

Senate Study Bill 1177

Bill Text

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1 1 Section 1. Section [15E.205](#), Code 2001, is amended by
1 2 adding the following new subsection:

1 3 NEW SUBSECTION. 1A. Notwithstanding section 490.802, a
1 4 director of the corporation must be a resident of this state
1 5 and a holder of voting common stock in the corporation.

1 6 Sec. 2. ELECTION OF A PERMANENT BOARD OF DIRECTORS. The
1 7 initial board of directors of the Iowa agricultural industry
1 8 finance corporation constituted pursuant to section 15E.206
1 9 shall organize a meeting of shareholders and provide for the
1 10 election of a permanent board of directors as provided in
1 11 chapter 490. The permanent board of directors shall take
1 12 office not later than March 1, 2003.

1 13 Sec. 3. APPLICABILITY. Section 15E.205, subsection 1A, as
1 14 enacted in this Act, applies to directors of a corporation who
1 15 are elected to the corporation's permanent board of directors
1 16 as provided in section 2 of this Act.

1 17 EXPLANATION

1 18 Division XIX of Code chapter 15E, referred to as the "Iowa
1 19 Agricultural Industry Finance Act", authorizes the formation
1 20 of one or more Iowa agricultural industry finance
1 21 corporations. The purpose of such a corporation is to
1 22 facilitate opportunities for local agricultural producer-led
1 23 ventures and to expand production and processing of high-value
1 24 agricultural products. Such a corporation is governed by a
1 25 board of directors. Code section 15E.206 provides for the
1 26 organization of the board of one corporation by an initial
1 27 board of directors.

1 28 This bill provides for the election of directors of an Iowa
1 29 agricultural industry finance corporation. Generally, a
1 30 corporation provided for in Code chapter 15E is governed under
1 31 Code chapter 490, including providing for the election of
1 32 directors under Code section 490.802. This bill provides that
1 33 notwithstanding that section, a director of the corporation
1 34 must be a resident of this state and a holder of voting common
1 35 stock in the corporation.

2 1 The bill also requires that the initial board of directors
2 2 of the Iowa agricultural industry finance corporation
2 3 constituted pursuant to Code section 15E.206 must organize a
2 4 meeting of shareholders and provide for the election of a
2 5 permanent board of directors. The permanent board of
2 6 directors must take office not later than March 1, 2003.

2 7 LSB 3070XC 79

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