

S-4/24/01 Do Pass  
S-4/25/01 Adopted  
H-5/8/01 Adopted

FILED APR 24 2001

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1 SENATE CONCURRENT RESOLUTION NO.  
2 BY COMMITTEE ON RULES AND ADMINISTRATION  
3 (SUCCESSOR TO LSB 3676XC)

4 A Concurrent Resolution requesting that the Attorney  
5 General of the State of Iowa vigorously enforce Iowa  
6 corporate farming law which prohibits processors from  
7 owning, controlling, or operating a feedlot in Iowa  
8 in which hogs or cattle are fed for slaughter.

9 WHEREAS, under Iowa Code section 9H.2 of Iowa's  
10 corporate farming law, it is unlawful for any  
11 processor of beef or pork to own, control, or operate  
12 a feedlot in Iowa in which hogs or cattle are fed for  
13 slaughter; and

14 WHEREAS, processors are attempting to circumvent  
15 the legal prohibitions provided in Iowa Code section  
16 9H.2 by using various direct and indirect schemes to  
17 control feedlots, including by providing financing to  
18 or executing production contracts with persons who own  
19 or operate feedlots in Iowa; and

20 WHEREAS, Smithfield Foods, Inc. has financed the  
21 acquisition by Stoecker Farms, Inc. of the Iowa  
22 operations of Murphy Family Farms; and

23 WHEREAS, it is the sense of the Iowa General  
24 Assembly that the use by processors of various direct  
25 and indirect schemes to control feedlots in Iowa in  
26 which hogs or cattle are fed for slaughter constitutes  
27 the impermissible control of a feedlot in violation of  
28 Iowa Code section 9H.2; and

29 WHEREAS, vertical integration of the livestock  
30 industry threatens the viability of Iowa farmers and

SCR 26

SCR 26

1 injures Iowa consumers; and

2 WHEREAS, the Attorney General of the State of Iowa  
3 is responsible for the enforcement of Iowa's corporate  
4 farming law, including Iowa Code section 9H.2, by  
5 instituting suits on behalf of the state to prevent  
6 and restrain violations of that section and to seek  
7 civil penalties as provided in Iowa Code section 9H.3;  
8 NOW THEREFORE,

9 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
10 REPRESENTATIVES CONCURRING, That the Iowa General  
11 Assembly urges the Attorney General of the State of  
12 Iowa to enforce the provisions of Code section 9H.2  
13 against processors who use any direct or indirect  
14 scheme in order to own, operate, or control a feedlot  
15 in Iowa in which hogs or cattle are fed for slaughter,  
16 including the vigorous enforcement of provisions  
17 prohibiting processors from providing financing to  
18 persons who own or operate such feedlots or  
19 controlling such feedlots by use of production  
20 contracts.

21 BE IT FURTHER RESOLVED, That, upon passage, a copy  
22 of this Resolution be sent by the Secretary of the  
23 Senate to the Attorney General of the State of Iowa.

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