

House File 2641

H-8295

1 Amend House File 2641 as follows:

2 1. By striking page 1, line 15, through page 4, line 35, and  
3 inserting:

4 <Sec. \_\_\_\_\_. Section 159.20, subsection 2, Code 2024, is  
5 amended to read as follows:

6 2. The department shall ~~establish and~~ administer a  
7 ~~choose Iowa promotional program as provided in part 2 of~~  
8 ~~this subchapter, in order to provide consumers a choice in~~  
9 programs that advance the purchasing food items of agricultural  
10 commodities produced on Iowa farms and Iowa products that  
11 originate as ~~an agricultural commodity~~ commodities produced on  
12 Iowa farms under this title, including chapter 187.

13 Sec. \_\_\_\_\_. Section 159.20, subsection 3, unnumbered  
14 paragraph 1, Code 2024, is amended to read as follows:

15 As used in this subchapter section:

16 Sec. \_\_\_\_\_. Section 159.28, Code 2024, is amended to read as  
17 follows:

18 **159.28 Choose Iowa promotional program.**

19 1. The department shall establish and administer a choose  
20 Iowa promotional program to advertise for retail sale ~~on a~~  
21 ~~retail basis a food item that originates as an agricultural~~  
22 ~~commodity produced on an Iowa farm, and~~ an Iowa product that  
23 may include any of the following:

24 a. An agricultural commodity produced on an Iowa farm,  
25 except that it may be prepared for sale by washing or packaging  
26 in this state.

27 b. ~~A product, if it is~~ An agricultural commodity processed  
28 ~~in this state and any of its ingredients, if its components~~  
29 originate as an agricultural commodity produced on an Iowa  
30 farm.

31 2. a. The department may adopt rules further defining an  
32 Iowa farm, Iowa agricultural commodity, and Iowa product; and  
33 describing how an Iowa agricultural commodity originates on an  
34 Iowa farm.

35 b. The department may adopt rules providing for the

1 acceptable use of ~~ingredients originating a component that~~  
2 originates from an agricultural commodities commodity not  
3 produced on an Iowa farms farm. In adopting the rules, the  
4 department may consider whether the ingredient component is  
5 an incidental ~~additive or other component that the department~~  
6 ~~determines is~~ or insignificant part of an Iowa product.

7 Sec. \_\_\_\_\_. Section 159.29, subsections 1 and 5, Code 2024,  
8 are amended to read as follows:

9 1. As part of the choose Iowa promotional program, the  
10 department may establish a choose Iowa logo to identify a ~~food~~  
11 ~~item originating as an agricultural commodity produced on an~~  
12 ~~Iowa farm~~ an Iowa product.

13 5. The use of a choose Iowa logo does not do any of the  
14 following:

15 a. Provide an express or implied guarantee or warranty  
16 concerning the safety, fitness, merchantability, or use of a  
17 ~~food item~~ product.

18 b. Supersede, revise, or replace a state or federal labeling  
19 requirement, including but not limited to a provision in the  
20 federal Fair Packaging and Labeling Act, 15 U.S.C. §1451 et  
21 seq.

22 c. Indicate the grade, specification, standard, or value of  
23 any ~~food item~~ agricultural commodity, component, or product.

24 Sec. \_\_\_\_\_. Section 159.31, subsections 1, 2, and 3, Code  
25 2024, are amended to read as follows:

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

28 2. The fund shall include moneys collected as fees by  
29 the department as provided in ~~section 159.30~~ 187.303, moneys  
30 appropriated by the general assembly, and other moneys  
31 available to and obtained or accepted by the department,  
32 including moneys from public or private sources.

33 3. Moneys in the fund are appropriated to the department  
34 and shall be used exclusively to ~~carry out the provisions of~~  
35 ~~this part~~ administer the programs created in this subchapter

1 as determined and directed by the department, and shall not  
2 require further special authorization by the general assembly.

3 Sec. \_\_\_\_\_. Section 159.31A, Code 2024, is amended to read as  
4 follows:

5 **159.31A Dairy innovation fund and revitalization program.**

6 ~~1. As used in [this section](#) unless the context otherwise  
7 requires:~~

8 ~~*a.* "Financial assistance" means assistance provided only  
9 from the moneys and assets legally available to the department  
10 pursuant to [this section](#) and includes assistance in the form of  
11 grants, low-interest loans, and forgivable loans.~~

12 ~~*b.* "Fund" means the dairy innovation fund.~~

13 ~~*c.* "Located in" means the place or places at which  
14 a business's operations are located and where at least  
15 ninety-eight percent of the business's employees work, or where  
16 employees that are paid at least ninety-eight percent of the  
17 business's payroll work.~~

18 ~~*d.* "Program" means the dairy innovation program.~~

19 ~~2. *a.* The fund is created in the state treasury under  
20 the control of the department and consists of any moneys  
21 appropriated to the fund by the general assembly and any other  
22 moneys available to or obtained or accepted by the department  
23 for placement in the fund. Moneys in the fund are appropriated  
24 to the department to award financial assistance as provided  
25 under the program. The department shall use any moneys  
26 specifically appropriated for purposes of [this section](#) only for  
27 the purposes of the program.~~

28 ~~*b.* Notwithstanding [section 8.33](#), moneys in the fund  
29 that remain unencumbered or unobligated at the close of the  
30 fiscal year shall not revert but shall remain available for  
31 expenditure for the purposes designated until the close of the  
32 succeeding fiscal year.~~

33 1. A dairy innovation and revitalization program is created  
34 within the department. The purpose of the program is to  
35 promote the development, modernization, and expansion of this

1 state's dairy industry.

2 ~~3.~~ 2. ~~The In administering the program, the department~~  
3 ~~shall establish and administer the program for the purpose of~~  
4 ~~awarding award~~ financial assistance to eligible businesses  
5 ~~engaged in to support~~ projects that do one or more of the  
6 following:

7 a. Expand or refurbish existing milk plants or establish a  
8 new milk plant, operating pursuant to a permit issued pursuant  
9 to [section 192.111](#) or [194.3A](#).

10 b. Expand or refurbish existing mobile dairy processing  
11 units, or establish new mobile dairy processing units.

12 c. Rent buildings, refrigeration ~~facilities,~~ or freezer  
13 facilities, or equipment necessary to expand dairy processing  
14 capacity, including mobile dairy or refrigeration units used  
15 exclusively for dairy processing.

16 d. Incorporate methods and technologies that reduce farm  
17 labor associated with milk production and storage, including  
18 but not limited to the use of robotics and processes or systems  
19 that operate using computerized equipment or machinery.

20 ~~4.~~ 3. The department shall establish eligibility criteria  
21 for the program ~~by rule~~. The eligibility criteria must include  
22 all of the following:

23 a. The business must be located in this state.

24 b. The business must not have been subject to any regulatory  
25 enforcement action related to federal, state, or local  
26 environmental, worker safety, food processing, or food safety  
27 laws, rules, or regulations within the last five years.

28 c. The business must only employ individuals legally  
29 authorized to work in this state.

30 d. The business must not currently be in bankruptcy.

31 e. The business must employ less than fifty individuals.

32 ~~5.~~ 4. A eligible business seeking financial assistance  
33 under [this section](#) shall make application to the department in  
34 the manner and on forms prescribed by the department ~~by rule~~.

35 ~~6.~~ 5. Applications for financial assistance under this

1 section shall be accepted during one or more annual application  
2 ~~periods to be determined~~ established by the department by  
3 ~~rule~~. Upon reviewing and scoring all applications that are  
4 received during an application period, and subject to ~~funding~~  
5 the availability of moneys, the department may award financial  
6 assistance to eligible businesses. A financial assistance  
7 award shall not exceed the amount of eligible project costs  
8 included in the eligible business's application. Priority  
9 shall be given to eligible businesses whose proposed project  
10 or projects under subsection ~~3~~ 2 are most likely to do any  
11 one or more of the following:

12     a. Create new jobs.

13     b. Create or expand opportunities for local small-scale milk  
14 producers to market pasteurized milk and milk products under  
15 private labels.

16     c. Provide greater flexibility or convenience for local  
17 small-scale farmers to have milk processed.

18     d. Reduce labor associated with the on-farm production and  
19 storage of milk.

20     ~~7.~~ 6. A eligible business that is awarded financial  
21 assistance under this section may apply for financial  
22 assistance under other programs administered by the ~~authority~~  
23 department.

24     ~~8.~~ ~~The department shall adopt rules pursuant to chapter 17A~~  
25 ~~to administer~~ this section.

26     Sec. \_\_\_\_\_. NEW SECTION. 187.101 Short title.

27     This chapter shall be known and may be cited as the "*Choose*  
28 *Iowa Act*".

29     Sec. \_\_\_\_\_. NEW SECTION. 187.102 Definitions.

30     As used in this chapter, unless the context otherwise  
31 requires:

32     1. "*Agricultural commodity*" means an animal or plant, or raw  
33 material originating from an animal or plant.

34     2. "*Component*" means an agricultural commodity that is  
35 combined to form a product during processing.

1 3. "*Department*" means the department of agriculture and land  
2 stewardship.

3 4. "*Farm*" means land and associated structures used to  
4 produce an agricultural commodity.

5 5. *a.* "*Financial assistance*" means support provided by the  
6 department to an eligible business under this chapter from  
7 moneys or other assets legally available to the department.

8 *b.* "*Financial assistance*" includes any form of grant,  
9 low-interest loan, or forgivable loan.

10 6. "*Food item*" means an agricultural commodity, or an item  
11 processed from an agricultural commodity, that is fit for human  
12 consumption.

13 7. "*Fund*" means the choose Iowa fund created in section  
14 187.201.

15 8. "*Horticulture item*" means any of the following:

16 *a.* A nursery, floral, or greenhouse plant.

17 *b.* A product processed from a nursery, floral, or greenhouse  
18 plant, including a seed, rooting, cutting, tissue culture,  
19 seedling, or other propagation material.

20 9. "*Located in*" means the place or places at which  
21 a business's operations are located and where at least  
22 ninety-eight percent of the business's employees work, or where  
23 employees that are paid at least ninety-eight percent of the  
24 business's payroll work.

25 10. "*Natural fiber item*" means fiber originating from  
26 an agricultural commodity for use in processing, including  
27 manufacturing into a textile, apparel, or other similar  
28 product.

29 11. "*Process*" means to prepare a product that includes an  
30 agricultural commodity alone or as a component.

31 12. *a.* "*Product*" means an agricultural commodity that  
32 in its raw or processed state is moveable at the time of its  
33 retail sale.

34 *b.* "*Product*" includes but is not limited to a food item,  
35 horticulture item, or natural fiber item.

1     Sec. \_\_\_\_\_. NEW SECTION. 187.103 Administration.

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

4     Sec. \_\_\_\_\_. NEW SECTION. 187.321 Value-added agricultural  
5 grant program.

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

11    Sec. \_\_\_\_\_. REPEAL. Sections 159.26 and 159.27, Code 2024,  
12 are repealed.

13    Sec. \_\_\_\_\_. TRANSFER OF MONEYS.

14    1. Not later than June 30, 2024, the balance of the dairy  
15 innovation fund created in section 159.31A shall be transferred  
16 to the choose Iowa fund created in section 159.31.

17    2. Not later than June 30, 2024, any moneys appropriated  
18 to the department of agriculture and land stewardship that the  
19 department has not expended as required to support a value  
20 added agriculture grant program shall be transferred to the  
21 choose Iowa fund, including moneys appropriated in 2022 Iowa  
22 Acts, chapter 1147, section 12, and 2023 Iowa Acts, chapter  
23 109, section 4, subsection 9.

24    Sec. \_\_\_\_\_. CODE EDITOR DIRECTIVE.

25    1. The Code editor is directed to make the following  
26 transfers:

27    a. Section 159.28 to 187.301.

28    b. Section 159.29 to 187.302.

29    c. Section 159.30 to 187.303.

30    d. Section 159.31 to 187.201.

31    e. Section 159.31A to 187.311.

32    2. The Code editor shall correct internal references in the  
33 Code and in any enacted legislation as necessary due to the  
34 enactment of this section.

35    Sec. \_\_\_\_\_. DIRECTIONS TO CODE EDITOR — SUBCHAPTERS AND

1 PARTS. The Code editor is directed to divide the provisions  
2 of chapter 187, as amended, enacted, or transferred in this  
3 division of this Act, into subchapters and parts as follows:

4 1. Subchapter I, including sections 187.101 through  
5 187.103.

6 2. Subchapter II, including section 187.201.

7 3. Subchapter III, as follows:

8 a. Part 1, including sections 187.301 through 187.303.

9 b. Part 2, including section 187.311.

10 c. Part 3, including section 187.321.

11 Sec. \_\_\_\_ . EFFECTIVE DATE.

12 1. Except as provided in subsection 2, this division of this  
13 Act takes effect July 1, 2024.

14 2. The following section of this division of this Act, being  
15 deemed of immediate importance, takes effect upon enactment:

16 The section that provides for the transfer of moneys to the  
17 choose Iowa fund.>

18 2. By renumbering as necessary.

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SEXTON of Calhoun