

House File 2641 - Reprinted

HOUSE FILE 2641
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 2510)
(SUCCESSOR TO HSB 560)

(COMPANION TO SF 2209 BY
COMMITTEE ON AGRICULTURE)

(As Amended and Passed by the House April 10, 2024)

A BILL FOR

1 An Act relating to agriculture, by providing for the
2 administration of programs and regulations, making
3 appropriations, providing penalties, and including effective
4 date provisions.

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

DIVISION I

IOWA-FOALED HORSES

Section 1. Section 99D.22, subsection 2, paragraph b, subparagraph (3), Code 2024, is amended to read as follows:

(3) (a) ~~Continuous~~ For a thoroughbred foal, continuous residency from December 31 15 until the foal is inspected if the mare was bred by other than an Iowa registered stallion and is not bred back to an Iowa registered stallion.

(b) For a standardbred foal or quarter horse foal, continuous residency from January 31 until the foal is inspected if the mare was bred by other than an Iowa registered stallion and is not bred back to an Iowa registered stallion.

DIVISION II

AGRICULTURAL MARKETING

Sec. 2. Section 159.20, subsection 2, Code 2024, is amended to read as follows:

2. The department shall ~~establish and administer a choose Iowa promotional program as provided in part 2 of this subchapter, in order to provide consumers a choice in~~ programs that advance the purchasing food items of agricultural commodities produced on Iowa farms and Iowa products that originate as an agricultural commodity commodities produced on Iowa farms under this title, including chapter 187.

Sec. 3. Section 159.20, subsection 3, unnumbered paragraph 1, Code 2024, is amended to read as follows:

As used in ~~this subchapter~~ section:

Sec. 4. Section 159.28, Code 2024, is amended to read as follows:

159.28 Choose Iowa promotional program.

1. The department shall establish and administer a ~~choose Iowa promotional program to advertise for retail sale on a retail basis a food item that originates as an agricultural commodity produced on an Iowa farm, and~~ an Iowa product that may include any of the following:

a. An agricultural commodity produced on an Iowa farm,

1 except that it may be prepared for sale by washing or packaging
2 in this state.

3 ~~b. A product, if it is~~ An agricultural commodity processed
4 ~~in this state and any of its ingredients,~~ if its components
5 ~~originate as an agricultural commodity produced on an Iowa~~
6 ~~farm.~~

7 2. a. The department may adopt rules further defining an
8 Iowa farm, Iowa agricultural commodity, and Iowa product; and
9 describing how an Iowa agricultural commodity originates on an
10 Iowa farm.

11 b. The department may adopt rules providing for the
12 acceptable use of ~~ingredients originating a component that~~
13 originates from an agricultural commodities commodity not
14 produced on an Iowa farms farm. In adopting the rules, the
15 department may consider whether the ingredient component is
16 an incidental ~~additive or other component that the department~~
17 ~~determines is~~ or insignificant part of an Iowa product.

18 Sec. 5. Section 159.29, subsections 1 and 5, Code 2024, are
19 amended to read as follows:

20 1. As part of the choose Iowa promotional program, the
21 department may establish a choose Iowa logo to identify a ~~food~~
22 ~~item originating as an agricultural commodity produced on an~~
23 ~~Iowa farm~~ an Iowa product.

24 5. The use of a choose Iowa logo does not do any of the
25 following:

26 a. Provide an express or implied guarantee or warranty
27 concerning the safety, fitness, merchantability, or use of a
28 ~~food item~~ product.

29 b. Supersede, revise, or replace a state or federal labeling
30 requirement, including but not limited to a provision in the
31 federal Fair Packaging and Labeling Act, 15 U.S.C. §1451 et
32 seq.

33 c. Indicate the grade, specification, standard, or value of
34 any ~~food item~~ agricultural commodity, component, or product.

35 Sec. 6. Section 159.31, subsections 1, 2, and 3, Code 2024,

1 are amended to read as follows:

2 1. A choose Iowa fund is ~~established~~ created in the state
3 treasury under the management and control of the department.

4 2. The fund shall include moneys collected as fees by
5 the department as provided in ~~section 159.30~~ 187.303, moneys
6 appropriated by the general assembly, and other moneys
7 available to and obtained or accepted by the department,
8 including moneys from public or private sources.

9 3. Moneys in the fund are appropriated to the department
10 and shall be used exclusively to ~~carry out the provisions of~~
11 ~~this part~~ administer the programs created in this subchapter
12 as determined and directed by the department, and shall not
13 require further special authorization by the general assembly.

14 Sec. 7. Section 159.31A, Code 2024, is amended to read as
15 follows:

16 **159.31A Dairy innovation fund and revitalization program.**

17 ~~1. As used in this section unless the context otherwise~~
18 ~~requires:~~

19 ~~a. "Financial assistance" means assistance provided only~~
20 ~~from the moneys and assets legally available to the department~~
21 ~~pursuant to this section and includes assistance in the form of~~
22 ~~grants, low-interest loans, and forgivable loans.~~

23 ~~b. "Fund" means the dairy innovation fund.~~

24 ~~c. "Located in" means the place or places at which~~
25 ~~a business's operations are located and where at least~~
26 ~~ninety-eight percent of the business's employees work, or where~~
27 ~~employees that are paid at least ninety-eight percent of the~~
28 ~~business's payroll work.~~

29 ~~d. "Program" means the dairy innovation program.~~

30 ~~2. a. The fund is created in the state treasury under~~
31 ~~the control of the department and consists of any moneys~~
32 ~~appropriated to the fund by the general assembly and any other~~
33 ~~moneys available to or obtained or accepted by the department~~
34 ~~for placement in the fund. Moneys in the fund are appropriated~~
35 ~~to the department to award financial assistance as provided~~

1 ~~under the program. The department shall use any moneys~~
2 ~~specifically appropriated for purposes of [this section](#) only for~~
3 ~~the purposes of the program.~~

4 ~~b. Notwithstanding [section 8.33](#), moneys in the fund~~
5 ~~that remain unencumbered or unobligated at the close of the~~
6 ~~fiscal year shall not revert but shall remain available for~~
7 ~~expenditure for the purposes designated until the close of the~~
8 ~~succeeding fiscal year.~~

9 1. A dairy innovation and revitalization program is created
10 within the department. The purpose of the program is to
11 promote the development, modernization, and expansion of this
12 state's dairy industry.

13 ~~3.~~ 2. The In administering the program, the department
14 ~~shall establish and administer the program for the purpose of~~
15 ~~awarding award financial assistance to eligible businesses~~
16 ~~engaged in to support projects that do one or more of the~~
17 ~~following:~~

18 ~~a. Expand or refurbish existing milk plants or establish a~~
19 ~~new milk plant, operating pursuant to a permit issued pursuant~~
20 ~~to [section 192.111](#) or [194.3A](#).~~

21 ~~b. Expand or refurbish existing mobile dairy processing~~
22 ~~units, or establish new mobile dairy processing units.~~

23 ~~c. Rent buildings, refrigeration ~~facilities~~, or freezer~~
24 ~~facilities, or equipment necessary to expand dairy processing~~
25 ~~capacity, including mobile dairy or refrigeration units used~~
26 ~~exclusively for dairy processing.~~

27 ~~d. Incorporate methods and technologies that reduce farm~~
28 ~~labor associated with milk production and storage, including~~
29 ~~but not limited to the use of robotics and processes or systems~~
30 ~~that operate using computerized equipment or machinery.~~

31 ~~4.~~ 3. The department shall establish eligibility criteria
32 ~~for the program by rule. The eligibility criteria must include~~
33 ~~all of the following:~~

34 ~~a. The business must be located in this state.~~

35 ~~b. The business must not have been subject to any regulatory~~

1 enforcement action related to federal, state, or local
2 environmental, worker safety, food processing, or food safety
3 laws, rules, or regulations within the last five years.

4 *c.* The business must only employ individuals legally
5 authorized to work in this state.

6 *d.* The business must not currently be in bankruptcy.

7 *e.* The business must employ less than fifty individuals.

8 ~~5.~~ 4. A An eligible business seeking financial assistance
9 under this section shall make application to the department in
10 the manner and on forms prescribed by the department ~~by rule~~.

11 ~~6.~~ 5. Applications for financial assistance under this
12 section shall be accepted during one or more annual application
13 periods ~~to be determined~~ established by the department ~~by~~
14 ~~rule~~. Upon reviewing and scoring all applications that are
15 received during an application period, and subject to ~~funding~~
16 the availability of moneys, the department may award financial
17 assistance to eligible businesses. A financial assistance
18 award shall not exceed the amount of eligible project costs
19 included in the eligible business's application. Priority
20 shall be given to eligible businesses whose proposed project
21 or projects under subsection ~~3~~ will 2 are most likely to do any
22 one or more of the following:

23 *a.* Create new jobs.

24 *b.* Create or expand opportunities for local small-scale milk
25 producers to market pasteurized milk and milk products under
26 private labels.

27 *c.* Provide greater flexibility or convenience for local
28 small-scale farmers to have milk processed.

29 *d.* Reduce labor associated with the on-farm production and
30 storage of milk.

31 ~~7.~~ 6. A An eligible business that is awarded financial
32 assistance under this section may apply for financial
33 assistance under other programs administered by the ~~authority~~
34 department.

35 ~~8.~~ ~~The department shall adopt rules pursuant to chapter 17A~~

1 ~~to administer this section.~~

2 Sec. 8. NEW SECTION. 187.101 Short title.

3 This chapter shall be known and may be cited as the "*Choose*
4 *Iowa Act*".

5 Sec. 9. NEW SECTION. 187.102 Definitions.

6 As used in this chapter, unless the context otherwise
7 requires:

8 1. "*Agricultural commodity*" means an animal or plant, or raw
9 material originating from an animal or plant.

10 2. "*Component*" means an agricultural commodity that is
11 combined to form a product during processing.

12 3. "*Department*" means the department of agriculture and land
13 stewardship.

14 4. "*Farm*" means land and associated structures used to
15 produce an agricultural commodity.

16 5. a. "*Financial assistance*" means support provided by the
17 department to an eligible business under this chapter from
18 moneys or other assets legally available to the department.

19 b. "*Financial assistance*" includes any form of grant,
20 low-interest loan, or forgivable loan.

21 6. "*Food item*" means an agricultural commodity, or an item
22 processed from an agricultural commodity, that is fit for human
23 consumption.

24 7. "*Fund*" means the choose Iowa fund created in section
25 187.201.

26 8. "*Horticulture item*" means any of the following:

27 a. A nursery, floral, or greenhouse plant.

28 b. A product processed from a nursery, floral, or greenhouse
29 plant, including a seed, rooting, cutting, tissue culture,
30 seedling, or other propagation material.

31 9. "*Located in*" means the place or places at which
32 a business's operations are located and where at least
33 ninety-eight percent of the business's employees work, or where
34 employees that are paid at least ninety-eight percent of the
35 business's payroll work.

1 10. *"Natural fiber item"* means fiber originating from
2 an agricultural commodity for use in processing, including
3 manufacturing into a textile, apparel, or other similar
4 product.

5 11. *"Process"* means to prepare a product that includes an
6 agricultural commodity alone or as a component.

7 12. *a. "Product"* means an agricultural commodity that
8 in its raw or processed state is moveable at the time of its
9 retail sale.

10 *b. "Product"* includes but is not limited to a food item,
11 horticulture item, or natural fiber item.

12 Sec. 10. NEW SECTION. 187.103 **Administration.**

13 The department shall adopt all rules under chapter 17A as it
14 determines necessary or desirable to administer this chapter.

15 Sec. 11. NEW SECTION. 187.321 **Value-added agricultural**
16 **grant program.**

17 A value-added agricultural grant program is created within
18 the department. The purpose of the program is to identify,
19 evaluate, and support projects and services that add value to
20 agricultural commodities produced on Iowa farms, including by
21 supporting new technologies and marketing strategies.

22 Sec. 12. REPEAL. Sections 159.26 and 159.27, Code 2024,
23 are repealed.

24 Sec. 13. TRANSFER OF MONEYS.

25 1. Not later than June 30, 2024, the balance of the dairy
26 innovation fund created in section 159.31A shall be transferred
27 to the choose Iowa fund created in section 159.31.

28 2. Not later than June 30, 2024, any moneys appropriated
29 to the department of agriculture and land stewardship that the
30 department has not expended as required to support a value
31 added agriculture grant program shall be transferred to the
32 choose Iowa fund, including moneys appropriated in 2022 Iowa
33 Acts, chapter 1147, section 12, and 2023 Iowa Acts, chapter
34 109, section 4, subsection 9.

35 Sec. 14. CODE EDITOR DIRECTIVE.

1 1. The Code editor is directed to make the following
2 transfers:

- 3 a. Section 159.28 to 187.301.
- 4 b. Section 159.29 to 187.302.
- 5 c. Section 159.30 to 187.303.
- 6 d. Section 159.31 to 187.201.
- 7 e. Section 159.31A to 187.311.

8 2. The Code editor shall correct internal references in the
9 Code and in any enacted legislation as necessary due to the
10 enactment of this section.

11 Sec. 15. DIRECTIONS TO CODE EDITOR — SUBCHAPTERS AND
12 PARTS. The Code editor is directed to divide the provisions
13 of chapter 187, as amended, enacted, or transferred in this
14 division of this Act, into subchapters and parts as follows:

- 15 1. Subchapter I, including sections 187.101 through
16 187.103.
- 17 2. Subchapter II, including section 187.201.
- 18 3. Subchapter III, as follows:
 - 19 a. Part 1, including sections 187.301 through 187.303.
 - 20 b. Part 2, including section 187.311.
 - 21 c. Part 3, including section 187.321.

22 Sec. 16. EFFECTIVE DATE.

23 1. Except as provided in subsection 2, this division of this
24 Act takes effect July 1, 2024.

25 2. The following section of this division of this Act, being
26 deemed of immediate importance, takes effect upon enactment:

27 The section that provides for the transfer of moneys to the
28 choose Iowa fund.

29 DIVISION III

30 COMMERCIAL ESTABLISHMENTS

31 Sec. 17. Section 162.2, subsection 8, Code 2024, is amended
32 to read as follows:

33 8. "*Commercial breeder*" means a person, engaged in the
34 business of breeding dogs or cats, who sells, exchanges, or
35 leases dogs or cats in return for consideration, or who offers

1 to do so, whether or not the animals are raised, trained,
2 groomed, or boarded by the person. A person who owns or
3 harbors three or fewer breeding males or females is not a
4 commercial breeder. ~~However, a person who breeds any number~~
5 ~~of breeding male or female greyhounds for the purposes of~~
6 ~~using them for pari-mutuel wagering at a racetrack as provided~~
7 ~~in chapter 99D shall be considered a commercial breeder~~
8 ~~irrespective of whether the person sells, leases, or exchanges~~
9 ~~the greyhounds for consideration or offers to do so.~~

10 Sec. 18. Section 162.2B, subsection 1, paragraph b, Code
11 2024, is amended to read as follows:

12 *b.* For the issuance or renewal of a state license or permit,
13 one hundred seventy-five dollars. ~~However, a commercial~~
14 ~~breeder who owns, keeps, breeds, or transports a greyhound dog~~
15 ~~for pari-mutuel wagering at a racetrack as provided in chapter~~
16 ~~99D shall pay a different fee for the issuance or renewal of a~~
17 ~~state license as provided in rules adopted by the department.~~

18 Sec. 19. Section 162.10A, subsection 2, Code 2024, is
19 amended to read as follows:

20 2. *a.* Except as provided in paragraph "b" or "~~e~~", a
21 commercial establishment shall comply with rules that the
22 department adopts to implement [subsection 1](#). A commercial
23 establishment shall be regulated under this paragraph "a"
24 unless the person is a ~~state licensee as provided in paragraph~~
25 ~~"b" or a permittee as provided in paragraph "e" "b"~~.

26 ~~*b.* A state licensee who is a commercial breeder owning,~~
27 ~~breeding, transporting, or keeping a greyhound dog for~~
28 ~~pari-mutuel wagering at a racetrack as provided in chapter 99D~~
29 ~~may be required to comply with different rules adopted by the~~
30 ~~department.~~

31 ~~*e.*~~ *b.* A permittee is not required to comply with rules
32 that the department adopts to implement a standard of care as
33 provided in [subsection 1](#) for state licensees and registrants.
34 The department may adopt rules regulating a standard of care
35 for a permittee, so long as the rules are not more restrictive

1 than required for a permittee under the Animal Welfare Act.
2 However, the department may adopt prescriptive rules relating
3 to the standard of care. Regardless of whether the department
4 adopts such rules, a permittee meets the standard of care
5 required in [subsection 1](#) if it voluntarily complies with rules
6 applicable to state licensees or registrants. A finding by
7 the United States department of agriculture that a permittee
8 complies with the Animal Welfare Act is not conclusive when
9 determining that the permittee provides a standard of care
10 required in [subsection 1](#).

11 Sec. 20. Section 717B.3, subsection 2, paragraph a,
12 subparagraph (2), subparagraph divisions (a) and (b), Code
13 2024, are amended to read as follows:

14 (a) A state licensee or registrant operating pursuant to
15 section 162.10A, subsection 2, paragraph "a" or "b".

16 (b) A permittee operating pursuant to section 162.10A,
17 subsection 2, paragraph "c" "b".

18 DIVISION IV

19 GRADE "A" MILK

20 Sec. 21. Section 192.101A, Code 2024, is amended by adding
21 the following new subsections:

22 NEW SUBSECTION. 1A. "Department" means the department of
23 agriculture and land stewardship.

24 NEW SUBSECTION. 5. "Secretary" means the secretary of
25 agriculture.

26 Sec. 22. Section 192.109, Code 2024, is amended to read as
27 follows:

28 **192.109 Certification of grade "A" label.**

29 The department of agriculture and land stewardship shall
30 annually biennially conduct a survey and based on that survey
31 certify all milk labeled grade "A" pasteurized and grade "A"
32 raw milk for pasteurization, and, in. In the event that a
33 survey shows the requirements for production, processing, and
34 distribution for such grade are not being complied with, ~~the~~
35 that fact ~~thereof~~ shall be certified by the department to the

1 secretary of ~~agriculture~~ who shall proceed with the provisions
2 of [section 192.107](#) for suspending the permit of the violator or
3 who, if the secretary did not issue such permit, shall withdraw
4 the grade "A" declared on the label.

5 Sec. 23. Section 192.111, subsection 1, paragraph a,
6 subparagraph (5), Code 2024, is amended to read as follows:

7 (5) A milk grader which must obtain a milk grader permit and
8 pay a license permit fee not greater than twenty dollars.

9 Sec. 24. Section 192.116, Code 2024, is amended to read as
10 follows:

11 **192.116 Bacteriologists.**

12 The department of ~~agriculture and land stewardship~~ may
13 employ dairy specialists or bacteriologists who shall devote
14 their full time to the improvement of sanitation in the
15 production, processing, and marketing of dairy products.
16 ~~Said~~ The dairy specialists and bacteriologists shall have
17 qualifications as to education and experience and such other
18 requirements as the secretary may require.

19 Sec. 25. Section 192.118, subsection 1, Code 2024, is
20 amended to read as follows:

21 1. To ensure uniformity in the tests and reporting, an
22 employee certified by the United States public health service
23 of the bacteriological laboratory of the department shall
24 annually certify, in accordance with rules adopted by the
25 department incorporating or incorporating by reference the
26 federal publication entitled "Evaluation of Milk Laboratories",
27 all laboratories doing work in the sanitary quality of
28 milk and dairy products for public report. The approval by
29 the department shall be based on the evaluation of these
30 laboratories as to personnel training, laboratory methods
31 used, and reporting. The results on tests made by approved
32 laboratories shall be reported to the department on request,
33 on forms prescribed by the secretary of ~~agriculture~~, and such
34 reports may be used by the department.

35

DIVISION V

1 FERTILIZERS AND SOIL CONDITIONERS

2 Sec. 26. Section 200.3, subsection 29, Code 2024, is amended
3 to read as follows:

4 29. The term "*unmanipulated manures*" means any substances
5 composed primarily of excreta, plant remains, or mixtures of
6 such substances which have not been processed in any manner
7 other than dewatering.

8 Sec. 27. EFFECTIVE DATE. This division of this Act, being
9 deemed of immediate importance, takes effect upon enactment.

10 DIVISION VI

11 HEMP

12 PART A

13 HEMP REGULATIONS

14 Sec. 28. Section 204.2, subsections 1, 4, 5, 10, 12, 14, 15,
15 and 16, Code 2024, are amended by striking the subsections.

16 Sec. 29. Section 204.2, subsection 6, Code 2024, is amended
17 by striking the subsection and inserting in lieu thereof the
18 following:

19 6. "*Department of health and human services*" or "*department*"
20 means the principal central department established in section
21 7E.5, subsection 1, paragraph "i".

22 Sec. 30. Section 204.2, subsection 9, Code 2024, is amended
23 by striking the subsection and inserting in lieu thereof the
24 following:

25 9. "*Hemp*" means the same as defined in section 204A.2.

26 Sec. 31. Section 204.7, subsections 1, 2, 3, 4, 5, 6, and 7,
27 Code 2024, are amended by striking the subsections.

28 Sec. 32. Section 204.8, Code 2024, is amended by striking
29 the section and inserting in lieu thereof the following:

30 **204.8 Hemp — testing requirements and certificate of**
31 **analysis.**

32 For purposes of this chapter, requirements for testing hemp
33 and the issuance of a certificate of analysis for hemp are
34 governed by chapter 204A.

35 Sec. 33. Section 204.12, subsection 2, Code 2024, is amended

1 by striking the subsection.

2 Sec. 34. Section 204.14, subsections 2 and 3, Code 2024, are
3 amended to read as follows:

4 2. ~~a. Except as provided in paragraph "b",~~ The person
5 is required to hold a certificate of analysis to possess,
6 handle, use, manufacture, market, transport, deliver, or
7 distribute hemp that has been harvested under this chapter.

8 ~~b. The person is required to hold a temporary harvest and
9 transportation permit to possess, harvest, or move hemp.~~

10 3. The person knowingly or intentionally does any of the
11 following:

12 a. ~~Falsifies the temporary harvest and transportation permit
13 or a~~ certificate of analysis.

14 b. ~~Acquires the temporary harvest and transportation permit
15 or a~~ certificate of analysis that the person knows has been
16 falsified.

17 Sec. 35. Section 204.15, Code 2024, is amended by striking
18 the section and inserting in lieu thereof the following:

19 **204.15 Negligent violation program.**

20 A USDA licensee who is participating in or has successfully
21 completed the program for negligent violations as provided in 7
22 C.F.R. §990.29 shall not be subject to a criminal offense under
23 chapter 124 or 453B for committing an act that otherwise would
24 constitute the offense.

25 Sec. 36. Section 204.17, subsection 1, Code 2024, is amended
26 by striking the subsection.

27 Sec. 37. Section 204.17, subsection 6, Code 2024, is amended
28 by striking the subsection and inserting in lieu thereof the
29 following:

30 6. Nothing in this chapter shall be construed or applied
31 to affect a statute or rule which applies to an article under
32 this chapter, if it would apply in the same manner as to other
33 articles subject to the same general regulation in other
34 chapters.

35 Sec. 38. NEW SECTION. **204A.2 Definitions.**

1 As used in this chapter, unless the context otherwise
2 requires:

3 1. "*Acceptable hemp THC level*" means the same as defined in
4 7 C.F.R. §990.1.

5 2. "*Cannabis*" means the same as defined in 7 C.F.R. §990.1.

6 3. "*Controlled substance*" means the same as defined in
7 section 124.101.

8 4. "*Delta-9 tetrahydrocannabinol*" or "*THC*" means the same as
9 defined in 7 C.F.R. §990.1.

10 5. "*Department*" means the department of agriculture and land
11 stewardship.

12 6. "*Federal hemp law*" means 7 U.S.C. §1639o, 1639q, and
13 1639r, together with the domestic hemp production program as
14 provided in 7 C.F.R. pt. 990.

15 7. "*Hemp*" means the same as defined in 7 C.F.R. §990.1.

16 8. "*Local law enforcement agency*" means an office of county
17 sheriff or a municipal police department.

18 9. "*Lot*" means the same as defined in 7 C.F.R. §990.1.

19 10. "*Total THC*" means the same as defined in 7 C.F.R.
20 §990.1.

21 11. "*USDA licensee*" means the same as defined in 7 C.F.R.
22 §990.1.

23 Sec. 39. NEW SECTION. **204A.3 Administration — rules.**

24 The department may adopt rules that it deems necessary to
25 administer and enforce this chapter. The rules shall comply
26 with the federal hemp law, or requirements of the United States
27 department of agriculture acting under the federal hemp law.

28 Sec. 40. NEW SECTION. **204A.4 Criminal offenses.**

29 A criminal offense involving hemp includes but is not
30 limited to production, use, harvest, transportation, delivery,
31 distribution, or sale of cannabis as a controlled substance
32 except as otherwise provided in this chapter and chapter 204.

33 Sec. 41. NEW SECTION. **204A.5 Hemp production.**

34 1. Except to the extent otherwise provided in the federal
35 hemp law, or by the United States department of agriculture

1 acting under the federal hemp law, this chapter does not affect
2 the powers and duties of the state, including the department of
3 public safety or a local law enforcement agency, to investigate
4 or prosecute a person for a violation of a criminal offense,
5 including an act in violation of chapter 124 or 453B.

6 2. *a.* Except to the extent otherwise provided in the
7 federal hemp law, or by the United States department of
8 agriculture acting under the federal hemp law, the department
9 of public safety may require a USDA licensee to submit to the
10 department of public safety any of the following:

11 (1) A notice that the United States department of
12 agriculture's lot includes cannabis that exceeds the acceptable
13 hemp THC level and a description of the noncompliant plant's
14 disposal as required in 7 C.F.R. §990.27.

15 (2) A corrective action plan filed with the United States
16 department of agriculture to cure the negligent violation as
17 required in 7 C.F.R. §990.27.

18 (3) A notice of the United States department of
19 agriculture's license suspension under 7 C.F.R. §990.30 or
20 United States department of agriculture's license revocation
21 under 7 C.F.R. §990.31.

22 (4) A report or record required to be submitted to
23 the United States department of agriculture as part of
24 participation in the domestic hemp program as provided in 7
25 C.F.R. §990.32.

26 *b.* Any data or business information designated as
27 confidential by the United States department of agriculture
28 under this subsection and received by a government body as
29 defined in section 22.1 shall be a confidential record under
30 chapter 22 and subject to any restrictions imposed by the
31 United States department of agriculture.

32 **Sec. 42. NEW SECTION. 204A.6 Hemp transportation.**

33 Except to the extent otherwise provided in the federal
34 hemp law, including 7 C.F.R. §990.25, or by the United States
35 department of agriculture acting under the federal hemp law, a

1 person transporting hemp seed or harvested hemp in this state,
2 on an intrastate or interstate basis, is subject to all of the
3 following public safety requirements:

4 1. If the person is licensed under 7 C.F.R. ch. 990, subpt.
5 B or C, the person must carry a copy of that license.

6 2. The person must carry a certificate of analysis.

7 3. The person must carry a bill of lading under all of the
8 following circumstances:

9 a. The person is in possession of the hemp in transit to
10 transfer ownership.

11 b. The person is delivering cannabis seed for planting and
12 the seed is not of the licensee's own production.

13 c. A person brings hemp produced in another state into or
14 through this state.

15 Sec. 43. NEW SECTION. 204A.9 Statutory construction.

16 1. Nothing in this chapter shall be construed or applied to
17 be less stringent than required under the federal hemp law.

18 2. Nothing in this chapter shall be construed or applied
19 to be in conflict with applicable federal law and related
20 regulations.

21 3. Nothing in this chapter shall be construed or applied to
22 infringe upon the ability of the department of public safety
23 or a local law enforcement agency to obtain a search warrant
24 issued by a court, or enter onto any premises in a manner
25 consistent with the laws of this state and the United States,
26 including Article I, section 8, of the Constitution of the
27 State of Iowa, or the fourth amendment to the Constitution of
28 the United States.

29 4. Nothing in this chapter shall be construed or applied
30 to affect a statute or rule which applies to an article under
31 this chapter, if it would apply in the same manner as to other
32 articles subject to the same general regulation in other
33 chapters.

34 Sec. 44. REPEAL. Sections 204.3, 204.4, 204.5, 204.6,
35 204.9, 204.10, 204.11, 204.13, and 204.16, Code 2024, are

1 repealed.

2 Sec. 45. CODE EDITOR DIRECTIVE.

3 1. The Code editor is directed to make the following
4 transfers:

5 a. Section 204.1 to section 204A.1.

6 b. Section 204.14 to section 204A.7.

7 c. Section 204.15 to section 204A.8.

8 2. The Code editor shall correct internal references in the
9 Code and in any enacted legislation as necessary due to the
10 enactment of this section.

11

PART B

12

CORRESPONDING CHANGES

13 Sec. 46. Section 124.201A, subsection 4, Code 2024, is
14 amended to read as follows:

15 4. Any cannabis-derived investigational product or
16 cannabis-derived product approved as a prescription drug
17 medication by the United States food and drug administration
18 shall not be considered marijuana or cannabimimetic agents,
19 both as defined in [section 124.204](#), tetrahydrocannabinols
20 as used in [section 124.204, subsection 4](#), paragraph "u",
21 unnumbered paragraph 1, or hemp as defined in ~~section 204.2~~
22 204A.2.

23 Sec. 47. Section 124.204, subsection 7, paragraph a, Code
24 2024, is amended to read as follows:

25 a. Hemp as defined in ~~section 204.2~~ 204A.2, including hemp
26 that is or was produced in this state, or was produced in
27 another state, in accordance with the provisions of ~~chapter 204~~
28 the federal hemp law as defined in chapter 204A, with a maximum
29 delta-9 tetrahydrocannabinol concentration that does not exceed
30 three-tenths of one percent on a dry weight basis.

31 Sec. 48. Section 124.401, subsection 6, paragraph a, Code
32 2024, is amended by striking the paragraph and inserting in
33 lieu thereof the following:

34 a. Hemp that is hemp seed, including hemp seed delivered
35 for planting at a lot by a USDA licensee or hemp that is or was

1 produced at a lot by a USDA licensee, in accordance with the
2 provisions of the federal hemp law, as those terms are defined
3 in chapter 204A.

4 Sec. 49. Section 124.401G, Code 2024, is amended by striking
5 the section and inserting in lieu thereof the following:

6 **124.401G Iowa hemp Act – negligent violation program.**

7 Notwithstanding any provision of this chapter to the
8 contrary, a person shall not be guilty of an offense under
9 this chapter, including under section 124.401 or 124.410,
10 for producing, possessing, using, harvesting, handling,
11 manufacturing, marketing, transporting, delivering, or
12 distributing the plant cannabis, to the extent that the person
13 is a USDA licensee acting in accordance with the federal hemp
14 law, as those terms are defined in chapter 204A.

15 Sec. 50. Section 124.506, subsection 5, Code 2024, is
16 amended by striking the subsection.

17 Sec. 51. Section 317.1D, Code 2024, is amended to read as
18 follows:

19 **317.1D Exemption — Iowa hemp Act.**

20 This chapter does not apply to a plant or any part of the
21 plant qualifying as hemp, if the hemp is produced ~~on a crop~~
22 ~~site regulated under [chapter 204](#)~~ on the USDA licensee's lot
23 in accordance with the federal hemp law, as those terms are
24 defined in chapter 204A.

25 Sec. 52. Section 453B.17, subsection 1, Code 2024, is
26 amended by striking the subsection and inserting in lieu
27 thereof the following:

28 1. Hemp as defined in section 204A.2, including hemp seed
29 delivered for planting at a lot by a USDA licensee or hemp that
30 is or was produced at a lot by a USDA licensee, in accordance
31 with the provisions of the federal hemp law, as those terms are
32 defined in chapter 204A.

33 Sec. 53. Section 453B.18, Code 2024, is amended by striking
34 the section and inserting in lieu thereof the following:

35 **453B.18 Exemption — Iowa hemp Act — negligent violation**

1 **program.**

2 Notwithstanding any provision of this chapter to the
3 contrary, a person shall not be guilty of an offense under this
4 chapter for producing or possessing the plant cannabis, to the
5 extent that the person is a USDA licensee acting in accordance
6 with the federal hemp law, as those terms are defined in
7 chapter 204A.

8 Sec. 54. Section 716.14, subsection 1, paragraph b, Code
9 2024, is amended to read as follows:

10 *b. "Agricultural crop"* means a plant produced for food,
11 animal feed, fiber, oil, or fuel if the plant is classified
12 as a forage or cereal plant, including but not limited to
13 alfalfa, barley, buckwheat, corn, flax, forage, hemp as defined
14 in [section 204.2 204A.2](#), millet, oats, popcorn, rye, sorghum,
15 soybeans, sunflowers, wheat, and grasses used for forage or
16 silage. A plant which is a noxious weed pursuant to section
17 317.1A shall not be considered an agricultural crop unless the
18 plant is produced as a research crop.

19

PART C

20

EFFECTIVE DATE

21 Sec. 55. EFFECTIVE DATE. This division of this Act takes
22 effect December 31, 2024.