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Fiscal Services Division

ADMINISTRATIVE RULES — FISCAL IMPACT SUMMARIES

July 14, 2020

lowa Code section 17A.4(4) requires the Legislative Services Agency (LSA) to analyze the fiscal impact of all administrative rules with an impact of \$100,000 or more and provide a summary of the impact to the Administrative Rules Review Committee (ARRC). Fiscal Impact Statements filed by State agencies can be found on our website at https://www.legis.iowa.gov/publications/fiscal/adminRulesFiscalImpact.

With each rule summary, the rulemaking type is indicated in parentheses following the ARC number. The acronyms have the following meanings: Notice of Intended Action (NOIA), Amended Notice of Intended Action (ANOIA), Notice of Termination (NOT), Adopted and Filed Emergency (AFE), Filed Emergency After Notice (FEAN), and Adopted and Filed (AF).

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Department of Agriculture and Land Stewardship

ARC 5050C (AF) & ARC 4989C (AFE)

Rule Summary

Implements additional requirements related to delta-9 tetrahydrocannabinol (THC) content concentration as requested by the United States Department of Agriculture (USDA) to ensure compliance with the Agriculture Improvement Act of 2018, which amended the Agricultural Marketing Act of 1946. Further restrictions are found in 2019 lowa Acts, Senate File 599 (lowa Hemp Act).

State or Federal Law Implemented: lowa Code chapter <u>204</u>.

Fiscal Impact

Agency Response: 2019 Iowa Acts, <u>Senate File 599</u>, increases expenditures to the Department by an estimated \$304,000 in FY 2020 and \$209,000 in FY 2021. The income that will be deposited into the Hemp Fund cannot be estimated, as it is unknown how many persons will participate in the manufacturing of industrial hemp.

LSA Response: The LSA concurs.

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