

House File 2070 - Introduced

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BY ISENHART

A BILL FOR

1 An Act relating to acreage limitations for the production of
2 hemp, and including effective date provisions.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 204.2, subsection 5, Code 2022, is
2 amended to read as follows:

3 5. "*Crop site*" or "*site*" means a single contiguous parcel
4 of agricultural land suitable for the planting, growing, or
5 harvesting of hemp, ~~if the parcel does not exceed forty acres.~~

6 Sec. 2. Section 204.4, subsection 6, Code 2022, is amended
7 to read as follows:

8 6. A person may hold any number of licenses at the same
9 time. ~~However, the~~

10 a. Except as provided in paragraph "b", a person shall not
11 hold a legal or equitable interest in a licensed crop site, if
12 the total number of acres of all licensed crop sites in which
13 the person holds all such interests equals more than forty
14 acres.

15 b. The department may waive the prohibition described in
16 paragraph "a" if it determines when reviewing the person's
17 license application that all of the following apply:

18 (1) The person has entered into a contract for the sale of
19 at least ninety percent of the hemp expected to be harvested on
20 the crop site as described in the application.

21 (2) Any harvested hemp sold pursuant to the contract
22 provided in subparagraph (1) is used as follows:

23 (a) For fiber or grain.

24 (b) To produce seeds, if such seeds are used for planting
25 and any harvested hemp is used for seed production, fiber, or
26 grain.

27 c. The department may require that a person applying for
28 a license provide any supporting materials as required by the
29 department to approve the application.

30 Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate
31 importance, takes effect upon enactment.

32 EXPLANATION

33 The inclusion of this explanation does not constitute agreement with
34 the explanation's substance by the members of the general assembly.

35 ACREAGE LIMITATION — EXCEPTION. This bill amends Code

1 chapter 204, the Iowa Hemp Act (IHA) (Code section 204.1),
2 which in part requires the department of agriculture and land
3 stewardship (DALS) to regulate the production of hemp. Hemp
4 is defined as a species of cannabis (sativa L.) having a
5 maximum concentration of tetrahydrocannabinol that does not
6 exceed three-tenths of 1 percent on a dry weight basis (Code
7 section 204.2). DALS is required to establish and administer a
8 process to issue and renew one-year hemp licenses to qualified
9 producers (Code section 204.4). DALS may issue any number of
10 licenses to a qualified producer so long as all licensed crop
11 sites do not exceed a total of 40 acres. The bill allows DALS
12 to waive this limitation on acres reserved for production if,
13 at the time of application, it determines that the applicant
14 has entered into a contract for the sale of at least 90 percent
15 of the hemp expected to be harvested at the applicant's crop
16 site. In addition, the harvested hemp sold pursuant to the
17 contract must be used for: (1) grain or fiber, or (2) seed
18 to grow hemp for seed production, grain, or fiber. DALS may
19 require that the applicant provide any supporting materials
20 necessary to approve the application.

21 BACKGROUND. The IHA must comply with the relevant sections
22 of the federal Agriculture Improvement Act of 2018, Pub. L.
23 No. 115-334, that allows states and tribes to assume primary
24 regulatory authority over the production of hemp by submitting
25 a plan for approval by the United States department of
26 agriculture (USDA). Effective April 8, 2020, the secretary of
27 agriculture published an advisory notice that the state plan
28 for the production of hemp was certified by the USDA in IAB
29 Vol. XLII, No. 21 (4/8/20), p. 2630.

30 EFFECTIVE DATE. The bill takes effect upon enactment.