

HOUSE CONCURRENT RESOLUTION NO. 115

BY WEIGEL

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3 A Concurrent Resolution to request that the President  
4 of the United States and the Congress of the United  
5 States remove current obstacles which prevent the  
6 transfer of agricultural land between family members  
7 participating in Iowa's Beginning Farmer Loan Program  
8 supported by small issue private activity bonds exempt  
9 from federal income taxation.

10 WHEREAS, the state of Iowa, one of the major  
11 agricultural states in the United States, has  
12 traditionally relied upon a system of family farming,  
13 in which agricultural land and the stewardship of that  
14 land has been passed down through generations; and

15 WHEREAS, this successful system of agriculture in  
16 which members of a family live and work on the land of  
17 their grandfathers and grandmothers, and provide food  
18 and fiber vital to the nation's welfare, is  
19 increasingly threatened by the cost of acquiring  
20 agricultural land, improvements, and property; and

21 WHEREAS, the establishment of Iowa's Beginning  
22 Farmer Loan Program has been vital to the effort to  
23 attract young people into farming, by providing that  
24 the Iowa Agricultural Development Authority, an agency  
25 of the Iowa Department of Agriculture and Land  
26 Stewardship, assists in cooperating with lending  
27 institutions to provide beginning farmers financing  
28 for the acquisition of agricultural land,  
29 improvements, and property; and

30 WHEREAS, this effort has helped to alleviate the

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1 serious shortages of funds in private channels and the  
2 cost of borrowing money in this state by beginning  
3 farmers assuming large debts in order to capitalize  
4 agricultural operations; and

5 WHEREAS, Iowa's Beginning Farmer Loan Program is  
6 supported by small issue private activity bonds  
7 ("Aggie Bonds") which have been exempt from federal  
8 taxation; and

9 WHEREAS, federal law, including regulations adopted  
10 by the Internal Revenue Service, prevent these bonds  
11 from supporting the transfer of agricultural land,  
12 improvements, and property between family members; and

13 WHEREAS, the effect of the federal law, is to  
14 deprive persons of an opportunity to farm on land held  
15 within their families simply because of a familial  
16 relationship which is essential to the structure of  
17 our system of agricultural production; NOW THEREFORE,

18 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, THE  
19 SENATE CONCURRING, That the President of the United  
20 States and the Congress of the United States remove  
21 current obstacles which prevent the transfer of  
22 agricultural land between family members participating  
23 in Iowa's Beginning Farmer Loan Program; and

24 BE IT FURTHER RESOLVED, That copies of this  
25 Resolution be submitted by the Chief Clerk of the  
26 House of Representatives to the Secretary of  
27 Agriculture and the Executive Director of the Iowa  
28 Agricultural Development Authority; and

29 BE IT FURTHER RESOLVED, That copies of this  
30 Resolution be submitted by the Chief Clerk of the

1 House of Representatives to the President of the  
2 United States, the President of the United States  
3 Senate, the Speaker of the United States House of  
4 Representatives, and members of Iowa's congressional  
5 delegation.

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