

House File 2767 - Introduced

HOUSE FILE 2767

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 2444)

A BILL FOR

1 An Act providing for the sale and distribution of certain
2 food, limiting civil liability, providing for fees,
3 making penalties applicable, and including effective date
4 provisions.

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

DIVISION I

FARM-TO-TABLE EVENT

Section 1. Section 137F.1, subsection 6, Code 2026, is amended to read as follows:

6. *Event* means a any of the following:

a. A significant occurrence or happening sponsored by a civic, business, governmental, community, or veterans organization and may include an athletic contest.

b. An occurrence or happening associated with a farm-to-table event.

Sec. 2. Section 137F.1, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION. 6A. *Farm-to-table event* means a temporary food establishment in which an event is located on real estate classified as agricultural property for property tax purposes, if all of the following apply:

a. The person conducting the event holds a legal interest in the agricultural property.

b. The event includes a meal prepared on the Iowa farm or off site and transported to the farm by a food establishment operating as a caterer.

c. (1) The event is conducted outdoors or within a structure located on the Iowa farm.

(2) If the event is conducted in a structure, all of the following apply:

(a) The structure is not being actively used to maintain a farm animal as defined in section 673A.3.

(b) The structure is maintained in a clean condition.

d. At least fifty percent of the entire farm-to-table meal, including entrees, drinks, side dishes, and desserts, is derived from an agricultural product produced by persons participating in the choose Iowa promotional program as provided in chapter 187.

DIVISION II

COTTAGE FOOD

1 Sec. 3. NEW SECTION. 137F.21 Cottage food — sale at a food
2 establishment — requirements.

3 1. A food establishment shall not offer for sale or sell a
4 cottage food unless all of the following apply:

5 a. The cottage food producer or an employee of the cottage
6 food producer delivers or distributes the cottage food directly
7 to the consumer.

8 b. The food establishment does not intermingle the cottage
9 food with food that is not cottage food.

10 c. The food establishment does not store the cottage
11 food with other food on the same shelf or as part of the same
12 display.

13 d. The cottage food is packaged.

14 e. The cottage food is affixed or labeled with the
15 information required under section 137F.20.

16 f. The food establishment posts a conspicuous notice at the
17 location where the cottage food is offered for sale or sold.
18 The notice must state the following:

19 "COTTAGE FOOD

20 This product was produced at a residential property that is
21 exempt from state licensing and inspection. See the available
22 information provided on the packaged label."

23 2. Notwithstanding subsection 1, a temporary food
24 establishment may provide a cottage food that is produced on
25 the farm to consumers during a farm-to-table event.

26 DIVISION III

27 DISTRIBUTION OF RAW MILK AND ASSOCIATED PRODUCTS

28 Sec. 4. Section 137D.2A, Code 2026, is amended to read as
29 follows:

30 **137D.2A Raw milk — associated products.**

31 1. A home food processing establishment shall not
32 market, advertise for sale, offer for sale, sell or otherwise
33 distribute, or use raw milk, or a manufactured raw milk product
34 or raw milk dairy product, as provided in [chapter 195](#).

35 2. Notwithstanding subsection 1, a home food processing

1 establishment may market, advertise for sale, offer for sale,
2 or sell or otherwise distribute raw milk, or a manufactured
3 raw milk product or a raw milk dairy product, if all of the
4 following apply:

5 a. The home food processing establishment is operating under
6 a license issued pursuant to section 137D.2.

7 b. The home food processing establishment is located on
8 the premises of a raw milk dairy farm where the raw milk is
9 produced, processed, marketed, or distributed as described in
10 chapter 195; or the raw milk is manufactured, marketed, or
11 distributed as a raw milk product or raw milk dairy product as
12 described in chapter 195.

13 c. The raw milk producer operating the raw milk dairy farm
14 acts in compliance with the requirements in chapter 195.

15 d. The raw milk, or the raw milk product or raw milk dairy
16 product, meets the requirements of chapter 195, including
17 requirements for distribution as provided in section 195.8.

18 Sec. 5. Section 137F.8B, Code 2026, is amended to read as
19 follows:

20 **137F.8B Raw milk — associated products.**

21 1. A food establishment or farmers market shall not
22 market, advertise for sale, offer for sale, sell or otherwise
23 distribute, or use raw milk, or a manufactured raw milk product
24 or a raw milk dairy product, regardless of whether the food
25 establishment or farmers market is regulated by the department
26 under [this chapter](#) or another chapter, another state agency,
27 or a municipality.

28 2. Notwithstanding subsection 1, a food establishment
29 that sells or otherwise distributes food for off-premises
30 consumption may market, advertise for sale, offer for sale,
31 or sell or otherwise distribute raw milk, or a manufactured
32 raw milk product or a raw milk dairy product, if all of the
33 following apply:

34 a. The food establishment is operating under a license
35 issued pursuant to section 137F.4.

1 b. The food establishment is located on the premises of a
2 raw milk dairy farm where the raw milk is produced, processed,
3 marketed, or distributed as described in chapter 195; or the
4 raw milk is manufactured, marketed, or distributed as a raw
5 milk product or raw milk dairy product as described in chapter
6 195.

7 c. The raw milk producer operating the raw milk dairy farm
8 acts in compliance with the requirements in chapter 195.

9 d. The raw milk, or the raw milk product or raw milk dairy
10 product, meets the requirements of chapter 195, including
11 requirements for distribution as provided in section 195.8.

12 Sec. 6. Section 195.1, Code 2026, is amended by adding the
13 following new subsection:

14 NEW SUBSECTION. 3A. "*Inherent risk*" means any of the
15 following:

16 a. The potential presence of a naturally occurring harmful
17 bacterium or other pathogen that, if present in raw milk,
18 could, when consumed by an individual, directly cause the
19 individual to suffer injury, illness, or death, notwithstanding
20 that the raw milk was produced, processed, kept for storage,
21 marketed, or distributed in compliance with this chapter.

22 b. The potential presence of a naturally occurring harmful
23 bacterium or other pathogen that, if present in a raw milk
24 product or raw milk dairy product, could, when consumed by an
25 individual, directly cause the individual to suffer injury,
26 illness, or death, notwithstanding that the raw milk product
27 or raw milk dairy product was manufactured, kept for storage,
28 marketed, or distributed in compliance with this chapter.

29 Sec. 7. Section 195.6, subsection 3, Code 2026, is amended
30 to read as follows:

31 3. a. Each twelve-month period, a licensed veterinarian
32 must examine each dairy animal maintained at the raw milk
33 producer's raw milk dairy to determine the dairy animal's
34 health status. The examination must at least include a blood
35 test for common diseases afflicting the type of dairy animal

1 being examined.

2 b. An examination of a dairy animal conducted by a licensed
3 veterinarian under paragraph "a" shall not be construed to apply
4 to the quality or safety of any raw milk product, or raw milk
5 dairy product, manufactured at the raw milk dairy.

6 Sec. 8. Section 195.8, subsection 1, paragraph c, Code 2026,
7 is amended to read as follows:

8 c. (1) The Except as provided in subparagraph (2), the raw
9 milk producer shall distribute the raw milk directly to the
10 individual at the raw milk dairy or to a location specified by
11 the individual. However, a

12 (2) A person shall not deliver the raw milk to a place
13 of business where food or food items are distributed on
14 a retail basis, including but not limited to a home food
15 processing establishment regulated under chapter 137D or a
16 food establishment or farmers market regulated under chapter
17 137F. However, this subparagraph does not prevent any of the
18 following:

19 (a) A producer from distributing raw milk at a home food
20 processing establishment located on the premises of the
21 producer's raw milk dairy as provided in section 137D.2A.

22 (b) A producer from distributing raw milk at a food
23 establishment located on the premises of the producer's raw
24 milk dairy as provided in section 137F.8B.

25 (3) The raw milk shall only be used for consumption by the
26 individual, members of the individual's household, and the
27 individual's nonpaying guests or nonpaying employees.

28 Sec. 9. Section 195.8, subsection 2, paragraph c, Code 2026,
29 is amended to read as follows:

30 c. (1) The Except as provided in subparagraph (2), the raw
31 milk producer shall distribute the raw milk product or raw milk
32 dairy product directly to the individual at the raw milk dairy
33 or to a location specified by the individual. However, a

34 (2) A person shall not deliver the raw milk product, or
35 raw milk dairy product, to a place of business where food or

1 a food item is distributed on a retail basis, including but
2 not limited to a home food processing establishment regulated
3 under chapter 137D or a food establishment or farmers market
4 regulated under chapter 137F. However, this subparagraph does
5 not prevent any of the following:

6 (a) A producer from distributing a raw milk product, or a
7 raw milk dairy product, at a home food processing establishment
8 located on the premises of the producer's raw milk dairy as
9 provided in section 137D.2A.

10 (b) A producer from distributing a raw milk product, or
11 a raw milk dairy product, at a food establishment located on
12 the premises of the producer's raw milk dairy as provided in
13 section 137F.8B.

14 (3) The raw milk product or raw milk dairy product shall
15 only be used for consumption by the individual, members of the
16 individual's household, or the individual's nonpaying guests
17 or nonpaying employees.

18 Sec. 10. Section 195.9, Code 2026, is amended to read as
19 follows:

20 **195.9 Labeling containers holding raw milk or associated**
21 **products.**

22 1. A raw milk producer who distributes raw milk, or a
23 manufactured raw milk product or raw milk dairy product, shall
24 label the container holding the raw milk, or the manufactured
25 raw milk product or raw milk dairy product. The label shall
26 be permanently affixed to the container. The words on the
27 label shall be printed using upper case letters in at least
28 twelve point boldface type. If the container includes a main
29 informational or advertising panel, the label shall be included
30 as part of the panel.

31 2. ~~a.~~ For a container holding raw milk, or a raw milk
32 product or raw dairy product, the label shall state the
33 following:

34 ~~Notice to Consumers~~ Warning

35 This container holds raw milk, or an associated product,

1 including a raw milk product or a raw milk dairy product, that
2 is not subject to state inspection or other public health
3 regulations that require pasteurization and grading. The raw
4 milk or associated product may contain a harmful bacterium
5 or other pathogen. Under Iowa Code section 195.9A, you are
6 assuming liability for any inherent risk associated with
7 consuming the raw milk or associated product.

8 ~~b. For a container holding a raw milk product or raw milk~~
9 ~~dairy product, the label shall state the following:~~

10 ~~Notice to Consumers~~

11 ~~This container holds a raw milk product or raw milk dairy~~
12 ~~product that is not subject to state inspection or other public~~
13 ~~health regulations that require pasteurization and grading.~~

14 3. A raw milk producer who distributes raw milk, or a raw
15 milk producer who manufactures a raw milk product or raw milk
16 dairy product, shall post a notice described in subsection 2
17 on the premises of the milk producer's raw milk dairy. The
18 raw milk producer shall post the notice at each point of
19 distribution, including but not limited to any food processing
20 establishment or food establishment located on the premises
21 of the raw milk dairy as provided in this chapter and section
22 137D.2A or 137F.8B.

23 Sec. 11. NEW SECTION. 195.9A Civil liability.

24 1. a. Except as provided in paragraph "b", a person who
25 produces, processes, keeps for storage, markets, or distributes
26 raw milk originating at a raw milk producer's raw milk dairy
27 is not liable for an injury, illness, or death suffered by
28 an individual that was directly caused by the individual
29 consuming the raw milk and thereby assuming the inherent risk
30 of consuming raw milk.

31 b. Paragraph "a" does not apply if any of the following
32 apply:

33 (1) The raw milk was not produced, processed, kept for
34 storage, marketed, or distributed in compliance with this
35 chapter.

1 (2) A person described in paragraph "a" acted, or omitted
2 to act, in a manner that constituted gross negligence,
3 recklessness, willful or wanton misconduct, or intentional
4 wrongdoing.

5 2. a. Except as provided in paragraph "b", a person who
6 manufactures, keeps for storage, markets, or distributes a raw
7 milk product or a raw milk dairy product originating at the raw
8 milk producer's raw milk dairy is not liable for an injury,
9 illness, or death suffered by an individual that was directly
10 caused by the individual consuming the raw milk and thereby
11 assuming the inherent risk of consuming a raw milk product or
12 raw milk dairy product.

13 b. Paragraph "a" does not apply if any of the following
14 apply:

15 (1) The raw milk product or raw milk dairy product was not
16 manufactured, kept for storage, marketed, or distributed in
17 compliance with this chapter.

18 (2) A person described in paragraph "a" acted, or omitted
19 to act, in a manner that constituted gross negligence,
20 recklessness, willful or wanton misconduct, or intentional
21 wrongdoing.

22 DIVISION IV

23 RULEMAKING AND EFFECTIVE DATE

24 Sec. 12. EMERGENCY RULES. The department of inspections,
25 appeals, and licensing shall adopt emergency rules under
26 section 17A.4, subsection 3, and section 17A.5, subsection 2,
27 paragraph "b", to implement the provisions of this Act within
28 one hundred eighty days of the effective date of this Act and
29 shall submit such rules to the administrative rules coordinator
30 and the administrative code editor pursuant to section 17A.5,
31 subsection 1, within the same period. The rules shall be
32 effective immediately upon filing unless a later date is
33 specified in the rules. Any rules adopted in accordance with
34 this section shall also be published as a notice of intended
35 action as provided in section 17A.4.

1 safety food. A person who violates the Code chapter is subject
2 to a civil penalty of \$100 per violation (Code section 137D.3).
3 A home food processing establishment operating in violation of
4 the Code chapter may be enjoined from further operation (Code
5 section 137D.4).

6 TEMPORARY FOOD ESTABLISHMENTS AND EVENTS — BACKGROUND. A
7 temporary food establishment is defined as a food establishment
8 that operates for not more than 14 consecutive days in
9 conjunction with a single event (Code section 137F.1). "Event"
10 is defined as a significant occurrence or happening that is
11 (1) sponsored by a civic, business, governmental, community,
12 or veterans organization, or (2) an athletic contest (Code
13 section 137F.1). A person conducting an event must obtain a
14 license from the appropriate regulatory authority (Code section
15 137F.5). The license fee for a temporary food establishment
16 for a single event is \$50 (Code section 137F.6).

17 FARM-TO-TABLE EVENTS — BILL'S PROVISIONS. This bill
18 includes a farm-to-table event as a new form of event regulated
19 as a temporary food establishment (amended Code section
20 137F.1). A farm-to-table event must be located on real estate
21 classified as agricultural property for property tax purposes
22 (see 701 IAC 102). The person conducting the event must hold a
23 legal interest in the agricultural property. The event must
24 (1) include a meal prepared on the Iowa farm or off site and
25 transported to the farm by a food establishment operating as a
26 caterer, and (2) be conducted outdoors or within a structure
27 located on the Iowa farm. Finally, at least 50 percent of the
28 meal must be derived from an agricultural product produced by
29 persons participating in the choose Iowa promotional program as
30 provided in Code chapter 187.

31 COTTAGE FOODS — BACKGROUND. A cottage food is a food
32 produced at a private residence that is not a time/temperature
33 control for safety food (Code section 137F.1). A cottage
34 food is exempt from all licensing, permitting, inspection,
35 packaging, and labeling laws of the state if the food is sold

1 and delivered by the producer directly to the consumer or
2 delivered by mail or by an agent of the producer (Code section
3 137F.20). Cottage food sold in such manner must be affixed
4 or labeled with information to identify the name and contact
5 information of the person preparing the food, the common name
6 of the food, the ingredients, a disclaimer, and, if the food is
7 home-processed and home-canned pickles, vegetables, or fruits,
8 the date that the food was processed and canned.

9 COTTAGE FOODS — BILL'S PROVISIONS. The bill provides that
10 a food establishment such as a grocery store cannot offer
11 for sale or sell a cottage food unless certain conditions
12 are satisfied (new Code section 137F.22). The cottage food
13 producer or producer's employee must distribute the cottage
14 food directly to the consumer. The food establishment cannot
15 intermingle the cottage food with food that is not cottage
16 food. The food establishment cannot store the cottage food
17 with other food on the same shelf or as part of the same
18 display. The cottage food must be packaged and labeled.
19 Finally, the food establishment must post a conspicuous
20 notice at the location where the cottage food is offered
21 for sale or sold stating that the cottage food was produced
22 at a residential property exempt from state licensing and
23 inspection. The bill also provides that a farm-to-table event
24 may serve cottage food that is produced on the farm as part of
25 a farm-to-table event.

26 RAW MILK AND ASSOCIATED PRODUCTS — BACKGROUND. Under Code
27 chapter 195, a milk producer may elect to produce, process,
28 market, or distribute raw milk, or to use the raw milk to
29 manufacture, market, or distribute a raw milk product or raw
30 milk dairy product (raw milk or associated product) (Code
31 chapter 190). In order to make this election, the raw milk
32 producer must comply with a number of requirements relating to
33 the health of the dairy herd. A licensed veterinarian must,
34 each 12-month period, examine each dairy animal maintained at a
35 raw milk dairy to determine the dairy animal's health status

1 (Code section 195.6). Other requirements apply to labeling and
2 distribution (Code sections 195.8 and 195.9). A label must
3 be affixed to a container holding raw milk or an associated
4 product notifying consumers that its contents are not subject
5 to state inspection or other public health regulations that
6 require pasteurization and grading. Generally, raw milk or
7 its associated products must be distributed directly to an
8 individual customer at the raw milk dairy or to a location
9 specified by the customer. However, a person cannot deliver
10 the raw milk or associated product to a place of business where
11 food or food items are distributed on a retail basis, including
12 but not limited to a home food processing establishment, food
13 establishment, or farmers market.

14 RAW MILK AND ASSOCIATED PRODUCTS — BILL'S PROVISIONS — RAW
15 MILK DAIRY THAT IS A HOME FOOD PROCESSING ESTABLISHMENT OR FOOD
16 ESTABLISHMENT. The bill in part applies to a (1) home food
17 processing establishment, or (2) food establishment that sells
18 or otherwise distributes food for off-premises consumption.
19 Specifically, the bill provides that such an establishment may
20 market, advertise for sale, offer for sale, sell, or otherwise
21 distribute raw milk, or an associated product, on the premises
22 of the raw milk dairy where the raw milk was produced and
23 processed or the associated product was manufactured (amended
24 Code sections 137D.2A, 137F.8B, and 195.8).

25 RAW MILK AND ASSOCIATED PRODUCTS — BILL'S PROVISIONS —
26 VETERINARIAN'S EXAMINATION OF DAIRY ANIMALS — LIABILITY. The
27 bill provides that an examination of a dairy animal conducted
28 by a licensed veterinarian is not to be construed to apply to
29 the quality or safety of any raw milk product, or raw milk
30 dairy product, manufactured at the raw milk dairy (amended Code
31 section 195.6).

32 RAW MILK AND ASSOCIATED PRODUCTS — BILL'S PROVISIONS
33 — TERM "INHERENT RISK" — NOTICE AND LIABILITY. The bill
34 defines the term "inherent risk" as the potential presence of a
35 naturally occurring harmful bacterium or other pathogen that,

1 if present in raw milk, or an associated product, could, when
2 consumed by an individual, directly cause the individual to
3 suffer injury, illness, or death (amended Code section 195.1).
4 The bill revises the notice provision by adding that a consumer
5 assumes any inherent risk associated with consuming raw milk or
6 an associated product (amended Code section 195.9). The bill
7 applies to a person who produces, processes, keeps for storage,
8 markets, or distributes raw milk originating at a raw milk
9 producer's raw milk dairy and to a person who manufactures,
10 keeps for storage, markets, or distributes an associated
11 product originating at the raw milk dairy (new Code section
12 195.9A). In each case, the person is not civilly liable for an
13 injury, illness, or death suffered by an individual that was
14 directly caused by the individual consuming the raw milk or
15 associated product who thereby has assumed the inherent risk.
16 Several exceptions apply: (1) the raw milk or associated
17 product was not produced and processed, or manufactured, kept
18 for storage, marketed, or distributed in compliance with Code
19 chapter 195; or (2) the person acted, or omitted to act, in a
20 manner that constituted gross negligence, recklessness, willful
21 or wanton misconduct, or intentional wrongdoing.

22 EMERGENCY RULES. DIAL must adopt rules to implement the bill
23 on an emergency basis, which rules are to take effect within
24 180 days of the effective date of the bill.

25 EFFECTIVE DATE. The bill takes effect upon enactment.