

**House File 2376 - Introduced**

HOUSE FILE 2376  
BY BAXTER

**A BILL FOR**

1 An Act providing for the regulation of commercial  
2 establishments maintaining certain animals, providing fees,  
3 and making penalties applicable.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1       Section 1. Section 162.1, subsection 2, Code 2020, is  
2 amended to read as follows:

3       2. This Except as otherwise expressly provided, this  
4 chapter does not apply to ~~livestock as defined in section~~  
5 ~~717.1 or any other agricultural animal used in agricultural~~  
6 ~~production as provided in chapter 717A~~ a custodial animal.

7       Sec. 2. Section 162.2, Code 2020, is amended by adding the  
8 following new subsections:

9       NEW SUBSECTION. 2A. "*Animal rescue*" means a person acting  
10 to ensure the welfare, protection, and humane treatment of dogs  
11 and cats, by doing all of the following:

12       a. Acting in association with an animal shelter as approved  
13 by the department, or as otherwise provided by the department.

14       b. Accepting, purchasing, exchanging, or soliciting dogs or  
15 cats in a manner that provides the dogs or cats with any of the  
16 following:

17       (1) Permanent adoptive homes.

18       (2) Lifelong care.

19       NEW SUBSECTION. 2B. "*Animal sanctuary*" means a person  
20 acting to ensure the welfare, protection, and humane treatment  
21 of dogs or cats, by doing all of the following:

22       a. Acting in association with an animal shelter as approved  
23 by the department, or as otherwise provided by the department.

24       b. Accepting, purchasing, exchanging, or soliciting dogs or  
25 cats in a manner that provides the dogs or cats with lifelong  
26 care.

27       NEW SUBSECTION. 10A. "*Custodial animal*" means livestock as  
28 defined in section 717.1 or an agricultural animal as defined  
29 in section 717A.1.

30       NEW SUBSECTION. 24A. "*Sale*" means any transaction in any  
31 manner or by any means whatsoever, for compensation in return  
32 for an animal, regardless of language used to describe the  
33 transaction, including but not limited to sale, adoption,  
34 charge, donation or suggested donation, transfer, barter, fee,  
35 exchange, or contribution.

1 Sec. 3. Section 162.2, subsection 23, Code 2020, is amended  
2 to read as follows:

3 23. "Registrant" means a ~~pound~~ an animal rescue, animal  
4 sanctuary, animal shelter, pound, or research facility to whom  
5 a certificate of registration is issued by the department  
6 pursuant to **section 162.2A.**

7 Sec. 4. Section 162.2A, subsection 1, paragraph a, Code  
8 2020, is amended to read as follows:

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

12 Sec. 5. **NEW SECTION. 162.4B Operation of an animal rescue.**

13 An animal rescue shall only operate pursuant to a  
14 certificate of registration issued or renewed by the department  
15 as provided in section 162.2A. An animal rescue may sell dogs  
16 or cats if sales are allowed by the department. The animal  
17 rescue facility shall maintain records as required by the  
18 department in order for the department to ensure the animal  
19 rescue's compliance with the provisions of this chapter.

20 Sec. 6. **NEW SECTION. 162.4C Operation of an animal**  
**sanctuary.**

22 An animal sanctuary shall only operate pursuant to a  
23 certificate of registration issued or renewed by the department  
24 as provided in section 162.2A. An animal sanctuary shall not  
25 sell more than five dogs or cats in any one year and only if  
26 such sales are allowed by the department. The animal sanctuary  
27 facility shall maintain records as required by the department  
28 in order for the department to ensure the animal sanctuary's  
29 compliance with the provisions of this chapter.

30 Sec. 7. **NEW SECTION. 162.10E Sales by registrants.**

31 1. A registrant, other than a research facility, is deemed  
32 to be a retailer pursuant to chapter 423 and shall obtain a  
33 permit pursuant to section 423.36 to collect and remit the  
34 sales and use tax pursuant to chapter 423 on transactions  
35 involving the sale of animals, as provided by rules adopted by

1 the department of revenue pursuant to chapter 17A.

2       2. A registrant, other than a research facility, shall  
3 not sell an animal unless the transaction is made effective  
4 by a written contract. The execution of the contract shall  
5 transfer all rights to the transferee without reservation or  
6 qualification imposed by the registrant. However, the parties  
7 may agree to allow the transferee to return the animal to the  
8 registrant upon such terms and conditions as agreed to by the  
9 parties. The agreement for the return of the animal shall be  
10 effectuated by a separate written contract after the registrant  
11 has orally explained the terms and conditions of the contract's  
12 provisions to the transferee.

13      Sec. 8. NEW SECTION. 162.10F Restrictions on the operations  
14 of registrants.

15       1. A registrant, other than a research facility, shall not  
16 acquire a custodial animal as part of a sale.

17       2. A registrant acquiring a custodial animal other than  
18 by sale shall transfer the custodial animal to any of the  
19 following:

20       a. A permanent home.

21       b. An animal shelter for placement in a permanent home.

22       3. A registrant shall not transfer a custodial animal  
23 until making every effort to return the custodial animal to  
24 its owner. Prior to placing a custodial animal in a permanent  
25 home, the registrant shall hold the custodial animal for  
26 not less than ten days. The registrant shall allow any  
27 person claiming ownership in the custodial animal to view  
28 the custodial animal. The registrant shall attempt to read  
29 digital information stored in any microchip implanted under  
30 the custodial animal's skin. Upon demonstrating proof of  
31 ownership, the registrant shall return the custodial animal  
32 to a claimant. The registrant may charge a reasonable fee  
33 for maintaining the custodial animal. The registrant shall  
34 furnish the owner with an accounting of all expenses incurred  
35 in providing the maintenance.

1 Sec. 9. NEW SECTION. 162.10G Quarantine.

2 A commercial establishment that is transferred an animal  
3 from another state shall place that animal in quarantine for  
4 ten days after receipt. The department may adopt by rule any  
5 exceptions that the department determines reasonable.

## **EXPLANATION**

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

9 GENERAL. This bill provides for the regulation of  
10 commercial establishments maintaining animals, other than  
11 livestock or other agricultural animals, by the department  
12 of agriculture and land stewardship (DALS). A commercial  
13 establishment includes an animal shelter, boarding kennel,  
14 commercial breeder, commercial kennel, dealer, pet shop, pound,  
15 public auction, or research facility.

16 REGISTRANTS. The bill requires certain persons to obtain  
17 a certificate of registration, including persons who provide  
18 rescue and sanctuary services. Currently, a registrant  
19 includes an animal shelter, pound, and research facility.  
20 A registrant is required to pay an annual fee to DALS for  
21 deposit in the commercial establishment fund and is subject to  
22 inspection.

23 The bill places a number of restrictions on the operations of  
24 a registrant, other than a research facility. The registrant  
25 is required to collect and remit sales and use taxes on  
26 transactions involving the sale of animals. A registrant must  
27 provide for the sale, including adoption, of an animal, by  
28 written contract. Generally, once the contract is executed,  
29 the registrant transfers all legal rights in the animal to the  
30 transferee.

31 The bill restricts a registrant from acquiring by sale  
32 livestock or any other agricultural animal (referred to as a  
33 custodial animal). If a registrant acquires a custodial animal  
34 other than by sale, the registrant must make efforts to find  
35 the owner of the custodial animal.

1 QUARANTINE. The bill also provides that a commercial  
2 establishment must quarantine an animal that it receives from  
3 out of state.

4 CIVIL AND CRIMINAL PENALTIES. A commercial establishment  
5 that operates pursuant to an authorization, such as a  
6 registration, is subject to a civil penalty of up to \$500 for  
7 violations of Code chapter 162. A commercial establishment  
8 that does not operate pursuant to an authorization is subject  
9 to a civil penalty of not more than \$1,000. A person who  
10 operates without an authorization is also guilty of a simple  
11 misdemeanor. A simple misdemeanor is punishable by confinement  
12 for no more than 30 days or a fine of at least \$65 but not more  
13 than \$625 or by both.