#### HP0007, LD 4, item 1, 127th Maine State Legislature An Act To Promote Industrial Hemp

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# An Act To Promote Industrial Hemp

### Be it enacted by the People of the State of Maine as follows:

**Sec. 1. 7 MRSA §2231,** as enacted by PL 2009, c. 320, §1, is amended to read:

## § 2231.Industrial hemp

- **1. Definition.** As used in this chapter, unless the context otherwise indicates, "industrial hemp" means any variety of Cannabis sativa L. with a delta-9-tetrahydrocannabinol concentration that does not exceed 0.3% on a dry weight basis and that is grown or possessed by a licensed grower in compliance with this chapter.
- **2. Growing permitted.** Notwithstanding any other provision of law, a person may plant, grow, harvest, possess, process, sell and buy industrial hemp if that person holds a license issued pursuant to subsection 4. A person licensed pursuant to subsection 4 may plant, grow and harvest only hemp that is grown from seeds acquired from an approved Canadian producer of hemp seeds. A person licensed pursuant to subsection 4 may acquire hemp seeds directly from a producer in Canada or from a hemp seed distributor licensed in this State distributing hemp seeds pursuant to subsection 2-A.
- **2-A. Seed distribution.** The commissioner may issue a license for a hemp seed distributor if the hemp seeds distributed by the hemp seed distributor are from an approved Canadian producer of hemp seeds that ensures that the hemp cultivated by a grower has a concentration of no more than 0.3% delta-9-tetrahydrocannabinol by dry weight. The commissioner may issue a license under this subsection to a holder of a seed labeling license pursuant to section 1044-A.
- **3. Application.** A person desiring to grow industrial hemp for commercial purposes shall apply to the commissioner for a license on a form prescribed by the commissioner. The application must include the name and address of the applicant, the legal description of the land area to be used for the production of industrial hemp and a map, an aerial photograph or global positioning coordinates sufficient for locating the production fields. Except for employees of the Maine Agricultural Experiment Station and the University of Maine System involved in research and related activities, an applicant for an initial licensure must submit a set of the applicant's fingerprints, taken by a law enforcement officer, and any other information necessary to complete a statewide and nationwide criminal history record check by the Department of Public Safety, State Bureau of Identification and the Federal Bureau of Investigation. All costs associated with the criminal history record check are the responsibility of the applicant and must be submitted with the fingerprints. Criminal history records provided to the commissioner under this section are confidential. The results of criminal records checks received under this subsection may only be used in determining an applicant's eligibility for licensure. A person with a prior criminal conviction is not eligible for licensure.

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- **4. License issued.** Upon review and approval of an application, the commissioner shall notify the applicant and request that the application fee determined under subsection 7 be submitted. Upon receipt of the appropriate fee and in accordance with subsection 8, the commissioner shall issue a license, which is valid for a period of one year and only for the site or sites specified in the license.
- 5. **Documentation.** A licensee shall file with the commissioner documentation indicating that the seeds planted were of a type and variety of hemp approved by the commissioner as having a concentration of no more than 0.3% delta-9-tetrahydrocannabinol by dry weight and a copy of any contract to grow industrial hemp. A licensee shall notify the commissioner of the sale or distribution of industrial hemp grown by the licensee and the name of each person to whom the industrial hemp was sold or distributed.
- **6. Rules.** The commissioner shall adopt rules to establish approved varieties of industrial hemp, protocols for testing plant parts during growth for delta-9-tetrahydrocannabinol levelsan application fee, a license fee and guidelines for monitoring the growth and harvest of industrial hemp. Rules adopted pursuant to this subsection are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.
- **7. Fees.** The commissioner shall establish through rulemaking under subsection 6 an application fee, and a license fee and per acre fees for monitoring, sampling and testing that are reasonable and necessary to cover the costs of the department.

All fees received pursuant to this subsection must be paid to the Treasurer of State and credited to a separate, nonlapsing account in the department. Money received pursuant to this subsection must be used for the expenses of administering this chapter.

- 8. Licensing contingent upon action by Federal Government. A license may not be issued under this section unless:
  - A. The United States Congress excludes industrial hemp from the definition of "marihuana" for the purpose of the Controlled Substances Act, 21 United States Code, Section 802(16); or
  - B. The United States Department of Justice, Drug Enforcement Administration takes affirmative steps towards issuing a permit under 21 United States Code, Chapter 13, Subchapter 1, Part C to a person holding a license issued by a state to grow industrial hemp.

The commissioner shall notify the Revisor of Statutes and the Commissioner of Public Safety when the requirements of either paragraph A or B have been met.

**Sec. 2. Appropriations and allocations.** The following appropriations and allocations are made.

AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF

**Division of Plant Industry 0831** 

#### HP0007, LD 4, item 1, 127th Maine State Legislature An Act To Promote Industrial Hemp

Initiative: Provides funding for one part-time Certified Seed Specialist position and related costs to conduct testing, inspection and monitoring related to the production of industrial hemp.

OTHER SPECIAL REVENUE FUNDS	2015-16	2016-17
POSITIONS - FTE COUNT	0.250	0.250
Personal Services	\$14,111	\$14,111
All Other	\$6,842	\$6,842
OTHER SPECIAL REVENUE FUNDS TOTAL	\$20,953	\$20,953

### Office of the Commissioner 0401

Initiative: Provides funding for one part-time Certified Seed Specialist position and related costs to conduct testing, inspection and monitoring related to the production of industrial hemp.

OTHER SPECIAL REVENUE FUNDS All Other	<b>2015-16</b> \$2,500	<b>2016-17</b> \$0
OTHER SPECIAL REVENUE FUNDS TOTAL	\$2,500	\$0
AGRICULTURE, CONSERVATION AND FORESTRY,		
DEPARTMENT OF		
DEPARTMENT TOTALS	2015-16	2016-17
OTHER SPECIAL REVENUE FUNDS	\$23,453	\$20,953
DEPARTMENT TOTAL - ALL FUNDS	\$23,453	\$20,953

### **SUMMARY**

This bill removes the requirements that an applicant for an initial license to grow industrial hemp for commercial purposes must submit a set of the applicant's fingerprints and file with the Commissioner of Agriculture, Conservation and Forestry documentation indicating that the seeds planted were a type and variety of hemp approved by the commissioner and also repeals the provision that licensure is contingent upon action by the Federal Government.

The bill requires that any hemp seeds acquired for cultivation of hemp in the State must come from an approved Canadian producer of hemp seeds. It allows the Commissioner of Agriculture, Conservation and Forestry to issue licenses for hemp seed distribution to holders of seed labeling licenses. It also allows hemp growers licensed by the State to acquire hemp seeds directly from a producer in Canada or from a state-licensed hemp seed distributor. It requires that application fees and license fees must be established by major substantive rules. It includes an appropriations and allocations section.