

House File 2088 - Introduced

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BY MOMMSEN

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 one
6 hundred acres.

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

9 6. A person may hold any number of licenses at the same
10 time. However, the person shall not hold a legal or equitable
11 interest in a licensed crop site, if the total number of acres
12 of all licensed crop sites in which the person holds all such
13 interests equals more than forty one hundred acres.

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

16 EXPLANATION

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

19 ACREAGE LIMITATION — EXCEPTION. This bill amends Code
20 chapter 204, the Iowa Hemp Act (IHA), which in part requires
21 the department of agriculture and land stewardship (DALS) to
22 regulate the production of hemp. Hemp is defined as a species
23 of cannabis (*sativa* L.) having a maximum concentration of
24 delta-9 tetrahydrocannabinol that does not exceed three-tenths
25 of 1 percent on a dry weight basis (Code section 204.2). DALS
26 is required to establish and administer a process to issue
27 and renew one-year hemp licenses to qualified producers (Code
28 section 204.4). Until June 30, 2022, a qualified producer is
29 subject to an interim license fee based on the size of the
30 licensed crop site, equaling not more than a base amount plus
31 \$5 per acre. The base amount is \$500 for a licensed crop site
32 that is five acres or less; \$750 for a licensed crop site that
33 is more than five acres but not more than 10 acres; and \$1,000
34 for each licensed crop site that is more than 10 acres. During
35 the interim period, the producer is also subject to an annual

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1 base inspection and official test fee of not more than \$1,000.
2 On and after June 30, 2022, permanent license and inspection
3 fees are established by rules adopted by DALs for each 12-month
4 period based on the costs of administering and enforcing the
5 IHA which may be based on the size of a licensed crop site (Code
6 section 204.5). Two compatible acreage limits apply: (1) a
7 licensed crop site must be 40 acres or less and (2) the total
8 number of acres of all licensed crop sites must be 40 acres or
9 less. The bill increases these limits to 100 acres (amended
10 Code sections 204.2 and 204.4).

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

21 EFFECTIVE DATE. The bill takes effect upon enactment.