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## DIGEST

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HB 491 Engrossed

2019 Regular Session

Schexnayder

**Abstract:** Authorizes industrial hemp farming and provides for regulation by the Dept. of Agriculture and Forestry.

Proposed law provides definitions for terms applicable to the cultivation, processing, and transportation of industrial hemp. Specifically, proposed law defines industrial hemp as the *Cannabis sativa* L. plant and any part of the plant that has a THC concentration of 0.3% or less on a dry weight basis.

Proposed law authorizes individuals licensed by the Dept. of Agriculture and Forestry (LDAF) to cultivate, process, handle, and transport industrial hemp.

Proposed law grants the Agricultural Chemistry and Seed Commission the authority to do the following:

- (1) Establish criteria for seed approval.
- (2) Hold hearings on alleged violations.
- (3) Advise the commissioner on civil penalties.

Proposed law grants the commissioner of agriculture the authority to do the following:

- (1) Adopt rules and regulations to regulate industrial hemp cultivation and processing.
- (2) Administer and enforce industrial hemp laws and rules.
- (3) Collect, administer, and disburse the proceeds of all fees, interest, penalties, and other monies collected for regulation of industrial hemp.
- (4) Appoint and employ necessary personnel to regulate industrial hemp.
- (5) Enter property to conduct inspections, collect samples, test, examine, and copy records, and carry out suppression or eradication activities.
- (6) Seek and obtain injunctive or other civil relief to restrain and prevent violations.

- (7) Institute civil proceedings to enforce his orders and rulings.
- (8) Create a state plan to submit to the federal government, in consultation with the attorney general and governor.

Proposed law grants the following powers and duties to the House and Senate agriculture committees:

- (1) Review of the state plan prior to submission to the federal government.
- (2) Affirmative approval of all proposed industrial hemp rules.

Proposed law establishes four license types to be issued by LDAF:

- (1) Grower - authorizes licensee to cultivate, handle, and transport industrial hemp.
- (2) Processor - authorizes licensee to handle, process, and transport industrial hemp.
- (3) Seed producer - authorizes licensee to produce, transport, and sell approved industrial hemp seeds.
- (4) Contract carrier - authorizes licensee to transport industrial hemp.

Proposed law requires all applicants to submit to a criminal background check prior to receiving a license.

Proposed law prohibits any person who has been convicted of a felony or drug-related misdemeanor within the past 10 years from obtaining a license.

Proposed law requires licensees to maintain records including acquisition of industrial hemp seeds and plants and any sales or distribution of the seeds or plants.

Proposed law requires LDAF to test all industrial hemp crops prior to harvest to make sure the THC concentration doesn't exceed 0.3%.

Proposed law requires growers to harvest their hemp crops within 15 days of LDAF's test, unless they have received specific authorization from LDAF.

Proposed law authorizes LDAF to randomly inspect crops and products if the department has probable cause to believe a violation has occurred and to detain, seize, or embargo any crop of industrial hemp that tests higher than a 0.3% THC concentration.

Proposed law prohibits processing any part of the industrial hemp plant, except for the seed, for inhalation, topical use, or consumption.

Proposed law authorizes the commissioner to determine license and testing fees, not to exceed \$500 for licenses and \$250 for tests. Proposed law requires that the fees must be tied to the cost of regulation and services provided.

Proposed law provides that any person who violates the provisions of proposed law will be subject to civil penalty fines of up to \$500 per violation per day and criminal penalty fines of up to \$50,000 in addition to imprisonment from one to 20 years.

Proposed law authorizes the LSU Ag Center and the SU Ag Center to research and develop new industrial hemp seed varieties and exempts them from licensing requirements.

Proposed law exempts industrial hemp produced in accordance with proposed law from the Uniform Controlled Dangerous Substances Law.

(Adds R.S. 3:1449(B)(3) and 1461-1472 and R.S. 40:961.1)

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Agriculture, Forestry, Aquaculture, and Rural Development to the original bill:

1. Define "transport" and "transporting" and clarify licensees are authorized to transport industrial hemp.
2. Move the authority to develop THC sampling and testing procedures from the Agricultural Chemistry and Seed Commission to the commissioner of agriculture.
3. Clarify license requirements do not apply to the LSU Ag Center and the SU Ag Center when performing research.
4. Clarify that any facility producing hemp seed products for consumption are subject to inspection by the La. Dept. of Health.
5. Make technical changes.