

HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	House File 2641 (formerly HF 2510)	House Committee:	2/12/2024	21-0
Committee:	Appropriations	House Approps:	3/6/2024	25-0
Floor Manager:	Rep. Sexton	House Floor:		
Date:	April 10, 2024	Senate Floor:		
Staff:	Lew Olson (1-3096)	Governor:		

IDALS Code Updates, Clean-Up, and 'Choose Iowa Promotional Program' Code Modifications

House File 2641 is the Iowa Department of Agriculture & Land Stewardship (IDALS) departmental bill that includes a number of changes to the Code that make technical corrections to update Code verbiage, remove dormant obsolete program and Code Provisions and restructures Code language concerning the 'Choose Iowa Promotional Program' and slightly expands the scope of the Dairy Innovation Grant program to allow incentives for grade-B manufactured milk products. The bill has a Senate companion (Senate File 2410) that is on the Senate Appropriation calendar.

DIVISION I (Section 1)

Pari-mutuel Racing

- Move the continuous residency requirement for a standard bred and quarter horse foals if the mare was bred by other than an Iowa registered stallion and is not bred back to an Iowa registered stallion from December 31st to January 31st.
- The thoroughbred requirement is slightly moved up from current December 31st to December 15th remains unchanged.

DIVISION II (Sections 2-9) as introduced /Division II will be amended by H 8295/

Part A (section 2-5)

Choose Iowa

- Updates and create new definitions to include horticultural products and natural fibers as eligible for the Choose Iowa program

Part B (sections 6 & 7)

Dairy Innovation Grants

- Allow Manufacturer Grade/Grade B milk and milk products to be eligible for the Dairy Innovation Grants

Part C (Sections 8 & 9)

Value-Added Grant Fund

- Create a fund for value-added grant appropriation deposits.
- Avoid the reversion of funds in future years.

DIVISION III (Sections 10-13)

Commercial Establishments

- Remove greyhound dog references as the Greyhound dog program was ended several years ago.

DIVISION IV (Sections 14-18)

Grade A Milk Certification

- Move milk certification surveys from annually to biennially
- This matches the current PMO requirement.
- The certification is separate from inspections, so IDALS' inspection process will not change.

DIVISION V (Sections 19 & 20)

- Section 19 alter the meaning of the term 'unmanipulated manure' to allow the dewatering of manure. Section 20 specifies that this change will be immediate upon enactment.

NOBA— A NOBA on the bill was published on March 6, 2024. The bill itself does not include any specific appropriations, rather it allows the department to allocate moneys that are appropriated by other legislations for the purposes of the program.

Section by Section Analysis

Division I

Iowa Foaled Horses

Section 1—Iowa Foaled Horses Residency Requirements

Amends section 99D, section 22, subsection 2, paragraph b, subparagraph (3), Code 2024, to bifurcate the section in a manner that the continuous residency requirement for a standard bred and quarter horse foals if the mare was bred by other than an Iowa registered stallion and is not bred back to an Iowa registered stallion from December 31st to January 31st. The thoroughbred requirement is slightly moved up from current December 31st to December 15th.

Division II

Agricultural Marketing

Part A

Choose Iowa Promotional Program

Section 2—Choose Iowa Promotional Program Definitions

Strikes section 159.26, Code 2024, and replaces it with similar, but some different definitions with the intent to expand the program to cover horticulture and fiber commodities.

Sections 3, 4—Choose Iowa Promotional Program Intent Verbiage Expanded to Include other (Non-Food) Commodities

Amends section 159.28, Code 2024 and Section 159.29, Code 2024 to expand verbiage in these sections to Iowa products beyond 'food item' currently specified in his section.

Sections 5—Adds the term 'Promotional' to the Title of the Choose Iowa Program fund

Amends section 159.31, Code 2024 to insert the word 'promotional' between the words of Choose-Iowa and fund.

Part B

Dairy Innovation Program

Sections 6—Technical Clean-up to Dairy Innovation Program and fund to Add Missing Words

Amends section 159.31A, subsection 3, paragraphs a and c, Code 2024 and to add reference to IDALS permitted milk-hauler/ graders/tankers that might be a part of a milk plant and to clarify the program can be used to acquire equipment in order to expand operations.

Section 7—Changes Reference of Which State Entity Operate the Dairy Innovation Program to IDALS

Amends section 159.31A, subsection 7, Code 2024 to clarify that IDALS is the state agency that applicants utilize to compete for Dairy Innovation fund moneys.

Part C

Value-Added Agricultural Grant Program

Section 8—Value-Added Agricultural Grant Program Fund

Creates new Code section 159.31C that creates and authorizes a Value-Added Agricultural Grant Program fund in the state treasury under the control of IDALS for value-added grant program. IDALS may make appropriation for the program from deposits of the fund which may include state, public, or private monies. Such funds do not revert and interest on such monies stays in the fund.

Section 9-- Value-Added Agricultural Grant Program

Creates new Code section 159.31D that creates and establishes a Value-Added Agricultural Grant Program under the control of IDALS for value-added agricultural grant program. IDALS is directed to devise administrative rules to implement the program

Division III

Commercial Establishments

Section 10— Removal of Greyhound Breeder Establishment Presumption

Amends Section 162.2, subsection 8, Code 2024, to remove current language dealing that considers any person who breeds any number of breeding female or male greyhounds as a commercial establishment irrespective of how whether they sell, lease or exchange their greyhounds.

Section 11--Removal of Greyhound Commercial Establishment Rule Specified Fees

Amends Section 162.2B, subsection 1, paragraph b, Code 2024, to remove the exempts greyhound commercial establishments from the \$175 fee in lieu of rule specified fees for greyhound establishments.

Section 12--Removal of Greyhound Commercial Establishment Exemption from Standards of Care Provisions

Amends Section 162.10, subsection 2, Code 2024, to remove language **(b)** in provisions concerning standards of care for commercial establishment the exempts greyhound commercial establishments because they are subject to other standards of care for their type of operations.

Section 13—Technical Updates of Animal Neglect Provisions

Amends Section 717B.3, subsection 2, paragraph a, subparagraph (2), subparagraph divisions (a) and (b), Code 2024 to reflect action of section 12 of this bill that removed 162.10.2.**(b)**.

Division IV

Grade 'A' Milk

Sections 14—Code Chapter 192 Definition Additions

Amends section 192.101A 2, Code 2024, to add two new definitions "Department" means IDALS and "Secretary" means the Iowa Secretary of Agriculture.

Section 15—Biennial Certification of Grade 'A' Label

Amends section 192.109, Code 2024, to shift the certification of Grade 'A' labels from annual to biennial.

Section 16—Milk Grader Permit

Amends section 192.111 subsection 1, paragraph a, subparagraph (5), Code 2024 to correct the verbiage applying to the permit fee for a milk grader.

Sections 17 & 18—Technical Update to Utilize 'Department' and 'Secretary' Definitions

Amends section 192.116, Code 2024, and 192.118, subsection 1, Code 2024 to update verbiage in these sections to utilize the new 'Department' and 'Secretary' definitions.

Division V

Fertilizers & Soil Conditioners

Section 19—Dewatered Unmanipulated Manure

Amends Section 200.3, subsection 29, Code 2024 by adding verbiage to the term 'unmanipulated manure' that that allows such unmanipulated manure to be dewatered.

Section 20—Immediate Effective Date of Section 19

Amendment Analysis

H 8295, by Rep. Sexton, proposes to strike and replace Division II of this bill dealing with Agricultural Marketing provisions (section 2 thru 9) that include 'Choose Iowa Promotional program', 'Dairy Innovation program' and 'Value-Added Agricultural Grant program' and replace it with similar language as found in its Senate companion bill SF 2410 (section 3 thru 20 of SF 2410) as requested by IDALS. The replacement provision of this amendment provides a more systemic layout of the agricultural marketing programs, authorize dairy innovation grants for revitalizing purposes, and creates a new 'Choose Iowa Act' code chapter—**187** that includes both the Choose Iowa promotion program and the Value-added agricultural program which are amended by this H 8295 and transferred to the new Chapter 187 created by this legislation. H 8295 include winding down and transitional provision to reflect the shift of the dairy innovation program from the Department of Economic Development Authority (DEDA) to IDALS.

H 8232, by Rep Isenhardt, proposes session language requiring the Iowa Department of Agriculture and Land Stewardship (IDALS) to submit a letter of intent to the United States Secretary of Agriculture (USDA) to apply for and participate in the summer EBT for children program established as a permanent program under the federal Consolidated Appropriation Act during the summer of 2024. H 8232 proposes—

- to appropriates \$2.9-million from the state general fund to provide administrative support for the federal child EBT summer program. IDALS is may allocate funding to the Iowa Department of Health and Human Services or Department of Education for administrative support efforts for this program.
- At least \$700,000 of the state appropriated funds shall be used by IDALS to contract with the Iowa Institute of Public Health Research and Policy at the University of Iowa College of Public Health to evaluate the nutritional and other health impacts of the summer.
- Funds not spent at the end of the fiscal year do not revert but shall be available for used in subsequent years for authorized purposes.
- IDALS is directed to conduct a study regarding how the 'Choose Iowa' promotional program may combine with financial incentives to support the purchase of food items that are Iowa products.
- This language shall be effective upon enactment of the bill by the Governor and applies retroactively to July 1, 2023.

H 8233, by Rep. Isenhardt, proposes to direct IDALS to conduct a study regarding how the choose Iowa promotional program may be combined with financial incentives provided by the state to support the purchase or procurement of food items that are Iowa products for use by publicly administered or supported food assistance or feeding programs administered by the state, including the '**double up food bucks program**' as part of the Iowa healthiest state initiative. IDALS is directed to submit its report on this matter to the General Assembly and Governor by November 1, 2024.

H 8280, by Sexton, proposes—

- (Part A-- p. 1 line 2 thru page p. 6, line 3) to truncate and bifurcate current Code chapter 204 dealing with state hemp regulations to narrowly cover hemp (as defined by federal regulations 7 CFR section 990.1) and hemp production with primary regulation details of this production being left to applicable federal USDA regulations on the matter. Residual IDALS hemp program aspects are largely registrational. The amendment strikes and repeals a number of Code sections in current Code chapter 204 that are no longer needed since the details of the program and enforcement are aspects of the federal government program on this matter.
- Part B of the H 8280 (p. 6 line 4 thru p. 8 line 12) has a number of corresponding changes to affected Code provisions that cited specific code chapter 204 sections.
- Part C (p. 8, line 13 thru line 19) provides for an immediate effective date of this amendment provisions and adds 'providing penalties' to the title.

