

HCS HB 1973 -- INDUSTRIAL HEMP

SPONSOR: Redmon

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Agriculture Policy by a vote of 13 to 2. Voted "Do Pass with HCS" by Select Committee on Agriculture by a vote of 8 to 1.

This bill exempts industrial hemp, which is defined as *Cannabis sativa* L. containing no greater than 3/10 of one percent THC, from the definition of marijuana and the list of controlled substances. The bill specifies that it is now legal to grow, harvest, and cultivate industrial hemp in accordance with specific federal and state rules and regulations. However, the growing, harvesting and cultivating of industrial hemp is not protected by the constitutional Right to Farm.

The Department of Agriculture must establish a committee by September, 30, 2016, to advise the department on appropriate rules regarding industrial hemp, including rules governing licenses and permits to grow and cultivate industrial hemp. All rules and regulations must meet the requirements of Section 7606 of the Agricultural Act of 2014. The department must promulgate rules by March 30, 2017.

The committee is to be administered and appointed by the director of the department, but must include representatives from the department, the agricultural programs at the University of Missouri-Columbia and Lincoln University, the Governor's Office, the Missouri State Highway Patrol, the Missouri Sheriffs Association, and associations advocating for farmers and industrial hemp, and the Missouri Crop Improvement Association. The committee is dissolved on April 1, 2017, but may be reconvened by the department as needed to assist in rulemaking.

The bill prohibits a license or permit to grow or cultivate industrial hemp from being issued to a person who has been found guilty of a felony offense within five years or a person who, at any time, has been found guilty of a felony offense under state or federal law regarding the possession, distribution, manufacturing, cultivation, or use of a controlled substance. Upon issuance of a license or permit, information regarding all license and permit holders must be forwarded to the Highway Patrol.

A license or permit to grow or cultivate industrial hemp is nontransferable, except to a spouse or child, who otherwise meets the requirements for a license or permit; is valid for a three-year term; and may be renewed as determined by the department.

The department can inspect any industrial hemp crop and take a representative sample for field analysis. If the crop contains an average THC level exceeding the 3/10 of one percent limit, the department must detain, seize, or embargo the crop.

The department must charge growers and handlers reasonable fees. The department is also allowed to revoke or refuse to issue or renew a license or permit to grow or cultivate industrial hemp and to impose a civil penalty of not less than \$2,500 or more than \$50,000 for a violation of the requirements of the license or permit, department rules relating to growing or handling industrial hemp, any plant monitoring system, or a final order of the department that is specifically directed to the grower's or handler's industrial hemp operations or activities. The department may revoke or refuse to issue or renew a license or permit for failing to comply with statute or for a violation of the department's rules regarding agricultural operations or activities other than industrial hemp growing or handling.

A person who grows industrial hemp without a license is subject to an administrative fine of \$500 and must obtain a license within 30 days. If the person obtains a license within 30 days, the fine is refunded. If the person fails to obtain a license, the person is fined \$1,000 per day until the person obtains a license or the crop is destroyed.

This bill is the same as SB 584 (2016).

**PROPOSERS:** Supporters say that industrial hemp is used in many goods manufactured in Missouri but the manufacturers must import the hemp from other countries. Before hemp became illegal to grow, Missouri was one of the largest producers of industrial hemp in the nation. For every acre of land that is used for industrial hemp production, four to eight jobs would be created in Missouri. The THC levels in industrial hemp are lower than the level to be classified as a narcotic.

Testifying for the bill were Representative Redmon; Hyatt Bankert; Chris Beedle; and Rachel Breakhouse, Empower Missouri.

**OPPOSERS:** Those who oppose the bill say that the federal Farm Bill only allows for industrial hemp production by institutions of education or state departments of agriculture for research purposes.

Testifying against the bill was Missouri Farm Bureau.

**OTHERS:** Others testifying on the bill say as a pilot program, the costs of monitoring the product to ensure compliance with the law

would be manageable.

Testifying on the bill was Missouri Association Of Prosecuting Attorneys.