

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1396

Page 1, line 3, after "ranching" insert "; and to provide for compliance"

Page 1, line 7, overstrike "or a trust for the benefit of an individual or a class of"

Page 1, line 8, overstrike "individuals"

Page 1, line 21, after "shareholders" insert ", at least twelve of whom must be related"

Page 1, line 23, overstrike the period

Page 2, line 1, overstrike "2."

Page 2, line 2, after "~~members~~" insert ", at least twelve of whom must be related. For purposes of this section, "related" means" and remove the overstrike over "~~within one of the following degrees of kinship or affinity: parent, son,~~"

Page 2, remove the overstrike over lines 3 through 5

Page 2, line 6, after "~~3.~~" insert "2."

Page 2, line 12, overstrike the period

Page 2, line 13, remove "3." and overstrike "A trust or an estate may not be a shareholder or member if the beneficiaries of the"

Page 2, overstrike line 14

Page 2, line 15, overstrike "fifteen in number"

Page 2, line 16, replace "4." with "3."

Page 2, line 18, replace "5." with "4." and overstrike "the"

Page 2, line 19, remove the overstrike over "~~one of the~~"

Page 2, line 20, remove the overstrike over "~~shareholders~~", remove "principal shareholder", and overstrike "must be an individual"

Page 2, line 21, after "or" insert "must hold more than fifty percent of the shares and must be"

Page 2, line 23, overstrike "at least"

Page 2, line 24, overstrike "be an individual" and after "or" insert "hold a membership interest greater than fifty percent and must be"

Page 2, line 25, after the period insert "For purposes of this section, "actively engaged in operating the farm or ranch" means that the individual contributes to the production activities of the farm or ranch on a daily basis and makes the management decisions affecting the operation of the farm or ranch."

Page 2, line 26, replace "6." with "5."

Page 3, line 1, replace "7." with "6."

Page 3, after line 10, insert:

**"SECTION 4. COMPLIANCE WITH PROVISIONS - TEN YEARS.**

Notwithstanding any other law, any corporation or limited liability company that owned farmland or ranchland in this state in accordance with chapter 10-06.1 on July 31, 2003, but which on August 1, 2003, is in violation of chapter 10-06.1, may have until July 31, 2013, to comply with chapter 10-06.1."

Renumber accordingly