

**Senate File 2110 - Introduced**

SENATE FILE 2110

BY SHIPLEY

**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 person shall not hold a legal or equitable  
10 interest in a licensed crop site, if the total number of acres  
11 of all licensed crop sites in which the person holds all such  
12 interests equals more than forty acres.~~

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

15 EXPLANATION

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

18 ACREAGE LIMITATION — EXCEPTION. This bill amends Code  
19 chapter 204, the Iowa Hemp Act (IHA), which in part requires  
20 the department of agriculture and land stewardship (DALs) to  
21 regulate the production of hemp. Hemp is defined as a species  
22 of cannabis (*sativa* L.) having a maximum concentration of  
23 delta-9 tetrahydrocannabinol that does not exceed three-tenths  
24 of 1 percent on a dry weight basis (Code section 204.2). DALs  
25 is required to establish and administer a process to issue  
26 and renew one-year hemp licenses to qualified producers (Code  
27 section 204.4). DALs may issue any number of licenses to a  
28 qualified producer so long as all licensed crop sites do not  
29 exceed a total of 40 acres. Until June 30, 2022, a qualified  
30 producer is subject to an interim license fee based on the  
31 size of the licensed crop site, equaling not more than a base  
32 amount plus \$5 per acre. The base amount is \$500 for a licensed  
33 crop site that is five acres or less; \$750 for a licensed crop  
34 site that is more than five acres but not more than 10 acres;  
35 and \$1,000 for each licensed crop site that is more than 10

1 acres. During the interim period, the producer is also subject  
2 to an annual base inspection and official test fee of not more  
3 than \$1,000. On and after June 30, 2022, permanent license  
4 and inspection fees are established by rules adopted by DALSS  
5 for each 12-month period based on the costs of administering  
6 and enforcing the IHA which may be based on the size of a  
7 licensed crop site (Code section 204.5). The bill eliminates  
8 the requirements that (1) a licensed crop site must be 40 acres  
9 or less and (2) the total number of acres of all licensed crop  
10 sites must be 40 acres or less.

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.