

subsections 20 and 21, and section 139.35, eighty thousand dollars is appropriated to the department of natural resources for city, county, or service organization project grants relative to recycling and reclamation events, and eight thousand dollars is appropriated to the department of transportation for the period of October 1, 1987 through June 30, 1989 for the purpose of conducting the used oil collection pilot project. The remainder of the account shall be used to fund Toxic Cleanup Days programs, education programs, and other activities pursuant to chapter 455F, including the administration of the household hazardous materials permit program by the department of revenue and finance.

The department shall submit to the general assembly, annually on or before January 1, an itemized report which includes but is not limited to the total amount of moneys collected and the sources of the moneys collected, the amount of moneys expended for administration of the programs funded within the account, and an itemization of any other expenditures made within the previous fiscal year.

Approved May 9, 1988

CHAPTER 1191

AGRICULTURAL PROPERTY HOLDINGS

H.F. 2283

AN ACT relating to agricultural property holdings by providing certain definitions; restricting processors; establishing family farm limited partnerships; restricting the number of acres of agricultural land that other limited partnerships may acquire or otherwise obtain or lease; restricting persons from becoming limited partners, stockholders, or beneficiaries in more than a number of certain limited partnerships, authorized farm corporations, or authorized trusts; providing certain restrictions on family trusts; and requiring reporting of certain agricultural related property and the confidentiality of certain information; and providing penalties.

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

Section 1. Section 172C.1, subsection 11, Code 1987, is amended to read as follows:

11. "Family trust" means a trust:

a. In which a majority interest in the trust is held by and the majority of the beneficiaries are persons related to each other as spouse, parent, grandparent, lineal ascendants of grandparents or their spouses and other lineal descendants of the grandparents or their spouses, or persons acting in a fiduciary capacity for persons so related; and

b. In which all the beneficiaries are natural persons, who are not acting as a trustee or in a similar capacity for a trust, as defined in subsection 10 of this section, or persons acting in a fiduciary capacity, or nonprofit corporations; and

c. If the trust is established on or after July 1, 1988, the trust must be established for the purpose of farming and sixty percent of the gross revenues of the trust over the last consecutive three-year period must come from farming.

Sec. 2. Section 172C.1, Code 1987, is amended by adding the following new subsections:

NEW SUBSECTION. 18. "Contract feeder" means a person owning in the applicable reporting year, as provided in section 172C.5B, more than two thousand five hundred hogs, or five thousand head of poultry if the hogs or poultry are subject to a contract or contracts for care and feeding by a person or persons other than the owner on land which is not owned, leased, or held by the owner.

NEW SUBSECTION. 19. "Family farm limited partnership" means a limited partnership which meets all of the following conditions:

a. The limited partnership is formed for the purpose of farming and the ownership of agricultural land in which the general partner and a majority of the partnership interest is held by and the majority of limited partners are persons related to each other as spouse, parent, grandparent, lineal ascendants of grandparents or their spouses and other lineal descendants of the grandparents or their spouses, or persons acting in a fiduciary capacity for persons so related.

b. The general partner manages and supervises the day-to-day farming operations on the agricultural land.

c. All of the limited partners are natural persons or persons acting in a fiduciary capacity for the benefit of natural persons or family trusts.

d. Sixty percent of the gross revenues of the partnership over the last consecutive three-year period come from farming.

Sec. 3. Section 172C.2, unnumbered paragraph 1, Code 1987, is amended to read as follows:

In order to preserve free and private enterprise, prevent monopoly, and protect consumers, it is unlawful for any processor of beef or pork or limited partnership in which a processor holds partnership shares as a general partner or partnership shares as a limited partner, to own, control or operate a feedlot in Iowa in which hogs or cattle are fed for slaughter. In addition, a processor shall not directly or indirectly control the manufacturing, processing, or preparation for sale of pork products derived from swine if the processor contracted for the care and feeding of the swine in this state. However, this section does not apply to a cooperative association organized under chapter 497, 498, or 499, if the cooperative association contracts for the care and feeding of swine with a member of the cooperative association who is actively engaged in farming. This section does not apply to an association organized as a cooperative in which another cooperative association organized under chapter 497, 498, or 499 is a member, if the association contracts with a member which is a cooperative association organized under chapter 497, 498, or 499, which contracts for the care and feeding of swine with a member of the cooperative who is actively engaged in farming. This section shall not preclude a processor or limited partnership from contracting for the purchase or feeding of hogs or cattle, provided that where the contract sets a date for delivery which is more than twenty days after the making of the contract it shall:

Sec. 4. Section 172C.5, Code Supplement 1987, is amended to read as follows:

172C.5 RESTRICTIONS ON AUTHORIZED FARM CORPORATIONS, AND AUTHORIZED TRUSTS, AND LIMITED PARTNERSHIPS.

1. An authorized farm corporation or authorized trust shall not, on or after July 1, 1987, and a limited partnership other than a family farm limited partnership shall not, on or after July 1, 1988, either directly or indirectly, acquire or otherwise obtain or lease agricultural land, if the total agricultural land either directly or indirectly owned or leased by the authorized farm corporation, limited partnership, or authorized trust would then exceed one thousand five hundred acres.

a. However, the restrictions provided in this paragraph does subsection do not apply to agricultural land that is leased by an authorized farm corporation, or authorized trust, or limited partnership to the immediate prior owner of the land for the purpose of farming, as defined in section 172C.1. Upon cessation of the lease to the immediate prior owner, the authorized farm corporation, or authorized trust, or limited partnership shall, within three years following the date of the cessation, sell or otherwise dispose of the agricultural land leased to the immediate prior owner.

b. This paragraph subsection also does not apply to land that is held or acquired and maintained by an authorized farm corporation, authorized trust, or limited partnership to protect

significant elements of the state's natural open space heritage, including but not limited to significant river, lake, wetland, prairie, forest areas, other biologically significant areas, land containing significant archaeological, historical, or cultural value, or fish or wildlife habitats, as defined in rules adopted by the department of natural resources.

2. A person shall not after July 1, 1987 become a stockholder of any authorized farm corporation if the person is a stockholder of any other authorized farm corporation or a beneficiary of an authorized trust. A person shall not after July 1, 1987 become a beneficiary of an authorized trust if the person is a beneficiary of another authorized trust or a stockholder of an authorized farm corporation. A person shall not, after July 1, 1988, become a stockholder of an authorized farm corporation, a beneficiary of an authorized trust, or a limited partner in a limited partnership which owns or leases agricultural land if the person is also any of the following:

a. A stockholder of an authorized farm corporation.

b. A beneficiary of an authorized trust.

c. A limited partner in a limited partnership which owns or leases agricultural land.

However, this subsection shall not apply to limited partners in a family farm limited partnership.

3. a. Any authorized farm corporation, or authorized trust, or limited partnership 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. A penalty of not more than one thousand dollars shall may be imposed on a person who becomes a stockholder of an authorized farm corporation, or a beneficiary of an authorized trust, or limited partner in a limited partnership in violation of this section. The person shall divest the interest held by the person in the corporation or trust corporation, trust, or limited partnership to comply with this section. The court may determine the method of divesting an interest held by a person found to be in violation of this chapter. A financial gain realized by a person who disposes of an interest held in violation of this chapter shall be forfeited to the state's general fund. All court costs and fees shall be paid by the person holding the interest in violation of this chapter.

b. 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. 5. NEW SECTION. 172C.5A REPORTING.

1. An annual report shall be filed by a reporting entity with the secretary of state on or before June 30 of 1989, and thereafter on or before March 31 of each year on forms adopted pursuant to chapter 17A and supplied by the secretary of state.

2. As used in this section, a "reporting entity" means any of the following:

a. A person serving as the president or other officer or authorized representative of a corporation (other than a family farm corporation) and including an authorized farm corporation, owning or leasing agricultural land or engaged in farming in this state.

b. A person acting as the general partner of a limited partnership, other than a family farm limited partnership, owning or leasing agricultural land or engaged in farming in this state.

c. A person acting in a fiduciary capacity or as a trustee on behalf of a person, including a corporation, limited partnership, or nonresident alien, who holds in a trust (other than through a family trust) including through an authorized trust, agricultural land in this state.

3. The report shall contain information for the last year regarding the reporting entity's corporation, limited partnership, or trust, and the agricultural land owned, leased, or held. However, this subsection shall not apply to a family farm corporation, a family farm limited partnership, or a family trust. The report shall contain the following information, if applicable:

a. Whether the reporting entity represents a corporation, trust, or limited partnership. If the reporting entity represents a corporation the report shall specify if the corporation is foreign or domestic, profit or nonprofit, or an authorized farm corporation. If the reporting entity represents a trust the report shall specify if the trust is an authorized trust.

b. The name of the reporting entity and the name and address of the person supervising the daily operations on the agricultural land.

c. The name, address, and citizenship if not from the United States, of each shareholder, limited partner, or beneficiary of a corporation, trust, or limited partnership.

d. The total approximate number of acres, and the approximate number of acres by named county, of agricultural land which is owned, leased, or held by the corporation, trust, or limited partnership.

e. The approximate number of acres of agricultural land which is owned and operated by the corporation or limited partnership; the approximate number of acres of agricultural land which is leased by the corporation, limited partnership, or trust as a lessee; the approximate number of acres of agricultural land which is leased from the corporation, limited partnership, or trust as a lessor; and the approximate number of acres of agricultural land which is held in fee and operated by a trust.

f. The approximate number of acres of agricultural land which the corporation, trust, or limited partnership used for the production of row crops.

g. The approximate number of livestock, including cattle, sheep, swine, or poultry, owned, contracted for, or kept by the corporation, trust, or limited partnership, and the approximate number of offspring produced from the livestock.

Sec. 6. NEW SECTION. 172C.5B REPORTING BY CONTRACTORS.

A contract feeder shall file with the secretary of state on or before March 31 of each year on forms adopted pursuant to chapter 17A and supplied by the secretary of state an annual report containing all of the following information, if applicable:

1. The name and address of the person.

2. For each county, which the contractor shall identify, the approximate total number of hogs, or head of poultry subject to a contract for feeding and care as described in section 172C.1, subsection 18.

3. The name and address of the purchaser of the hogs, or poultry.

Sec. 7. Section 172C.9, Code 1987, is amended by adding the following new subsection: NEW SUBSECTION. 5. The total number of hogs for which the processor has contracted for feeding as provided in section 172C.2.

Sec. 8. Section 172C.8, Code 1987, is amended to read as follows:

172C.8 REPORTS BY BENEFICIARIES.

1. Any limited partnership or corporation identified as a beneficiary in a report filed with the secretary of state pursuant to section 172C.7, subsection 2, 172C.5A shall file with the secretary of state on or before March 31 of each year, on forms supplied by the secretary of state, a report containing the information set forth in section 172C.6, 172C.5A with respect to land owned by a fiduciary or trustee on behalf of the limited partnership or corporation.

2. Any nonresident alien identified as a beneficiary in a report filed with the secretary of state pursuant to section 172C.7, subsection 3, 172C.5A shall file with the secretary of state on or before March 31 of each year on forms supplied by the secretary of state, a report containing the information set forth in section 567.8, with respect to land owned by a fiduciary or trustee on behalf of the nonresident alien.

Sec. 9. Section 172C.14, Code 1987, is amended to read as follows:

172C.14 DUTIES OF SECRETARY OF STATE — LEGISLATIVE USE.

The secretary of state shall do all things necessary to implement this chapter. It is the intent of this section that information shall be made available to members of the general assembly and appropriate committees of the general assembly in order to determine the extent of farming being carried out in this state by corporations and other business entities and the effect of such farming practices upon the economy of this state. The reports of corporations, limited partnerships, trusts, contractors, and processors required in section 172C.9 this chapter shall be confidential reports except as to the general assembly and appropriate committees of the general assembly whose members upon receipt of such reports treat such information as confidential and to the attorney general for review and appropriate action when necessary. The secretary of state shall assist any committee of the general assembly existing or established for the purposes of studying the effects of this chapter and the practices this chapter seeks to study and regulate.

Sec. 10. Sections 172C.6 and 172C.7, Code 1987, are repealed.

Approved May 9, 1988

CHAPTER 1192

COMMERCIAL CONCESSIONS IN STATE PARK AREAS

H.F. 2191

AN ACT relating to commercial concessions operated on certain state-owned lands.

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

Section 1. Section 111.4, unnumbered paragraph 4, Code 1987, is amended to read as follows:

No A person, association, or corporation shall not operate any a commercial concession on any state-owned lands or waters in a park, forest, fish and wildlife area, or recreation area under jurisdiction of the department without first obtaining from the commission a permit therefor entering into a written contract with the department. The contract shall state the consideration and other terms under which the concession may be operated. The commission department may issue and revoke such permits cancel or, in an emergency, suspend a concession contract for the protection of the public health, safety, morals, or welfare.

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