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SENATE FILE 134

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KING, VEENSTRA, REDWINE, KIBBIE,
MILLER, BOLKCOM, KRAMER, BOETTGER,
SEXTON, FRAISE, FINK, MADDOX,
McKEAN, SOUKUP, JUDGE, FLYNN,
SHEARER, CONNOLLY, BLACK, ZIEMAN,
HANSEN, RITTMER, ANGELO, SCHUERER,
DRAKE, BEHN, FREEMAN, RIFE,
LAMBERTI, McKIBBEN, and REHBERG

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act prohibiting processors and certain other entities from
2 owning, controlling, or operating a feedlot and making
3 penalties applicable.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SF 134
AGRICULTURE

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1 Section 1. Section 9H.2, unnumbered paragraph 1, Code
2 1999, is amended to read as follows:

3 In order to preserve free and private enterprise, prevent
4 monopoly, and protect consumers, ~~it is unlawful for any a~~
5 processor of beef or pork or limited partnership in which a
6 processor holds partnership shares as a general partner or
7 partnership shares as a limited partner, or limited liability
8 company in which a processor is a member, to shall not
9 directly or indirectly own, control, or operate a feedlot in
10 Iowa in which hogs swine or cattle are fed for slaughter. In
11 addition, a processor shall not directly or indirectly control
12 the manufacturing, processing, or preparation for sale of pork
13 products derived from swine if the processor contracted for
14 the care and feeding of the swine in this state. However,
15 this section does not apply to a cooperative association
16 organized under chapter 497, 498, or 499, if the cooperative
17 association contracts for the care and feeding of swine with a
18 member of the cooperative association who is actively engaged
19 in farming. This section does not apply to an association
20 organized as a cooperative in which another cooperative
21 association organized under chapter 497, 498, or 499 is a
22 member, if the association contracts with a member which is a
23 cooperative association organized under chapter 497, 498, or
24 499, which contracts for the care and feeding of swine with a
25 member of the cooperative who is actively engaged in farming.
26 This section shall not preclude a processor, limited
27 partnership, or limited liability company from contracting for
28 the purchase of hogs or cattle, provided that where the
29 contract sets a date for delivery which is more than twenty
30 days after the making of the contract it shall:

31 EXPLANATION

32 This bill amends Code section 9H.2 which prohibits
33 processors, and limited partnerships in which the processor
34 holds shares as a general or limited partner, from owning,
35 controlling, or operating a feedlot in Iowa in which swine or

1 cattle are fed for slaughter. This bill provides that the
2 processor, and any limited partnership in which the processor
3 holds shares as a general or limited partner, cannot directly
4 or indirectly own, control, or operate such a feedlot. A
5 processor violating Code section 9H.2 is subject to a civil
6 penalty of not more than \$25,000 under Code section 9H.3.

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