

## CHAPTER 116

## AGRICULTURAL SEEDS

## H. F. 544

AN ACT relating to holders of a permit to sell and distribute agricultural seeds.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section one hundred ninety-nine point fifteen  
2 (199.15), Code 1954, is hereby amended by striking the words "and  
3 public hearing" following the word "due" in line twenty-one (21) and  
4 inserting in lieu thereof the words "notice given at least ten (10) days  
5 prior to a date of hearing fixed by the secretary of agriculture".

1 SEC. 2. Section one hundred ninety-nine point fifteen (199.15),  
2 Code 1954, is further amended by adding thereto the following:  
3 "The failure to fulfill any contract to repurchase the seed crop pro-  
4 duced from any agricultural seed, other than hybrid seed corn, if the  
5 same meets the requirements set forth in the contract and the stand-  
6 ards specified in this chapter, shall be prima facie evidence of intent to  
7 defraud the purchaser at the time of entering into the contract."

1 SEC. 3. Chapter one hundred ninety-nine (199), Code 1954, is  
2 hereby amended by adding thereto a new section providing as follows:  
3 "It shall be unlawful for the holder of any permit to enter into a  
4 contract with a purchaser of any agricultural seed other than hybrid  
5 seed corn, whereby the permit holder agrees to repurchase the seed crop  
6 produced therefrom at a price in excess of the current market price at  
7 time of delivery, unless the permit holder shall have on file with the  
8 department of agriculture a bond, in a penal sum of ten thousand dol-  
9 lars (\$10,000) running to the state of Iowa, with sureties approved  
10 by the secretary of agriculture, for the use and benefit of any pur-  
11 chaser of seed holding such a contract who might have a cause of  
12 action of any nature arising from or out of such purchase or agree-  
13 ment, provided, however, that the aggregate liability of the surety to  
14 all such purchasers shall, in no event, exceed the sum of such bond;  
15 and provided, further, however, that any permit holder may, upon the  
16 filing of a notarized and detailed financial statement, request that such  
17 showing be accepted in lieu of the bond and ask to be exonerated from  
18 the filing of the bond herein required. If, after considering the finan-  
19 cial statement and any other evidence submitted, the secretary of agri-  
20 culture finds that the applicant permit holder is accountable for the  
21 performance of such contract obligations the notarized financial state-  
22 ment shall be filed in lieu of the bond and applicant shall be so advised  
23 by registered mail.

Approved April 28, 1955.