

Kibbie
McLaren
Fraise

SSB-1177
Agriculture
Succeeded By
SF/HF 319

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
AGRICULTURE BILL BY
CHAIRPERSON McLAREN)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to corporations financing agricultural industry
2 ventures by providing for their board of directors and
3 providing an applicability date.

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

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1 Section 1. Section 15E.205, Code 2001, is amended by
2 adding the following new subsection:

3 NEW SUBSECTION. 1A. Notwithstanding section 490.802, a
4 director of the corporation must be a resident of this state
5 and a holder of voting common stock in the corporation.

6 Sec. 2. ELECTION OF A PERMANENT BOARD OF DIRECTORS. The
7 initial board of directors of the Iowa agricultural industry
8 finance corporation constituted pursuant to section 15E.206
9 shall organize a meeting of shareholders and provide for the
10 election of a permanent board of directors as provided in
11 chapter 490. The permanent board of directors shall take
12 office not later than March 1, 2003.

13 Sec. 3. APPLICABILITY. Section 15E.205, subsection 1A, as
14 enacted in this Act, applies to directors of a corporation who
15 are elected to the corporation's permanent board of directors
16 as provided in section 2 of this Act.

17 EXPLANATION

18 Division XIX of Code chapter 15E, referred to as the "Iowa
19 Agricultural Industry Finance Act", authorizes the formation
20 of one or more Iowa agricultural industry finance
21 corporations. The purpose of such a corporation is to
22 facilitate opportunities for local agricultural producer-led
23 ventures and to expand production and processing of high-value
24 agricultural products. Such a corporation is governed by a
25 board of directors. Code section 15E.206 provides for the
26 organization of the board of one corporation by an initial
27 board of directors.

28 This bill provides for the election of directors of an Iowa
29 agricultural industry finance corporation. Generally, a
30 corporation provided for in Code chapter 15E is governed under
31 Code chapter 490, including providing for the election of
32 directors under Code section 490.802. This bill provides that
33 notwithstanding that section, a director of the corporation
34 must be a resident of this state and a holder of voting common
35 stock in the corporation.

1 The bill also requires that the initial board of directors
 2 of the Iowa agricultural industry finance corporation
 3 constituted pursuant to Code section 15E.206 must organize a
 4 meeting of shareholders and provide for the election of a
 5 permanent board of directors. The permanent board of
 6 directors must take office not later than March 1, 2003.

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4/13/01 Referred To: Agriculture

FILED MAR 1 '01

SENATE FILE 319
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO SSB 1177)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

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SF 319

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