

HOUSE BILL 698

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8lr0422

By: **Delegates Fraser–Hidalgo, Cassilly, Barve, Lafferty, Morhaim, and Rosenberg**
Introduced and read first time: January 31, 2018
Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of establishing an Industrial Hemp Pilot Program; establishing the
4 purpose of the Program; authorizing the State Department of Agriculture or a
5 certain institution of higher education to grow, cultivate, harvest, process,
6 manufacture, transport, market, or sell industrial hemp under the Program under
7 certain circumstances; requiring the Department to certify and register a site that
8 will be used to grow or cultivate industrial hemp under the Program; authorizing the
9 Department to charge a certain fee to certify and register a site that will be used to
10 grow or cultivate industrial hemp; authorizing the Department or an institution of
11 higher education to contract with a person to grow or cultivate industrial hemp for
12 certain purposes; authorizing a certain person to purchase or obtain certain seeds;
13 requiring a certain person to verify in a certain manner that plants grown or
14 cultivated by the person meet a certain definition of “industrial hemp”; requiring a
15 certain person to maintain certain records of verification in a certain manner;
16 requiring a certain person to make certain records available for certain inspection
17 by the Department or a certain institution of higher education; authorizing
18 industrial hemp grown or cultivated under the Program to be possessed in the State;
19 authorizing industrial hemp grown or cultivated under the Program to be sold,
20 distributed, transported, marketed, or processed in the State or outside the State;
21 authorizing certain industrial hemp grown, cultivated, and harvested in a certain
22 state to be processed, manufactured, transported, marketed, or sold in the State
23 under the Program; authorizing the Department or an institution of higher
24 education to publish certain data and research on industrial hemp; defining certain
25 terms; requiring the Department to adopt certain regulations; making conforming
26 changes; and generally relating to industrial hemp.

27 BY repealing

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

29 BY repealing and reenacting, with amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Agriculture
2 Section 14–101
3 Annotated Code of Maryland
4 (2016 Replacement Volume and 2017 Supplement)

5 BY repealing
6 Article – Agriculture
7 Section 14–102
8 Annotated Code of Maryland
9 (2016 Replacement Volume and 2017 Supplement)

10 BY adding to
11 Article – Agriculture
12 Section 14–102
13 Annotated Code of Maryland
14 (2016 Replacement Volume and 2017 Supplement)

15 BY repealing and reenacting, with amendments,
16 Chapter 105 of the Acts of the General Assembly of 2016
17 Section 2

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
19 That Chapter 456 of the Acts of the General Assembly of 2015 be repealed.

20 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
21 as follows:

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) IN ORDER 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**
32 **CULTIVATE INDUSTRIAL HEMP; AND**

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

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

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

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

13 **(III) MAKE ALL RECORDS AVAILABLE FOR INSPECTION BY:**

14 **1. THE DEPARTMENT; OR**

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

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

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

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

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

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

1 (I) THE DEPARTMENT; OR

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

5 (G) NOTWITHSTANDING ANY OTHER PROVISION OF LAW:

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

8 (I) POSSESSED IN THE STATE; AND

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

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

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

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

22 **Chapter 105 of the Acts of 2016**

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

28 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
29 1, 2018.