

Withdrawn  
3/10/04

JAN 15 2004  
Agriculture

HOUSE FILE 2031  
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Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to persons engaged in the business of buying or  
2 selling feeder pigs.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF-2031

1 Section 1. Section 202C.2, subsection 3, Code Supplement  
2 2003, is amended to read as follows:

3 3. The amount of the evidence of financial responsibility  
4 shall be established by rules which shall be adopted by the  
5 department. Unless the department otherwise has good cause,  
6 the rules shall be based upon the volume of sales of feeder  
7 pigs as provided in this subsection. The volume of sales  
8 shall be the same as reported by the dealer to the United  
9 States department of agriculture grain inspection, packers and  
10 stockyards administration. However, the volume of sales shall  
11 not include sales attributable to a sales agreement executed  
12 between a dealer and another party if both parties hold an  
13 ownership interest in the feeder pigs. In addition, the  
14 evidence of financial responsibility shall not be for less  
15 than fifty thousand dollars or for more than three hundred  
16 thousand dollars.

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EXPLANATION

18 During the 2003 Session, the general assembly enacted House  
19 File 617 (Code chapter 202C), which provides that a dealer of  
20 feeder pigs must file evidence of financial security with the  
21 department of agriculture and land stewardship. The evidence  
22 of financial security may be a bond or irrevocable letter of  
23 credit. The dealer must file the evidence of financial  
24 security before being licensed by the department to conduct a  
25 feeder pig dealer business under Code section 163.30.

26 Code section 202C.2 provides that the amount of the  
27 evidence of financial responsibility must be established by  
28 departmental rule, which is generally based on the volume of  
29 sales reported by the dealer to the United States department  
30 of agriculture grain inspection, packers and stockyards  
31 administration. This bill provides that the volume of sales  
32 excludes those attributable to a sales agreement executed  
33 between a dealer and another party if both parties hold an  
34 ownership interest in the feeder pigs.

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