

Veenstra
Soukup
Miller

SSB-3168

Agriculture

Succeeded By

SENATE FILE HF 2296

BY (PROPOSED COMMITTEE ON

AGRICULTURE BILL BY

CHAIRPERSON GASKILL)

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act eliminating the regulation of certain dairy trade
2 practices.

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

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1 Section 1. Chapter 192A, Code 1999, is repealed.

2 EXPLANATION

3 This bill repeals Code chapter 192A which regulates trade
4 practices in the dairy industry, as administered by the
5 department of agriculture and land stewardship. The bill
6 regulates the pricing of dairy products for purposes of
7 ensuring free competition in the marketplace and preventing
8 restraint of trade, including by regulating agreements with
9 retailers, discounts or rebates, advertising, the rental of
10 storage space from retailers, loans or gifts to retailers, and
11 equipment provided to retailers. The Code chapter provides
12 licensure and permit requirements, and imposes fees. It
13 requires that pricing information is filed with the
14 department. It provides authority to the department to
15 enforce the provisions of the Code chapter, including
16 investigating reported grievances, issuing subpoenas, and
17 requiring reports from persons investigated. It provides that
18 the department may issue cease and desist orders, and provides
19 procedures for administrative hearings and judicial review.
20 The chapter provides for the imposition of civil penalties of
21 up to \$25,000 for violations of the Code chapter. It also
22 provides for the suspension or revocation of licenses.

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Substituted for by HF 2328
3/23/00 (P. 835)

3/16/00 Unfinished

FILED FEB 23 2000

SENATE FILE **2296**
BY COMMITTEE ON AGRICULTURE

WITHDRAWN

3-28-00
(P. 893)

(SUCCESSOR TO SSB 3168)

(COMPANION TO HF 2328)

Passed Senate, Date _____

Passed House, Date _____

Vote: Ayes _____ Nays _____

Vote: Ayes _____ Nays _____

Approved _____

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SF 2296

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**SENATE FILE 2296
FISCAL NOTE**

A fiscal note for **Senate File 2296** is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

BACKGROUND

Senate File 2296 eliminates Chapter 192A, Code of Iowa, Marketing of Dairy Products, which is administered by the Department of Agriculture and Land Stewardship. The Department utilizes 1.00 FTE position for the administration of Chapter 192A. The cost of administering Chapter 192A is covered by permit fees paid by the producers of dairy products. According to Section 8.60, Code of Iowa the permit fees receipts are deposited into the Dairy Trade Practices account within the General fund for the sole purpose of administering Chapter 192A.

ASSUMPTIONS

Permit fees from dairy producers range from \$65,000 to \$80,000 annually. The cost to administer Chapter 192A ranges from \$45,000 to \$58,000 annually.

FISCAL IMPACT

Permit fees will no longer be collected or deposited in or expended from the Dairy Trade Practices account. There will be a FY 1999 ending balance of approximately \$250,000 in the Dairy Trade Practices account within the General Fund. Senate File 2296 does not address the disposition of the remaining account balance.

SOURCE

Department of Agriculture and Land Stewardship

(LSB 5760SV, SKW)

FILED FEBRUARY 24, 2000

BY DENNIS PROUTY, FISCAL DIRECTOR