LOCAL GOVERNMENT

HOUSE FILE <u>AZO</u>3 BY FREVERT

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

A BILL FOR 1 An Act related to confinement feeding operations, by requiring the filing of bonds by general contractors. 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 3575HH 77

FORE AH

- 1 Section 1. <u>NEW SECTION</u>. 331.910 CONFINEMENT FEEDING
- 2 OPERATIONS -- SUBCONTRACTOR BOND REQUIRED.
- 3 1. As used in this section, unless the context otherwise
- 4 requires:
- 5 a. "Animal feeding operation structure", "confinement
- 6 feeding operation", and "small animal feeding operation" mean
- 7 the same as defined in section 455B.161.
- 8 b. "Bond" means a surety or cash performance bond issued
- 9 by a surety company authorized to do business in this state or
- 10 an irrevocable letter of credit issued by a qualified
- ll financial institution.
- 12 c. "Oualified financial institution" means a bank, credit
- 13 union, or savings and loan as defined in section 12C.1.
- 14 2. For purposes of this section, construction begins when
- 15 any of the following occurs in connection with a site where an
- 16 animal feeding operation structure is proposed to be
- 17 constructed:
- 18 a. Excavation.
- 19 b. The installation of forms for concrete.
- 20 c. The installation of piping for movement of manure
- 21 within or between animal feeding operation structures.
- 22 d. The removal of trees, brush, or other vegetative
- 23 growth.
- e. The construction of driveways or roads.
- 25 f. General earthmoving for leveling or compacting.
- 26 g. The installation of temporary utility service.
- 27 3. The board in a county may require that a general
- 28 contractor file a bond with the county before beginning
- 29 construction of an animal feeding operation structure which is
- 30 part of a confinement feeding operation other than a small
- 31 animal feeding operation. The bond shall be used to guarantee
- 32 the payment of costs for completing construction by
- 33 subcontractors. The amount of the bond, which shall not
- 34 exceed the costs of completing construction by the
- 35 subcontractors, shall be approved by the board. The total and

```
l aggregate liability of the surety on the bond is limited to
 2 the amount specified in the bond. A bond filed with the board
 3 shall not be canceled by the issuer on less than ninety days'
4 notice by certified mail to the board and the general
5 contractor. When the board receives notice from an issuer
6 that it has canceled the bond, the board may order the
7 suspension of construction until the canceled bond is
8 replaced.
Q
                             EXPLANATION
10
      This bill provides that the board of supervisors in a
11 county may require that a general contractor file a bond or
12 letter of credit with the county before beginning construction
13 of an animal feeding operation structure which is part of a
14 confinement feeding operation other than a small animal
15 feeding operation. The bond must be used to guarantee the
16 payment of costs for completing construction by
17 subcontractors. The bond amount approved by the board shall
18 not exceed the costs of completing construction by the
19 subcontractors.
20
21
22
23
24
25
26
27
28
29
30
31
32
3.3
34
35
```