

3 warehousemen, nor shall receipts or other instruments issued by such  
4 persons in the ordinary conduct of their business be construed to be  
5 negotiable warehouse receipts.

1 SEC. 11. **Storage lien.** Every lessor owning or operating a refrig-  
2 erated locker plant or plants shall have a lien upon all property of  
3 every kind in its possession for all reasonable charges and rents  
4 thereon and for the handling, keeping, and caring for the same.

1 SEC. 12. **Enforcement of lien.** Said lien may be enforced by a suit  
2 in equity or in the same manner as a common carrier, and all provi-  
3 sions of chapter four hundred fifty-four (454) of the code shall gov-  
4 ern such proceedings as far as applicable, except that notice shall be  
5 given to the owner or lessee in lieu of the persons specified in said  
6 chapter as entitled to notice.

Approved March 20, 1939.

## CHAPTER 90

### DAIRY INDUSTRY ACT

S. F. 186

AN ACT relating to the dairy industry, and to conserve and promote the prosperity and welfare of the Iowa dairy industry and of the state of Iowa by promoting the increased use and consumption of dairy products, whether processed or unprocessed, by providing for a research, educational, publicity advertising and sales promotion campaign; to levy and impose an excise tax on butterfat produced in this state and shipped during the period from May 1st to May 15th, inclusive, of each year, and to provide for the collection thereof for the purpose of creating a fund with which to conduct such research, educational, advertising publicity, and sales promotion campaign; to create the Iowa Dairy Industry Commission, and to vest the administration of this act in such commission; to provide for the particular duties and authority of said commission hereunder; and to provide penalties for violation of this act.

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

1 SEC. 1. As used in this Act:

2 (a) The term "commission" shall mean the Iowa Dairy Industry  
3 Commission;

4 (b) The term "person" shall mean individuals, corporations, part-  
5 nerships, trusts, associations, cooperatives, and any and all other  
6 business units.

7 (c) "Shipment" and "shipped" shall be deemed to have taken place  
8 when milk or cream has been delivered or consigned for transporta-  
9 tion to any person, dealing in, processing, distributing or manufact-  
10 uring dairy products for sale at wholesale or retail, for human con-  
11 sumption, industrial or medicinal uses;

12 (d) The term "handler" shall mean or indicate any person who  
13 purchases milk or cream for processing, manufacturing, sale or dis-  
14 tribution, whether as owner, agent or otherwise;

15 (e) The term "dealer" shall mean and include any person who han-  
16 dles, ships, buys or sells dairy products, or who acts as sales or pur-  
17 chasing agent, broker, or factor of dairy products;

18 (f) The term "processor" or "processing plant" shall include every  
19 person and every place to whom or to which milk or cream is delivered,

20 for the purpose of canning, drying, manufacturing, preparing or  
21 packaging for market, or for use in producing or manufacturing a  
22 product of milk or cream.

1     SEC. 2. There is hereby created and established a commission to  
2 be known as the "Iowa Dairy Industry Commission" which shall be  
3 composed of the Secretary of Agriculture of Iowa, the head of, or a  
4 representative selected by him, of the Dairy Husbandry Department,  
5 and the head of or a representative selected by him of the Dairy In-  
6 dustry Department of Iowa State College at Ames, Iowa, and in addi-  
7 tion thereto nine (9) members appointed by the Executive Committee  
8 of the Iowa State Dairy Association from a list nominated by the  
9 Board of Directors of said Iowa State Dairy Association as immedi-  
10 ately hereinafter provided; the Board of Directors of the Iowa State  
11 Dairy Association shall nominate for the office of Commissioners two  
12 (2) persons from each congressional district within the State of Iowa,  
13 both of whom shall be actual milk or cream producers and from this  
14 list as nominated and certified to the Executive Committee of the Iowa  
15 State Dairy Association, the said Executive Committee shall appoint  
16 one (1) of said nominees from each of said districts. Said appointive  
17 commissioners shall serve three (3) years each, excepting that the  
18 terms of the first appointed members of the Commission shall be fixed  
19 by said Executive Committee so that the terms of three (3) of the  
20 members shall expire in one (1) year, three (3) in two (2) years,  
21 and three (3) in three (3) years. Any vacancy occurring shall be  
22 filled by the said Executive Committee from nominations made by the  
23 Board of Directors of the Iowa State Dairy Association in the manner  
24 heretofore provided. The appointive members of the Commission  
25 shall receive the sum of Five Dollars (\$5.00) per day for each day spent  
26 in actual attendance on meetings of the Commission not exceeding  
27 One Hundred Dollars (\$100.00) per annum, together with subsistence  
28 expenses not exceeding Four Dollars (\$4.00) per diem, and mileage  
29 at the rate of three and one-half cents (3½c) per mile.

1     SEC. 3. The powers and duties of the Commission shall include the  
2 following:

3     (1) To elect a chairman and from time to time such other officers  
4 as it may deem advisable, and from time to time to adopt, rescind,  
5 modify and amend all proper and necessary rules, regulations and  
6 orders for the exercise of its power and the performance of its duties,  
7 which such rules, regulations and orders shall have the force and  
8 effect of law when not inconsistent with existing laws;

9     (2) To administer and enforce this Act, and do and perform all  
10 acts and exercise all powers reasonably necessary to effectuate the  
11 purpose of this Act;

12     (3) To establish offices and incur any and all expense, and to enter  
13 into any and all contracts and agreements for the proper adminis-  
14 tration and enforcement of this Act;

15     (4) To investigate and prosecute violations of this Act.\*

16     (5) To conduct scientific research for the purpose of developing  
17 and discovering the health, food, therapeutic, dietetic, and industrial  
18 uses for products of milk or its derivatives;

\*Note: In accordance with enrolled bill.

19 (6) To make in the name of the Commission such advertising con-  
20 tracts and other agreements as may be necessary, to promote the sale  
21 and consumption of dairy products on either a state or national basis;

22 (7) To keep accurate books, records, and accounts of all of its deal-  
23 ings, which books, records and accounts shall be open to inspection  
24 and audit by the Board of Directors of the Iowa State Dairy Associa-  
25 tion or its representatives.

1 SEC. 4. The Commission shall plan and conduct a campaign for  
2 commodity advertising, publicity and sales promotion, research and  
3 educational campaigns to increase the consumption of dairy products,  
4 and may contract for any advertising, publicity and sales promotion,  
5 research and educational service. To accomplish such purpose the  
6 Commission shall have power and it shall be the duty of the Commis-  
7 sion to disseminate information as follows:

8 (a) Relating to dairy products and the importance thereof in pre-  
9 serving the public health, the economy thereof in the diet of the people,  
10 and the importance thereof in the nutrition of children;

11 (b) Relating to the manner, method and means used and employed  
12 in the production, processing and marketing of dairy products in order  
13 to comply with the laws of the state and nation regulating and safe-  
14 guarding such production and marketing to insure a pure and whole-  
15 some product;

16 (c) Relating to the method of the producer and dealer in producing  
17 and handling dairy products in order to meet the high standards im-  
18 posed by the state and the Federal Government to insure a pure and  
19 nutritious product;

20 (d) Relating to the harmful effect on the public health that would  
21 result from a breakdown of the dairy industry;

22 (e) Relating to the reasons why producers should receive a reason-  
23 able return on their labor and investment;

24 (f) Relating to the problem of furnishing the consumer at all times  
25 with an abundant supply of high quality dairy products at reasonable  
26 prices;

27 (g) Relating to factors of instability peculiar to the dairy industry,  
28 such as unbalanced production, influence of consumer purchasing  
29 power, and price relative to the cost of other items of food in the  
30 normal diet of people, all to the end that an intelligent and increasing  
31 consumer demand may be stimulated;

32 (h) Relating to the possibilities of increasing consumption of dairy  
33 products;

34 (i) Relating to such other, further and additional information as  
35 shall tend to promote increased consumption of dairy products, and  
36 as may foster a better understanding and more efficient cooperation  
37 between producers, and the consuming public.

1 SEC. 5.

2 (a) There is hereby levied and imposed an excise tax of one cent  
3 (1¢) per pound or fraction thereof upon all butter fat produced in  
4 the State of Iowa and shipped during the period beginning May 1st  
5 and terminating May 15th inclusive, 1939, and annually thereafter  
6 during the same period; provided, however, that the provisions of  
7 this Section shall not apply to butter fat in milk and cream produced  
8 outside the State of Iowa, or to butter fat in milk and cream consumed

9 upon the farm where produced. For the purposes of computing the  
10 tax in markets where butter fat tests are not available, or the butter  
11 fat content not definitely known, the amount of butter fat in milk and  
12 cream shall be computed on the basis of four per cent (4%) in the case  
13 of milk, and thirty-two per cent (32%) in the case of cream.

14 (b) All taxes levied and imposed under this Act shall be collected  
15 by the first handler, processor, manufacturer, dealer, distributor or  
16 shipper of dairy products, the money so collected shall be deducted  
17 from the amount due the producer of the butter fat, and all money  
18 so collected shall be deposited with the treasurer of the Commission  
19 on or before the 15th day of June for the use by the Commission for  
20 the purposes of this Act, said treasurer shall give a bond in such sum  
21 as shall be required by the Commission but not less than Twenty  
22 Thousand Dollars (\$20,000.00).

1 SEC. 6. The Commission shall on or before the first day of March  
2 of each year make a full and complete report of its doings for the  
3 previous calendar year, to the Board of Directors of the Iowa State  
4 Dairy Association, which report shall show the amount of money re-  
5 ceived and the expenditures thereof, and shall be printed in the annual  
6 Agricultural Year Book issued by the Secretary of Agriculture of  
7 the State of Iowa.

1 SEC. 7. Every first handler, processor, manufacturer, dealer, dis-  
2 tributor or shipper of dairy products shall keep a complete and accu-  
3 rate record of all butter fat in milk or cream bottled, handled, pro-  
4 cessed, manufactured, or distributed by him during the period of May  
5 1st to May 15th, inclusive, of each year. Such records shall be in such  
6 form and contain such information as the Commission shall by regu-  
7 lation or rule prescribe. Such records shall be preserved by such  
8 handler, processor, manufacturer, dealer, distributor or shipper for  
9 a period of two (2) years and shall be offered and submitted for  
10 inspection at any time upon written or oral request or demand by the  
11 Commission or its duly authorized agent or employee.

1 SEC. 8. Every first dealer, handler, processor, manufacturer, dis-  
2 tributor and shipper shall at such times as the Commission may by  
3 rule or regulation require, file with the Commission a return on forms  
4 to be prescribed and furnished by the Commission, stating the quantity  
5 of dairy products, handled, processed, manufactured, distributed,  
6 shipped and butter fat content of all milk or cream delivered to or  
7 purchased by such person from the various producers of dairy prod-  
8 ucts or their agents in the State of Iowa during the period of time  
9 prescribed in above sub-section (a) Section 5. Such return shall con-  
10 tain such other information as the Commission may require, and shall  
11 be made in triplicate, one (1) copy of which shall be for the files of  
12 the person making the return, and one (1) copy available at the office  
13 of such person, for the use of his patrons, and the original filed with  
14 the Commission.

1 SEC. 9. All assessments levied and imposed by this Act shall be due  
2 and payable before any milk or cream is shipped out of this state,  
3 excepting that the person, transportation company, carrier or con-  
4 veyor may make such arrangements as are necessary with the Com-

5 mission to secure the payment of said tax within the time fixed by this  
6 Act.

1 SEC. 10. The State of Iowa shall not be liable for the acts of said  
2 Commission or its contracts. All persons dealing with the Commis-  
3 sion shall be limited to the funds collected under the provisions of this  
4 Act, and no member of the Commission or any employee or agent  
5 thereof shall be liable on the contracts of the Commission. All sal-  
6 aries, expenses, costs, obligations, and liabilities incurred by said  
7 Commission shall be payable only from funds collected under the  
8 provisions of this Act.

1 SEC. 11. The Commission through its authorized agents, shall have  
2 the right to inspect the premises, books, records, documents, and all  
3 other instruments of any carrier, railroad, truck boat, handler, dealer  
4 manufacturer, processor or distributor of dairy products charged  
5 with collection of this excise tax for the purpose of enforcing this  
6 Act and the collection of the excise tax provided for in Section 5  
7 hereof, provided, that the commission has reasonable ground to believe  
8 that all of the tax herein levied has not been collected, or if it has  
9 been collected, that it has not been fully accounted for as herein pro-  
10 vided.

1 SEC. 12. This Act shall be liberally construed. If any section,  
2 sentence, clause or part of this Act is for any reason held to be uncon-  
3 stitutional or invalid, such decision shall not affect the remaining por-  
4 tions of this Act.

1 SEC. 13. Any person who shall violate or aid in the violation of  
2 any of the provisions of this Act upon conviction thereof shall be  
3 deemed guilty of a misdemeanor and punished accordingly.

1 SEC. 14. The provisions of this act shall be in full force and effect  
2 only from the effective date of this act to the thirty-first day of Decem-  
3 ber, 1940, both dates inclusive.

1 SEC. 15. This Act being deemed of immediate importance shall  
2 take effect from and after its passage and publication in the Waterloo  
3 Courier, a newspaper published in Waterloo, Iowa, and in the Cascade  
4 Pioneer, a newspaper published in Cascade, Iowa.

Approved March 23, 1939.

I hereby certify that the foregoing act was published in the Waterloo Courier, March 31, 1939, and the Cascade Pioneer, April 10, 1939.

EARL G. MILLER, *Secretary of State.*