

FEB 14 2006
Agriculture

HOUSE FILE 2357
BY S. OLSON

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

A BILL FOR

1 An Act relating to farm tenancies.

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

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HF 2357

1 Section 1. NEW SECTION. 562.1A DEFINITIONS.

2 As used in this chapter, unless the context otherwise
3 requires:

4 1. "Farm tenancy" means a leasehold interest in land held
5 by a person who produces crops or provides for the care and
6 feeding of livestock on the land, including by grazing or
7 supplying feed to the livestock.

8 2. "Livestock" means the same as defined in section 717.1.

9 Sec. 2. Section 562.5, Code 2005, is amended to read as
10 follows:

11 562.5 TERMINATION OF FARM TENANCIES.

12 In the case of ~~tenants-occupying-and-cultivating-farms a~~
13 farm tenancy, the notice must fix the termination of the farm
14 tenancy to take place on the first day of March, except in
15 cases of a mere croppers cropper, whose ~~leases farm tenancy~~
16 shall be-held-to-expire terminate when the crop is harvested.
17 However, if the crop is corn, ~~it the termination~~ shall not be
18 later than the first day of December, unless otherwise agreed
19 upon.

20 Sec. 3. Section 562.6, Code 2005, is amended to read as
21 follows:

22 562.6 AGREEMENT FOR TERMINATION.

23 If an agreement is made fixing the time of the termination
24 of the a tenancy, whether in writing or not, the tenancy shall
25 ~~cease terminate~~ at the time agreed upon, without notice. ~~In~~
26 ~~the-case-of-farm-tenants,-except~~ Except for a farm tenant who
27 is a mere croppers,-occupying-and-cultivating cropper, a farm
28 tenancy with an acreage of forty acres or more,~~-the-tenancy~~
29 shall continue beyond the agreed term for the following crop
30 year and otherwise upon the same terms and conditions as the
31 original lease unless written notice for termination is served
32 upon either party or a successor of the party in the manner
33 provided in section 562.7, whereupon the farm tenancy shall
34 terminate March 1 following. However, the tenancy shall not
35 continue because of an absence of notice if there is default

1 in the performance of the existing rental agreement.

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EXPLANATION

3 Code chapter 562, and in particular Code sections 562.5,
4 562.6, and 562.7, governs how notice must be provided to a
5 farm tenant in order to terminate a lease by providing a
6 number of rights to farmer-tenants. For example, there must
7 be a fixed amount of time between a notice of termination and
8 the actual termination date (the notice must be given by
9 September 1 to terminate the lease for the following crop
10 year), it must terminate on March 1, and if there is no timely
11 notice of the termination or the notice does not otherwise
12 satisfy the requirements of the statute, the tenancy will
13 automatically be continued under the same terms and conditions
14 of the original lease for the following crop year (unless the
15 parties agree otherwise).

16 There are several exceptions. The tenants' rights
17 provisions do not apply to a "mere cropper" (an undefined
18 term, but generally a person who pays for the land's use on a
19 crop share basis, meaning a percentage of the crops produced
20 on the land rather than a fixed amount), a tenancy which is
21 less than 40 acres, where there is a default in the
22 performance of the terms of the lease, or where the tenant is
23 not "occupying and cultivating" the land. The Iowa Supreme
24 Court has held that the term "occupy" is not restricted to
25 residency. See Paulson v. Rogis, 77 N.W.2d 33 (Iowa 1956).
26 However, in a later case, the Iowa Supreme Court held that
27 "cultivation" did not include using the land for grazing or
28 presumably post-harvest gleaning under common "cornstalk
29 leases". See Morling v. Schmidt, 299 N.W.2d 480 (Iowa 1980).

30 This bill amends Code chapter 562 by defining a "farm
31 tenancy" to mean a leasehold interest in land held by a person
32 who produces crops or provides for the care and feeding of
33 livestock on the land, including by grazing or supplying feed
34 to the livestock. The bill eliminates the term "occupying and
35 cultivating". "Livestock" is defined by reference to a

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1 commonly used definition in Code section 717.1, which includes
2 an animal belonging to the bovine, caprine, equine, ovine, or
3 porcine species, ostriches, rheas, emus, farm deer, or
4 poultry.

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