

House File 857 - Introduced

HOUSE FILE 857

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 787)

(SUCCESSOR TO HF 670)

A BILL FOR

1 An Act establishing a butchery innovation and revitalization
2 fund and program to be administered by the economic
3 development authority, in consultation with the department
4 of agriculture and land stewardship, and creating a
5 task force to explore the feasibility of establishing an
6 artisanal butchery program at a community college or at an
7 institution governed by the state board of regents.

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

1 Section 1. NEW SECTION. 15E.370 Butchery innovation and
2 revitalization fund and program.

3 1. As used in this section unless the context otherwise
4 requires:

5 a. "*Department*" means the department of agriculture and land
6 stewardship.

7 b. "*Financial assistance*" means assistance provided only
8 from the funds and assets legally available to the authority
9 pursuant to this section and includes assistance in the form of
10 grants, low-interest loans, and forgivable loans.

11 c. "*Fund*" means the butchery innovation and revitalization
12 fund.

13 d. "*Located in*" means the place or places at which
14 a business's operations are located and where at least
15 ninety-eight percent of the business's employees work, or where
16 employees that are paid at least ninety-eight percent of the
17 business's payroll work.

18 e. "*Program*" means the butchery innovation and
19 revitalization program.

20 2. a. The fund is created in the state treasury under
21 the control of the authority and consists of any moneys
22 appropriated to the fund by the general assembly and any other
23 moneys available and obtained or accepted by the authority
24 for placement in the fund. The fund shall be used to award
25 financial assistance as provided under the program. The
26 authority shall use any moneys specifically appropriated for
27 purposes of this section only for the purposes of the program.

28 b. Notwithstanding section 8.33, moneys in the fund
29 that remain unencumbered or unobligated at the close of the
30 fiscal year shall not revert but shall remain available for
31 expenditure for the purposes designated until the close of the
32 succeeding fiscal year.

33 3. The authority, in consultation with the department,
34 shall establish and administer the program for the purpose of
35 awarding financial assistance to eligible businesses for the

1 following projects:

2 *a.* To expand or refurbish an existing, or to establish a
3 new, state-inspected small-scale meat processing business.

4 *b.* To expand or refurbish an existing, or to establish a
5 new, federally inspected small-scale meat processing business.

6 *c.* To expand or refurbish an existing, or to establish a
7 new, licensed custom locker.

8 *d.* To expand or refurbish an existing, or to establish a
9 new, mobile slaughter unit that operates in compliance with
10 the most current mobile slaughter unit compliance guide issued
11 by the United States department of agriculture food safety and
12 inspection service.

13 *e.* To rent buildings, refrigeration facilities, freezer
14 facilities, or equipment necessary to expand processing
15 capacity, including mobile slaughter or refrigeration units
16 used exclusively for meat or poultry processing.

17 4. The authority, in consultation with the department,
18 shall establish eligibility criteria for the program by rule.
19 The eligibility criteria must include all of the following:

20 *a.* The business must be located in this state.

21 *b.* The business must not have been subject to any regulatory
22 enforcement action related to federal, state, or local
23 environmental, worker safety, food processing, or food safety
24 laws, rules, or regulations within the last five years.

25 *c.* The business must only employ individuals legally
26 authorized to work in the state.

27 *d.* The business must not currently be in bankruptcy.

28 *e.* The business must employ less than fifty individuals.

29 5. A business seeking financial assistance under this
30 section shall make application to the authority in the manner
31 prescribed by the authority by rule.

32 6. Applications shall be accepted during one or more
33 annual application periods to be determined by the authority
34 by rule. Upon reviewing and scoring all applications that are
35 received during an application period, and subject to funding,

1 the authority may, in consultation with the department, award
2 financial assistance to eligible businesses. A financial
3 assistance award shall not exceed the amount of eligible
4 project costs included in the eligible business's application.
5 Priority shall be given to eligible businesses whose proposed
6 project under subsection 3 will do any of the following:

7 a. Create new jobs.

8 b. Create or expand opportunities for local small-scale
9 farmers to market processed meat under private labels.

10 c. Provide greater flexibility or convenience for local
11 small-scale farmers to have animals processed.

12 7. A business that is awarded financial assistance under
13 this section may apply for financial assistance under other
14 programs administered by the authority.

15 8. The authority shall, in consultation with the
16 department, adopt rules pursuant to chapter 17A to administer
17 this section.

18 Sec. 2. TASK FORCE — ARTISANAL BUTCHERY PROGRAM.

19 1. The artisanal butchery program task force is created
20 within the department of agriculture and land stewardship for
21 the purpose of exploring the feasibility of establishing an
22 artisanal butchery program at a community college or at an
23 institution governed by the state board of regents.

24 2. Members of the task force shall be appointed by the
25 secretary of agriculture and must include one representative
26 of the department of agriculture and land stewardship and at
27 least one representative of each of the following groups or
28 organizations:

29 a. The Iowa association of community college trustees.

30 b. The Iowa culinary institute.

31 c. The economic development authority.

32 d. Meat science staff at the extension service at Iowa state
33 university of science and technology.

34 e. The Iowa meat processors association.

35 f. A swine producer selected by the Iowa pork producers

1 association.

2 g. A cattle producer selected by the Iowa cattlemen's
3 association.

4 h. Owners or operators of licensed custom lockers located
5 in the state.

6 i. Owners or operators of state-inspected small-scale meat
7 processing facilities located in the state.

8 j. Owners or operators of federally inspected small-scale
9 meat processing facilities located in the state.

10 k. The Iowa conservation alliance.

11 3. The department of agriculture and land stewardship shall
12 provide the task force with staff and administrative support.

13 4. The task force shall consider staffing and equipment
14 requirements, potential enrollment numbers, overall employment
15 outlook for graduates, apprenticeship and internship
16 opportunities, program costs, curriculum, and regulatory and
17 legal requirements.

18 5. The task force shall submit a report by December 31,
19 2021, to the general assembly that includes the task force's
20 findings and recommendations.

21 EXPLANATION

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

24 This bill establishes a butchery innovation and
25 revitalization fund (fund) and a butchery innovation and
26 revitalization program (program) to be administered by the
27 economic development authority (authority), in consultation
28 with the department of agriculture and land stewardship
29 (department), and creates a task force to explore the
30 feasibility of establishing an artisanal butchery program at a
31 community college or at an institution governed by the state
32 board of regents.

33 The bill creates the fund in the state treasury under
34 the control of the authority, which consists of any moneys
35 appropriated to the fund by the general assembly and any

1 other moneys available to the authority for placement in the
2 fund. The fund must be used to provide financial assistance
3 (assistance) as provided under the program. "Assistance"
4 is defined to include assistance in the form of grants,
5 low-interest loans, and forgivable loans.

6 The authority must use any moneys specifically appropriated
7 for purposes of the program only for the purposes of the
8 program. The appropriated moneys that remain unencumbered or
9 unobligated at the close of the fiscal year do not revert but
10 remain available for expenditure for the program until the
11 close of the succeeding fiscal year.

12 The authority, in consultation with the department, must
13 establish and administer the program for the purpose of
14 awarding assistance to eligible businesses for projects
15 that expand or refurbish, or that establish a new, state or
16 federally inspected small-scale meat processing business,
17 licensed custom locker, or mobile slaughter unit. An eligible
18 business's project may also include renting buildings,
19 refrigeration facilities, freezer facilities, mobile slaughter
20 or refrigeration units, or equipment that is necessary to
21 expand the business's processing capacity. A mobile slaughter
22 unit must operate in compliance with the most current mobile
23 slaughter unit compliance guide issued by the United States
24 department of agriculture food safety and inspection service.

25 The authority, in consultation with the department, must
26 establish eligibility criteria for the program by rule, and
27 the criteria must include the requirements detailed in the
28 bill. A business seeking assistance under the program must
29 make application to the authority in the manner prescribed
30 by the authority by rule. Applications must be accepted
31 during one or more annual application periods determined
32 by the authority by rule. After reviewing and scoring all
33 applications received during an application period, and subject
34 to funding, the authority, in consultation with the department,
35 may award assistance to eligible businesses. A financial

1 assistance award cannot exceed the amount of eligible project
2 costs included in an eligible business's application. The
3 bill requires that priority be given to eligible businesses
4 whose proposed project will create new jobs; create or expand
5 opportunities for local small-scale farmers to market processed
6 meat under private labels; or provide greater flexibility or
7 convenience for local small-scale farmers to have animals
8 processed.

9 A business that is awarded assistance under the program may
10 apply for assistance under other programs administered by the
11 authority.

12 The authority, in consultation with the department, is
13 required to adopt rules to administer the fund and program.

14 The artisanal butchery program task force is created within
15 the department for the purpose of exploring the feasibility
16 of establishing an artisanal butchery program at a community
17 college or at an institution governed by the state board of
18 regents. Members of the task force are appointed by the
19 secretary of agriculture and must include representatives of
20 various groups and organizations as detailed in the bill.
21 The department must provide the task force with staff and
22 administrative support. The task force must consider staffing
23 and equipment requirements, potential enrollment numbers,
24 overall employment outlook for graduates, apprenticeship and
25 internship opportunities, program costs, curriculum, and
26 regulatory and legal requirements.

27 The bill requires the task force to submit a report by
28 December 31, 2021, to the general assembly that includes the
29 task force's findings and recommendations.