

Senate File No. ____

An Act relating to programs administered by the department of agriculture and land stewardship to support cash rent transparency, input cost benchmarking, cooperative development, risk management, crop diversification, and water quality conservation for farmers, and making appropriations.

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

Section 1. Section 159.5, Code 2025, is amended by adding the following new subsections:

NEW SUBSECTION. XX. Administer programs to promote transparency in agricultural markets, support farmer cooperatives, and enhance risk management tools on a voluntary basis, consistent with the intent to strengthen Iowa's farm economy through market-based mechanisms that reduce input costs, improve bargaining power, and enhance resilience while preserving free-market choice and innovation.

NEW SUBSECTION. XX. Collect and publish voluntary, anonymized data and benchmarks related to cash rents, input costs, and crop insurance.

NEW SUBSECTION. XX. Provide technical assistance and incentives for farmer cooperatives.

Sec. 2. **NEW SECTIONS.** Chapter 159, Code 2025, is amended by adding the following new sections:

159.XX INTENT.

The general assembly finds that voluntary, market-based transparency and cooperative structures can strengthen Iowa's farm economy by reducing input costs, improving bargaining power, and enhancing resilience, while preserving free-market choice and innovation.

159.XX CASH RENT TRANSPARENCY.

1. The department shall enhance existing cash rent surveys by collecting and publishing anonymized county-level data on cash rent agreements, including but not limited to corn suitability rating 2 (CSR2) adjustments, lease types, and factors such as access, fertility, and drainage.
2. The department shall issue an annual cash rent transparency report by August 1 of each year, incorporating data from voluntary submissions and existing sources.
3. The department shall develop and distribute model voluntary lease factsheets to assist landlords in disclosing field quality, yield history, and other relevant information.

159.XX INPUT MARKET TRANSPARENCY AND COOPERATIVE SUPPORT.

1. The department shall develop and publish voluntary benchmark indices for major agricultural inputs, including seed, fertilizer, and crop protection products, based on anonymized farmer submissions.
2. The department shall provide technical assistance to farmer cooperatives, including model bylaws and resources for bulk purchasing, shared machinery, and data-sharing initiatives.
3. The department may recognize or certify suppliers that voluntarily meet established transparency standards.

159.XX COOPERATIVE INTEGRATION.

1. The department shall consult with farmer cooperatives in the design and implementation of transparency and support programs under this subchapter.
2. The department may award grants, technical assistance, or priority in programs to cooperatives that contribute anonymized data or host educational workshops, subject to available appropriations.
3. The department may facilitate voluntary mediation services through qualified cooperatives or neutral parties in landlord-tenant disputes, with participant consent.

159.XX CROP INSURANCE AND RISK MANAGEMENT SUPPORT.

1. The department shall publish county-level benchmarks for crop insurance premiums and indemnity histories based on publicly available data.
2. The department may partner with federal programs to promote supplemental risk management tools, including cooperative risk pools or coverage for basis risk and quality adjustments.
3. The department shall prioritize outreach and technical assistance for beginning farmers and producers in high-risk areas regarding available federal and private risk management options.

159.XX INDUSTRIAL HEMP DIVERSIFICATION PILOT PROGRAM.

1. The department, in cooperation with Iowa State University, shall establish a voluntary five-year pilot program to encourage the integration of industrial hemp into existing corn-soybean rotations in order to enhance farm profitability and reduce soil nutrient inputs.
2. The department shall select three counties deemed most at-risk from a profitability standpoint, based on factors including but not limited to farm income data, land values, input costs, and yield trends.
3. The pilot program shall provide technical assistance, model rotation plans, and cost-share incentives for participating producers to incorporate industrial hemp, subject to federal licensing requirements under the United States department of agriculture.

4. Iowa State University shall conduct research and monitoring to evaluate impacts on crop profitability, soil health, nutrient requirements, and overall farm resilience.
5. Participation in the program is voluntary, and producers must comply with all applicable federal and state laws regarding hemp production.
6. The department, in consultation with Iowa State University, shall submit annual progress reports to the general assembly by January 15 of each year during the pilot period, and a comprehensive final report within six months after the conclusion of the five-year pilot. Reports shall include, but not be limited to, data on improved profitability in terms of relative cost savings or net returns per acre compared to traditional corn-soybean rotations, reductions in soil nutrient inputs, participant feedback, and recommendations for potential statewide expansion.

159.XX WATER QUALITY CONSERVATION PILOT PROGRAM.

1. The department, in cooperation with Iowa State University, shall establish a voluntary five-year pilot program to promote the installation of edge-of-field practices, including bioreactors, saturated buffers, and riparian buffers, to reduce nutrient runoff into creeks, rivers, and streams.
2. The department shall select three counties most susceptible to agricultural nutrient runoff, based on water quality monitoring data, impaired waters listings, and priorities identified in the Iowa nutrient reduction strategy.
3. The pilot program shall provide technical assistance, prioritized cost-share funding, and streamlined permitting support for participating producers to implement approved conservation practices.
4. Iowa State University shall monitor and evaluate water quality improvements, including nitrate and phosphorus reductions, in targeted waterways.
5. Participation in the program is voluntary and shall complement existing conservation initiatives.
6. The department, in consultation with Iowa State University, shall submit annual progress reports to the general assembly by January 15 of each year during the pilot period, and a comprehensive final report within six months after the conclusion of the five-year pilot. Reports shall include, but not be limited to, data on reduced agricultural nutrient runoff (including nitrate and phosphorus load reductions), cost-effectiveness of practices in terms of implementation costs per linear foot of shoreline or buffer treated, water quality monitoring results, participant feedback, and recommendations for potential statewide expansion.

Sec. 4. APPROPRIATION — ANNUAL LIMITATION.

1. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for each fiscal year an amount not to exceed \$15,000,000 to implement the provisions of this Act.
2. Moneys appropriated under this section may be used for, including but not limited to, survey enhancements, information technology infrastructure, technical assistance, program outreach, pilot program incentives (including cost-share

funding), research partnerships with Iowa State University, and reporting requirements.

3. Any unencumbered or unobligated moneys remaining at the close of a fiscal year shall revert to the general fund unless otherwise provided.

Sec. 5. EFFECTIVE DATE.

This Act, being deemed of immediate importance, takes effect upon enactment.