

SESSION OF 2024

**SUPPLEMENTAL NOTE ON SUBSTITUTE FOR HOUSE  
BILL NO. 2168**

As Recommended by House Committee on  
Agriculture and Natural Resources

**Brief\***

Sub. for HB 2168 would place a \$500 cap on hemp license and registration fee amounts under the Kansas Department of Agriculture (KDA) Industrial Hemp program.

[*Note:* Currently, there is no cap on hemp license fees, and hemp registration fees are capped at \$1,000. The KDA only licenses commercial industrial hemp producers in Kansas. Industrial hemp processors are regulated by the Office of the State Fire Marshal.]

**Background**

The bill was introduced by Representatives Blew and K. Williams.

***House Committee on Agriculture and Natural Resources***

***2023 Legislative Session***

[*Note:* The bill was referred to the House Committee on Agriculture and Natural Resources (House Committee) on January 25, 2023, withdrawn from the House Committee and referred to the House Committee on Appropriations on February 16, 2023, and re-referred to the House Committee on March 1, 2023.]

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

In the House Committee hearing on March 15, 2023, **proponent** testimony was provided by Representative K. Williams; a representative of the Kansas Hemp Consortium and Midwest Hemp Technology; and representatives of Kansans for Hemp. The proponents stated current KDA fee amounts are a hindrance to joining the industrial hemp industry.

Written-only proponent testimony was provided by Representative Blew and a private citizen.

**Opponent** testimony was provided by the Deputy Secretary of Agriculture, who stated reducing the fee cap to \$500 would require the agency to seek additional funding to cover an operating deficit in future years. In addition, the Deputy Secretary expressed concerns regarding the provisions of the bill that would allow for hemp in animal feed. Concerns were also expressed by the State Fire Marshal, and the Executive Officer of the Kansas Bureau of Investigation regarding provisions that would remove fingerprinting and background check requirements. [Note: The provisions regarding hemp in animal feed, fingerprinting, and background checks were not retained in the substitute bill.]

Written-only opponent testimony was provided by a representative of the Kansas Association of Chiefs of Police, Kansas Sheriffs Association, and Kansas Peace Officers Association; a representative of the Kansas Agribusiness Retailers Association and Kansas Grain and Feed Association; and a representative of the Kansas Cooperative Council.

Neutral testimony was provided by a private citizen who discussed individual freedom and the reserved powers of the State of Kansas.

No other testimony was provided.

## *2024 Legislative Session*

The House Committee held an informational hearing concerning the bill on January 24, 2024.

Representatives of Kansans for Hemp and the Kansas Hemp Consortium provided information on the state of the industrial hemp industry in the United States and in Kansas. The representatives also discussed industrial hemp licensee numbers, the outlook of the hemp-based products market, federal-run programs and licenses, hemp seed meal as a feed ingredient, hemp feed research, and local, state, and federal incentives for hemp.

The House Committee adopted an amendment to remove the contents of the bill and insert two provisions of the original bill regarding license and registration fee caps and recommended a substitute bill be passed.

### **Fiscal Information**

A revised fiscal note on the substitute bill was not immediately available.

Industrial hemp; fees; fee caps; Kansas Department of Agriculture