

House File 550 - Introduced

HOUSE FILE 550
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HSB 188)

A BILL FOR

1 An Act relating to the environmental impact of livestock
2 operations by providing for financial assistance, and making
3 an appropriation.

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

1 Section 1. NEW SECTION. 175.34A Livestock environmental
2 assistance revolving fund.

3 1. A livestock environmental assistance revolving fund
4 is created in the state treasury under the control of the
5 agricultural development authority. The fund is composed
6 of moneys appropriated by the general assembly, and moneys
7 available to and obtained or accepted by the authority from
8 the United States or private sources for placement in the
9 fund. It shall include moneys attributable to interest earned
10 on a certificate of deposit issued by an eligible lending
11 institution participating in the livestock environmental
12 assistance program as provided in section 175.34B and
13 the moneys attributable to the principal invested in the
14 certificate of deposit upon its maturity, renewal, or early
15 withdrawal.

16 2. Moneys in the fund are subject to an annual audit by the
17 auditor of state.

18 3. The fund shall be used exclusively to support the
19 livestock environmental assistance program as provided in
20 section 175.34B, and to defray expenses by the authority in
21 administering the program.

22 4. The authority may adopt rules pursuant to chapter 17A to
23 administer this section.

24 5. Section 8.33 shall not apply to moneys in the fund.
25 Notwithstanding section 12C.7, moneys earned as income,
26 including as interest, from the fund shall remain in the fund
27 until expended as provided in this section.

28 Sec. 2. NEW SECTION. 175.34B Livestock environmental
29 assistance program.

30 1. As used in this section, unless the context otherwise
31 requires:

32 a. "*Eligible lending institution*" means a financial
33 institution that is empowered to make commercial loans and is
34 eligible pursuant to chapter 12C to be a depository of state
35 funds.

1 This bill establishes a livestock environmental assistance
2 revolving fund and program administered by the agricultural
3 development authority. The purpose of the fund and the program
4 is to allow the authority to enter into agreements with private
5 lenders who extend commercial loans to livestock producers
6 for the purposes of constructing structures, or installing
7 practices, equipment, or systems which prevent or control the
8 impact of a livestock operation on the environment. As part
9 of the agreement, the authority deposits moneys equaling the
10 principal amount of the loan with the lending institution in
11 return for a certificate of deposit earning interest at a rate
12 lower than the market rate. The moneys from the certificate of
13 deposit are to be placed in the fund on maturity.

14 The bill appropriates \$15 million to the fund from the
15 general fund of the state. Moneys in the fund do not revert to
16 the general fund of the state and interest earned on the fund
17 remains in the fund.