

**641—154.25(124E) Inspection by department or independent consultant.** A manufacturer or dispensary is subject to reasonable inspection by the department, a department-approved consultant, or another agency pursuant to Iowa Code chapter 124E and these rules and as authorized by laws and regulations.

**154.25(1) *Types of inspections.*** Inspections may include:

- a. Aspects of the business operations;
- b. The manufacturing facility or the physical location of a dispensary, including any storage facility;
- c. Vehicles used for transport or delivery of medical cannabidiol or plant material;
- d. Financial information and inventory documentation;
- e. Physical and electronic security alarm systems;
- f. Health and sanitary inspection; and
- g. Other inspections as determined by the department.

**154.25(2) *Compliance required.*** A manufacturer or dispensary shall respond to deficiencies found during inspections or inventory reconciliation as follows:

a. Deficiencies not related to inventory reconciliation.

(1) Upon written notification by the department of deficiencies that do not involve reconciliation of inventory, a manufacturer or dispensary shall have up to 30 days to submit an action plan to the department with proposed remedies and timelines for completion of the remedies.

(2) The department shall have up to two weeks to accept or require revision of the action plan.

b. Deficiencies related to inventory reconciliation.

(1) Upon notifying the department that the manufacturer or dispensary cannot reconcile the physical inventory with the inventory recorded in the secure sales and inventory tracking system, the manufacturer or dispensary shall have up to two business days to submit an action plan to the department with proposed remedies and timelines for completion of the remedies.

(2) The department shall have up to two business days to accept or require revision of the action plan.

(3) Failure to complete actions in the action plan within the timelines mutually agreed upon by the manufacturer and the department shall result in assessment of penalties or in suspension or revocation of a manufacturer or dispensary license.

(4) At the department's request and in a timely manner, a manufacturer or dispensary shall pay for and undergo an independent health and sanitary inspection in accordance with this rule.

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