

# House Amendment 1640

## Amendment Text

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1 1 Amend [House File 720](#) as follows:  
1 2 #1. By striking everything after the enacting  
1 3 clause and inserting the following:  
1 4 "Section 1. Section [22.7](#), Code 1999, is amended by  
1 5 adding the following new subsection:  
1 6 NEW SUBSECTION. 38. Information revealing the  
1 7 identity of a packer or a person who sells livestock  
1 8 to a packer as reported to the department of  
1 9 agriculture and land stewardship pursuant to section  
1 10 172C.2.  
1 11 Sec. 2. NEW SECTION. 172C.1 DEFINITIONS.  
1 12 1. "Department" means the department of  
1 13 agriculture and land stewardship.  
1 14 2. "Livestock" means live cattle, swine, or sheep.  
1 15 3. "Packer" means a person who is engaged in the  
1 16 business of slaughtering livestock or receiving,  
1 17 purchasing, or soliciting livestock for slaughter, if  
1 18 the meat products of the slaughtered livestock which  
1 19 are directly or indirectly to be offered for resale or  
1 20 for public consumption and the meat products have a  
1 21 total annual value of ten million dollars or more. As  
1 22 used in this chapter, "packer" includes an agent of  
1 23 the packer engaged in buying or soliciting livestock  
1 24 for slaughter on behalf of a packer. "Packer" does  
1 25 not include a frozen food locker plant regulated under  
1 26 chapter 172.  
1 27 Sec. 3. NEW SECTION. 172C.2 PURCHASE REPORTS  
1 28 FILING.  
1 29 1. A packer shall file purchase reports with the  
1 30 department which include information relating to the  
1 31 purchase of livestock as required by the department.  
1 32 The purchase reports shall be completed in a manner  
1 33 prescribed by the department. The department may  
1 34 require that purchase reports be filed in an  
1 35 electronic format. A packer shall file purchase  
1 36 reports at times determined practicable by the  
1 37 department, but not later than two business days  
1 38 following the event being reported.  
1 39 2. a. The information required to be reported may  
1 40 include but is not limited to livestock purchased,  
1 41 committed for delivery, or slaughtered. The  
1 42 information may include the volume of daily purchases  
1 43 and the weight, grade, and price paid for livestock,  
1 44 including all premiums, discounts, or adjustments. If  
1 45 livestock is purchased pursuant to contract, the  
1 46 department may require that information in the  
1 47 purchase report be categorized by the type of  
1 48 contract. The purchase reports shall allow the  
1 49 department to compare prices paid under contract with  
1 50 cash market prices.  
2 1 b. This section does not require that information  
2 2 reported include future plans, events, or  
2 3 transactions, unless provided for by contract.  
2 4 3. The department may provide for the public  
2 5 dissemination of information contained in purchase  
2 6 reports.  
2 7 a. The department may enter into an agreement with

2 8 the United States department of agriculture or any  
2 9 private marketing service in order to disseminate  
2 10 information contained in purchase reports.

2 11 b. The department, in consultation with the office  
2 12 of attorney general, shall designate information in  
2 13 purchase reports that reveals the identity of a packer  
2 14 or livestock seller as confidential pursuant to  
2 15 section 22.7.

2 16 Sec. 4. NEW SECTION. 172C.3 PURCHASE NOTICE  
2 17 POSTING.

2 18 1. a. A packer shall post a purchase notice which  
2 19 includes information relating to the purchase of  
2 20 livestock as required by the department. The  
2 21 information contained in the purchase notice shall  
2 22 include a summary of information required to be filed  
2 23 in purchase reports as provided in section 172C.2.

2 24 b. This section does not require that information  
2 25 contained in a purchase notice include future plans,  
2 26 events, or transactions unless provided for by  
2 27 contract.

2 28 2. The information contained in the purchase  
2 29 notice shall appear in a format that can be understood  
2 30 by a reasonable person familiar with selling  
2 31 livestock. The notice shall be posted in a  
2 32 conspicuous place at the point of delivery in a manner  
2 33 prescribed by the department.

2 34 Sec. 5. NEW SECTION. 172C.4 CONFIDENTIALITY  
2 35 PROVISIONS IN CONTRACTS PROHIBITED.

2 36 1. A packer shall not include a provision in a  
2 37 contract executed on or after the effective date of  
2 38 this section for the purchase of livestock providing  
2 39 that information contained in the contract is  
2 40 confidential.

2 41 2. A provision which is part of a contract for the  
2 42 purchase of livestock executed on and after the  
2 43 effective date of this section for the purchase of  
2 44 livestock is void, if the provision states that  
2 45 information contained in the contract is confidential.  
2 46 The provision is void regardless of whether the  
2 47 confidentiality provision is express or implied; oral  
2 48 or written; required or conditional; contained in the  
2 49 contract, another contract, or in a related document,  
2 50 policy, or agreement. This section does not affect  
3 1 other provisions of a contract or a related document,  
3 2 policy, or agreement which can be given effect without  
3 3 the voided provision. This section does not require  
3 4 either party to the contract to divulge the  
3 5 information in the contract to another person.

3 6 Sec. 6. NEW SECTION. 172C.5 RULES.

3 7 1. The department, in consultation with the office  
3 8 of attorney general, shall adopt rules necessary in  
3 9 order to administer this chapter.

3 10 2. The department may establish different rules  
3 11 according to the species of livestock governing all of  
3 12 the following:

3 13 a. Purchase reporting requirements pursuant to  
3 14 section 172C.2.

3 15 b. Purchase notice posting requirements pursuant  
3 16 to section 172C.3.

3 17 Sec. 7. NEW SECTION. 172C.6 ENFORCEMENT.

3 18 1. a. The attorney general's office is the  
3 19 primary agency responsible for enforcing this chapter.

3 20 b. The department shall notify the attorney  
3 21 general's office if the department has reason to  
3 22 believe that a violation of section 172C.2 has  
3 23 occurred.

3 24 2. In enforcing the provisions of this chapter,

3 25 the attorney general may do all of the following:  
3 26 a. Apply to the district court for an injunction  
3 27 to do any of the following:  
3 28 (1) Restrain a packer from engaging in conduct or  
3 29 practices in violation of this chapter.  
3 30 (2) Require a packer to comply with a provision of  
3 31 this chapter.  
3 32 b. Apply to district court for the issuance of a  
3 33 subpoena to obtain contracts, documents, or other  
3 34 records for purposes of enforcing this chapter.  
3 35 c. Bring an action in district court to enforce  
3 36 penalties provided in this chapter, including the  
3 37 imposition, assessment, and collection of monetary  
3 38 penalties.  
3 39 3. The attorney general shall have access to all  
3 40 information reported by packers pursuant to section  
3 41 172C.2, regardless of whether the information is  
3 42 confidential. The attorney general may use the  
3 43 information in order to enforce this chapter or may  
3 44 submit the information to a federal agency.  
3 45 Sec. 8. NEW SECTION. 172C.7 PENALTIES.  
3 46 1. A packer who fails to file a timely, accurate,  
3 47 or complete purchase report as required pursuant to  
3 48 section 172C.2 is subject to a civil penalty of not  
3 49 more than five thousand dollars. Each failure by a  
3 50 packer to file a timely, accurate, or complete  
4 1 purchase report constitutes a separate violation.  
4 2 2. A packer who fails to post a timely, accurate,  
4 3 or complete purchase notice as required pursuant to  
4 4 section 172C.3 is subject to a civil penalty of not  
4 5 more than one thousand dollars. Each failure by a  
4 6 packer to post a timely, accurate, or complete  
4 7 purchase notice constitutes a separate violation.  
4 8 3. A packer who includes a confidentiality  
4 9 provision in a contract with a livestock seller in  
4 10 violation of section 172C.4 is guilty of a fraudulent  
4 11 practice as provided in section 714.8.  
4 12 Sec. 9. Section [714.8](#), Code 1999, is amended by  
4 13 adding the following new subsection:  
4 14 NEW SUBSECTION. 17. A packer who includes a  
4 15 confidentiality provision in a contract with a  
4 16 livestock seller in violation of section 172C.4.  
4 17 Sec. 10. APPLICABILITY. A packer shall provide  
4 18 purchase reports to the department of agriculture and  
4 19 land stewardship as required in section 172C.2 and  
4 20 shall post a purchase notice as provided in section  
4 21 172C.3, as enacted in this Act, for each species of  
4 22 livestock as defined in section 172C.1, as enacted in  
4 23 this Act, in accordance with rules adopted by the  
4 24 department governing that species.  
4 25 Sec. 11. FUTURE REPEAL OF SECTIONS AND ELIMINATION  
4 26 OF PROVISIONS IMPLEMENTATION OF FEDERAL STATUTES  
4 27 AND REGULATIONS.  
4 28 1. Subject to subsection 2, all of the following  
4 29 shall apply:  
4 30 a. If the federal government implements a statute  
4 31 or regulation that is substantially similar to or more  
4 32 stringent than purchase reporting requirements  
4 33 provided in section 172C.2 and penalties provided in  
4 34 section 172C.7, subsection 1, as enacted by this Act,  
4 35 all of the following shall apply:  
4 36 (1) Section 172C.2 is repealed.  
4 37 (2) All of the following sections are amended as  
4 38 follows:  
4 39 (a) Section 22.7, subsection 38, by striking the  
4 40 subsection.  
4 41 (b) Section 172C.5, subsection 2, paragraph "a",

4 42 by striking the paragraph.  
4 43 (c) Section 172C.6, subsection 1, paragraph "b",  
4 44 by striking the paragraph.  
4 45 (d) Section 172C.6, subsection 3, by striking the  
4 46 subsection.  
4 47 (e) Section 172C.7, subsection 1, by striking the  
4 48 subsection.  
4 49 b. If the federal government implements a statute  
4 50 or regulation that is substantially similar to or more  
5 1 stringent than purchase notice requirements provided  
5 2 in section 172C.3 and penalties provided in section  
5 3 172C.7, subsection 2, as enacted by this Act, all of  
5 4 the following shall apply:  
5 5 (1) Section 172C.3 is repealed.  
5 6 (2) All of the following sections are amended as  
5 7 follows:  
5 8 (a) Section 172C.5, subsection 2, paragraph "b",  
5 9 by striking the paragraph.  
5 10 (b) Section 172C.7, subsection 2, by striking the  
5 11 subsection.  
5 12 c. If the federal government implements a statute  
5 13 or regulation that is substantially similar to or more  
5 14 stringent than purchase reporting requirements and  
5 15 penalties as described in paragraph "a" and purchase  
5 16 notice requirements and penalties as described in  
5 17 paragraph "b", section 172C.5, subsection 2, is  
5 18 amended by striking the subsection.  
5 19 2. Paragraph "a", "b", or "c", as provided in  
5 20 subsection 1, shall become applicable only upon a  
5 21 finding by the secretary of agriculture that the  
5 22 federal government has implemented a statute or  
5 23 regulation as provided in that specific paragraph in  
5 24 accordance with an order issued by the secretary of  
5 25 agriculture and filed with the secretary of state.  
5 26 The secretary of agriculture shall issue an order only  
5 27 after consulting with the attorney general.  
5 28 3. The secretary of agriculture shall forward a  
5 29 copy of an order issued under this section to all of  
5 30 the following:  
5 31 a. The governor.  
5 32 b. The secretary of the senate and the chief clerk  
5 33 of the house of representatives.  
5 34 c. The attorney general.  
5 35 d. The Code editor and the administrative code  
5 36 editor.  
5 37 4. The Code editor may recommend that any  
5 38 provision of chapter 172C, as enacted in this Act, be  
5 39 amended or eliminated in a Code editor's bill as  
5 40 necessary in order to conform the provisions of the  
5 41 chapter as provided in this section.  
5 42 Sec. 12. RULEMAKING. The department of  
5 43 agriculture and land stewardship shall commence  
5 44 rulemaking as required in section 172C.5, as enacted  
5 45 in this Act, as soon as practicable upon the enactment  
5 46 of this Act. However, rules adopted by the department  
5 47 shall not be made effective prior to July 1, 2000, for  
5 48 a provision of this Act that takes effect on that  
5 49 date.  
5 50 Sec. 13. EFFECTIVE DATES.  
6 1 1. Except as provided in subsection 2, this Act  
6 2 takes effect on July 1, 2000.  
6 3 2. Section 172C.4, section 172C.6, subsection 2,  
6 4 section 172C.7, subsection 3, section 714.8,  
6 5 subsection 17, section 12, and this section as enacted  
6 6 by this Act, being deemed of immediate importance,  
6 7 take effect upon enactment."  
6 8 #2. Title page, by striking lines 2 through 4 and

6 9 inserting the following: "and concerning packers, by  
6 10 providing for the regulation of certain purchase  
6 11 information and contracting, and providing penalties  
6 12 and effective dates."  
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6 16 [KLEMME](#) of Plymouth  
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