

# MAINE STATE LEGISLATURE

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Date: 6/7/13

majority

L.D. 525  
(Filing No. H-406)

**AGRICULTURE, CONSERVATION AND FORESTRY**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
126TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 344, L.D. 525, Bill, "An Act To Promote Industrial Hemp"

Amend the bill by inserting after the enacting clause the following:

'Sec. 1. 7 MRSA §2231, sub-§2, as enacted by PL 2009, c. 320, §1, is amended to read:

**2. Growing permitted.** Notwithstanding any other provision of law, a person may plant, grow, harvest, possess, process, sell and buy industrial hemp if that person holds a license issued pursuant to subsection 4. A person licensed pursuant to subsection 4 may plant, grow and harvest hemp that is grown only from seeds acquired from an approved Canadian producer of hemp seeds. A person licensed pursuant to subsection 4 may acquire hemp seeds directly from a producer in Canada or from a hemp seed distributor licensed in this State distributing hemp seeds pursuant to subsection 2-A.

Sec. 2. 7 MRSA §2231, sub-§2-A is enacted to read:

2-A. Seed distribution. The commissioner may issue a license for a hemp seed distributor if the hemp seeds distributed by the hemp seed distributor are from an approved Canadian producer of hemp seeds that ensures that the hemp cultivated by a grower has a concentration of no more than 0.3% delta-9-tetrahydrocannabinol by dry weight. The commissioner may issue a license under this subsection to a holder of a seed labeling license pursuant to section 1044-A.'

Amend the bill by striking out all of section 3 and inserting the following:

'Sec. 3. 7 MRSA §2231, sub-§5, as enacted by PL 2009, c. 320, §1, is repealed.

Sec. 4. 7 MRSA §2231, sub-§§6 and 7, as enacted by PL 2009, c. 320, §1, are amended to read:

**6. Rules.** The commissioner shall adopt rules to establish ~~approved varieties of industrial hemp, protocols for testing plant parts during growth for delta 9-tetrahydrocannabinol levels~~ an application fee, a license fee and guidelines for monitoring

**COMMITTEE AMENDMENT**

R.O.S.

1 the growth and harvest of industrial hemp. Rules adopted pursuant to this subsection are  
 2 major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

3 **7. Fees.** The commissioner shall establish through rulemaking under subsection 6 an  
 4 application fee, and a license fee ~~and per-acre fees for monitoring, sampling and testing~~  
 5 ~~that are~~ reasonable and necessary to cover the costs of the department.

6 All fees received pursuant to this subsection must be paid to the Treasurer of State and  
 7 credited to a separate, nonlapsing account in the department. Money received pursuant to  
 8 this subsection must be used for the expenses of administering this chapter.

9 **Sec. 5. 7 MRSA §2231, sub-§8,** as enacted by PL 2009, c. 320, §1, is repealed.

10 **Sec. 6. Appropriations and allocations.** The following appropriations and  
 11 allocations are made.

12 **AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF**

13 **Division of Plant Industry 0831**

14 Initiative: Provides funding for one part-time Certified Seed Specialist position and  
 15 related costs to conduct testing, inspection and monitoring related to the production of  
 16 industrial hemp.

17	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2013-14</b>	<b>2014-15</b>
18	POSITIONS - FTE COUNT	0.250	0.250
19	Personal Services	\$14,111	\$14,111
20	All Other	\$6,842	\$6,842
21			
22	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$20,953</b>	<b>\$20,953</b>

23 **Office of the Commissioner 0401**

24 Initiative: Provides funding for one part-time Certified Seed Specialist position and  
 25 related costs to conduct testing, inspection and monitoring related to the production of  
 26 industrial hemp.

27	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2013-14</b>	<b>2014-15</b>
28	All Other	\$2,500	\$0
29			
30	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$2,500</b>	<b>\$0</b>

31 **AGRICULTURE, CONSERVATION AND**  
 32 **FORESTRY, DEPARTMENT OF**  
 33 **DEPARTMENT TOTALS**

34		<b>2013-14</b>	<b>2014-15</b>
35	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$23,453</b>	<b>\$20,953</b>

A.S.S.

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<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$23,453</b>	<b>\$20,953</b>
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Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

**SUMMARY**

This amendment is the majority report. It requires that any hemp seeds acquired for cultivation of hemp in the State come from an approved Canadian producer of hemp seeds. The amendment allows the Commissioner of Agriculture, Conservation and Forestry to issue licenses for hemp seed distribution to holders of seed labeling licenses. The amendment also allows hemp growers licensed by the State to acquire hemp seeds directly from a producer in Canada or from a state-licensed hemp seed distributor. The amendment requires that application fees and license fees are established by major substantive rules. The amendment adds an appropriations and allocations section to the bill.

**FISCAL NOTE REQUIRED**

**(See attached)**



# 126th MAINE LEGISLATURE

LD 525

LR 1183(02)

## An Act To Promote Industrial Hemp

Fiscal Note for Bill as Amended by Committee Amendment

*A1 (H-406)*

Committee: Agriculture, Conservation and Forestry

Fiscal Note Required: Yes

### Fiscal Note

Potential current biennium cost increase - General Fund

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
<b>Appropriations/Allocations</b>				
Other Special Revenue Funds	\$23,453	\$20,953	\$20,953	\$20,953
<b>Revenue</b>				
Other Special Revenue Funds	\$23,453	\$20,953	\$20,953	\$20,953
<b>Transfers</b>				
Other Special Revenue Funds	\$0	\$0	\$0	\$0

#### Fiscal Detail and Notes

This legislation repeals the provision of law that licensure of industrial hemp is contingent upon action by the Federal Government. The bill includes an Other Special Revenue Funds allocation of \$23,453 in fiscal year 2013-14 and \$20,953 in fiscal year 2014-15 to the Department of Agriculture, Conservation and Forestry for one one-quarter time Certified Seed Specialist position and related costs to conduct testing, inspection and monitoring. Fees will be assessed by the department to cover these costs, increasing Other Special Revenue Funds revenue by the amounts allocated.

Additionally, since the growing of industrial hemp is illegal under Federal law, it is possible that the State could incur legal fees if the law were challenged. If that were to happen, the department would require a General Fund appropriation to cover the costs of the Attorney General to defend this legislation.