Testimony to the House Agriculture Committee
Regarding SB263 – Industrial Hemp
March 14, 2018

Chairman Hoffman and Committee Members,

Our associations are cautiously remaining neutral on SB263. Law enforcement presented several recommendations to the Senate Committee which they included, in some fashion, into the amended bill. Some of the key amendments, which we urge you to keep in place, include:

1. The amendment to the definition of THC on page 1, lines 15-18.
2. The requirement for licensees submit to a criminal record check and the related disqualifying conviction provision. (Page 2 line 40 through page 3 line 25.) We do not believe having this extended to those with a financial interest in the operation would be unreasonable, which would be consistent with alcohol licensing.
3. The amendment on page 3 lines 28-33 requiring licensees to have in their possession while engaged in any activity where the hemp or hemp materials are being possessed or transported in public. This is an important provision to mitigate difficulties we would otherwise have in distinguishing possessing materials authorized under this act and possession of other cannabis based materials that remain illegal. It also assures we do not violate licensees’ rights or unnecessarily inconvenience them when in compliance.
4. The amendment on page 3, line 41, making the violation of either “state or federal law” applicable.
5. The deletion of the definition of “Grower” on page 1, lines 20-22, and the use of that term throughout the bill.

Item 1 is necessary to assure the correct chemical name is used in the bill. Items 2-5 will help assure the integrity of the legislative intent of this bill, and assist law enforcement in identifying persons who may try to hide illegal growing, processing, and distributing higher THC content cannabis among the envisioned legitimate operations. We recognize these bad actors could jeopardize the success of the research program without adequate measures included in the bill.

Our decision to take a neutral stance on SB263 could change in future legislative action if these amendments are removed, or if the bill is amended in a way to not comply with the Federal Farm Act. If necessary, we are willing to work with the Department of Agriculture, the revisors, proponents and others to establish acceptable amendments to the bill to achieve this.

As a reminder, the 2014 Farm Bill has specific limitations on industrial hemp (Source: National Council of State Legislatures, http://www.ncsl.org/research/agriculture-and-rural-development/state-industrial-hemp-statutes.aspx). We oppose any program that is not operated within the Farm Act.

President Obama signed the Agricultural Act of 2014, or the 2014 Farm Bill, which featured Section 7606 allowing universities and state departments of agriculture to begin cultivating industrial hemp for limited purposes. Specifically, the law allows universities and state departments of agriculture to grow or cultivate industrial hemp if:

“(1) the industrial hemp is grown or cultivated for purposes of research conducted under an agricultural pilot program or other agricultural or academic research; and
(2) the growing or cultivating of industrial hemp is allowed under the laws of the state in which such institution of higher education or state department of agriculture is located and such research occurs.”

This appears to be consistent with the Statement of Principles On Industrial Hemp, published 8/12/16 by the USDA, DEA, and FDA, https://www.gpo.gov/fdsys/pkg/FR-2016-08-12/pdf/2016-19146.pdf.

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