

SENATE BILL 1201

M4

8lr3943

By: **Senator Conway**

Introduced and read first time: February 22, 2018

Assigned to: Rules

Re-referred to: Education, Health, and Environmental Affairs, February 23, 2018

Committee Report: Favorable

Senate action: Adopted

Read second time: March 16, 2018

CHAPTER _____

1 AN ACT concerning

2 **Agriculture – Industrial Hemp Pilot Program – Establishment**

3 FOR the purpose of repealing certain provisions of law that authorize, under certain
4 circumstances, a person to plant, grow, harvest, possess, process, sell, or buy
5 industrial hemp in the State; repealing a certain contingency on certain provisions
6 of law relating to the legalization of industrial hemp in the State; repealing certain
7 provisions of law that authorize, under certain circumstances, the Department of
8 Agriculture or an institution of higher education to grow or cultivate industrial
9 hemp; establishing an Industrial Hemp Pilot Program; establishing the purpose of
10 the Program; authorizing the Department or a certain institution of higher education
11 to grow, cultivate, harvest, process, manufacture, transport, market, or sell
12 industrial hemp under the Program under certain circumstances; requiring the
13 Department to certify and register a site that will be used to grow or cultivate
14 industrial hemp under the Program; authorizing the Department to charge a certain
15 fee to certify and register a site that will be used to grow or cultivate industrial hemp;
16 authorizing the Department or an institution of higher education to contract with a
17 person to grow or cultivate industrial hemp for certain purposes; authorizing a
18 certain person to purchase or obtain certain seeds; requiring a certain person to
19 verify in a certain manner that plants grown or cultivated by the person meet a
20 certain definition of “industrial hemp”; requiring a certain person to maintain certain
21 records of verification in a certain manner; requiring a certain person to make
22 certain records available for certain inspection by the Department or a certain
23 institution of higher education; authorizing industrial hemp grown or cultivated
24 under the Program to be possessed in the State; authorizing industrial hemp grown

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 or cultivated under the Program to be sold, distributed, transported, marketed, or
2 processed in the State or outside the State; authorizing certain industrial hemp
3 grown, cultivated, and harvested in a certain state to be processed, manufactured,
4 transported, marketed, or sold in the State under the Program; authorizing the
5 Department or an institution of higher education to publish certain data and
6 research on industrial hemp; defining certain terms; requiring the Department to
7 adopt certain regulations; making conforming changes; and generally relating to
8 industrial hemp.

9 BY repealing
10 Article – Agriculture
11 Section 14–101
12 Annotated Code of Maryland
13 (2016 Replacement Volume and 2017 Supplement)
14 (As enacted by Chapter 456 of the Acts of the General Assembly of 2015)

15 BY repealing
16 Chapter 456 of the Acts of the General Assembly of 2015
17 Section 2 and 3

18 BY repealing and reenacting, with amendments,
19 Chapter 456 of the Acts of the General Assembly of 2015
20 Section 4

21 BY repealing and reenacting, with amendments,
22 Article – Agriculture
23 Section 14–101
24 Annotated Code of Maryland
25 (2016 Replacement Volume and 2017 Supplement)

26 BY repealing
27 Article – Agriculture
28 Section 14–102
29 Annotated Code of Maryland
30 (2016 Replacement Volume and 2017 Supplement)

31 BY adding to
32 Article – Agriculture
33 Section 14–102
34 Annotated Code of Maryland
35 (2016 Replacement Volume and 2017 Supplement)

36 BY repealing and reenacting, with amendments,
37 Chapter 105 of the Acts of the General Assembly of 2016
38 Section 2

39 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

1 That the Laws of Maryland read as follows:

2 **Article – Agriculture**

3 [14–101.

4 (a) In this section, “industrial hemp” means the plant *Cannabis sativa* L. and any
5 part of such plant, whether growing or not, with a delta–9–tetrahydrocannabinol
6 concentration that does not exceed 0.3% on a dry weight basis.

7 (b) Subject to subsection (c) of this section, a person may plant, grow, harvest,
8 possess, process, sell, or buy industrial hemp in the State.

9 (c) Before planting or growing industrial hemp, a person shall register with the
10 Department.]

11 **Chapter 456 of the Acts of 2015**

12 [SECTION 2. AND BE IT FURTHER ENACTED, That this Act is contingent on the
13 taking effect of the federal Industrial Hemp Farming Act of 2015 or another federal law
14 that delegates authority over industrial hemp to the states or authorizes a person to plant,
15 grow, harvest, possess, process, sell, and buy industrial hemp. The Maryland Department
16 of Agriculture shall notify the Department of Legislative Services within 5 days after the
17 effective date of a federal law delegating authority to the states or authorizing the farming,
18 possession, processing, and sale of industrial hemp. If a federal law does not take effect on
19 or before October 1, 2030, this Act shall be null and void without the necessity of further
20 action by the General Assembly.]

21 [SECTION 3. AND BE IT FURTHER ENACTED, That at the end of October 1, 2030,
22 with no further action required by the General Assembly, § 14–101(c) of the Agriculture
23 Article, as enacted by this Act, shall be abrogated and of no further force and effect.]

24 SECTION 4. AND BE IT FURTHER ENACTED, That[, subject to Section 2 of this
25 Act,] this Act shall take effect October 1, 2015.

26 **Article – Agriculture**

27 14–101.

28 (a) In this subtitle the following words have the meanings indicated.

29 **(B) “INDEPENDENT TESTING LABORATORY” HAS THE MEANING STATED IN**
30 **§ 13–3301 OF THE HEALTH – GENERAL ARTICLE.**

31 **[(b)] (C) (1)** “Industrial hemp” means the plant *Cannabis sativa* L. and any
32 part of such plant, whether growing or not, with a delta–9–tetrahydrocannabinol

1 concentration that does not exceed 0.3% on a dry weight basis.

2 (2) “Industrial hemp” does not include any plant or part of a plant intended
3 for a use that is regulated under Title 13, Subtitle 33 of the Health – General Article.

4 [(c)] (D) “Institution of higher education” has the meaning stated in [§ 10–101
5 of the Education Article] **THE FEDERAL HIGHER EDUCATION ACT OF 1965.**

6 (E) **“PROGRAM” MEANS THE INDUSTRIAL HEMP PILOT PROGRAM**
7 **ESTABLISHED UNDER § 14–102 OF THIS SUBTITLE.**

8 [14–102.

9 (a) Subject to subsection (b) of this section, the Department or an institution of
10 higher education may grow or cultivate industrial hemp if the industrial hemp is grown or
11 cultivated for agricultural research or academic research purposes.

12 (b) A site used by the Department or an institution of higher education to grow or
13 cultivate industrial hemp shall be certified by and registered with the Department.

14 (c) The Department may adopt regulations to carry out the provisions of this
15 subtitle.]

16 **14–102.**

17 (A) **THERE IS AN INDUSTRIAL HEMP PILOT PROGRAM.**

18 (B) **THE PURPOSE OF THE PROGRAM IS TO AUTHORIZE AND FACILITATE**
19 **THE RESEARCH OF INDUSTRIAL HEMP AND ANY ASPECT OF GROWING, CULTIVATING,**
20 **HARVESTING, PROCESSING, MANUFACTURING, TRANSPORTING, MARKETING, OR**
21 **SELLING INDUSTRIAL HEMP FOR AGRICULTURAL, INDUSTRIAL, OR COMMERCIAL**
22 **PURPOSES.**

23 (C) **THE DEPARTMENT OR AN INSTITUTION OF HIGHER EDUCATION THAT**
24 **SUBMITS AN APPLICATION TO THE DEPARTMENT IN A MANNER DETERMINED BY THE**
25 **DEPARTMENT MAY GROW, CULTIVATE, HARVEST, PROCESS, MANUFACTURE,**
26 **TRANSPORT, MARKET, OR SELL INDUSTRIAL HEMP UNDER THE PROGRAM IF THE**
27 **INDUSTRIAL HEMP IS GROWN OR CULTIVATED TO FURTHER AGRICULTURAL**
28 **RESEARCH OR ACADEMIC RESEARCH PURPOSES.**

29 (D) (1) **THE DEPARTMENT SHALL CERTIFY AND REGISTER A SITE THAT**
30 **WILL BE USED TO GROW OR CULTIVATE INDUSTRIAL HEMP UNDER THE PROGRAM.**

31 (2) **THE DEPARTMENT MAY CHARGE A FEE OF UP TO \$250 TO CERTIFY**

1 AND REGISTER A SITE THAT WILL BE USED TO GROW OR CULTIVATE INDUSTRIAL
2 HEMP.

3 (E) TO CARRY OUT THE PURPOSE OF THE PROGRAM:

4 (1) TO THE EXTENT NECESSARY, THE DEPARTMENT OR AN
5 INSTITUTION OF HIGHER EDUCATION MAY CONTRACT WITH A PERSON TO GROW OR
6 CULTIVATE INDUSTRIAL HEMP; AND

7 (2) A PERSON THAT GROWS OR CULTIVATES INDUSTRIAL HEMP
8 UNDER THE PROGRAM MAY PURCHASE OR OTHERWISE OBTAIN SEEDS THAT
9 PRODUCE PLANTS THAT MEET THE DEFINITION OF “INDUSTRIAL HEMP” UNDER §
10 14–101 OF THIS SUBTITLE.

11 (F) (1) IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION AND
12 SUBJECT TO PARAGRAPHS (3) AND (4) OF THIS SUBSECTION, A PERSON THAT GROWS
13 OR CULTIVATES INDUSTRIAL HEMP UNDER THE PROGRAM SHALL:

14 (I) VERIFY THAT THE PLANTS GROWN OR CULTIVATED BY THE
15 PERSON MEET THE DEFINITION OF “INDUSTRIAL HEMP” UNDER § 14–101 OF THIS
16 SUBTITLE;

17 (II) MAINTAIN ALL RECORDS OF VERIFICATION AT THE SITE
18 THAT IS USED TO GROW OR CULTIVATE INDUSTRIAL HEMP; AND

19 (III) MAKE ALL RECORDS AVAILABLE FOR INSPECTION BY:

20 1. THE DEPARTMENT; OR

21 2. THE INSTITUTION OF HIGHER EDUCATION THAT
22 CONTRACTED WITH THE PERSON UNDER SUBSECTION (E)(1) OF THIS SECTION TO
23 GROW OR CULTIVATE INDUSTRIAL HEMP.

24 (2) THE VERIFICATION REQUIRED UNDER THIS SUBSECTION SHALL
25 INCLUDE:

26 (I) DOCUMENTATION FROM AN INDEPENDENT TESTING
27 LABORATORY REGISTERED UNDER § 13–3311 OF THE HEALTH – GENERAL ARTICLE;
28 OR

29 (II) DOCUMENTATION FROM THE INSTITUTION OF HIGHER
30 EDUCATION THAT CONTRACTED WITH THE PERSON UNDER SUBSECTION (E)(1) OF
31 THIS SECTION TO GROW OR CULTIVATE INDUSTRIAL HEMP.

1 **(3) AN INDEPENDENT TESTING LABORATORY OR AN INSTITUTION OF**
2 **HIGHER EDUCATION THAT PROVIDES VERIFICATION DOCUMENTATION UNDER**
3 **PARAGRAPH (2) OF THIS SUBSECTION SHALL CONDUCT ON-SITE INSPECTIONS TO**
4 **PERFORM THE TESTING NECESSARY FOR THE VERIFICATION.**

5 **(4) THE FREQUENCY OF THE VERIFICATION REQUIRED UNDER THIS**
6 **SUBSECTION SHALL BE DETERMINED BY:**

7 **(I) THE DEPARTMENT; OR**

8 **(II) THE INSTITUTION OF HIGHER EDUCATION THAT**
9 **CONTRACTED WITH A PERSON UNDER SUBSECTION (E)(1) OF THIS SECTION TO**
10 **GROW OR CULTIVATE INDUSTRIAL HEMP.**

11 **(G) NOTWITHSTANDING ANY OTHER PROVISION OF LAW:**

12 **(1) INDUSTRIAL HEMP GROWN OR CULTIVATED UNDER THE**
13 **PROGRAM IS AN AGRICULTURAL PRODUCT THAT MAY BE:**

14 **(I) POSSESSED IN THE STATE; AND**

15 **(II) SOLD, DISTRIBUTED, TRANSPORTED, MARKETED, OR**
16 **PROCESSED IN THE STATE OR OUTSIDE THE STATE; AND**

17 **(2) INDUSTRIAL HEMP GROWN, CULTIVATED, AND HARVESTED IN A**
18 **STATE THAT AUTHORIZES THE GROWTH, CULTIVATION, AND HARVESTING OF**
19 **INDUSTRIAL HEMP MAY BE PROCESSED, MANUFACTURED, TRANSPORTED,**
20 **MARKETED, OR SOLD IN THE STATE UNDER THE PROGRAM.**

21 **(H) THE DEPARTMENT OR AN INSTITUTION OF HIGHER EDUCATION MAY**
22 **COLLECT AND PUBLISH DATA AND RESEARCH ON INDUSTRIAL HEMP, INCLUDING**
23 **DATA AND RESEARCH ON THE GROWTH, CULTIVATION, PRODUCTION, AND**
24 **PROCESSING OF INDUSTRIAL HEMP AND PRODUCTS DERIVED FROM INDUSTRIAL**
25 **HEMP.**

26 **(I) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS**
27 **SUBTITLE.**

28 **Chapter 105 of the Acts of 2016**

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 October 1, 2016. [It shall remain effective until the taking effect of Chapter 456 of the Acts
31 of the General Assembly of 2015. If Chapter 456 takes effect, with no further action

1 required by the General Assembly, this Act shall be abrogated and of no further force and
2 effect.]

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
4 1, 2018.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.