

16.4A Legislative findings — agricultural development.

The general assembly finds and declares all of the following:

1. There exists a serious problem in this state regarding the ability of nonestablished farmers to acquire agricultural land and agricultural improvements and depreciable agricultural property in order to enter farming.

2. This barrier to entry into farming is conducive to consolidation of acreage of agricultural land with fewer individuals resulting in a grave threat to the traditional family farm.

3. These conditions result in a loss in population, unemployment, and a movement of persons from rural communities to urban areas accompanied by added costs to communities for creation of new public facilities and services.

4. One major cause of this condition has been recurrent shortages of funds in private channels and the high interest cost of borrowing.

5. These shortages and costs have made the sale and purchase of agricultural land to beginning farmers a virtual impossibility in many parts of the state.

6. The ordinary operations of private enterprise have not in the past corrected these conditions.

7. A stable supply of adequate funds for agricultural financing is required to encourage beginning farmers in an orderly and sustained manner and to reduce the problems described in [this section](#).

8. [Article IX, 2nd subarticle, section 3, of the Constitution of the State of Iowa](#) requires that, “The General Assembly shall encourage, by all suitable means, the promotion of intellectual, scientific, moral, and agricultural improvement,” and agricultural improvement and the public good are served by a policy of facilitating access to capital by beginning farmers unable to obtain capital elsewhere in order to preserve, encourage, and protect the family farm which has been the economic, political, and social backbone of rural Iowa.

9. It is necessary to create a program to encourage ownership of farms by beginning farmers by providing purchase money loans to beginning farmers who are not able to obtain adequate capital elsewhere to provide such funds and to lower costs through the use of public financing.

10. There exists a serious problem in this state regarding the ability of farmers to obtain affordable operating loans for reasonable and necessary expenses and cash flow requirements of farming.

11. Farming is one of the principal pursuits of the inhabitants of this state. Many other industries and pursuits, in turn, are wholly dependent upon farming.

12. The inability of farmers to obtain affordable operating loans is conducive to a general decline of the economy in this state.

13. A serious problem continues to exist in this state regarding the ability of agricultural producers to obtain, retain, restructure, or service loans or other financing on a reasonable and affordable basis for operating expenses, cash flow requirements, and capital asset acquisition or maintenance.

14. Because the Iowa economy is dependent upon the production and marketing of agricultural produce, the inability of agricultural producers to obtain, retain, restructure, or service loans or other financing on a reasonable and an affordable basis for operating expenses, cash flow requirements, or capital asset acquisition or maintenance contributes to a general decline of the state’s economy.

[2014 Acts, ch 1080, §14, 78](#)