

CHAPTER 1048**CONTRACT CARE AND FEEDING OF SWINE — PROCESSORS***S.F. 2349*

AN ACT prohibiting a processor from contracting for the care and feeding of swine in this state, making penalties applicable, and providing an effective date.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 9H.1, Code Supplement 1999, is amended by adding the following new subsection:

NEW SUBSECTION. 6A. “Contract for the care and feeding of swine” means an oral or written agreement executed between a person and the owner of swine, under which the person agrees to care for and feed the owner’s swine on the person’s premises. A contract for the care and feeding of swine does not include an agreement for the sale or purchase of swine.

Sec. 2. Section 9H.2, Code 1999, is amended to read as follows:

9H.2 PROHIBITED OPERATIONS — EXCEPTIONS.

In order to preserve free and private enterprise, prevent monopoly, and protect consumers, it is unlawful for any processor of beef or pork or limited partnership in which a processor holds partnership shares as a general partner or partnership shares as a limited partner, or limited liability company in which a processor is a member, to own, control or operate a feedlot in Iowa in which hogs or cattle are fed for slaughter. In addition, a processor shall not directly or indirectly ~~control the manufacturing, processing, or preparation for sale of pork products derived from swine if the processor contracted~~ contract for the care and feeding of the swine in this state. However, this section does not apply to a cooperative association organized under chapter 497, 498, ~~or 499, or 501~~, if the cooperative association contracts for the care and feeding of swine with a member of the cooperative association who is actively engaged in farming. This section does not apply to an association organized as a cooperative in which another cooperative association organized under chapter 497, 498, ~~or 499, or 501~~ is a member, if the association contracts with a member which is a cooperative association organized under chapter 497, 498, ~~or 499, or 501~~, which contracts for the care and feeding of swine with a member of the cooperative who is actively engaged in farming. This section shall not preclude a processor, limited partnership, or limited liability company from contracting for the purchase of hogs or cattle, provided that where the contract sets a date for delivery which is more than twenty days after the making of the contract it shall:

1. Specify a calendar day for delivery of the livestock; or

2. Specify the month for the delivery, and shall allow the farmer to set the week for the delivery within such month and the processor, limited partnership, or limited liability company to set the date for delivery within such week. This section shall not prevent processors or educational institutions from carrying on legitimate research, educational, or demonstration activities, nor shall it prevent processors from owning and operating facilities to provide normal care and feeding of animals for a period not to exceed ten days immediately prior to slaughter, or for a longer period in an emergency. Any processor or limited partnership which owns, controls, or operates a feedlot on August 15, 1975 shall have until July 1, 1985 to dispose of the property. A processor which is in compliance with this section prior to the effective date of this Act and which is in violation of this section as a result of this Act shall have until July 1, 2004, to comply with this Act. A processor shall not take action on or after the effective date of this Act which would be in violation of this section.

Sec. 3. **EFFECTIVE DATE.** This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 5, 2000