

Reported Recommending .....  
Ind. Postponed .....  
Passed House .....  
Failed to Pass House .....  
Passed Senate .....  
Failed to Pass Senate .....

House File 531

April 8, 1947.  
To Sifting Committee.

By CONSERVATION OF  
RESOURCES.

## A BILL FOR

An Act to amend section four hundred ninety-nine point seven (499.7), Code 1946, relating to powers of cooperative associations.

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

1 Section 1. That the law as it appears in section  
2 four hundred ninety-nine point seven (499.7), Code 1946,  
3 be and the same is hereby amended by adding at the end  
4 thereof, the following:

5 "No association organized under this chapter shall  
6 engage in the business of constructing, maintaining or  
7 operating any hydro-electric generating plant, system or  
8 project."

1 Sec. 2. This act being deemed of immediate importance,  
2 shall be in full force and effect from and after its passage  
3 and publication in Sibley Gazette Tribune,  
4 a newspaper published at Sibley, Iowa,  
5 and the Lockridge Times, a  
6 newspaper published at Lockridge, Iowa.

### EXPLANATION OF H. F. 531

Cooperative associations are organized for the mutual benefit of members to engage in businesses which can properly be engaged in by associations. The present law prohibits these associations from entering into the banking business. This bill

would prohibit cooperatives from entering into the construction, maintenance or operation of hydro-electric generating plants because it is thought such would not be for the best interests of members or the state. The cost of construction of hydro-electrics is relatively very high and there is not sufficient stream flow in any of the rivers of Iowa to justify the high construction costs.