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By: **Delegate C. Davis**

Introduced and read first time: February 8, 1999

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Agriculture - Commercial Use of Industrial Hemp Act**

3 FOR the purpose of authorizing the commercial use of industrial hemp under certain  
4 conditions; requiring the Secretary of Agriculture to require a certain license in  
5 order to engage in the commercial use of industrial hemp; requiring the  
6 Secretary to develop certain criteria for a certain license; requiring the  
7 Secretary to ensure the safe commercial use of industrial hemp by certain  
8 measures; authorizing the Secretary to enter certain locations under certain  
9 circumstances; requiring the Secretary to enter into certain agreements with  
10 certain departments; allowing the Secretary to cooperate, to receive  
11 grants-in-aid, and to enter into certain agreements with certain government  
12 agencies under certain circumstances; requiring the Secretary to promulgate  
13 certain regulations; requiring the Secretary to charge a certain application fee;  
14 establishing certain violations of this Act; establishing certain penalties;  
15 defining certain terms; clarifying certain terms; and generally relating to the  
16 commercial use of industrial hemp.

17 BY adding to  
18 Article - Agriculture  
19 Section 9-801 through 9-808, inclusive, to be under the new subtitle "Subtitle 8.  
20 Industrial Hemp"  
21 Annotated Code of Maryland  
22 (1985 Replacement Volume and 1998 Supplement)

23 BY repealing and reenacting, with amendments,  
24 Article 27 - Crimes and Punishments  
25 Section 277(o), 279(a)(3)c.12., and 287A(a)(7)  
26 Annotated Code of Maryland  
27 (1996 Replacement Volume and 1998 Supplement)

28 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
29 MARYLAND, That the Laws of Maryland read as follows:

1 Article - Agriculture

2 SUBTITLE 8. INDUSTRIAL HEMP.

3 9-801.

4 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
5 INDICATED.

6 (B) "COMMERCIAL USE" MEANS THE GROWTH OF INDUSTRIAL HEMP OR THE  
7 MANUFACTURE OF A HEMP PRODUCT THAT IS NOT INJURIOUS IN NATURE.

8 (C) "GROWER" MEANS A PERSON WHO PRODUCES INDUSTRIAL HEMP.

9 (D) (1) "HEMP PRODUCT" MEANS A PRODUCT GENERATED FROM THE PLANT  
10 MATERIALS OF INDUSTRIAL HEMP.

11 (2) "HEMP PRODUCT" INCLUDES CLOTH, CORDAGE, FIBER, FOOD, FUEL,  
12 PAINT, PAPER, PARTICLE BOARD, PLASTICS, AND SEED FOR CONSUMPTION OR  
13 CULTIVATION.

14 (E) "INDUSTRIAL HEMP" MEANS ALL PARTS AND VARIETIES OF THE PLANT  
15 CANNABIS SATIVA L. CONTAINING NO GREATER THAN 1% TETRAHYDROCANNABINOL  
16 BY WEIGHT.

17 (F) "MANUFACTURER" MEAN A PERSON WHO OWNS OR MANAGES A BUSINESS  
18 THAT MANUFACTURES A HEMP PRODUCT FROM INDUSTRIAL HEMP.

19 9-802.

20 THE SECRETARY SHALL AUTHORIZE:

21 (1) THE GROWTH AND MAINTENANCE OF INDUSTRIAL HEMP;

22 (2) THE MANUFACTURE OF A HEMP PRODUCT; AND

23 (3) THE REGENERATION OF SEED FOR THE GROWTH OF INDUSTRIAL  
24 HEMP.

25 9-803.

26 (A) (1) AN INDIVIDUAL SHALL BE LICENSED BY THE DEPARTMENT BEFORE  
27 THE INDIVIDUAL MAY ENGAGE IN THE COMMERCIAL USE OF INDUSTRIAL HEMP.

28 (2) THE LICENSE IS NONTRANSFERABLE.

29 (B) AN APPLICANT FOR A LICENSE SHALL:

30 (1) SUBMIT TO THE DEPARTMENT AN APPLICATION ON THE FORM THAT  
31 THE DEPARTMENT REQUIRES; AND

1 (2) PAY TO THE DEPARTMENT AN APPLICATION FEE OF \$50.

2 (C) BEFORE A LICENSE TO ENGAGE IN THE COMMERCIAL USE OF INDUSTRIAL  
3 HEMP EXPIRES, THE LICENSEE MAY RENEW IT FOR AN ADDITIONAL 1-YEAR TERM, IF  
4 THE LICENSEE:

5 (1) OTHERWISE IS ENTITLED TO BE LICENSED;

6 (2) PAYS TO THE DEPARTMENT A RENEWAL FEE OF \$50; AND

7 (3) SUBMITS TO THE BOARD:

8 (I) A RENEWAL APPLICATION ON THE FORM THAT THE  
9 DEPARTMENT REQUIRES; AND

10 (II) SATISFACTORY EVIDENCE OF COMPLIANCE WITH THE  
11 REQUIREMENTS SET UNDER THIS SUBTITLE FOR LICENSE RENEWAL.

12 (D) THE SECRETARY, IN CONSULTATION WITH THE UNITED STATES DRUG  
13 ENFORCEMENT ADMINISTRATION, SHALL DEVELOP CRITERIA FOR ISSUING A  
14 LICENSE TO ENGAGE IN THE COMMERCIAL USE OF INDUSTRIAL HEMP. THE  
15 CRITERIA SHALL INCLUDE:

16 (1) A BACKGROUND AND CRIMINAL HISTORY RECORDS CHECK OF A  
17 GROWER OR A MANUFACTURER;

18 (2) REGISTRATION OF A SITE USED TO GROW INDUSTRIAL HEMP OR TO  
19 MANUFACTURE A HEMP PRODUCT;

20 (3) CERTIFICATION OF TRANSPORTATION AND FINAL DESTINATION OF  
21 RAW INDUSTRIAL HEMP; AND

22 (4) REQUIREMENTS FOR THE SUPERVISION OF INDUSTRIAL HEMP  
23 DURING ITS GROWTH, HARVEST, AND MANUFACTURE.

24 (E) A LICENSE MAY NOT BE ISSUED TO A PERSON WHO HAS BEEN CONVICTED  
25 OF A FELONY OR A DRUG-RELATED MISDEMEANOR.

26 9-804.

27 (A) IN ADDITION TO THE LICENSING REQUIREMENTS OF § 9-802 OF THIS  
28 SUBTITLE, THE SECRETARY SHALL ENSURE THE SAFE COMMERCIAL USE OF  
29 INDUSTRIAL HEMP BY:

30 (1) CONTROLLING THE SUPPLY OF INDUSTRIAL HEMP SEEDS TO  
31 ENSURE THAT ONLY THOSE VARIETIES THAT MEET THE TETRAHYDROCANNABINOL  
32 LIMITATIONS OF THIS SUBTITLE ARE CULTIVATED;

33 (2) INSPECTING AND TESTING PERIODICALLY INDUSTRIAL HEMP CROPS  
34 FOR TETRAHYDROCANNABINOL CONTENT TO ENSURE COMPLIANCE WITH THIS  
35 SUBTITLE;

1 (3) ENSURING THAT THE AMOUNT OF INDUSTRIAL HEMP PRODUCED  
2 DOES NOT EXCEED EXISTING MARKET DEMAND;

3 (4) REQUIRING A LICENSEE TO TAKE ADEQUATE STEPS TO ENSURE THE  
4 INTEGRITY OF THE INDUSTRIAL HEMP CROP WHILE IT IS IN THE FIELD, INCLUDING:

5 (I) DECLARING THE ACREAGE SOWN;

6 (II) PROVIDING FIELD REFERENCE INFORMATION; AND

7 (III) SOWING COVER CROPS TO OBSCURE THE INDUSTRIAL HEMP;

8 (5) ENSURING THAT THE FLOWERS AND LEAVES OF THE INDUSTRIAL  
9 HEMP PLANT ARE DESTROYED OR RECYCLED AT THE PLACE OF GROWTH; AND

10 (6) MAINTAINING ACCURATE RECORDS THAT REFLECT A LICENSEES'  
11 COMPLIANCE WITH THIS SUBTITLE.

12 (B) (1) THE SECRETARY MAY ENTER ANY PREMISES, LAND, OR BUILDING  
13 WHERE INDUSTRIAL HEMP IS GROWN OR MANUFACTURED IN ORDER TO MONITOR  
14 COMPLIANCE WITH THIS SUBTITLE DURING REASONABLE BUSINESS HOURS, WITH  
15 OR WITHOUT NOTICE.

16 (2) THE SECRETARY MAY TAKE SAMPLES OF INDUSTRIAL HEMP FOR  
17 TETRAHYDROCANNABINOL ANALYSIS. THE SAMPLES MAY NOT EXCEED 1% OF THE  
18 TOTAL INDUSTRIAL HEMP CROP ON THE PREMISES, LAND, OR BUILDING.

19 (C) THE SECRETARY SHALL ENTER INTO A COOPERATIVE AGREEMENT WITH  
20 THE STATE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES AND  
21 THE DEPARTMENT OF STATE POLICE TO ENSURE PROPER NOTIFICATION TO LAW  
22 ENFORCEMENT OFFICIALS OF LICENSED INDUSTRIAL HEMP ACTIVITIES WITHIN THE  
23 LAW ENFORCEMENT OFFICIALS' JURISDICTION.

24 (D) THE SECRETARY MAY COOPERATE, RECEIVE GRANTS-IN-AID, AND ENTER  
25 INTO AGREEMENTS WITH ANY FEDERAL OR STATE UNIT, OR ANY UNIT OF ANOTHER  
26 STATE IN ORDER TO:

27 (1) COOPERATE IN THE IMPLEMENTATION AND ENFORCEMENT OF  
28 INDUSTRIAL HEMP LAWS THROUGH THE USE OF STATE OR FEDERAL PERSONNEL  
29 AND FACILITIES; AND

30 (2) INVESTIGATE THE VERACITY OF ANY INFORMATION CONTAINED  
31 WITHIN ANY APPLICATION FOR LICENSURE.

32 9-805.

33 THE SECRETARY SHALL ADOPT REGULATIONS NECESSARY TO IMPLEMENT  
34 THIS SUBTITLE.

1 9-806.

2 ON OR BEFORE JANUARY 1 OF EACH YEAR, THE SECRETARY SHALL SUBMIT A  
3 REPORT DETAILING THE STATUS OF THE LICENSING PROGRAM AND THE  
4 COMPLIANCE WITH THIS SUBTITLE.

5 9-807.

6 IT IS A VIOLATION OF THIS SUBTITLE TO:

7 (1) MAKE A FALSE STATEMENT OR MISREPRESENTATION ON AN  
8 APPLICATION FOR A LICENSE OR RENEWAL OF A LICENSE; OR

9 (2) FAIL TO COMPLY WITH ANY PROVISIONS OF THIS SUBTITLE OR ANY  
10 REGULATION ADOPTED UNDER THIS SUBTITLE.

11 9-808.

12 (A) SUBJECT TO TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE,  
13 THE DEPARTMENT MAY DENY, SUSPEND, OR REVOKE A LICENSE FOR VIOLATION OF  
14 THIS SUBTITLE OR FOR A VIOLATION OF ANY REGULATION ADOPTED UNDER THIS  
15 SUBTITLE.

16 (B) A PERSON WHO GROWS OR MANUFACTURES INDUSTRIAL HEMP WITHOUT  
17 A LICENSE UNDER THIS SUBTITLE IS GUILTY OF A MISDEMEANOR AND ON  
18 CONVICTION IS SUBJECT TO A FINE OF NOT MORE THAN \$1,000 OR IMPRISONMENT  
19 NOT EXCEEDING 1 YEAR OR BOTH.

20 (C) A PERSON WHO GROWS OR MANUFACTURES INDUSTRIAL HEMP THAT  
21 EXCEEDS THE 1% TETRAHYDROCANNABINOL LIMIT WITHOUT A LICENSE UNDER  
22 THIS SUBTITLE IS SUBJECT TO THE PENALTIES OF ARTICLE 27, §§ 276 THROUGH 305  
23 OF THE CODE.

24 **Article 27 - Crimes and Punishments**

25 277.

26 The following words and phrases as used in this subheading shall have the  
27 following meanings unless the context otherwise requires:

28 (o) "Marihuana" means all parts of any plant of the genus Cannabis, whether  
29 growing or not; the seeds thereof; the resin extracted from any part of the plant; and  
30 every compound, manufacture, salt, derivative, mixture, or preparation of the plant,  
31 its seeds or resin THAT CONTAINS MORE THAN 1% CONCENTRATION OF  
32 TETRAHYDROCANNABINOL BY WEIGHT. It does not include the mature stalks of the  
33 plant, fiber produced from the mature stalks, oil or cake made from the seeds of the  
34 plant, any other compound, manufacture, salt, derivative, mixture, or preparation of  
35 such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, [or] the  
36 sterilized seed of the plant which is incapable of germination, OR INDUSTRIAL HEMP  
37 AS DEFINED IN TITLE 9, SUBTITLE 8 OF THE AGRICULTURE ARTICLE.

1 279.

2 The following schedules include the controlled dangerous substances listed or to  
3 be listed by whatever official name, common or usual name, chemical name, or trade  
4 name designated.

5 (a) Schedule I - In determining that a substance comes within this schedule,  
6 the Department shall find:

7 (3) A lack of accepted safety for use under medical supervision. The  
8 following are controlled dangerous substances and are included in this schedule:

9 c. Any material, compound, mixture or preparation which  
10 contains any quantity of the following hallucinogenic or hallucinogenic-like  
11 substances, their salts, isomers and salts of isomers, unless specifically excepted,  
12 whenever the existence of such salts, isomers and salts of isomers is possible within  
13 the specific chemical designation:

14 12. Tetrahydrocannabinol, EXCEPT INDUSTRIAL HEMP AS  
15 DEFINED IN TITLE 9, SUBTITLE 8 OF THE AGRICULTURE ARTICLE.

16 287A.

17 (a) As used in this section, the term "drug paraphernalia" means all  
18 equipment, products, and materials of any kind which are used, intended for use, or  
19 designed for use, in planting, propagating, cultivating, growing, harvesting,  
20 manufacturing, compounding, converting, producing, processing, preparing, testing,  
21 analyzing, packaging, repackaging, storing, containing, concealing, injecting,  
22 ingesting, inhaling, or otherwise introducing into the human body a controlled  
23 dangerous substance in violation of this subheading. It includes but is not limited to:

24 (7) Separation gins and sifters used, intended for use, or designed for use  
25 in removing twigs and seeds from, or in otherwise cleaning or refining, marijuana,  
26 EXCEPT FOR INDUSTRIAL HEMP AS DEFINED IN TITLE 9, SUBTITLE 8 OF THE  
27 AGRICULTURE ARTICLE;

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
29 October 1, 1999.