CHAPTER 1152

MILK INDUSTRY REGULATION H.F. 2471

AN ACT relating to regulation of milk production and marketing by creating a fund for administration and appropriating the moneys in the fund, providing for inspection, raising fees relating to the milk industry, and providing for the establishment of milk production and processing standards.

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

Section 1. Section 192.8, subsection 7, Code 1987, is amended by striking the subsection, inserting in lieu thereof the following, and renumbering subsequent subsections:

- 7. A "milk plant" is any place where milk or milk products are collected, handled, processed, stored, pasteurized, aseptically processed, bottled, or prepared for distribution.
- 8. A "receiving station" is any place where raw milk is received, collected, handled, stored, or cooled and prepared for further transporting.
- Sec. 2. Section 192.11, unnumbered paragraphs 4 and 5, Code 1987, are amended to read as follows:

Each dairy farm, milk plant, receiving station, and transfer station whose milk or milk products are intended for consumption as grade "A" pasteurized milk and milk products shall be inspected by the secretary prior to the issuance of the permit provided for in section 192.5. However, if any a person, including a municipal corporation, makes application to the secretary for authority to may conduct such inspections, the secretary, upon finding that such municipal corporation has qualified personnel to perform the same, shall enter into agreements with the municipal corporation providing for such inspection if authorized by an agreement under section 192.48. Inspection by either the secretary or approved municipal corporation a person acting under an agreement pursuant to section 192.48, including a municipal corporation, or a person acting under a sub-agreement with a municipal corporation shall be acceptable for issuance of such permit by the secretary or municipal corporation making or entering into an agreement or sub-agreement for the inspection.

When inspections are conducted and permits are issued by a municipal corporation under this chapter, in a manner which the secretary deems consistent with the provisions of the agreement, this chapter and chapters 190 and 191, as evidenced by the annual survey by the Iowa department of public health provided for in section 192.31, the secretary shall accept such procedures in lieu of administration of the provisions of said chapters by the state, within the jurisdiction involved. In the event the survey required in section 192.31 indicates secretary finds that a municipal corporation is acting in a manner which is inconsistent with the provisions of the agreement or said chapters, the secretary may revoke the agreement with the municipal corporation after notice and hearing, in the manner described for permit revocation in section 192.5 and perform such acts as are necessary to regulate grade "A" milk and milk products in such jurisdiction in conformity herewith.

Sec. 3. Section 192.30, unnumbered paragraph 1, Code 1987, is amended to read as follows: This chapter and chapters 190 and 191 shall be enforced by the secretary or municipal corporations, which have entered into agreements with the secretary under sections 192.11 and 192.48, both of whom shall make regulations which shall conform to the Grade "A" Pasteurized Milk Ordinance with Administrative Procedures — 1978 Recommendations of the United States Public Health Service, a certified copy of which shall be on file at the secretary's office or the office of the clerk of an authorized municipal corporation. Where the mandatory compliance with provisions of the appendixes therein is specified, the provisions shall be deemed a requirement of the chapters.

Sec. 4. Section 192.40, Code 1987, is amended to read as follows: 192.40 FEES.

A license, unless earlier revoked, is valid until July 1 after the date of its issuance. The maximum fee for each a license shall be three is twenty-five dollars, which shall be paid before the license is issued, and standard test bottles and pipettes shall be furnished at actual cost. Fees collected under this section shall be deposited in the milk fund established in section 192.47.

Sec. 5. NEW SECTION. 192.47 INSPECTION FEES AND MILK FUND.

- 1. Except as otherwise provided in this section, a milk plant which is not a receiving station shall pay an inspection fee not greater than one thousand dollars per year. A transfer station shall pay an inspection fee not greater than two hundred dollars per year. A milk hauler shall pay an inspection fee not greater than twenty-five dollars per year. The secretary shall fix the fees annually. The fees shall be paid on July 1 of each year.
- 2. A purchaser of milk from a grade "A" milk producer shall pay an inspection fee not greater than one point five cents per hundredweight. The fee shall be payable monthly to the secretary in a manner prescribed by the secretary. A fee imposed under this subsection shall not be paid on milk subject to inspection by a municipal corporation pursuant to section 192.11.
- 3. a. Fees collected under this section and moneys appropriated to the department for dairy control shall be deposited in the milk fund which is established in the office of the treasurer of state. All moneys deposited in the milk fund are appropriated for the costs of inspection, sampling, analysis, and other expenses necessary for the administration of this chapter and chapters 194 and 195. All moneys in the milk fund are subject to audit by the auditor of state. The milk fund is subject at all times to warrants by the director of revenue and finance, drawn upon written requisition of the secretary. Notwithstanding section 8.33, moneys, including interest earned, in the milk fund shall remain from year to year and shall not revert to the general fund.

b. If there is an unencumbered balance of funds in the milk fund on June 30 of any fiscal year equal to or exceeding one hundred fifty thousand dollars, the secretary shall reduce the fees provided for in section 192.47, subsection 2 and section 194.21 for the next fiscal year in an amount which will result in an ending estimated balance for June 30 of the next fiscal year of one hundred fifty thousand dollars.

Sec. 6. NEW SECTION. 192.48 INSPECTIONS REQUIRED, AGREEMENTS.

The department shall be responsible for the inspection of a dairy farm, milk plant, or transfer station to ensure compliance with this chapter and chapters 190 and 191. Whenever practical, the department shall enter into an agreement with a person, including but not limited to a municipal corporation, qualified to perform inspection services if the agreement for the services is cost-effective and the quality of inspection assures compliance with state and federal law. A person entering into an agreement with the secretary or a person entering into a sub-agreement with an authorized municipal corporation for the purpose of inspecting premises, taking samples, or testing samples, shall be deemed to be an agent of the secretary or municipal corporation, and have the same authority under this chapter provided to the secretary or authorized municipal corporation, unless the agreement or sub-agreement specifies otherwise. The department shall review inspection services performed by a person under an agreement with the department or sub-agreement with a municipal corporation to ensure quality cost-effective inspections. If a person is acting in a manner which is inconsistent with the provisions of the applicable chapter, agreement, or sub-agreement, the secretary or municipal corporation entering into the agreement or sub-agreement with the person may revoke the agreement or sub-agreement with the person after notice and hearing, in the manner described for permit revocation in section 192.5 and perform such acts as are necessary to enforce this chapter. Sec. 7. Section 194.2, Code 1987, is amended by adding the following new unnumbered paragraph:

<u>NEW UNNUMBERED</u> <u>PARAGRAPH</u>. The secretary may adopt by rule requirements recommended by the United States department of agriculture for the production and processing of milk for manufacturing purposes, including, but not limited to, requirements for the inspection and certification of grade "B" dairy farms and grade "B" dairy plants.

Sec. 8. Section 194.14, Code 1987, is amended to read as follows: 194.14 FEE.

Each A license shall, unless sooner revoked, be is valid until July 1 after date of issuance. The $\underline{\text{maximum}}$ fee therefor shall be for each license is three dollars, which shall be paid before the license is issued. Fees collected under this section shall be deposited in the milk fund established in section 192.47.

Sec. 9. Section 194.19, unnumbered paragraph 1, Code 1987, is amended to read as follows: Every A vehicle used for the collection of milk for manufacture of dairy products, and persons purchasing milk for manufacture of dairy products, shall first be licensed by the secretary of agriculture according to chapter 195 department. A license, unless earlier revoked, is valid until July 1 after the date of its issuance. The maximum fee for a license is twenty-five dollars, which shall be paid before the license is issued. A fee shall not be imposed under this section if the vehicle or its operator has paid the fee imposed upon milk haulers under section 192.47. Fees collected under this section shall be deposited in the milk fund established in section 192.47. This shall section does not apply to individuals transporting their own dairy products.

Sec. 10. NEW SECTION. 194.21 INSPECTION FEES.

A purchaser of milk from a grade "B" milk producer shall pay an inspection fee not greater than one half cent per hundredweight. The fee is payable monthly to the secretary at a time prescribed by the secretary. A fee imposed by this section shall not be paid on milk subject to inspection by a municipal corporation pursuant to section 192.11. Fees collected under section 192.47, subsection 2 and this section shall be deposited in the milk fund established in section 192.47.

Sec. 11. Section 195.9, Code 1987, is amended to read as follows: 195.9 TENURE — FEE.

Each A license shall, unless sooner revoked, be is valid until July 1 after the date of its issuance. The maximum fee therefor shall be three for a license is twenty-five dollars which shall be paid before the license is issued. Fees collected under this section shall be deposited in the milk fund established in section 192.47.

Approved May 4, 1988

CHAPTER 1153

LOCAL OPTION TAXES H.F. 2463

AN ACT relating to local option taxes by authorizing a city or county to receive tax return information relating to the taxes; changing the number of days notice must be given before a local hotel or motel tax is imposed, repealed, or its rate changed; legalizing the premature collection of a local hotel or motel tax; and providing an effective date.

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

Section 1. Section 98.6, subsection 5, Code 1987, is amended by striking the subsection.

Sec. 2. Section 123.37, Code 1987, is amended to read as follows: 123.37 EXCLUSIVE POWER TO LICENSE AND LEVY TAXES.

The power to establish licenses and permits and levy taxes as imposed in title VI of the Code is vested exclusively with the state. Unless specifically provided, no a local authority shall levy a local tax on the sale of alcoholic beverages, wine, or beer, not require the obtaining of a special license or permit for such the sale of alcoholic beverages, wine, or beer at any establishment, or require the obtaining of a license by any person as a condition precedent to the person's employment in the sale, serving, or handling of alcoholic beverages, wine, or beer, within an establishment operating under a license or permit.

- Sec. 3. Section 422.72, subsection 4, Code Supplement 1987, is amended to read as follows: 4. A person violating subsection 1, 2, or 3, or 6 is guilty of a serious misdemeanor.
- Sec. 4. Section 422.72, Code Supplement 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 6. The department may enter into a written informational exchange agreement for tax administration purposes with a city or county which is entitled to receive funds due to a local hotel and motel tax or a local sales and services tax. The written informational exchange agreement shall designate no more than two paid city or county employees that have access to actual return information relating to that city's or county's receipts from a local hotel and motel tax or a local sales and services tax.

City or county employees designated to have access to information under this subsection are deemed to be officers and employees of the state for purposes of the restrictions and penalties pursuant to subsection 1 pertaining to confidential information. The department may refuse to enter into a written informational exchange agreement if the city or county does not agree to pay the actual cost of providing the information and the department may refuse to abide by a written informational exchange agreement if the city or county does not promptly pay the actual cost of providing the information or take reasonable precautions to protect the information's confidentiality.

Sec. 5. Section 422A.1, unnumbered paragraph 2, Code Supplement 1987, is amended to read as follows:

A local hotel and motel tax shall be imposed on January 1, April 1, July 1, or October 1, following the notification of the director of revenue and finance. Once imposed, the tax shall remain in effect at the rate imposed for a minimum of one year. A local hotel and motel tax shall terminate only on March 31, June 30, September 30, or December 31. At least sixty forty-five days prior to the tax being effective or prior to a revision in the tax rate, or prior to the repeal of the tax, a city or county shall provide notice by mail of such action to the director of revenue and finance.