

House File 380 - Introduced

HOUSE FILE 380

BY PEARSON

A BILL FOR

1 An Act relating to the production or manufacture of goods
2 retained within the state of Iowa and federal authority
3 in relation thereto, providing penalties, and including
4 effective date and applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 554E.1 Short title.

2 This chapter may be cited as the "*Intrastate Commerce Act*".

3 Sec. 2. NEW SECTION. 554E.2 Legislative intent.

4 The general assembly finds the following:

5 1. The tenth amendment to the Constitution of the United
6 States codifies in law that the only powers which the federal
7 government may exercise are those that have been delegated to
8 it in the Constitution.

9 2. The ninth amendment to the Constitution of the United
10 States guarantees to the people rights not enumerated in the
11 Constitution and reserves to the people those rights.

12 3. Under Article I, section 8, clause 3, of the Constitution
13 of the United States, the federal government is empowered to
14 regulate commerce among the several states.

15 4. The power to regulate intrastate commerce is reserved to
16 the states or the people under the ninth and tenth amendments
17 to the Constitution of the United States.

18 5. During the constitutional convention, the founders
19 considered and rejected a plan which would have authorized the
20 federal government to not only regulate commerce among the
21 several states, but also any activity having spillover effects
22 across state lines.

23 Sec. 3. NEW SECTION. 554E.3 Iowa goods retained in-state —
24 federal regulation — inapplicability.

25 1. As used in this chapter, unless the context otherwise
26 requires:

27 a. "*Basic materials or parts*" means raw materials physically
28 and directly associated with the finished product in the
29 manufacturing process.

30 b. "*Goods*" means all real or personal, tangible or
31 intangible property.

32 c. "*Produced*" means grown, mined, extracted, or created.

33 2. All goods produced or manufactured, whether commercially
34 or privately, within the boundaries of this state that are
35 held, maintained, or retained within the boundaries of this

1 state shall not be deemed to have traveled in interstate
2 commerce and shall not be subject to federal law, federal
3 regulation, or the authority of the Congress of the United
4 States under its constitutional power to regulate commerce.
5 This chapter shall apply to goods that are manufactured within
6 this state from basic materials or parts. The authority of the
7 Congress of the United States to regulate interstate commerce
8 in basic materials or parts shall not include the authority
9 to regulate goods manufactured within this state from such
10 materials or parts.

11 3. This chapter shall not apply to the following:

12 a. Goods manufactured within this state unless the words
13 "made in Iowa" are clearly stamped or marked on an integral
14 part of the good.

15 b. Goods produced within this state unless the words
16 "product of Iowa" are clearly stamped or marked on the
17 container or packaging.

18 c. Goods ordered, procured, or purchased by the United
19 States government or by any contractor pursuant to an agreement
20 with the United States government.

21 Sec. 4. NEW SECTION. 554E.4 Penalties.

22 1. Any official, agent, or employee of the United States
23 government or any employee of a corporation providing services
24 to the United States government that enforces or attempts to
25 enforce an Act, order, law, statute, rule, or regulation of the
26 government of the United States in violation of this Act shall
27 be guilty of an aggravated misdemeanor.

28 2. Any public officer or employee of this state that
29 enforces or attempts to enforce an Act, order, law, statute,
30 rule, or regulation of the government of the United States in
31 violation of this Act shall be guilty of a serious misdemeanor.

32 Sec. 5. EFFECTIVE UPON ENACTMENT AND APPLICABILITY. This
33 Act, being deemed of immediate importance, takes effect upon
34 enactment and applies to goods held, maintained, or retained
35 within the boundaries of the state that have been produced or

1 manufactured within this state on or after that date.

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EXPLANATION

3 This bill relates to the production or manufacture of goods
4 retained within the state of Iowa and federal regulatory
5 authority.

6 The bill provides legislative intent regarding the retention
7 and delegation of powers in the United States Constitution,
8 and states that the power to regulate intrastate commerce is
9 reserved to the states or the people under the ninth and tenth
10 amendments to the Constitution. The bill also states that
11 during the constitutional convention, the founders considered
12 and rejected a plan which would have authorized the federal
13 government to not only regulate commerce among the several
14 states, but also any activity having spillover effects across
15 state lines.

16 The bill provides several definitions. The bill defines
17 "basic materials or parts" to mean raw materials physically
18 and directly associated with the finished product in the
19 manufacturing process. The bill defines "goods" to mean all
20 real or personal, tangible or intangible property. The bill
21 defines "produced" to mean grown, mined, extracted, or created.

22 The bill states that all goods produced or manufactured
23 either commercially or privately within Iowa that are held,
24 maintained, or retained within Iowa shall not be deemed to
25 have traveled in interstate commerce and therefore shall
26 not be subject to federal law, federal regulation, or the
27 constitutional authority of the Congress of the United States
28 to regulate interstate commerce. The bill provides that
29 this only applies to goods that are manufactured within Iowa
30 from basic materials or parts. The bill further provides
31 that protection from federal regulation shall be confined
32 to goods manufactured within Iowa which have "made in Iowa"
33 clearly stamped or marked on an integral part, or produced in
34 Iowa unless the words "product of Iowa" are clearly stamped
35 or marked on the container or packaging. The bill further

1 provides that goods ordered, procured, or purchased by the
2 United States government or by any contractor pursuant to an
3 agreement with the United States government are not included in
4 the protection from federal regulation.

5 The bill specifies that any official, agent, or employee of
6 the United States government or any employee of a corporation
7 providing services to the United States government that
8 enforces or attempts to enforce an Act, order, law, statute,
9 rule, or regulation of the government of the United States
10 in violation of the bill's provisions shall be guilty of
11 an aggravated misdemeanor. An aggravated misdemeanor is
12 punishable by confinement for no more than two years and a
13 fine of at least \$625 but not more than \$6,250. The bill
14 additionally specifies that any public officer or employee of
15 this state that enforces or attempts to enforce an Act, order,
16 law, statute, rule, or regulation of the government of the
17 United States in violation of the bill shall be guilty of a
18 serious misdemeanor. A serious misdemeanor is punishable by
19 confinement for no more than one year and a fine of at least
20 \$315 but not more than \$1,875.

21 The bill takes effect upon enactment and applies to goods
22 held, maintained, or retained within the boundaries of the
23 state that have been produced or manufactured within this state
24 on or after that date.