### **BUDGET UNIT BRIEF - FY 2024**

Fiscal Services Division July 1, 2023



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

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# **DPS Implementation of HF 2581 Hemp**

#### **Purpose and History**

<u>House File 2581</u> (Hemp Consumer and Public Safety Act) amends provisions of the <u>lowa Hemp Act</u>, which authorizes the production, manufacture, sale, and transportation of certain hemp products that contain no more than 0.3% delta-9 tetrahydrocannabinol (THC) on a dry weight basis.

The federal Agriculture Improvement Act of 2018 includes provisions authorizing the production of hemp, allowing states and tribes to assume primary regulatory authority over the production of hemp by submitting a plan of approval to the United States Department of Agriculture (USDA). The USDA approved Iowa's state plan on March 19, 2020, and the Iowa Hemp Act was implemented on April 8, 2020.

House File 2581 allows for the manufacture, sale, and consumption of consumable hemp products by humans if all of the following provisions apply:

- The consumable hemp product was manufactured in Iowa in compliance with the Iowa Hemp Act.
- The hemp contained in the consumable hemp product was produced exclusively in lowa in compliance with the Iowa Hemp Act.
- The consumable hemp product complies with certain packaging and labeling requirements.

Additionally, HF 2581 allows for the importation of consumable hemp if the state or jurisdiction from which the product is being imported has a USDA-approved state or tribal plan pursuant to federal hemp law and has testing requirements substantially similar to requirements for the State of Iowa.

House File 2581 also provides for the registration and licensing of manufacturers and sellers of consumable hemp to be completed by the Department of Inspections and Appeals (DIA). This includes establishing a temporary permit and providing for total delta-9 tetrahydrocannabinol acid (THCA) crop testing procedures and requirements for the lowa Department of Agriculture and Land Stewardship (IDALS) and the Department of Public Safety (DPS). Hemp that is tested and contains more than the allowable amount of THC and THCA is disposed of.

#### **Funding**

Testing to determine the quantity of THC and THCA in a hemp sample is conducted by the Division of Criminal Investigation's (DCI's) Crime Lab. During the 2020 Legislative Session, the General Assembly appropriated \$411,000 from the General Fund to the DPS in <a href="HF 2643">HF 2643</a> (FY 2021 Omnibus Appropriations Act) for hemp testing related to HF 2581. Since the 2021 Legislative Session, the DPS appropriation for the implementation of HF 2581 has been incorporated into the appropriation for the DCI.

#### **More Information**

Department of Public Safety: <a href="mailto:dps.iowa.gov">dps.iowa.gov</a>
LSA Staff Contact: Justus Thompson (515.725.2249) justus.thompson@legis.jowa.gov

## **Related Statutes and Administrative Rules**

Iowa Code chapter <u>204</u> Iowa Administrative Code <u>661</u>

## **Budget Unit Number**

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