

JAN 31 1990

Place On Calendar

HOUSE FILE 2236

BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HSB 631)

Passed House, Date 2-5-90 (p. 302) Passed Senate, Date 2/26/90 (p. 717)  
Vote: Ayes 91 Nays 0 Vote: Ayes 47 Nays 0  
Approved March 5, 1990 (p. 893)

A BILL FOR

1 An Act to increase the percentage of the state ceiling allocated  
2 to qualified small issue bonds issued for first-time farmers,  
3 and providing an effective date.

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

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HF 2236

1 Section 1. Section 7C.4A, subsection 4, Code 1989, is  
2 amended to read as follows:

3 4. Five Twelve percent of the state ceiling shall be  
4 allocated to qualified small issue bonds issued for first-time  
5 farmers. However, at any time during the calendar year the  
6 governor's designee, with the approval of the Iowa  
7 agricultural development authority, may determine that a  
8 lesser amount need be allocated to qualified small issue bonds  
9 for first-time farmers and on that date this lesser amount  
10 shall be the amount allocated for those bonds and the excess  
11 shall be allocated under subsection 6.

12 Sec. 2.

13 This Act, being deemed of immediate importance, takes  
14 effect upon enactment.

15 EXPLANATION

16 This bill amends section 7C.4A which sets a state ceiling  
17 for allocation of private activity bonds as provided in  
18 section 141 of the Internal Revenue Code. The bill provides  
19 that the annual amount allocated to qualified small issue  
20 bonds issued for first-time farmers is increased from 5 to 12  
21 percent of the state ceiling. The bill provides an immediate  
22 effective date.

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HSB 631

Agriculture

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HOUSE FILE 2236

BY (PROPOSED DEPARTMENT ON  
AGRICULTURE AND LAND  
STEWARDSHIP BILL)

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

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

A BILL FOR

1 An Act to increase the percentage of the state ceiling allocated  
2 to qualified small issue bonds issued for first-time farmers.

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

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14 for allocation of private activity bonds as provided in  
15 section 141 of the Internal Revenue Code. The bill provides  
16 that the annual amount allocated to qualified small issue  
17 bonds issued for first-time farmers is increased from 5 to 12  
18 percent of the state ceiling.

19 BACKGROUND STATEMENT

20 SUBMITTED BY THE AGENCY

21 The Internal Revenue Code establishes an annual limitation  
22 of \$150,000,000 of private activity bonds that may be issued  
23 in the state of Iowa for certain specified purposes. The  
24 procedures for allocating the \$150,000,000 annual state  
25 limitation are set forth in chapter 7C. Subsection 4 of  
26 section 7C.4A currently reserves 5 percent (\$7,500,000) of the  
27 annual limitation for bonds issued for the Iowa agricultural  
28 development authority's beginning farmer program. This bill  
29 increases the annual amount reserved for the Iowa agricultural  
30 development authority to 12 percent (\$18,000,000) of the  
31 annual state limitation.

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Sec. 2.

This Act, being deemed of immediate importance, takes effect upon enactment.

HOUSE FILE 2236

AN ACT

TO INCREASE THE PERCENTAGE OF THE STATE CEILING ALLOCATED TO QUALIFIED SMALL ISSUE BONDS ISSUED FOR FIRST-TIME FARMERS, AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 7C.4A, subsection 4, Code 1989, is amended to read as follows:

4. Five Twelve percent of the state ceiling shall be allocated to qualified small issue bonds issued for first-time farmers. However, at any time during the calendar year the governor's designee, with the approval of the Iowa agricultural development authority, may determine that a lesser amount need be allocated to qualified small issue bonds for first-time farmers and on that date this lesser amount shall be the amount allocated for those bonds and the excess shall be allocated under subsection 6.

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DONALD D. AVENSON  
Speaker of the House

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JO ANN ZIMMERMAN  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2236, Seventy-third General Assembly.

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JOSEPH O'HERN  
Chief Clerk of the House

Approved March 5, 1990

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TERRY E. BRANSTAD  
Governor