

MAR 7 2005
Place On Calendar

HOUSE FILE 609
BY COMMITTEE ON
ECONOMIC GROWTH

(SUCCESSOR TO HSB 169)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for life science enterprises authorized to hold
2 agricultural land, making penalties applicable, and providing
3 an effective date.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 609

1 Section 1. Section 10B.4, subsection 2, paragraph g, Code
2 2005, is amended to read as follows:

3 g. If the reporting entity is a life science enterprise,
4 as provided in chapter 10C, as that chapter exists on or
5 before June 30, ~~2004~~ 2005, the total amount of commercial sale
6 of life science products and products other than life science
7 products which are produced from the agricultural land held by
8 the life science enterprise.

9 Sec. 2. Section 10C.6, subsection 1, paragraph a, Code
10 2005, is amended to read as follows:

11 a. A life science enterprise may acquire or hold
12 agricultural land, notwithstanding section 10C.5 ~~as that~~
13 ~~section exists in the 2005 Code~~, if all of the following
14 apply:

15 (1) The life science enterprise acquires the agricultural
16 land on or before June 30, 2008.

17 (2) The enterprise acquires or holds the agricultural land
18 pursuant to chapter 10C ~~as that chapter exists in the 2005~~
19 ~~Code~~.

20 (3) The economic development board has approved a life
21 science enterprise plan filed on or before June 30, ~~2004~~ 2005,
22 with the board. The enterprise must acquire or hold the
23 agricultural land pursuant to the plan which may be amended at
24 any time and approved by the board pursuant to section 15.104.

25 Sec. 3. Section 10C.6, subsection 2, unnumbered paragraph
26 1, Code 2005, is amended to read as follows:

27 A person who is a successor in interest to a life science
28 enterprise may acquire or hold agricultural land,
29 notwithstanding section 10C.5 ~~as that section exists in the~~
30 ~~2003 Code or 2003 Code Supplement~~, if all of the following
31 apply:

32 Sec. 4. Section 10C.6, subsection 2, paragraph a, Code
33 2005, is amended to read as follows:

34 a. The person meets the qualifications of a life science
35 enterprise and acquires or holds the agricultural land as

1 provided in chapter 10C ~~as that chapter exists in the 2003~~
2 ~~Code or 2003 Code Supplement.~~

3 Sec. 5. Section 15.104, subsection 4, unnumbered paragraph
4 1, Code 2005, is amended to read as follows:

5 Review and approve or disapprove a life science enterprise
6 plan or amendments to that plan as provided in chapter 10C as
7 that chapter exists on or before June 30, ~~2004~~ 2005, and
8 according to rules adopted by the board. A life science plan
9 shall make a reasonable effort to provide for participation by
10 persons who are individuals or family farm entities actively
11 engaged in farming as defined in section 10.1. The persons
12 may participate in the life science enterprise by holding an
13 equity position in the life science enterprise or providing
14 goods or service to the enterprise under contract. The plan
15 must be filed with the board not later than June 30, ~~2004~~
16 2005. The life science enterprise may file an amendment to a
17 plan at any time. A life science enterprise is not eligible
18 to file a plan, unless the life science enterprise files a
19 notice with the board. The notice shall be a simple statement
20 indicating that the life science enterprise may file a plan as
21 provided in this section. The notice must be filed with the
22 board not later than June ~~30, 2004~~ 1, 2005. The notice, plan,
23 or amendments shall be submitted by a life science enterprise
24 as provided by the board. The board shall consult with the
25 department of agriculture and land stewardship during its
26 review of a life science plan or amendments to that plan. The
27 plan shall include information regarding the life science
28 enterprise as required by rules adopted by the board,
29 including but not limited to all of the following:

30 Sec. 6. CODE EDITOR DIRECTIVE. The Code editor shall,
31 upon the repeal of sections 10C.1 through 10C.4, pursuant to
32 section 10C.5, insert in section 10C.6 references to the Code
33 or Code Supplement in which the most recent amendments to Code
34 chapter 10C or portions thereof, as applicable, were
35 incorporated.

1 provisions authorizing an enterprise to acquire agricultural
2 land are repealed on July 1, 2008.

3 The bill extends the period during which a corporation or
4 limited liability company can qualify to hold agricultural
5 land as an enterprise by providing that it has until June 1,
6 2005, to file the notice with the economic development board
7 and June 30, 2005, to file a plan with the board.

8 Code section 9H.4 provides that an entity violating its
9 provisions is subject to a civil penalty of not more than
10 \$25,000 and must divest itself of any land held in violation
11 of the Code chapter. The Code chapter provides that a court
12 may grant an injunction in order to restrain violations of the
13 chapter's provisions. Code section 9I.11 provides that if an
14 entity violates its land acquisition provisions, the land
15 escheats to the state. An entity that fails to report as
16 required under Code chapter 10B is subject to a civil penalty
17 of \$1,000.

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Struyk - Chr.
S. Olson
Schickel
D. Olson
~~F. Schuetter~~
Dandekar

HSB 169
ECONOMIC GROWTH

HOUSE FILE SE 0609
BY (PROPOSED COMMITTEE ON
ECONOMIC GROWTH BILL BY
CHAIRPERSON HOFFMAN)

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Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
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