# House File 394 - Introduced

HOUSE FILE 394
BY ISENHART

## A BILL FOR

- 1 An Act relating to leases between local governments and persons
- 2 using land for farming.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 1 Section 1. NEW SECTION. 161A.90 Definitions.
- 2 As used in this subchapter, unless the context otherwise
- 3 requires:
- 4 1. "Farming" means the same as defined in section 9H.1.
- 5 2. "Farming practice" includes but is not limited to a
- 6 decision regarding crop production, including crop types and
- 7 varieties to plant, cultivation and harvesting methods, and
- 8 the application of materials including manure and commercial
- 9 fertilizers, tillage, and crop rotation systems.
- 10 3. "Local government" means a county, city, township, school
- 11 district, or any special-purpose district or authority.
- 12 4. "Soil and water conservation practices" means the same as
- 13 defined in section 161A.42.
- 14 5. "Soil health practice" means a practice to provide for
- 15 the continued capacity of soil to permanently sustain plant and
- 16 animal life.
- 17 6. a. "Water quality practice" means a land use change or
- 18 the establishment and maintenance of a measure that limits
- 19 sediment or nutrients from being conveyed by surface water
- 20 runoff or leaching.
- 21 b. "Water quality practice" includes the establishment of
- 22 any of the following:
- 23 (1) A terrace.
- 24 (2) A cover crop that is used as part of crop rotation
- 25 cycle.
- 26 (3) A bioreactor installed as part of or connected to a
- 27 field drainage system.
- 28 (4) A wetland established as part of or connected to a crop
- 29 field.
- 30 (5) A saturated buffer.
- 31 (6) Cropland integrated with a prairie grass strip.
- 32 (7) A riparian buffer strip.
- 33 (8) A grassed waterway.
- 34 (9) An area maintained in permanent vegetation cover,
- 35 including perennial vegetation cover consisting of grasses or

- 1 legumes, including but not limited to grasslands or forages.
- 2 (10) A wetland area if the area is mostly underwater or
- 3 waterlogged during the growing season and is characterized by
- 4 vegetation of hydric soils.
- 5 (11) Any other measure recognized by the division that
- 6 manages nutrients and reduces contributing contaminant loads to
- 7 receiving surface waters, including by detaining sediment-laden
- 8 water, reducing the volume or velocity of precipitation-induced
- 9 surface water, filtering sediment-laden water, or reducing
- 10 nutrient loss through tile drainage systems.
- 11 Sec. 2. NEW SECTION. 161A.91 Restrictions on leases by
- 12 local governments.
- 13 1. A local government that holds a legal or equitable
- 14 interest in agricultural land shall not enter into a lease
- 15 with another person if the person may use the agricultural
- 16 land for farming, unless the lease is in writing and a farm
- 17 unit agreement is made part of the lease. The parties to
- 18 the agreement shall be the lessee and the soil and water
- 19 conservation commissioners of the district where the land is
- 20 located.
- 21 2. The farm unit agreement shall apply to the same farm unit
- 22 as an applicable farm unit conservation plan or conservation
- 23 agreement. The agreement may be made part of a farm unit
- 24 conservation plan or soil conservation agreement. A farm unit
- 25 agreement may cover one or more farm units as specified in the
- 26 agreement so long as all farm units are located as part of the
- 27 same district. The agreement shall identify those soil and
- 28 water conservation practices, water quality practices, farming
- 29 practices, and soil health practices that best prevent soil
- 30 loss, manage nutrients, reduce contributing contaminant loads
- 31 to receiving surface water, and promote soil health.
- 32 3. The farm unit agreement shall be completed on forms
- 33 prepared by the division in consultation with the Iowa nutrient
- 34 research center established pursuant to section 466B.47.
- 35 4. The commissioners of the district shall assist the

- 1 parties to the lease in developing a farm unit agreement. The
- 2 commissioners shall respond to a request by a local government
- 3 to develop a farm unit agreement within sixty days of receiving
- 4 the request. The lessee shall file the agreement with the
- 5 commissioners subject to their approval. The commissioners
- 6 shall deliver a copy of the agreement to the division. Each
- 7 year, an updated agreement must be approved and filed in the
- 8 same manner as the original agreement.
- 9 5. If a farm unit agreement is not filed as required in this 10 section, the lease shall be void in sixty days.
- 11 6. The commissioners shall inspect or cause to be inspected
- 12 land covered by a farm unit agreement if reasonable grounds
- 13 exist to believe that a failure to comply with the agreement
- 14 is occurring. If the commissioners determine a failure is
- 15 occurring, a notice of that finding shall be delivered to the
- 16 parties to the lease. The notice shall describe the land
- 17 affected and shall describe the failure. The notice shall also
- 18 describe the corrective action required and the time limit for
- 19 commencing and accomplishing such action.
- 20 7. If corrective action has not been commenced or
- 21 accomplished as described in the notice, the commissioners
- 22 shall issue an administrative order to the person who filed
- 23 the farm unit agreement. The administrative order shall
- 24 address the same subjects provided in the notice. However, the
- 25 corrective action must be commenced not more than six months
- 26 after the date the order is issued and must be completed not
- 27 more than one year after that date.
- 28 8. a. The commissioners shall petition the district court
- 29 to issue an order requiring immediate compliance with an
- 30 administrative order if the commissioners have determined any
- 31 of the following:
- 32 (1) The corrective action has not been commenced or
- 33 completed by the date specified in the administrative order.
- 34 (2) The corrective action has been commenced but is not
- 35 being performed with due diligence or in a manner that will

- 1 reasonably result in compliance with the administrative order.
- 2 b. The district court may grant injunctive relief necessary
- 3 in order to enforce the terms and conditions of the agreement.
- 4 Alternatively, district court may void the lease. If a lease
- 5 is voided, the local government shall have any remedy available
- 6 to a lessor who brings an action against a lessee for the
- 7 wrongful termination of a lease.
- 8 9. This section shall not apply if the duration of the lease
- 9 is for less than sixty days. However, this section shall apply
- 10 if the local government and the same person enter into multiple
- 11 subsequent leases that involve the same tract of land.
- 12 Sec. 3. IMPLEMENTATION OF ACT. Section 25B.2, subsection
- 13 3, shall not apply to this Act.
- 14 EXPLANATION
- The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.
- 17 This bill requires a farm unit agreement be executed when any
- 18 lease is entered into by a local government and a person who
- 19 may use the leased land for farming purposes. The agreement
- 20 requires the lessee to comply with applicable soil and water
- 21 conservation practices, farming practices, water quality
- 22 practices, and soil health practices during the period of the
- 23 lease. The agreement must be developed in cooperation with
- 24 the commissioners of the soil and water conservation district
- 25 where the land is located who are parties to the agreement.
- 26 The commissioners may conduct inspections to ensure compliance
- 27 with the agreement and take administrative or judicial action
- 28 to enforce the agreement's provisions. The bill does not apply
- 29 to a lease that is for less than 60 days unless the local
- 30 government and the same person have entered into multiple
- 31 subsequent leases involving the same land.
- 32 The bill may include a state mandate as defined in Code
- 33 section 25B.3. The bill makes inapplicable Code section 25B.2,
- 34 subsection 3, which would relieve a political subdivision from
- 35 complying with a state mandate if funding for the cost of

- 1 the state mandate is not provided or specified. Therefore,
- 2 political subdivisions are required to comply with any state
- 3 mandate included in the bill.