor, members of the general assembly, and appropriate committees of the general assembly in order to determine the extent that agricultural land is held in this state by foreign entities and the effect of such land ownership upon the economy of this state. Upon request, the secretary of state shall assist any committee of the general assembly studying these issues.

Sec. 11. Section 10B.6, subsection 1, Code 2024, is amended to read as follows:

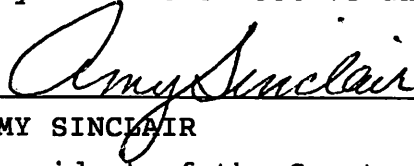
1. a. The Except as provided in paragraph "b", the failure to timely file a report or the filing of false information in a report as provided in section 10B.4 is punishable by a civil penalty not to exceed one thousand dollars.

b. The failure to file a report or the filing of false information in a report by a nonresident alien, foreign business, or foreign government, or an agent, trustee, or other fiduciary thereof as provided in section 10B.4 is punishable by a civil penalty of up to ten thousand dollars for each offense.

Sec. 12. REPEAL. Section 9I.8, Code 2024, is repealed.

Sec. 13. REGISTRATION REQUIREMENT. A nonresident alien, foreign business, or foreign government, or an agent, trustee, or fiduciary thereof, that currently owns an interest in

agricultural land must update their registration with the secretary of state's office to comply with the requirements of section 9I.7, as amended by this Act, within one hundred eighty days of the effective date of this Act.

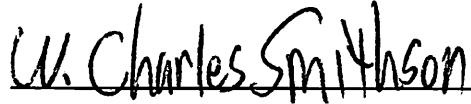


AMY SINCLAIR
President of the Senate



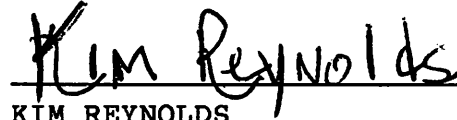
PAT GRASSLEY
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2204, Ninetieth General Assembly.



W. CHARLES SMITHSON
Secretary of the Senate

Approved April 9th, 2024



KIM REYNOLDS
Governor