

SENATE FILE 430  
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO SSB 257)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the agricultural development authority, by  
2 establishing programs to assist ruminant livestock producers,  
3 establishing a fund, and making appropriations.

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

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SF 430

1 Section 1. NEW SECTION. 175.37 ASSISTANCE PROGRAMS FOR  
2 RUMINANT LIVESTOCK PRODUCERS.

3 1. The authority shall establish and develop programs to  
4 assist ruminant livestock producers. The purpose of the  
5 programs is to assist the agricultural producers to establish  
6 or increase production of ruminant livestock, including beef  
7 cattle herds, dairy cattle herds, and sheep flocks. The  
8 programs shall encourage livestock production on pasture land  
9 which is unsuitable for row crop farming due to highly  
10 erodible characteristics.

11 2. The authority may provide economic assistance directly  
12 or indirectly to agricultural producers establishing or  
13 increasing production of ruminant livestock production  
14 operations by providing assistance to a person qualifying  
15 under any of the following programs:

16 a. The beginning farmer program established pursuant to  
17 section 175.12.

18 b. Financial assistance programs for agricultural  
19 producers established pursuant to section 175.13A.

20 c. The soil conservation loan program established pursuant  
21 to section 175.34.

22 d. The agricultural loan assistance program established  
23 pursuant to section 175.35.

24 e. Assistance and management programs for beef cattle  
25 producers established pursuant to section 175.36.

26 Assistance may be in any form, including but not limited to  
27 loan guarantees, interest buy-downs, grants, or secured or  
28 unsecured direct loans. The person is not required to receive  
29 the same type of assistance under a program to assist ruminant  
30 livestock producers established pursuant to this section that  
31 the person may receive under the other program for which the  
32 person qualifies. The person may receive more in assistance  
33 from a program administered under this section than the  
34 maximum amount of assistance allowed under the other program.  
35 A producer is eligible to participate in programs to assist

1 ruminant livestock producers regardless of whether the  
2 producer participates in another program established pursuant  
3 to this chapter.

4 3. The authority shall give a preference to persons  
5 applying for assistance for purposes of establishing ruminant  
6 livestock production operations on pasture land which is  
7 unsuitable for row crop farming due to its highly erodible  
8 characteristics.

9 4. The authority shall accept rules to administer and  
10 enforce this section or the terms of a contract to which the  
11 authority is a party. The authority may also enforce this  
12 section or terms of a contract by bringing an action in any  
13 court of competent jurisdiction to recover damages. As a  
14 condition of entering into the program, the authority may  
15 require that the agricultural producer consent to the  
16 jurisdiction of the courts of this state to hear any matter  
17 arising from this section.

18 Sec. 2. NEW SECTION. 175.38 RUMINANT LIVESTOCK  
19 PRODUCTION RESERVE FUND.

20 1. A ruminant livestock production reserve fund is created  
21 in the state treasury under the control of the authority. The  
22 fund is composed of moneys appropriated by the general  
23 assembly, and moneys available to and obtained or accepted by  
24 the authority, including moneys from the United States, other  
25 states in the union, foreign nations, state agencies,  
26 political subdivisions, and private sources.

27 2. The fund shall at all times have a reserve balance of  
28 at least one million dollars. Moneys in the fund which exceed  
29 the reserve balance and interest earned on proceeds in the  
30 fund shall be used and are appropriated to support programs  
31 providing assistance to agricultural producers establishing or  
32 expanding ruminant livestock production operations pursuant to  
33 section 175.37.

34 3. Moneys in the fund shall be subject to an annual audit  
35 by the auditor of state. The fund shall be subject to

1 warrants drawn by the director of revenue and finance upon the  
2 written requisition of the executive director or a person  
3 authorized by the executive director.

4 4. In administering the fund, the board may do all of the  
5 following:

6 a. Contract, sue and be sued, and adopt rules necessary to  
7 administer this section. However, the authority shall not in  
8 any manner, directly or indirectly, pledge the credit of the  
9 state.

10 b. Authorize payment from the fund for administrative  
11 costs, attorney fees, and other reasonable expenses related to  
12 and necessary for administering the fund.

13 5. All interest earned on proceeds in the fund shall  
14 remain in the fund. Section 8.33 does not apply to moneys in  
15 the fund.

16 Sec. 3. APPROPRIATION TO SUPPORT RUMINANT LIVESTOCK  
17 PRODUCTION. There is appropriated from the general fund of  
18 the state to the agricultural development authority for the  
19 fiscal year beginning July 1, 1991, and ending June 30, 1992,  
20 the following amount, to be used for the purpose designated:

21 For deposit into the ruminant livestock production reserve  
22 fund:  
23 ..... \$ 1,000,000

24 EXPLANATION

25 This bill amends chapter 175 establishing programs to  
26 assist agricultural producers. The bill requires the  
27 authority to establish and develop programs to assist ruminant  
28 livestock producers. The purpose of the programs is to assist  
29 such agricultural producers in establishing or increasing  
30 production of ruminant livestock, including beef cattle herds,  
31 dairy cattle herds, and sheep flocks. The programs shall  
32 encourage livestock production on pasture land which is  
33 unsuitable for row crop farming due to its highly erodible  
34 characteristics.

35 The authority may provide economic assistance directly or

1 indirectly to agricultural producers who qualify under  
2 programs established under the chapter, including the  
3 beginning farmer program, financial assistance programs for  
4 agricultural producers, the soil conservation loan program,  
5 and assistance and management programs for beef cattle  
6 producers.

7 The bill establishes a ruminant livestock production  
8 reserve fund and provides for the appropriation of moneys in  
9 the fund. The bill requires that the fund at all times have a  
10 reserve balance of at least one million dollars. Moneys in  
11 the fund which exceed the reserve balance and interest earned  
12 on proceeds in the fund are dedicated to support programs  
13 providing assistance to agricultural producers establishing or  
14 expanding ruminant livestock production operations.

15 The bill appropriates \$1,000,000 to the agricultural  
16 development authority for deposit into the fund.

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PETERSON, CH.  
PRIEBE  
SOORNOLTZ

SSB 257  
AGRICULTURE

SENATE FILE 430  
BY (PROPOSED COMMITTEE ON  
AGRICULTURE BILL BY  
CHAIRPERSON PRIEBE)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
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