

Department of Agriculture Programs and Activities Bill House File 2641

Last Action:
Final Action
April 17, 2024

An Act relating to agriculture, by providing for the administration of programs and regulations, making appropriations, providing penalties, and including effective date provisions.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available online at www.legis.iowa.gov/publications/information/appropriationBillAnalysis

LSA Staff Contact: Austin Brinks (515.725.2200)

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Transfers the balance of the Dairy Innovation Fund and moneys appropriated to the Value Added Agriculture Grant Program to the Choose Iowa Fund no later than June 30, 2024. Page 7, Line 24

SIGNIFICANT CODE CHANGES

Makes changes to the eligibility for brood mare residence when determining whether a horse is an Iowa-foaled thoroughbred horse, quarter horse, or standardbred horse for purposes of native horse racing. Page 1, Line 3

Updates references to the Choose Iowa Promotional Program in the Iowa Code. Page 1, Line 15

Repeals the Dairy Innovation Fund and Program and establishes the Dairy Innovation and Revitalization Program in the Iowa Department of Agriculture and Land Stewardship (IDALS) to promote the development, modernization, and expansion of the State's dairy industry. Page 3, Line 14

Expands the Dairy Innovation and Revitalization Program to include milk plants that operate pursuant to a permit issued in Iowa Code section [194.3A](#). Page 4, Line 13

Creates a new Iowa Code chapter to contain the Choose Iowa Promotional Program, Dairy Innovation and Revitalization Program, and Value Added Agricultural Grant Program. Page 6, Line 2

Establishes the Value-Added Agricultural Grant Program to identify, evaluate, and support projects and services that add value to agricultural commodities produced on Iowa farms including supporting new technologies and marketing strategies. Page 7, Line 15

Repeals regulations applicable to commercial breeding establishments with respect to Greyhound dogs for pari-mutuel wagering. Page 8, Line 29

Changes the frequency of a survey conducted by the IDALS on Grade "A" pasteurized and raw milk from annually to biennially. Page 10, Line 26

Amends the definition of "unmanipulated manures" to include substances processed by dewatering. Page 12, Line 2

Repeals and changes definitions in the Iowa Hemp Act. Page 12, Line 14

Repeals regulations related to the exemption from certain criminal offenses in the Iowa Hemp Act. Page 12, Line 26

EXECUTIVE SUMMARY

DEPARTMENT OF AGRICULTURE PROGRAMS AND ACTIVITIES BILL

Specifies that testing requirements and the issuance of a certificate of analysis for hemp are governed under Iowa Code chapter 204A, created in this Bill. Page 12, Line 28

Repeals the exemption of a civil penalty for a licensee who is participating or has completed the Negligent Violation Program. Page 12, Line 35

Updates the Negligent Violation Program to conform with federal regulations. Page 13, Line 17

Adds definitions to Iowa Code chapter 204A to conform with federal definitions. Page 13, Line 35

Allows the IDALS to adopt administrative rules that it deems necessary to administer the Iowa Hemp Act, which must comply with federal law. Page 14, Line 23

Specifies that a criminal offense involving hemp includes but is not limited to production, use, harvest, transportation, delivery, distribution, or sale of cannabis as a controlled substance except as otherwise provided in Iowa Code chapters 204A and [204](#). Page 14, Line 28

Allows the Department of Public Safety (DPS) or local law enforcement to investigate or prosecute a person for a violation of a criminal offense related to hemp production and allows the DPS to require a United States Department of Agriculture (USDA) licensee to submit information on the licensee's hemp production, except to the extent otherwise provided in federal law. Page 14, Line 33

Provides requirements for the transportation of hemp in the State. Page 15, Line 32

Repeals sections of the Iowa Hemp Act, including the Hemp Fund and hemp fees. Page 16, Line 34

FISCAL IMPACT: The repeal of hemp fees is estimated to have a minimal fiscal impact. In FY 2023, there was approximately \$38,000 collected in hemp license fees. The current balance of the Hemp Fund is approximately \$33,000, and the IDALS expects all moneys in the Fund to be expended by the end of FY 2024.

EFFECTIVE DATE

Specifies that Division II of the Bill related to agricultural marketing takes effect July 1, 2024. However, the sections providing for the transfer of moneys to the Choose Iowa Fund take effect upon enactment. Page 8, Line 22

EXECUTIVE SUMMARY

DEPARTMENT OF AGRICULTURE PROGRAMS AND ACTIVITIES BILL

HOUSE FILE 2641

Specifies that Division V of the Bill related to fertilizers and soil conditioners takes effect upon enactment.

Page 12, Line 8

Specifies that Division VI of the Bill related to hemp takes effect December 31, 2024.

Page 19, Line 21

House File 2641 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	3	1	Amend	99D.22.2.b.(3)
1	15	2	Amend	159.20.2
1	24	3	Amend	159.20.3
1	27	4	Amend	159.28
2	18	5	Amend	159.29.1.5
2	35	6	Amend	159.31.1,2,3
3	14	7	Amend	159.31A
6	2	8	New	187.101
6	5	9	New	187.102
7	12	10	New	187.103
7	15	11	New	187.321
7	22	12	Repeal	159.26; 159.27
8	31	17	Amend	162.2.8
9	10	18	Amend	162.2B.1.b
9	18	19	Amend	162.10A.2
10	11	20	Amend	717B.3.2.a.(2).(a),(b)
10	20	21	Add	192.101A.1A,5
10	26	22	Amend	192.109
11	5	23	Amend	192.111.1.a.(5)
11	9	24	Amend	192.116
11	19	25	Amend	192.118.1
12	2	26	Amend	200.3.29
12	14	28	Strike	204.2.1,4,5,10,12,14,15,16
12	16	29	Strike and Replace	204.2.6
12	22	30	Strike and Replace	204.2.9
12	26	31	Strike	204.7.1,2,3,4,5,6,7
12	28	32	Strike and Replace	204.8
12	35	33	Strike	204.12.2
13	2	34	Amend	204.14.2,3
13	17	35	Strike and Replace	204.15
13	25	36	Strike	204.17.1
13	27	37	Strike and Replace	204.17.6
13	35	38	New	204A.2
14	23	39	New	204A.3
14	28	40	New	204A.4
14	33	41	New	204A.5
15	32	42	New	204A.6
16	15	43	New	204A.9
16	34	44	Repeal	204.3; 204.4; 204.5; 204.6; 204.9; 204.10; 204.11; 204.13; 204.16
17	13	46	Amend	124.201A.4
17	23	47	Amend	124.204.7.a
17	31	48	Strike and Replace	124.401.6.a
18	4	49	Strike and Replace	124.401G
18	15	50	Strike	124.506.5
18	17	51	Amend	317.1D
18	25	52	Strike and Replace	453B.17.1
18	33	53	Strike and Replace	453B.18
19	8	54	Amend	716.14.1.b

PG LN	GA:90 HF2641	Explanation
1 1	DIVISION I	
1 2	IOWA-FOALED HORSES	
1 3	Section 1. Section 99D.22, subsection 2, paragraph b,	CODE: Changes the eligibility for brood mare residence when determining whether a horse is an Iowa-foaled thoroughbred horse for purposes of native horse racing from requiring continuous residency from December 31 to December 15.
1 4	subparagraph (3), Code 2024, is amended to read as follows:	
1 5	(3)(a) Continuous <u>For a thoroughbred foal, continuous</u>	
1 6	residency from December 31 15 until the foal is inspected if	
1 7	the mare was bred by other than an Iowa registered stallion and	
1 8	is not bred back to an Iowa registered stallion.	
1 9	<u>(b) For a standardbred foal or quarter horse foal,</u>	CODE: Changes the eligibility for brood mare residence when determining whether a horse is an Iowa-foaled standardbred or quarterhorse for purposes of native horse racing from requiring continuous residency from January 31 until the foal is inspected.
1 10	<u>continuous residency from January 31 until the foal is</u>	
1 11	<u>inspected if the mare was bred by other than an Iowa registered</u>	
1 12	<u>stallion and is not bred back to an Iowa registered stallion.</u>	
1 13	DIVISION II	
1 14	AGRICULTURAL MARKETING	
1 15	Sec. 2. Section 159.20, subsection 2, Code 2024, is amended	CODE: Updates references to the Choose Iowa Promotional Program in the Iowa Code.
1 16	to read as follows:	
1 17	2. The department shall establish and administer a	
1 18	choose Iowa promotional program as provided in part 2 of	
1 19	this subchapter, in order to provide consumers a choice in	
1 20	<u>programs that advance the purchasing food items of agricultural</u>	
1 21	<u>commodities produced on Iowa farms and Iowa products that</u>	
1 22	originate as an agricultural commodity <u>commodities produced on</u>	
1 23	Iowa farms <u>under this title, including chapter 187.</u>	
1 24	Sec. 3. Section 159.20, subsection 3, unnumbered paragraph	CODE: Technical correction.
1 25	1, Code 2024, is amended to read as follows:	
1 26	As used in this subchapter <u>section</u> :	
1 27	Sec. 4. Section 159.28, Code 2024, is amended to read as	CODE: Makes updates to the Choose Iowa Promotional Program.
1 28	follows:	
1 29	159.28 CHOOSE IOWA PROMOTIONAL PROGRAM.	
1 30	1. The department shall establish and administer a choose	
1 31	Iowa promotional program to advertise for retail sale on a	
1 32	retail basis <u>a food item that originates as an agricultural</u>	
1 33	<u>commodity produced on an Iowa farm, and an Iowa product that</u>	
1 34	may include any of the following:	
1 35	a. An agricultural commodity <u>produced on an Iowa farm,</u>	

2 1 except that it may be prepared for sale by washing or packaging
2 2 in this state.

2 3 b. ~~A product, if it is An agricultural commodity processed~~
2 4 ~~in this state and any of its ingredients, if its components~~
2 5 ~~originate as an agricultural commodity produced on an Iowa~~
2 6 ~~farm.~~

2 7 2. a. The department may adopt rules further defining an
2 8 Iowa farm, Iowa agricultural commodity, and Iowa product; and
2 9 describing how an Iowa agricultural commodity originates on an
2 10 Iowa farm.

2 11 b. The department may adopt rules providing for the
2 12 acceptable use of ingredients originating a component that
2 13 originates from an agricultural commodities commodity not
2 14 produced on an Iowa farms farm. In adopting the rules, the
2 15 department may consider whether the ingredient component is
2 16 an incidental ~~additive or other component that the department~~
2 17 ~~determines is or insignificant part of an Iowa product~~.

2 18 Sec. 5. Section 159.29, subsections 1 and 5, Code 2024, are
2 19 amended to read as follows:

2 20 1. As part of the choose Iowa promotional program, the
2 21 department may establish a choose Iowa logo to identify ~~a food~~
2 22 ~~item originating as an agricultural commodity produced on an~~
2 23 ~~Iowa farm~~ an Iowa product.

2 24 5. The use of a choose Iowa logo does not do any of the
2 25 following:

2 26 a. Provide an express or implied guarantee or warranty
2 27 concerning the safety, fitness, merchantability, or use of a
2 28 ~~food item~~ product.

2 29 b. Supersede, revise, or replace a state or federal labeling
2 30 requirement, including but not limited to a provision in the
2 31 federal Fair Packaging and Labeling Act, 15 U.S.C. §1451 et
2 32 seq.

2 33 c. Indicate the grade, specification, standard, or value of
2 34 any ~~food item~~ agricultural commodity, component, or product.

2 35 Sec. 6. Section 159.31, subsections 1, 2, and 3, Code 2024,
3 1 are amended to read as follows:

3 2 1. A choose Iowa fund is ~~established~~ created in the state
3 3 treasury under the management and control of the department.

3 4 2. The fund shall include moneys collected as fees by
3 5 the department as provided in section ~~159.30~~ 187.303, moneys

CODE: Makes updates to the Choose Iowa Promotional Program.

CODE: Makes updates to the Choose Iowa Promotional Program.

3 6 appropriated by the general assembly, and other moneys
 3 7 available to and obtained or accepted by the department,
 3 8 including moneys from public or private sources.
 3 9 3. Moneys in the fund are appropriated to the department
 3 10 and shall be used exclusively to ~~carry out the provisions of~~
 3 11 ~~this part~~ administer the programs created in this subchapter
 3 12 as determined and directed by the department, and shall not
 3 13 require further special authorization by the general assembly.

3 14 Sec. 7. Section 159.31A, Code 2024, is amended to read as
 3 15 follows:
 3 16 159.31A DAIRY INNOVATION ~~FUND~~ AND REVITALIZATION PROGRAM.

CODE: Repeals the Dairy Innovation Fund and Program.

3 17 ~~1. As used in this section unless the context otherwise~~
 3 18 ~~requires:~~
 3 19 ~~a. "Financial assistance" means assistance provided only~~
 3 20 ~~from the moneys and assets legally available to the department~~
 3 21 ~~pursuant to this section and includes assistance in the form of~~
 3 22 ~~grants, low-interest loans, and forgivable loans:~~
 3 23 ~~b. "Fund" means the dairy innovation fund.~~
 3 24 ~~c. "Located in" means the place or places at which~~
 3 25 ~~a business's operations are located and where at least~~
 3 26 ~~ninety-eight percent of the business's employees work, or where~~
 3 27 ~~employees that are paid at least ninety-eight percent of the~~
 3 28 ~~business's payroll work.~~
 3 29 ~~d. "Program" means the dairy innovation program.~~
 3 30 ~~2. a. The fund is created in the state treasury under~~
 3 31 ~~the control of the department and consists of any moneys~~
 3 32 ~~appropriated to the fund by the general assembly and any other~~
 3 33 ~~moneys available to or obtained or accepted by the department~~
 3 34 ~~for placement in the fund. Moneys in the fund are appropriated~~
 3 35 ~~to the department to award financial assistance as provided~~
 4 1 ~~under the program. The department shall use any moneys~~
 4 2 ~~specifically appropriated for purposes of this section only for~~
 4 3 ~~the purposes of the program.~~
 4 4 ~~b. Notwithstanding section 8.33, moneys in the fund~~
 4 5 ~~that remain unencumbered or unobligated at the close of the~~
 4 6 ~~fiscal year shall not revert but shall remain available for~~
 4 7 ~~expenditure for the purposes designated until the close of the~~
 4 8 ~~succeeding fiscal year.~~

4 9 1. A dairy innovation and revitalization program is created
 4 10 within the department. The purpose of the program is to

CODE: Establishes the Dairy Innovation and Revitalization Program in the Iowa Department of Agriculture and Land Stewardship (IDALS) to

4 11 promote the development, modernization, and expansion of this
 4 12 state's dairy industry.

promote the development, modernization, and expansion of the State's dairy industry.

4 13 ~~3.~~ 2. ~~The~~ In administering the program, the department
 4 14 shall establish and administer the program for the purpose of
 4 15 awarding award financial assistance to eligible businesses
 4 16 engaged in to support projects that do one or more of the
 4 17 following:
 4 18 a. Expand or refurbish existing milk plants or establish a
 4 19 new milk plant, operating pursuant to a permit issued pursuant
 4 20 to section 192.111 or 194.3A.
 4 21 b. Expand or refurbish existing mobile dairy processing
 4 22 units, or establish new mobile dairy processing units.
 4 23 c. Rent buildings, refrigeration ~~facilities,~~ or freezer
 4 24 facilities, or equipment necessary to expand dairy processing
 4 25 capacity, including mobile dairy or refrigeration units used
 4 26 exclusively for dairy processing.
 4 27 d. Incorporate methods and technologies that reduce farm
 4 28 labor associated with milk production and storage, including
 4 29 but not limited to the use of robotics and processes or systems
 4 30 that operate using computerized equipment or machinery.

CODE: Expands the Dairy Innovation and Revitalization Program to include milk plants that operate pursuant to a permit issued in Iowa Code section [194.3A](#).

4 31 ~~4.~~ 3. The department shall establish eligibility criteria
 4 32 for the program ~~by rule~~. The eligibility criteria must include
 4 33 all of the following:
 4 34 a. The business must be located in this state.
 4 35 b. The business must not have been subject to any regulatory
 5 1 enforcement action related to federal, state, or local
 5 2 environmental, worker safety, food processing, or food safety
 5 3 laws, rules, or regulations within the last five years.
 5 4 c. The business must only employ individuals legally
 5 5 authorized to work in this state.
 5 6 d. The business must not currently be in bankruptcy.
 5 7 e. The business must employ less than fifty individuals.
 5 8 ~~5.~~ 4. ~~A~~ An eligible business seeking financial assistance
 5 9 under this section shall make application to the department in
 5 10 the manner and on forms prescribed by the department by rule.
 5 11 ~~6.~~ 5. Applications for financial assistance under this
 5 12 section shall be accepted during one or more annual application
 5 13 periods to be determined established by the department by
 5 14 ~~rule~~. Upon reviewing and scoring all applications that are

CODE: Defines the criteria for the Dairy Innovation and Revitalization Program.

5 15 received during an application period, and subject to ~~funding~~
 5 16 the availability of moneys, the department may award financial
 5 17 assistance to eligible businesses. A financial assistance
 5 18 award shall not exceed the amount of eligible project costs
 5 19 included in the eligible business's application. Priority
 5 20 shall be given to eligible businesses whose proposed project
 5 21 or projects under subsection ~~3~~ with 2 are most likely to do any
 5 22 one or more of the following:
 5 23 a. Create new jobs.
 5 24 b. Create or expand opportunities for local small-scale milk
 5 25 producers to market pasteurized milk and milk products under
 5 26 private labels.
 5 27 c. Provide greater flexibility or convenience for local
 5 28 small-scale farmers to have milk processed.
 5 29 d. Reduce labor associated with the on-farm production and
 5 30 storage of milk.
 5 31 ~~7.~~ 6. ~~A~~ An eligible business that is awarded financial
 5 32 assistance under this section may apply for financial
 5 33 assistance under other programs administered by the ~~authority~~
 5 34 department.

5 35 ~~8.~~ ~~The department shall adopt rules pursuant to chapter 17A~~
 6 1 ~~to administer this section.~~

CODE: Repeals the requirement of the IDALS to adopt rules to administer the Dairy Innovation Program.

6 2 Sec. 8. NEW SECTION 187.101 SHORT TITLE.
 6 3 This chapter shall be known and may be cited as the "Choose
 6 4 Iowa Act".

CODE: Creates a new Iowa Code chapter to contain the Choose Iowa Promotional Program, Dairy Innovation and Revitalization Program, and Value Added Agricultural Grant Program.

6 5 Sec. 9. NEW SECTION 187.102 DEFINITIONS.
 6 6 As used in this chapter, unless the context otherwise
 6 7 requires:
 6 8 1. "Agricultural commodity" means an animal or plant, or raw
 6 9 material originating from an animal or plant.
 6 10 2. "Component" means an agricultural commodity that is
 6 11 combined to form a product during processing.
 6 12 3. "Department" means the department of agriculture and land
 6 13 stewardship.
 6 14 4. "Farm" means land and associated structures used to
 6 15 produce an agricultural commodity.
 6 16 5. a. "Financial assistance" means support provided by the
 6 17 department to an eligible business under this chapter from

CODE: Adds definitions related to the programs in the Choose Iowa Act to the Iowa Code.

6 18 moneys or other assets legally available to the department.

6 19 b. "Financial assistance" includes any form of grant,
6 20 low-interest loan, or forgivable loan.

6 21 6. "Food item" means an agricultural commodity, or an item
6 22 processed from an agricultural commodity, that is fit for human
6 23 consumption.

6 24 7. "Fund" means the choose Iowa fund created in section
6 25 187.201.

6 26 8. "Horticulture item" means any of the following:

6 27 a. A nursery, floral, or greenhouse plant.

6 28 b. A product processed from a nursery, floral, or greenhouse
6 29 plant, including a seed, rooting, cutting, tissue culture,
6 30 seedling, or other propagation material.

6 31 9. "Located in" means the place or places at which
6 32 a business's operations are located and where at least
6 33 ninety-eight percent of the business's employees work, or where
6 34 employees that are paid at least ninety-eight percent of the
6 35 business's payroll work.

7 1 10. "Natural fiber item" means fiber originating from
7 2 an agricultural commodity for use in processing, including
7 3 manufacturing into a textile, apparel, or other similar
7 4 product.

7 5 11. "Process" means to prepare a product that includes an
7 6 agricultural commodity alone or as a component.

7 7 12. a. "Product" means an agricultural commodity that
7 8 in its raw or processed state is moveable at the time of its
7 9 retail sale.

7 10 b. "Product" includes but is not limited to a food item,
7 11 horticulture item, or natural fiber item.

7 12 Sec. 10.NEW SECTION 187.103 ADMINISTRATION.

7 13 The department shall adopt all rules under chapter 17A as it
7 14 determines necessary or desirable to administer this chapter.

CODE: Requires the IDALS to adopt administrative rules to administer the Choose Iowa Act.

7 15 Sec. 11.NEW SECTION 187.321 VALUE-ADDED AGRICULTURAL
7 16 GRANT PROGRAM.

7 17 A value-added agricultural grant program is created within
7 18 the department. The purpose of the program is to identify,
7 19 evaluate, and support projects and services that add value to
7 20 agricultural commodities produced on Iowa farms, including by
7 21 supporting new technologies and marketing strategies.

CODE: Establishes the Value-Added Agricultural Grant Program to identify, evaluate, and support projects and services that add value to agricultural commodities produced on Iowa farms including supporting new technologies and marketing strategies.

<p>7 22 Sec. 12. REPEAL. Sections 159.26 and 159.27, Code 2024, 7 23 are repealed.</p>	<p>CODE: Repeals definitions and the requirement of the IDALS to adopt administrative rules and administer the Choose Iowa Promotional Program.</p>
<p>7 24 Sec. 13. TRANSFER OF MONEYS. 7 25 1. Not later than June 30, 2024, the balance of the dairy 7 26 innovation fund created in section 159.31A shall be transferred 7 27 to the choose Iowa fund created in section 159.31.</p>	<p>Transfers the balance of the Dairy Innovation Fund to the Choose Iowa Fund no later than June 30, 2024.</p>
<p>7 28 2. Not later than June 30, 2024, any moneys appropriated 7 29 to the department of agriculture and land stewardship that the 7 30 department has not expended as required to support a value 7 31 added agriculture grant program shall be transferred to the 7 32 choose Iowa fund, including moneys appropriated in 2022 Iowa 7 33 Acts, chapter 1147, section 12, and 2023 Iowa Acts, chapter 7 34 109, section 4, subsection 9.</p>	<p>Transfers the moneys appropriated to the IDALS for the Value Added Agriculture Grant Program, including moneys appropriated in 2022 Iowa Acts, chapter 1147, and 2023 Iowa Acts, chapter 109, to the Choose Iowa Fund no later than June 30, 2024.</p>
<p>7 35 Sec. 14. CODE EDITOR DIRECTIVE. 8 1 1. The Code editor is directed to make the following 8 2 transfers: 8 3 a. Section 159.28 to 187.301. 8 4 b. Section 159.29 to 187.302. 8 5 c. Section 159.30 to 187.303. 8 6 d. Section 159.31 to 187.201. 8 7 e. Section 159.31A to 187.311. 8 8 2. The Code editor shall correct internal references in the 8 9 Code and in any enacted legislation as necessary due to the 8 10 enactment of this section.</p>	<p>Transfers Iowa Code sections to the new Choose Iowa Act Iowa Code chapter.</p>
<p>8 11 Sec. 15. DIRECTIONS TO CODE EDITOR — SUBCHAPTERS AND 8 12 PARTS. The Code editor is directed to divide the provisions 8 13 of chapter 187, as amended, enacted, or transferred in this 8 14 division of this Act, into subchapters and parts as follows: 8 15 1. Subchapter I, including sections 187.101 through 8 16 187.103. 8 17 2. Subchapter II, including section 187.201. 8 18 3. Subchapter III, as follows: 8 19 a. Part 1, including sections 187.301 through 187.303. 8 20 b. Part 2, including section 187.311. 8 21 c. Part 3, including section 187.321.</p>	<p>Provides directions to the Iowa Code editor.</p>
<p>8 22 Sec. 16. EFFECTIVE DATE.</p>	<p>Specifies that Division II of the Bill related to agricultural marketing</p>

8 23 1. Except as provided in subsection 2, this division of this
 8 24 Act takes effect July 1, 2024.
 8 25 2. The following section of this division of this Act, being
 8 26 deemed of immediate importance, takes effect upon enactment:
 8 27 The section that provides for the transfer of moneys to the
 8 28 choose Iowa fund.

takes effect July 1, 2024. However, the sections providing for the transfer of moneys to the Choose Iowa Fund take effect upon enactment.

8 29 DIVISION III
 8 30 COMMERCIAL ESTABLISHMENTS

8 31 Sec. 17. Section 162.2, subsection 8, Code 2024, is amended
 8 32 to read as follows:

CODE: Repeals language related to the breeding of greyhounds for pari mutuel wagering at racetracks.

8 33 8. "Commercial breeder" means a person, engaged in the
 8 34 business of breeding dogs or cats, who sells, exchanges, or
 8 35 leases dogs or cats in return for consideration, or who offers
 9 1 to do so, whether or not the animals are raised, trained,
 9 2 groomed, or boarded by the person. A person who owns or
 9 3 harbors three or fewer breeding males or females is not a
 9 4 commercial breeder. ~~However, a person who breeds any number~~
 9 5 ~~of breeding male or female greyhounds for the purposes of~~
 9 6 ~~using them for pari-mutuel wagering at a racetrack as provided~~
 9 7 ~~in chapter 99D shall be considered a commercial breeder~~
 9 8 ~~irrespective of whether the person sells, leases, or exchanges~~
 9 9 ~~the greyhounds for consideration or offers to do so.~~

9 10 Sec. 18. Section 162.2B, subsection 1, paragraph b, Code
 9 11 2024, is amended to read as follows:
 9 12 b. For the issuance or renewal of a state license or permit,
 9 13 ~~one hundred seventy-five dollars. However, a commercial~~
 9 14 ~~breeder who owns, keeps, breeds, or transports a greyhound dog~~
 9 15 ~~for pari-mutuel wagering at a racetrack as provided in chapter~~
 9 16 ~~99D shall pay a different fee for the issuance or renewal of a~~
 9 17 ~~state license as provided in rules adopted by the department.~~

CODE: Repeals the option for a commercial breeder who owns, keeps, breeds, or transports a greyhound dog for pari-mutuel wagering at a racetrack to pay a different fee for the issuance or renewal of a State license or permit.

9 18 Sec. 19. Section 162.10A, subsection 2, Code 2024, is
 9 19 amended to read as follows:
 9 20 2. a. Except as provided in paragraph "b" ~~or "c"~~, a
 9 21 commercial establishment shall comply with rules that the
 9 22 department adopts to implement subsection 1. A commercial
 9 23 establishment shall be regulated under this paragraph "a"
 9 24 unless the person is a state licensee as provided in paragraph
 9 25 ~~"b" or a permittee as provided in paragraph "c"~~ "b".

CODE: Repeals the option for a commercial breeder who owns, keeps, breeds, or transports a greyhound dog for pari-mutuel wagering at a racetrack to pay a different fee for the issuance or renewal of a State license or permit.

9 26 ~~b.~~ A state licensee who is a commercial breeder owning,
 9 27 breeding, transporting, or keeping a greyhound dog for
 9 28 pari-mutuel wagering at a racetrack as provided in chapter 99D
 9 29 may be required to comply with different rules adopted by the
 9 30 department.

9 31 ~~c.~~ b. A permittee is not required to comply with rules
 9 32 that the department adopts to implement a standard of care as
 9 33 provided in subsection 1 for state licensees and registrants.
 9 34 The department may adopt rules regulating a standard of care
 9 35 for a permittee, so long as the rules are not more restrictive
 10 1 than required for a permittee under the Animal Welfare Act.
 10 2 However, the department may adopt prescriptive rules relating
 10 3 to the standard of care. Regardless of whether the department
 10 4 adopts such rules, a permittee meets the standard of care
 10 5 required in subsection 1 if it voluntarily complies with rules
 10 6 applicable to state licensees or registrants. A finding by
 10 7 the United States department of agriculture that a permittee
 10 8 complies with the Animal Welfare Act is not conclusive when
 10 9 determining that the permittee provides a standard of care
 10 10 required in subsection 1.

10 11 Sec. 20. Section 717B.3, subsection 2, paragraph a,
 10 12 subparagraph (2), subparagraph divisions (a) and (b), Code
 10 13 2024, are amended to read as follows:

10 14 (a) A state licensee or registrant operating pursuant to
 10 15 section 162.10A, subsection 2, paragraph "a" ~~or "b"~~.

10 16 (b) A permittee operating pursuant to section 162.10A,
 10 17 subsection 2, paragraph ~~"c"~~ "b".

CODE: Adopts conforming changes to Iowa Code section [717B.3](#).

10 18 DIVISION IV
 10 19 GRADE "A" MILK

10 20 Sec. 21. Section 192.101A, Code 2024, is amended by adding
 10 21 the following new subsections:
 10 22 NEW SUBSECTION 1A. "Department" means the department of
 10 23 agriculture and land stewardship.
 10 24 NEW SUBSECTION 5. "Secretary" means the secretary of
 10 25 agriculture.

CODE: Adds definitions to the Iowa Code.

10 26 Sec. 22. Section 192.109, Code 2024, is amended to read as
 10 27 follows:

10 28 192.109 CERTIFICATION OF GRADE "A" LABEL.

CODE: Changes the frequency of a survey conducted by the IDALS
 on Grade "A" pasteurized and raw milk from annually to biennially.

10 29 The department of agriculture and land stewardship shall
10 30 ~~annually~~ biennially conduct a survey and based on that survey
10 31 certify all milk labeled grade “A” pasteurized and grade “A”
10 32 raw milk for pasteurization, ~~and, in~~ in the event that a
10 33 survey shows the requirements for production, processing, and
10 34 distribution for such grade are not being complied with, ~~the~~
10 35 ~~that fact thereof~~ shall be certified by the department to the
11 1 secretary of agriculture who shall proceed with the provisions
11 2 of section 192.107 for suspending the permit of the violator or
11 3 who, if the secretary did not issue such permit, shall withdraw
11 4 the grade “A” declared on the label.

11 5 Sec. 23. Section 192.111, subsection 1, paragraph a,
11 6 subparagraph (5), Code 2024, is amended to read as follows:
11 7 (5) A milk grader which must obtain a milk grader permit and
11 8 pay a ~~license~~ permit fee not greater than twenty dollars.

CODE: Adopts conforming changes to the Iowa Code.

11 9 Sec. 24. Section 192.116, Code 2024, is amended to read as
11 10 follows:
11 11 192.116 BACTERIOLOGISTS.
11 12 The department of agriculture and land stewardship may
11 13 employ dairy specialists or bacteriologists who shall devote
11 14 their full time to the improvement of sanitation in the
11 15 production, processing, and marketing of dairy products.
11 16 ~~Said~~ The dairy specialists and bacteriologists shall have
11 17 qualifications as to education and experience and such other
11 18 requirements as the secretary may require.

CODE: Adopts conforming changes to the Iowa Code.

11 19 Sec. 25. Section 192.118, subsection 1, Code 2024, is
11 20 amended to read as follows:
11 21 1. To ensure uniformity in the tests and reporting, an
11 22 employee certified by the United States public health service
11 23 of the bacteriological laboratory of the department shall
11 24 annually certify, in accordance with rules adopted by the
11 25 department incorporating or incorporating by reference the
11 26 federal publication entitled “Evaluation of Milk Laboratories”,
11 27 all laboratories doing work in the sanitary quality of
11 28 milk and dairy products for public report. The approval by
11 29 the department shall be based on the evaluation of these
11 30 laboratories as to personnel training, laboratory methods
11 31 used, and reporting. The results on tests made by approved
11 32 laboratories shall be reported to the department on request,

CODE: Makes nonsubstantive changes to the Iowa Code.

11 33 on forms prescribed by the secretary ~~of agriculture~~, and such
 11 34 reports may be used by the department.

11 35 DIVISION V
 12 1 FERTILIZERS AND SOIL CONDITIONERS

12 2 Sec. 26. Section 200.3, subsection 29, Code 2024, is amended
 12 3 to read as follows:

12 4 29. The term “unmanipulated manures” means any substances
 12 5 composed primarily of excreta, plant remains, or mixtures of
 12 6 such substances which have not been processed in any manner
 12 7 other than dewatering.

12 8 Sec. 27. EFFECTIVE DATE. This division of this Act, being
 12 9 deemed of immediate importance, takes effect upon enactment.

12 10 DIVISION VI
 12 11 HEMP

12 12 PART A
 12 13 HEMP REGULATIONS

12 14 Sec. 28. Section 204.2, subsections 1, 4, 5, 10, 12, 14, 15,
 12 15 and 16, Code 2024, are amended by striking the subsections.

12 16 Sec. 29. Section 204.2, subsection 6, Code 2024, is amended
 12 17 by striking the subsection and inserting in lieu thereof the
 12 18 following:

12 19 6. “Department of health and human services” or “department”
 12 20 means the principal central department established in section
 12 21 7E.5, subsection 1, paragraph “i”.

12 22 Sec. 30. Section 204.2, subsection 9, Code 2024, is amended
 12 23 by striking the subsection and inserting in lieu thereof the
 12 24 following:

12 25 9. “Hemp” means the same as defined in section 204A.2.

12 26 Sec. 31. Section 204.7, subsections 1, 2, 3, 4, 5, 6, and 7,
 12 27 Code 2024, are amended by striking the subsections.

12 28 Sec. 32. Section 204.8, Code 2024, is amended by striking
 12 29 the section and inserting in lieu thereof the following:

CODE: Amends the definition of "unmanipulated manures" to include substances processed by dewatering.

CODE: Specifies that Division V of the Bill related to fertilizers and soil conditioners takes effect upon enactment.

CODE: Repeals definitions in the Iowa Hemp Act.

CODE: Changes definitions in the Iowa Hemp Act.

CODE: Repeals the definition of "hemp" in Iowa Code section [204.2](#) and specifies it is now the same as the definition in Iowa Code section 204A.2.

CODE: Repeals regulations related to the exemption from certain criminal offenses in the Iowa Hemp Act.

CODE: Specifies that testing requirements and the issuance of a certificate of analysis for hemp are governed under Iowa Code chapter

<p>12 30 204.8 HEMP — TESTING REQUIREMENTS AND CERTIFICATE OF 12 31 ANALYSIS. 12 32 For purposes of this chapter, requirements for testing hemp 12 33 and the issuance of a certificate of analysis for hemp are 12 34 governed by chapter 204A.</p>	204A, created in this Bill.
<p>12 35 Sec. 33. Section 204.12, subsection 2, Code 2024, is amended 13 1 by striking the subsection.</p>	CODE: Repeals the exemption of a civil penalty for a licensee who is participating in or has completed the Negligent Violation Program.
<p>13 2 Sec. 34. Section 204.14, subsections 2 and 3, Code 2024, are 13 3 amended to read as follows: 13 4 2. a. Except as provided in paragraph "b", the The person 13 5 is required to hold a certificate of analysis to possess, 13 6 handle, use, manufacture, market, transport, deliver, or 13 7 distribute hemp that has been harvested under this chapter. 13 8 b. The person is required to hold a temporary harvest and 13 9 transportation permit to possess, harvest, or move hemp. 13 10 3. The person knowingly or intentionally does any of the 13 11 following: 13 12 a. Falsifies the temporary harvest and transportation permit 13 13 or a certificate of analysis. 13 14 b. Acquires the temporary harvest and transportation permit 13 15 or a certificate of analysis that the person knows has been 13 16 falsified.</p>	CODE: Repeals the requirement that a person hold a temporary harvest and transportation permit to possess, harvest, or move hemp and removes references to the temporary permit from the Iowa Code.
<p>13 17 Sec. 35. Section 204.15, Code 2024, is amended by striking 13 18 the section and inserting in lieu thereof the following: 13 19 204.15 NEGLIGENT VIOLATION PROGRAM. 13 20 A USDA licensee who is participating in or has successfully 13 21 completed the program for negligent violations as provided in 7 13 22 C.F.R. §990.29 shall not be subject to a criminal offense under 13 23 chapter 124 or 453B for committing an act that otherwise would 13 24 constitute the offense.</p>	CODE: Updates the Negligent Violation Program to conform with federal regulations.
<p>13 25 Sec. 36. Section 204.17, subsection 1, Code 2024, is amended 13 26 by striking the subsection.</p>	CODE: Repeals a section of the Iowa Code that specifies that nothing in the Iowa Hemp Act shall be construed or applied to be less stringent than required under the federal hemp law.
<p>13 27 Sec. 37. Section 204.17, subsection 6, Code 2024, is amended 13 28 by striking the subsection and inserting in lieu thereof the 13 29 following:</p>	CODE: Repeals a section of the Iowa Code that specifies that nothing in the Iowa Hemp Act shall be construed or applied to affect a statute or rule which applies to hemp or a hemp product, if it would apply in

13 30 6. Nothing in this chapter shall be construed or applied
 13 31 to affect a statute or rule which applies to an article under
 13 32 this chapter, if it would apply in the same manner as to other
 13 33 articles subject to the same general regulation in other
 13 34 chapters.

the same manner as to other articles subject to the same general regulation.

13 35 Sec. 38.NEW SECTION 204A.2 DEFINITIONS.

CODE: Adds definitions to Iowa Code chapter 204A to conform with federal definitions.

14 1 As used in this chapter, unless the context otherwise
 14 2 requires:

14 3 1. "Acceptable hemp THC level" means the same as defined in
 14 4 7 C.F.R. §990.1.

14 5 2. "Cannabis" means the same as defined in 7 C.F.R. §990.1.

14 6 3. "Controlled substance" means the same as defined in
 14 7 section 124.101.

14 8 4. "Delta-9 tetrahydrocannabinol" or "THC" means the same as
 14 9 defined in 7 C.F.R. §990.1.

14 10 5. "Department" means the department of agriculture and land
 14 11 stewardship.

14 12 6. "Federal hemp law" means 7 U.S.C. §1639o, 1639q, and
 14 13 1639r, together with the domestic hemp production program as
 14 14 provided in 7 C.F.R. pt. 990.

14 15 7. "Hemp" means the same as defined in 7 C.F.R. §990.1.

14 16 8. "Local law enforcement agency" means an office of county
 14 17 sheriff or a municipal police department.

14 18 9. "Lot" means the same as defined in 7 C.F.R. §990.1.

14 19 10. "Total THC" means the same as defined in 7 C.F.R.
 14 20 §990.1.

14 21 11. "USDA licensee" means the same as defined in 7 C.F.R.
 14 22 §990.1.

14 23 Sec. 39.NEW SECTION 204A.3 ADMINISTRATION — RULES.

CODE: Allows the IDALS to adopt administrative rules that it deems necessary to administer the Iowa Hemp Act, which must comply with federal law.

14 24 The department may adopt rules that it deems necessary to
 14 25 administer and enforce this chapter. The rules shall comply
 14 26 with the federal hemp law, or requirements of the United States
 14 27 department of agriculture acting under the federal hemp law.

14 28 Sec. 40.NEW SECTION 204A.4 CRIMINAL OFFENSES.

CODE: Specifies that a criminal offense involving hemp includes but is not limited to production, use, harvest, transportation, delivery, distribution, or sale of cannabis as a controlled substance except as otherwise provided in Iowa Code chapters 204A and [204](#).

14 29 A criminal offense involving hemp includes but is not
 14 30 limited to production, use, harvest, transportation, delivery,
 14 31 distribution, or sale of cannabis as a controlled substance
 14 32 except as otherwise provided in this chapter and chapter 204.

14 33 Sec. 41.NEW SECTION 204A.5 HEMP PRODUCTION.
 14 34 1. Except to the extent otherwise provided in the federal
 14 35 hemp law, or by the United States department of agriculture
 15 1 acting under the federal hemp law, this chapter does not affect
 15 2 the powers and duties of the state, including the department of
 15 3 public safety or a local law enforcement agency, to investigate
 15 4 or prosecute a person for a violation of a criminal offense,
 15 5 including an act in violation of chapter 124 or 453B.

CODE: Specifies that to the extent otherwise provided in the federal hemp law or by the USDA, Iowa Code chapter 204A does not affect the powers and duties of the State, including the Department of Public Safety (DPS) or a local law enforcement agency, to investigate or prosecute a person for a violation of a criminal offense, including a violation of Iowa Code chapter [124](#) or [453B](#).

15 6 2. a. Except to the extent otherwise provided in the
 15 7 federal hemp law, or by the United States department of
 15 8 agriculture acting under the federal hemp law, the department
 15 9 of public safety may require a USDA licensee to submit to the
 15 10 department of public safety any of the following:
 15 11 (1) A notice that the United States department of
 15 12 agriculture's lot includes cannabis that exceeds the acceptable
 15 13 hemp THC level and a description of the noncompliant plant's
 15 14 disposal as required in 7 C.F.R. §990.27.
 15 15 (2) A corrective action plan filed with the United States
 15 16 department of agriculture to cure the negligent violation as
 15 17 required in 7 C.F.R. §990.27.
 15 18 (3) A notice of the United States department of
 15 19 agriculture's license suspension under 7 C.F.R. §990.30 or
 15 20 United States department of agriculture's license revocation
 15 21 under 7 C.F.R. §990.31.
 15 22 (4) A report or record required to be submitted to
 15 23 the United States department of agriculture as part of
 15 24 participation in the domestic hemp program as provided in 7
 15 25 C.F.R. §990.32.

CODE: Specifies that the DPS may require a USDA licensee to provide the following:

- A notice that the USDA's lot includes cannabis that exceeds the acceptable hemp THC level and a description of the noncompliant plant's disposal.
- A corrective action plan filed with the USDA to cure the negligent violation.
- A notice of the USDA's license suspension or revocation.
- A report or record required to be submitted to the USDA as part of participation in the domestic hemp program.

15 26 b. Any data or business information designated as
 15 27 confidential by the United States department of agriculture
 15 28 under this subsection and received by a government body as
 15 29 defined in section 22.1 shall be a confidential record under
 15 30 chapter 22 and subject to any restrictions imposed by the
 15 31 United States department of agriculture.

15 32 Sec. 42.NEW SECTION 204A.6 HEMP TRANSPORTATION.
 15 33 Except to the extent otherwise provided in the federal
 15 34 hemp law, including 7 C.F.R. §990.25, or by the United States
 15 35 department of agriculture acting under the federal hemp law, a
 16 1 person transporting hemp seed or harvested hemp in this state,
 16 2 on an intrastate or interstate basis, is subject to all of the

CODE: Specifies that except to the extent otherwise provided in the federal hemp law, a person transporting hemp seed or harvested hemp in the State on an intrastate or interstate basis is subject to the following public safety requirements:

- If the person is licensed under [7 C.F.R. chapter 990](#), the person

16 3 following public safety requirements:
 16 4 1. If the person is licensed under 7 C.F.R. ch.990, subpt.
 16 5 B or C, the person must carry a copy of that license.
 16 6 2. The person must carry a certificate of analysis.
 16 7 3. The person must carry a bill of lading under all of the
 16 8 following circumstances:
 16 9 a. The person is in possession of the hemp in transit to
 16 10 transfer ownership.
 16 11 b. The person is delivering cannabis seed for planting and
 16 12 the seed is not of the licensee's own production.
 16 13 c. A person brings hemp produced in another state into or
 16 14 through this state.

16 15 Sec. 43.NEW SECTION 204A.9 STATUTORY CONSTRUCTION.

16 16 1. Nothing in this chapter shall be construed or applied to
 16 17 be less stringent than required under the federal hemp law.
 16 18 2. Nothing in this chapter shall be construed or applied
 16 19 to be in conflict with applicable federal law and related
 16 20 regulations.
 16 21 3. Nothing in this chapter shall be construed or applied to
 16 22 infringe upon the ability of the department of public safety
 16 23 or a local law enforcement agency to obtain a search warrant
 16 24 issued by a court, or enter onto any premises in a manner
 16 25 consistent with the laws of this state and the United States,
 16 26 including Article I, section 8, of the Constitution of the
 16 27 State of Iowa, or the fourth amendment to the Constitution of
 16 28 the United States.
 16 29 4. Nothing in this chapter shall be construed or applied
 16 30 to affect a statute or rule which applies to an article under
 16 31 this chapter, if it would apply in the same manner as to other
 16 32 articles subject to the same general regulation in other
 16 33 chapters.

16 34 Sec. 44. REPEAL. Sections 204.3, 204.4, 204.5, 204.6,
 16 35 204.9, 204.10, 204.11, 204.13, and 204.16, Code 2024, are
 17 1 repealed.

must carry a copy of that license.

- The person must carry a certificate of analysis.
- The person must carry a bill of lading if the person is possession of the hemp in transit to transfer ownership, delivering cannabis seed for planting and the seed is not of the licensee's own production, and the person brings hemp produced in another state into or through Iowa.

CODE: Specifies that nothing in Iowa Code chapter 204A shall be construed or applied to be less stringent than required by the federal hemp law.

CODE: Repeals sections of the Iowa Hemp Act, including the Hemp Fund and hemp fees.

FISCAL IMPACT: The repeal of hemp fees is estimated to have a minimal fiscal impact. In FY 2023, there was approximately \$38,000 collected in hemp license fees. The current balance of the Hemp Fund is approximately \$33,000, and the IDALS expects all moneys in the Fund to be expended by the end of FY 2024.

<p>17 2 Sec. 45. CODE EDITOR DIRECTIVE. 17 3 1. The Code editor is directed to make the following 17 4 transfers: 17 5 a. Section 204.1 to section 204A.1. 17 6 b. Section 204.14 to section 204A.7. 17 7 c. Section 204.15 to section 204A.8. 17 8 2. The Code editor shall correct internal references in the 17 9 Code and in any enacted legislation as necessary due to the 17 10 enactment of this section.</p>	<p>Instructs the Iowa Code editor to transfer Iowa Code sections and correct any internal references that are necessary.</p>
<p>17 11 PART B 17 12 CORRESPONDING CHANGES</p>	
<p>17 13 Sec. 46. Section 124.201A, subsection 4, Code 2024, is 17 14 amended to read as follows: 17 15 4. Any cannabis-derived investigational product or 17 16 cannabis-derived product approved as a prescription drug 17 17 medication by the United States food and drug administration 17 18 shall not be considered marijuana or cannabimimetic agents, 17 19 both as defined in section 124.204, tetrahydrocannabinols 17 20 as used in section 124.204, subsection 4, paragraph "u", 17 21 unnumbered paragraph 1, or hemp as defined in section 204.2 17 22 <u>204A.2</u>.</p>	<p>CODE: Updates references in the Iowa Code.</p>
<p>17 23 Sec. 47. Section 124.204, subsection 7, paragraph a, Code 17 24 2024, is amended to read as follows: 17 25 a. Hemp as defined in section 204.2 <u>204A.2, including hemp</u> 17 26 <u>that is or was produced in this state, or was produced in</u> 17 27 <u>another state;</u> in accordance with the provisions of chapter 204 17 28 <u>the federal hemp law as defined in chapter 204A,</u> with a maximum 17 29 <u>delta-9 tetrahydrocannabinol concentration that does not exceed</u> 17 30 <u>three-tenths of one percent on a dry weight basis.</u></p>	<p>CODE: Updates references in the Iowa Code.</p>
<p>17 31 Sec. 48. Section 124.401, subsection 6, paragraph a, Code 17 32 2024, is amended by striking the paragraph and inserting in 17 33 lieu thereof the following: 17 34 a. Hemp that is hemp seed, including hemp seed delivered 17 35 for planting at a lot by a USDA licensee or hemp that is or was 18 1 produced at a lot by a USDA licensee, in accordance with the 18 2 provisions of the federal hemp law, as those terms are defined 18 3 in chapter 204A.</p>	<p>CODE: Allows a person to produce, possess, use, harvest, handle, manufacture, market, transport, deliver, or distribute hemp that is hemp seed in accordance with federal hemp law.</p>

<p>18 4 Sec. 49. Section 124.401G, Code 2024, is amended by striking 18 5 the section and inserting in lieu thereof the following: 18 6 124.401G IOWA HEMP ACT — NEGLIGENT VIOLATION PROGRAM. 18 7 Notwithstanding any provision of this chapter to the 18 8 contrary, a person shall not be guilty of an offense under 18 9 this chapter, including under section 124.401 or 124.410, 18 10 for producing, possessing, using, harvesting, handling, 18 11 manufacturing, marketing, transporting, delivering, or 18 12 distributing the plant cannabis, to the extent that the person 18 13 is a USDA licensee acting in accordance with the federal hemp 18 14 law, as those terms are defined in chapter 204A.</p>	<p>CODE: Replaces the current Negligent Violation Program with one that follows federal hemp law.</p>
<p>18 15 Sec. 50. Section 124.506, subsection 5, Code 2024, is 18 16 amended by striking the subsection.</p>	<p>CODE: Removes Iowa Code language related to an order for the disposal of a crop that does not qualify as hemp that is no longer applicable.</p>
<p>18 17 Sec. 51. Section 317.1D, Code 2024, is amended to read as 18 18 follows: 18 19 317.1D EXEMPTION — IOWA HEMP ACT. 18 20 This chapter does not apply to a plant or any part of the 18 21 plant qualifying as hemp, if the hemp is produced on a crop 18 22 site regulated under chapter 204 <u>on the USDA licensee's lot</u> 18 23 <u>in accordance with the federal hemp law, as those terms are</u> 18 24 <u>defined in chapter 204A.</u></p>	<p>CODE: Exempts hemp from Iowa Code chapter 317 if the hemp is produced on a USDA licensee's lot in accordance with the federal hemp law.</p>
<p>18 25 Sec. 52. Section 453B.17, subsection 1, Code 2024, is 18 26 amended by striking the subsection and inserting in lieu 18 27 thereof the following: 18 28 1. Hemp as defined in section 204A.2, including hemp seed 18 29 delivered for planting at a lot by a USDA licensee or hemp that 18 30 is or was produced at a lot by a USDA licensee, in accordance 18 31 with the provisions of the federal hemp law, as those terms are 18 32 defined in chapter 204A.</p>	<p>CODE: Exempts hemp from Iowa Code chapter 453B if the hemp is in accordance with the provisions of the federal hemp law.</p>
<p>18 33 Sec. 53. Section 453B.18, Code 2024, is amended by striking 18 34 the section and inserting in lieu thereof the following: 18 35 453B.18 EXEMPTION — IOWA HEMP ACT — NEGLIGENT VIOLATION 19 1 PROGRAM. 19 2 Notwithstanding any provision of this chapter to the 19 3 contrary, a person shall not be guilty of an offense under this 19 4 chapter for producing or possessing the plant cannabis, to the</p>	<p>CODE: Exempts a person from being guilty for producing or possessing cannabis if the person is acting in accordance with the federal hemp law.</p>

19 5 extent that the person is a USDA licensee acting in accordance
19 6 with the federal hemp law, as those terms are defined in
19 7 chapter 204A.

19 8 Sec. 54. Section 716.14, subsection 1, paragraph b, Code
19 9 2024, is amended to read as follows:

19 10 b. "Agricultural crop" means a plant produced for food,
19 11 animal feed, fiber, oil, or fuel if the plant is classified
19 12 as a forage or cereal plant, including but not limited to
19 13 alfalfa, barley, buckwheat, corn, flax, forage, hemp as defined
19 14 in section ~~204.2~~ 204A.2, millet, oats, popcorn, rye, sorghum,
19 15 soybeans, sunflowers, wheat, and grasses used for forage or
19 16 silage. A plant which is a noxious weed pursuant to section
19 17 317.1A shall not be considered an agricultural crop unless the
19 18 plant is produced as a research crop.

19 19
19 20

PART C
EFFECTIVE DATE

19 21 Sec. 55. EFFECTIVE DATE. This division of this Act takes
19 22 effect December 31, 2024.

Adopts conforming changes to Iowa Code section [716.14](#).

Specifies that Division VI of the Bill related to hemp takes effect
December 31, 2024.