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HOUSE COMMITTEE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 79

AN ACT

To repeal sections 195.202 and 195.211, RSMo 1994, relating to controlled substances, and to enact in lieu thereof eleven new sections relating to industrial hemp production, with penalty provisions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section A. Sections 195.202 and 195.211, RSMo 1994, are repealed and eleven new sections enacted in lieu thereof, to be known as sections 195.202, 195.211, 265.700, 265.710, 265.715, 265.720, 265.725, 265.730, 265.735, 265.740 and 265.745, to read as follows:

195.202. 1. Except as authorized by sections 195.005 to 195.425, it is unlawful for any person to possess or have under [his] **such person's** control a controlled substance.

 2. Any person who violates this section with respect to any controlled substance except thirty-five grams or less of marijuana, except industrial hemp, as defined in section 265.705, RSMo, is guilty of a class C felony.

 3. Any person who violates this section with respect to not more than thirty-five grams of marijuana, except industrial hemp, as defined in section 265.705, RSMo, is guilty of a class A misdemeanor.

4. The defendant shall have the burden of injecting the issue that the substance is industrial hemp pursuant to this section.

 195.211. 1. Except as authorized by sections 195.005 to 195.425, it is unlawful for any person to distribute, deliver, manufacture, produce or attempt to distribute, deliver, manufacture or produce a controlled substance or to possess with intent to distribute, deliver, manufacture, or produce a controlled substance.

 2. Any person who violates this section with respect to any controlled substance except five grams or less of marijuana, except industrial hemp, as defined in section 265.705, RSMo, is guilty of a class B felony.

 3. Any person who violates this section with respect to distributing or delivering not more than five grams of marijuana, except industrial hemp, as defined in section 265.705, RSMo, is guilty of a class C felony.

4. The defendant shall have the burden of injecting the issue that the substance is industrial hemp pursuant to this section.

265.700. Sections 265.700 to 265.745 of this act may be cited as the "Industrial Hemp Research Act of 1997".

 265.710. As used in sections 265.700 to 265.745 of this act, the following words and phrases shall mean:

(1) "Commercial uses", uses which are noninjurious in nature;

(2) "Department", the department of agriculture of the state of Missouri;

(3) "Director", the director of the department of agriculture of the state of Missouri;

(4) "Grower", any person who produces industrial hemp under license;

(5) "Hemp products", any products generated from the plant materials of industrial hemp;

(6) "Industrial hemp", Cannabis sativa L. containing no greater than one percent tetrahydrocannabinols (THC) and grown under license.

 265.715. 1. For purposes of practical research and commercial uses, the director shall license and authorize any person or entity engaged in:

(1) Growing and maintenance of industrial hemp;

(2) Manufacture of products containing industrial hemp; and

(3) Regeneration of seed for the growth of industrial hemp.

 2. Unless otherwise provided by a concurrent resolution of the general assembly, only those persons or entities deemed by the director to be engaged in research at a University of Missouri agriculture experiment station and such other

state-supported institutions of higher education that are engaged in alternative crop research shall be eligible for licensure.

 3. The director, in consultation and collaboration with the department of public safety and the United States Drug Enforcement Administration, shall develop criteria for issuing an authorization license to grow industrial hemp. Such criteria shall include but not be limited to:

(1) Background and criminal record checks of the grower;

(2) Registration of the site used to grow industrial hemp with the director and local and state law enforcement officials;

(3) Testing of industrial hemp during growth for tetrahydrocannabinol (THC) levels;

(4) Certification of transportation and final destination of raw industrial hemp; and

(5) Requirements for supervision of the industrial hemp during its growth and harvest.

 4. No license shall be issued to any person that has been convicted of a felony or a drug-related misdemeanor.

 265.720. 1. Licensed activities pursuant to section 265.715 of this act shall be lawful to the extent granted by the license.

 2. The director may set by rule and collect reasonable fees from any applicant for the processing, investigation and maintenance of licensure applications. All fees collected shall be transmitted to the director of revenue for deposit into the general revenue fund.

 265.725. The director shall administer and enforce the provisions of sections 265.700 to 265.745 of this act and shall have authority to carry out such provisions. Such authority shall encompass all reasonable factors which the director deems necessary to determine and promote the economic viability of industrial hemp without enhancing or

expanding any species of cannabis for illegal purposes. The director shall give consideration to pertinent research findings and recommendations of other agencies of this state, the federal government or other reliable sources.

 265.730. 1. The director shall cooperate with agencies of this state or its subdivisions, or with any agency of another state regarding industrial hemp programs under sections 265.700 to 265.745 of this act for the purposes of securing uniformity throughout the state and the maintenance of public safety, health and welfare.

 2. The department shall enter into a cooperative agreement with the department of public safety prescribing procedures for licensure pursuant to section 265.715 of this act and proper notification to law enforcement officials of licensed industrial hemp activities within the officials' jurisdiction.

 265.735. The director may cooperate, receive grants-in-aid and enter into agreements with any agency of the federal government, of this state or its subdivisions, or with any agency of another state, in order:

(1) To cooperate in the implementation and enforcement of industrial hemp laws through the use of state or federal personnel and facilities;

(2) To coordinate technical assistance for development of valid production research of industrial hemp; and

(3) To investigate the veracity of any information contained within any application for licensure.

 265.740. The director shall annually submit to the general assembly the results of any production research on the economic viability of industrial hemp and an analysis of other program operations.

 265.745. Any person violating any of the provisions of sections 265.700 to 265.745 of this act is to be charged as established in chapter 195, RSMo.