

1 H BILL NO. 344  
 2 INTRODUCED BY Mulder, J. Enninger, Jay Bergton  
 3 Mular, Hirock, Hummel, Bardon, Manuel

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO BE KNOWN AS THE  
 5 MONTANA FAMILY FARM ACT OF 1977; PROHIBITING CERTAIN  
 6 CORPORATIONS FROM ENGAGING IN AGRICULTURAL PRODUCTION OR  
 7 OWNING AGRICULTURAL LAND."  
 8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Short title. This act shall be known as  
 11 "The Montana Family Farm Act of 1977".

12 Section 2. Purpose. It is the public policy of the  
 13 state to preserve free private enterprise, to protect small  
 14 business and prevent monopoly, to protect opportunity for  
 15 family farmers in the state, and to protect consumers. It is  
 16 state policy to preserve competition in the agricultural  
 17 industry and to provide for the continuance of the family  
 18 farm.

19 Section 3. Definitions. As used in this act, unless  
 20 the context otherwise requires, the following definitions  
 21 apply:

22 (1) "Agriculture" means the cultivation of the ground,  
 23 the harvesting of crops, the production or the raising of  
 24 plants or animals useful to man, or any combination thereof,  
 25 but does not include the growing or harvesting of timber or

1 other aspects of silviculture.

2 (2) "Agricultural land" means any rural real estate  
 3 which is used or usable for the business of agriculture.

4 (3) "Nonagricultural assets" means any property,  
 5 plant, or equipment not used in the practice of agriculture  
 6 or not located on agricultural land. Mineral rights owned  
 7 by the surface owner of agricultural land may not be  
 8 classified as nonagricultural assets if the surface owner is  
 9 engaged in the practice of agriculture.

10 (4) "Corporation" includes business associations,  
 11 joint-stock companies, and business trusts.

12 Section 4. Restrictions — exemptions. (1) No  
 13 corporation controlling or owning nonagricultural assets in  
 14 excess of \$5 million and no corporation owned or controlled  
 15 by persons, partnerships, or corporations who own or control  
 16 nonagricultural assets in excess of \$5 million may engage  
 17 directly or indirectly in agricultural production or control  
 18 or attempt to control agricultural production in this state  
 19 through owning, leasing, holding, or controlling land for  
 20 agricultural purposes by any means of acquisition. The  
 21 foregoing prohibitions do not apply in the case of any one  
 22 or more of the following:

23 (a) charitable institutions which engage in  
 24 agricultural production for other than income purposes as a  
 25 part of their charitable function;

1 (b) educational institutions engaged in research as a  
2 part of academic and extension activities;

3 (c) nonprofit institutions engaged in agricultural  
4 production solely for purposes of research;

5 (d) grazing associations if membership is comprised  
6 solely of Montana residents;

7 (e) any federal, state, county, or city government  
8 department, agency, or body engaged in agricultural  
9 production or research, including but not limited to  
10 political subdivisions, special improvement districts, and  
11 other districts authorized by law;

12 (f) farmer- or producer-owned associations which meet  
13 the provisions of the Capper-Volstead Act;

14 (g) any corporation engaged in the transportation of  
15 persons or property by railroad, which owns or controls  
16 property incidental to its principal business purpose  
17 because of acquisitions or grants for railroad purposes, in  
18 order to encourage construction of railroads, or for  
19 purposes reasonably related to the operation or maintenance  
20 of its railroad property.

21 (2) Persons who are not citizens or residents of the  
22 United States and corporations that are not owned by  
23 American citizens or residents, except for citizens and  
24 corporations owned by citizens of nations contiguous to the  
25 United States, may not own, lease, or otherwise hold

1 agricultural land for the purpose of engaging in agriculture  
2 in the state of Montana.

3 Section 5. Divestiture of land by corporate creditors  
4 — legatees. Nothing in this act prevents any creditor,  
5 legatee, beneficiary, or interstate successor subject to the  
6 provisions of this act from lawfully acquiring, pursuant to  
7 legal proceedings, agricultural land or other means of  
8 agricultural production or control of such means of  
9 agricultural production if they divest themselves of such  
10 property within 5 years of acquisition, provided that for  
11 cause shown, additional time may be obtained by petitioning  
12 the district court of the county in which the agricultural  
13 land is situated.

14 Section 6. Act prospective only. (1) A corporation  
15 covered by the restrictions of [section 4], engaged in the  
16 practice of agriculture or owning or otherwise controlling  
17 agricultural land before [the effective date of this act],  
18 may continue to do so to the extent which it had prior to  
19 the effective date hereof.

20 (2) A corporation not covered by the restrictions of  
21 [section 4], owning or controlling agricultural land, which  
22 sells such agricultural land for nonagricultural development  
23 may continue to engage in the practice of agriculture.

24 Section 7. Enforcement and penalties. The county  
25 attorney of the respective county shall enforce the

1 provisions of this act. A corporation in violation of the  
2 provisions of this act shall be fined not less than \$100 or  
3 more than \$2,000 for each day of violation.

4 Section 8. Severability. If a part of this act is  
5 invalid, all valid parts that are severable from the invalid  
6 part remain in effect. If a part of this act is invalid in  
7 one or more of its applications, the part remains in effect  
8 in all valid applications that are severable from the  
9 invalid applications.

-End-

Agriculture Livestock & Irrigation

Do Not Pass as Amended

Objection Raised to Adverse Committee Report

HOUSE BILL NO. 344

INTRODUCED BY J. GUNDERSON, DASSINGER, DAY,

BENJAMINSON, NULAR, HIRSCH, HUENNEKENS, BARDANOUVE, MANUEL

A BILL FOR AN ACT ENTITLED: "AN ACT TO BE KNOWN AS THE MONTANA FAMILY FARM ACT OF 1977; PROHIBITING CERTAIN CORPORATIONS FROM ENGAGING IN AGRICULTURAL PRODUCTION OR OWNING AGRICULTURAL LAND; REQUIRING CORPORATIONS ENGAGED IN AGRICULTURE IN MONTANA TO MAKE AN ANNUAL REPORT; AND PROVIDING A PENALTY."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Short title. This act shall be known as "The Montana Family Farm Act of 1977".

Section 2. Purpose. It is the public policy of the state to preserve free private enterprise, to protect small business and prevent monopoly, to protect opportunity for family farmers in the state, and to protect consumers. It is state policy to preserve competition in the agricultural industry and to provide for the continuance of the family farm.

Section 3. Definitions. As used in this act, unless the context otherwise requires, the following definitions apply:

(1) "Agriculture" means the cultivation of the ground, the harvesting of crops, the production or the raising of plants or animals useful to man or any combination thereof but does not include the growing or harvesting of timber or other aspects of silviculture.

(2) "Agricultural land" means any rural real estate which is used or usable for the business of agriculture.

(3) "Nonagricultural assets" means any property, plant, or equipment not used in the practice of agriculture or not located on agricultural land. Mineral rights owned by the surface owner of agricultural land may not be classified as nonagricultural assets if the surface owner is engaged in the practice of agriculture.

(4) "Corporation" includes business associations, joint stock companies, and business trusts.

Section 4. Restrictions - exemptions - (1) No corporation controlling or owning nonagricultural assets in excess of \$5 million and no corporation owned or controlled by persons, partnerships, or corporations who own or control nonagricultural assets in excess of \$5 million may engage directly or indirectly in agricultural production or control or attempt to control agricultural production in this state through ownership, leasing, holding, or controlling land for agricultural purposes by any means of acquisition. The foregoing prohibitions do not apply in the case of any one

1 or more of the following:

2 (a) charitable institutions which engage in

3 agricultural production for other than income purposes as

4 part of their charitable function;

5 (b) educational institutions engaged in research as a

6 part of academic and extension activities;

7 (c) nonprofit institutions engaged in agricultural

8 production solely for purposes of research;

9 (d) grazing associations if membership is comprised

10 solely of Montana residents;

11 (e) any federal, state, county, or city government,

12 department, agency, or body engaged in agricultural

13 production or research, including but not limited to

14 political subdivisions, special improvement districts, or

15 other districts authorized by law;

16 (f) farmer or producer owned associations which meet

17 the provisions of the Capper-Volstead Act;

18 (g) any corporation engaged in the transportation of

19 persons or property by railroad which owns or controls

20 property incidental to its principal business purpose

21 because of acquisitions or grants for railroad purposes, in

22 order to encourage construction of railroads, or for

23 purposes reasonably related to the operation or maintenance

24 of its railroad property;

25 (h) Persons who are not citizens or residents of the

1 United States and corporations that are not owned by

2 American citizens or residents, except for citizens and

3 corporations owned by citizens of nations contiguous to the

4 United States, may not own, lease, or otherwise hold

5 agricultural land for the purpose of engaging in agriculture

6 in the state of Montana.

7 Section 5. Divestiture of land by corporate creditors

8 and estates. Nothing in this act prevents any creditor,

9 trustee, beneficiary, or interstate successor subject to the

10 provisions of this act from lawfully acquiring pursuant to

11 legal proceedings, agricultural land or other means of

12 agricultural production or control of such means of

13 agricultural production if they divest themselves of such

14 property within 5 years of acquisition, provided that for

15 cause shown, additional time may be obtained by petitioning

16 the district court of the county in which the agricultural

17 land is situated.

18 Section 6. Act prospective only. (1) A corporation

19 covered by the restrictions of [section 4] engaged in the

20 practice of agriculture or owning or otherwise controlling

21 agricultural land before [the effective date of this act] may

22 continue to do so to the extent which it had prior to

23 the effective date hereof.

24 (2) A corporation not covered by the restrictions of

25 [section 4] owning or controlling agricultural land which

1 ~~sets such agricultural land for nonagricultural development~~  
2 ~~may continue to engage in the practice of agriculture.~~

3 ~~Section 7. Enforcement and penalties. The county~~  
4 ~~attorney of the respective county shall enforce the~~  
5 ~~provisions of this act. A corporation in violation of the~~  
6 ~~provisions of this act shall be fined not less than \$100 or~~  
7 ~~more than \$2,000 for each day of violation.~~

8 ~~Section 8. Severability. If a part of this act is~~  
9 ~~invalid, all valid parts that are severable from the invalid~~  
10 ~~part remain in effect. If a part of this act is invalid in~~  
11 ~~one or more of its applications, the part remains in effect~~  
12 ~~in all valid applications that are severable from the~~  
13 ~~invalid applications.~~

14 SECTION 3. REPORT REQUIRED OF CORPORATION ENGAGED IN  
15 AGRICULTURE. ANY CORPORATION ENGAGED IN AGRICULTURAL  
16 PRODUCTION OR PROPOSING TO ENGAGE IN AGRICULTURAL PRODUCTION  
17 IN THIS STATE SHALL FILE WITH THE SECRETARY OF STATE AN  
18 ANNUAL REPORT ON OR BEFORE APRIL 1, CONTAINING:

19 (1) THE NAME OF THE CORPORATION AND ITS PLACE OF  
20 INCORPORATION;

21 (2) THE ADDRESS OF THE REGISTERED OFFICE OF THE  
22 CORPORATION IN THIS STATE, THE NAME AND ADDRESS OF ITS  
23 REGISTERED AGENT IN THIS STATE, AND IN THE CASE OF A FOREIGN  
24 CORPORATION, THE ADDRESS OF ITS PRINCIPAL OFFICE AND ITS  
25 PLACE OF INCORPORATION;

1 (3) THE ACREAGE AND LOCATION LISTED BY SECTION,  
2 TOWNSHIP, AND COUNTY OF EACH LOT OR PARCEL OF LAND IN THIS  
3 STATE OWNED OR LEASED BY THE CORPORATION AND USED FOR THE  
4 GROWING OF CROPS OR THE KEEPING OR FEEDING OF POULTRY OR  
5 LIVESTOCK DURING THE PRECEDING YEAR;

6 (4) THE NAME, ADDRESS, AND NUMBER OF SHARES OWNED BY  
7 EACH SHAREHOLDER OWNING 1% OR MORE OF THE STOCK; AND

8 (5) THE NAMES AND ADDRESSES OF THE OFFICERS AND THE  
9 MEMBERS OF THE BOARD OF DIRECTORS OF THE CORPORATION.

10 SECTION 4. VIOLATION -- PENALTY. A CORPORATION  
11 FAILING TO FILE THE REPORT REQUIRED UNDER (SECTION 3) OR  
12 FILED FALSE INFORMATION ON SUCH REPORT IS GUILTY OF A  
13 MISDEMEANOR AND IS PUNISHABLE BY A FINE NOT EXCEEDING  
14 \$1,000.

15 SECTION 5. SECRETARY OF STATE TO RETRIEVE INFORMATION  
16 -- WHEN. THE SECRETARY OF STATE SHALL, UPON REQUEST OF ANY  
17 LEGISLATOR OR STATE AGENCY, RETRIEVE AND COMPILE THE  
18 INFORMATION OBTAINED UNDER THIS ACT.

-End-

## 1 HOUSE BILL NO. 344

2 INTRODUCED BY J. GUNDERSON, DASSINGER, DAY,

3 BENGTSO, MULAR, HIRSCH, HUENNEKENS, BARDANOUVE, MANUEL

4  
5  
6 A BILL FOR AN ACT ENTITLED: "AN ACT TO BE KNOWN AS THE  
7 MONTANA FAMILY FARM ACT OF 1977; ~~PROHIBITING CERTAIN~~  
8 ~~CORPORATIONS FROM ENGAGING IN AGRICULTURAL PRODUCTION OR~~  
9 ~~OWNING AGRICULTURAL LAND. PROHIBITING CERTAIN CORPORATIONS~~  
10 ~~FROM ENGAGING IN AGRICULTURAL PRODUCTION OR OWNING~~  
11 ~~AGRICULTURAL LAND REQUIRING CORPORATIONS ENGAGED IN~~  
12 ~~AGRICULTURE IN MONTANA TO MAKE AN ANNUAL REPORT, AND~~  
13 ~~PROVIDING A PENALTY."~~

14  
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:16 Section 1. Short title. This act shall be known as  
17 "The Montana Family Farm Act of 1977".18 Section 2. Purpose. It is the public policy of the  
19 state to preserve free private enterprise, to protect small  
20 business and prevent monopoly, to protect opportunity for  
21 family farmers in the state, and to protect consumers. It is  
22 state policy to preserve competition in the agricultural  
23 industry and to provide for the continuance of the family  
24 farm.25 ~~Section 3. Definitions. As used in this act, unless~~1 ~~the context otherwise requires, the following definitions~~  
2 ~~apply:~~3 ~~(1) "Agriculture" means the cultivation of the ground,~~  
4 ~~the harvesting of crops, the production or the raising of~~  
5 ~~plants or animals useful to man or any combination thereof~~  
6 ~~but does not include the growing or harvesting of timber or~~  
7 ~~other aspects of silviculture.~~8 ~~(2) "Agricultural land" means any rural real estate~~  
9 ~~which is used or usable for the business of agriculture.~~10 ~~(3) "Nonagricultural assets" means any property~~  
11 ~~plants or equipment not used in the practice of agriculture~~  
12 ~~or not located on agricultural lands. Mineral rights owned~~  
13 ~~by the surface owner of agricultural land may not be~~  
14 ~~classified as nonagricultural assets if the surface owner is~~  
15 ~~engaged in the practice of agriculture.~~16 ~~(4) "Corporation" includes business associations,~~  
17 ~~joint stock companies and business trusts.~~18 ~~Section 4. Restrictions. (1) No~~  
19 ~~corporation controlling or owning nonagricultural assets in~~  
20 ~~excess of \$5 million and no corporation owned or controlled~~  
21 ~~by persons, partnerships or corporations who own or control~~  
22 ~~nonagricultural assets in excess of \$5 million may engage~~  
23 ~~directly or indirectly in agricultural production or control~~  
24 ~~or attempt to control agricultural production in this state~~  
25 ~~through owning, leasing, holding or controlling land for~~

1 ~~agricultural purposes by any means of acquisitions. The~~  
 2 ~~foregoing prohibitions do not apply in the case of any one~~  
 3 ~~or more of the followings:~~

4 ~~(a) charitable institutions which engage in~~  
 5 ~~agricultural production for other than income purposes as a~~  
 6 ~~part of their charitable functions;~~

7 ~~(b) educational institutions engaged in research as a~~  
 8 ~~part of academic and extension activities;~~

9 ~~(c) nonprofit institutions engaged in agricultural~~  
 10 ~~production solely for purposes of research;~~

11 ~~(d) grazing associations if membership is comprised~~  
 12 ~~solely of Montana residents;~~

13 ~~(e) any federal, state, county, or city government~~  
 14 ~~department, agency, or body engaged in agricultural~~  
 15 ~~production or research, including but not limited to~~  
 16 ~~political subdivisions, special improvement districts, and~~  
 17 ~~other districts authorized by law;~~

18 ~~(f) farmer or producer owned associations which meet~~  
 19 ~~the provisions of the Capper-Volstead Act;~~

20 ~~(g) any corporation engaged in the transportation of~~  
 21 ~~persons or property by railroad, which owns or controls~~  
 22 ~~property incidental to its principal business purpose~~  
 23 ~~because of acquisitions or grants for railroad purposes, in~~  
 24 ~~order to encourage construction of railroads, or for~~  
 25 ~~purposes reasonably related to the operation or maintenance~~

1 ~~of its railroad property.~~

2 ~~(2) Persons who are not citizens or residents of the~~  
 3 ~~United States and corporations that are not owned by~~  
 4 ~~American citizens or residents, except for citizens and~~  
 5 ~~corporations owned by citizens of nations contiguous to the~~  
 6 ~~United States, may not own, lease, or otherwise hold~~  
 7 ~~agricultural land for the purpose of engaging in agriculture~~  
 8 ~~in the state of Montana.~~

9 ~~Section 5. Divestiture of land by corporate creditors~~  
 10 ~~---legatees--- Nothing in this act prevents any creditor~~  
 11 ~~legatee, beneficiary, or interstate successor subject to the~~  
 12 ~~provisions of this act from lawfully acquiring, pursuant to~~  
 13 ~~legal proceedings, agricultural land or other means of~~  
 14 ~~agricultural production or control of such means of~~  
 15 ~~agricultural production if they divest themselves of such~~  
 16 ~~property within 5 years of acquisition, provided that for~~  
 17 ~~cause shown, additional time may be obtained by petitioning~~  
 18 ~~the district court of the county in which the agricultural~~  
 19 ~~land is situated.~~

20 ~~Section 6. Act prospective only. (1) A corporation~~  
 21 ~~covered by the restrictions of {section 4}, engaged in the~~  
 22 ~~practice of agriculture or owning or otherwise controlling~~  
 23 ~~agricultural land before {the effective date of this act},~~  
 24 ~~may continue to do so to the extent which it had prior to~~  
 25 ~~the effective date hereof.~~

~~(2) A corporation not covered by the restrictions of section 4, owning or controlling agricultural land which sells such agricultural land for nonagricultural development may continue to engage in the practice of agriculture.~~

~~Section 7. Enforcement and penalties. The county attorney of the respective county shall enforce the provisions of this act. A corporation in violation of the provisions of this act shall be fined not less than \$100 or more than \$2,000 for each day of violation.~~

~~Section 8. Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.~~

SECTION 3. DEFINITIONS. AS USED IN THIS ACT, UNLESS THE CONTEXT OTHERWISE REQUIRES, THE FOLLOWING DEFINITIONS APPLY:

(1) "AGRICULTURE" MEANS THE CULTIVATION OF THE GROUND, THE HARVESTING OF CROPS, THE PRODUCTION OR THE RAISING OF PLANTS OR ANIMALS USEFUL TO MAN, OR ANY COMBINATION THEREOF, BUT DOES NOT INCLUDE THE GROWING OR HARVESTING OF TIMBER OR OTHER ASPECTS OF SILVICULTURE.

(2) "AGRICULTURAL LAND" MEANS ANY RURAL REAL ESTATE WHICH IS USED OR USABLE FOR THE BUSINESS OF AGRICULTURE.

(3) "NONAGRICULTURAL ASSETS" MEANS ANY PROPERTY, PLANT, OR EQUIPMENT NOT USED IN THE PRACTICE OF AGRICULTURE OR NOT LOCATED ON AGRICULTURAL LAND. MINERAL RIGHTS OWNED BY THE SURFACE OWNER OF AGRICULTURAL LAND MAY NOT BE CLASSIFIED AS NONAGRICULTURAL ASSETS IF THE SURFACE OWNER IS ENGAGED IN THE PRACTICE OF AGRICULTURE.

(4) "CORPORATION" INCLUDES BUSINESS ASSOCIATIONS, JOINT-STOCK COMPANIES, AND BUSINESS TRUSTS.

SECTION 4. RESTRICTIONS -- EXEMPTIONS. (1) NO CORPORATION CONTROLLING OR OWNING NONAGRICULTURAL ASSETS IN EXCESS OF \$5 MILLION AND NO CORPORATION OWNED OR CONTROLLED BY PERSONS, PARTNERSHIPS, OR CORPORATIONS WHO OWN OR CONTROL NONAGRICULTURAL ASSETS IN EXCESS OF \$5 MILLION MAY ENGAGE DIRECTLY OR INDIRECTLY IN AGRICULTURAL PRODUCTION OR CONTROL OR ATTEMPT TO CONTROL AGRICULTURAL PRODUCTION IN THIS STATE THROUGH OWNING, LEASING, HOLDING, OR CONTROLLING LAND FOR AGRICULTURAL PURPOSES BY ANY MEANS OF ACQUISITION. THE FOREGOING PROHIBITIONS DO NOT APPLY IN THE CASE OF ANY ONE OR MORE OF THE FOLLOWING:

(A) CHARITABLE INSTITUTIONS WHICH ENGAGE IN AGRICULTURAL PRODUCTION FOR OTHER THAN INCOME PURPOSES AS A PART OF THEIR CHARITABLE FUNCTION;

(B) EDUCATIONAL INSTITUTIONS ENGAGED IN RESEARCH AS A PART OF ACADEMIC AND EXTENSION ACTIVITIES;

(C) NONPROFIT INSTITUTIONS ENGAGED IN AGRICULTURAL

1 PRODUCTION SOLELY FOR PURPOSES OF RESEARCH:

2 (D) GRAZING ASSOCIATIONS IF MEMBERSHIP IS COMPRISED  
3 SOLELY OF MONTANA RESIDENTS:

4 (E) ANY FEDERAL, STATE, COUNTY, OR CITY GOVERNMENT  
5 DEPARTMENT, AGENCY, OR BODY ENGAGED IN AGRICULTURAL  
6 PRODUCTION OR RESEARCH, INCLUDING BUT NOT LIMITED TO  
7 POLITICAL SUBDIVISIONS, SPECIAL IMPROVEMENT DISTRICTS, AND  
8 OTHER DISTRICTS AUTHORIZED BY LAW:

9 (F) FARMER- OR PRODUCER-OWNED ASSOCIATIONS WHICH MEET  
10 THE PROVISIONS OF THE CAPPER-VOLSTEAD ACT:

11 (G) ANY CORPORATION ENGAGED IN THE TRANSPORTATION OF  
12 PERSONS OR PROPERTY BY RAILROAD, WHICH OWNS OR CONTROLS  
13 PROPERTY INCIDENTAL TO ITS PRINCIPAL BUSINESS PURPOSE  
14 BECAUSE OF ACQUISITIONS OR GRANTS FOR RAILROAD PURPOSES, IN  
15 ORDER TO ENCOURAGE CONSTRUCTION OF RAILROADS, OR FOR  
16 PURPOSES REASONABLY RELATED TO THE OPERATION OR MAINTENANCE  
17 OF ITS RAILROAD PROPERTY.

18 (2) PERSONS WHO ARE NOT CITIZENS OR RESIDENTS OF THE  
19 UNITED STATES AND CORPORATIONS THAT ARE NOT OWNED BY  
20 AMERICAN CITIZENS OR RESIDENTS, EXCEPT FOR CITIZENS AND  
21 CORPORATIONS OWNED BY CITIZENS OF NATIONS CONTIGUOUS TO THE  
22 UNITED STATES, MAY NOT OWN, LEASE, OR OTHERWISE HOLD  
23 AGRICULTURAL LAND FOR THE PURPOSE OF ENGAGING IN AGRICULTURE  
24 IN THE STATE OF MONTANA.

25 SECTION 5. DIVESTITURE OF LAND BY CORPORATE CREDITORS

1 -- LEGATEES. NOTHING IN THIS ACT PREVENTS ANY CREDITOR,  
2 LEGATEE, BENEFCIARY, OR INTERSTATE SUCCESSOR SUBJECT TO THE  
3 PROVISIONS OF THIS ACT FROM LAWFULLY ACQUIRING, PURSUANT TO  
4 LEGAL PROCEEDINGS, AGRICULTURAL LAND OR OTHER MEANS OF  
5 AGRICULTURAL PRODUCTION OR CONTROL OF SUCH MEANS OF  
6 AGRICULTURAL PRODUCTION IF THEY DIVEST THEMSELVES OF SUCH  
7 PROPERTY WITHIN 5 YEARS OF ACQUISITION, PROVIDED THAT FOR  
8 CAUSE SHOWN, ADDITIONAL TIME MAY BE OBTAINED BY PETITIONING  
9 THE DISTRICT COURT OF THE COUNTY IN WHICH THE AGRICULTURAL  
10 LAND IS SITUATED.

11 SECTION 6. ACT PROSPECTIVE ONLY. (1) A CORPORATION  
12 COVERED BY THE RESTRICTIONS OF [SECTION 4], ENGAGED IN THE  
13 PRACTICE OF AGRICULTURE OR OWNING OR OTHERWISE CONTROLLING  
14 AGRICULTURAL LAND BEFORE [THE EFFECTIVE DATE OF THIS ACT],  
15 MAY CONTINUE TO DO SO TO THE EXTENT WHICH IT HAD PRIOR TO  
16 THE EFFECTIVE DATE HEREOF.

17 (2) A CORPORATION NOT COVERED BY THE RESTRICTIONS OF  
18 [SECTION 4], OWNING OR CONTROLLING AGRICULTURAL LAND, WHICH  
19 SELLS SUCH AGRICULTURAL LAND FOR NONAGRICULTURAL DEVELOPMENT  
20 MAY CONTINUE TO ENGAGE IN THE PRACTICE OF AGRICULTURE.

21 SECTION 7. ENFORCEMENT AND PENALTIES. THE COUNTY  
22 ATTORNEY OF THE RESPECTIVE COUNTY SHALL ENFORCE THE  
23 PROVISIONS OF THIS ACT. A CORPORATION IN VIOLATION OF THE  
24 PROVISIONS OF THIS ACT SHALL BE FINED NOT LESS THAN \$100 OR  
25 MORE THAN \$2,000 FOR EACH DAY OF VIOLATION.

1       ~~SECTION 8. SEVERABILITY. IF A PART OF THIS ACT IS~~  
 2       ~~INVALID, ALL VALID PARTS THAT ARE SEVERABLE FROM THE INVALID~~  
 3       ~~PART REMAIN IN EFFECT. IF A PART OF THIS ACT IS INVALID IN~~  
 4       ~~ONE OR MORE OF ITS APPLICATIONS, THE PART REMAINS IN EFFECT~~  
 5       ~~IN ALL VALID APPLICATIONS THAT ARE SEVERABLE FROM THE~~  
 6       ~~INVALID APPLICATIONS.~~

7       ~~SECTION 1. REPORT REQUIRED OF CORPORATION ENGAGED IN~~  
 8       ~~AGRICULTURE. ANY CORPORATION ENGAGED IN AGRICULTURAL~~  
 9       ~~PRODUCTION OR PROPOSING TO ENGAGE IN AGRICULTURAL PRODUCTION~~  
 10       ~~IN THIS STATE SHALL FILE WITH THE SECRETARY OF STATE AN~~  
 11       ~~ANNUAL REPORT ON OR BEFORE APRIL 1, CONTAINING:~~

12       ~~(1) THE NAME OF THE CORPORATION AND ITS PLACE OF~~  
 13       ~~INCORPORATION;~~

14       ~~(2) THE ADDRESS OF THE REGISTERED OFFICE OF THE~~  
 15       ~~CORPORATION IN THIS STATE, THE NAME AND ADDRESS OF ITS~~  
 16       ~~REGISTERED AGENT IN THIS STATE, AND IN THE CASE OF A FOREIGN~~  
 17       ~~CORPORATION, THE ADDRESS OF ITS PRINCIPAL OFFICE AND ITS~~  
 18       ~~PLACE OF INCORPORATION;~~

19       ~~(3) THE ACREAGE AND LOCATION LISTED BY SECTION~~  
 20       ~~TOWNSHIP AND COUNTY OF EACH LOT OR PARCEL OF LAND IN THIS~~  
 21       ~~STATE OWNED OR LEASED BY THE CORPORATION AND USED FOR THE~~  
 22       ~~GROWING OF CROPS OR THE KEEPING OR FEEDING OF POULTRY OR~~  
 23       ~~LIVESTOCK DURING THE PRECEDING YEAR;~~

24       ~~(4) THE NAME, ADDRESS, AND NUMBER OF SHARES OWNED BY~~  
 25       ~~EACH SHAREHOLDER OWNING 10% OR MORE OF THE STOCK; AND~~

1       ~~(5) THE NAMES AND ADDRESSES OF THE OFFICERS AND THE~~  
 2       ~~MEMBERS OF THE BOARD OF DIRECTORS OF THE CORPORATION.~~

3       ~~SECTION 4. VIOLATION - PENALTY. A CORPORATION~~  
 4       ~~FAILING TO FILE THE REPORT REQUIRED UNDER SECTION 3 OR~~  
 5       ~~FILEING FALSE INFORMATION ON SUCH REPORT IS GUILTY OF A~~  
 6       ~~MISDEMEANOR AND IS PUNISHABLE BY A FINE NOT EXCEEDING~~  
 7       ~~\$1,000.~~

8       ~~SECTION 5. SECRETARY OF STATE TO RETRIEVE INFORMATION~~  
 9       ~~WHEN THE SECRETARY OF STATE SHALL UPON REQUEST OF ANY~~  
 10       ~~LEGISLATOR OR STATE AGENCY, RETRIEVE AND COMPILE THE~~  
 11       ~~INFORMATION OBTAINED UNDER THIS ACT.~~

-End-