

MAR 2 1999  
Agriculture

HOUSE FILE 455  
BY SCHERRMAN

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

A BILL FOR

1 An Act providing for the filing of information regarding  
2 livestock marketing contracts and providing civil penalties.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 455

1 Section 1. Section 22.7, Code 1999, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 38. Information contained in livestock  
4 marketing contracts submitted to the attorney general's office  
5 to the extent required pursuant to section 172C.2.

6 Sec. 2. NEW SECTION. 172C.1 DEFINITIONS.

7 As used in this chapter, unless the context otherwise  
8 requires:

9 1. "Contract information" means all information contained  
10 in a livestock marketing contract.

11 2. "Livestock" means cattle, swine, or sheep.

12 3. "Livestock marketing contract" means a contract  
13 executed between a packer and a livestock seller who are  
14 parties to the contract, if the contract requires or allows  
15 the packer to purchase livestock from the livestock seller  
16 more than twenty days from the date that the contract is  
17 executed according to terms and conditions agreed to by the  
18 parties.

19 4. "Livestock seller" means the owner of livestock who  
20 sells the livestock to a packer.

21 5. "Packer" means a person who is engaged in the business  
22 of slaughtering livestock or receiving, purchasing, or  
23 soliciting livestock for slaughter, if the meat products of  
24 the slaughtered livestock are directly or indirectly offered  
25 for resale or for public consumption, and the meat products  
26 have a total annual wholesale value of ten million dollars or  
27 more. A "packer" includes an agent of the packer engaged in  
28 purchasing or soliciting livestock for slaughter on behalf of  
29 a packer. A "packer" does not include a frozen food locker  
30 plant regulated under chapter 172.

31 Sec. 3. NEW SECTION. 172C.2 CONTRACT INFORMATION.

32 The attorney general shall establish a system for the  
33 submission of contract information to the secretary of state.  
34 Packers shall submit the contract information to the attorney  
35 general according to rules adopted by the attorney general.

1 The attorney general may require that a packer file copies of  
2 the original contract with the attorney general. The attorney  
3 general may require that contract information be submitted in  
4 an electronic format according to procedures required by the  
5 attorney general. Contract information submitted to the  
6 attorney general is a confidential record under section 22.7.  
7 However, the attorney general may disseminate an analysis of  
8 the types of contract information included in livestock  
9 marketing contracts that does not identify a particular  
10 contract or a specific party.

11 | Sec. 4. NEW SECTION. 172C.3 PENALTIES.

12 | A packer failing to submit contract information as required  
13 by section 172C.2 is subject to a civil penalty not to exceed  
14 one thousand dollars for each day that timely or complete  
15 contract information is not submitted.

16 | Sec. 5. NEW SECTION. 172C.4 ENFORCEMENT AND PENALTIES.

17 | 1. The attorney general's office is responsible for  
18 enforcing this chapter.

19 | 2. The attorney general shall institute legal action to  
20 enforce the provisions of this chapter, including by seeking  
21 any of the following:

22 | a. The assessment and collection of civil penalties  
23 pursuant to this chapter.

24 | b. Injunctions brought on behalf of the state to require  
25 compliance with this chapter.

26 | EXPLANATION

27 | This bill regulates livestock marketing contracts executed  
28 between a packer and a livestock seller.

29 | The bill requires that the attorney general establish a  
30 system for the submission to the secretary of state of  
31 contract information contained in livestock marketing  
32 contracts executed by packers and livestock sellers. The bill  
33 provides that the attorney general may require that a packer  
34 file a copy of an original contract with the attorney general.  
35 The bill provides that contract information be submitted in an

1 electronic format. The bill provides that the contract  
2 information is confidential. However, the bill provides that  
3 the attorney general may disseminate an analysis of contract  
4 information that does not identify a particular contract or  
5 specific parties.

6 A packer is subject to a civil penalty of up to \$1,000 for  
7 each day that the packer fails to submit contract information  
8 as required. The attorney general is charged to prosecute  
9 cases and seek injunctive relief in enforcing the bill's  
10 provisions.

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