

House File 567 - Introduced

HOUSE FILE 567

BY JACOBY

A BILL FOR

1 An Act relating to the slaughter and processing of livestock
2 produced on a farm and the preparation and offer for sale
3 or sale of meat derived from the livestock, including by
4 providing for exemptions from certain regulations, and
5 providing penalties.

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

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DIVISION I

FARM HOMEMADE FOOD

Section 1. NEW SECTION. 137G.1 Definitions.

As used in this chapter, unless the context otherwise requires:

1. "Consumer" means a person who is the final purchaser of food.

2. "Farm" means a location that operates to generate income from the production of commodities, if the income is reported on a schedule F as part of a form 1040 or form 1041 tax return filed with the United States internal revenue service.

3. "Food" means the same as defined in section 137F.1.

4. "Livestock" means an animal belonging to the bovine, caprine, ovine, or porcine species; ostriches, rheas, or emus; and farm deer as defined in section 170.1.

5. "Producer" means a person engaged in the business of keeping and providing for the care and feeding of livestock on a farm owned or leased by the person.

6. "Sale" means any transfer, exchange, or barter, conditional or otherwise, in any manner or by any means whatsoever, for consideration, including but not limited to any such transfer, exchange, or barter on a subscription basis.

Sec. 2. NEW SECTION. 137G.2 Administration.

This chapter shall be administered by the department of inspections and appeals. The department of inspections and appeals in cooperation with the department of agriculture and land stewardship shall adopt rules necessary to administer this chapter.

Sec. 3. NEW SECTION. 137G.3 Intrastate commerce.

This chapter applies only to livestock produced on a farm owned or leased by a producer in this state, if the livestock is slaughtered and processed on the farm, the meat derived from the slaughter and processed livestock is prepared and offered for sale or sold on the farm, and the meat is consumed in this state.

1 Sec. 4. NEW SECTION. 137G.4 Exemption from regulation.

2 1. A producer who slaughters and processes livestock
3 produced on a farm owned or leased by that producer and where
4 the meat derived from the livestock is prepared and offered for
5 sale or sold under this chapter is exempt from regulation by
6 a state agency or local government exercising authority under
7 chapter 137F, 189, or 189A.

8 2. *a.* The exemption described in subsection 1 shall
9 only apply to an offer for sale or sale of meat pursuant to a
10 commodity share agreement as provided in section 137G.5.

11 *b.* The exemption described in subsection 1 applies to any
12 requirement relating to licensure, certification, permitting,
13 testing, inspection, packaging, and labeling of food otherwise
14 required by those chapters.

15 3. This chapter does not apply to any of the following:

16 *a.* A state agency or local government when exercising powers
17 or performing duties as provided by law other than those powers
18 or duties expressly exempted from regulation as provided in
19 subsection 1.

20 *b.* A producer during the period that the producer is not
21 acting according to requirements necessary to comply with the
22 exemption under this chapter.

23 4. This chapter does not preclude the department of
24 inspections and appeals or the department of agriculture and
25 land stewardship from providing a producer with assistance
26 necessary to comply with the requirements of this chapter.
27 A department may consult with a producer or provide for an
28 unenforceable inspection of the producer's farm where meat
29 is prepared or offered for sale or sold. This chapter does
30 not preclude a state agency from providing a consumer with
31 unbiased information regarding compliance with this chapter by
32 a producer.

33 5. This chapter does not restrict a person from offering to
34 sell food or selling food in conformance with another provision
35 of law, including but not limited to an exemption granted to

1 the person under another provision of law.

2 Sec. 5. NEW SECTION. 137G.5 Sale of meat by producers —
3 commodity share agreement.

4 1. A producer shall not offer for sale or sell meat
5 derived from livestock produced on a farm owned or leased by a
6 producer, unless the producer complies with the requirements
7 of 21 U.S.C. §623.

8 2. In complying with subsection 1, the producer must
9 enter into a commodity share agreement with a consumer.
10 The agreement shall include all of the following terms and
11 conditions:

12 a. The consumer owns the livestock to be slaughtered and
13 processed for meat. The form of ownership may be any of the
14 following:

15 (1) An undivided or divided interest in the livestock.

16 (2) A share in a herd of livestock. In that case,
17 the agreement shall specify the process of selecting the
18 consumer-owned livestock to be slaughtered.

19 b. The commodity share agreement shall be entered into by
20 the producer and consumer prior to the slaughter and processing
21 of the livestock owned by the consumer.

22 c. The consumer is provided a bill of sale for the
23 consumer-owned livestock.

24 d. The producer provides for the consumer-owned livestock
25 care and feeding under a boarding arrangement.

26 e. The producer provides for the slaughter and processing
27 of the livestock and for preparing the meat derived from the
28 livestock.

29 f. The producer delivers meat derived from the slaughtered
30 and processed livestock to the consumer at the producer's farm
31 where the livestock was produced.

32 g. The consumer does not transfer meat derived from the
33 slaughtered and processed livestock to a person other than to a
34 family member or nonpaying guest of the consumer.

35 3. A term or condition described in subsection 2 is not

1 waivable and a contract in violation of that subsection is void
2 and unenforceable in any action brought under this chapter
3 seeking a legal remedy.

4 4. The agreement must have the following notice in at least
5 ten point bold type which shall state:

6 NOTICE TO CONSUMERS

7 Under Iowa Code chapter 137G, this agreement includes the
8 terms and conditions of a sale in which you consent to the
9 purchase of meat derived from livestock that has been produced,
10 slaughtered, and processed on this farm. The meat is not
11 subject to federal or state inspection or other public health
12 regulations that require the sale of wholesome food.

13 Sec. 6. NEW SECTION. 137G.6 Civil penalties.

14 A person who violates a provision of this chapter is subject
15 to a civil penalty of not less than five hundred dollars
16 and not more than two thousand five hundred dollars. The
17 department shall impose, assess, and collect the civil penalty.
18 Each day that a continuing violation occurs may be considered a
19 separate offense. The civil penalties shall be deposited in
20 the general fund of the state.

21 DIVISION II

22 RELATED CHANGES

23 Sec. 7. NEW SECTION. 137F.20 Exception.

24 This chapter does not apply to the slaughter or processing
25 of livestock, or the processing, manufacturing, packaging,
26 labeling, or storing of meat derived from livestock, to the
27 extent allowed under chapter 137G.

28 Sec. 8. NEW SECTION. 189.32 Exception.

29 This chapter does not apply to the slaughter or processing
30 of livestock, or the processing, manufacturing, packaging,
31 labeling, or storing of meat derived from livestock, to the
32 extent allowed under chapter 137G.

33 Sec. 9. NEW SECTION. 189A.23 Exception.

34 This chapter does not apply to the slaughter or processing
35 of livestock, or the processing, manufacturing, packaging,

1 labeling, or storing of meat derived from livestock, to the
2 extent allowed under chapter 137G.

3 EXPLANATION

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

6 GENERAL. This bill provides that a person who produces
7 livestock on a farm owned or leased by the person (producer) is
8 exempt from regulation by a state agency or local government
9 exercising authority over the slaughter and processing of
10 livestock produced on the farm and the preparation and offer
11 for sale or sale of meat derived from the livestock, if the
12 preparation, offer for sale, and sale occurred on the farm.
13 The regulations from which a provider is exempted provide
14 requirements for licensure, certification, permitting, testing,
15 inspection, packaging, and labeling. These include Code
16 chapters administered by the department of inspections and
17 appeals regulating food establishments and food processing
18 plants (Code chapter 137F). It also includes Code chapters
19 administered by the department of agriculture and land
20 stewardship, including general provisions (Code chapter 189),
21 and the inspection of slaughter and processing facilities (Code
22 chapter 189A). The department of inspections and appeals
23 acting in cooperation with the department of agriculture and
24 land stewardship is responsible for administering the bill's
25 provisions. The bill does not apply to transactions involving
26 interstate commerce.

27 In order to offer for sale or sell meat derived from
28 slaughtered and processed livestock under the bill, the
29 livestock must be subject to a commodity share agreement
30 entered into between the producer and a consumer. Such an
31 agreement recognizes the consumer's ownership interest in the
32 livestock or a herd, and the duty of the producer to care for,
33 slaughter, and process the livestock and prepare meat derived
34 from the livestock for on-farm delivery to the consumer-owner.

35 A person who violates a provision of the bill authorizing a

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1 producer to slaughter and process livestock, and prepare meat
2 derived from the livestock for sale to consumers, is subject to
3 a civil penalty of not less than \$500 and not more than \$2,500.