

# Department of Agriculture Programs and Activities Bill House File 2641

Last Action:  
House Floor  
April 10, 2024

## Executive Summary Only

**An Act relating to agriculture, by providing for the administration of programs and regulations, making appropriations, and including effective date provisions.**

**Fiscal Services Division  
Legislative Services Agency**

### **NOTES ON BILLS AND AMENDMENTS (NOBA)**

Available online at [www.legis.iowa.gov/publications/information/appropriationBillAnalysis](http://www.legis.iowa.gov/publications/information/appropriationBillAnalysis)

LSA Staff Contact: Austin Brinks (515.725.2200)

**MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS**

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Transfers the balance of the Dairy Innovation Fund and moneys appropriated to the Value Added Agriculture Grant Program to the Choose Iowa Fund no later than June 30, 2024. Page 7, Line 24

**SIGNIFICANT CODE CHANGES**

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Makes changes to the eligibility for brood mare residence when determining whether a horse is an Iowa-foaled thoroughbred horse, quarter horse, or standardbred horse for purposes of native horse racing. Page 1, Line 3

Updates references to the Choose Iowa Promotional Program in the Iowa Code. Page 1, Line 15

Establishes the Dairy Innovation and Revitalization Program in the Iowa Department of Agriculture and Land Stewardship (IDALS) to promote the development, modernization, and expansion of the State's dairy industry. Page 3, Line 14

Expands the Dairy Innovation Program to include milk plants that operate pursuant to a permit issued in Iowa Code section [194.3A](#). Page 4, Line 18

Creates a new Iowa Code chapter to contain the Choose Iowa Promotional Program, Dairy Innovation and Revitalization Program, and Value Added Agricultural Grant Program. Also adds related definitions and requires the IDALS to adopt necessary administrative rules to administer the chapter. Page 6, Line 2

Establishes the Value Added Agricultural Grant Program to identify, evaluate, and support projects and services that add value to agricultural commodities produced on Iowa farms. Page 7, Line 15

Repeals regulations applicable to commercial breeding establishments with respect to Greyhound dogs for pari-mutuel wagering. Page 8, Line 29

Changes the frequency of a survey conducted by the IDALS on Grade "A" pasteurized and raw milk from annually to biennially. Page 10, Line 26

Amends the definition of "unmanipulated manures" to include substances processed by dewatering. Page 12, Line 2

Repeals and changes definitions in the Iowa Hemp Act. Page 12, Line 14

Repeals regulations related to the exemption from certain criminal offenses. Page 12, Line 26

## EXECUTIVE SUMMARY

### DEPARTMENT OF AGRICULTURE PROGRAMS AND ACTIVITIES BILL

Specifies that testing requirements and the issuance of a certificate of analysis for hemp are governed under Iowa Code chapter 204A, created in this Bill. Page 12, Line 32

Repeals the exemption of a civil penalty for a licensee who is participating or completed the Negligent Violation Program. Page 12, Line 35

Updates the Negligent Violation Program to conform with federal regulations. Page 13, Line 17

Adds definitions to Iowa Code chapter 204A to conform with federal definitions. Page 13, Line 35

Allows the IDALS to adopt administrative rules that it deems necessary to administer the Iowa Hemp Act, which must comply with federal law. Page 14, Line 23

Specifies that a criminal offense involving hemp includes but is not limited to production, use, harvest, transportation, delivery, distribution, or sale of cannabis as a controlled substance except as otherwise provided in Iowa Code chapters 204A and [204](#). Page 14, Line 28

Allows the Department of Public Safety (DPS) or local law enforcement to investigate or prosecute a person for a violation of a criminal offense related to hemp production and allows the DPS to require a United States Department of Agriculture (USDA) licensee to submit information on the licensee's hemp production, except to the extent otherwise provided in federal law. Page 14, Line 33

Provides requirements for the transportation of hemp in the State. Page 15, Line 32

Repeals sections of the Iowa Hemp Act, including the Hemp Fund and hemp fees. Page 16, Line 34

**Fiscal Impact:** The repeal of hemp fees is estimated to have a minimal fiscal impact. In FY 2023, there was approximately \$38,000 collected in hemp license fees. The current balance of the Hemp Fund is approximately \$33,000, and the IDALS expects all moneys in the Fund to be expended by the end of FY 2024.

### EFFECTIVE DATE

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Division II takes effect July 1, 2024. However, the sections providing for the transfer of moneys to the Choose Iowa Fund take effect upon enactment. Page 8, Line 22

**EXECUTIVE SUMMARY**

DEPARTMENT OF AGRICULTURE PROGRAMS AND ACTIVITIES BILL

**HOUSE FILE 2641**

Division V of the Bill related to fertilizers and soil conditioners takes effect upon enactment.

Page 12, Line 8

Division VI of the Bill takes effect December 31, 2024.

Page 19, Line 21