IOWA HEMP PRODUCTION 2021 YEAR END REPORT

2021 PROGRAM SUMMARY

lowa adopted the 2018 Farm Bill via the establishment of Iowa Code chapter 204 during the 2019 Legislative Session, thus authorizing the Iowa Department of Agriculture and Land Stewardship to regulate the production of hemp in Iowa. The State of Iowa operated under the Final Interim Rule for the 2020-2021 hemp licensing years.

Applying for an Iowa hemp license in 2020 was a pen-and-paper process. In 2021, Iowa switched to the AgEagle Aerial Systems Inc. online application and reporting portal. The online system allows for the efficient use of licensee and Department time and a reliable records system.

As of February 2022, the Department is still working with USDA Agricultural Marketing Service (AMS) to move the State program to the USDA Final Rule. Necessary Code changes are being evaluated by the Department as the process moves forward.

A detailed breakdown of the 2021 growing season is at the end of this report.

A post-harvest survey including questions about production, agronomic practices, pest management, economic considerations, and future hemp plans was sent to all licensees. Survey results may be viewed in their entirety at https://iwaagriculture.gov/hemp, under the heading 'Other Hemp Resources'.

A LOOK FORWARD TO 2023

The current application and associated fees sunset July 1, 2023. At that time, the Department will review three years of program revenues and expenses to set an updated fee schedule in 2023 and re-evaluate as needed to make the program self-sustaining.

IMPLEMENTATION OF CONSUMABLE HEMP REGULATIONS

The 2020 Iowa Acts House File 2581 defined "consumable hemp product" and provided for the manufacture, sale, and consumption of consumable hemp products under the Iowa Department of Inspections and Appeals (DIA). DIA's rules became effective March 3, 2021. Go to <u>https://dia.iowa.gov/consumable-hemp</u> for an extensive list of Frequently Ask Questions (FAQs), lists of registered retailers and manufacturers, and registry links.



Iowa Hemp Production 2021 Year End Report continued

IOWA HEMP STATS FOR 2021

- License applications on or before April 15 = 20
- Total number of licenses issued in 2021 = 50 of the 50, 33 were returning growers
- Total acres licensed = 266.25 (did not ask if indoor)
- Total acres planted = 230.29
- Planting notifications received = 230.2906 acres, including 28,484 sq. feet indoor
 - Note, some sites were planted twice -- each planting was counted separately in acres planted
- Counties with licensed crop sites = 30
- Type of hemp crops listed on planting reports:
 - Clones/cuttings/seed starts = 0.0006 acres
 - CBD Biomass = 177.39 acres
 - CBD Biomass, Fiber, Seed, Clones et al = 2.12 acres
 - CBD Biomass, Clones et al = 0.04 acres
 - CBD Biomass, Grain, Fiber, Seed = 6 acres
 - Clones et al = 0.09 acres
 - Grain 21.25 acres
 - Seed 21.03 acres
 - Fiber 0.37 acres
 - Grain, Fiber, Seed = 2 acres
 - The above projected acre numbers were provided by applicants, the unconventional labeling of crop intent shows the speculative nature of the industry in 2021.
 - Five licensees did not plant hemp, for a total of 11.79 acres
 - Thirty-Five plantings, of various sizes totaling **7.31** acres were voluntarily destroyed for reasons such as poor germination, poor plant stand, weed pressure, private testing indicated that the crop will exceed the THC concentration, or were research plots not intended to be harvested.
 - Official lab tests were run on 62 official samples.
 - 52 samples passed the initial test -- eventually 54 passed after two successful re-tests
 - o 7 samples failed the initial test eventually 5 failed, after two successful re-tests
 - Three re-tests were requested, at the expense of the licensee

QUESTIONS

Website: https://iowaagriculture.gov/hemp Email: Hemp@IowaAgriculture.gov Phone: (515) 725-1470 After hours law enforcement questions, Robin Pruisner, (515) 231-4481

