

**House Study Bill 640 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
TRANSPORTATION BILL BY  
CHAIRPERSON BEST)

**A BILL FOR**

1 An Act relating to responsibilities of timber buyers and  
2 persons transporting timber, and providing penalties.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 456A.36, subsection 1, paragraphs b and  
2 c, Code 2020, are amended to read as follows:

3 b. "Timber" means trees, standing or felled, and logs which  
4 can be used for sawing or processing into lumber for building  
5 or structural purposes or for the manufacture of an article.  
6 However, "timber" does not include firewood, Christmas trees,  
7 or fruit or ornamental trees ~~or wood products not used or to~~  
8 ~~be used for building, structural, manufacturing, or processing~~  
9 purposes.

10 c. "Timber buyer" means a person engaged in the business of  
11 buying timber ~~from the timber growers~~ for sawing into lumber,  
12 for processing, or for resale, but does not include a person  
13 who occasionally purchases timber for sawing or processing  
14 for the person's own use and not for resale. "Timber buyer"  
15 includes a person who contracts with a timber grower on a  
16 shared-profit basis to harvest timber from the timber grower's  
17 land.

18 Sec. 2. Section 456A.36, subsection 2, paragraph a,  
19 subparagraph (2), Code 2020, is amended to read as follows:

20 (2) The principal amount of the bond shall be ten percent of  
21 the total amount paid to timber growers during the preceding  
22 year, plus ten percent of the total amount due or delinquent  
23 and unpaid to timber growers at the end of the preceding year,  
24 and ten percent of the market value of growers' shares of  
25 timber harvested during the previous year. However, the total  
26 amount of the bond shall be not less than three twenty-five  
27 thousand dollars and not more than fifteen fifty thousand  
28 dollars.

29 Sec. 3. Section 456A.36, subsection 3, Code 2020, is amended  
30 to read as follows:

31 3. The following are violations of [this section](#):

32 a. For a ~~timber buyer~~ person to fail to pay, as agreed, for  
33 timber purchased.

34 b. For a ~~timber buyer~~ person to cut or cause to be cut or  
35 appropriate timber not purchased.

1     *c.* For a ~~timber buyer~~ person to willfully make a false  
2 statement in connection with the bond or other information  
3 required to be given to the commission or a timber grower.

4     *d.* For a ~~timber buyer~~ person to fail to honestly account to  
5 the timber grower or the commission for timber purchased or cut  
6 if the ~~buyer~~ person is under a duty to do so.

7     *e.* For a ~~timber buyer~~ person to commit a fraudulent act in  
8 connection with the purchase or cutting of timber.

9     *f.* For a ~~timber buyer~~ person engaged in the business of  
10 transporting timber to transport timber without ~~written proof~~  
11 ~~of ownership or the written consent of the owner~~ a completed  
12 timber transport certificate. The timber transport certificate  
13 shall be on a form approved by the department. A person shall  
14 not be convicted of a violation of this paragraph if the person  
15 produces before or at the person's trial a copy of the timber  
16 transport certificate, written proof of the vendor's ownership  
17 of the timber, or written consent of the owner of the timber.

18     *g.* For a person to purchase timber without obtaining,  
19 prior to taking possession of the timber, a copy of the timber  
20 transport certificate, written proof of the vendor's ownership  
21 of the timber, or the written consent of the owner of the  
22 timber. The purchaser shall keep the copy of the timber  
23 transport certificate or written proof of ownership or consent  
24 on file for at least ~~three months~~ one year from the date the  
25 timber was released to the purchaser's possession.

26     Sec. 4. Section 456A.36, subsection 5, Code 2020, is amended  
27 by striking the subsection and inserting in lieu thereof the  
28 following:

29     5. *a.* A person who engages in business as a timber buyer  
30 without filing a bond or surety with the commission is guilty  
31 of a serious misdemeanor.

32     *b.* A person who engages in business as a timber buyer who  
33 refuses to permit inspection of premises, books, accounts, or  
34 records as provided in this section is guilty of a serious  
35 misdemeanor.

1 c. A person who violates any of the provisions of this  
2 section for which no other punishment is provided is guilty of  
3 a serious misdemeanor.

4 EXPLANATION

5 The inclusion of this explanation does not constitute agreement with  
6 the explanation's substance by the members of the general assembly.

7 This bill relates to responsibilities of timber buyers and  
8 persons engaged in the business of transporting timber.

9 The bill amends the definition of "timber" to remove certain  
10 wood products from the exception to the definition. The  
11 bill amends the definition of "timber buyer" to remove the  
12 requirement that the person buys timber from a timber grower.

13 Current law requires a timber buyer to file with the natural  
14 resource commission a surety bond that is not less than \$3,000  
15 and not more than \$15,000. The bill requires the surety bond  
16 to be for not less than \$25,000 and not more than \$50,000.

17 The bill changes instances of "timber buyer" to "person" in  
18 the provision of Code section 456A.36 that lists violations  
19 of the Code section. The bill requires a person engaged in  
20 the business of transporting timber to possess a completed  
21 timber transport certificate, which shall be on a form approved  
22 by the department of natural resources. The bill requires  
23 a person taking possession of timber by purchase to first  
24 obtain a copy of the timber transport certificate, or written  
25 proof of ownership or consent of the owner as provided in  
26 current law. The bill makes a violation of timber buying  
27 or transporting practices for which no other punishment is  
28 provided a serious misdemeanor. A serious misdemeanor is  
29 punishable by confinement for no more than one year and a fine  
30 of at least \$315 but not more than \$1,875.