

Senate File 2254 - Introduced

SENATE FILE 2254
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SF 2166)

A BILL FOR

1 An Act providing for the regulation of commercial
2 establishments keeping nonagricultural animals, providing
3 for fees and appropriations, and making penalties
4 applicable.

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

1 Section 1. Section 162.1, subsection 1, paragraph c, Code
2 2014, is amended to read as follows:

3 c. Provide that all ~~vertebrate~~ animals consigned to pet
4 shops are provided humane care and treatment by regulating the
5 transportation, sale, purchase, housing, care, handling, and
6 treatment of such animals by pet shops.

7 Sec. 2. Section 162.2, subsections 5, 6, 14, 15, 16, 17,
8 18, 23, 25, 26, and 27, Code 2014, are amended by striking the
9 subsections.

10 Sec. 3. Section 162.2, subsections 3, 10, and 11, Code 2014,
11 are amended to read as follows:

12 3. "*Animal shelter*" means a facility which is used to
13 receive, rescue, house or contain dogs or cats, or both, and
14 transfer animals and which is owned, operated, or maintained by
15 an incorporated humane society, animal welfare society, society
16 for the prevention of cruelty to animals, or other nonprofit
17 organization devoted to the welfare, protection, and humane
18 treatment of such animals.

19 10. a. "*Commercial kennel*" means a kennel which performs
20 grooming, boarding, or training services for dogs or cats in
21 return for a consideration.

22 b. "*Commercial kennel*" does not include a kennel in which
23 a dog or cat remains in the custody of the owner of the dog or
24 cat.

25 11. a. "*Dealer*" means any person who is engaged in the
26 business of buying for resale or selling or exchanging dogs or
27 cats, or both, as a principal or agent, or who claims to be so
28 engaged.

29 b. "*Dealer*" does not include a person operating on a
30 nonprofit basis whose primary purpose is to provide adoptive
31 homes for dogs or cats.

32 Sec. 4. Section 162.2, Code 2014, is amended by adding the
33 following new subsections:

34 NEW SUBSECTION. 2A. "*Animal*" means vertebrate animal other
35 than members of the equine, bovine, ovine, and porcine species,

1 and ostriches, rheas, emus, and poultry.

2 NEW SUBSECTION. 16A. "*Licensee*" means a boarding kennel,
3 commercial breeder, commercial kennel, dealer, pet shop, or
4 public auction who must operate pursuant to a license issued
5 and renewed by the department pursuant to section 162.2A.

6 NEW SUBSECTION. 16B. "*Local authority*" means the same as
7 defined in section 717B.1.

8 Sec. 5. Section 162.2, subsection 19, Code 2014, is amended
9 to read as follows:

10 19. "*Pet shop*" means an establishment where a dog, cat,
11 rabbit, rodent, nonhuman primate, fish other than live bait,
12 bird, or other vertebrate animal is bought, sold, exchanged,
13 or offered for sale. However, a pet shop does not include an
14 establishment if one of the following applies:

15 a. The establishment receives less than five hundred dollars
16 from the sale or exchange of vertebrate animals during a
17 twelve-month period.

18 b. The establishment sells or exchanges less than six
19 animals during a twelve-month period.

20 Sec. 6. Section 162.2A, subsections 1, 2, 4, and 5, Code
21 2014, are amended to read as follows:

22 1. The department shall provide for the ~~operation of~~
23 issuance or renewal of a license to operate a commercial
24 establishment ~~by issuing or renewing an authorization,~~
25 ~~including any of the following:.~~

26 a. ~~A certificate of registration for a pound, animal~~
27 ~~shelter, or research facility.~~

28 b. ~~A state license for a boarding kennel, commercial kennel,~~
29 ~~or pet shop.~~

30 c. ~~A state license or permit for a commercial breeder,~~
31 ~~dealer, or public auction. A federal licensee must apply for~~
32 ~~and be issued either a permit or a state license in lieu of a~~
33 ~~permit.~~

34 2. A person must be issued a ~~separate state license,~~
35 ~~certificate of registration, or permit for each~~ all commercial

1 ~~establishment~~ establishments owned or operated by the person.

2 4. The ~~authorization~~ license expires on an annual basis
3 as provided by the department, and must be renewed by the
4 commercial establishment on an annual basis on or before the
5 ~~authorization's license's~~ license's expiration date.

6 5. ~~a. A commercial establishment applying for the issuance~~
7 ~~or renewal of a permit shall provide the department with proof~~
8 ~~that the person is a federal licensee.~~

9 ~~b. The department shall not require that it must enter onto~~
10 ~~the premises of a commercial establishment in order to issue a~~
11 ~~permit. The department shall not require that it must enter~~
12 ~~onto the premises of a commercial establishment in order to~~
13 ~~renew a permit, unless it has reasonable cause to monitor the~~
14 ~~commercial establishment as provided in section 162.10C. The~~
15 ~~department may deny an application for the issuance or renewal~~
16 ~~of a license, if the department determines that the applicant~~
17 ~~is in violation of this chapter or has not demonstrated that~~
18 ~~the applicant will comply with the provisions of this chapter.~~

19 Sec. 7. Section 162.2A, subsection 3, unnumbered paragraph
20 1, Code 2014, is amended to read as follows:

21 A person must apply for the issuance or renewal of ~~an~~
22 ~~authorization~~ a license on forms and according to procedures
23 required by rules adopted by the department. The application
24 shall contain information required by the department, including
25 but not limited to all of the following:

26 Sec. 8. Section 162.2A, subsection 3, paragraph c, Code
27 2014, is amended to read as follows:

28 ~~c. The name, address, and type of establishment covered by~~
29 ~~the ~~authorization~~ license.~~

30 Sec. 9. Section 162.2B, Code 2014, is amended by striking
31 the section and inserting in lieu thereof the following:

32 **162.2B Fees.**

33 1. The department shall establish, assess, and collect
34 fees for issuing or renewing a license as provided in section
35 162.2A. The fee assessed under this section shall include a

1 base amount plus any applicable scheduled amount.

2 2. *a.* For an animal shelter, the base amount equals
3 seventy-five dollars.

4 *b.* An animal shelter shall not be assessed a scheduled fee.

5 *c.* A single base amount is assessed on all locations owned
6 or operated by the animal shelter.

7 3. *a.* For a pound, the base amount equals seventy-five
8 dollars.

9 *b.* A pound shall not be assessed a scheduled fee.

10 *c.* A single base amount is assessed on all locations owned
11 or operated by the pound.

12 4. *a.* For a research facility, the base amount equals
13 seventy-five dollars.

14 *b.* A research facility shall not be assessed a scheduled
15 fee.

16 *c.* A single base amount is assessed on all locations owned
17 or operated by the research facility.

18 5. *a.* For a commercial breeder or dealer, the base amount
19 equals one hundred seventy-five dollars and the scheduled
20 amount is computed by calculating the number of dogs and cats
21 kept by the commercial breeder or dealer as follows:

22 (1) For at least one dog or cat but not more than fifty dogs
23 and cats, one hundred dollars.

24 (2) For more than fifty dogs and cats but not more than
25 seventy-five dogs and cats, two hundred fifty dollars.

26 (3) For more than seventy-five dogs and cats but not more
27 than one hundred dogs and cats, five hundred dollars.

28 (4) For more than one hundred dogs and cats but not more
29 than two hundred fifty dogs and cats, one thousand dollars.

30 (5) For more than two hundred fifty dogs and cats but not
31 more than four hundred dogs and cats, two thousand dollars.

32 (6) For more than four hundred dogs and cats, two thousand
33 five hundred dollars.

34 *b.* A dog or cat is included in the calculation under
35 paragraph "a" if the dog or cat is recorded as an adult on

1 hand for breeding during the most recent inspection of the
2 commercial breeder or dealer by the department of agriculture
3 and land stewardship or the United States department of
4 agriculture.

5 *c.* Notwithstanding paragraph "b", a greyhound dog owned,
6 kept, bred, or transported by a commercial breeder for
7 pari-mutuel wagering at a racetrack as provided in chapter 99D
8 is not included in the calculation. Rather the commercial
9 breeder shall pay a different fee for the issuance or renewal
10 of a license as provided in rules adopted by the department.

11 *d.* The base amount is assessed on each location owned or
12 operated by the commercial breeder or dealer. The scheduled
13 amount is assessed on the total number of dogs or cats kept at
14 all locations owned or operated by the commercial breeder or
15 dealer.

16 6. *a.* For a pet shop, the base amount equals one hundred
17 seventy-five dollars and the scheduled amount is computed by
18 calculating the number of dogs and cats kept by the pet shop as
19 follows:

20 (1) For at least one dog or cat but not more than twenty
21 dogs and cats, one hundred dollars.

22 (2) For more than twenty dogs and cats but not more than
23 forty dogs and cats, two hundred fifty dollars.

24 (3) For more than forty dogs and cats, five hundred dollars.

25 *b.* A dog or cat is included in the calculation under
26 paragraph "a" if the dog or cat is recorded as on hand for sale
27 to the general public during the most recent inspection of the
28 pet shop by the department.

29 *c.* The base amount is assessed on each location owned or
30 operated by the pet shop. The scheduled amount is assessed on
31 the total number of dogs or cats kept at all locations owned or
32 operated by the pet shop.

33 7. For a boarding kennel, commercial kennel, or public
34 auction, the base amount equals one hundred seventy-five
35 dollars and a scheduled amount is not applicable.

1 8. The moneys collected by the department under this section
2 shall be credited to the commercial establishment fund created
3 in section 162.2C.

4 9. The fees provided in this section shall be considered
5 repayment receipts as defined in section 8.2. The general
6 assembly shall appropriate moneys to the department each fiscal
7 year necessary for the administration and enforcement of this
8 chapter.

9 Sec. 10. Section 162.2C, subsection 3, Code 2014, is amended
10 to read as follows:

11 3. Moneys in the fund are appropriated to the department and
12 shall be used exclusively to ~~carry out~~ do all of the following:

13 a. Administer and enforce the provisions of this chapter
14 as determined and directed by the department, and shall not
15 require further special authorization by the general assembly.

16 b. Fully fund the animal rescue remediation fund as provided
17 in section 717B.13. For the fiscal year beginning July 1,
18 2014, and each fiscal year thereafter, the department shall
19 transfer at least twenty thousand dollars from moneys in the
20 commercial establishment fund to the animal rescue remediation
21 fund created in section 717B.13. However, if on March 1 the
22 unobligated and unencumbered balance in the animal rescue
23 remediation fund equals more than sixty thousand dollars, the
24 department shall suspend the transfer for the subsequent fiscal
25 year. If on March 1 of a fiscal year for which the transfer
26 is suspended, the unobligated and unencumbered balance in the
27 animal rescue remediation fund is less than forty thousand
28 dollars, the department shall resume the transfer for the
29 subsequent fiscal year.

30 Sec. 11. Section 162.3, Code 2014, is amended to read as
31 follows:

32 162.3 Operation of a pound — ~~certificate of registration~~
33 license.

34 A pound shall only operate pursuant to a ~~certificate of~~
35 registration license issued or renewed by the department as

1 provided in section 162.2A. A pound may sell dogs or cats
2 under its control if sales are allowed by the department. The
3 pound shall maintain records as required by the department in
4 order for the department to ensure the pound's compliance with
5 the provisions of this chapter.

6 Sec. 12. Section 162.4, Code 2014, is amended to read as
7 follows:

8 **162.4 Operation of an animal shelter — ~~certificate of~~**
9 **registration license.**

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

18 Sec. 13. Section 162.4A, Code 2014, is amended to read as
19 follows:

20 **162.4A Operation of a research facility — ~~certificate of~~**
21 **registration license.**

22 A research facility shall only operate pursuant to a
23 ~~certificate of registration license~~ issued by the department
24 as provided in section 162.2A. The research facility shall
25 maintain records as required by the department in order for
26 the department to ensure the research facility's compliance
27 with the provisions of this chapter. A research facility shall
28 not purchase a dog or cat from a commercial establishment that
29 does not have a valid authorization license issued or renewed
30 under this chapter or a similar authorization license issued or
31 renewed by another state.

32 Sec. 14. Section 162.5, Code 2014, is amended to read as
33 follows:

34 **162.5 Operation of a pet shop — state license.**

35 A pet shop shall only operate pursuant to a state license

1 issued or renewed by the department pursuant to section
2 162.2A. The pet shop shall maintain records as required by the
3 department in order for the department to ensure the pet shop's
4 compliance with the provisions of this chapter. A pet shop
5 shall not purchase a dog or cat from a commercial establishment
6 that does not have a valid ~~authorization~~ license issued or
7 renewed under this chapter or a similar ~~authorization~~ license
8 issued or renewed by another state.

9 Sec. 15. Section 162.5A, Code 2014, is amended to read as
10 follows:

11 **162.5A Operation of a boarding kennel — state license.**

12 A boarding kennel shall only operate pursuant to a state
13 license issued by the department as provided in section 162.2A.
14 The boarding kennel shall maintain records as required by
15 the department in order for the department to ensure the
16 boarding kennel's compliance with the provisions of this
17 chapter. A boarding kennel shall not purchase a dog or cat
18 from a commercial establishment that does not have a valid
19 ~~authorization~~ license issued or renewed under this chapter or
20 a similar ~~authorization~~ license issued or renewed by another
21 state.

22 Sec. 16. Section 162.6, Code 2014, is amended to read as
23 follows:

24 **162.6 Operation of a commercial kennel — state license.**

25 A commercial kennel shall only operate pursuant to a state
26 license issued or renewed by the department as provided in
27 section 162.2A. A commercial kennel shall maintain records
28 as required by the department in order for the department to
29 ensure the commercial kennel's compliance with the provisions
30 of this chapter. A commercial kennel shall not purchase a
31 dog or cat from a commercial establishment that does not have
32 a valid ~~authorization~~ license issued or renewed under this
33 chapter or a similar ~~authorization~~ license issued or renewed
34 by another state.

35 Sec. 17. Section 162.7, Code 2014, is amended to read as

1 follows:

2 **162.7 Operation of a dealer — state license ~~or permit.~~**

3 1. A dealer shall only operate pursuant to a ~~state license,~~
4 ~~or a permit,~~ issued or renewed by the department as provided
5 in section 162.2A. A dealer ~~who is a state licensee~~ shall
6 maintain records as required by the department in order for the
7 department to ensure compliance with the provisions of this
8 chapter. ~~A dealer who is a permittee may but is not required~~
9 ~~to maintain records.~~ A dealer shall not purchase a dog or cat
10 from a commercial establishment that does not have a valid
11 authorization license issued or renewed under this chapter or
12 a similar authorization license issued or renewed by another
13 state.

14 2. A dealer shall not operate an animal shelter or maintain
15 a controlling interest in an animal shelter.

16 Sec. 18. Section 162.8, Code 2014, is amended to read as
17 follows:

18 **162.8 Operation of a commercial breeder — state license ~~or~~**
19 **~~permit.~~**

20 1. A commercial breeder shall only operate pursuant to a
21 ~~state license, or a permit,~~ issued or renewed by the department
22 as provided in section 162.2A. A commercial breeder ~~who is~~
23 ~~a state licensee~~ shall maintain records as required by the
24 department in order for the department to ensure the commercial
25 breeder's compliance with the provisions of this chapter. A
26 ~~commercial breeder who is a permittee may but is not required~~
27 ~~to maintain records.~~ A commercial breeder shall not purchase a
28 dog or cat from a commercial establishment that does not have
29 a valid authorization license issued or renewed under this
30 chapter or a similar authorization license issued or renewed
31 by another state.

32 2. A commercial breeder shall not own or operate an animal
33 shelter or maintain a controlling interest in an animal
34 shelter.

35 3. A commercial breeder offering to sell a dog to a person

1 shall provide the person with a copy of the most recent
2 inspection report completed by the department of agriculture
3 and land stewardship or the United States department of
4 agriculture. The report shall include the recorded number of
5 adult dogs on hand. The report must be signed by the person
6 prior to finalizing the sale. One copy of the signed report
7 shall be maintained for one year by the commercial breeder as
8 part of the commercial breeder's records and one copy of the
9 report shall be filed with the department.

10 Sec. 19. Section 162.9A, Code 2014, is amended to read as
11 follows:

12 **162.9A Operation of a public auction — state license or**
13 **permit.**

14 1. A public auction shall only operate pursuant to a state
15 license, ~~or a permit,~~ issued or renewed by the department
16 as provided in section 162.2A. A public auction ~~which is~~
17 ~~a state licensee~~ shall maintain records as required by the
18 department in order for the department to ensure the public
19 auction's compliance with the provisions of this chapter. A
20 ~~public auction which is a permittee may but is not required to~~
21 ~~maintain records.~~

22 2. A public auction shall not purchase a dog or cat
23 from a commercial establishment that does not have a valid
24 authorization license issued or renewed under this chapter or
25 a similar authorization license issued or renewed by another
26 state.

27 Sec. 20. NEW SECTION. **162.10 Records.**

28 1. A commercial establishment shall maintain all records
29 required in this chapter. The department shall adopt rules
30 regarding the types of records required to be kept and the
31 format for keeping such records.

32 2. A commercial establishment shall maintain inspection
33 reports conducted by the department of agriculture and land
34 stewardship or the United States department of agriculture.
35 A commercial breeder shall maintain a signed copy of an

1 inspection report as required in section 162.8.

2 3. A commercial establishment shall maintain all records
3 necessary to assess a fee imposed for the issuance or renewal
4 of a fee pursuant to section 162.2A.

5 Sec. 21. Section 162.10A, Code 2014, is amended to read as
6 follows:

7 **162.10A Commercial establishments — standard of care.**

8 1. *a.* A commercial establishment shall provide for a
9 standard of care that ensures that an animal in its possession
10 or under its control is not lacking any of the following:

11 (1) Adequate feed, adequate water, housing facilities,
12 sanitary control, or grooming practices, if such lack causes
13 adverse health or suffering.

14 (2) Veterinary care.

15 *b.* A commercial establishment, other than a research
16 facility or pet shop, shall provide for the standard of care
17 for dogs and cats in its possession or under its control, and a
18 research facility or pet shop shall provide for the standard
19 of care for vertebrate animals in its possession or under its
20 control.

21 2. *a.* Except as provided in paragraph "b" or "c", a
22 commercial establishment shall comply with rules that the
23 department adopts to implement subsection 1. ~~A commercial~~
24 ~~establishment shall be regulated under this paragraph "a"~~
25 ~~unless the person is a state licensee as provided in paragraph~~
26 ~~"b" or a permittee as provided in paragraph "c".~~

27 *b.* A state licensee who is a commercial breeder owning,
28 breeding, transporting, or keeping a greyhound dog for
29 pari-mutuel wagering at a racetrack as provided in chapter 99D
30 may be required to comply with different rules adopted by the
31 department.

32 ~~*c.* A permittee is not required to comply with rules that the~~
33 ~~department adopts to implement a standard of care as provided~~
34 ~~in subsection 1 for state licensees and registrants. The~~
35 ~~department may adopt rules regulating a standard of care for~~

~~1 a permittee, so long as the rules are not more restrictive
2 than required for a permittee under the Animal Welfare Act.
3 However, the department may adopt prescriptive rules relating
4 to the standard of care. Regardless of whether the department
5 adopts such rules, a permittee meets the standard of care
6 required in subsection 1 if it voluntarily complies with rules
7 applicable to state licensees or registrants. A finding by
8 the United States department of agriculture that a permittee
9 complies with the Animal Welfare Act is not conclusive when
10 determining that the permittee provides a standard of care
11 required in subsection 1.~~

12 3. A commercial breeder or dealer shall provide for the
13 general care of its dogs or cats by providing all of the
14 following:

15 a. Access to adequate quantities and quality of food
16 provided at suitable times and according to the dietary
17 requirements of the species and age of the animal in order to
18 maintain a reasonable level of nutrition. The food must be
19 served in a clean receptacle, dish, or container.

20 b. Access to a regular supply of clean, fresh, potable water
21 provided in a sanitary manner provided at suitable times and
22 according to the dietary requirements of the species and age of
23 the animal. The water shall not be frozen.

24 c. Protection from extremes in weather conditions.

25 4. A commercial breeder or dealer shall only keep dogs
26 or cats in a primary enclosure that complies with all of the
27 following:

28 a. Includes a solid surface area sufficient to allow an
29 animal with sufficient space to rest in a recumbent position.

30 b. On or after the effective date of this Act, shall not be
31 constructed to use wire strand flooring.

32 c. Provides proper ventilation.

33 d. (1) (a) Beginning on January 1, 2015, and ending
34 December 31, 2015, the size of the primary enclosure shall not
35 be less than two times the size for a primary enclosure for

1 that species as required pursuant to 9 C.F.R. §3.6.

2 (b) This subparagraph is repealed on January 1, 2016.

3 (2) Beginning on January 1, 2016, the size of the primary
4 enclosure shall not be less than three times the size for a
5 primary enclosure for that species as required pursuant to 9
6 C.F.R. §3.6.

7 5. A commercial breeder or dealer with more than ten
8 breeding dogs on hand shall only keep dogs in a primary
9 enclosure that includes a permanent unfettered access to an
10 attached outdoor run.

11 6. A commercial breeder or dealer shall provide for the
12 health of its dogs or cats as follows:

13 a. Have all breeding dogs and breeding cats under its
14 possession or control examined at least once each year by a
15 licensed veterinarian.

16 b. Provide for the prompt treatment by a licensed
17 veterinarian of any serious illness or injury suffered by a dog
18 or cat.

19 c. Provide euthanasia when required by a licensed
20 veterinarian.

21 d. Provide its dogs with regular exercise of a type and
22 amount sufficient to comply with an exercise plan that has
23 been approved by a licensed veterinarian, and developed in
24 accordance with rules adopted by the department of agriculture.
25 The exercise plan must afford a dog a maximum opportunity for
26 outdoor exercise as weather permits.

27 7. A commercial establishment fails to provide for a
28 standard of care as provided in subsection 1 if the commercial
29 establishment commits abuse as described in section 717B.2,
30 neglect as described in section 717B.3, or torture as provided
31 in section 717B.3A.

32 Sec. 22. Section 162.10B, Code 2014, is amended to read as
33 follows:

34 162.10B Commercial establishments — ~~inspecting state~~
35 ~~licensees and registrants~~ inspections.

1 1. As a condition of issuing or renewing a license, the
2 premises of an applicant shall be open for inspection during
3 normal business hours.

4 2. The department shall conduct at least an annual
5 inspection of a commercial establishment. The department may
6 shall inspect the commercial establishment of a registrant or
7 state licensee by entering onto its business premises at any
8 time during normal working business hours. The department may
9 shall inspect records required to be maintained by the state
10 licensee or registrant commercial establishment as provided
11 in this chapter. If the owner or person in charge of the
12 commercial establishment refuses admittance, the department may
13 obtain an administrative search warrant issued under section
14 808.14. The department shall report a potential violation of
15 chapter 717B to the local authority which has jurisdiction over
16 the matter.

17 Sec. 23. Section 162.10D, subsections 1 and 2, Code 2014,
18 are amended to read as follows:

19 1. The department may take disciplinary action against a
20 person by suspending or revoking the person's authorization
21 license for violating a provision of this chapter or chapter
22 717B, or who commits an unlawful practice under section 714.16.

23 2. The department may require an owner, operator, or
24 employee of a commercial establishment subject to disciplinary
25 action under subsection 1 to complete a continuing education
26 program as a condition for retaining an authorization
27 a license. This section does not prevent a person from
28 voluntarily participating in a continuing education program.
29 However, a voluntary continuing education program completed
30 prior to the department's disciplinary action shall not be part
31 of such disciplinary action.

32 Sec. 24. Section 162.11, Code 2014, is amended to read as
33 follows:

34 **162.11 Exceptions.**

35 ~~1. This chapter does not apply to a federal licensee except~~

1 ~~as provided in the following:~~

2 ~~a. Section 162.1, subsection 2, and sections 162.2, 162.2A,~~
3 ~~162.2B, 162.7, 162.8, 162.9A, 162.10A, 162.10C, 162.10D,~~
4 ~~162.12A, and 162.13.~~

5 ~~b. Section 162.1, subsection 1, but only to the extent~~
6 ~~required to implement sections described in paragraph "a".~~

7 ~~c. Section 162.16 but only to the extent required to~~
8 ~~implement sections described in paragraph "a".~~

9 ~~2. 1.~~ This chapter does not apply to a place or
10 establishment which operates under the immediate supervision
11 of a duly licensed veterinarian as a hospital where animals
12 are harbored, hospitalized, and cared for incidental to the
13 treatment, prevention, or alleviation of disease processes
14 during the routine practice of the profession of veterinary
15 medicine. However, if animals are accepted by such a place,
16 establishment, or hospital for boarding or grooming for a
17 consideration, the place, establishment, or hospital is subject
18 to the licensing ~~or registration~~ requirements applicable to a
19 boarding kennel or commercial kennel under this chapter and the
20 rules adopted by the secretary.

21 ~~3. 2.~~ This chapter does not apply to a noncommercial kennel
22 at, in, or adjoining a private residence where dogs or cats
23 are kept for the hobby of the householder, if the dogs or cats
24 are used for hunting, for practice training, for exhibition
25 at shows or field or obedience trials, or for guarding or
26 protecting the householder's property. However, the dogs
27 or cats must not be kept for breeding if a person receives
28 consideration for providing the breeding.

29 Sec. 25. Section 162.12, Code 2014, is amended by striking
30 the section and inserting in lieu thereof the following:

31 **162.12 Departmental action.**

32 1. The department may take administrative action against a
33 commercial establishment if the department finds the housing
34 facilities or primary enclosures are inadequate under the
35 provisions of this chapter or if the feeding, watering,

1 cleaning, and housing practices are not in compliance with this
2 chapter or with the rules adopted pursuant to this chapter.

3 2. The premises of each licensee shall be open for
4 inspection during normal business hours.

5 3. A person may contest an agency action taken by the
6 department under this chapter, including rules adopted by the
7 department under this chapter, pursuant to chapter 17A.

8 Sec. 26. Section 162.12A, subsection 1, paragraph a, Code
9 2014, is amended to read as follows:

10 a. A commercial establishment that operates pursuant to an
11 ~~authorization~~ a license issued or renewed under this chapter
12 is subject to a civil penalty of not more than five hundred
13 dollars, regardless of the number of animals possessed or
14 controlled by the commercial establishment, for violating this
15 chapter. Except as provided in paragraph "b", each day that a
16 violation continues shall be deemed a separate offense.

17 Sec. 27. Section 162.12A, subsection 2, Code 2014, is
18 amended to read as follows:

19 2. A commercial establishment that does not operate
20 pursuant to ~~an authorization~~ a license issued or renewed under
21 this chapter is subject to a civil penalty of not more than one
22 thousand dollars, regardless of the number of animals possessed
23 or controlled by the commercial establishment, for violating
24 this chapter. Each day that a violation continues shall be
25 deemed a separate offense.

26 Sec. 28. Section 162.13, Code 2014, is amended to read as
27 follows:

28 **162.13 Criminal penalties — confiscation.**

29 1. A person who operates a commercial establishment without
30 ~~an authorization~~ a license issued or renewed by the department
31 as required in section 162.2A is guilty of a simple misdemeanor
32 and each day of operation is a separate offense.

33 2. The failure of a person who owns or operates a commercial
34 establishment to meet the standard of care required in section
35 162.10A, subsection 1, is a simple misdemeanor. The animals

1 are subject to seizure and impoundment and may be sold or
2 destroyed as provided by rules which shall be adopted by the
3 department pursuant to chapter 17A or by a local authority
4 pursuant to chapter 717B. The department's rules shall provide
5 for the destruction of an animal by ~~a humane method, including~~
6 ~~by~~ euthanasia as provided by rules which shall be adopted by
7 the department pursuant to chapter 17A.

8 3. The failure of a person who owns or operates a commercial
9 establishment to meet the requirements of this section is
10 also cause for the suspension or revocation of the person's
11 ~~authorization~~ license as provided in section 162.10D.

12 4. Dogs, cats, and other ~~vertebrate~~ animals upon which
13 euthanasia is permitted by law may be destroyed by a person
14 subject to this chapter or chapter 169, by ~~a humane method,~~
15 ~~including~~ euthanasia, as provided by rules which shall be
16 adopted by the department pursuant to chapter 17A.

17 5. ~~It is unlawful for a~~ A dealer to ~~to~~ shall not knowingly
18 ship a diseased animal. A dealer violating this subsection
19 is subject to a fine not exceeding one hundred dollars. Each
20 diseased animal shipped in violation of this subsection is a
21 separate offense.

22 Sec. 29. NEW SECTION. 162.13A Criminal actions.

23 The attorney general or a county attorney may bring criminal
24 action in order to enforce the provisions of this chapter.

25 Sec. 30. NEW SECTION. 162.13B Penalties — injunctive
26 relief.

27 The courts of this state may prevent and restrain violations
28 of this chapter through the issuance of an injunction. The
29 attorney general or a county attorney shall institute suits on
30 behalf of the state to prevent and restrain violations of this
31 chapter.

32 Sec. 31. Section 162.20, subsection 4, paragraph c, Code
33 2014, is amended to read as follows:

34 c. A pound or animal shelter which knowingly fails to
35 provide for the sterilization of a dog or cat is subject to a

1 civil penalty of up to two hundred dollars. The department
2 may enforce and collect civil penalties according to rules
3 which shall be adopted by the department. Each violation shall
4 constitute a separate offense. Moneys collected from civil
5 penalties shall be deposited into the general fund of the state
6 and are appropriated on July 1 of each year in equal amounts
7 to each track licensed to race dogs to support the racing dog
8 adoption program as provided in section 99D.27. Upon the third
9 offense, the department may suspend or revoke a ~~certificate~~
10 ~~of registration~~ license issued to the pound or animal shelter
11 pursuant to this chapter. The department may bring an action
12 in district court to enjoin a pound or animal shelter from
13 transferring animals in violation of this section. In bringing
14 the action, the department shall not be required to allege
15 facts necessary to show, or tending to show, a lack of adequate
16 remedy at law, that irreparable damage or loss will result
17 if the action is brought at law, or that unique or special
18 circumstances exist.

19 Sec. 32. Section 717B.1, Code 2014, is amended by adding the
20 following new subsection:

21 NEW SUBSECTION. 3A. "*Commercial establishment*" means the
22 same as defined in section 162.2.

23 Sec. 33. Section 717B.4, subsection 3, paragraph a, Code
24 2014, is amended to read as follows:

25 a. The court may order the responsible party to pay an
26 amount which shall not be more than the dispositional expenses
27 incurred by the local authority. The court may also award
28 the local authority court costs, reasonable attorney fees and
29 expenses related to the investigation and prosecution of the
30 case, which shall be taxed as part of the costs of the action.
31 The amount shall be paid to the animal rescue remediation fund
32 created in section 717B.13 to the extent that moneys from the
33 fund were expended to pay for dispositional expenses.

34 Sec. 34. Section 717B.5, Code 2014, is amended by adding the
35 following new subsection:

1 NEW SUBSECTION. 3A. The local authority may apply to the
2 department for reimbursement of expenses incurred by the local
3 authority in providing for the maintenance of the animal.

4 Sec. 35. NEW SECTION. 717B.13 **Animal rescue remediation**
5 **fund.**

6 1. An animal rescue remediation fund is created as a
7 separate fund in the state treasury under the control of the
8 department of agriculture and land stewardship. The general
9 fund of the state is not liable for claims presented against
10 the fund.

11 2. The fund consists of moneys appropriated to the fund,
12 moneys transferred from the commercial establishment fund as
13 provided in section 162.2C, sums collected on behalf of the
14 fund through legal action or settlement, or moneys contributed
15 to the fund from other sources.

16 3. The moneys in the fund are appropriated to the department
17 to reimburse a local authority for expenses incurred for the
18 rescuing of an animal from a commercial establishment as
19 provided in section 717B.5, for the maintenance of an animal
20 as provided in section 717B.5, and for the disposition of an
21 animal as provided in section 717B.4.

22 4. The department shall utilize moneys from the fund only to
23 the extent that the department determines that expenses cannot
24 be timely paid by utilizing the available provisions of section
25 717B.4.

26 5. The department shall provide payment to a local authority
27 upon a claim submitted by the local authority to the department
28 according to procedures required by the department. Upon
29 a determination that the claim is eligible for payment,
30 the department shall reimburse the local authority for that
31 amount. However, if the department determines that only
32 a portion of the claim is eligible, the department shall
33 only pay the eligible portion. If the department determines
34 that insufficient moneys are available to make payment of
35 all claims, the department may defer paying all or part of

1 specified claims. The department shall hold deferred claims
2 for payment when the department determines that the fund again
3 contains sufficient moneys.

4 6. Moneys in the fund shall not be subject to appropriation
5 or expenditure for any other purpose than provided in this
6 section and section 162.2C.

7 7. Notwithstanding section 12C.7, interest earned on
8 amounts deposited in the fund shall be credited to the fund.
9 Notwithstanding section 8.33, any unexpended or unencumbered
10 moneys remaining in the fund at the end of the fiscal year
11 shall not revert to the general fund of the state, but the
12 moneys shall remain available for expenditure by the authority
13 in succeeding fiscal years.

14 Sec. 36. CERTIFICATE OF REGISTRATION. A certificate of
15 registration issued by the department under section 162.2A
16 prior to the effective date of this Act shall remain valid
17 until it expires according to its terms when issued.

18 Sec. 37. REPEAL. Section 162.10C, Code 2014, is repealed.

19 EXPLANATION

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

22 CURRENT LAW — GENERAL. Code chapter 162 provides for the
23 regulation of commercial establishments that possess or control
24 animals, other than animals used for an agricultural purpose
25 (Code section 162.1), by the department of agriculture and land
26 stewardship (DALSS). This includes animal shelters, pounds, or
27 research facilities which are required to obtain a certificate
28 of registration; a boarding kennel, commercial kennel, or pet
29 shop required to obtain a state license; and a commercial
30 breeder, dealer, or public auction required to obtain either
31 a state license or a permit if licensed by the United States
32 department of agriculture (USDA). A permit, state license, or
33 certificate of registration is referred to as an authorization
34 (Code section 162.2A).

35 CURRENT LAW — FINANCES. A commercial establishment must

1 pay a fee for obtaining or renewing an authorization. The fee
2 for the issuance or renewal of a certificate of registration is
3 \$75 and the fee for the issuance or renewal of a state license
4 or permit is \$175, except for a commercial breeder who keeps
5 greyhounds for racing who is subject to a separate fee (Code
6 section 162.2B). The fees are deposited into a commercial
7 establishment fund dedicated for use by DALs in administering
8 the Code chapter (Code section 162.2C).

9 CURRENT LAW — INSPECTIONS. Generally, different
10 requirements apply to permittees, including inspection
11 requirements. The department may inspect the commercial
12 establishment of a registrant or state licensee by entering
13 onto its business premises at any time during normal working
14 hours (Code chapter 162). Alternatively, the department
15 monitors a permittee to whether the permittee is complying with
16 required standard of care requirements (Code section 162.10C).

17 CURRENT LAW — STANDARD OF CARE. A commercial establishment
18 must operate by providing a standard of care to its animals. A
19 registrant or state licensee must maintain records. However,
20 all commercial establishments must comply with a common
21 standard of care. The commercial establishment must ensure
22 that an animal in its possession or under its control is not
23 lacking adequate feed, adequate water, housing facilities,
24 sanitary control, grooming practices affecting the health of
25 the animal, and veterinary care (Code section 162.10A). A
26 registrant or state licensee must comply with DALs' rules, with
27 one exception. DALs may adopt different rules that apply to
28 state licensees who keep greyhounds for racing.

29 CURRENT LAW — DISCIPLINARY ACTIONS. DALs may take
30 disciplinary action against a commercial establishment
31 by suspending or revoking the commercial establishment's
32 authorization. DALs may require that an owner, operator, or
33 employee of a commercial establishment complete a continuing
34 education program (Code section 162.10D).

35 CURRENT LAW — CRIMINAL PENALTIES AND SEIZURE. A person who

1 operates a commercial establishment without an authorization
2 or who fails to meet a standard of care is guilty of a simple
3 misdemeanor. The department may provide for the animals'
4 seizure and impoundment and they may be sold or destroyed
5 (Code section 162.13). A simple misdemeanor is punishable by
6 confinement for no more than 30 days or a fine of at least \$65
7 but not more than \$625, or by both.

8 BILL'S PROVISIONS — LICENSING. The bill requires all
9 commercial establishments to obtain a license. It replaces
10 the term "state license" with "license". It provides that a
11 commercial kennel does not include a kennel in which a dog or
12 cat remains in the custody of the owner or the dog or cat.
13 Finally, it provides that a dealer does not include a person
14 operating on a nonprofit basis whose primary purpose is to
15 provide adoptive homes for dogs or cats.

16 BILL'S PROVISIONS — FEES. The bill replaces the current
17 fee assessed on commercial establishments with a system of
18 dual fees consisting of a constant base amount which depends
19 on the type of commercial establishment obtaining a license
20 and a scheduled amount computed according to a formula which
21 increases the amount due based on the number of dogs or cats
22 kept on hand by the commercial establishment according to
23 records obtained by DALs or the United States department of
24 agriculture. The bill provides for different formulas applying
25 to different categories of commercial establishments. An
26 animal shelter, pound, or research facility are only assessed a
27 single base amount.

28 BILL'S PROVISIONS — FUNDS. The moneys from fees are still
29 deposited into the commercial establishment fund. However, up
30 to \$20,000 a year is to be transferred to a new animal rescue
31 remediation fund also under the control of DALs. The purpose
32 of this fund is to reimburse a city or county, referred to as
33 a local authority (Code section 717B.1), when rescuing and
34 maintaining a threatened animal (Code section 717B.5) from a
35 commercial establishment or disposing of such animal pursuant

1 to court order (Code section 717B.4). DALs may suspend the
2 transfer or resume a transfer based on the balance in the
3 animal rescue remediation fund.

4 BILL'S PROVISIONS — REQUIREMENTS. The bill provides that a
5 dealer or commercial breeder cannot operate an animal shelter
6 or maintain a controlling interest in an animal shelter. It
7 also provides that a commercial breeder offering to sell a dog
8 to a person must provide the person with a copy of the last
9 inspection report completed by DALs or USDA. The bill requires
10 a commercial establishment to maintain all records required for
11 the administration and enforcement of the Code chapter. The
12 bill provides that a commercial establishment is subject to
13 regular inspections.

14 BILL'S PROVISIONS — STANDARD OF CARE FOR ANIMALS KEPT
15 BY COMMERCIAL BREEDERS OR DEALERS. The bill provides that a
16 commercial breeder or dealer must provide for its dogs or cats.
17 This includes a general standard of care, including access
18 to food and a regular supply of clean water, and protection
19 from extremes in weather conditions. It regulates primary
20 enclosures in which a commercial breeder or dealer keeps a
21 dog or cat. It regulates the health of a dog or cat kept by a
22 commercial breeder or dealer, including by requiring licensed
23 veterinarians to perform certain functions, including annual
24 examinations, treatment of a serious illness or injury, and
25 euthanasia. The commercial breeder or dealer must also provide
26 a dog with regular exercise.

27 BILL'S PROVISIONS — DISCIPLINARY ACTION. The bill provides
28 that any continuing education program voluntarily undertaken
29 by a person operating a commercial establishment prior to a
30 disciplinary action is not considered part of such action.

31 CRIMINAL AND CIVIL ACTIONS. The bill provides that the
32 attorney general or a county attorney may bring a criminal
33 action in order to enforce the provisions of the Code
34 chapter. It also provides that courts may prevent and
35 restrain violations of the Code chapter through the issuance of

1 injunctions. The attorney general or a county attorney shall
2 institute suits on behalf of the state to prevent and restrain
3 such violations.