

**House Study Bill 560 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON COMMERCE BILL BY  
CHAIRPERSON COWNIE)

**A BILL FOR**

1 An Act relating to the regulation of persons, including  
2 commercial establishments, keeping nonagricultural animals,  
3 providing for fees and appropriations, and making penalties  
4 applicable.

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

DIVISION I

REGULATION, FEES, AND APPROPRIATIONS

1  
2 Section 1. Section 162.2, subsections 6, 14, 15, 17, 23, and  
3 26, Code 2016, are amended by striking the subsections.

4  
5 Sec. 2. Section 162.2, subsections 3, 8, 9, 10, and 27, Code  
6 2016, are amended to read as follows:

7 3. *“Animal shelter”* means a facility which is housing  
8 facility used to receive, house, or contain dogs or cats,  
9 or both, or transfer vertebrate animals and which is owned,  
10 operated, or maintained by an incorporated humane society,  
11 animal welfare society, society for the prevention of cruelty  
12 to animals, or other nonprofit organization devoted to the  
13 welfare, protection, and humane treatment of such animals.

14 8. a. “Commercial breeder” means a person, engaged in the  
15 business of breeding dogs or cats, who sells, exchanges, or  
16 leases dogs or cats in return for consideration, or who offers  
17 to do so, whether or not the animals dogs or cats are raised,  
18 trained, groomed, or boarded by the person.

19 b. Notwithstanding paragraph “a”, “commercial breeder” does  
20 not mean any of the following:

21 (1) A person who is a small breeder, competitive show  
22 breeder, or specialized breeder.

23 (2) A person who owns or harbors keeps three or fewer  
24 breeding males or females is not a commercial breeder male or  
25 female dogs or cats. However, a person who breeds any number  
26 of breeding male or female greyhounds for the purposes of  
27 using them for pari-mutuel wagering at a racetrack as provided  
28 in ~~chapter 99D~~ shall be considered a commercial breeder  
29 irrespective of whether the person sells, leases, or exchanges  
30 the greyhounds for consideration or offers to do so.

31 9. *“Commercial establishment”* or *“establishment”* means an any  
32 of the following:

33 a. An animal rescue.

34 b. An animal sanctuary.

35 c. An animal shelter.

- 1 d. A boarding kennel~~τ~~.
- 2 e. A commercial breeder~~τ~~.
- 3 f. A commercial kennel~~τ~~.
- 4 g. A dealer~~τ~~.
- 5 h. A grooming facility.
- 6 i. A pet shop~~τ~~.
- 7 j. A pound~~τ~~.
- 8 k. A public auction~~τ~~~~or~~.
- 9 l. A research facility.
- 10 m. A small breeder, competitive show breeder, or specialized
- 11 breeder.

12 10. a. "*Commercial kennel*" means ~~a kennel which performs~~  
13 ~~grooming~~~~τ~~ a facility where boarding~~τ~~ or training services are  
14 provided for dogs or cats in return for a consideration.

15 b. "*Commercial kennel*" does not mean a facility in which a  
16 dog or cat remains in the custody of the owner of the dog or  
17 cat.

18 27. "*Vertebrate animal*" or "*animal*" means those vertebrate  
19 animals other than members of the equine, bovine, ovine, and  
20 porcine species, and ostriches, rheas, or emus.

21 Sec. 3. Section 162.2, Code 2016, is amended by adding the  
22 following new subsections:

23 NEW SUBSECTION. 2A. "*Animal rescue*" means a person who  
24 during a state fiscal year receives more than six adult dogs  
25 or cats, or more than three litters of dogs or cats, and who  
26 retains custody of the dogs or cats on a temporary basis until  
27 doing any of the following:

28 a. Transferring the dogs or cats to an animal shelter,  
29 pound, or another animal rescue.

30 b. Relinquishing custody of the dogs or cats by adoption to  
31 members of the public.

32 NEW SUBSECTION. 2B. "*Animal sanctuary*" means a person who  
33 during a state fiscal year owns or leases and controls housing  
34 facilities where at least six adult dogs or cats have been  
35 received from one or more persons, if all of the following

1 apply:

2 a. When received, each dog or cat was any of the following:

3 (1) Abandoned, orphaned, or unwanted, or transferred by a  
4 pound or animal shelter.

5 (2) In an impaired condition due to disease, injury, or  
6 birth defect, or a threatened animal as defined in section  
7 717B.1.

8 b. Each dog or cat is maintained by the person on a  
9 permanent basis, until the death of the dog or cat, or the  
10 person transfers the dog or cat to any of the following:

11 (1) An animal rescue.

12 (2) Another animal sanctuary.

13 (3) An animal shelter.

14 (4) A pound.

15 NEW SUBSECTION. 15A. "*Foster care home*" means a private  
16 residence that provides a vertebrate animal with temporary  
17 maintenance, including shelter and care, if the animal has  
18 been accepted by a person licensed as an animal rescue,  
19 animal shelter, or pound and that person is authorized by the  
20 department to oversee the operations of the private residence.

21 NEW SUBSECTION. 15B. a. "*Grooming facility*" means a  
22 business, including a salon, that as the principal part  
23 of its operation, provides grooming services in return for  
24 consideration.

25 b. "*Grooming facility*" does not mean a business that does  
26 any of the following:

27 (1) Only provides grooming services at the residence of the  
28 owner of the dog or cat.

29 (2) Only provides grooming services at a mobile business  
30 operating at different locations.

31 (3) Operates as part of a commercial kennel that provides  
32 grooming services as an incidental part of its operation.

33 (4) Operates as part of a veterinary facility that provides  
34 grooming services as an incidental part of its operation.

35 (5) Keeps the dog or cat for less than twenty-four hours

1 during any one period.

2 NEW SUBSECTION. 15C. "*Grooming services*" means providing  
3 a dog or cat with hygienic care or treatment to improve  
4 appearance, which may include but is not limited to bathing;  
5 the removal of dead hair or skin; hair clipping, shaving, or  
6 brushing; nail trimming; or providing flea or tick control.

7 NEW SUBSECTION. 16A. "*License*" means an authorization to  
8 operate a commercial establishment as provided in this chapter  
9 regardless of whether the authorization is also referred to as  
10 a permit or certificate of registration.

11 NEW SUBSECTION. 16B. "*Licensee*" means a commercial  
12 establishment that operates pursuant to a license issued and  
13 renewed by the department pursuant to section 162.2A.

14 NEW SUBSECTION. 16C. "*Local authority*" means the same as  
15 defined in section 717B.1.

16 NEW SUBSECTION. 20A. "*Practice of veterinary medicine*"  
17 means the same as defined in section 169.3.

18 NEW SUBSECTION. 24A. a. "*Small breeder, competitive show*  
19 *breeder, or specialized breeder*" means a person who owns or  
20 keeps dogs, if the person does all of the following:

21 (1) Breeds the dogs.

22 (2) Sells, exchanges, or leases the dogs in return for  
23 consideration, or offers to sell, exchange, or lease the dogs  
24 in return for consideration.

25 (3) Keeps in any state fiscal year a total of not more than  
26 three litters of puppies.

27 b. "*Small breeder, competitive show breeder, or specialized*  
28 *breeder*" does not mean a person who owns or keeps three or fewer  
29 breeding male or female dogs.

30 c. "*Small breeder, competitive show breeder, or specialized*  
31 *breeder*" does not mean a commercial breeder.

32 NEW SUBSECTION. 28. "*Veterinary facility*" means a business  
33 where one or more licensed veterinarians are engaged in the  
34 practice of veterinary medicine. The business may also provide  
35 grooming services as an incidental part of its operation.

1     Sec. 4. Section 162.2A, Code 2016, is amended to read as  
2 follows:

3     **162.2A Application, issuance, and renewal of authorizations.**

4     1. The department shall provide for the ~~operation of~~  
5 issuance or renewal of a license to operate a commercial  
6 establishment by issuing or renewing an authorization,  
7 including any of the following. A person who owns a  
8 commercial establishment shall be deemed to operate that  
9 commercial establishment.

10     ~~a. A certificate of registration for a pound, animal~~  
11 ~~shelter, or research facility.~~

12     ~~b. A state license for a boarding kennel, commercial kennel,~~  
13 ~~or pet shop.~~

14     ~~c. A state license or permit for a commercial breeder,~~  
15 ~~dealer, or public auction. A federal licensee must apply for~~  
16 ~~and be issued either a permit or a state license in lieu of a~~  
17 ~~permit.~~

18     2. a. A person must hold a current, valid license in order  
19 to operate a commercial establishment.

20     b. A person must be issued a separate state hold a single  
21 license, certificate of registration, or permit for each class  
22 of commercial establishment owned or operated by the person,  
23 regardless of how many locations for that class are operated  
24 by the person. Each of the following is a separate class of  
25 commercial establishment:

26     (1) An animal rescue.

27     (2) An animal sanctuary.

28     (3) An animal shelter.

29     (4) A boarding kennel.

30     (5) A commercial breeder.

31     (6) A commercial kennel.

32     (7) A grooming facility.

33     (8) A dealer.

34     (9) A pet shop.

35     (10) A pound.

1     (11) A public auction.

2     (12) A research facility.

3     (13) A small breeder, competitive show breeder, or  
4 specialized breeder.

5     3. A person must apply for the issuance or renewal of an  
6 ~~authorization~~ a license on forms and according to procedures  
7 required by rules adopted by the department. The application  
8 shall contain information required by the department, including  
9 but not limited to all of the following:

10    a. The person's name.

11    b. The person's principal office or place of business.

12    c. The name, address, and type of establishment covered by  
13 the ~~authorization~~ license.

14    d. The person's identification number. Notwithstanding  
15 chapter 22, the department shall keep the person's tax  
16 identification number confidential except for purposes of tax  
17 administration by the department of revenue, including as  
18 provided in [section 421.18](#).

19     4. ~~The authorization~~ A license expires on an annual basis  
20 as provided by the department, and must be renewed by the  
21 commercial establishment on an annual basis on or before the  
22 ~~authorization's~~ license's expiration date.

23     5. ~~a. A commercial establishment applying for the issuance~~  
24 ~~or renewal of a permit shall provide the department with proof~~  
25 ~~that the person is a federal licensee.~~

26     ~~b. The department shall not require that it must enter onto~~  
27 ~~the premises of a commercial establishment in order to issue a~~  
28 ~~permit. The department shall not require that it must enter~~  
29 ~~onto the premises of a commercial establishment in order to~~  
30 ~~renew a permit, unless it has reasonable cause to monitor the~~  
31 ~~commercial establishment as provided in [section 162.10C](#). The~~  
32 department may deny an application for the issuance or renewal  
33 of a license if the department determines that the applicant is  
34 in violation of this chapter or has not demonstrated that the  
35 applicant will comply with the provisions of this chapter.

1     Sec. 5. Section 162.2B, Code 2016, is amended by striking  
2 the section and inserting in lieu thereof the following:

3     **162.2B Fees.**

4     1. The department shall establish, assess, and collect  
5 fees for issuing or renewing a license as provided in section  
6 162.2A. The fees assessed under this section shall include a  
7 base amount plus any applicable scheduled amount.

8     2. For a commercial establishment that is an animal rescue,  
9 animal sanctuary, animal shelter, pound, or research facility,  
10 all of the following shall apply:

11     *a.* The base amount equals seventy-five dollars. A single  
12 base amount shall be assessed for all locations operated by the  
13 commercial establishment.

14     *b.* A scheduled amount shall not be assessed.

15     3. For a commercial establishment that is a dealer or  
16 grooming facility, all of the following shall apply:

17     *a.* The base amount equals one hundred dollars. A single  
18 base amount shall be assessed for all locations operated by the  
19 commercial establishment.

20     *b.* A scheduled amount shall not be assessed.

21     4. For a commercial establishment that is a boarding kennel,  
22 commercial kennel, or public auction, all of the following  
23 shall apply:

24     *a.* The base amount equals one hundred seventy-five dollars.  
25 A single base amount shall be assessed for all locations  
26 operated by the commercial establishment.

27     *b.* A scheduled amount shall not be assessed.

28     5. For a commercial establishment that is a pet shop, all  
29 of the following shall apply:

30     *a.* The base amount equals one hundred seventy-five dollars.  
31 A base amount shall be assessed for each location operated by  
32 the pet shop.

33     *b.* (1) The scheduled amount shall be determined based on  
34 the number of dogs and cats kept by the pet shop as follows:

35     (i) For at least one dog or cat but not more than twenty



1 dogs and cats, one hundred dollars.

2 (b) For more than twenty dogs and cats but not more than  
3 forty dogs and cats, two hundred fifty dollars.

4 (c) For more than forty dogs and cats, five hundred dollars.

5 (2) For purposes of determining the scheduled amount under  
6 this paragraph "b", a dog or cat must be recorded as on hand for  
7 sale to the general public during the most recent inspection  
8 of the pet shop by the department. The scheduled amount shall  
9 be assessed for the total number of dogs or cats kept at all  
10 locations operated by the pet shop.

11 6. For a commercial establishment that is a commercial  
12 breeder, all of the following shall apply:

13 a. The base amount equals one hundred seventy-five dollars.  
14 A base amount shall be assessed for each location operated by  
15 the commercial breeder.

16 b. (1) The scheduled amount shall be determined based on  
17 the number of dogs and cats kept by the commercial breeder as  
18 follows:

19 (a) For not more than fifty dogs and cats, seventy-five  
20 dollars.

21 (b) For more than fifty dogs and cats but not more than  
22 seventy-five dogs and cats, two hundred fifty dollars.

23 (c) For more than seventy-five dogs and cats but not more  
24 than one hundred dogs and cats, eight hundred dollars.

25 (d) For more than one hundred dogs and cats but not more  
26 than two hundred fifty dogs and cats, two thousand five hundred  
27 dollars.

28 (e) For more than two hundred fifty dogs and cats but not  
29 more than four hundred dogs and cats, five thousand dollars.

30 (f) For more than four hundred dogs and cats, seven thousand  
31 five hundred dollars.

32 (2) For purposes of determining the scheduled amount under  
33 this paragraph "b", a dog or cat must be recorded as an adult  
34 on hand for breeding during the most recent inspection of the  
35 commercial breeder by the department of agriculture and land

1 stewardship or the United States department of agriculture.  
2 The scheduled amount shall be assessed for the total number of  
3 dogs or cats kept at all locations operated by the commercial  
4 breeder.

5 7. For a commercial establishment that is a small breeder,  
6 competitive show breeder, or specialized breeder, all of the  
7 following shall apply:

8 a. The base amount equals seventy-five dollars. A single  
9 base amount shall be assessed for all locations operated by  
10 the small breeder, competitive show breeder, or specialized  
11 breeder.

12 b. A scheduled amount shall not be assessed.

13 8. The moneys collected by the department under this section  
14 shall be credited to the commercial establishment fund created  
15 in section 162.2C.

16 9. The fees provided in this section shall be considered  
17 repayment receipts as defined in section 8.2. The general  
18 assembly shall appropriate moneys to the department each state  
19 fiscal year necessary for the administration and enforcement of  
20 this chapter.

21 Sec. 6. Section 162.2C, subsection 3, Code 2016, is amended  
22 to read as follows:

23 3. Moneys in the fund are appropriated to the department ~~and~~  
24 without further special authorization by the general assembly.  
25 The moneys shall be used exclusively by the department to carry  
26 out do all of the following:

27 a. Administer and enforce the provisions of this chapter  
28 as determined and directed by the department, and shall not  
29 require further special authorization by the general assembly.

30 b. Fully fund the animal rescue remediation fund as provided  
31 in section 717B.13. For each state fiscal year, the department  
32 shall transfer at least twenty thousand dollars from moneys  
33 in the commercial establishment fund to the animal rescue  
34 remediation fund created in section 717B.13. However, if  
35 on March 1 the unobligated and unencumbered balance in the

1 animal rescue remediation fund equals more than sixty thousand  
2 dollars, the department shall suspend the transfer for the  
3 subsequent state fiscal year. If on March 1 of a state fiscal  
4 year for which the transfer is suspended, the unobligated and  
5 unencumbered balance in the animal rescue remediation fund is  
6 less than forty thousand dollars, the department shall resume  
7 the transfer for the subsequent state fiscal year.

8     **Sec. 7. NEW SECTION. 162.3A Operation of an animal rescue**  
9 **— license.**

10     1. An animal rescue shall only operate pursuant to a license  
11 issued or renewed by the department as provided in section  
12 162.2A. The animal rescue shall maintain records as required  
13 by section 162.10 in order for the department to ensure the  
14 animal rescue's compliance with the provisions of this chapter.

15     2. An animal rescue shall not maintain a dog or cat received  
16 by the animal rescue in housing facilities owned or controlled  
17 by the animal rescue. However, the animal rescue may arrange  
18 to utilize an animal shelter, pound, or foster care home in  
19 order to maintain the dog or cat.

20     **Sec. 8. NEW SECTION. 162.3B Operation of an animal**  
21 **sanctuary — license.**

22     1. An animal sanctuary shall only operate pursuant to a  
23 license issued or renewed by the department as provided in  
24 section 162.2A. The animal sanctuary shall maintain records  
25 as required by section 162.10 in order for the department to  
26 ensure the animal sanctuary's compliance with the provisions of  
27 this chapter.

28     2. An animal sanctuary shall not buy, sell, trade,  
29 auction, lease, loan, or breed any dog or cat that is owned or  
30 controlled by the animal sanctuary.

31     3. An animal sanctuary shall maintain a dog or cat received  
32 by the animal sanctuary in its care until the dog or cat dies  
33 by natural causes, is euthanized, or is transferred to another  
34 animal sanctuary, an animal rescue, an animal shelter, or a  
35 pound.

1     Sec. 9. NEW SECTION. **162.6A Grooming facility — license.**

2     1. A grooming facility shall only operate pursuant to a  
3 license issued or renewed by the department as provided in  
4 section 162.2A. The grooming facility shall maintain records  
5 as required by section 162.10 in order for the department to  
6 ensure the grooming facility's compliance with the provisions  
7 of this chapter.

8     2. A grooming facility shall not be in the business of  
9 buying and selling vertebrate animals.

10    Sec. 10. Section 162.8, Code 2016, is amended to read as  
11 follows:

12    **162.8 Operation of a commercial breeder —~~state license or~~**  
13 **~~permit.~~**

14    1. A commercial breeder shall only operate pursuant to a  
15 ~~state license, or a permit,~~ issued or renewed by the department  
16 as provided in **section 162.2A**. A commercial breeder ~~who is~~  
17 ~~a state licensee~~ shall maintain records as required ~~by the~~  
18 ~~department~~ **in section 162.10** in order for the department to  
19 ensure the commercial breeder's compliance with the provisions  
20 of **this chapter**. ~~A commercial breeder who is a permittee may~~  
21 ~~but is not required to maintain records.~~

22    2. A commercial breeder shall not purchase a dog or cat  
23 from a commercial establishment that does not have a valid  
24 ~~authorization~~ **license** issued or renewed under **this chapter** or  
25 a similar ~~authorization~~ **license** issued or renewed by another  
26 state.

27    3. A commercial breeder shall not operate an animal shelter  
28 or maintain a controlling interest in an animal shelter.

29    Sec. 11. NEW SECTION. **162.9 Operation of a small breeder,**  
30 **competitive show breeder, or specialized breeder — license.**

31    1. A person who is a small breeder, competitive show  
32 breeder, or specialized breeder shall only operate pursuant to  
33 a license issued or renewed by the department as provided in  
34 section 162.2A.

35    2. A person shall not be eligible for the issuance,

1 maintenance, or renewal of a license under this section if  
2 the person holds a public auction license pursuant to section  
3 162.9A.

4 Sec. 12. NEW SECTION. **162.10 Records.**

5 1. A commercial establishment shall maintain all records  
6 required in this chapter. The department shall adopt rules  
7 regarding the types of records required to be kept and the  
8 format for keeping such records.

9 2. A commercial establishment shall maintain all records  
10 necessary for the department to assess a fee imposed for the  
11 issuance or renewal of a license pursuant to section 162.2A.

12 3. A commercial establishment shall maintain inspection  
13 reports as required in section 162.10B.

14 Sec. 13. Section 162.10B, Code 2016, is amended to read as  
15 follows:

16 **~~162.10B Commercial establishments — inspecting state~~**  
17 **~~licensees and registrants~~ Inspections — general requirements.**

18 1. As a condition of issuing or renewing a license, the  
19 premises of an applicant shall be open for inspection during  
20 normal business hours.

21 2. The department shall conduct an inspection of a  
22 commercial establishment at least annually. The department ~~may~~  
23 shall inspect the commercial establishment ~~of a registrant or~~  
24 ~~state licensee~~ by entering onto its business premises at any  
25 time during normal ~~working~~ business hours. The department ~~may~~  
26 shall inspect records required to be maintained by the ~~state~~  
27 ~~licensee or registrant~~ commercial establishment as provided  
28 in ~~this chapter~~ section 162.10. If the owner or person in  
29 charge of the commercial establishment refuses admittance, the  
30 department may obtain an administrative search warrant issued  
31 under section 808.14. The department shall report a potential  
32 violation of chapter 717B to the local authority that has  
33 jurisdiction over the matter.

34 3. a. A commercial breeder offering to sell a dog to  
35 a person shall provide that person with the most recent

1 inspection report completed by all of the following:

2 (1) The department of agriculture and land stewardship. The  
3 report shall include the recorded number of adult dogs on hand.

4 (2) The United States department of agriculture, if the  
5 commercial breeder is licensed under the Animal Welfare Act.

6 b. The inspection report must be signed by the dog's  
7 purchaser prior to finalizing the sale.

8 c. A copy of each applicable signed inspection report shall  
9 be maintained for twelve months by the commercial breeder as  
10 part of the commercial breeder's records as provided in section  
11 162.10 and a copy of the signed inspection report completed by  
12 the department of agriculture and land stewardship shall be  
13 filed with the department.

14 Sec. 14. Section 162.10C, Code 2016, is amended by striking  
15 the section and inserting in lieu thereof the following:

16 **162.10C Inspections — restricted requirements.**

17 1. Notwithstanding section 162.10B, a person who holds  
18 a grooming facility license as provided in section 162.6A is  
19 subject to restricted inspection requirements. The department  
20 shall conduct the annual inspection of a licensed grooming  
21 facility at a scheduled time agreed to by the person and  
22 the department. However, the department is not required to  
23 schedule an inspection if any of the following applies:

24 a. The person is obstructing the scheduled inspection.

25 b. One or more dogs or cats kept by the person are in  
26 immediate need of care.

27 2. Notwithstanding section 162.10B, a person who holds a  
28 small breeder, competitive show breeder, or specialized breeder  
29 license as provided in section 162.9 is subject to restricted  
30 inspection requirements as follows:

31 a. The person is exempt from the inspection requirements  
32 of section 162.10B for the period of the license if the person  
33 submits evidence to the department that each dog kept by the  
34 person complies with all of the following:

35 (1) Has been examined by a licensed veterinarian within

1 the twelve months prior to the person's application for the  
2 issuance or renewal of the license.

3 (2) Received all vaccinations as prescribed by the  
4 department based on recommendations of the American veterinary  
5 medical association or American animal hospital association.

6 *b.* If the person does not comply with paragraph "a", the  
7 department shall conduct the annual inspection at a scheduled  
8 time agreed to by the person and the department. However, the  
9 department is not required to schedule an inspection if any of  
10 the following applies:

11 (1) The person is obstructing the scheduled inspection.

12 (2) One or more dogs kept by the person are in immediate  
13 need of care.

14 Sec. 15. Section 162.10D, subsections 1 and 2, Code 2016,  
15 are amended to read as follows:

16 1. The department may take disciplinary action against a  
17 person by suspending or revoking the person's ~~authorization~~  
18 license for violating a violation of a provision of this  
19 chapter or [chapter 717B](#), or ~~who commits~~ for the commission of  
20 an unlawful practice under [section 714.16](#). The department may  
21 take primary and secondary disciplinary action as follows:

22 *a.* Primary disciplinary action may be taken against a person  
23 who operates the commercial establishment where the violation  
24 occurred.

25 *b.* Secondary disciplinary action may be taken against a  
26 person who operates another class of commercial establishment  
27 under a separate license pursuant to section 162.2A if such  
28 person is the same as the person who is subject to primary  
29 disciplinary action under paragraph "a".

30 2. The department may require an owner, operator, or  
31 employee of a commercial establishment subject to disciplinary  
32 action under [subsection 1](#) to complete a continuing education  
33 program as a condition for retaining an ~~authorization~~  
34 a license. [This section](#) does not prevent a person from  
35 voluntarily participating in a continuing education program.

1 However, a continuing education program completed voluntarily  
2 prior to the imposition of the department's disciplinary action  
3 shall not be part of such disciplinary action.

4 Sec. 16. Section 162.11, subsection 1, Code 2016, is amended  
5 by striking the subsection and inserting in lieu thereof the  
6 following:

7 1. This chapter does not apply to the operation of a  
8 veterinary facility, including any activity that would  
9 otherwise classify the veterinary facility as a commercial  
10 establishment so long as the activity is incidental to the  
11 practice of veterinary medicine. If the operations are  
12 conducted at an establishment in which the operations of the  
13 veterinary facility are segregated, this chapter shall apply  
14 only to that part of the establishment that does not operate as  
15 a veterinary facility.

16 Sec. 17. Section 162.11, subsection 2, Code 2016, is amended  
17 by striking the subsection.

18 Sec. 18. Section 162.11, subsection 3, Code 2016, is amended  
19 to read as follows:

20 3. ~~This chapter~~ does not apply to a noncommercial kennel  
21 at, in, or adjoining a private residence where dogs or cats are  
22 kept, ~~for the hobby of the householder,~~ if the dogs or cats  
23 are used for hunting, for practice training, for exhibition  
24 at shows or field or obedience trials, or for guarding or  
25 protecting the householder's property. However, the dogs  
26 or cats must not be kept for breeding if a person receives  
27 consideration for providing the breeding.

28 Sec. 19. Section 162.11, Code 2016, is amended by adding the  
29 following new subsection:

30 NEW SUBSECTION. 4. This chapter does not apply to a person  
31 who owns, keeps, breeds, or transports a greyhound dog for use  
32 at a dog racetrack facility regulated by the racing and gaming  
33 commission under chapter 99D.

34 Sec. 20. NEW SECTION. 162.13A **Criminal actions.**

35 The attorney general or a county attorney may bring criminal



1 action in order to enforce the provisions of this chapter.

2 Sec. 21. NEW SECTION. 162.13B Injunctive relief.

3 A court of this state may prevent or restrain a violation  
4 of this chapter through the issuance of an injunction. The  
5 attorney general or a county attorney shall institute a suit on  
6 behalf of the state to prevent or restrain a violation of this  
7 chapter.

8 Sec. 22. Section 162.20, subsection 4, paragraph c, Code  
9 2016, is amended to read as follows:

10 c. A pound or animal shelter which knowingly fails to  
11 provide for the sterilization of a dog or cat is subject to a  
12 civil penalty of up to two hundred dollars. The department  
13 may enforce and collect civil penalties according to rules  
14 which shall be adopted by the department. Each violation shall  
15 constitute a separate offense. Moneys Notwithstanding section  
16 162.11, subsection 4, moneys collected from civil penalties  
17 shall be deposited into the general fund of the state and  
18 are appropriated on July 1 of each year in equal amounts to  
19 each track licensed to race dogs to support the racing dog  
20 adoption program as provided in section 99D.27. Upon the third  
21 offense, the department may suspend or revoke a ~~certificate~~  
22 ~~of registration~~ license issued to the pound or animal shelter  
23 pursuant to ~~this chapter~~ section 162.2A. The department may  
24 bring an action in district court to enjoin a pound or animal  
25 shelter from transferring animals in violation of this section.  
26 In bringing the action, the department shall not be required  
27 to allege facts necessary to show, or tending to show, a lack  
28 of adequate remedy at law, that irreparable damage or loss  
29 will result if the action is brought at law, or that unique or  
30 special circumstances exist.

31 Sec. 23. Section 162.20, subsection 5, paragraphs b and c,  
32 Code 2016, are amended to read as follows:

33 b. The transfer of a dog or cat by a pound or animal  
34 shelter which has obtained an enforcement waiver issued  
35 by the department. The pound or shelter may apply for an

1 annual waiver each year as provided by rules adopted by  
2 the department. The department shall grant a waiver, if it  
3 determines that the pound or animal shelter is subject to  
4 an ordinance by a city or county which includes stricter  
5 requirements than provided in **this section**. The department  
6 shall not charge more than ten dollars as a waiver application  
7 fee. The fees collected by the department shall be deposited  
8 in the ~~general fund of the state~~ animal rescue remediation fund  
9 created in section 717B.13.

10 c. The transfer of a dog or cat to a research facility as  
11 defined in **section 162.2** or a person licensed by the United  
12 States department of agriculture as a class B dealer pursuant  
13 to 9 C.F.R. ch. 1, subch. A, pt. 2. However, a class B dealer  
14 who receives an unsterilized dog or cat from a pound or animal  
15 shelter shall either sterilize the dog or cat or transfer the  
16 unsterilized dog or cat to a research facility provided in this  
17 paragraph. ~~The class B dealer shall not transfer a dog to a~~  
18 ~~research facility if the dog is a greyhound registered with the~~  
19 ~~national greyhound association and the dog raced at a track~~  
20 ~~associated with pari-mutuel racing unless the class B dealer~~  
21 ~~receives written approval of the transfer from a person who~~  
22 ~~owned an interest in the dog while the dog was racing.~~

23 Sec. 24. NEW SECTION. **162.21 Sterilization — animal**  
24 **sanctuaries.**

25 1. An animal sanctuary receiving a dog or cat shall provide  
26 for the sterilization of the dog or cat using the veterinary  
27 procedures prescribed in section 162.20.

28 2. An animal sanctuary shall provide for the sterilization  
29 within ten days from the date that the animal sanctuary  
30 receives the dog or cat, unless any of the following apply:

31 a. The department imposes a stricter requirement by rule.

32 b. A licensed veterinarian grants an extension of the  
33 period required for the completion of the sterilization, if the  
34 extension is based on the health of the dog or cat.

35 3. a. An animal sanctuary that knowingly fails to provide

1 for the sterilization of a dog or cat is subject to a civil  
2 penalty of up to two hundred dollars.

3     **b.** The department may enforce and collect civil penalties  
4 according to rules which shall be adopted by the department.  
5 Each violation shall constitute a separate violation. Moneys  
6 collected from civil penalties shall be credited to the animal  
7 rescue remediation fund created in section 717B.13.

8     4. Upon the third violation of this section, the department  
9 may suspend or revoke the license issued to the animal  
10 sanctuary pursuant to section 162.2A.

11     5. The department may bring an action in district court  
12 to enjoin an animal sanctuary from transferring animals in  
13 violation of this section in the same manner as provided in  
14 section 162.20.

15     6. This section shall not apply to the return of a dog or  
16 cat to its owner by an animal sanctuary, except as provided by  
17 rules adopted by the department.

18     Sec. 25. Section 717B.1, Code 2016, is amended by adding the  
19 following new subsection:

20     NEW SUBSECTION. 3A. *“Commercial establishment”* means the  
21 same as defined in section 162.2.

22     Sec. 26. Section 717B.4, subsection 3, paragraph a, Code  
23 2016, is amended to read as follows:

24     **a.** The court may order the responsible party to pay an  
25 amount which shall not be more than the dispositional expenses  
26 incurred by the local authority. The court may also award  
27 the local authority court costs, reasonable attorney fees and  
28 expenses related to the investigation and prosecution of the  
29 case, which shall be taxed as part of the costs of the action.  
30 The amount shall be paid to the animal rescue remediation fund  
31 created in section 717B.13 to the extent that moneys from the  
32 fund were expended to pay for dispositional expenses.

33     Sec. 27. Section 717B.5, Code 2016, is amended by adding the  
34 following new subsection:

35     NEW SUBSECTION. 3A. The local authority may apply to the

1 department for reimbursement of expenses incurred by the local  
2 authority in providing for the maintenance of the animal.

3 Sec. 28. NEW SECTION. 717B.13 **Animal rescue remediation**  
4 **fund.**

5 1. An animal rescue remediation fund is created as a  
6 separate fund in the state treasury under the control of the  
7 department of agriculture and land stewardship. The general  
8 fund of the state is not liable for claims presented against  
9 the fund.

10 2. The fund consists of moneys appropriated to the fund,  
11 moneys transferred from the commercial establishment fund as  
12 provided in section 162.2C, moneys credited to the fund as  
13 provided in sections 162.20 and 162.21, sums collected on  
14 behalf of the fund through legal action or settlement, and  
15 moneys contributed to the fund from other sources.

16 3. The moneys in the fund are appropriated to the department  
17 to reimburse a local authority for expenses incurred for the  
18 rescuing of an animal from a commercial establishment as  
19 provided in section 717B.5, for the maintenance of an animal  
20 as provided in section 717B.5, and for the disposition of an  
21 animal as provided in section 717B.4.

22 4. The department shall utilize moneys from the fund only to  
23 the extent that the department determines that expenses cannot  
24 be timely paid by utilizing the available provisions of section  
25 717B.4.

26 5. The department shall provide payment to a local authority  
27 upon a claim submitted by the local authority to the department  
28 according to procedures required by the department. Upon  
29 a determination that the claim is eligible for payment,  
30 the department shall reimburse the local authority for that  
31 amount. However, if the department determines that only  
32 a portion of the claim is eligible, the department shall  
33 only pay the eligible portion. If the department determines  
34 that insufficient moneys are available to make payment of  
35 all claims, the department may defer paying all or part of

1 specified claims. The department shall hold deferred claims  
2 for payment when the department determines that the fund again  
3 contains sufficient moneys.

4 6. Moneys in the fund shall not be subject to appropriation  
5 or expenditure for any other purpose than provided in this  
6 section and section 162.2C.

7 7. Notwithstanding section 12C.7, interest earned on  
8 amounts deposited in the fund shall be credited to the fund.  
9 Notwithstanding section 8.33, any unexpended or unencumbered  
10 moneys remaining in the fund at the end of the fiscal year  
11 shall not revert to the general fund of the state, but the  
12 moneys shall remain available for expenditure by the authority  
13 in succeeding fiscal years.

14 Sec. 29. CURRENT AUTHORIZATIONS.

15 1. A current valid certificate of registration issued or  
16 renewed by the department of agriculture and land stewardship  
17 to an animal shelter, pound, or research facility under section  
18 162.2A prior to the effective date of this Act shall remain  
19 valid until it expires according to its terms when issued or  
20 renewed.

21 2. A current valid state license issued or renewed by the  
22 department of agriculture and land stewardship to a commercial  
23 kennel that operates as a grooming facility as defined in  
24 section 162.2, as amended in this Act, shall remain valid until  
25 it expires according to the terms when issued or renewed.

26 DIVISION II

27 COORDINATING PROVISIONS

28 Sec. 30. Section 162.3, Code 2016, is amended to read as  
29 follows:

30 162.3 Operation of a pound — ~~certificate of registration~~  
31 license.

32 A pound shall only operate pursuant to a ~~certificate of~~  
33 ~~registration~~ license issued or renewed by the department as  
34 provided in [section 162.2A](#). A pound may sell dogs or cats  
35 under its control if sales are allowed by the department. The

1 pound shall maintain records as required ~~by the department~~  
2 in section 162.10 in order for the department to ensure the  
3 pound's compliance with the provisions of **this chapter**.

4 Sec. 31. Section 162.4, Code 2016, is amended to read as  
5 follows:

6 **162.4 Operation of an animal shelter — ~~certificate of~~**  
7 **registration license.**

8 An animal shelter shall only operate pursuant to a  
9 ~~certificate of registration license~~ issued or renewed by the  
10 department as provided in **section 162.2A**. An animal shelter  
11 may sell dogs or cats if sales are allowed by the department.  
12 The animal shelter facility shall maintain records as required  
13 ~~by the department in section 162.10~~ in order for the department  
14 to ensure the animal shelter's compliance with the provisions  
15 of **this chapter**.

16 Sec. 32. Section 162.4A, Code 2016, is amended to read as  
17 follows:

18 **162.4A Operation of a research facility — ~~certificate of~~**  
19 **registration license.**

20 1. A research facility shall only operate pursuant to  
21 a ~~certificate of registration license~~ issued or renewed by  
22 the department as provided in **section 162.2A**. The research  
23 facility shall maintain records as required ~~by the department~~  
24 in section 162.10 in order for the department to ensure the  
25 research facility's compliance with the provisions of this  
26 chapter.

27 2. A research facility shall not purchase a dog or cat  
28 from a commercial establishment that does not have a valid  
29 ~~authorization license~~ issued or renewed under **this chapter** or  
30 a similar ~~authorization license~~ issued or renewed by another  
31 state.

32 Sec. 33. Section 162.5, Code 2016, is amended to read as  
33 follows:

34 **162.5 Operation of a pet shop — state license.**

35 1. A pet shop shall only operate pursuant to a ~~state~~

1 license issued or renewed by the department pursuant to section  
2 162.2A. The pet shop shall maintain records as required by ~~the~~  
3 ~~department~~ section 162.10 in order for the department to ensure  
4 the pet shop's compliance with the provisions of **this chapter**.

5 2. A pet shop shall not purchase a dog or cat from  
6 a commercial establishment that does not have a valid  
7 ~~authorization~~ license issued or renewed under **this chapter** or  
8 a similar ~~authorization~~ license issued or renewed by another  
9 state.

10 Sec. 34. Section 162.5A, Code 2016, is amended to read as  
11 follows:

12 **162.5A Operation of a boarding kennel — state license.**

13 A boarding kennel shall only operate pursuant to a ~~state~~  
14 license issued or renewed by the department as provided in  
15 section 162.2A. The boarding kennel shall maintain records as  
16 required by ~~the department~~ section 162.10 in order for the  
17 department to ensure the boarding kennel's compliance with  
18 the provisions of **this chapter**. A boarding kennel shall not  
19 purchase a dog or cat from a commercial establishment that  
20 does not have a valid ~~authorization~~ license issued or renewed  
21 under **this chapter** or a similar ~~authorization~~ license issued or  
22 renewed by another state.

23 Sec. 35. Section 162.6, Code 2016, is amended to read as  
24 follows:

25 **162.6 Operation of a commercial kennel — state license.**

26 A commercial kennel shall only operate pursuant to a ~~state~~  
27 license issued or renewed by the department as provided in  
28 section 162.2A. A commercial kennel shall maintain records  
29 as required by ~~the department~~ section 162.10 in order for the  
30 department to ensure the commercial kennel's compliance with  
31 the provisions of **this chapter**. A commercial kennel shall not  
32 purchase a dog or cat from a commercial establishment that  
33 does not have a valid ~~authorization~~ license issued or renewed  
34 under **this chapter** or a similar ~~authorization~~ license issued or  
35 renewed by another state.

1     Sec. 36. Section 162.7, Code 2016, is amended to read as  
2 follows:

3     **162.7 Operation of a dealer — state license ~~or permit.~~**

4     A dealer shall only operate pursuant to a ~~state license,~~  
5 ~~or a permit,~~ issued or renewed by the department as provided  
6 in [section 162.2A](#). A dealer ~~who is a state licensee~~ shall  
7 maintain records as required by ~~the department~~ [section 162.10](#)  
8 in order for the department to ensure compliance with the  
9 provisions of [this chapter](#). ~~A dealer who is a permittee may~~  
10 ~~but is not required to maintain records.~~ A dealer shall not  
11 purchase a dog or cat from a commercial establishment that  
12 does not have a valid [authorization license](#) issued or renewed  
13 under [this chapter](#) or a similar [authorization license](#) issued or  
14 renewed by another state.

15     Sec. 37. Section 162.9A, Code 2016, is amended to read as  
16 follows:

17     **162.9A Operation of a public auction — state license ~~or~~**  
18 **~~permit.~~**

19     1. A public auction shall only operate pursuant to a ~~state~~  
20 ~~license, or a permit,~~ issued or renewed by the department as  
21 provided in [section 162.2A](#). A public auction ~~which is a state~~  
22 ~~licensee~~ shall maintain records as required by ~~the department~~  
23 [section 162.10](#) in order for the department to ensure the public  
24 auction's compliance with the provisions of [this chapter](#). A  
25 ~~public auction which is a permittee may but is not required to~~  
26 ~~maintain records.~~ A public auction shall not purchase a dog or  
27 cat from a commercial establishment that does not have a valid  
28 [authorization license](#) issued or renewed under [this chapter](#) or  
29 a similar [authorization license](#) issued or renewed by another  
30 state.

31     2. A person shall not be eligible for the issuance,  
32 maintenance, or renewal of a license under this section if the  
33 person holds a small breeder, competitive show breeder, or  
34 specialized breeder license under section 162.9.

35     Sec. 38. Section 162.10A, subsection 2, Code 2016, is



1 amended by striking the subsection.

2 Sec. 39. Section 162.12, Code 2016, is amended to read as  
3 follows:

4 **162.12 Denial of application or revocation of license ~~or~~**  
5 **registration.**

6 ~~A certificate of registration~~ An application for a license  
7 ~~may be denied to any animal shelter, pound, or research~~  
8 ~~facility and a state license may be denied to any public~~  
9 ~~auction, boarding kennel, commercial kennel, pet shop,~~  
10 ~~commercial breeder, or dealer, or an existing certificate of~~  
11 ~~registration or state license may be revoked by the secretary~~  
12 ~~if, after public hearing, it is determined that the housing~~  
13 ~~facilities or primary enclosures of a commercial establishment~~  
14 ~~are inadequate under this chapter or if the feeding, watering,~~  
15 ~~cleaning, and housing practices at the animal rescue, animal~~  
16 ~~sanctuary, pound, animal shelter, public auction, pet shop,~~  
17 ~~boarding kennel, commercial kennel, grooming facility, or~~  
18 ~~research facility, or those practices by the commercial~~  
19 ~~breeder, ~~or~~ dealer, or small breeder, competitive show breeder,~~  
20 ~~or specialized breeder, are not in compliance with this chapter~~  
21 ~~or with the rules adopted pursuant to this chapter. The~~  
22 ~~premises of each registrant or state licensee shall be open for~~  
23 ~~inspection during normal business hours.~~

24 Sec. 40. Section 162.12A, subsection 1, paragraph a, Code  
25 2016, is amended to read as follows:

26 a. A commercial establishment that operates pursuant to an  
27 ~~authorization~~ a license issued or renewed under **this chapter**  
28 is subject to a civil penalty of not more than five hundred  
29 dollars, regardless of the number of animals possessed or  
30 controlled by the commercial establishment, for violating this  
31 chapter. Except as provided in paragraph "b", each day that a  
32 violation continues shall be deemed a separate offense.

33 Sec. 41. Section 162.12A, subsection 2, Code 2016, is  
34 amended to read as follows:

35 2. A commercial establishment that does not operate

1 pursuant to ~~an authorization~~ a license issued or renewed under  
2 this chapter is subject to a civil penalty of not more than one  
3 thousand dollars, regardless of the number of animals possessed  
4 or controlled by the commercial establishment, for violating  
5 this chapter. Each day that a violation continues shall be  
6 deemed a separate offense.

7 Sec. 42. Section 162.13, subsections 1 and 3, Code 2016, are  
8 amended to read as follows:

9 1. A person who operates a commercial establishment without  
10 ~~an authorization~~ a license issued or renewed by the department  
11 as required in [section 162.2A](#) is guilty of a simple misdemeanor  
12 and each day of operation is a separate offense.

13 3. The failure of a person who owns or operates a commercial  
14 establishment to meet the requirements of [this section](#) is  
15 also cause for the suspension or revocation of the person's  
16 ~~authorization~~ license as provided in [section 162.10D](#).

17

EXPLANATION

18 The inclusion of this explanation does not constitute agreement with  
19 the explanation's substance by the members of the general assembly.

20 CURRENT LAW. Code chapter 162 provides for the regulation  
21 of commercial establishments that possess or control animals,  
22 other than animals used for an agricultural purpose (Code  
23 section 162.1), by the department of agriculture and land  
24 stewardship (DALs). Commercial establishments include animal  
25 shelters, pounds, and research facilities which are required  
26 to obtain a certificate of registration; boarding kennels,  
27 commercial kennels, and pet shops which are required to  
28 obtain a state license; and commercial breeders, dealers, and  
29 public auctions which are required to obtain a state license  
30 or a permit if licensed by the United States department of  
31 agriculture (USDA) (Code section 162.2A).

32 BILL'S PROVISIONS. This bill refers to each type of  
33 commercial establishment as a class and requires that a person  
34 operating one or more commercial establishments of the same  
35 class obtain a single license. The bill also creates four new

1 types of licenses for: (1) grooming facilities, (2) animal  
2 rescues, (3) animal sanctuaries, and (4) small breeders,  
3 competitive show breeders, or specialized breeders. The bill  
4 also recognizes animal foster care homes that temporarily  
5 maintain dogs or cats on behalf of animal rescues, animal  
6 shelters, and pounds. The bill replaces the current fee system  
7 with one that includes the assessment of a base amount and  
8 the possible assessment of a scheduled amount based on class.  
9 The moneys from fees are still deposited into the commercial  
10 establishment fund. However, an amount is to be transferred  
11 to a new animal rescue remediation fund also under the control  
12 of DALs. The bill requires DALs to perform inspections and  
13 licensees to maintain records. The bill provides that DALs may  
14 take disciplinary action by suspending or revoking the person's  
15 license. It provides that any continuing education program  
16 voluntarily completed by a person operating a commercial  
17 establishment prior to a disciplinary action is not considered  
18 part of such action. The bill provides for the sterilization  
19 of dogs or cats that are in the custody of an animal sanctuary.  
20 Greyhound dogs used in pari-mutuel wagering are exempted from  
21 regulation. Finally, the bill provides that the attorney  
22 general or a county attorney may bring a criminal action in  
23 order to enforce the provisions of the Code chapter and allows  
24 a court to provide injunctive relief.