

# House File 2304 - Introduced

HOUSE FILE \_\_\_\_\_  
BY FORD

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

## A BILL FOR

1 An Act relating to farmland preservation, by providing tax  
2 credits and restrictions on the uses of farmland eligible for  
3 tax credits, and providing penalties.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 6026HH 82  
6 da/rj/8

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1 1 Section 1. Section 6B.3, subsection 1, paragraph f, Code  
1 2 2007, is amended to read as follows:  
1 3 f. ~~If A disclosure statement, if the damages are to be~~  
1 4 ~~paid by the state and the land to be condemned is within an~~  
1 5 ~~agricultural area as provided in chapter 352, a eligible~~  
1 6 ~~farmland which is subject to a farmland preservation agreement~~  
1 7 ~~or located in an area zoned for exclusive agricultural use~~  
1 8 ~~under a certified county or city ordinance as provided in~~  
1 9 ~~chapter 467A. The disclosure statement disclosing shall~~  
1 10 ~~specify whether any of that land is classified as class I or~~  
1 11 ~~class II land under the United States department of~~  
1 12 ~~agriculture natural resources conservation service land~~  
1 13 ~~capability classification system contained in the agriculture~~  
1 14 ~~handbook number 210, 1961 edition and, if so classified,~~  
1 15 ~~stating that the class I or class II land is reasonably~~  
1 16 ~~necessary for the work of internal improvement for which~~  
1 17 ~~condemnation is sought.~~  
1 18 Sec. 2. Section 331.304A, subsection 2, Code 2007, is  
1 19 amended to read as follows:  
1 20 2. a. ~~A Except as provided in paragraph "b", a county~~  
1 21 ~~shall not adopt or enforce county legislation regulating a~~  
1 22 ~~condition or activity occurring on land used for the~~  
1 23 ~~production, care, feeding, or housing of animals unless the~~  
1 24 ~~regulation of the production, care, feeding, or housing of~~  
1 25 ~~animals is expressly authorized by state law. County~~  
1 26 ~~legislation adopted in violation of this section is void and~~  
1 27 ~~unenforceable and any enforcement activity conducted in~~  
1 28 ~~violation of this section is void. A condition or activity~~  
1 29 ~~occurring on land used for the production, care, feeding, or~~  
1 30 ~~housing of animals includes but is not limited to the~~  
1 31 ~~construction, operation, or management of an animal feeding~~  
1 32 ~~operation, an animal feeding operation structure, or aerobic~~  
1 33 ~~structure, and to the storage, handling, or application of~~  
1 34 ~~manure or egg washwater.~~  
1 35 b. ~~A county may zone areas for exclusive agricultural use~~  
2 1 ~~under a certified county or city ordinance as provided in~~  
2 2 ~~chapter 467A, subchapter V.~~  
2 3 Sec. 3. Section 335.2, Code 2007, is amended to read as  
2 4 follows:  
2 5 335.2 FARMS EXEMPT.  
2 6 1. ~~Except to the extent required to implement section~~  
2 7 ~~335.27, no as provided in subsection 2, an ordinance adopted~~  
2 8 ~~under this chapter applies shall not apply to land, farm~~  
2 9 ~~houses, farm barns, farm outbuildings or other buildings or~~  
2 10 ~~structures which are primarily adapted, by reason of nature~~  
2 11 ~~and area, for use for agricultural purposes, while so used.~~  
2 12 2. ~~However, the ordinances An ordinance may apply to~~  
2 13 ~~implement a provision in section 335.27 or chapter 467A,~~  
2 14 ~~subchapter V. An ordinance may apply to any structure,~~  
2 15 ~~building, dam, obstruction, deposit or excavation in or on the~~  
2 16 ~~flood plains of any river or stream.~~  
2 17 Sec. 4. Section 352.9, Code 2007, is amended to read as  
2 18 follows:  
2 19 352.9 WITHDRAWAL.

2 20 1. An owner may withdraw from an agricultural area by  
2 21 doing any of the following:

2 22 a. At any time after three years from the date of creation  
2 23 of an agricultural area, an owner may withdraw from an  
2 24 agricultural area by filing by filing a request with the  
2 25 county board a request for withdrawal containing of  
2 26 supervisors. The request shall include a legal description of  
2 27 the land to be withdrawn and a statement of the reasons for  
2 28 the withdrawal. The county board shall, within sixty days of  
2 29 receipt of the request, approve or deny the request for  
2 30 withdrawal.

2 31 b. At any time after six years from the date of creation  
2 32 of an agricultural area, an owner may withdraw from an  
2 33 agricultural area by filing by filing a demand with the county  
2 34 board of supervisors. The demand shall include a notice of  
2 35 withdrawal containing a legal description of the land to be  
3 1 withdrawn.

3 2 c. At any time by filing a demand with the county board of  
3 3 supervisors stating that the land within the agricultural area  
3 4 is subject to a farmland preservation agreement or is zoned  
3 5 for exclusive agricultural use under a certified county or  
3 6 city ordinance as provided in chapter 467A. The demand shall  
3 7 include a copy of any farmland preservation agreement executed  
3 8 by the parties pursuant to section 467A.405.

3 9 2. The board of supervisors shall cause the description of  
3 10 that agricultural area filed with the county auditor and  
3 11 recording officer in the county to be modified to reflect any  
3 12 withdrawal. Withdrawal shall be effective on the date of  
3 13 recording. The agricultural area from which the land is  
3 14 withdrawn shall continue in existence even if smaller than  
3 15 three hundred acres after withdrawal.

3 16 Sec. 5. Section 368.11, subsection 3, Code 2007, is  
3 17 amended by adding the following new paragraph:

3 18 NEW PARAGRAPH. o. Whether the land is subject to a  
3 19 farmland preservation agreement as provided in chapter 467A,  
3 20 subchapter IV, or located in an area zoned for exclusive  
3 21 agricultural use under a certified county or city ordinance as  
3 22 provided in chapter 467A, subchapter V.

3 23 Sec. 6. Section 368.17, Code 2007, is amended by adding  
3 24 the following new subsection:

3 25 NEW SUBSECTION. 8. A use which is inconsistent with a use  
3 26 as provided in a farmland preservation agreement or a use  
3 27 within an area zoned for exclusive agricultural use under a  
3 28 certified county or city ordinance as provided in chapter  
3 29 467A, subchapter V.

3 30 Sec. 7. NEW SECTION. 368.27 ANNEXATION OF CERTAIN  
3 31 PROPERTY == COMPLIANCE WITH FARMLAND PRESERVATION AGREEMENTS  
3 32 AND ORDINANCES.

3 33 This section applies to a city ordinance or regulation that  
3 34 purports to regulate farmland which has been annexed by a city  
3 35 under this chapter.

4 1 1. The city ordinance or regulation shall not regulate an  
4 2 agricultural use occurring on farmland covered by a farmland  
4 3 preservation agreement executed pursuant to section 467A.405  
4 4 and shall not regulate a person who owns and operates such  
4 5 eligible farmland for the duration of the farmland  
4 6 preservation agreement as provided in chapter 467A, subchapter  
4 7 IV. The regulation is unenforceable against the eligible  
4 8 farmland or the owner of the eligible farmland.

4 9 2. The city ordinance or regulation shall not regulate an  
4 10 agricultural use within an area zoned for exclusive  
4 11 agricultural use under a certified county or city ordinance as  
4 12 provided in chapter 467A, subchapter V. The regulation is  
4 13 unenforceable against the farmland or the owner of the  
4 14 farmland.

4 15 Sec. 8. Section 414.2, Code 2007, is amended to read as  
4 16 follows:

4 17 414.2 DISTRICTS.

4 18 For any or all of said purposes the local legislative body,  
4 19 hereinafter referred to as the council, may divide the city  
4 20 into districts, including historical preservation districts  
4 21 but only as provided in section 303.34, of such number, shape,  
4 22 and area as may be deemed best suited to carry out the  
4 23 purposes of this chapter; and within such districts it may  
4 24 regulate and restrict the erection, construction,  
4 25 reconstruction, alteration, repair, or use of buildings,  
4 26 structures, or land. All such regulations and restrictions  
4 27 shall be uniform for each class or kind of buildings  
4 28 throughout each district, but the regulations in one district  
4 29 may differ from those in other districts. The council shall  
4 30 establish districts for exclusively agricultural uses as

4 31 provided in chapter 467A, subchapter V.

4 32 Sec. 9. NEW SECTION. 422.11V FARMLAND PRESERVATION TAX  
4 33 CREDIT.

4 34 The taxes imposed under this division, less the credits  
4 35 allowed under sections 422.12 and 422.12B, shall be reduced by  
5 1 a farmland preservation tax credit as allowed under chapter  
5 2 467.

5 3 Sec. 10. Section 422.33, Code Supplement 2007, is amended  
5 4 by adding the following new subsection:  
5 5 NEW SUBSECTION. 25. The taxes imposed under this division  
5 6 shall be reduced by a farmland preservation tax credit as  
5 7 allowed under chapter 467.

5 8 Sec. 11. NEW SECTION. 467.1 PURPOSE.  
5 9 The purpose of this chapter is to provide a tax credit to  
5 10 owners of farmland which is subject to agricultural use  
5 11 restrictions as provided in chapter 467A.

5 12 Sec. 12. NEW SECTION. 467.2 DEFINITIONS.  
5 13 As used in this chapter, unless the context otherwise  
5 14 requires:

5 15 1. "Agricultural use" means the same as defined in section  
5 16 467A.101.

5 17 2. "Farmland" means the same as defined in section 352.2.

5 18 3. "Federal agricultural program" means the same as  
5 19 defined in section 467A.101.

5 20 4. "Gross farm profits" means gross receipts, excluding  
5 21 rent, from agricultural use, including the fair market value  
5 22 at the time of disposition of payments in kind for placing  
5 23 land in federal programs or payments from federal agricultural  
5 24 programs, less the cost or other basis of livestock or other  
5 25 items purchased for resale which are sold or otherwise  
5 26 disposed of during the taxable year.

5 27 5. "Household" means an individual and the individual's  
5 28 spouse and all minor dependents.

5 29 6. "Household income" means all of the income of an  
5 30 individual and the individual's spouse and the farm income,  
5 31 including wages, earned on the farm to which the credit  
5 32 applies of all minor dependents attributable to the taxable  
5 33 year while members of the household.

5 34 7. "Owner" means the same as defined in section 467A.101.

5 35 8. "Tax credit" means the farmland preservation tax credit  
6 1 allowed in this chapter.

6 2 Sec. 13. NEW SECTION. 467.3 ELIGIBILITY == CLAIMANT.

6 3 1. A person may claim the farmland preservation tax credit  
6 4 as follows:

6 5 a. The person must be an owner of farmland who is an  
6 6 individual or partnership or a family farm corporation, family  
6 7 farm limited liability company, family farm limited  
6 8 partnership, or family trust, as defined in section 9H.1.

6 9 b. The person who is an individual must be domiciled in  
6 10 this state during the entire tax year for which the tax credit  
6 11 is claimed, except as follows:

6 12 (1) When two or more individuals of a household are able  
6 13 to qualify individually as a claimant, they may determine  
6 14 between them who is the claimant. If they are unable to  
6 15 agree, the issue shall be resolved by rules adopted by the  
6 16 department.

6 17 (2) If a person may claim a family farm tax credit under  
6 18 chapter 425A, the person and all individuals from that  
6 19 person's household are ineligible to claim a tax credit under  
6 20 this chapter for the tax year to which the family farm tax  
6 21 credit under chapter 425A pertains.

6 22 2. If the person is a partnership, S corporation, limited  
6 23 liability company, cooperative organized under chapter 501 and  
6 24 filing as a partnership for federal tax purposes, estate, or  
6 25 trust electing to have the income taxed directly to the  
6 26 individual, an individual may claim the tax credit allowed.

6 27 The amount claimed by the individual shall be based upon the  
6 28 pro rata share of the individual's earnings of the  
6 29 partnership, S corporation, limited liability company,  
6 30 cooperative organized under chapter 501 and filing as a  
6 31 partnership for federal tax purposes, estate, or trust. The  
6 32 percentage shall be determined as provided in section 15.335A.  
6 33 "Claimant" does not include the estate of a person who is a  
6 34 nonresident of this state on the person's date of death, a  
6 35 trust created by a nonresident person, a trust which receives  
7 1 real property located in this state from a nonresident person  
7 2 or a trust in which a nonresident settlor retains a beneficial  
7 3 interest.

7 4 3. When the farmland is subject to a real estate contract,  
7 5 the claimant is the vendee under the real estate contract.

7 6 Sec. 14. NEW SECTION. 467.4 FARMLAND.

7 7 The tax credit must apply to at least thirty-five or more  
7 8 acres of farmland in this state. The farmland must be subject  
7 9 to a farmland preservation agreement or be an acre zoned for  
7 10 exclusive agricultural use as provided in section 467A.403.  
7 11 The farmland must be owned by the claimant during the taxable  
7 12 year for which the tax credit is claimed. In addition, any of  
7 13 the following must apply:

7 14 1. During the taxable year for which the tax credit is  
7 15 claimed, the farmland must have produced not less than six  
7 16 thousand dollars in gross farm profits resulting from the  
7 17 farmland's agricultural use.

7 18 2. During the taxable year for which the tax credit is  
7 19 claimed, and the two years immediately preceding that year,  
7 20 the farmland must have produced not less than eighteen  
7 21 thousand dollars in gross farm profits resulting from the  
7 22 farmland's agricultural use.

7 23 3. During the taxable year for which the tax credit is  
7 24 claimed, or any part of that year, at least thirty-five acres  
7 25 of the farmland was enrolled in the conservation reserve  
7 26 program under 16 U.S.C. } 3831==3835A.

7 27 Sec. 15. NEW SECTION. 467.5 CLAIMS == SUPPORTING  
7 28 DOCUMENTATION.

7 29 A claimant must supply to the department supporting  
7 30 documentation as required by the department which may include  
7 31 any of the following:

7 32 1. A statement of the property taxes due on the farmland  
7 33 for which the claim is made.

7 34 2. A certification by the claimant that all property taxes  
7 35 owed by the claimant on the property for which the claim is  
8 1 made for the year before the year for which the claim is made  
8 2 have been paid.

8 3 3. The portion of the farmland subject to the claim is  
8 4 covered by the farmland preservation agreement or within the  
8 5 area zoned for an exclusive agricultural use.

8 6 4. A statement by the claimant swearing one of the  
8 7 following:

8 8 a. If the farmland subject to the claim is covered by a  
8 9 farmland preservation agreement, a statement that the farmland  
8 10 complies with all requirements of the farmland preservation  
8 11 agreement. The claimant shall attach a copy of the farmland  
8 12 preservation agreement executed by the owner or the owner's  
8 13 predecessor in interest. However, if the claimant has  
8 14 submitted a farmland preservation agreement in a previous year  
8 15 and the claimant determines that the conditions described  
8 16 under that agreement have not changed, the claimant may  
8 17 certify that such conditions have not changed. In that case,  
8 18 the claimant is not required to submit a copy of the agreement  
8 19 otherwise required by the department. The claimant shall  
8 20 swear that each structure built on the farmland or improvement  
8 21 made to the farmland conforms to the requirements of the  
8 22 farmland preservation agreement, and, if applicable, any  
8 23 requirements of an agricultural use ordinance or an exception  
8 24 under the ordinance.

8 25 b. If the farmland subject to the claim is located within  
8 26 an area which is subject to an exclusive agricultural zoning  
8 27 ordinance certified as provided in chapter 467A, subchapter V,  
8 28 a statement that the farmland complies with all requirements  
8 29 of the ordinance. The claimant shall attach a certificate  
8 30 issued by the appropriate local government stating that the  
8 31 farmland is located within the district. However, if the  
8 32 claimant has obtained a certificate of the appropriate zoning  
8 33 authority to file a claim for a previous year and the claimant  
8 34 determines that the conditions described under that claim  
8 35 caused the authority to issue the previous certificate have  
9 1 not changed, the claimant may certify that such conditions  
9 2 have not changed. In that case, the claimant is not required  
9 3 to submit a certificate of the zoning authority unless  
9 4 otherwise required by the department.

9 5 5. With a claim for a tax credit relating to property  
9 6 which is sold during the tax year of the levy, the seller  
9 7 shall submit a copy of the closing agreement and the buyer  
9 8 shall submit a copy of the closing agreement and a copy of the  
9 9 property tax bill.

9 10 Sec. 16. NEW SECTION. 467.6 CLAIMS == INELIGIBILITY.

9 11 A claim is ineligible if any of the following apply:

9 12 1. The claim is not filed with the department in  
9 13 conformity with filing requirements of this chapter or rules  
9 14 adopted by the department.

9 15 2. The property taxes accrued on farmland zoned for  
9 16 exclusive agricultural use under chapter 467A, subchapter V,  
9 17 is granted a special exception or conditional use permit for a

9 18 use which is not an agricultural use.  
9 19 3. The ownership of the farmland has been transferred to  
9 20 the claimant primarily for the purpose of maximizing benefits  
9 21 under this chapter.  
9 22 Sec. 17. NEW SECTION. 467.7 TAX CREDIT COMPUTATION ==  
9 23 PROPERTY TAX ACCRUED.  
9 24 For purposes of the tax credit provided under this chapter,  
9 25 property taxes on farmland are accrued by referring to the  
9 26 property taxes, exclusive of special assessments and  
9 27 delinquent interest, levied on the farmland and improvements  
9 28 owned by the claimant or any member of the claimant's  
9 29 household in any tax year.  
9 30 Sec. 18. NEW SECTION. 467.8 TAX CREDIT COMPUTATION ==  
9 31 EXCESSIVE PROPERTY TAXES.  
9 32 The amount of the farmland preservation tax credit that a  
9 33 claimant may file in the claimant's tax year shall be based on  
9 34 excessive property taxes accrued on the farmland in the  
9 35 preceding tax year as provided in section 467.7. The amount  
10 1 of excessive property taxes shall be computed by subtracting  
10 2 from the property taxes accrued the following amounts:  
10 3 1. Seven percent of the second five thousand dollars of  
10 4 household income.  
10 5 2. Nine percent of the third five thousand dollars of  
10 6 household income.  
10 7 3. Eleven percent of the fourth five thousand dollars of  
10 8 household income.  
10 9 4. Seventeen percent of the fifth five thousand dollars of  
10 10 household income.  
10 11 5. Twenty-seven percent of the sixth five thousand dollars  
10 12 of household income.  
10 13 6. Thirty-seven percent of the household income in excess  
10 14 of thirty thousand dollars. The maximum excessive property  
10 15 tax which may be utilized in a single tax year is six thousand  
10 16 dollars.  
10 17 Sec. 19. NEW SECTION. 467.9 TAX CREDIT COMPUTATION ==  
10 18 BASE AMOUNT.  
10 19 1. The tax credit allowed under this chapter shall be  
10 20 limited to the base amount which is the sum of the following:  
10 21 a. Ninety percent of the first two thousand dollars of  
10 22 excessive property taxes accrued on the farmland.  
10 23 b. Seventy percent of the second two thousand dollars of  
10 24 excessive property taxes accrued on the farmland.  
10 25 c. Fifty percent of the third two thousand dollars of  
10 26 excessive property taxes accrued on the farmland.  
10 27 2. a. Subject to paragraph "b", the tax credit for any  
10 28 claimant shall be the greater amount as calculated under this  
10 29 section on any of the following dates:  
10 30 (1) The date at the end of the tax year in which the tax  
10 31 credit is allowed for which the claim is filed.  
10 32 (2) The date on which the farmland became subject to a  
10 33 farmland preservation agreement as provided in chapter 467A,  
10 34 subchapter IV, or was incorporated within the boundaries of an  
10 35 area zoned for exclusive agricultural use under a certified  
11 1 county or city ordinance as provided in chapter 467A,  
11 2 subchapter V.  
11 3 b. The maximum tax credit allowed under this section shall  
11 4 not exceed four thousand two hundred dollars for any claimant.  
11 5 Sec. 20. NEW SECTION. 467.10 TAX CREDIT COMPUTATION ==  
11 6 APPLICATION.  
11 7 A person may claim a farmland preservation tax credit under  
11 8 any of the following:  
11 9 1. If farmland is located in a county which has adopted an  
11 10 agricultural preservation plan certified as provided in  
11 11 chapter 467A, subchapter III, at the close of the tax year for  
11 12 which the tax credit is claimed, and the farmland is covered  
11 13 by a farmland preservation agreement as provided in chapter  
11 14 467A, subchapter IV, at the close of such tax year, the amount  
11 15 of the claim shall be eighty percent of the base amount  
11 16 specified in section 467.9. For that part of the farmland  
11 17 that is classified as a transition area the amount of the  
11 18 claim shall be seventy-five percent of the base amount  
11 19 specified in section 467.9.  
11 20 2. Regardless of whether farmland is located in a county  
11 21 which has adopted an agricultural preservation plan certified  
11 22 as provided in chapter 467A, subchapter III, at the close of  
11 23 the tax year for which the tax credit is claimed, if the  
11 24 farmland is located in an area zoned for exclusive  
11 25 agricultural use by a county or city as provided in chapter  
11 26 467A, subchapter V, at the close of such tax year, the amount  
11 27 of the claim shall be one hundred percent of the base amount  
11 28 specified in section 467.9.

SUBCHAPTER I

GENERAL

Sec. 21. NEW SECTION. 467A.101 DEFINITIONS.

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

1. "Agricultural production" means the same as defined in section 717A.1.

2. "Agricultural use" means a use associated with agricultural production, including but not limited to maintaining crops or agricultural animals on the farmland. "Agricultural use" includes participating in a federal agricultural program.

3. "Commission" means a county farmland preservation commission created pursuant to section 467A.203.

4. "Department" means the department of agriculture and land stewardship.

5. "Develop" means change to any use other than agricultural use.

6. "Devoted primarily to agricultural use" means an agricultural use practiced for at least twelve consecutive months during the preceding thirty-six month period.

7. "Eligible farmland" means farmland which meets the requirements of section 467A.401.

8. "Farm family business" means any lawful activity, except an activity for agricultural production, which is conducted primarily for any of the following:

a. The purchase, sale, lease, or rental of personal or real property.

b. The manufacture, processing, or marketing of products, commodities, or any other personal property.

c. The sale of services.

d. "Farmland" means the same as defined in section 352.2.

9. "Federal agricultural program" means a program administered by an agency of the federal government in which a person receives monetary payments or payments in kind for engaging in or refraining from engaging in agricultural production, including by enrolling at least thirty-five acres in the conservation reserve program under 16 U.S.C. } 3831 et seq.

10. "Farmland preservation agreement" means a restrictive covenant, evidenced by an instrument in which the owner of the land and the state agree to hold jointly the right to develop eligible farmland except as may be expressly reserved in the instrument and which contains a covenant running with the land, for a term of years, not to develop except as expressly reserved in the instrument.

11. "Gross farm profits" means gross receipts, excluding rent, from an agricultural use, including the fair market value at the time of disposition of payments for placing land in federal agricultural programs, less the cost or other basis of agricultural animals or other items purchased for resale which are sold or otherwise disposed of during the taxable year.

12. "Local government" means a county or city.

13. "Local government filing officer" means an official designated by a local government to receive and deliver documents required to be filed or recorded under this chapter.

14. "Local government having jurisdiction" means the city council, if that body has adopted a certified ordinance under subchapter V, or the county board of supervisors where such a city ordinance is not in effect.

15. "Owner" means any of the following:

a. An individual who holds the fee simple title to the eligible farmland.

b. An individual who owns the eligible farmland under a contract of purchase which has been recorded in the office of the county recorder of the county in which the farmland is located.

c. An individual who owns the eligible farmland under devise or by operation of the inheritance laws, where the whole interest passes or where the divided interest is shared only by individuals related or formerly related to each other by blood, marriage, or adoption.

d. An individual who owns the eligible farmland under a deed which conveys a divided interest, where the divided interest is shared only by individuals related or formerly related to each other by blood, marriage, or adoption.

e. A partnership where all partners are related or formerly related to each other by blood, marriage, or adoption.

f. A family farm entity which is a family farm

14 5 corporation, family farm limited liability company, family  
14 6 farm limited partnership, or family trust, as defined in  
14 7 section 9H.1.  
14 8 16. "State agency" means the same as defined in section  
14 9 8A.101.  
14 10 17. "Use consistent with agricultural use" means any  
14 11 activity on land that is devoted primarily to agricultural  
14 12 use, that meets all of the following conditions:  
14 13 a. Does not convert the land to another use.  
14 14 b. Does not limit the surrounding land's potential for  
14 15 agricultural use.  
14 16 c. Does not conflict with agricultural production on land  
14 17 subject to a farmland preservation agreement.  
14 18 d. Does not conflict with agricultural production on  
14 19 adjoining land.

14 20 SUBCHAPTER II  
14 21 ADMINISTRATION

14 22 Sec. 22. NEW SECTION. 467A.201 INTERAGENCY COOPERATION  
14 23 == REGISTRATION.

14 24 1. All state agencies shall cooperate with the department  
14 25 and local governments in the exchange of information  
14 26 concerning projects and activities, including takings under  
14 27 the power of eminent domain as provided in chapters 6A and 6B,  
14 28 which might jeopardize the preservation of farmland.

14 29 2. The department shall periodically advise other state  
14 30 agencies of the location and description of land upon which  
14 31 there exists a farmland preservation agreement or zoning for  
14 32 exclusively agricultural use.

14 33 3. State agencies shall administer their planning and  
14 34 projects consistent with the purposes of this chapter.

14 35 4. A state agency interested in participating in this  
15 1 chapter shall register with the department in a manner and  
15 2 according to procedures required by the department. The  
15 3 department of revenue, the state department of transportation,  
15 4 the department of economic development, and the department of  
15 5 natural resources shall be deemed to be interested state  
15 6 agencies.

15 7 Sec. 23. NEW SECTION. 467A.202 FARMLAND PRESERVATION  
15 8 COUNCIL.

15 9 A farmland preservation council is created within the  
15 10 department in order to advise the department regarding its  
15 11 administration of this chapter and to assist other state  
15 12 agencies and local governments in complying with the  
15 13 provisions of this chapter.

15 14 1. The members of the farmland preservation council shall  
15 15 include all of the following:

15 16 a. The secretary of agriculture, or the secretary's  
15 17 designee, who shall serve as chairperson.

15 18 b. The director of the department of natural resources or  
15 19 the director's designee.

15 20 c. The dean of the college of agriculture at Iowa state  
15 21 university, or the dean's designee.

15 22 d. The following members who shall be appointed by the  
15 23 governor:

15 24 (1) Three members of three different county farmland  
15 25 preservation commissions.

15 26 (2) Five persons who are interested in issues affecting  
15 27 farmland preservation and development, including all of the  
15 28 following:

15 29 (a) A resident of a city with a population of fifty  
15 30 thousand or more.

15 31 (b) Three persons actively engaged in agricultural  
15 32 production, including row crop farming and animal agriculture.

15 33 (c) A person associated with a nonprofit corporation  
15 34 involved in protecting natural resources, including scenic or  
15 35 open space, and maintaining or enhancing air or water quality.

16 1 e. The council shall invite two officials from the United  
16 2 States department of agriculture to serve as ex officio,  
16 3 nonvoting members, including a person associated with the  
16 4 natural resources conservation service and a person associated  
16 5 with the farm service agency.

16 6 2. Governor appointments shall be subject to all of the  
16 7 following requirements:

16 8 a. Sections 69.16 and 69.16A shall apply and the  
16 9 appointments shall be geographically balanced.

16 10 b. The appointees shall be confirmed by the senate,  
16 11 pursuant to section 2.32.

16 12 c. Members shall serve five-year staggered terms beginning  
16 13 and ending as provided in section 69.19. The governor shall  
16 14 appoint initial members to serve for less than five years to  
16 15 ensure members serve staggered terms. A member is eligible

16 16 for reappointment. A vacancy on the council shall be filled  
16 17 for the unexpired portion of the regular term in the same  
16 18 manner as regular appointments are made.

16 19 3. The council shall meet on a regular basis and at the  
16 20 call of the chairperson or upon the written request to the  
16 21 chairperson of five or more members. Members are not entitled  
16 22 to receive compensation but shall receive reimbursement of  
16 23 expenses from the department as provided in section 7E.6.

16 24 4. Six members constitute a quorum and the affirmative  
16 25 vote of a majority of the members present is necessary for any  
16 26 substantive action to be taken by the council. The majority  
16 27 shall not include any member who has a conflict of interest  
16 28 and a statement by a member that the member has a conflict of  
16 29 interest is conclusive for this purpose. A vacancy in the  
16 30 membership does not impair the duties of the council.

16 31 Sec. 24. NEW SECTION. 467A.203 COUNTY FARMLAND  
16 32 PRESERVATION COMMISSIONS.

16 33 In each county a farmland preservation commission is  
16 34 created to administer this chapter as provided in this  
16 35 chapter.

17 1 1. A farmland preservation commission is composed of the  
17 2 following members:

17 3 a. One member appointed by and from the county  
17 4 agricultural extension council.

17 5 b. Two members appointed by the district soil and water  
17 6 conservation commissioners, one of whom must be a member of  
17 7 the district soil and water conservation board of  
17 8 commissioners and one of whom must be a person who is not a  
17 9 commissioner, but is actively engaging in agricultural  
17 10 production in the county.

17 11 c. One member appointed by the board of supervisors from  
17 12 the residents of the county.

17 13 d. One member appointed by and from a convention of the  
17 14 members of city councils of the county. However, if a city  
17 15 contains more than fifty percent of the population of a  
17 16 county, that city shall not participate in the convention of  
17 17 city council members. That city shall appoint its own member.

17 18 e. One member appointed by the board of supervisors from  
17 19 the residents of the county who is actively engaged in  
17 20 agricultural production.

17 21 2. The county commission shall meet and organize by the  
17 22 election of a chairperson and vice chairperson from among its  
17 23 members. A majority of the members of the county commission  
17 24 constitutes a quorum, and the affirmative vote of a quorum is  
17 25 necessary for any action taken by the commission, except that  
17 26 a lesser number may adjourn a meeting.

17 27 3. The Iowa state university agricultural extension  
17 28 service shall provide county commissions with technical,  
17 29 informational, and clerical assistance.

17 30 4. A vacancy in the county commission shall be filled in  
17 31 the same manner as the appointment of the member whose  
17 32 position is vacant. The term of a county commissioner is four  
17 33 years. However, for the initial appointments to the county  
17 34 commission, the members appointed under subsection 1,  
17 35 paragraphs "a" and "b", shall be appointed to terms of two  
18 1 years. Members may be appointed to succeed themselves.

18 2 Sec. 25. NEW SECTION. 467A.204 RULEMAKING.

18 3 The department shall adopt rules under chapter 17A as is  
18 4 necessary to administer this chapter.

18 5 Sec. 26. NEW SECTION. 467A.205 CONTESTED CASE  
18 6 PROCEEDINGS.

18 7 An applicant for a farmland preservation agreement or a  
18 8 local government may contest the department's decision by  
18 9 requesting a hearing conducted before an administrative law  
18 10 judge pursuant to chapter 17A. If the applicant and a local  
18 11 government are both contesting the department's decision, the  
18 12 applicant may request that the department conduct the hearing  
18 13 on a consolidated basis. The department shall hear the case  
18 14 according to procedures established by rules adopted by the  
18 15 department in conformance with chapter 17A. The department  
18 16 shall render a decision within thirty-five days from the date  
18 17 that the applicant or local government files a demand for a  
18 18 hearing. Judicial review of the department's decision may be  
18 19 sought in accordance with the terms of chapter 17A.

18 20 Sec. 27. NEW SECTION. 467A.206 PROPERTY TAXATION AND  
18 21 EXEMPTION FROM SPECIAL ASSESSMENTS.

18 22 1. This chapter does not affect the value of farmland  
18 23 covered by a farmland preservation agreement and such farmland  
18 24 shall not be exempt from general property taxation.

18 25 2. a. A local government shall not impose a special  
18 26 assessment under title IX, on any of the following:



18 27 (1) Land covered by a farmland preservation agreement  
18 28 under this chapter, unless the assessment was imposed prior to  
18 29 the recording of the farmland preservation agreement.

18 30 (2) Land which is exclusively zoned for an agricultural  
18 31 use under this chapter, unless the assessment was imposed  
18 32 prior to the land being zoned exclusively for agricultural  
18 33 use.

18 34 b. This subsection does not apply to an assessment imposed  
18 35 as provided in chapter 468. Land is not subject to a special  
19 1 assessment as provided in this subsection as long as the land  
19 2 is subject to a farmland preservation agreement or zoned for  
19 3 exclusively agricultural use. The owner of the land is not  
19 4 entitled to any benefit conferred by the special assessment,  
19 5 unless the owner has paid the amount that would have been paid  
19 6 had the land been subject to the special assessment.

19 7 SUBCHAPTER III  
19 8 AGRICULTURAL PLANNING  
19 9 PART A  
19 10 GENERAL

19 11 Sec. 28. NEW SECTION. 467A.301 PRELIMINARY AGRICULTURAL  
19 12 AREAS DELINEATION == AGRICULTURAL PRESERVATION MAPS.

19 13 For the purpose of assisting local governments to preserve  
19 14 agricultural lands, the department, in cooperation with other  
19 15 state agencies and local governments, including county  
19 16 farmland preservation commissions, shall prepare or cause to  
19 17 be prepared, agricultural preservation maps that locate land  
19 18 in the state which is qualified for preservation because of  
19 19 its value for agricultural use. The department shall provide  
19 20 for the preparation of maps which delineate areas of the state  
19 21 where the need for agricultural preservation is highest and  
19 22 the threat of conversion of land to a use inconsistent with  
19 23 agricultural use is the greatest. The agricultural  
19 24 preservation maps shall be prepared utilizing the best  
19 25 practicable method and shall be based upon data such as soil  
19 26 surveys, aerial photography interpretation, existing  
19 27 agricultural zoning and surveys, on-site surveys, and other  
19 28 related studies.

19 29 Sec. 29. NEW SECTION. 467A.302 AGRICULTURAL LAND  
19 30 PRESERVATION ORDINANCES AND AGRICULTURAL AREAS.

19 31 1. Land which is subject to an agricultural land  
19 32 preservation ordinance pursuant to section 335.27 may be  
19 33 subject to a farmland preservation agreement or an exclusive  
19 34 agricultural use zoning ordinance. However, the provisions of  
19 35 the agricultural land preservation ordinance which apply to  
20 1 such land are void upon the execution of the farmland  
20 2 preservation agreement or the adoption of the exclusive  
20 3 agricultural zoning ordinance.

20 4 2. Land which is located in an agricultural area as  
20 5 provided in chapter 352 may be subject to a farmland  
20 6 preservation agreement or an exclusive agricultural use zoning  
20 7 ordinance. However, the land shall be withdrawn from the  
20 8 agricultural area upon the execution of the farmland  
20 9 preservation agreement or the adoption of the exclusive  
20 10 agricultural zoning ordinance.

20 11 PART B  
20 12 AGRICULTURAL PRESERVATION PLANS

20 13 Sec. 30. NEW SECTION. 467A.311 PURPOSE.

20 14 1. The purpose of this subchapter is to specify standards  
20 15 for county agricultural preservation plans required to enable  
20 16 farmland owners to enter into farmland preservation agreements  
20 17 under subchapter IV.

20 18 2. Agricultural preservation planning shall be undertaken  
20 19 in accordance with county and city development strategies  
20 20 including county zoning as provided in chapter 335 and city  
20 21 zoning as provided in chapter 414.

20 22 Sec. 31. NEW SECTION. 467A.312 BASIS FOR THE PLAN.

20 23 A county agricultural preservation plan shall be based upon  
20 24 county inventories as provided in section 467A.313 together  
20 25 with surveys, studies, and analyses of agricultural uses and  
20 26 productivity, natural resources and open space, population and  
20 27 population densities, urban growth patterns, housing, and the  
20 28 character, location, timing, needs, and capacity of existing  
20 29 and future public uses.

20 30 Sec. 32. NEW SECTION. 467A.313 COUNTY INVENTORIES.

20 31 1. Each farmland preservation commission shall compile a  
20 32 county land use inventory of the unincorporated areas of the  
20 33 county based on inventories compiled pursuant to section  
20 34 352.4. The county inventories shall, where adequate data is  
20 35 available, contain at least the following:

21 1 a. Land available and used for agricultural purposes by  
21 2 soil suitability classifications or land capability

21 3 classification, whichever is available.  
21 4 b. The lands used for public facilities, which may include  
21 5 parks, recreation areas, schools, government buildings, and  
21 6 historical sites.  
21 7 c. The lands used for private open spaces, which may  
21 8 include woodlands, wetlands, and water bodies.  
21 9 d. The land used for each of the following uses:  
21 10 commercial, industrial, including mineral extraction,  
21 11 residential, and transportation.  
21 12 e. The lands which have been converted from agricultural  
21 13 use to residential use, commercial or industrial use, or  
21 14 public facilities since 1982.

21 15 2. In addition to that provided under subsection 1, the  
21 16 county inventory shall also contain the land inside the  
21 17 boundaries of a city which is taxed as agricultural land.

21 18 3. The information required by subsection 1 shall be  
21 19 provided both in narrative and map form. The county  
21 20 commission shall provide a cartographic display which  
21 21 contrasts the county's present land use with the land use in  
21 22 the county in 1982 based on the best available information.  
21 23 The display need only show the areas in agriculture, private  
21 24 open spaces, public facilities, commercial, industrial,  
21 25 residential, and transportation uses.

21 26 4. The department, department of management, department of  
21 27 natural resources geological survey, state agricultural  
21 28 extension service, and department of economic development  
21 29 shall, upon request, provide to each county commission any  
21 30 pertinent land use information available to assist in the  
21 31 compiling of the county land use inventories.

21 32 Sec. 33. NEW SECTION. 467A.314 COUNTY FARMLAND  
21 33 PRESERVATION PLAN.

21 34 1. A county farmland preservation commission under the  
21 35 direction of a county board of supervisors may prepare a  
22 1 county agricultural preservation plan for approval by the  
22 2 county board of supervisors.

22 3 2. The commission may rely upon the county land  
22 4 preservation and use plan required under section 352.5, as a  
22 5 basis to preparing the county agricultural preservation plan.  
22 6 The county's farmland preservation plan shall at least include  
22 7 the following:

22 8 a. A statement of policy regarding the preservation of  
22 9 eligible farmland, urban growth, future public uses, and the  
22 10 protection of significant natural resource, open space,  
22 11 scenic, historic, or architectural areas.

22 12 b. A map identifying farmland to be preserved, areas of  
22 13 special environmental, natural resource, or open space  
22 14 significance and any transition areas. A transition area must  
22 15 have a predominantly agricultural use which the plan  
22 16 identifies for future development. A farmland preservation  
22 17 area mapped under this section must include a minimum of one  
22 18 hundred acres. The department must provide the map to the  
22 19 county at least twelve months prior to adoption of the  
22 20 farmland preservation plan.

22 21 3. A map provided for under this section shall include  
22 22 areas that include all of the following:

22 23 a. A transition area that must include a minimum of  
22 24 thirty-five acres.

22 25 b. Areas adjacent to the identified agricultural area on  
22 26 which are incompatible with agricultural use.

22 27 c. Areas that are not economically viable for agricultural  
22 28 use.

22 29 d. Areas having substantial urban growth or planned urban  
22 30 expansion that creates a public need to convert agricultural  
22 31 land use to other uses.

22 32 e. Areas in which maintenance of the area's agricultural  
22 33 use is not consistent with the goals and objectives of the  
22 34 county agricultural preservation plan.

22 35 Sec. 34. NEW SECTION. 467A.315 IMPLEMENTATION PROGRAM.

23 1 A county farmland preservation plan shall include an  
23 2 implementation program of specific public actions designed to  
23 3 preserve eligible farmland and agricultural uses and guide  
23 4 urban growth. Such implementation program shall include all  
23 5 of the following:

23 6 1. A general description of existing and proposed land use  
23 7 controls.

23 8 2. A description of the character, location, timing, use,  
23 9 capacity, and financing of existing and proposed public uses  
23 10 to serve existing and new development.

23 11 3. An identification of procedures and standards for  
23 12 controlling the installation and maintenance of private sewage  
23 13 disposal systems as defined in section 455B.171, and

23 14 identifying areas not suitable for the installation of such  
23 15 systems.

23 16 4. A program to protect areas of significant elements of  
23 17 the state's natural open space heritage, including but not  
23 18 limited to significant river, lake, wetland, prairie, forest  
23 19 areas, other biologically significant areas, land containing  
23 20 significant archaeological, historical, or cultural value, or  
23 21 fish or wildlife habitats, as defined in rules adopted by the  
23 22 department of natural resources.

23 23 Sec. 35. NEW SECTION. 467A.316 COORDINATION.

23 24 1. A county agricultural preservation plan shall include  
23 25 an agricultural preservation plan adopted by a city within the  
23 26 county if the city's plan complies with the provisions of this  
23 27 subchapter.

23 28 2. Copies of the farmland preservation plan shall be  
23 29 submitted for review and comment to each city within the  
23 30 county, and each adjoining county.

23 31 Sec. 36. NEW SECTION. 467A.317 CERTIFICATION.

23 32 Upon completion of a county agricultural preservation plan  
23 33 described in this subchapter, a copy of the plan shall be  
23 34 submitted to the department for review and certification as  
23 35 provided by rules adopted by the department.

24 1 Sec. 37. NEW SECTION. 467A.318 REVISIONS.

24 2 A county shall continually review and evaluate its  
24 3 agricultural preservation plan in order to account for  
24 4 changing needs and conditions and shall provide for periodic  
24 5 revision of the agricultural preservation plan. Revisions  
24 6 shall be made in the same manner as adoption of the plan.

#### 24 7 SUBCHAPTER IV

### 24 8 FARMLAND PRESERVATION AGREEMENTS

#### 24 9 PART A

#### 24 10 APPROVAL PROCESS

24 11 Sec. 38. NEW SECTION. 467A.401 ELIGIBLE FARMLAND.

24 12 The farmland preservation agreement must apply to eligible  
24 13 farmland which includes a parcel of thirty-five or more acres  
24 14 of contiguous land devoted primarily to agricultural use, and  
24 15 one of the following must apply:

24 16 1. During the year preceding the filing of an application  
24 17 to be covered by a farmland preservation agreement pursuant to  
24 18 section 467A.404, the eligible farmland produced gross farm  
24 19 profits of at least six thousand dollars.

24 20 2. During the three years preceding the filing of an  
24 21 application to be covered by a farmland preservation  
24 22 agreement, the eligible farmland produced gross farm profits  
24 23 of not less than eighteen thousand dollars.

24 24 3. The eligible farmland must include thirty-five or more  
24 25 acres which, during part or all of the year preceding the  
24 26 filing of an application to be covered by a farmland  
24 27 preservation agreement, was enrolled in the conservation  
24 28 reserve program under 16 U.S.C. } 3831 et seq.

24 29 Sec. 39. NEW SECTION. 467A.402 CERTIFIED EXCLUSIVE  
24 30 AGRICULTURAL USE ZONING ORDINANCE.

24 31 A farmland preservation agreement applies to eligible  
24 32 farmland subject to an agricultural preservation plan  
24 33 certified as provided in subchapter III which is in effect in  
24 34 the county where the eligible farmland is located or farmland  
24 35 which is located in an area zoned for exclusive agricultural  
25 1 use under an ordinance by a county or city certified as  
25 2 provided in subchapter V which is in effect in a county or  
25 3 city where the eligible farmland is located.

25 4 1. In a county that has adopted a certified exclusive  
25 5 agricultural use zoning ordinance, the eligible farmland may  
25 6 be located in the area zoned for exclusive agricultural use  
25 7 which is not in a city. However, if the eligible land is  
25 8 located in a city, the following shall apply:

25 9 a. In a county with a population density of less than one  
25 10 hundred persons per square mile which has adopted a certified  
25 11 exclusive agricultural use zoning ordinance, the county board  
25 12 of supervisors shall approve or disapprove the application  
25 13 even if the city in which the land is located has not approved  
25 14 the ordinance.

25 15 b. In a county with a population density of one hundred or  
25 16 more persons per square mile, which has adopted a certified  
25 17 exclusive agricultural use zoning ordinance, the city in which  
25 18 the land is located must have approved the ordinance.

25 19 2. In a city that has adopted a certified exclusive  
25 20 agricultural use zoning ordinance, an owner of the land must  
25 21 be located in the area zoned for exclusive agricultural use by  
25 22 the city.

25 23 Sec. 40. NEW SECTION. 467A.403 LOCAL GOVERNMENTS HAVING  
25 24 JURISDICTION.

25 25 The county board of supervisors shall be the local  
25 26 government having jurisdiction to approve or disapprove an  
25 27 application to be covered by a farmland preservation  
25 28 agreement, except if the eligible farmland is located in a  
25 29 city. In that case the local government having jurisdiction  
25 30 is the city.

25 31 Sec. 41. NEW SECTION. 467A.404 APPLICATION.

25 32 1. An owner of eligible farmland applying to execute a  
25 33 farmland preservation agreement must file the application with  
25 34 the county recorder on a form provided by the department. If  
25 35 an application received by the county recorder is not signed  
26 1 by all persons holding a recorded mortgage on the land to be  
26 2 covered by the farmland preservation agreement, the  
26 3 application is void and shall not be processed by the county  
26 4 recorder. The application shall include all of the following:

26 5 a. A land survey or legal description of all farmland to  
26 6 be covered by the farmland preservation agreement.

26 7 b. A map showing significant natural features and all  
26 8 structures and physical improvements on the land subject to  
26 9 the farmland preservation agreement or an aerial photograph of  
26 10 all land which is an integral part of the owner's farming  
26 11 operation which is marked to indicate the farmland and  
26 12 structures to be covered by the agreement.

26 13 c. The soil classification of the land covered by the  
26 14 farmland preservation agreement and such other data as the  
26 15 department deems reasonably necessary to determine the  
26 16 eligibility of the land for coverage under the farmland  
26 17 preservation agreement.

26 18 2. Upon receipt of the application, the county recorder  
26 19 shall forward a notice of the application to the department  
26 20 and the county board of supervisors in the county where the  
26 21 land covered by the farmland preservation agreement is  
26 22 located. However, if the land is located in a city, the  
26 23 county recorder shall also deliver a notice of the application  
26 24 to the local government filing officer of the city where the  
26 25 farmland is located. The department shall deliver the  
26 26 application to any interested state agency.

26 27 3. If the local government having jurisdiction is a county  
26 28 board of supervisors, the board shall provide notice and  
26 29 conduct a public hearing in the same manner as provided in  
26 30 section 335.6. If the local government having jurisdiction is  
26 31 a city, the city shall provide notice and conduct a public  
26 32 hearing in the same manner as provided in section 414.4.  
26 33 However, notwithstanding those sections, all persons shall  
26 34 have thirty days to review, comment, and make recommendations  
26 35 to the local government having jurisdiction.

27 1 4. After considering the comments and recommendations of  
27 2 the interested state agencies and local governments, the local  
27 3 government having jurisdiction shall approve or disapprove the  
27 4 application within one hundred twenty days after the  
27 5 application is received by the local government filing officer  
27 6 for the local government having jurisdiction, unless such time  
27 7 is extended by mutual agreement of the applicant and the local  
27 8 government having jurisdiction. The approval or disapproval  
27 9 of the application shall be based on all of the following:

27 10 a. Whether the eligible farmland is designated an  
27 11 agricultural preservation area in a certified agricultural  
27 12 preservation plan established under this subchapter or is an  
27 13 area zoned for exclusive agricultural use under an ordinance  
27 14 certified as provided in subchapter V.

27 15 b. The productivity and viability of the land for  
27 16 agricultural use.

27 17 c. The predominance of agricultural use on the land.

27 18 d. The inclusion of all contiguous lands which are in  
27 19 single ownership.

27 20 e. Whether the property is eligible farmland.

27 21 f. The degree to which the application is consistent with  
27 22 the county agricultural preservation plan.

27 23 g. Whether the land is or has been subject to an  
27 24 agricultural land preservation ordinance under section 335.27  
27 25 or is or has been located in an agricultural area pursuant to  
27 26 chapter 352.

27 27 h. Other criteria established by the local government  
27 28 consistent with agricultural preservation.

27 29 5. The local government filing officer of the local  
27 30 government having jurisdiction shall deliver a copy of the  
27 31 application to execute a farmland preservation agreement as  
27 32 approved or disapproved by the local governing body having  
27 33 jurisdiction, along with the comments and recommendations of  
27 34 the interested state agencies and the local governments which  
27 35 have reviewed the application, to the department. If action

28 1 is not taken by the local government having jurisdiction  
28 2 within the time prescribed or agreed upon, the applicant may  
28 3 proceed as if the application were disapproved.  
28 4 6. The department shall review the application and may  
28 5 disapprove an application to execute a farmland preservation  
28 6 agreement which has been approved by a local government having  
28 7 jurisdiction only if the land is not eligible farmland.  
28 8 7. If the application concerns land which is or has been  
28 9 subject to an agricultural land preservation ordinance under  
28 10 section 335.27 or is or has been located in an agricultural  
28 11 area pursuant to chapter 352, the local government having  
28 12 jurisdiction and the department shall approve or disapprove  
28 13 the application on an expedited basis.  
28 14 8. If the application to execute a farmland preservation  
28 15 agreement is disapproved by the local government having  
28 16 jurisdiction or the department, the application shall be  
28 17 returned to the applicant with a written statement providing  
28 18 each reason for the disapproval, and explaining the  
28 19 applicant's right to contest the decision pursuant to section  
28 20 467A.205.  
28 21 9. An applicant whose application has been disapproved  
28 22 under this section may reapply to be covered by a farmland  
28 23 preservation agreement following a one-year waiting period  
28 24 from notice of final determination of the original application  
28 25 by the local government having jurisdiction and the  
28 26 department, or the department following a contested case  
28 27 proceeding or a court on appeal.

28 28 Sec. 42. NEW SECTION. 467A.405 EXECUTION.  
28 29 This section applies when an application to be covered by a  
28 30 farmland preservation agreement is approved by the final  
28 31 determination of the local government having jurisdiction and  
28 32 the department, or the department following a contested case  
28 33 proceeding or a court on appeal. The department shall prepare  
28 34 and deliver to the applicant the farmland preservation  
28 35 agreement for execution. The department shall execute the  
29 1 farmland preservation agreement on behalf of the state. The  
29 2 department shall record the farmland preservation agreement  
29 3 with the county recorder in the county where the eligible  
29 4 farmland covered by the agreement is located. The department  
29 5 shall send a copy of the executed agreement to the local  
29 6 government filing officer for the local government having  
29 7 jurisdiction. The department shall also publish the executed  
29 8 farmland preservation agreement on its internet site.

29 9 PART B  
29 10 TERMS AND CONDITIONS

29 11 Sec. 43. NEW SECTION. 467A.411 FARMLAND PRESERVATION  
29 12 AGREEMENTS == PERMITTED USES.

29 13 1. Only the following uses are permitted on the eligible  
29 14 farmland covered by a farmland preservation agreement:  
29 15 a. A structure which is consistent with an agricultural  
29 16 use, the county agricultural preservation plan, or pursuant to  
29 17 approval by the local governing body having jurisdiction and  
29 18 the department. However, the local governing body having  
29 19 jurisdiction or the department may approve any structure  
29 20 affecting less than five acres of land.  
29 21 b. A structure built on the land or an improvement made to  
29 22 the land which is incidental to a scenic, access or utility  
29 23 easement or license, a lease for oil and natural gas  
29 24 exploration and extraction, or a structure or improvement made  
29 25 as an incident to that easement, license, or lease, so long as  
29 26 the structure or improvement does not significantly depart  
29 27 from the agricultural use or the county agricultural  
29 28 preservation plan, or the structure is built or improvement is  
29 29 made pursuant to an approval by the local governing body  
29 30 having jurisdiction and the department. However, the local  
29 31 governing body having jurisdiction or the department may waive  
29 32 its approval for a structure built or improvement made  
29 33 affecting less than five acres of land.  
29 34 c. Farming operations shall be conducted in compliance  
29 35 with a soil and water resource conservation plan for the soil  
30 1 and water conservation district where the farmland is located  
30 2 as provided in section 161A.7, any agreement under which the  
30 3 owner is a party which provides for the conservation of soil  
30 4 and water resources on the farmland or the installation of  
30 5 soil and water practices, including but not limited to a  
30 6 conservation agreement as provided in section 161A.42.  
30 7 d. Any other condition and restriction on the land as  
30 8 agreed to by the parties that is deemed necessary to preserve  
30 9 the land for agricultural use if it is not in conflict with  
30 10 the county agricultural preservation plan.  
30 11 2. The department shall not require the owner to permit

30 12 public access onto the land.  
30 13 3. A farmland preservation agreement may provide for  
30 14 transition areas if the farmland is located in an area  
30 15 identified as a transition area under a certified county  
30 16 agricultural preservation plan. A transition area is not  
30 17 required to be zoned exclusively for agricultural purposes and  
30 18 is not required to be designated an agricultural preservation  
30 19 area in a certified agricultural preservation plan. The land  
30 20 relating to a transition area may be subject to the farmland  
30 21 preservation agreement for not less than five and not more  
30 22 than twenty years, consistent with the county agricultural  
30 23 preservation plan.

30 24 Sec. 44. NEW SECTION. 467A.412 FARMLAND PRESERVATION  
30 25 AGREEMENTS == CONTENTS.

30 26 The farmland preservation agreement shall include all terms  
30 27 and conditions of the agreement including permitted uses as  
30 28 provided in section 467A.411, the rights and obligations of  
30 29 the parties, the owner's eligibility to claim a farmland  
30 30 preservation tax credit as provided in chapter 467, the  
30 31 duration of the agreement, and methods to provide for the  
30 32 relinquishment or release of the agreement as provided in part  
30 33 C. The agreement shall also provide a statement in boldface,  
30 34 uppercase, and twelve or higher point type that contains the  
30 35 following language:

31 1 NOTICE. UPON VIOLATION OF THIS AGREEMENT, YOU MAY BE  
31 2 SUBJECT TO CIVIL PENALTIES AND UPON THE RELINQUISHMENT OF THIS  
31 3 AGREEMENT INCLUDING BY CONVERSION OF A PERMITTED USE, YOU MAY  
31 4 BE REQUIRED TO PAY BACK ALL OR A PART OF TAX CREDITS RECEIVED  
31 5 TOGETHER WITH INTEREST.

31 6 PART C  
31 7 DURATION, RELINQUISHMENT, AND RELEASE

31 8 Sec. 45. NEW SECTION. 467A.421 FARMLAND PRESERVATION  
31 9 AGREEMENT == DURATION AND EFFECT.

31 10 1. If an owner of farmland executes a farmland  
31 11 preservation agreement, the owner shall deliver it to the  
31 12 department for execution on behalf of the state. A farmland  
31 13 preservation agreement shall become effective on the date it  
31 14 is recorded with the county recorder in the county where the  
31 15 farmland covered by the farmland preservation agreement is  
31 16 located. The department shall within thirty days of receipt  
31 17 record the executed agreement with the county recorder of the  
31 18 county in which the farmland covered by the farmland  
31 19 preservation agreement is located, notify the applicant, the  
31 20 local governing body having jurisdiction, and all interested  
31 21 agencies that the farmland preservation agreement has been  
31 22 executed.

31 23 2. A farmland preservation agreement executed as provided  
31 24 in section 467A.405 and recorded shall be effective for not  
31 25 less than ten years nor more than twenty-five years.

31 26 3. An owner of farmland which is subject to a farmland  
31 27 preservation agreement with a term of less than twenty-five  
31 28 years may extend the term of the agreement to twenty-five  
31 29 years with the approval of the local government having  
31 30 jurisdiction and the department.

31 31 Sec. 46. NEW SECTION. 467A.422 CHANGE OF OWNERSHIP.  
31 32 Farmland covered by a farmland preservation agreement may  
31 33 be sold, subject to the reservation of rights contained in the  
31 34 agreement. The seller shall notify the local government  
31 35 having jurisdiction and the department of any such transfer.

32 1 Sec. 47. NEW SECTION. 467A.423 EXPIRATION OR  
32 2 TERMINATION.

32 3 1. A farmland preservation agreement shall terminate on  
32 4 the expiration of the term of the agreement.

32 5 2. When the owner of farmland covered by a farmland  
32 6 preservation agreement dies or is certified by a physician to  
32 7 be totally and permanently disabled, the owner's estate, a  
32 8 successor in interest, or the owner who is totally and  
32 9 permanently disabled may terminate the farmland preservation  
32 10 agreement upon providing one hundred twenty days' notice to  
32 11 the local government having jurisdiction and the department,  
32 12 unless the time is extended by mutual agreement of the  
32 13 applicant and the local governing body having jurisdiction.

32 14 Sec. 48. NEW SECTION. 467A.424 RELINQUISHMENT AND  
32 15 RELEASE OF FARMLAND PRESERVATION AGREEMENTS.

32 16 A local government having jurisdiction and the department  
32 17 may relinquish a farmland preservation agreement or may  
32 18 release part of the farmland covered by the farmland  
32 19 preservation agreement prior to the termination date contained  
32 20 in the agreement as follows:

32 21 1. The owner of the farmland must submit an application,  
32 22 in a manner and according to procedures required by the

32 23 department, to the county recorder of the county where the  
32 24 farmland is located requesting that the agreement be  
32 25 relinquished or that part of the farmland be released from the  
32 26 agreement. Upon receipt of the application, the county  
32 27 recorder shall deliver a written notification to the local  
32 28 government filing officer for a local government having  
32 29 jurisdiction, the department, and interested state agencies.  
32 30 If the local government having jurisdiction is a county board  
32 31 of supervisors, the board shall provide notice and conduct a  
32 32 public hearing in the same manner as provided in section  
32 33 335.6. If the local government having jurisdiction is a city,  
32 34 the city shall provide notice and conduct a public hearing in  
32 35 the same manner as provided in section 414.4. However,  
33 1 notwithstanding those sections, all persons shall have thirty  
33 2 days to review, comment, and make recommendations to the local  
33 3 government having jurisdiction in the same manner as the  
33 4 original application.

33 5 2. After considering the comments and recommendations of  
33 6 any local government and interested state agency, and after  
33 7 holding a public hearing, the local government having  
33 8 jurisdiction shall approve or disapprove the application  
33 9 within one hundred twenty days after it is filed, unless the  
33 10 time is extended by mutual agreement of the applicant and the  
33 11 local governing body having jurisdiction.

33 12 3. a. As part of its review of an application for  
33 13 relinquishment or release, the local government having  
33 14 jurisdiction shall consider all of the following factors:

33 15 (1) The agricultural productivity of the land involved.

33 16 (2) Whether the proposed use minimizes the amount of  
33 17 agricultural land converted to nonagricultural uses.

33 18 (3) The economic costs and benefits of the proposed use to  
33 19 the local economy compared to the costs and benefits of the  
33 20 land for agricultural use.

33 21 (4) The costs of providing public facilities to the  
33 22 proposed use, and the ability of affected local units of  
33 23 government to provide them.

33 24 b. The local government having jurisdiction shall not  
33 25 approve an application for relinquishment or release under  
33 26 this subsection unless it finds one or more of the following:

33 27 (1) Relinquishment or release will allow the owner to  
33 28 resolve foreclosure or bankruptcy proceedings by a voluntary  
33 29 settlement with a mortgagee or a creditor.

33 30 (2) Significant natural physical changes in the land have  
33 31 occurred that are generally irreversible and permanently  
33 32 affect the land.

33 33 (3) Surrounding conditions prohibit agricultural use.

33 34 (4) Relinquishment or release will allow the owner to  
33 35 develop the land to assist local economic development or will  
34 1 allow a school board or city government to build structures or  
34 2 make improvements.

34 3 (5) Relinquishment or release will allow the transfer of  
34 4 the land for subsequent agriculturally related, utility,  
34 5 religious, or institutional use that is consistent with the  
34 6 agricultural use and that is found to be necessary after  
34 7 considering alternative locations available for such use.

34 8 c. The local government having jurisdiction shall not  
34 9 approve an application for relinquishment or release, unless  
34 10 it finds that all of the following conditions exist:

34 11 (1) Adequate public facilities to serve the proposed  
34 12 development or use exist or will be provided as part of the  
34 13 development.

34 14 (2) The land is suitable for the proposed development or  
34 15 use.

34 16 (3) The proposed use will not cause air pollution, water  
34 17 pollution, including as provided in title XI of the Code, or  
34 18 soil erosion exceeds applicable state or local standards,  
34 19 including as provided in chapter 161A; adversely affect rare  
34 20 or irreplaceable natural areas; or otherwise harm the  
34 21 environment.

34 22 (4) The use is consistent with remaining agricultural uses  
34 23 in the area.

34 24 (5) The use is consistent with the county's certified  
34 25 agricultural preservation plan, if a plan is in effect.

34 26 (6) The proposed use is not for residential development.

34 27 (7) The proposed use is consistent with local economic  
34 28 development plans.

34 29 (8) No alternative location is available for the proposed  
34 30 development or use that is suitable.

34 31 4. The local government filing officer of the local  
34 32 governing body having jurisdiction shall deliver a copy of the  
34 33 application for the relinquishment or release of the farmland

34 34 preservation agreement as approved or disapproved by the local  
34 35 governing body having jurisdiction, along with the comments  
35 1 and recommendations of the interested state agencies and the  
35 2 local governments which has reviewed the application, to the  
35 3 department. If action is not taken by the local governing  
35 4 body having jurisdiction within the time prescribed or agreed  
35 5 upon, the applicant may proceed as if the application were  
35 6 disapproved.

35 7 5. The department shall review the application and within  
35 8 sixty days, upon consideration of the criteria considered by  
35 9 the local government having jurisdiction, shall approve or  
35 10 disapprove the relinquishment or release. The department  
35 11 shall approve the relinquishment or release if it finds any of  
35 12 the following:

35 13 a. The farmland covered by the farmland preservation  
35 14 agreement has been acquired by the state or federal government  
35 15 for building a structure or making a public improvement,  
35 16 including but not limited to highway improvements.

35 17 b. The farmland that has been subject to a farmland  
35 18 preservation agreement for at least ten years.

35 19 6. If the application for relinquishment or release is  
35 20 disapproved by the local government having jurisdiction, the  
35 21 application shall be returned to the applicant with a written  
35 22 statement providing each reason for the disapproval. Within  
35 23 thirty days after receipt of an application which has been  
35 24 approved or disapproved, the applicant or the local government  
35 25 having jurisdiction may contest the decision to the department  
35 26 as provided in section 467A.205. An applicant whose  
35 27 application has been disapproved under this section may  
35 28 reapply for a relinquishment or release following a one-year  
35 29 waiting period from notice of the final determination of the  
35 30 original application by the local government having  
35 31 jurisdiction and the department, or the department following a  
35 32 contested case proceeding or a court on appeal.

35 33 Sec. 49. NEW SECTION. 467A.425 CONVERSION.

35 34 Any person subject to a farmland preservation agreement  
35 35 under this subchapter may apply to the department if the  
36 1 county in which the land is located adopts a certified  
36 2 agricultural preservation plan or if the farmland becomes  
36 3 subject to a certified exclusive agricultural use zoning  
36 4 ordinance. In such case, the farmland preservation agreement  
36 5 under this chapter may be relinquished one hundred twenty days  
36 6 following the delivery of the application.

36 7 PART D  
36 8 PENALTIES

36 9 Sec. 50. NEW SECTION. 467A.431 PENALTIES FOR CHANGE OF  
36 10 USE.

36 11 If the owner or a successor in title of the farmland  
36 12 subject to a farmland preservation agreement, which has been  
36 13 executed as provided in section 467A.405 and recorded, changes  
36 14 the use of the land which is not authorized in the farmland  
36 15 preservation agreement, and the change of use is not approved  
36 16 as provided in part B, all of the following apply:

36 17 1. The owner may be required to credit all tax credits  
36 18 received to the state.

36 19 2. The owner or successor in interest is subject to a  
36 20 civil penalty in an amount not to exceed double the value of  
36 21 the eligible farmland as established at the time the eligible  
36 22 farmland preservation agreement was recorded. However, the  
36 23 owner or a successor in title of the eligible farmland shall  
36 24 have one year to become compliant before the civil penalty of  
36 25 this subsection shall be applicable.

36 26 SUBCHAPTER V  
36 27 EXCLUSIVE AGRICULTURAL ZONING

36 28 Sec. 51. NEW SECTION. 467A.501 APPLICABILITY == COUNTY  
36 29 AND CITY ZONING REQUIREMENTS.

36 30 This subchapter applies to a county which has adopted a  
36 31 zoning ordinance under chapter 335, and shall apply regardless  
36 32 of sections 331.304A and 335.2. This subchapter applies to a  
36 33 city which has adopted a zoning ordinance pursuant to chapter  
36 34 414.

36 35 Sec. 52. NEW SECTION. 467A.502 COUNTIES == ANIMAL  
37 1 FEEDING OPERATIONS.

37 2 This chapter does not authorize a county to restrict or  
37 3 regulate a condition or activity occurring on land used for  
37 4 the production, care, feeding, or housing of animals unless  
37 5 the regulation of the production, care, feeding, or housing of  
37 6 animals is expressly authorized by state law. An exclusive  
37 7 agricultural zoning ordinance adopted in violation of this  
37 8 section is void and unenforceable and any enforcement activity  
37 9 conducted in violation of this section is void. A condition



37 10 or activity occurring on land used for the production, care,  
37 11 feeding, or housing of animals includes but is not limited to  
37 12 the construction, operation, or management of an animal  
37 13 feeding operation, an animal feeding operation structure, or  
37 14 aerobic structure, and to the storage, handling, or  
37 15 application of manure or egg washwater, all as provided in  
37 16 chapters 459 and 459A.

37 17 Sec. 53. NEW SECTION. 467A.503 PROCEDURES.

37 18 1. An exclusive agricultural zoning ordinance for the  
37 19 county shall be consistent with a county agricultural  
37 20 preservation plan as provided in subchapter III.

37 21 2. Notwithstanding section 335.4, the procedure  
37 22 established in this subsection shall be the only procedure by  
37 23 which a city in a county with a population density of one  
37 24 hundred or more persons per square mile may reject the  
37 25 application of a county exclusive agricultural use zoning  
37 26 ordinance in that city.

37 27 a. A majority of cities in such county may reject the  
37 28 adoption of a county exclusive agricultural use zoning  
37 29 ordinance under this subchapter for all cities within the  
37 30 county. A majority of the cities must file resolutions with  
37 31 the county recorder or another officer designed by the county  
37 32 board of supervisors. The cities must file the resolutions  
37 33 which reject the adoption of a county exclusive agricultural  
37 34 zoning ordinance within six months after the adoption of the  
37 35 ordinance by the county's board of supervisors.

38 1 b. An amendment to an existing county zoning ordinance to  
38 2 bring the ordinance into compliance with this chapter, which  
38 3 is adopted by the county board of supervisors, shall be  
38 4 effective in any city which does not file a certified copy of  
38 5 a resolution disapproving of the amendment in accordance with  
38 6 section 335.7. In a city which disapproves of the amendment,  
38 7 the former agricultural zoning remains in effect.

38 8 Sec. 54. NEW SECTION. 467A.504 ORDINANCE STANDARDS.

38 9 1. An exclusive agricultural zoning ordinance adopted  
38 10 under this subchapter shall be deemed an exclusive  
38 11 agricultural use ordinance for the county. The county board  
38 12 of supervisors shall adopt the zoning ordinance in the same  
38 13 manner and according to the same procedures as provided in  
38 14 chapter 335. A city shall adopt the zoning ordinance in the  
38 15 same manner and according to the same procedures as provided  
38 16 in chapter 414. The zoning ordinance may include all  
38 17 jurisdictional, organizational, or enforcement provisions  
38 18 applicable in those chapters.

38 19 2. The zoning ordinance shall provide for exclusive  
38 20 agricultural use areas in the same manner as provided in  
38 21 section 335.4.

38 22 3. An exclusive agricultural use area shall provide for  
38 23 agricultural uses that are consistent with those allowed as  
38 24 part of an agricultural preservation area under any  
38 25 agricultural preservation plan certified as provided in  
38 26 subchapter III. The ordinance's use restrictions must provide  
38 27 for all of the following:

38 28 a. A minimum lot size.

38 29 b. The only residences, preexisting or not, allowed as  
38 30 permitted or conditional uses have a use consistent with  
38 31 agricultural use and are occupied by any of the following:

38 32 (1) The owner of the parcel.

38 33 (2) A person, or a family at least one adult member of  
38 34 which, earns the majority of the person's adjusted gross  
38 35 income from conducting the farm operations on the parcel.

39 1 (3) A parent or child of an individual meeting the  
39 2 requirements of subparagraph (1) or (2).

39 3 c. A structure shall not be built and an improvement shall  
39 4 not be made on the land in an exclusive agricultural use area  
39 5 unless consistent with an agricultural use.

39 6 4. a. The following allowable uses include special  
39 7 exceptions and conditional uses:

39 8 (1) A preexisting use.

39 9 (2) Gas, communications, and electric utility uses are  
39 10 special exceptions or permitted or conditional uses and are  
39 11 uses consistent with agricultural use.

39 12 (3) Institutional or governmental uses that are consistent  
39 13 with agricultural use or are found to be necessary in light of  
39 14 alternative locations available for that use.

39 15 b. The department shall be notified of the approval of any  
39 16 special exceptions and conditional uses in areas zoned for  
39 17 exclusive agricultural use.

39 18 5. For purposes of farm consolidation, a farm residence or  
39 19 structure which existed prior to the adoption of the ordinance  
39 20 may be separated from a larger farm parcel.

39 21 6. A farm family business may be permitted as a special  
39 22 exception or conditional use if limited to existing farm  
39 23 residences or structures or portions of the existing farmstead  
39 24 that are not dedicated to agricultural uses, and if not more  
39 25 than two persons who are not members of the resident farm  
39 26 family are employed in the farm family business.

39 27 7. Nonmetallic mineral extraction, including clay and  
39 28 gravel extraction, may be permitted as a special exception or  
39 29 conditional use if a license has been obtained under section  
39 30 208.7 and a reclamation plan exists for the restoration of the  
39 31 nonmetallic mineral extraction site to agricultural use.

39 32 Sec. 55. NEW SECTION. 467A.505 CERTIFICATION.  
39 33 The department shall review an exclusive agricultural use  
39 34 zoning ordinance which shall be submitted to the department  
39 35 prior to it becoming effective. The department shall certify  
40 1 to the local government having jurisdiction whether the  
40 2 ordinances meet the required standards of this subchapter.  
40 3 The department may issue a certification upon condition or in  
40 4 whole or in part.

40 5 Sec. 56. NEW SECTION. 467A.506 ORDINANCE REVISIONS.

40 6 1. A local government may approve petitions for rezoning  
40 7 areas zoned for exclusive agricultural use only after findings  
40 8 are made based upon consideration of the following:

40 9 a. Adequate public uses to accommodate development exist  
40 10 or will be provided within a reasonable time.

40 11 b. Provision of public uses to accommodate development  
40 12 will not place an unreasonable burden on the ability of  
40 13 affected local government to provide them.

40 14 c. The land proposed for rezoning is suitable for  
40 15 development and development will not result in undue water or  
40 16 air pollution, cause unreasonable soil erosion, or have an  
40 17 unreasonably adverse effect on rare or irreplaceable natural  
40 18 areas.

40 19 2. The department shall be notified of all rezonings under  
40 20 this section.

40 21 Sec. 57. NEW SECTION. 467A.507 PENALTIES FOR CHANGE OF  
40 22 USE.

40 23 1. A county may enforce this subchapter in the same manner  
40 24 as chapter 335 and a city may enforce this subchapter in the  
40 25 same manner as provided in chapter 414.

40 26 2. If the owner of land governed by an ordinance adopted  
40 27 under this subchapter changes the use of the land which is not  
40 28 authorized by the ordinance, the owner may be required to  
40 29 credit all tax credits received to the state.

40 30 3. The owner is subject to a civil penalty in an amount  
40 31 not to exceed double the value of the farmland as established  
40 32 at the time the farmland became subject to the ordinance.  
40 33 However, the owner shall have one year to become compliant  
40 34 before the civil penalty of this subsection shall be  
40 35 applicable.

41 1 Sec. 58. Sections 352.3, 352.4, and 352.5, Code 2007, are  
41 2 repealed.

#### 41 3 EXPLANATION

41 4 GENERAL. This bill provides a number of methods to  
41 5 encourage the preservation of farmland in this state,  
41 6 including the use of income tax credits which are based on  
41 7 restrictions placed on the use of land for agricultural  
41 8 purposes accomplished through private agreements with the  
41 9 state or through zoning restrictions imposed by counties or  
41 10 cities.

41 11 CURRENT LAW == AGRICULTURAL AREAS. Current law provides  
41 12 several ways in which agricultural land may be preserved for  
41 13 agricultural uses. Code chapter 352 establishes county land  
41 14 preservation and use commissions, provides for county  
41 15 inventories of land, and requires counties to develop county  
41 16 land preservation and use plans.

41 17 Code section 352.6 provides that an owner of farmland may  
41 18 submit a proposal to a county board of supervisors in a county  
41 19 where the farmland is located in order to create or expand an  
41 20 agricultural area which includes at least 300 acres. The land  
41 21 may only be used for an agricultural purpose with limited  
41 22 exceptions including preexisting structures, utilities, and  
41 23 noninterfering uses approved by the board of supervisors.  
41 24 Code section 352.7 requires the board of supervisors to  
41 25 conduct a public hearing regarding the proposal, Code section  
41 26 352.8 provides that a description of an approved agricultural  
41 27 area must be filed with the county recorder, and Code section  
41 28 352.9 provides for the withdrawal from the agricultural area.  
41 29 Code section 352.10 limits the authority of public agencies to  
41 30 impose public benefit assessments or special assessments upon  
41 31 land located in an agricultural area. Code section 352.11

41 32 provides special incentives to landowners who apply to include  
41 33 their land within an agricultural area, including restrictions  
41 34 upon persons bringing nuisance suits against farmers located  
41 35 in agricultural areas, and priority for water use. Under Code  
42 1 section 6B.3, in an eminent domain proceeding, an application  
42 2 to a court must include information regarding land to be  
42 3 condemned that is within an agricultural area.  
42 4 CURRENT LAW == COUNTY ZONING. Code chapter 335 authorizes  
42 5 but does not require counties to adopt county zoning  
42 6 ordinances. Code section 335.2 provides that a county cannot  
42 7 adopt a zoning ordinance that applies to agricultural land or  
42 8 related structures, with narrow exceptions. One exception  
42 9 provides that a county board of supervisors may adopt an  
42 10 agricultural land preservation ordinance. Code section 335.27  
42 11 authorizes a county board of supervisors to adopt such an  
42 12 ordinance which subjects farmland to the same use restrictions  
42 13 provided for agricultural areas.  
42 14 CURRENT LAW == ANIMAL FEEDING OPERATIONS. Code section  
42 15 331.304A prohibits a county from adopting or enforcing county  
42 16 legislation regulating a condition or activity occurring on  
42 17 land used for the production, care, feeding, or housing of  
42 18 animals unless the regulation is expressly authorized by state  
42 19 law.  
42 20 BILL'S PROVISIONS == INCOME TAX CREDIT. The bill provides  
42 21 an income tax credit to owners of farmland which is subject to  
42 22 agricultural use restrictions as provided in the bill.  
42 23 In order to claim a tax credit, a person must be an owner  
42 24 (or vendee under a land sale contract) of farmland. The  
42 25 person may be an individual or partnership or hold the land as  
42 26 a business association limited to a family farm corporation,  
42 27 family farm limited liability company, family farm limited  
42 28 partnership, or family trust in which shareholders or members  
42 29 are actively engaged in farming (see Code chapter 9H). The  
42 30 bill requires that individuals claiming the tax credit be  
42 31 domiciled in the state.  
42 32 The tax credit applies to at least 35 or more acres of  
42 33 farmland in this state owned by the claimant during the  
42 34 taxable year for which the tax credit is claimed. In  
42 35 addition, the bill imposes threshold requirements upon the  
43 1 amount of revenue produced from the farmland's agricultural  
43 2 use or is enrolled in the federal conservation reserve  
43 3 program.  
43 4 The bill requires the claimant to provide the department of  
43 5 revenue with any supporting documentation required to verify  
43 6 and process the claim. The bill requires that the land be  
43 7 subject to a farmland preservation agreement or be located  
43 8 within a district which is zoned for exclusive agricultural  
43 9 use as provided in the bill.  
43 10 The bill computes the income tax credit based upon property  
43 11 taxes paid on the farmland (up to \$6,000). The amount is  
43 12 based on "excessive property taxes" computed by subtracting  
43 13 from property taxes accrued an escalating percentage of each  
43 14 \$5,000 of household income earned. The tax credit is limited  
43 15 to the base amount which is a percentage of each \$2,000 of  
43 16 excessive property taxes computed with the maximum tax credit  
43 17 available not to exceed \$4,200 for any claimant. A person may  
43 18 claim a tax credit if the farmland is located in a county  
43 19 which has adopted an agricultural preservation plan certified  
43 20 and the farmland is covered by a farmland preservation  
43 21 agreement. The person may also claim the tax credit,  
43 22 regardless of whether farmland is located in a county which  
43 23 has adopted an agricultural preservation plan, if the farmland  
43 24 is located in an area zoned for exclusive agricultural use by  
43 25 a county or city.  
43 26 BILL'S PROVISIONS == FARMLAND PRESERVATION. The bill  
43 27 provides for a new Code chapter 467A, providing for the  
43 28 preservation of land for agricultural use (a use associated  
43 29 with agricultural production, including but not limited to  
43 30 maintaining crops or agricultural animals on the farmland or  
43 31 participating in a federal agricultural program) and to  
43 32 prevent such land from development (changing the use to other  
43 33 than an agricultural use).  
43 34 ADMINISTRATION. This part of the bill's provisions are  
43 35 administered by the department of agriculture and land  
44 1 stewardship (department) and local governments (counties or  
44 2 cities). All state agencies are required to cooperate with  
44 3 the department and local governments. A state agency  
44 4 interested in participating in the farmland preservation  
44 5 initiative may register with the department.  
44 6 The bill establishes a farmland preservation council within  
44 7 the department in order to advise and to assist other state

44 8 agencies and local governments in complying with the bill's  
44 9 provisions of this chapter.

44 10 The bill provides for a farmland preservation commission in  
44 11 each county. The provisions are based on current commissions  
44 12 which are created in Code section 352.3, but which may not  
44 13 currently be active.

44 14 The department is required to adopt rules to administer the  
44 15 initiative and to provide contested case procedures for  
44 16 persons including applicants for farmland preservation  
44 17 agreements or a local government which seeks to challenge a  
44 18 departmental decision.

44 19 The bill provides that a local government is prohibited  
44 20 from imposing a special assessment on land and covered by a  
44 21 farmland preservation agreement under this chapter, unless the  
44 22 assessment was imposed prior to the recording of the farmland  
44 23 preservation agreement or land which is exclusively zoned for  
44 24 an agricultural use, unless the assessment was imposed prior  
44 25 to the land being zoned exclusively for agricultural use. The  
44 26 bill provides that the prohibition does not apply to drainage  
44 27 assessments. Alternatively, an owner is not entitled to any  
44 28 benefit conferred by the special assessment, unless the owner  
44 29 has paid the amount that would have been paid had the land  
44 30 been subject to the special assessment.

44 31 AGRICULTURAL PLANNING. The bill requires the department in  
44 32 cooperation with other state agencies and local governments to  
44 33 prepare agricultural preservation maps that locate land in the  
44 34 state which is qualified for preservation because of its value  
44 35 for agricultural use.

45 1 AGRICULTURAL PRESERVATION ORDINANCES AND AGRICULTURAL  
45 2 AREAS. The bill provides that land that is subject to an  
45 3 agricultural land preservation ordinance (Code section 335.27)  
45 4 may be subject to a farmland preservation agreement or an  
45 5 exclusive agricultural use zoning ordinance. Similarly, land  
45 6 located in an agricultural area as provided in Code chapter  
45 7 352 may be subject to a farmland preservation agreement or an  
45 8 exclusive agricultural use zoning ordinance. The land must be  
45 9 withdrawn from the agricultural area upon the execution of the  
45 10 farmland preservation agreement or the adoption of the  
45 11 exclusive agricultural zoning ordinance.

45 12 AGRICULTURAL PRESERVATION PLANS. The bill provides for  
45 13 county agricultural preservation planning in accordance with  
45 14 county and city development strategies including zoning. The  
45 15 bill provides that a county's agricultural preservation plan  
45 16 must be based on county inventories prepared by the county's  
45 17 farmland preservation commission. Counties are required to  
45 18 keep farmland inventories under Code section 352.4, and the  
45 19 bill uses the same provisions when describing requirements for  
45 20 county inventories (a description of the types of land within  
45 21 the county). A county farmland preservation commission may  
45 22 prepare a county agricultural preservation plan for approval  
45 23 by the county board of supervisors.

45 24 The bill provides for a county agricultural preservation  
45 25 plan which includes specific public actions designed to  
45 26 preserve farmland and agricultural uses and guide urban  
45 27 growth. The bill provides that a city may adopt an  
45 28 agricultural preservation plan in the same manner as a county  
45 29 and the city plan must be incorporated in the county plan.  
45 30 The plan must be submitted to the department for review and  
45 31 certification.

45 32 FARMLAND PRESERVATION AGREEMENTS. The bill provides that  
45 33 farmland preservation agreements must apply to eligible  
45 34 farmland which includes a parcel of 35 or more acres of  
45 35 contiguous land which is devoted primarily to agricultural  
46 1 use. In addition, the bill requires that the land must  
46 2 produce a certain threshold of gross farm profits or be  
46 3 involved in a federal agricultural program (e.g., the  
46 4 conservation reserve program). The agreement applies to  
46 5 eligible farmland subject to an agricultural preservation plan  
46 6 which is in effect in the county where the eligible farmland  
46 7 is located or farmland which is located in an area zoned for  
46 8 exclusive agricultural use under an ordinance by a county or  
46 9 city as provided in the bill.

46 10 The county board of supervisors is the local government  
46 11 having jurisdiction to approve or disapprove an application to  
46 12 be covered by a farmland preservation agreement, except if the  
46 13 eligible farmland is located in a city. In that case the  
46 14 local government having jurisdiction is the city.

46 15 The bill provides procedures for an owner of eligible  
46 16 farmland to apply to execute a farmland preservation  
46 17 agreement. The application must be filed with the county  
46 18 recorder in the county where the land is located. The

46 19 application must include a legal description of the land and  
46 20 characteristics of the land including improvements and soil  
46 21 conservation classifications. The county recorder must  
46 22 forward the notice to the department, county board of  
46 23 supervisors, and the filing officer of any city in which the  
46 24 land is located. The local government having jurisdiction  
46 25 must conduct a public hearing and invite comments from other  
46 26 local governments and interested state agencies. The local  
46 27 government having jurisdiction and the department must approve  
46 28 the application. If approved, the department must prepare and  
46 29 deliver to the applicant the farmland preservation agreement  
46 30 for execution which is recorded with the county recorder.

46 31 The bill provides for permitted uses of eligible land  
46 32 covered by a farmland preservation agreement, which must  
46 33 relate to an agricultural use or another consistent use. The  
46 34 agreement must also provide for soil and water conservation  
46 35 practices (see Code chapter 161A), and other conditions or  
47 1 restrictions on the land as agreed to by the parties. The  
47 2 agreement may also provide for transition areas if the  
47 3 farmland is located in an area identified as a transition area  
47 4 under the county's agricultural preservation plan. The  
47 5 transition area is not required to be zoned exclusively for  
47 6 agricultural purposes.

47 7 The bill provides for the duration, relinquishment, and  
47 8 release of farmland preservation agreements. Generally, it is  
47 9 effective for at least 10 but not more than 25 years. The  
47 10 eligible farmland may be sold, subject to the reservation of  
47 11 rights contained in the agreement. The eligible farmland may  
47 12 be withdrawn or relinquished earlier than the expiration date,  
47 13 based on the incapacity of the owner, or approval by the local  
47 14 government having jurisdiction and the department based on a  
47 15 number of factors including proposed uses of the eligible  
47 16 farmland and the financial condition of the owner. The  
47 17 eligible farmland may also be converted to land within a  
47 18 county or city ordinance providing for the exclusive  
47 19 agricultural use of the land as provided in the bill.

47 20 If the owner whose land is subject to a farmland  
47 21 preservation agreement changes the use of the land to one  
47 22 which is not authorized in the bill, the owner may be required  
47 23 to pay back all tax credits received. The owner may be  
47 24 enjoined from changing the use by the local government having  
47 25 jurisdiction or the department. In addition, the owner is  
47 26 subject to a civil penalty in an amount not to exceed double  
47 27 the value of the eligible farmland as established at the time  
47 28 the eligible farmland preservation agreement was recorded.

47 29 AGRICULTURAL ZONING. A county which has adopted a county  
47 30 zoning ordinance under Code chapter 335 may adopt a special  
47 31 agricultural zoning ordinance under the bill. Similarly, a  
47 32 city may adopt such an ordinance. The bill provides that a  
47 33 county cannot regulate a condition or activity occurring on  
47 34 land used for the production, care, feeding, or housing of  
47 35 animals (similar to Code section 331.304A).

48 1 The bill provides that an exclusive agricultural zoning  
48 2 ordinance for the county shall be consistent with a county  
48 3 agricultural preservation plan. The bill provides for  
48 4 participation by cities within a county when determining  
48 5 whether to approve or disapprove an ordinance. The bill  
48 6 provides that an exclusive agricultural zoning ordinance shall  
48 7 be deemed an exclusive agricultural use ordinance for the  
48 8 local government which adopts the ordinance. The ordinance  
48 9 must provide for agricultural uses that are consistent with  
48 10 those allowed as part of an agricultural preservation area  
48 11 under any agricultural preservation plan. The ordinance must  
48 12 account for special uses, including preexisting uses,  
48 13 utilities, institutional or governmental uses, and farm family  
48 14 businesses. The department must review and certify an  
48 15 exclusive agricultural use zoning ordinance. The bill  
48 16 provides for revisions of the ordinances.

48 17 The bill provides for enforcement and penalties, including  
48 18 in the same manner available to a county or city to enforce  
48 19 zoning regulations. The department or the local government  
48 20 may also enforce the ordinance in the same manner as they may  
48 21 enforce a breach of a farmland preservation ordinance as  
48 22 provided in the bill.

48 23 The bill eliminates a number of provisions in Code chapter  
48 24 352 relating to county land preservation and use commissions,  
48 25 county inventories, and county land preservation and use plans  
48 26 which are provided for in the bill.

48 27 LSB 6026HH 82

48 28 da/rj/8.1