

Alonso, Chair
Johnson
Parmenter

HSB 739

Agriculture

Suc

SF

02491

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
AGRICULTURE BILL BY
CHAIRPERSON KLEMME)

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

A BILL FOR

1 An Act providing for the production of life science products, and
2 providing for penalties.

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

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23

1 Section 1. Section 10B.4, subsection 2, Code 1999, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. g. If the reporting entity is a life
4 science enterprise, as provided in chapter 10C, the total
5 amount of commercial sales of life science products and
6 incidental sales associated with raising animals.

7 Sec. 2. NEW SECTION. 10C.1 DEFINITIONS.

8 1. "Agricultural commodity" means the same as defined in
9 section 190C.1.

10 2. "Agricultural land" means land suitable for use in
11 farming as defined in section 9H.1.

12 3. "Animal" means a creature belonging to the bovine,
13 caprine, equine, ovine, or porcine species; ostriches, rheas,
14 or emus; farm deer as defined in section 481A.1; or poultry.

15 4. "Corporation" means a domestic or foreign corporation
16 subject to chapter 490, a nonprofit corporation, or a
17 cooperative.

18 5. "Crop" means a plant used for food, animal feed, fiber,
19 or oil, including but not limited to a plant classified as a
20 forage or cereal plant.

21 6. "Life science enterprise" or "enterprise" means a
22 corporation or limited liability company organized for the
23 purpose of using biotechnological systems or techniques for
24 the production of life science products.

25 7. "Life science product" or "product" means a product
26 derived from an animal by using biotechnological systems or
27 techniques and which included only the following:

28 a. Embryos or oocytes for use in implantation.

29 b. Blood, milk, or urine for use in the manufacture of
30 pharmaceuticals or nutraceuticals.

31 c. Cells, tissue, or organs for use in transplantation.

32 8. "Limited liability company" means a limited liability
33 company as defined in section 490A.102.

34 Sec. 3. NEW SECTION. 10C.2 PURPOSE.

35 The purpose of this chapter is to promote economic growth

1 in this state during this period of revolutionary
2 technological advancement in animal and human health sciences,
3 by providing for the development of industries unrelated to
4 traditional farming, but devoted to the production of life
5 science products derived from animals.

6 Sec. 4. NEW SECTION. 10C.3 ENTERPRISES ENGAGED IN THE
7 CREATION AND DEVELOPMENT OF LIFE SCIENCE PRODUCTS --
8 PROHIBITION AND EXCEPTIONS.

9 Except as otherwise provided in this section, a life
10 science enterprise shall not hold an interest in agricultural
11 land as provided in section 9H.4. However, this section or
12 section 9H.4 shall not preclude such an enterprise from
13 holding an interest in land if all of the following apply:

- 14 1. The land is used for the purpose of producing life
15 science products.
- 16 2. The land is not used to produce agricultural
17 commodities, including crops, for any purpose except for crops
18 used to feed animals raised on the land for the purpose of
19 producing a life science product or incidental sales of
20 animals, including culls, which are raised for the purpose of
21 producing a life science product.
- 22 3. The life science enterprise does not hold a total of
23 more than one thousand five hundred acres of agricultural land
24 for use in producing life science products as provided in this
25 section. The enterprise may hold an ownership or leasehold
26 interest in the land.

27 Sec. 5. NEW SECTION. 10C.4 ENFORCEMENT -- PENALTIES.

- 28 1. The office of attorney general or a county attorney
29 shall enforce the provisions of this chapter.
- 30 2. A life science enterprise violating this chapter shall
31 be assessed a civil penalty of not more than twenty-five
32 thousand dollars and shall divest itself of any land held in
33 violation of this section within one year after judgment. The
34 court may determine the method of divesting an interest held
35 by a life science enterprise found to be in violation of this

1 provides that a court may grant an injunction in order to
2 restrain violations of the bill's provisions.

3 The bill also amends Code chapter 10B, which provides for
4 reporting of agricultural land holdings. The bill provides
5 that along with other information required to be reported, an
6 enterprise must report the total amount of commercial sales of
7 life science products and incidental sales associated with
8 raising animals. A person failing to report as required under
9 that chapter is subject to a civil penalty of \$1,000.

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

S-3/8/00 agric.

FEB 28 2000

Place On Calendar

HOUSE FILE 2491
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HSB 739)

Passed House, ^(P. 617) Date 3/8/00 Passed Senate, ^(P. 1112) Date 4-11-00
Vote: Ayes 89 Nays 5 Vote: Ayes 49 Nays 1
Approved 5/18

A BILL FOR

1 An Act providing for the production of life science products, and
2 providing for penalties.

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

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23

HF 2491

1 Section 1. Section 10B.4, subsection 2, Code 1999, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. g. If the reporting entity is a life
4 science enterprise, as provided in chapter 10C, the total
5 amount of commercial sales of life science products and
6 incidental sales associated with raising animals.

7 Sec. 2. NEW SECTION. 10C.1 DEFINITIONS.

8 1. "Agricultural commodity" means the same as defined in
9 section 190C.1.

10 2. "Agricultural land" means land suitable for use in
11 farming as defined in section 9H.1.

12 3. "Animal" means a creature belonging to the bovine,
13 caprine, equine, ovine, or porcine species; ostriches, rheas,
14 or emus; farm deer as defined in section 481A.1; or poultry.

15 4. "Corporation" means a domestic or foreign corporation
16 subject to chapter 490, a nonprofit corporation, or a
17 cooperative.

18 5. "Life science enterprise" or "enterprise" means a
19 corporation or limited liability company organized for the
20 purpose of using biotechnological systems or techniques for
21 the production of life science products.

22 6. "Life science product" or "product" means a product
23 derived from an animal by using biotechnological systems or
24 techniques and which includes only the following:

25 a. Embryos or oocytes for use in animal implantation.

26 b. Blood, milk, or urine for use in the manufacture of
27 pharmaceuticals or nutraceuticals.

28 c. Cells, tissue, or organs for use in animal or human
29 transplantation.

30 7. "Limited liability company" means a limited liability
31 company as defined in section 490A.102.

32 Sec. 3. NEW SECTION. 10C.2 PURPOSE.

33 The purpose of this chapter is to promote economic growth
34 in this state during this period of revolutionary
35 technological advancement in animal and human health sciences,

1 by providing for the development of industries unrelated to
2 traditional farming, but devoted to the production of life
3 science products derived from animals.

4 Sec. 4. NEW SECTION. 10C.3 ENTERPRISES ENGAGED IN THE
5 CREATION AND DEVELOPMENT OF LIFE SCIENCE PRODUCTS --
6 PROHIBITION AND EXCEPTIONS. Notwithstanding any other
7 provision of law, a life science enterprise shall not hold a
8 total of more than three hundred acres of agricultural land
9 for use in producing life science products as provided in this
10 section by ownership or leasehold interest in the agricultural
11 land. This section applies for so long as commercial sales of
12 products produced from the agricultural land are limited to
13 any of the following:

14 1. The sale of life science products.

15 2. Incidental sales of livestock, including culls, which
16 are raised for purposes of producing life science products.

17 Sec. 5. NEW SECTION. 10C.4 ENFORCEMENT -- PENALTIES.

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

20 2. A life science enterprise violating this chapter shall
21 be assessed a civil penalty of not more than twenty-five
22 thousand dollars and shall divest itself of any land held in
23 violation of this section within one year after judgment. The
24 court may determine the method of divesting an interest held
25 by a life science enterprise found to be in violation of this
26 chapter. A financial gain realized by the enterprise which
27 disposes of an interest held in violation of this chapter
28 shall be forfeited to the general fund of the state. All
29 court costs and fees shall be paid by the enterprise holding
30 the interest in violation of this chapter.

31 3. The courts of this state may prevent and restrain
32 violations of this chapter through the issuance of an
33 injunction. The attorney general or a county attorney shall
34 institute suits on behalf of the state to prevent and restrain
35 violations of this chapter.

EXPLANATION

1
2 This bill creates new Code chapter 10C. According to the
3 bill, the purpose of the new Code chapter is to promote
4 economic growth in this state by providing for the development
5 of industries unrelated to traditional farming, but devoted to
6 the production of life science products derived from animals.
7 The bill provides that a life science product is a product
8 derived from an animal which includes only embryos or oocytes
9 for use in animal implantation; blood, milk, or urine for use
10 in the manufacture of pharmaceuticals or nutraceuticals; or
11 cells, tissue, or organs for use in transplantation.

12 The bill provides that a life science enterprise is
13 prohibited from holding an interest in more than 300 acres of
14 agricultural land by ownership or lease, unless the land is
15 used for the purpose of producing life science products.

16 The bill provides that the office of attorney general or a
17 county attorney shall enforce the provisions of the new Code
18 chapter. The bill provides that an enterprise violating
19 provisions of the Code chapter shall be assessed a civil
20 penalty of not more than \$25,000 and shall divest itself of
21 any land held in violation of the 300-acre limit. The bill
22 provides that a court may grant an injunction in order to
23 restrain violations of the bill's provisions.

24 The bill also amends Code chapter 10B, which provides for
25 reporting of agricultural land holdings. The bill provides
26 that along with other information required to be reported, an
27 enterprise must report the total amount of commercial sales of
28 life science products and incidental sales associated with
29 raising animals. A person failing to report as required under
30 that chapter is subject to a civil penalty of \$1,000.

31
32
33
34
35

HOUSE FILE 2491

H-8189

- 1 Amend House File 2491 as follows:
- 2 1. Page 2, line 22, by striking the words
- 3 "dollars and" and inserting the following: "dollars
- 4 for each acre of land held in violation of this
- 5 section. The enterprise".

By WEIGEL of Chickasaw

H-8189 FILED MARCH 6, 2000

w/d 3/8/00 p.617

HOUSE FILE 2491

H-8190

- 1 Amend House File 2491 as follows:
- 2 1. Page 1, by striking lines 15 through 17.
- 3 2. Page 1, by striking line 19, and inserting the
- 4 following: ""family farm entity" or "farmer's entity"
- 5 as defined in section 10.1, organized for the".
- 6 3. Page 1, by striking lines 30 and 31.

By WEIGEL of Chickasaw

H-8190 FILED MARCH 6, 2000

*3/8/00**(p.616)*

HOUSE FILE 2491

H-8191

- 1 Amend House File 2491 as follows:
- 2 1. Page 1, line 32, by striking the word
- 3 "PURPOSE" and inserting the following: "PURPOSES".
- 4 2. Page 1, by inserting before line 33, the
- 5 following:
- 6 "____. The purpose of this chapter is to assert
- 7 this state's continuing commitment to family farm
- 8 agriculture and the need for restrictions on the
- 9 acquisition and holding of agricultural land by
- 10 persons other than family farmers. All provisions in
- 11 this chapter shall be strictly construed in order to
- 12 accomplish this purpose."
- 13 3. By striking page 1, line 35 through page 2,
- 14 line 3, and inserting the following: "technological
- 15 advancement in animal and human health sciences. It
- 16 is the intent of the general assembly that persons
- 17 actively engaged in farming as defined in section 10.1
- 18 benefit from opportunities created during this period,
- 19 by requiring that a life science enterprise allow such
- 20 persons to participate in the enterprise, including by
- 21 holding an equity interest in the enterprise."

By WEIGEL of Chickasaw

H-8191 FILED MARCH 6, 2000

*w/d
3/8/00
(p.616)*

HOUSE FILE 2491

H-8195

1 Amend House File 2491 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. NEW SECTION. 10C.1 CONFINEMENT
5 FEEDING OPERATIONS.

6 1. Notwithstanding section 331.304A and 335.2, a
7 county may adopt a confinement feeding operations
8 siting ordinance which shall be part of other
9 regulations provided in chapter 335. The ordinance
10 shall regulate the siting of confinement feeding
11 operation buildings and related manure storage
12 structures. The ordinance shall be subject to
13 adoption by the county board of supervisors, upon
14 recommendation by the county's zoning commission as
15 provided in section 335.8. The county board of
16 supervisors shall adopt the ordinance in the same
17 manner as other regulations adopted pursuant to this
18 chapter.

19 2. The ordinance shall include a siting plan as
20 follows:

21 a. The plan shall do all of the following:

22 (1) Preserve the availability of farmland reserved
23 for confinement feeding operations.

24 (2) Encourage efficient urban development patterns
25 that do not burden farmland reserved under the plan
26 for confinement feeding operations. The plan shall
27 attempt to prevent congestion and overcrowding of
28 confinement feeding operations, especially near
29 cities.

30 (3) Preserve and protect natural resources,
31 including water sources, fragile environmental
32 locations, and recreational areas.

33 b. The plan may provide different regulations for
34 confinement feeding operations based on all of the
35 following:

36 (1) The animal weight capacity of the confinement
37 feeding operation.

38 (2) The type of animal feeding operation
39 structure.

40 (3) The proximity of land for the application of
41 manure which originates from the confinement feeding
42 operation.

43 3. The ordinance shall not apply to a small animal
44 feeding operation.

45 4. a. The ordinance shall not violate any
46 requirement of chapter 455B, or rules adopted by the
47 department of natural resources pursuant to that
48 chapter. However, the ordinance may provide for
49 separation distance requirements that exceed the
50 requirements of chapter 455B, division II, part 2, or

H-8195

H-8195

Page 2

1 section 455B.204. The separation distance requirement
2 may be based on guidelines established by the
3 department of natural resources pursuant to sections
4 455B.165 and 455B.204 and shall to every extent
5 practicable be based on the methodology established by
6 the department pursuant to those sections.

7 b. The ordinance shall be consistent with the
8 county's comprehensive plan as required by section
9 335.5, and other regulations adopted pursuant to this
10 chapter.

11 c. The ordinance shall not prohibit the operation
12 of confinement feeding operations constructed prior to
13 the effective date of the ordinance.

14 5. The ordinance shall provide for review and
15 approval or disapproval of proposals to construct
16 confinement feeding operations, including the
17 construction of a confinement building or related
18 manure storage structures.

19 a. The ordinance shall provide for methods and
20 procedures required for timely submission, review, and
21 approval or disapproval of proposals.

22 b. The planning and zoning commission shall review
23 each proposal and recommend to the board of
24 supervisors that the proposal be approved or
25 disapproved. The board of supervisors shall approve
26 or disapprove the proposal after considering all
27 relevant information, including the commission's
28 recommendation. The commission's recommendation and
29 the board's decision shall be based solely on whether
30 the proposal satisfies the requirements of the
31 ordinance.

32 Sec. ____ . Section 335.8, Code 1999, is amended to
33 read as follows:

34 335.8 ZONING COMMISSION APPOINTED.

35 ~~1. In order to avail itself of the powers~~
36 ~~conferred by this chapter, the~~ The board of
37 supervisors shall ~~appoint~~ establish a zoning
38 ~~commission.~~ a. The board shall appoint members to the
39 commission. A majority of whose the members shall
40 reside within the county but outside the corporate
41 limits of any city, to be known as the county zoning
42 commission, to recommend. The zoning commission shall
43 do all of the following:

44 a. Recommend the boundaries of ~~the various~~
45 original districts, and appropriate regulations and
46 restrictions to be enforced ~~therein~~ within those
47 districts. ~~Such~~ The commission shall, with due
48 diligence, prepare a preliminary report and hold
49 public hearings ~~thereon~~ on the preliminary report
50 before submitting its final report; ~~and the.~~ The

H-8195

-2-

H-8195

Page 3

1 board of supervisors shall not hold its public
2 hearings or take action until it has received the
3 final report of such commission. After the adoption
4 of such regulations, restrictions, and boundaries of
5 districts, the zoning commission may, from time to
6 time, recommend to the board of supervisors
7 amendments, supplements, changes, or modifications.

8 b. Provide for the siting of confinement feeding
9 operations as follows:

10 (1) The zoning commission shall prepare a
11 confinement feeding operations siting ordinance
12 including a plan for siting for recommendation to the
13 board of supervisors as provided in section 10C.1.
14 The zoning commission shall prepare and recommend the
15 ordinance or any amendments, supplements, changes, or
16 modifications to the ordinance, in the same manner as
17 other regulations pursuant to paragraph "a". The
18 zoning commission shall not make a recommendation
19 without holding a public hearing in the same manner as
20 provided in section 335.6.

21 (2) The zoning commission shall review and
22 recommend the approval or disapproval of a proposal
23 for the construction of a confinement feeding
24 operation as provided in section 10C.1 based on
25 compliance with the confinement feeding operations
26 siting ordinance.

27 2. The zoning commission, with the approval of the
28 board of supervisors, may contract with professional
29 consultants, regional planning commissions, the Iowa
30 department of economic development, the department of
31 natural resources, or the federal government, for
32 local planning assistance.

33 Sec. ____. Section 455B.165, Code 1999, is amended
34 by adding the following new subsection:

35 NEW SUBSECTION. 9. A separation distance
36 requirement that is provided in a confinement feeding
37 operation siting ordinance adopted by a county board
38 of supervisors pursuant to section 10C.1. The
39 ordinance shall not include a requirement providing a
40 lesser separation distance than is provided for in
41 this part. If requested by a county, the department
42 shall provide recommendations with guidelines for
43 increasing required separation distances based on a
44 methodology which considers topographic, hydrologic,
45 climatic, or demographic factors.

46 Sec. ____. Section 455B.204, subsection 3, Code
47 1999, is amended by adding the following new
48 paragraph:

49 NEW PARAGRAPH. c. A separation distance
50 requirement that is provided in a confinement feeding

H-8195

H-8195

Page 4

1 operation siting ordinance adopted by a county board
2 of supervisors pursuant to section 10C.1. The
3 ordinance shall not include a requirement providing a
4 closer separation distance than is provided for in
5 subsection 2. Upon request by a county, the
6 department shall provide recommendations to the county
7 as provided in section 455B.165."

8 2. Title page, by striking lines 1 and 2 and
9 inserting the following: "An Act providing for
10 agricultural production, and making penalties
11 applicable."

By WEIGEL of Chickasaw

H-8195 FILED MARCH 6, 2000

3/8/00 W/D

HOUSE FILE 2491

H-8192

1 Amend House File 2491 as follows:

2 1. Page 1, line 4, by inserting before the word
3 "total" the following: "net income of the enterprise
4 computed as provided in section 422.7, and the".

By WEIGEL of Chickasaw

H-8192 FILED MARCH 6, 2000

W/D 3/8/00

HOUSE FILE 2491

H-8203

1 Amend House File 2491 as follows:

2 1. Page 2, line 14, by inserting after the word
3 "products." the following: "The life science
4 enterprise must produce all of the following:
5 a. Embryos or oocytes for use in animal
6 implantation.
7 b. Blood, milk, or urine for use in the
8 manufacture of pharmaceuticals or nutraceuticals.
9 c. Cells, tissues, or organs for use in animal or
10 human transplantation."

By FREVERT of Palo Alto

H-8203 FILED MARCH 7, 2000

last 3/8/00 (p. 617)

HOUSE FILE 2491

H-8242

1 Amend House File 2491 as follows:

2 1. Page 1, by inserting after line 6 the
3 following:

4 "Sec. ____ . Section 10B.6, subsection 1, Code 1999,
5 is amended to read as follows:

6 1. The failure of a person to timely file a report
7 or the filing of false information in a report by a
8 person as provided in section 10B.4 is punishable by a
9 civil penalty. Unless the person is a life science
10 enterprise as defined in section 10C.1, the person
11 shall be subject to a civil penalty not to exceed one
12 thousand dollars. If the person is a life science
13 enterprise, the person shall be subject to a civil
14 penalty not to exceed ten thousand dollars."

15 2. By renumbering as necessary.

By WEIGEL of Chickasaw

H-8242 FILED MARCH 7, 2000

W/D 3/8/00 (p. 617)

HOUSE FILE 2491

H-8226

1 Amend House File 2491 as follows:

2 1. Page 1, line 4, by inserting after the figure
3 "10C," the following: "as that chapter existed on or
4 before June 30, 2004,".

5 2. Page 1, by inserting before line 18, the
6 following:

7 "____. "Economic development board" or "board"
8 means the economic development board created pursuant
9 to section 15.103."

10 3. Page 1, by striking line 25.

11 4. Page 2, line 7, by inserting after the word
12 "enterprise" the following: "may acquire or hold an
13 ownership or leasehold interest in agricultural land,
14 if the economic development board approves a life
15 science enterprise plan as provided in section 15.104.
16 A life science enterprise must acquire or hold the
17 agricultural land pursuant to the plan which may be
18 amended as provided by the board. However, the life
19 science enterprise".

20 5. Page 2, line 15, by striking the words
21 "livestock, including culls," and inserting the
22 following: "cull livestock".

23 6. Page 2, by inserting after line 35, the
24 following:

25 "Sec. ____ . NEW SECTION. 10C.5 REPEAL.

26 Sections 10C.1 through 10C.4 and this section are
27 repealed July 1, 2004.

28 Sec. ____ . NEW SECTION. 10C.6 EXISTING LIFE
29 SCIENCE ENTERPRISES.

30 1. a. A life science enterprise may acquire or
31 hold agricultural land, notwithstanding section 10C.5
32 as that section existed in the 2003 Code or 2003 Code
33 Supplement, if all of the following applies:

34 (1) The enterprise acquires or holds the
35 agricultural land pursuant to chapter 10C as that
36 chapter existed in the 2003 Code or 2003 Code
37 Supplement.

38 (2) The economic development board has approved a
39 life science enterprise plan filed on or before June
40 30, 2004 with the board. The enterprise must acquire
41 or hold the agricultural land pursuant to the plan
42 which may be amended and approved by the board at any
43 time.

44 b. The life science enterprise must file a report
45 with the secretary of state as provided in section
46 10B.4.

47 2. A person who is a successor in interest to a
48 life science enterprise may acquire or hold
49 agricultural land as provided in chapter 10C as that
50 chapter existed in the 2003 Code or 2003 Code

H-8226

H-8226

Page 2

1 Supplement, if all of the following applies:

2 a. The person meets the qualifications of a life
3 science enterprise and acquires or holds the
4 agricultural land as provided in chapter 10C as that
5 chapter existed in the 2003 Code or 2003 Code
6 Supplement.

7 b. The person acquires or holds the agricultural
8 land according to the life science enterprise plan
9 filed by the person's predecessor in interest and
10 approved by the economic development board.

11 c. The person has filed a notice with the economic
12 development board as required by the board. The
13 notice shall state that the person is a successor in
14 interest. The notice must be filed with the board
15 within thirty days following the person's acquisition
16 of the interest.

17 d. The person must file a report with the
18 secretary of state as provided in section 10B.4.

19 Sec. _____. Section 15.104, Code 1999, is amended by
20 adding the following new subsection:

21 NEW SUBSECTION. 4A. Review and approve a life
22 science enterprise plan as provided in chapter 10C as
23 that chapter existed on or before June 30, 2004. The
24 plan shall be submitted by a life science enterprise,
25 and shall include information regarding the life
26 science enterprise as required by rules adopted by the
27 board, including but not limited to all of the
28 following:

29 a. A description of life science products to be
30 developed by the enterprise.

31 b. The time frame required by the enterprise to
32 develop the life science products.

33 c. The amount of capital investment required by
34 the enterprise to develop the life science products.

35 d. The number of acres of land required to produce
36 the life science products.

37 Sec. _____. DIRECTIONS TO CODE EDITOR. The Code
38 editor may transfer section 10C.6 to another chapter
39 in the 2005 Code, and correct internal references as
40 necessary in order to enhance the readability of the
41 Code.

42 Sec. _____. EFFECTIVE DATE. Section 10C.6, as
43 enacted in this Act, takes effect July 1, 2004.

44 7. Title page, line 2, by inserting after the
45 word "penalties" the following: "and an effective
46 date".

47 8. By renumbering as necessary.

By ALONS of Sioux
RAYHONS of Hancock

H-8226 FILED MARCH 7, 2000

*W/19
3/8/00
(P.607)*

HOUSE FILE 2491

H-8244

- 1 Amend House File 2491 as follows:
- 2 1. Page 1, line 4, by inserting after the figure
3 "10C," the following: "as that chapter exists on or
4 before June 30, 2004,".
- 5 2. Page 1, by inserting before line 18, the
6 following:
7 "____. "Economic development board" or "board"
8 means the economic development board created pursuant
9 to section 15.103."
- 10 3. Page 2, line 7, by inserting after the word
11 "enterprise" the following: "may acquire or hold an
12 ownership or leasehold interest in agricultural land,
13 if the economic development board approves a life
14 science enterprise plan as provided in section 15.104.
15 A life science enterprise must acquire or hold the
16 agricultural land pursuant to the plan which may be
17 amended as provided by the board. However, the life
18 science enterprise".
- 19 4. Page 2, line 15, by striking the words
20 "livestock, including culls," and inserting the
21 following: "cull livestock".
- 22 5. Page 2, by inserting after line 35, the
23 following:
24 "Sec. ____ NEW SECTION. 10C.5 REPEAL.
25 Sections 10C.1 through 10C.4 and this section are
26 repealed July 1, 2004.
27 Sec. ____ NEW SECTION. 10C.6 EXISTING LIFE
28 SCIENCE ENTERPRISES.
29 1. a. A life science enterprise may acquire or
30 hold agricultural land, notwithstanding section 10C.5
31 as that section exists in the 2003 Code or 2003 Code
32 Supplement, if all of the following applies:
33 (1) The enterprise acquires or holds the
34 agricultural land pursuant to chapter 10C as that
35 chapter exists in the 2003 Code or 2003 Code
36 Supplement.
37 (2) The economic development board has approved a
38 life science enterprise plan filed on or before June
39 30, 2004 with the board. The enterprise must acquire
40 or hold the agricultural land pursuant to the plan
41 which may be amended at any time and approved by the
42 board pursuant to section 15.104.
43 b. The life science enterprise must file a report
44 with the secretary of state as provided in section
45 10B.4.
- 46 2. A person who is a successor in interest to a
47 life science enterprise may acquire or hold
48 agricultural land, notwithstanding section 10C.5 as
49 that section exists in the 2003 Code or 2003 Code
50 Supplement, if all of the following applies:

H-8244

-1-

H-8244

Page 2

- 1 a. The person meets the qualifications of a life
- 2 science enterprise and acquires or holds the
- 3 agricultural land as provided in chapter 10C as that
- 4 chapter exists in the 2003 Code or 2003 Code
- 5 Supplement.
- 6 b. The person acquires or holds the agricultural
- 7 land according to the life science enterprise plan
- 8 filed by the person's predecessor in interest and
- 9 approved by the economic development board. The plan
- 10 may be amended at any time and approved by the board
- 11 pursuant to section 15.104.
- 12 c. The person has filed a notice with the economic
- 13 development board as required by the board. The
- 14 notice shall state that the person is a successor in
- 15 interest. The notice must be filed with the board
- 16 within thirty days following the person's acquisition
- 17 of the interest.
- 18 d. The person must file a report as a life science
- 19 enterprise with the secretary of state as provided in
- 20 section 10B.4.
- 21 Sec. _____. Section 15.104, Code 1999, is amended by
- 22 adding the following new subsection:
- 23 NEW SUBSECTION. 4A. Review and approve a life
- 24 science enterprise plan or amendments to that plan as
- 25 provided in chapter 10C as that chapter exists on or
- 26 before June 30, 2004. The plan or amendments shall be
- 27 submitted by a life science enterprise as provided by
- 28 the board. The plan and shall include information
- 29 regarding the life science enterprise as required by
- 30 rules adopted by the board, including but not limited
- 31 to all of the following:
- 32 a. A description of life science products to be
- 33 developed by the enterprise.
- 34 b. The time frame required by the enterprise to
- 35 develop the life science products.
- 36 c. The amount of capital investment required by
- 37 the enterprise to develop the life science products.
- 38 d. The number of acres of land required to produce
- 39 the life science products.
- 40 Sec. _____. DIRECTIONS TO CODE EDITOR. The Code
- 41 editor may transfer section 10C.6 to another chapter
- 42 in the 2005 Code, and correct internal references as
- 43 necessary in order to enhance the readability of the
- 44 Code.
- 45 Sec. _____. EFFECTIVE DATE. Section 10C.6, as
- 46 enacted in this Act, takes effect July 1, 2004.
- 47 6. Title page, line 2, by inserting after the
- 48 word "penalties" the following: "and an effective
- 49 date".
- 50 7. By renumbering as necessary.

By ALONS of Sioux
RAYHONS of Hancock

H-8244 FILED MARCH 7, 2000

Not Hermone
3/8/00
(p. 614)

Motion to Suspend Rules Repealed
Adopted
3/8/00
(P 615)

HOUSE FILE 2491

H-8263

1 Amend the amendment, H-8244, to House File 2491, as
2 follows:

3 1. Page 2, by striking lines 12 through 17, and
4 inserting the following:

5 " . The economic development board has approved
6 an application filed by the person to succeed the life
7 science enterprise, as provided in section 15.104."

8 2. Page 2, line 23, by inserting after the figure
9 "4A." the following: "a."

10 3. Page 2, line 32, by striking the letter "a."
11 and inserting the following: "(1)".

12 4. Page 2, line 34, by striking the letter "b."
13 and inserting the following: "(2)".

14 5. Page 2, line 36, by striking the letter "c."
15 and inserting the following: "(3)".

16 6. Page 2, line 38, by striking the letter "d."
17 and inserting the following: "(4)".

18 7. Page 2, by inserting after line 39, the
19 following:

20 "b. The board shall review and approve an
21 application filed by a person requesting to succeed a
22 life science enterprise as provided in section 10C.6.
23 The person must submit the application as provided by
24 the board. The application shall include information
25 regarding the person and the requested succession as
26 required by the board. The board shall approve or
27 disapprove the application based on the requirements
28 of chapter 10C as that chapter exists on or before
29 June 30, 2004, and on the requirements of section
30 10C.6."

31 8. By renumbering as necessary.

By WEIGEL of Chickasaw

H-8263 FILED MARCH 8, 2000

Last
3/8/00
(p. 611)

HOUSE FILE 2491

H-8264

1 Amend the amendment, H-8244, to House File 2491, as
2 follows:

3 1. Page 1, by inserting after line 28 the
4 following:

5 "This section applies on and after July 1, 2004."

6 2. Page 2, line 23, by inserting after the word
7 "approve" the following: "or disapprove".

8 3. Page 2, line 26, by inserting after the figure
9 "2004" the following: ", and according to rules
10 adopted by the board. The plan must be filed with the
11 board not later than June 30, 2004".

12 4. Page 2, line 28, by striking the word "and".

13 5. Page 2, by striking lines 45 through 49.

By ALONS of Sioux

H-8264 FILED MARCH 8, 2000

Adopted
3/8/00
(p. 610)

HOUSE FILE 2491

H-8272

1 Amend the amendment, H-8244, to House File 2491, as
2 follows:
3 1. Page 1, by inserting after line 1, the
4 following:
5 "____. Page 1, lines 3 and 4, by striking the
6 words "life science" and inserting the following:
7 "biotech".
8 2. Page 1, by inserting after line 4, the
9 following:
10 "____. Page 1, line 5, by striking the words "life
11 science" and inserting the following: "biotech".
12 3. Page 1, by inserting after line 9, the
13 following:
14 "____. Page 1, line 18, by striking the words
15 ""Life science" and inserting the following:
16 ""Biotech".
17 4. Page 1, line 21, by striking the words "life
18 science" and inserting the following: "biotech".
19 5. Page 1, line 22, by striking the words "Life
20 science" and inserting the following: "Biotech".
21 6. Page 2, lines 1 and 2, by striking the words
22 "life science" and inserting the following:
23 "biotech".
24 7. Page 2, line 5, by striking the words "LIFE
25 SCIENCE" and inserting the following: "BIOTECH".
26 8. Page 2, line 7, by striking the words "life
27 science" and inserting the following: "biotech".
28 9. Page 1, lines 13 and 14, by striking the words
29 "life science" and inserting the following:
30 "biotech".
31 10. Page 1, line 15, by striking the words "life
32 science" and inserting the following: "biotech".
33 11. Page 1, lines 17 and 18, by striking the
34 words "life science" and inserting the following:
35 "biotech".
36 12. Page 1, by inserting after line 18 the
37 following:
38 "____. Page 2, line 14, by striking the words
39 "life science" and inserting the following:
40 "biotech".
41 10. Page 1, by inserting after line 21, the
42 following:
43 "____. Page 2, line 16, by striking the words
44 "life science" and inserting the following:
45 "biotech".
46 _____. Page 2, line 20, by striking the words "life
47 science" and inserting the following: "biotech".
48 _____. Page 2, line 25, by striking the words "life
49 science" and inserting the following: "biotech".
50 13. Page 1, lines 27 and 28, by striking the
H-8272 -1-

H-8272

Page 2

1 words "LIFE SCIENCE" and inserting the following:
 2 "BIOTECH".
 3 14. Page 1, line 29, by striking the words "life
 4 science" and inserting the following: "biotech".
 5 15. Page 1, line 38, by striking the words "life
 6 science" and inserting the following: "biotech".
 7 16. Page 1, line 43, by striking the words "life
 8 science" and inserting the following: "biotech".
 9 17. Page 1, line 47, by striking the words "life
 10 science" and inserting the following: "biotech".
 11 18. Page 2, lines 1 and 2, by striking the words
 12 "life science" and inserting the following:
 13 "biotech".
 14 19. Page 2, line 18, by striking the words "life
 15 science" and inserting the following: "biotech".
 16 20. Page 2, lines 23 and 24, by striking the
 17 words "life science" and inserting the following:
 18 "biotech".
 19 21. Page 2, line 27, by striking the words "life
 20 science" and inserting the following: "biotech".
 21 22. Page 2, line 29, by striking the words "life
 22 science" and inserting the following: "biotech".
 23 23. Page 2, line 32, by striking the words "life
 24 science" and inserting the following: "biotech".
 25 24. Page 2, line 35, by striking the words "life
 26 science" and inserting the following: "biotech".
 27 25. Page 2, line 37, by striking the words "life
 28 science" and inserting the following: "biotech".
 29 26. Page 2, line 39, by striking the words "life
 30 science" and inserting the following: "biotech".
 31 27. Page 2, by inserting after line 50, the
 32 following:
 33 "____". Title page line, 1, by striking the words
 34 "life science" and inserting the following:
 35 "biotech"."

By FALLON of Polk

H-8272 FILED MARCH 8, 2000

*Lot 3/8/00 (p. 614)***HOUSE FILE 2491**

H-8165

1 Amend House File 2491 as follows:
 2 1. Page 1, by striking lines 13 and 14, and
 3 inserting the following: "caprine, equine, ovine, or
 4 porcine species."

By ALONS of Sioux

H-8165 FILED MARCH 2, 2000

adopted 3/8/00 (p. 615)

HOUSE FILE 2491

H-8267

- 1 Amend the amendment, H-8244, to House File 2491, as
2 follows:
- 3 1. Page 1, line 4, by striking the figure "2004"
4 and inserting the following: "2001".
- 5 2. Page 1, line 26, by striking the figure "2004"
6 and inserting the following: "2001".
- 7 3. Page 1, by striking lines 35 and 36 and
8 inserting the following: "chapter exists in the 2001
9 Code."
- 10 4. Page 1, lines 38 and 39, by striking the words
11 and figures "on or before June 30, 2004, with the
12 board." and inserting the following: "as required
13 pursuant to section 15.104."
- 14 5. Page 1, by striking lines 49 and 50, and
15 inserting the following: "that section exists in the
16 2001 Code, if all of the following apply:"
- 17 6. Page 2, by striking lines 4 and 5 and
18 inserting the following: "chapter exists in the 2001
19 Code."
- 20 7. Page 2, by striking line 26, and inserting the
21 following: "before June 30, 2001. A plan must be
22 filed with the board not later than August 1, 2000.
23 The plan or amendments shall be".
- 24 8. Page 2, line 42, by striking the figure and
25 word "2005 Code" and inserting the following: "2001
26 Code".
- 27 9. Page 2, line 46, by striking the figure "2004"
28 and inserting the following: "2001".

By WEIGEL of Chickasaw

H-8267 FILED MARCH 8, 2000

lost 3/8/00
(P. 610)

HOUSE FILE 2491

H-8262

- 1 Amend the amendment, H-8244, to House File 2491, as
2 follows:
- 3 1. Page 2, by inserting after line 5 the
4 following:
5 "_____. The person is a family farm entity or
6 farmers entity as those terms are defined in section
7 10.1."
8 2. By renumbering as necessary.

By WEIGEL of Chickasaw

H-8262 FILED MARCH 8, 2000

W/D
3/8/00
(P. 612)

HOUSE FILE 2491

H-8269

- 1 Amend the amendment, H-8244, to House File 2491, as
2 follows:
- 3 1. Page 1, by inserting after line 1, the
4 following:
5 "____. Page 1, lines 3 and 4, by striking the
6 words "life science" and inserting the following:
7 "biotech"."
- 8 2. Page 1, by inserting after line 4, the
9 following:
10 "____. Page 1, line 5, by striking the words "life
11 science" and inserting the following: "biotech"."
- 12 3. Page 1, lines 13 and 14, by striking the words
13 "life science" and inserting the following:
14 "biotech".
- 15 4. Page 1, line 15, by striking the words "life
16 science" and inserting the following: "biotech".
- 17 5. Page 1, lines 17 and 18, by striking the words
18 "life science" and inserting the following:
19 "biotech".
- 20 6. Page 1, by inserting after line 9, the
21 following:
22 "____. Page 1, line 18, by striking the words
23 ""Life science" and inserting the following:
24 ""Biotech".
- 25 _____. Page 1, line 21, by striking the words "life
26 science" and inserting the following: "biotech"."
- 27 _____. Page 1, line 22, by striking the words "Life
28 science" and inserting the following: "Biotech".
- 29 _____. Page 2, lines 2 and 3, by striking the words
30 "life science" and inserting the following:
31 "biotech".
- 32 _____. Page 2, line 5, by striking the words "LIFE
33 SCIENCE" and inserting the following: "BIOTECH"."
- 34 _____. Page 2, line 7, by striking the words "life
35 science" and inserting the following: "biotech"."
- 36 7. Page 1, lines 13 and 14, and inserting the
37 following: "life science" and inserting the
38 following: "biotech".
- 39 8. Page 1, lines 15, by striking the words "life
40 science" and inserting the following: "life science".
- 41 9. Page 1, lines 17 and 18, and inserting the
42 following: "biotech".
- 43 10. Page 1, by inserting after line 21, the
44 following:
45 "____. Page 2, line 16, by striking the words
46 "life science" and inserting the following:
47 "biotech".
- 48 _____. Page 2, line 20, by striking the words "life
49 science" and inserting the following: "biotech".
- 50 _____. Page 2, line 25, by striking the words "life

H-8269

-1-

H-8269

Page 2

1 science" and inserting the following: "biotech".
2 11. Page 1, lines 27 and 28, by striking the
3 words "LIFE SCIENCE" and inserting the following:
4 "BIOTECH".
5 12. Page 1, line 29, by striking the words "life
6 science" and inserting the following: "biotech".
7 13. Page 1, line 38, by striking the words "life
8 science" and inserting the following: "biotech".
9 14. Page 1, line 43, by striking the words "life
10 science" and inserting the following: "biotech".
11 15. Page 1, line 47, by striking the words "life
12 science" and inserting the following: "biotech".
13 16. Page 2, lines 1 and 2, by striking the words
14 "life science" and inserting the following:
15 "biotech".
16 17. Page 2, line 7, by striking the words "life
17 science" and inserting the following: "biotech".
18 18. Page 2, line 18, by striking the words "life
19 science" and inserting the following: "biotech".
20 19. Page 2, lines 23 and 24, by striking the
21 words "life science" and inserting the following:
22 "biotech".
23 20. Page 2, line 27, by striking the words "life
24 science" and inserting the following: "biotech".
25 21. Page 2, line 29, by striking the words "life
26 science" and inserting the following: "biotech".
27 22. Page 2, line 32, by striking the words "life
28 science" and inserting the following: "biotech".
29 23. Page 2, line 35, by striking the words "life
30 science" and inserting the following: "biotech".
31 24. Page 2, line 37, by striking the words "life
32 science" and inserting the following: "biotech".
33 25. Page 2, line 39, by striking the words "life
34 science" and inserting the following: "biotech".
35 26. Page 2, by inserting after line 50, the
36 following:
37 "____. Tile page line,1, by striking the words
38 "life science" and inserting the following:
39 "biotech"."

By FALLON of Polk

H-8269 FILED MARCH 8, 2000

W/D
3/8/00
(p. 612)

HOUSE FILE 2491

H-8270

- 1 Amend the amendment, H-8244, to House File 2491, as
2 follows:
- 3 1. Page 1, by inserting after line 1, the
4 following:
5 "____. Page 1, lines 3 and 4, by striking the
6 words "life science" and inserting the following:
7 "biotech"."
- 8 2. Page 1, by inserting after line 4, the
9 following:
10 "____. Page 1, line 5, by striking the words "life
11 science" and inserting the following: "biotech"."
- 12 3. Page 1, lines 13 and 14, by striking the words
13 "life science" and inserting the following:
14 "biotech".
- 15 4. Page 1, line 15, by striking the words "life
16 science" and inserting the following: "biotech".
- 17 5. Page 1, lines 17 and 18, by striking the words
18 "life science" and inserting the following:
19 "biotech".
- 20 6. Page 1, by inserting after line 9, the
21 following:
22 "____. Page 1, line 18, by striking the words
23 ""Life science" and inserting the following:
24 ""Biotech".
- 25 7. Page 1, line 21, by striking the words "life
26 science" and inserting the following: "biotech"."
- 27 8. Page 1, line 22, by striking the words "Life
28 science" and inserting the following: "Biotech".
- 29 9. Page 2, lines 2 and 3, by striking the words
30 "life science" and inserting the following:
31 "biotech".
- 32 10. Page 2, line 5, by striking the words "LIFE
33 SCIENCE" and inserting the following: "BIOTECH"."
- 34 11. Page 2, line 7, by striking the words "life
35 science" and inserting the following: "biotech"."
- 36 12. Page 1, by inserting after line 18 the
37 following:
38 "____. Page 2, line 14, by striking the words
39 "life science" and inserting the following:
40 "biotech".
- 41 10. Page 1, by inserting after line 21, the
42 following:
43 "____. Page 2, line 16, by striking the words
44 "life science" and inserting the following:
45 "biotech".
- 46 13. Page 2, line 20, by striking the words "life
47 science" and inserting the following: "biotech".
- 48 14. Page 2, line 25, by striking the words "life
49 science" and inserting the following: "biotech"."
- 50 15. Page 1, lines 27 and 28, by striking the

H-8270

Page 2

- 1 words "LIFE SCIENCE" and inserting the following:
- 2 "BIOTECH".
- 3 16. Page 1, line 29, by striking the words "life
- 4 science" and inserting the following: "biotech".
- 5 17. Page 1, line 38, by striking the words "life
- 6 science" and inserting the following: "biotech".
- 7 18. Page 1, line 43, by striking the words "life
- 8 science" and inserting the following: "biotech".
- 9 19. Page 1, line 47, by striking the words "life
- 10 science" and inserting the following: "biotech".
- 11 20. Page 2, lines 1 and 2, by striking the words
- 12 "life science" and inserting the following:
- 13 "biotech".
- 14 21. Page 2, line 7, by striking the words "life
- 15 science" and inserting the following: "biotech".
- 16 22. Page 2, line 18, by striking the words "life
- 17 science" and inserting the following: "biotech".
- 18 23. Page 2, lines 23 and 24, by striking the
- 19 words "life science" and inserting the following:
- 20 "biotech".
- 21 24. Page 2, line 27, by striking the words "life
- 22 science" and inserting the following: "biotech".
- 23 25. Page 2, line 29, by striking the words "life
- 24 science" and inserting the following: "biotech".
- 25 26. Page 2, line 32, by striking the words "life
- 26 science" and inserting the following: "biotech".
- 27 27. Page 2, line 35, by striking the words "life
- 28 science" and inserting the following: "biotech".
- 29 28. Page 2, line 37, by striking the words "life
- 30 science" and inserting the following: "biotech".
- 31 29. Page 2, line 39, by striking the words "life
- 32 science" and inserting the following: "biotech".
- 33 30. Page 2, by inserting after line 50, the
- 34 following:
- 35 "____". Tile page line,1, by striking the words
- 36 "life science" and inserting the following:
- 37 "biotech".

By FALLON of Polk

H-8270 FILED MARCH 8, 2000

*WID
3/8/00
(p. 612)*

HOUSE FILE 2491

H-8271

- 1 Amend the amendment, H-8244, to House File 2491, as
- 2 follows:
- 3 1. By striking page 1, line 46, through page 2,
- 4 line 20.
- 5 2. By renumbering as necessary.

By WEIGEL of Chickasaw

H-8271 FILED MARCH 8, 2000

*lost
3/8/00
(p. 612)*

5-21/00 Do Pass
5-3/23/00 Unfinished
Business Calendar

HOUSE FILE **2491**
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HSB 739)

(As Amended and Passed by the House, March 8, 2000)

Passed House, Date _____ Passed Senate, Date 4/5/00
Vote: Ayes _____ Nays _____ Vote: Ayes 46 Nays 3
Approved 5/18/00
(P. 1036)
(P. 1112) Re-Passed 4/11/00
Vote 49-1

A BILL FOR

1 An Act providing for the production of life science products, and
2 providing for penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

House Amendments _____

HOUSE FILE 2491

S-5318

1 Amend the amendment, S-5286, to House File 2491, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 4, by striking lines 35 and 36, and
5 inserting the following: "with the board not later
6 than June 30, 2001. The notice, plan, or amendments".

By KEN VEENSTRA
JOHN P. KIBBIE

Adapted
4-5-00 (P. 1035)
S-5318 FILED APRIL 3, 2000

HF 2491

1 Section 1. Section 10B.4, subsection 2, Code 1999, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. g. If the reporting entity is a life
4 science enterprise, as provided in chapter 10C, as that
5 chapter exists on or before June 30, 2004, the total amount of
6 commercial sales of life science products and incidental sales
7 associated with raising animals.

8 Sec. 2. NEW SECTION. 10C.1 DEFINITIONS.

9 1. "Agricultural commodity" means the same as defined in
10 section 190C.1.

11 2. "Agricultural land" means land suitable for use in
12 farming as defined in section 9H.1.

13 3. "Animal" means a creature belonging to the bovine,
14 caprine, equine, ovine, or porcine species.

15 4. "Corporation" means a domestic or foreign corporation
16 subject to chapter 490, a nonprofit corporation, or a
17 cooperative.

18 5. "Economic development board" or "board" means the
19 economic development board created pursuant to section 15.103.

20 6. "Life science enterprise" or "enterprise" means a
21 corporation or limited liability company organized for the
22 purpose of using biotechnological systems or techniques for
23 the production of life science products.

24 7. "Life science product" or "product" means a product
25 derived from an animal by using biotechnological systems or
26 techniques and which includes only the following:

- 27 a. Embryos or oocytes for use in animal implantation.
28 b. Blood, milk, or urine for use in the manufacture of
29 pharmaceuticals or nutraceuticals.
30 c. Cells, tissue, or organs for use in animal or human
31 transplantation.

32 8. "Limited liability company" means a limited liability
33 company as defined in section 490A.102.

34 Sec. 3. NEW SECTION. 10C.2 PURPOSE.

35 The purpose of this chapter is to promote economic growth

1 in this state during this period of revolutionary
2 technological advancement in animal and human health sciences,
3 by providing for the development of industries unrelated to
4 traditional farming, but devoted to the production of life
5 science products derived from animals.

6 Sec. 4. NEW SECTION. 10C.3 ENTERPRISES ENGAGED IN THE
7 CREATION AND DEVELOPMENT OF LIFE SCIENCE PRODUCTS --
8 PROHIBITION AND EXCEPTIONS. Notwithstanding any other
9 provision of law, a life science enterprise may acquire or
10 hold an ownership or leasehold interest in agricultural land,
11 if the economic development board approves a life science
12 enterprise plan as provided in section 15.104. A life science
13 enterprise must acquire or hold the agricultural land pursuant
14 to the plan which may be amended as provided by the board.
15 However, the life science enterprise shall not hold a total of
16 more than three hundred acres of agricultural land for use in
17 producing life science products as provided in this section by
18 ownership or leasehold interest in the agricultural land.
19 This section applies for so long as commercial sales of
20 products produced from the agricultural land are limited to
21 any of the following:

- 22 1. The sale of life science products.
- 23 2. Incidental sales of cull livestock which are raised for
24 purposes of producing life science products.

25 Sec. 5. NEW SECTION. 10C.4 ENFORCEMENT -- PENALTIES.

- 26 1. The office of attorney general or a county attorney
27 shall enforce the provisions of this chapter.
- 28 2. A life science enterprise violating this chapter shall
29 be assessed a civil penalty of not more than twenty-five
30 thousand dollars and shall divest itself of any land held in
31 violation of this section within one year after judgment. The
32 court may determine the method of divesting an interest held
33 by a life science enterprise found to be in violation of this
34 chapter. A financial gain realized by the enterprise which
35 disposes of an interest held in violation of this chapter

1 shall be forfeited to the general fund of the state. All
2 court costs and fees shall be paid by the enterprise holding
3 the interest in violation of this chapter.

4 3. The courts of this state may prevent and restrain
5 violations of this chapter through the issuance of an
6 injunction. The attorney general or a county attorney shall
7 institute suits on behalf of the state to prevent and restrain
8 violations of this chapter.

9 Sec. 6. NEW SECTION. 10C.5 REPEAL.

10 Sections 10C.1 through 10C.4 and this section are repealed
11 July 1, 2004.

12 Sec. 7. NEW SECTION. 10C.6 EXISTING LIFE SCIENCE
13 ENTERPRISES.

14 This section applies on and after July 1, 2004.

15 1. a. A life science enterprise may acquire or hold
16 agricultural land, notwithstanding section 10C.5 as that
17 section exists in the 2003 Code or 2003 Code Supplement, if
18 all of the following applies:

19 (1) The enterprise acquires or holds the agricultural land
20 pursuant to chapter 10C as that chapter exists in the 2003
21 Code or 2003 Code Supplement.

22 (2) The economic development board has approved a life
23 science enterprise plan filed on or before June 30, 2004 with
24 the board. The enterprise must acquire or hold the
25 agricultural land pursuant to the plan which may be amended at
26 any time and approved by the board pursuant to section 15.104.

27 b. The life science enterprise must file a report with the
28 secretary of state as provided in section 10B.4.

29 2. A person who is a successor in interest to a life
30 science enterprise may acquire or hold agricultural land,
31 notwithstanding section 10C.5 as that section exists in the
32 2003 Code or 2003 Code Supplement, if all of the following
33 applies:

34 a. The person meets the qualifications of a life science
35 enterprise and acquires or holds the agricultural land as

1 provided in chapter 10C as that chapter exists in the 2003
2 Code or 2003 Code Supplement.

3 b. The person acquires or holds the agricultural land
4 according to the life science enterprise plan filed by the
5 person's predecessor in interest and approved by the economic
6 development board. The plan may be amended at any time and
7 approved by the board pursuant to section 15.104.

8 c. The person has filed a notice with the economic
9 development board as required by the board. The notice shall
10 state that the person is a successor in interest. The notice
11 must be filed with the board within thirty days following the
12 person's acquisition of the interest.

13 d. The person must file a report as a life science
14 enterprise with the secretary of state as provided in section
15 10B.4.

16 Sec. 8. Section 15.104, Code 1999, is amended by adding
17 the following new subsection:

18 NEW SUBSECTION. 4A. Review and approve or disapprove a
19 life science enterprise plan or amendments to that plan as
20 provided in chapter 10C as that chapter exists on or before
21 June 30, 2004, and according to rules adopted by the board.
22 The plan must be filed with the board not later than June 30,
23 2004. The plan or amendments shall be submitted by a life
24 science enterprise as provided by the board. The plan shall
25 include information regarding the life science enterprise as
26 required by rules adopted by the board, including but not
27 limited to all of the following:

28 a. A description of life science products to be developed
29 by the enterprise.

30 b. The time frame required by the enterprise to develop
31 the life science products.

32 c. The amount of capital investment required by the
33 enterprise to develop the life science products.

34 d. The number of acres of land required to produce the
35 life science products.

1 Sec. 9. DIRECTIONS TO CODE EDITOR. The Code editor may
2 transfer section 10C.6 to another chapter in the 2005 Code,
3 and correct internal references as necessary in order to
4 enhance the readability of the Code.

- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35

HOUSE FILE 2491

S-5208

1 Amend House File 2491, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, by striking lines 6 and 7, and
4 inserting the following: "commercial sale of life
5 science products and products other than life science
6 products which are produced from the agricultural land
7 held by the life science enterprise."
8 2. Page 2, by striking lines 16 through 19, and
9 inserting the following: "more than three hundred
10 twenty acres of agricultural land. The life science
11 enterprise shall hold the land only for purposes of
12 producing life science products according to the life
13 science enterprise plan. The life science enterprise
14 may hold the interest in the agricultural land for as
15 long as commercial sales of".
16 3. Page 2, line 22, by inserting after the word
17 "products" the following: "which must equal at least
18 seventy-five percent of commercial sales of all
19 products produced from the agricultural land during
20 any year that the life science enterprise is required
21 to report under section 10B.4".
22 4. Page 2, by striking lines 23 and 24, and
23 inserting the following:
24 "____. The sale of products other than life science
25 products which must equal not more than twenty-five
26 percent of commercial sales of all products produced
27 from the agricultural land during any year that the
28 life science enterprise is required to report under
29 section 10B.4."
30 5. Page 2, by striking lines 29 through 31, and
31 inserting the following: "be assessed a civil penalty
32 of not more than twenty-five thousand dollars. Each
33 day that a violation exists shall constitute a
34 separate offense. In addition, the life science
35 enterprise shall divest itself of any land held in
36 violation of this chapter within one year after
37 judgment. The".
38 6. Page 4, line 24, by inserting after the word
39 "board." the following: "The board shall consult with
40 the department of agriculture and land stewardship
41 during its review of a life science plan or amendments
42 to that plan."

By KEN VEENSTRA

S-5208 FILED MARCH 22, 2000

o/o

4/5/00

(P 035)

HOUSE FILE 2491

S-5286

1 Amend House File 2491, as amended, passed, and
2 reprinted by the House, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "Section 1. Section 10B.4, subsection 2, Code
6 1999, is amended by adding the following new
7 paragraph:

8 NEW PARAGRAPH. g. If the reporting entity is a
9 life science enterprise, as provided in chapter 10C,
10 as that chapter exists on or before June 30, 2004, the
11 total amount of commercial sale of life science
12 products and products other than life science products
13 which are produced from the agricultural land held by
14 the life science enterprise.

15 Sec. 2. NEW SECTION. 10C.1 DEFINITIONS.

16 1. "Actively engaged in farming" means the same as
17 defined in section 10.1.

18 2. "Agricultural commodity" means the same as
19 defined in section 190C.1.

20 3. "Agricultural land" means land suitable for use
21 in farming as defined in section 9H.1.

22 4. "Animal" means a creature belonging to the
23 bovine, caprine, equine, ovine, or porcine species.

24 5. "Corporation" means a domestic or foreign
25 corporation subject to chapter 490, a nonprofit
26 corporation, or a cooperative.

27 6. "Economic development board" or "board" means
28 the economic development board created pursuant to
29 section 15.103.

30 7. "Family farm entity" means the same as defined
31 in section 10.1.

32 8. "Life science enterprise" or "enterprise" means
33 a corporation or limited liability company organized
34 for the purpose of using biotechnological systems or
35 techniques for the production of life science
36 products.

37 9. "Life science product" or "product" means a
38 product derived from an animal by using
39 biotechnological systems or techniques and which
40 includes only the following:

41 a. Embryos or oocytes for use in animal
42 implantation.

43 b. Blood, milk, or urine for use in the
44 manufacture of pharmaceuticals or nutraceuticals.

45 c. Cells, tissue, or organs for use in animal or
46 human transplantation.

47 10. "Limited liability company" means a limited
48 liability company as defined in section 490A.102.

49 Sec. 3. NEW SECTION. 10C.2 PURPOSE.

50 The purpose of this chapter is to promote economic

S-5286

-1-

S-5286

Page 2

1 growth in this state during this period of
2 revolutionary technological advancement in animal and
3 human health sciences, by providing for the
4 development of industries unrelated to traditional
5 farming, but devoted to the production of life science
6 products derived from animals.

7 Sec. 4. NEW SECTION. 10C.3 ENTERPRISES ENGAGED
8 IN THE CREATION AND DEVELOPMENT OF LIFE SCIENCE
9 PRODUCTS -- PROHIBITION AND EXCEPTIONS.

10 Notwithstanding any other provision of law, a life
11 science enterprise may acquire or hold an ownership or
12 leasehold interest in agricultural land, if the
13 economic development board approves a life science
14 enterprise plan as provided in section 15.104. A life
15 science enterprise must acquire or hold the
16 agricultural land pursuant to the plan which may be
17 amended as provided by the board. However, the life
18 science enterprise shall not hold a total of more than
19 three hundred twenty acres of agricultural land. The
20 life science enterprise shall hold the land only for
21 purposes of producing life science products according
22 to the life science enterprise plan. The life science
23 enterprise may hold the interest in the agricultural
24 land, as provided in the plan, for as long as
25 commercial sales of products produced from the
26 agricultural land are subject to the following:

27 1. The sale of life science products must equal at
28 least seventy-five percent of commercial sales of all
29 products produced from the agricultural land during
30 any year that the life science enterprise is required
31 to report under section 10B.4.

32 2. The sale of products other than life science
33 products must equal not more than twenty-five percent
34 of commercial sales of all products produced from the
35 agricultural land during any year that the life
36 science enterprise is required to report under section
37 10B.4.

38 Sec. 5. NEW SECTION. 10C.4 ENFORCEMENT --
39 PENALTIES.

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

42 2. A life science enterprise violating this
43 chapter shall be assessed a civil penalty of not more
44 than twenty-five thousand dollars. Each day that a
45 violation exists shall constitute a separate offense.
46 In addition, the life science enterprise shall divest
47 itself of any land held in violation of this chapter
48 within one year after judgment. The court may
49 determine the method of divesting an interest held by
50 a life science enterprise found to be in violation of

S-5286

-2-

S-5286

Page 3

1 this chapter. A financial gain realized by the
2 enterprise which disposes of an interest held in
3 violation of this chapter shall be forfeited to the
4 general fund of the state. All court costs and fees
5 shall be paid by the enterprise holding the interest
6 in violation of this chapter.

7 3. The courts of this state may prevent and
8 restrain violations of this chapter through the
9 issuance of an injunction. The attorney general or a
10 county attorney shall institute suits on behalf of the
11 state to prevent and restrain violations of this
12 chapter.

13 Sec. 6. NEW SECTION. 10C.5 REPEAL.

14 Sections 10C.1 through 10C.4 and this section are
15 repealed July 1, 2004.

16 Sec. 7. NEW SECTION. 10C.6 EXISTING LIFE SCIENCE
17 ENTERPRISES.

18 This section applies on and after July 1, 2004.

19 1. a. A life science enterprise may acquire or
20 hold agricultural land, notwithstanding section 10C.5
21 as that section exists in the 2003 Code or 2003 Code
22 Supplement, if all of the following applies:

23 (1) The life science enterprise acquires the
24 agricultural land on or before June 30, 2004.

25 (2) The enterprise acquires or holds the
26 agricultural land pursuant to chapter 10C as that
27 chapter exists in the 2003 Code or 2003 Code
28 Supplement.

29 (3) The economic development board has approved a
30 life science enterprise plan filed on or before June
31 30, 2004 with the board. The enterprise must acquire
32 or hold the agricultural land pursuant to the plan
33 which may be amended at any time and approved by the
34 board pursuant to section 15.104.

35 b. The life science enterprise must file a report
36 with the secretary of state as provided in section
37 10B.4.

38 2. A person who is a successor in interest to a
39 life science enterprise may acquire or hold
40 agricultural land, notwithstanding section 10C.5 as
41 that section exists in the 2003 Code or 2003 Code
42 Supplement, if all of the following applies:

43 a. The person meets the qualifications of a life
44 science enterprise and acquires or holds the
45 agricultural land as provided in chapter 10C as that
46 chapter exists in the 2003 Code or 2003 Code
47 Supplement.

48 b. The person acquires or holds the agricultural
49 land according to the life science enterprise plan
50 filed by the person's predecessor in interest and

S-5286

S-5286

Page 4

1 approved by the economic development board. The plan
2 may be amended at any time and approved by the board
3 pursuant to section 15.104.

4 c. The person has filed a notice with the economic
5 development board as required by the board. The
6 notice shall state that the person is a successor in
7 interest. The notice must be filed with the board
8 within thirty days following the person's acquisition
9 of the interest.

10 d. The person must file a report as a life science
11 enterprise with the secretary of state as provided in
12 section 10B.4.

13 Sec. 8. Section 15.104, Code 1999, is amended by
14 adding the following new subsection:

15 NEW SUBSECTION. 4A. Review and approve or
16 disapprove a life science enterprise plan or
17 amendments to that plan as provided in chapter 10C as
18 that chapter exists on or before June 30, 2004, and
19 according to rules adopted by the board. A life
20 science plan shall make a reasonable effort to provide
21 for participation by persons who are individuals or
22 family farm entities actively engaged in farming as
23 defined in section 10.1. The persons may participate
24 in the life science enterprise by holding an equity
25 position in the life science enterprise or providing
26 goods or service to the enterprise under contract.
27 The plan must be filed with the board not later than
28 June 30, 2004. The life science enterprise may file
29 an amendment to a plan at any time. A life science
30 enterprise is not eligible to file a plan, unless the
31 life science enterprise files a notice with the board.
32 The notice shall be a simple statement indicating that
33 the life science enterprise may file a plan as
34 provided in this section. The notice must be filed
35 with the board within thirty days from the effective
36 date of this Act. The notice, plan, or amendments
37 shall be submitted by a life science enterprise as
38 provided by the board. The board shall consult with
39 the department of agriculture and land stewardship
40 during its review of a life science plan or amendments
41 to that plan. The plan shall include information
42 regarding the life science enterprise as required by
43 rules adopted by the board, including but not limited
44 to all of the following:

45 a. A description of life science products to be
46 developed by the enterprise.

47 b. The time frame required by the enterprise to
48 develop the life science products.

49 c. The amount of capital investment required by
50 the enterprise to develop the life science products.

S-5286

-4-

S-5286

Page 5

1 d. The number of acres of land required to produce
 2 the life science products.
 3 e. The type and extent of participation in the
 4 life science enterprise by persons who are individuals
 5 or family farm entities. If the plan does not provide
 6 for participation or minimal participation, the plan
 7 shall include a detailed explanation of the reasonable
 8 effort made by the life science enterprise to provide
 9 for participation.
 10 Sec. 9. DIRECTIONS TO CODE EDITOR. The Code
 11 editor may transfer section 10C.6 to another chapter
 12 in the 2005 Code, and correct internal references as
 13 necessary in order to enhance the readability of the
 14 Code.
 15 Sec. 10. EFFECTIVE DATE. This Act, being deemed
 16 of immediate importance, takes effect upon enactment."

By KEN VEENSTRA
 JOHN P. KIBBIE

*Adopted 4-5-00
 (p. 1035)*

S-5286 FILED MARCH 28, 2000

HOUSE FILE 2491

S-5294

1 Amend House File 2491, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 2, by inserting after line 24, the
 4 following:
 5 "However, a life science enterprise shall not
 6 acquire or hold agricultural land, if the life science
 7 enterprise receives any form of financing from the
 8 Iowa agricultural industry finance corporation as
 9 provided in chapter 15E."

By JOHN P. KIBBIE
 DERRYL McLAREN

MERLIN E. BARTZ
 BETTY A. SOUKUP

S-5294 FILED MARCH 28, 2000

*o/p
 4/5/00 (p. 1035)*

HOUSE FILE 2491

S-5300

1 Amend the amendment, S-5286, to House File 2491, as
 2 amended, passed, and reprinted by the House, as
 3 follows:
 4 1. Page 2, lines 22 and 23, by striking the words
 5 "The life science enterprise" and inserting the
 6 following: "In addition, the life science enterprise
 7 shall not acquire or hold agricultural land, if the
 8 life science enterprise receives any form of financing
 9 from an Iowa agricultural industry finance corporation
 10 as provided in chapter 15E. A life science enterprise
 11 that complies with this section".

By JOHN P. KIBBIE
 DERRYL McLAREN

MERLIN E. BARTZ
 BETTY A. SOUKUP

S-5300 FILED MARCH 28, 2000

*Adopted
 4-5-00
 (p. 1035)*

SENATE AMENDMENT TO HOUSE FILE 2491

H-8757

1 Amend House File 2491, as amended, passed, and
2 reprinted by the House, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "Section 1. Section 10B.4, subsection 2, Code
6 1999, is amended by adding the following new
7 paragraph:

8 NEW PARAGRAPH. g. If the reporting entity is a
9 life science enterprise, as provided in chapter 10C,
10 as that chapter exists on or before June 30, 2004, the
11 total amount of commercial sale of life science
12 products and products other than life science products
13 which are produced from the agricultural land held by
14 the life science enterprise.

15 Sec. 2. NEW SECTION. 10C.1 DEFINITIONS.

16 1. "Actively engaged in farming" means the same as
17 defined in section 10.1.

18 2. "Agricultural commodity" means the same as
19 defined in section 190C.1.

20 3. "Agricultural land" means land suitable for use
21 in farming as defined in section 9H.1.

22 4. "Animal" means a creature belonging to the
23 bovine, caprine, equine, ovine, or porcine species.

24 5. "Corporation" means a domestic or foreign
25 corporation subject to chapter 490, a nonprofit
26 corporation, or a cooperative.

27 6. "Economic development board" or "board" means
28 the economic development board created pursuant to
29 section 15.103.

30 7. "Family farm entity" means the same as defined
31 in section 10.1.

32 8. "Life science enterprise" or "enterprise" means
33 a corporation or limited liability company organized
34 for the purpose of using biotechnological systems or
35 techniques for the production of life science
36 products.

37 9. "Life science product" or "product" means a
38 product derived from an animal by using
39 biotechnological systems or techniques and which
40 includes only the following:

41 a. Embryos or oocytes for use in animal
42 implantation.

43 b. Blood, milk, or urine for use in the
44 manufacture of pharmaceuticals or nutraceuticals.

45 c. Cells, tissue, or organs for use in animal or
46 human transplantation.

47 10. "Limited liability company" means a limited
48 liability company as defined in section 490A.102.

49 Sec. 3. NEW SECTION. 10C.2 PURPOSE.

50 The purpose of this chapter is to promote economic

H-8757

H-8757

Page 2

1 growth in this state during this period of
2 revolutionary technological advancement in animal and
3 human health sciences, by providing for the
4 development of industries unrelated to traditional
5 farming, but devoted to the production of life science
6 products derived from animals.

7 Sec. 4. NEW SECTION. 10C.3 ENTERPRISES ENGAGED
8 IN THE CREATION AND DEVELOPMENT OF LIFE SCIENCE
9 PRODUCTS -- PROHIBITION AND EXCEPTIONS.

10 Notwithstanding any other provision of law, a life
11 science enterprise may acquire or hold an ownership or
12 leasehold interest in agricultural land, if the
13 economic development board approves a life science
14 enterprise plan as provided in section 15.104. A life
15 science enterprise must acquire or hold the
16 agricultural land pursuant to the plan which may be
17 amended as provided by the board. However, the life
18 science enterprise shall not hold a total of more than
19 three hundred twenty acres of agricultural land. The
20 life science enterprise shall hold the land only for
21 purposes of producing life science products according
22 to the life science enterprise plan. In addition, the
23 life science enterprise shall not acquire or hold
24 agricultural land, if the life science enterprise
25 receives any form of financing from an Iowa
26 agricultural industry finance corporation as provided
27 in chapter 15E. A life science enterprise that
28 complies with this section may hold the interest in
29 the agricultural land, as provided in the plan, for as
30 long as commercial sales of products produced from the
31 agricultural land are subject to the following:

32 1. The sale of life science products must equal at
33 least seventy-five percent of commercial sales of all
34 products produced from the agricultural land during
35 any year that the life science enterprise is required
36 to report under section 10B.4.

37 2. The sale of products other than life science
38 products must equal not more than twenty-five percent
39 of commercial sales of all products produced from the
40 agricultural land during any year that the life
41 science enterprise is required to report under section
42 10B.4.

43 Sec. 5. NEW SECTION. 10C.4 ENFORCEMENT --
44 PENALTIES.

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

47 2. A life science enterprise violating this
48 chapter shall be assessed a civil penalty of not more
49 than twenty-five thousand dollars. Each day that a
50 violation exists shall constitute a separate offense.

H-8757

H-8757

Page 3

1 In addition, the life science enterprise shall divest
2 itself of any land held in violation of this chapter
3 within one year after judgment. The court may
4 determine the method of divesting an interest held by
5 a life science enterprise found to be in violation of
6 this chapter. A financial gain realized by the
7 enterprise which disposes of an interest held in
8 violation of this chapter shall be forfeited to the
9 general fund of the state. All court costs and fees
10 shall be paid by the enterprise holding the interest
11 in violation of this chapter.

12 3. The courts of this state may prevent and
13 restrain violations of this chapter through the
14 issuance of an injunction. The attorney general or a
15 county attorney shall institute suits on behalf of the
16 state to prevent and restrain violations of this
17 chapter.

18 Sec. 6. NEW SECTION. 10C.5 REPEAL.

19 Sections 10C.1 through 10C.4 and this section are
20 repealed July 1, 2004.

21 Sec. 7. NEW SECTION. 10C.6 EXISTING LIFE SCIENCE
22 ENTERPRISES.

23 This section applies on and after July 1, 2004.

24 1. a. A life science enterprise may acquire or
25 hold agricultural land, notwithstanding section 10C.5
26 as that section exists in the 2003 Code or 2003 Code
27 Supplement, if all of the following applies:

28 (1) The life science enterprise acquires the
29 agricultural land on or before June 30, 2004.

30 (2) The enterprise acquires or holds the
31 agricultural land pursuant to chapter 10C as that
32 chapter exists in the 2003 Code or 2003 Code
33 Supplement.

34 (3) The economic development board has approved a
35 life science enterprise plan filed on or before June
36 30, 2004 with the board. The enterprise must acquire
37 or hold the agricultural land pursuant to the plan
38 which may be amended at any time and approved by the
39 board pursuant to section 15.104.

40 b. The life science enterprise must file a report
41 with the secretary of state as provided in section
42 10B.4.

43 2. A person who is a successor in interest to a
44 life science enterprise may acquire or hold
45 agricultural land, notwithstanding section 10C.5 as
46 that section exists in the 2003 Code or 2003 Code
47 Supplement, if all of the following applies:

48 a. The person meets the qualifications of a life
49 science enterprise and acquires or holds the
50 agricultural land as provided in chapter 10C as that

H-8757

-3-

H-8757

Page 4

1 chapter exists in the 2003 Code or 2003 Code
2 Supplement.

3 b. The person acquires or holds the agricultural
4 land according to the life science enterprise plan
5 filed by the person's predecessor in interest and
6 approved by the economic development board. The plan
7 may be amended at any time and approved by the board
8 pursuant to section 15.104.

9 c. The person has filed a notice with the economic
10 development board as required by the board. The
11 notice shall state that the person is a successor in
12 interest. The notice must be filed with the board
13 within thirty days following the person's acquisition
14 of the interest.

15 d. The person must file a report as a life science
16 enterprise with the secretary of state as provided in
17 section 10B.4.

18 Sec. 8. Section 15.104, Code 1999, is amended by
19 adding the following new subsection:

20 • NEW SUBSECTION. 4A. Review and approve or
21 disapprove a life science enterprise plan or
22 amendments to that plan as provided in chapter 10C as
23 that chapter exists on or before June 30, 2004, and
24 according to rules adopted by the board. A life
25 science plan shall make a reasonable effort to provide
26 for participation by persons who are individuals or
27 family farm entities actively engaged in farming as
28 defined in section 10.1. The persons may participate
29 in the life science enterprise by holding an equity
30 position in the life science enterprise or providing
31 goods or service to the enterprise under contract.
32 The plan must be filed with the board not later than
33 June 30, 2004. The life science enterprise may file
34 an amendment to a plan at any time. A life science
35 enterprise is not eligible to file a plan, unless the
36 life science enterprise files a notice with the board.
37 The notice shall be a simple statement indicating that
38 the life science enterprise may file a plan as
39 provided in this section. The notice must be filed
40 with the board not later than June 30, 2001. The
41 notice, plan, or amendments shall be submitted by a
42 life science enterprise as provided by the board. The
43 board shall consult with the department of agriculture
44 and land stewardship during its review of a life
45 science plan or amendments to that plan. The plan
46 shall include information regarding the life science
47 enterprise as required by rules adopted by the board,
48 including but not limited to all of the following:

49 a. A description of life science products to be
50 developed by the enterprise.

H-8757

-4-

H-8757

Page 5

1 b. The time frame required by the enterprise to
 2 develop the life science products.
 3 c. The amount of capital investment required by
 4 the enterprise to develop the life science products.
 5 d. The number of acres of land required to produce
 6 the life science products.
 7 e. The type and extent of participation in the
 8 life science enterprise by persons who are individuals
 9 or family farm entities. If the plan does not provide
 10 for participation or minimal participation, the plan
 11 shall include a detailed explanation of the reasonable
 12 effort made by the life science enterprise to provide
 13 for participation.

14 Sec. 9. DIRECTIONS TO CODE EDITOR. The Code
 15 editor may transfer section 10C.6 to another chapter
 16 in the 2005 Code, and correct internal references as
 17 necessary in order to enhance the readability of the
 18 Code.

19 Sec. 10. EFFECTIVE DATE. This Act, being deemed
 20 of immediate importance, takes effect upon enactment."

RECEIVED FROM THE SENATE

H-8757 FILED APRIL 6, 2000

House Concurred
4-10-00
(P. 1363)

HOUSE FILE 2491

H-8772

1 Amend the Senate amendment, H-8757, to House File
 2 2491, as amended, passed, and reprinted by the House,
 3 as follows:

4 1. Page 5, by inserting after line 20, the
 5 following:

6 "____. Title page, line 2, by inserting after the
 7 word "penalties" the following: "and an effective
 8 date"."

By ALONS of Sioux

H-8772 FILED APRIL 6, 2000

0/0
4/10/00
P. 1263)

HOUSE FILE 2491

H-8796

1 Amend the Senate amendment, H-8757, to House File
2 2491, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by inserting after line 31, the
5 following:

6 "____. "Life science by-product" means a commodity,
7 other than a life science product, if the commodity
8 derives from the production of a life science product
9 and the commodity is not intended or used for human
10 consumption."

11 2. Page 2, by striking lines 32 through 42, and
12 inserting the following:

13 "____. The sale of life science products.

14 _____. The sale of cull livestock kept on the
15 agricultural land, surplus commodities produced as
16 feed for livestock kept on the agricultural land, or
17 life science by-products."

18 3. Page 5, by inserting after line 20, the
19 following:

20 "____. Title page, line 2, by inserting after the
21 word "penalties" the following: "and an effective
22 date"."

By ALONS of Sioux

H-8796 FILED APRIL 10, 2000

Adopted
4-10-00 (p. 1362)

HOUSE AMENDMENT TO SENATE AMENDMENT TO
HOUSE FILE 2491

S-5379

1 Amend the Senate amendment, H-8757, to House File
2 2491, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by inserting after line 31, the
5 following:

6 "____. "Life science by-product" means a commodity,
7 other than a life science product, if the commodity
8 derives from the production of a life science product
9 and the commodity is not intended or used for human
10 consumption."

11 2. Page 2, by striking lines 32 through 42, and
12 inserting the following:

13 "____. The sale of life science products.

14 _____. The sale of cull livestock kept on the
15 agricultural land, surplus commodities produced as
16 feed for livestock kept on the agricultural land, or
17 life science by-products."

18 3. Page 5, by inserting after line 20, the
19 following:

20 "____. Title page, line 2, by inserting after the
21 word "penalties" the following: "and an effective
22 date"."

RECEIVED FROM THE HOUSE

S-5379 FILED APRIL 11, 2000
CONCURRED

(P. III)

HOUSE FILE 2491

AN ACT
PROVIDING FOR THE PRODUCTION OF LIFE SCIENCE PRODUCTS, AND
PROVIDING FOR PENALTIES AND AN EFFECTIVE DATE.

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

Section 1. Section 10B.4, subsection 2, Code 1999, is amended by adding the following new paragraph:

NEW PARAGRAPH. g. If the reporting entity is a life science enterprise, as provided in chapter 10C, as that chapter exists on or before June 30, 2004, the total amount of commercial sale of life science products and products other than life science products which are produced from the agricultural land held by the life science enterprise.

Sec. 2. NEW SECTION. 10C.1 DEFINITIONS.

1. "Actively engaged in farming" means the same as defined in section 10.1.
2. "Agricultural commodity" means the same as defined in section 190C.1.
3. "Agricultural land" means land suitable for use in farming as defined in section 9H.1.
4. "Animal" means a creature belonging to the bovine, caprine, equine, ovine, or porcine species.
5. "Corporation" means a domestic or foreign corporation subject to chapter 490, a nonprofit corporation, or a cooperative.
6. "Economic development board" or "board" means the economic development board created pursuant to section 15.103.
7. "Family farm entity" means the same as defined in section 10.1.
8. "Life science by-product" means a commodity, other than a life science product, if the commodity derives from the production of a life science product and the commodity is not intended or used for human consumption.

9. "Life science enterprise" or "enterprise" means a corporation or limited liability company organized for the purpose of using biotechnological systems or techniques for the production of life science products.

10. "Life science product" or "product" means a product derived from an animal by using biotechnological systems or techniques and which includes only the following:

- a. Embryos or oocytes for use in animal implantation.
- b. Blood, milk, or urine for use in the manufacture of pharmaceuticals or nutraceuticals.
- c. Cells, tissue, or organs for use in animal or human transplantation.

11. "Limited liability company" means a limited liability company as defined in section 490A.102.

Sec. 3. NEW SECTION. 10C.2 PURPOSE.

The purpose of this chapter is to promote economic growth in this state during this period of revolutionary technological advancement in animal and human health sciences, by providing for the development of industries unrelated to traditional farming, but devoted to the production of life science products derived from animals.

Sec. 4. NEW SECTION. 10C.3 ENTERPRISES ENGAGED IN THE CREATION AND DEVELOPMENT OF LIFE SCIENCE PRODUCTS -- PROHIBITION AND EXCEPTIONS.

Notwithstanding any other provision of law, a life science enterprise may acquire or hold an ownership or leasehold interest in agricultural land, if the economic development board approves a life science enterprise plan as provided in section 15.104. A life science enterprise must acquire or hold the agricultural land pursuant to the plan which may be amended as provided by the board. However, the life science enterprise shall not hold a total of more than three hundred twenty acres of agricultural land. The life science enterprise shall hold the land only for purposes of producing life science products according to the life science enterprise plan. In addition, the life science enterprise shall not acquire or hold agricultural land, if the life science

enterprise receives any form of financing from an Iowa agricultural industry finance corporation as provided in chapter 15E. A life science enterprise that complies with this section may hold the interest in the agricultural land, as provided in the plan, for as long as commercial sales of products produced from the agricultural land are subject to the following:

1. The sale of life science products.
2. The sale of cull livestock kept on the agricultural land, surplus commodities produced as feed for livestock kept on the agricultural land, or life science by-products.

Sec. 5. NEW SECTION. 10C.4 ENFORCEMENT -- PENALTIES.

1. The office of attorney general or a county attorney shall enforce the provisions of this chapter.
2. A life science enterprise violating this chapter shall be assessed a civil penalty of not more than twenty-five thousand dollars. Each day that a violation exists shall constitute a separate offense. In addition, the life science enterprise shall divest itself 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 life science enterprise found to be in violation of this chapter. A financial gain realized by the enterprise which disposes of an interest held in violation of this chapter shall be forfeited to the general fund of the state. All court costs and fees shall be paid by the enterprise holding the interest in violation of this chapter.
3. 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.

Sec. 6. NEW SECTION. 10C.5 REPEAL.

Sections 10C.1 through 10C.4 and this section are repealed July 1, 2004.

Sec. 7. NEW SECTION. 10C.6 EXISTING LIFE SCIENCE ENTERPRISES.

This section applies on and after July 1, 2004.

1. a. A life science enterprise may acquire or hold agricultural land, notwithstanding section 10C.5 as that section exists in the 2003 Code or 2003 Code Supplement, if all of the following applies:

- (1) The life science enterprise acquires the agricultural land on or before June 30, 2004.
- (2) The enterprise acquires or holds the agricultural land pursuant to chapter 10C as that chapter exists in the 2003 Code or 2003 Code Supplement.
- (3) The economic development board has approved a life science enterprise plan filed on or before June 30, 2004, with the board. The enterprise must acquire or hold the agricultural land pursuant to the plan which may be amended at any time and approved by the board pursuant to section 15.104.

b. The life science enterprise must file a report with the secretary of state as provided in section 10B.4.

2. A person who is a successor in interest to a life science enterprise may acquire or hold agricultural land, notwithstanding section 10C.5 as that section exists in the 2003 Code or 2003 Code Supplement, if all of the following applies:

a. The person meets the qualifications of a life science enterprise and acquires or holds the agricultural land as provided in chapter 10C as that chapter exists in the 2003 Code or 2003 Code Supplement.

b. The person acquires or holds the agricultural land according to the life science enterprise plan filed by the person's predecessor in interest and approved by the economic development board. The plan may be amended at any time and approved by the board pursuant to section 15.104.

c. The person has filed a notice with the economic development board as required by the board. The notice shall state that the person is a successor in interest. The notice must be filed with the board within thirty days following the person's acquisition of the interest.

d. The person must file a report as a life science enterprise with the secretary of state as provided in section 10B.4.

Sec. 8. Section 15.104, Code 1999, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. Review and approve or disapprove a life science enterprise plan or amendments to that plan as provided in chapter 10C as that chapter exists on or before June 30, 2004, and according to rules adopted by the board. A life science plan shall make a reasonable effort to provide for participation by persons who are individuals or family farm entities actively engaged in farming as defined in section 10.1. The persons may participate in the life science enterprise by holding an equity position in the life science enterprise or providing goods or service to the enterprise under contract. The plan must be filed with the board not later than June 30, 2004. The life science enterprise may file an amendment to a plan at any time. A life science enterprise is not eligible to file a plan, unless the life science enterprise files a notice with the board. The notice shall be a simple statement indicating that the life science enterprise may file a plan as provided in this section. The notice must be filed with the board not later than June 30, 2001. The notice, plan, or amendments shall be submitted by a life science enterprise as provided by the board. The board shall consult with the department of agriculture and land stewardship during its review of a life science plan or amendments to that plan. The plan shall include information regarding the life science enterprise as required by rules adopted by the board, including but not limited to all of the following:

- a. A description of life science products to be developed by the enterprise.
- b. The time frame required by the enterprise to develop the life science products.
- c. The amount of capital investment required by the enterprise to develop the life science products.
- d. The number of acres of land required to produce the life science products.

e. The type and extent of participation in the life science enterprise by persons who are individuals or family farm entities. If the plan does not provide for participation or minimal participation, the plan shall include a detailed explanation of the reasonable effort made by the life science enterprise to provide for participation.

Sec. 9. DIRECTIONS TO CODE EDITOR. The Code editor may transfer section 10C.6 to another chapter in the 2005 Code, and correct internal references as necessary in order to enhance the readability of the Code.

Sec. 10. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

BRENT SIEGRIST
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2491, Seventy-eighth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved 5/18, 2000

THOMAS J. VILSACK
Governor