

CHAPTER 47  
CORPORATE OR PARTNERSHIP FARMING

H. F. 451

AN ACT to prohibit certain corporations and certain trusts from acquiring or leasing agricultural land in Iowa, providing an enforcement mechanism therefor and providing a penalty.

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

Section 1. Section one hundred seventy-two C point four (172C.4), Code 1979, is amended to read as follows:

172C.4 ~~TEMPORARY~~ RESTRICTION ON INCREASE OF HOLDINGS. ~~For a period of five years from August 15, 1975, no~~ No corporation or trust, other than a family farm corporation, authorized farm corporation, family trust, authorized trust or testamentary trust shall, either directly or indirectly, acquire or otherwise obtain or lease any agricultural land in this state. However, the restrictions provided in this section shall not apply to the following:

1. A bona fide encumbrance taken for purposes of security.
2. Agricultural land acquired by a corporation for research or experimental purposes, if the commercial sales from such agricultural land are incidental to the research or experimental objectives of the corporation, and agricultural land acquired for the purpose of testing, developing or producing seeds, animals, or plants for sale or resale to farmers or for purposes incidental to those purposes.  
Commercial sales are incidental to the research or experimental objectives of the corporation when they are less than twenty-five percent of the gross sales of the primary product of the research. The limitation provided in this subsection shall not apply to corporations referred to in subsection 3.
3. Agricultural land, including leasehold interests, acquired by a nonprofit corporation organized under the provisions of chapters 504 and 504A including land acquired and operated by or for a state university for research, experimental, demonstration, foundation seed increase or test purposes and land acquired and operated by or for nonprofit corporations organized specifically for research, experimental, demonstration, foundation seed increase or test purposes in support of or in conjunction with a state university.
4. Agricultural land acquired by a corporation for immediate or potential use in nonfarming purposes.
5. Agricultural land acquired by a corporation by process of law in the collection of debts, or pursuant to a contract for deed executed prior to August 15, 1975, or by any procedure for the enforcement of a lien or claim thereon, whether created by mortgage or otherwise.

6. A municipal corporation.

7. Agricultural land which is acquired by a trust company or bank in a fiduciary capacity or as trustee for a family trust, authorized trust or testamentary trust or for nonprofit corporations.

8. A corporation or its subsidiary organized under chapter 491 and to which section 312.8 is applicable.

9. Agricultural land held or leased by a corporation on July 1, 1975, as long as the corporation holding or leasing the land on this date continues to hold or lease such agricultural land.

10. Agricultural land held or leased by a trust on July 1, 1977, as long as the trust holding or leasing such land on this date continues to hold or lease such agricultural land.

11. Agricultural land acquired by a trust for immediate use in nonfarming purposes.

12. Any corporation or trust, other than a family farm corporation ~~or an~~, authorized farm corporation, family trust, authorized trust or testamentary trust, violating the provisions of this section shall upon conviction, be punished by a fine of not more than fifty thousand dollars and shall divest itself of any land acquired in violation of this section within one year after conviction. The courts of this state may prevent and restrain violations of this section through the issuance of an injunction. The attorney general or a county attorney shall institute suits on behalf of the state to prevent and restrain violations of this section.

Sec. 2. Section one hundred seventy-two C point seven (172C.7), unnumbered paragraph one (1), Code 1979, is amended to read as follows:

Every person acting in a fiduciary capacity or as a trustee on behalf of any corporation, limited partnership or nonresident alien ~~individual~~, who holds agricultural land in this state outside the corporate limits of any city, shall file with the secretary of state on or before January ~~31~~ thirty-first of each year a report as follows:

Sec. 3. Section one hundred seventy-two C point eleven (172C.11), Code 1979, is amended to read as follows:

172C.11 PENALTIES--REPORTS. Failure to timely file a report or the filing of false information is punishable by a civil ~~fine~~ penalty not to exceed one thousand dollars.

For purposes of this section a report is timely filed if the report is filed prior to May ~~1~~ first of the year in which it is required to be filed.

The secretary of state shall notify a person ~~whom~~ who the secretary has reason to believe is required to file a report as provided by this chapter and who has not filed a timely report, that the person may be in violation of this section. After thirty days from receipt of the notice, any person required to report under this chapter who has not filed, shall be assessed a civil ~~fine~~ penalty of one hundred dollars for each day in which the report is not filed. The secretary of state shall include in the notice, a statement of the penalty which will be assessed if the report is required and is not filed within thirty days. This penalty shall be in addition to any other penalty under this chapter. The secretary of state shall notify the state

attorney general, when the secretary of state has reason to believe a violation of this chapter has occurred.

Sec. 4. This Act is effective January first following its enactment.

Approved April 20, 1979

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CHAPTER 48  
TURKEYS CHECKOFF FEE

H. F. 168

AN ACT relating to the rate of the fee upon turkeys delivered for processing.

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

Section 1. Section one hundred eighty-four A point two (184A.2), unnumbered paragraph one (1), Code 1979, is amended to read as follows:

If approved by a majority of the voters at a referendum as provided in section 184A.10, there is hereby imposed a fee upon each turkey delivered for processing in the state of Iowa. The rate of the fee imposed shall not be ~~one-half~~ more than one cent for each turkey weighing less than ten pounds live weight and ~~one-cent~~ not more than two cents for each turkey weighing ten or more pounds live weight, as established at the discretion of the council.

Sec. 2. Section one hundred eighty-four A point eleven (184A.11), Code 1979, is amended to read as follows:

184A.11 NOTICE. Notice of a referendum on the question of whether to impose the fee shall be given by the secretary by publishing the notice for a period of not less than five days in a newspaper of general circulation in the state, and for a similar period in ~~such~~ other newspapers as the secretary prescribes. ~~No~~ A referendum shall not be commenced prior to five days after the last day of the period of publication. The notice of referendum shall set forth the period and voting places for the referendum, and the maximum amount of the fee. Each producer, upon signing a statement certifying that he is a bona fide producer, as defined in this chapter, ~~shall-be~~ is entitled to one vote.

Sec. 3. This Act is effective January first following its enactment.

Approved February 28, 1979