

CHAPTER 1028**INTERESTS IN AGRICULTURAL LAND — QUALIFIED ENTERPRISES***S.F. 2210*

AN ACT relating to the acquisition and holding of agricultural land by qualified enterprises, by providing for activities related to baby chicks and fertilized chicken eggs, providing penalties, and providing an effective date.

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

Section 1. **PURPOSE.** The purpose of this Act is to promote economic and agricultural prosperity in this state, by providing opportunities for leading commercial enterprises that are engaged in the advancement of animal and human health sciences to acquire and hold agricultural land with certain restrictions and in a manner that complements rather than competes with the production of grain and livestock on farms in this state, and promises to enhance this state's preeminent position in agriculture.

Sec. 2. Section 10B.4A, Code 2001, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. 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 any chapter enumerated in this section.

Sec. 3. **NEW SECTION. 10D.1 DEFINITIONS.**

As used in this section,⁷ unless the context otherwise requires:

1. "Agricultural land" means land suitable for use in farming as defined in section 9H.1.
2. "Baby chicks" means the same as defined in section 168.1.
3. "Qualified enterprise" or "enterprise" means a domestic or foreign corporation subject to chapter 490, a nonprofit corporation organized under chapter 504A, a limited liability company as defined in section 490A.102, a cooperative association as defined in section 10.1, or a foreign business as defined in section 567.1.

Sec. 4. **NEW SECTION. 10D.2 QUALIFIED ENTERPRISES — AGRICULTURAL LAND INTERESTS.**

Notwithstanding any other provision of law, a qualified enterprise may acquire or hold an ownership or leasehold interest in agricultural land as long as the qualified enterprise complies with all of the following requirements:

1. The enterprise files a notice with the secretary of state not later than June 30, 2002. The notice shall be a simple statement providing the name of the enterprise and the address of the enterprise's registered office or registered agent. The notice shall indicate that the enterprise intends to acquire or hold an interest in agricultural land under this chapter. The secretary of state shall file the notice together with reports required for the enterprise as required in chapter 10B.

2. The enterprise holds a total of not more than one thousand two hundred eighty acres of agricultural land. The enterprise must hold not more than eight hundred acres of agricultural land in any one county.

3. The enterprise only holds the agricultural land for a designated or incidental use.

- a. A designated use must relate to producing baby chicks or fertile chicken eggs for any of the following purposes:

- (1) Sale or resale as breeding stock or breeding stock progeny.

- (2) Research, testing, or experimentation related to the genetic characteristics of chickens.

- (3) The production and sale of products using biotechnological systems or techniques for purposes of manufacturing animal vaccine, pharmaceutical, or nutraceutical products.

⁷ See chapter 1175, §74 herein

b. An incidental use must be for a purpose related to the sale of a surplus commodity or cull animal that is produced or kept on the agricultural land, or to the sale of any by-product that is produced as part of a designated use.

Sec. 5. NEW SECTION. 10D.3 ENFORCEMENT — PENALTIES.

1. The office of attorney general or a county attorney shall enforce the provisions of this chapter.

2. A person who violates a provision of this chapter shall be subject to all of the following:

a. The person shall be assessed a civil penalty of not more than twenty-five thousand dollars. Each day that a violation exists constitutes a separate offense.

b. The person shall be divested of any land held in violation of this chapter within one year after judgment. 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 the person that disposes of an interest held in violation of this chapter shall be forfeited.

c. The person shall pay all court costs and fees associated with any enforcement action which shall be taxed as court costs.

3. If the attorney general is the prevailing party, the moneys required to be paid or forfeited by a person who violates a provision of this chapter shall be deposited in the general fund of the state. If the county attorney is the prevailing party, the moneys shall be deposited in the general fund of the county.

4. The courts of this state may prevent and restrain violations of this chapter 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 chapter.

5. A person who is in violation of this chapter shall not be subject to an enforcement action other than as provided in this section.

Sec. 6. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved March 28, 2002

CHAPTER 1029

AREA EDUCATION AGENCIES — REORGANIZATION OR DISSOLUTION

S.F. 2260

AN ACT relating to the reorganization or dissolution of area education agencies and providing an effective date.

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

Section 1. Section 273.21, subsection 3, paragraph g, Code Supplement 2001, is amended to read as follows:

g. Transmit the completed plan to the state board by November 1. Plans received by the state board after November 1 shall be considered for area education agency reorganization taking effect no sooner than July 1 after the next succeeding fiscal year.

Sec. 2. Section 273.21, subsection 4, Code Supplement 2001, is amended to read as follows:

4. The state board shall review the reorganization plan and shall, prior to February 1, either