

SENATE BILL 1201

M4

8lr3943

By: **Senator Conway**

Introduced and read first time: February 22, 2018

Assigned to: Rules

A BILL ENTITLED

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
25 or cultivated under the Program to be sold, distributed, transported, marketed, or
26 processed in the State or outside the State; authorizing certain industrial hemp
27 grown, cultivated, and harvested in a certain state to be processed, manufactured,
28 transported, marketed, or sold in the State under the Program; authorizing the
29 Department or an institution of higher education to publish certain data and
30 research on industrial hemp; defining certain terms; requiring the Department to
31 adopt certain regulations; making conforming changes; and generally relating to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 industrial hemp.

2 BY repealing

3 Article – Agriculture

4 Section 14–101

5 Annotated Code of Maryland

6 (2016 Replacement Volume and 2017 Supplement)

7 (As enacted by Chapter 456 of the Acts of the General Assembly of 2015)

8 BY repealing

9 Chapter 456 of the Acts of the General Assembly of 2015

10 Section 2 and 3

11 BY repealing and reenacting, with amendments,

12 Chapter 456 of the Acts of the General Assembly of 2015

13 Section 4

14 BY repealing and reenacting, with amendments,

15 Article – Agriculture

16 Section 14–101

17 Annotated Code of Maryland

18 (2016 Replacement Volume and 2017 Supplement)

19 BY repealing

20 Article – Agriculture

21 Section 14–102

22 Annotated Code of Maryland

23 (2016 Replacement Volume and 2017 Supplement)

24 BY adding to

25 Article – Agriculture

26 Section 14–102

27 Annotated Code of Maryland

28 (2016 Replacement Volume and 2017 Supplement)

29 BY repealing and reenacting, with amendments,

30 Chapter 105 of the Acts of the General Assembly of 2016

31 Section 2

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

33 That the Laws of Maryland read as follows:

34 **Article – Agriculture**

35 [14–101.

36 (a) In this section, “industrial hemp” means the plant *Cannabis sativa* L. and any

1 part of such plant, whether growing or not, with a delta-9-tetrahydrocannabinol
2 concentration that does not exceed 0.3% on a dry weight basis.

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

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

7 Chapter 456 of the Acts of 2015

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

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

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

22 Article – Agriculture

23 14-101.

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

25 (B) “INDEPENDENT TESTING LABORATORY” HAS THE MEANING STATED IN
26 § 13-3301 OF THE HEALTH – GENERAL ARTICLE.

27 [(b) (C) (1) “Industrial hemp” means the plant *Cannabis sativa* L. and any
28 part of such plant, whether growing or not, with a delta-9-tetrahydrocannabinol
29 concentration that does not exceed 0.3% on a dry weight basis.

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

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

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

3 [14–102.

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

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

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

11 **14–102.**

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

13 **(B) THE PURPOSE OF THE PROGRAM IS TO AUTHORIZE AND FACILITATE**
14 **THE RESEARCH OF INDUSTRIAL HEMP AND ANY ASPECT OF GROWING, CULTIVATING,**
15 **HARVESTING, PROCESSING, MANUFACTURING, TRANSPORTING, MARKETING, OR**
16 **SELLING INDUSTRIAL HEMP FOR AGRICULTURAL, INDUSTRIAL, OR COMMERCIAL**
17 **PURPOSES.**

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

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

26 **(2) THE DEPARTMENT MAY CHARGE A FEE OF UP TO \$250 TO CERTIFY**
27 **AND REGISTER A SITE THAT WILL BE USED TO GROW OR CULTIVATE INDUSTRIAL**
28 **HEMP.**

29 **(E) TO CARRY OUT THE PURPOSE OF THE PROGRAM:**

30 **(1) TO THE EXTENT NECESSARY, THE DEPARTMENT OR AN**
31 **INSTITUTION OF HIGHER EDUCATION MAY CONTRACT WITH A PERSON TO GROW OR**

1 CULTIVATE INDUSTRIAL HEMP; AND

2 (2) A PERSON THAT GROWS OR CULTIVATES INDUSTRIAL HEMP
3 UNDER THE PROGRAM MAY PURCHASE OR OTHERWISE OBTAIN SEEDS THAT
4 PRODUCE PLANTS THAT MEET THE DEFINITION OF “INDUSTRIAL HEMP” UNDER §
5 14–101 OF THIS SUBTITLE.

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

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

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

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

15 1. THE DEPARTMENT; OR

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

19 (2) THE VERIFICATION REQUIRED UNDER THIS SUBSECTION SHALL
20 INCLUDE:

21 (I) DOCUMENTATION FROM AN INDEPENDENT TESTING
22 LABORATORY REGISTERED UNDER § 13–3311 OF THE HEALTH – GENERAL ARTICLE;
23 OR

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

27 (3) AN INDEPENDENT TESTING LABORATORY OR AN INSTITUTION OF
28 HIGHER EDUCATION THAT PROVIDES VERIFICATION DOCUMENTATION UNDER
29 PARAGRAPH (2) OF THIS SUBSECTION SHALL CONDUCT ON–SITE INSPECTIONS TO
30 PERFORM THE TESTING NECESSARY FOR THE VERIFICATION.

31 (4) THE FREQUENCY OF THE VERIFICATION REQUIRED UNDER THIS

1 SUBSECTION SHALL BE DETERMINED BY:

2 (I) THE DEPARTMENT; OR

3 (II) THE INSTITUTION OF HIGHER EDUCATION THAT
4 CONTRACTED WITH A PERSON UNDER SUBSECTION (E)(1) OF THIS SECTION TO
5 GROW OR CULTIVATE INDUSTRIAL HEMP.

6 (G) NOTWITHSTANDING ANY OTHER PROVISION OF LAW:

7 (1) INDUSTRIAL HEMP GROWN OR CULTIVATED UNDER THE
8 PROGRAM IS AN AGRICULTURAL PRODUCT THAT MAY BE:

9 (I) POSSESSED IN THE STATE; AND

10 (II) SOLD, DISTRIBUTED, TRANSPORTED, MARKETED, OR
11 PROCESSED IN THE STATE OR OUTSIDE THE STATE; AND

12 (2) INDUSTRIAL HEMP GROWN, CULTIVATED, AND HARVESTED IN A
13 STATE THAT AUTHORIZES THE GROWTH, CULTIVATION, AND HARVESTING OF
14 INDUSTRIAL HEMP MAY BE PROCESSED, MANUFACTURED, TRANSPORTED,
15 MARKETED, OR SOLD IN THE STATE UNDER THE PROGRAM.

16 (H) THE DEPARTMENT OR AN INSTITUTION OF HIGHER EDUCATION MAY
17 COLLECT AND PUBLISH DATA AND RESEARCH ON INDUSTRIAL HEMP, INCLUDING
18 DATA AND RESEARCH ON THE GROWTH, CULTIVATION, PRODUCTION, AND
19 PROCESSING OF INDUSTRIAL HEMP AND PRODUCTS DERIVED FROM INDUSTRIAL
20 HEMP.

21 (I) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS
22 SUBTITLE.

23 **Chapter 105 of the Acts of 2016**

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2016. [It shall remain effective until the taking effect of Chapter 456 of the Acts
26 of the General Assembly of 2015. If Chapter 456 takes effect, with no further action
27 required by the General Assembly, this Act shall be abrogated and of no further force and
28 effect.]

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2018.