

House File 2380 - Introduced

HOUSE FILE 2380
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HF 2088)

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 tract of agricultural land suitable for the planting, growing,
5 or harvesting of hemp, if the ~~parcel~~ tract does not exceed
6 forty one hundred sixty acres subject to the limitations in
7 section 204.4.

8 Sec. 2. Section 204.4, subsection 2, paragraphs c and d,
9 Code 2022, are amended to read as follows:

10 c. The number of ~~crop~~ acres to be used for hemp production,
11 including the number of acres to be used to produce hemp for
12 the purpose of extracting the compound cannabidiol.

13 d. The name of the hemp variety to be produced on each crop
14 site.

15 Sec. 3. Section 204.4, subsection 6, Code 2022, is amended
16 to read as follows:

17 6. A person may hold any number of licenses at the same
18 time. However, the person shall not hold a legal or equitable
19 interest in a licensed crop site, if the total number of acres
20 of all licensed crop sites in which the person holds ~~all such~~
21 interests any such interest equals more than one hundred sixty
22 acres. Of the total number of acres in which the person holds
23 an interest as described in this subsection, not more than
24 forty acres shall be used to produce hemp for the purpose of
25 extracting the compound cannabidiol by the applicant or another
26 person.

27 Sec. 4. EFFECTIVE DATE. This Act, being deemed of immediate
28 importance, takes effect upon enactment.

29

EXPLANATION

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

32 ACREAGE LIMITATION — EXCEPTION. This bill amends Code
33 chapter 204, the Iowa Hemp Act (IHA), which in part requires
34 the department of agriculture and land stewardship (DALSS) to
35 regulate the production of hemp. Hemp is defined as a species

1 of cannabis (*sativa* L.) having a maximum concentration of
2 delta-9 tetrahydrocannabinol that does not exceed three-tenths
3 of 1 percent on a dry weight basis (Code section 204.2). The
4 IHA does not specifically address the presence in hemp of
5 the nonnarcotic compound cannabidiol. DALs is required to
6 establish and administer a process to issue and renew one-year
7 hemp licenses to qualified producers (Code section 204.4).
8 Until June 30, 2022, a qualified producer is subject to an
9 interim license fee based on the size of the licensed crop
10 site, equaling not more than a base amount plus \$5 per acre.
11 The base amount is \$500 for a licensed crop site that is five
12 acres or less; \$750 for a licensed crop site that is more than
13 five acres but not more than 10 acres; and \$1,000 for each
14 licensed crop site that is more than 10 acres. During the
15 interim period, the producer is also subject to an annual base
16 inspection and official test fee of not more than \$1,000. On
17 and after June 30, 2022, permanent license and inspection fees
18 are established by rules adopted by DALs for each 12-month
19 period based on the costs of administering and enforcing the
20 IHA which may be based on the size of a licensed crop site (Code
21 section 204.5). Two compatible acreage limits apply: (1) a
22 licensed crop site must be 40 acres or less and (2) the total
23 number of acres of all licensed crop sites must be 40 acres
24 or less. The bill increases these limits to 160 acres with
25 the condition that not more than 40 total acres can be used to
26 produce hemp for the purpose of extracting cannabidiol (Code
27 sections 204.2 and 204.4).

28 BACKGROUND. The IHA must comply with the relevant sections
29 of the federal Agriculture Improvement Act of 2018, Pub. L.
30 No. 115-334, that allows states and tribes to assume primary
31 regulatory authority over the production of hemp by submitting
32 a plan for approval by the United States department of
33 agriculture (USDA). Effective April 8, 2020, the secretary of
34 agriculture published an advisory notice that the state plan
35 for the production of hemp was certified by the USDA in IAB

1 Vol. XLII, No. 21 (4/8/20), p. 2630.

2 EFFECTIVE DATE. The bill takes effect upon enactment.