



[HF 2237](#) – Smokable Hemp, Ban (LSB5208HV)
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Fiscal Note Version – New

Description

[House File 2237](#) relates to the prohibition of possessing, using, manufacturing, marketing, transporting, delivering, or distributing harvested hemp or a hemp product if the intended use of such harvested hemp or hemp product is introduction into the body of a human or animal through any method of inhalation. This includes methods using cigarettes, cigars, cigarillos, and pipes, and smoke from combustion and vapor devices. Prohibition of such activity is not applicable to any extent that the federal government, including the federal Food, Drug, and Cosmetic Act, allows for the use of harvested hemp or a hemp product by method of inhalation.

[House File 2237](#) also provides that a person who violates the prohibition of ingesting harvested hemp or a hemp product through the methods mentioned above is guilty of a serious misdemeanor and is subject to a civil penalty of not less than \$500 and not more than \$2,500, as imposed, assessed, and collected by the Department of Agriculture and Land Stewardship (DALIS).

[House File 2237](#) is to be implemented on the same date as 2019 Iowa Acts, [ch. 130](#) (Iowa Hemp Act) and is effective upon enactment.

Background

[House File 2237](#) amends provisions of [Senate File 599](#) (Iowa Hemp Act), as enacted in 2019, including associated provisions of new Iowa Code chapter [204](#). [Senate File 599](#) authorized the production of *sativa L.*, a certain type of cannabis, as well as the manufacture, sale, and transportation of hemp products if such products contain no more than 0.3% of a delta-9 tetrahydrocannabinol (THC).

The [federal Agriculture Improvement Act of 2018](#), commonly known as the 2018 Farm Bill, included 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 by the United States Department of Agriculture (USDA). At this time, the USDA has not approved or denied Iowa's state plan. The Iowa Hemp Act is to be implemented on the publication date of the Iowa Administrative Bulletin that includes an approval statement of Iowa's state plan from the USDA.

A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least \$315 but not more than \$1,875.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay; revocation rates; plea bargaining; and other criminal justice system policies and practices.

- A lag effect of six months is assumed from the effective date of this Bill to the date of first entry of affected offenders into the correctional system.
- Marginal costs for county jails cannot be estimated due to a lack of data. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.

Correctional Impact

The correctional impact of [HF 2237](#) cannot be determined. The Bill establishes a new offense, and the number of convictions cannot be estimated.

The table below shows estimates for sentencing to State prison, parole, probation, or Community-Based Corrections (CBC) residential facilities; length of stay (LOS) under those supervisions; and supervision marginal costs per day for all convictions of a serious misdemeanor. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 16, 2020, for information related to the correctional system.

Sentencing Estimates

Conviction Offense Class	Percent to Prison	FY 19 Avg Length of Stay Prison (months)	FY 19 Marginal Cost/Day Prison	FY 19 Avg Length of Stay Probation (months)	FY 19 Avg Cost/Day Probation	Percent to CBC	FY 19 Avg Length of Stay Parole (months)	FY 19 Marginal Cost/Day Parole	Percent to County Jail	Marginal Cost/Day
Serious Misdemeanor	2.0%	5	\$20.38	13.4	\$6.12	1.0%	2.4	6.12	69.0%	\$50.00

Minority Impact

The minority impact of [HF 2237](#) is unknown. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statement](#), dated January 15, 2020, for information related to minorities in the criminal justice system.

Fiscal Impact

[House File 2237](#) establishes a new criminal offense, and the resulting cost to the Justice System cannot be estimated. The average State cost for one serious misdemeanor conviction ranges from \$410 to \$4,900. This estimate includes operating costs incurred by the Judicial Branch, the State Public Defender, and the Department of Corrections for one conviction. The cost would be incurred across multiple fiscal years for prison and parole supervision.

Any revenue collected as a result of the civil penalty established by [HF 2237](#) will be deposited in the General Fund, but is expected to be minimal.

Sources

Legislative Services Agency
Criminal and Juvenile Justice Planning Division, Department of Human Rights
Department of Agriculture and Land Stewardship
Department of Corrections
Department of Public Safety

/s/ Holly M. Lyons

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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