

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]

Regulatory Analysis

Notice of Intended Action to be published: 21—Chapter 60
“Hatcheries and Chick Dealers”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 163.2A

State or federal law(s) implemented by the rulemaking: Iowa Code chapters 159, 163, 168 and 197 and 9 CFR Part 145

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

July 29, 2026
10 to 11 a.m.

Borlaug Conference Room (H516)
Hoover State Office Building
Des Moines, Iowa

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis, which must be received by the Iowa Department of Agriculture and Land Stewardship no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Colin Tadlock
1305 East Walnut Street
Des Moines, Iowa 50319
Email: colin.tadlock@iowaagriculture.gov

Purpose and Summary

The purpose of this proposed rulemaking is to clarify, update and maintain rules for hatcheries and chick dealers and provide for regulations for the sale of baby chicks within the State of Iowa. The rules were updated to reflect the most current version of 9 CFR Part 145 and to separate rules related to exhibitions, which are being moved into a consolidated exhibition chapter in a concurrent rulemaking (RA 26-135, IAB 7/8/26). This rulemaking maintains protections for Iowa’s poultry industry by regulating diseases in poultry.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

• **Classes of persons that will bear the costs of the proposed rulemaking:**

Persons and businesses operating as a chick dealer or hatchery as well as turkey and chick producers will bear the costs of this proposed rulemaking.

• **Classes of persons that will benefit from the proposed rulemaking:**

Poultry producers as well as the public will benefit from this proposed rulemaking by ensuring that hatching eggs, baby chicks, and domestic fowl are healthy through identified disease control programs.

2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:

- **Quantitative description of impact:**

This proposed rulemaking maintains the current licensing requirement for hatcheries and baby chick dealers and maintains applicable fees.

- **Qualitative description of impact:**

The proposed rules adopt the most current version of federal regulations, providing a consistent approach to allow poultry sales to occur while preventing the spread of disease.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

Administrative costs will be minimal and handled by existing agency resources.

- **Anticipated effect on State revenues:**

There is no anticipated effect on State revenues.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

Failure to adopt the most current federal regulations could jeopardize Iowa's pullorum-typhoid free status and mycoplasma-clean status. Inaction would lead to disease spread and impact Iowa's poultry.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

No less costly or less intrusive methods exist.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

The Department considered maintaining the rules as they currently exist or creating State-specific rules.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

This rulemaking provides consistency with federal standards. Creating State-specific rules would result in increased costs to the State and poultry producers. Eliminating rules would allow for disease transmission.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.

- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.

- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.

- Establish performance standards to replace design or operational standards in the rulemaking for small business.

- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

These rules do not have an impact on small business. They provide uniform standards and consistency with federal standards.

Text of Proposed Rulemaking

ITEM 1. Rescind 21—Chapter 60 and adopt the following new chapter in lieu thereof:

CHAPTER 60
HATCHERIES AND CHICK DEALERS

21—60.1(168) Chickens, turkeys, domestic waterfowl, and domestic game birds.

60.1(1) For the purpose of assisting the state of Iowa in maintaining its pullorum-typhoid free status, the secretary adopts the provisions of 9 CFR §145.23(b)(3)(i) through (vii), §145.33(b)(3)(i) through (vii), §145.43(b)(3)(i) through (vi), §145.53(b)(3)(i) through (vii), §145.73(b)(2)(i), §145.83(b)(2)(i), §145.93(b)(3)(i) through (vii), and §145.103(b)(3)(i) through (ix) dated September 30, 2025.

60.1(2) All hatching eggs, baby chicks or started pullets must originate from flocks or hatcheries that are pullorum-typhoid clean as defined by 9 CFR 145.23 dated September 30, 2025.

60.1(3) All boxes, crates, coops or other containers shall be new or disinfected before being used to move poultry within the state of Iowa. Each such box, crate, coop or other container that is attached to a customer lot shall be plainly labeled by identifying the customer lot thereof with a label to be supplied by the National Poultry Improvement Plan (NPIP)-recognized official state contact agency. The label shall contain the name of the seller and a description of the contents as specified in Iowa Code section 168.5(4).

21—60.2(168) License for hatcheries and dealers of baby chicks or domestic fowl.

60.2(1) License for hatcheries. In order to qualify for the license to engage in the business of custom hatching or producing baby chicks and other baby domestic fowl under six weeks of age for sale within this state, the applicant shall comply with the following requirements:

- a.* An application for a license shall be accompanied by the required license fee.
- b.* All hatchery applicants shall assist the state in maintaining its pullorum-typhoid free status by accompanying license application with evidence or affidavit indicating compliance with regulations of 9 CFR Part 145 dated September 30, 2025.

60.2(2) License for dealers of baby chicks and domestic fowl. In order to qualify for the license to engage in the business of offering baby chicks and domestic fowl for sale or selling them within this state, the applicant shall comply with the following requirement: an application for a license shall be accompanied by the required license fee.

60.2(3) Prior to issuing the license, the department of agriculture and land stewardship may inspect the applicant's business establishment. All the requirements of Iowa Code section 168.5 shall be complied with.

21—60.3(163) Turkeys. All turkey-hatching eggs or turkey poults must originate from flocks or hatcheries that comply with the following requirements of the department.

60.3(1) For the purpose of assisting the state of Iowa in maintaining its U.S. mycoplasma gallisepticum clean state status, the secretary adopts the provisions of 9 CFR §145.44(c), §145.14(b) and §145.43(c) dated September 30, 2025.

60.3(2) All eggs used for hatching shall be identified by the flock owner as to the flock of origin.

60.3(3) Flock and hatchery owners shall report any signs of respiratory disease to the department.

These rules are intended to implement Iowa Code sections 159.1, 163.1, 168.2, 168.5, 168.6, 168.7, and 197.1.