

1 S.157

2 Introduced by Committee on Agriculture

3 Date: March 19, 2013

4 Subject: Agriculture, hemp; permit

5 Statement of purpose of bill as introduced: This bill proposes to: require  
6 persons to obtain a permit to grow hemp; remove the word "industrial" from  
7 references to hemp production in the State of Vermont; and give the Agency of  
8 Agriculture, Food and Markets authority to assess fees to hemp permit  
9 applicants.

10 An act relating to modifying the requirements for hemp production in the  
11 State of Vermont

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 6 V.S.A. chapter 34 is amended to read:

14 CHAPTER 34. ~~INDUSTRIAL~~ HEMP

15 § 561. INTENT

16 The intent of this act ~~act~~ chapter is to establish policy and procedures for  
17 growing ~~industrial~~ hemp in Vermont so that farmers and other businesses in  
18 the Vermont agricultural industry can take advantage of this market  
19 opportunity ~~when federal regulations permit~~.

1 § 562. DEFINITIONS

2 As used in this chapter:

3 (1) “Grower” means ~~any a person or business entity licensed who is~~  
4 granted a permit under this chapter by the ~~secretary as an industrial hemp~~  
5 ~~grower~~ Secretary to grow hemp.

6 (2) “Hemp products” means all products made from ~~industrial~~ hemp,  
7 including ~~but not limited to~~ cloth, cordage, fiber, food, fuel, paint, paper,  
8 particle board, plastics, seed, seed meal, seed oil, and certified seed for  
9 cultivation ~~if such seeds originate from industrial hemp varieties.~~

10 (3) ~~“Industrial hemp” means varieties of the plant cannabis sativa~~  
11 ~~having no more than 0.3 percent tetrahydrocannabinol, whether growing or~~  
12 ~~not, that are cultivated or possessed by a licensed grower in compliance with~~  
13 ~~this chapter. “Hemp” means the plant Cannabis sativa L. and any part of the~~  
14 plant, whether growing or not, with a delta-9 tetrahydrocannabinol  
15 concentration of not more than 0.3 percent on a dry weight basis.

16 (4) “Secretary” means the ~~secretary of agriculture, food and markets~~  
17 Secretary of Agriculture, Food and Markets.

18 § 563. ~~INDUSTRIAL HEMP: AN AGRICULTURAL PRODUCT~~

19 ~~Industrial hemp~~ Hemp is an agricultural product which may be grown,  
20 produced, possessed, and commercially traded in Vermont pursuant to the  
21 provisions of this chapter.

1 § 564. ~~LICENSING~~ GROWER PERMIT; APPLICATION

2 (a) ~~Any person or business entity wishing to engage in the production of~~  
3 ~~industrial hemp must be licensed as an industrial hemp grower by the~~  
4 ~~secretary. A person shall not grow hemp in this State until he or she obtains a~~  
5 ~~permit from the Secretary. A license permit from the secretary~~ Secretary shall  
6 authorize ~~industrial~~ hemp production only at a site or sites specified by the  
7 license permit.

8 (b) A license permit from the ~~secretary~~ Secretary shall be valid for 24  
9 ~~months up to 36 months~~ from the date of issuance pursuant to subdivision  
10 1(a)(13) of this title and may be renewed but shall not be transferable.

11 (c)(1) ~~The secretary shall obtain from the Vermont criminal information~~  
12 ~~center a record of convictions in Vermont and other jurisdictions for any~~  
13 ~~applicant for a license who has given written authorization on the application~~  
14 ~~form. The secretary shall file a user's agreement with the center. The user's~~  
15 ~~agreement shall require the secretary to comply with all statutes, rules, and~~  
16 ~~policies regulating the release of criminal conviction records and the protection~~  
17 ~~of individual privacy. Conviction records provided to the secretary under this~~  
18 ~~section are confidential and shall be used only to determine the applicant's~~  
19 ~~eligibility for licensure.~~

1           ~~(2) A person who has been convicted in Vermont of a felony offense or~~  
2 ~~a comparable offense in another jurisdiction shall not be eligible for a license~~  
3 ~~under this chapter.~~

4           ~~(d)~~ When applying for a license permit from the ~~secretary~~ Secretary, an  
5 applicant shall provide information sufficient to demonstrate to the ~~secretary~~  
6 Secretary that the applicant intends to grow ~~and is capable of growing~~  
7 ~~industrial~~ hemp in accordance with this chapter, which at a minimum shall  
8 include:

9           ~~(1) Filing with the secretary a set of classifiable fingerprints and written~~  
10 ~~authorization permitting the Vermont criminal information center to generate a~~  
11 ~~record of convictions as required by subdivision (c)(1) of this section.~~

12           ~~(2) Filing with the secretary documentation certifying:~~

13           ~~(1)~~ that the seeds obtained for planting are of a type and variety  
14 compliant with the maximum concentration of tetrahydrocannabinol set forth  
15 in subdivision ~~560(3)~~ 562(3) of this chapter; and

16           ~~(3)(2)~~ Filing with the secretary the location and acreage of all parcels  
17 sown and other field reference information as may be required by the ~~secretary~~  
18 Secretary.

19           ~~(e) To qualify for a license from the secretary, an applicant shall~~  
20 ~~demonstrate to the satisfaction of the secretary that the applicant has adopted~~

1 ~~methods to ensure the legal production of industrial hemp, which at a~~  
2 ~~minimum shall include:~~

3 ~~(1) Ensuring that all parts of the industrial hemp plant that do not enter~~  
4 ~~the stream of commerce as hemp products are destroyed, incorporated into the~~  
5 ~~soil, or otherwise properly disposed of.~~

6 ~~(2) Maintaining records that reflect compliance with the provisions of~~  
7 ~~this chapter and with all other state laws regulating the planting and cultivation~~  
8 ~~of industrial hemp.~~

9 ~~(f) Every grower shall maintain all production and sales records for at least~~  
10 ~~three years.~~

11 ~~(g)(d) Every A grower shall allow industrial hemp crops, throughout~~  
12 ~~sowing, growing season, harvest, storage, and processing, to be inspected by~~  
13 ~~and at the discretion of the secretary Secretary or his or her designee.~~

14 § 565. ~~REVOCATION AND SUSPENSION OF LICENSE;~~

15 ~~ENFORCEMENT~~

16 ~~(a) The secretary may deny, suspend, revoke, or refuse to renew the license~~  
17 ~~of any grower who:~~

18 ~~(1) Makes a false statement or misrepresentation on an application for a~~  
19 ~~license or renewal of a license.~~

20 ~~(2) Fails to comply with or violates any provision of this chapter or any~~  
21 ~~rule adopted under it.~~

1       ~~(b) Revocation or suspension of a license may be in addition to any civil or~~  
2 ~~criminal penalties imposed on a grower for a violation of any other state law.~~

3 [Repealed.]

4 § 566. ~~RULEMAKING AUTHORITY~~ GROWER PERMITS:

5               APPLICATION; ISSUANCE

6       ~~The secretary shall adopt rules to provide for the implementation of this~~  
7 ~~chapter, which shall include rules to allow for the industrial hemp to be tested~~  
8 ~~during growth for tetrahydrocannabinol levels and to allow for supervision of~~  
9 ~~the industrial hemp during sowing, growing season, harvest, storage, and~~  
10 ~~processing.~~

11       (a) The Secretary shall:

12               (1) design and implement an application procedure for a grower  
13 permit; and

14               (2) design and make available to prospective applicants an advisory  
15 document that provides notice that, until current federal law is amended to  
16 provide otherwise:

17                       (A) cultivation and possession of hemp in Vermont is a violation of  
18 the federal Controlled Substances Act; and

19                       (B) federal prosecution for growing hemp in violation of federal law  
20 may include criminal penalties, forfeiture of property, and loss of access to

1 federal agricultural benefits, including agricultural loans, conservation  
2 programs, and insurance programs.

3 (b) The Secretary may:

4 (1) assess an annual fee of ~~\$25.00~~ \$200.00 for a grower permit  
5 application; and

6 (2) issue a grower permit to an applicant who meets the requirements of  
7 this chapter.

8 § 567. ENFORCEMENT

9 (a) A person who violates this chapter may be assessed an administrative  
10 penalty by the Secretary pursuant to section 15 of this title.

11 (b) The Secretary is authorized to seek to restrain by temporary or  
12 permanent injunction from a court of competent jurisdiction the continuation  
13 or repetition of violations of this chapter.

14 Sec. 2. 18 V.S.A. § 4201(15) is amended to read:

15 (15) "Marijuana" means any plant material of the genus cannabis or any  
16 preparation, compound, or mixture thereof except sterilized seeds of the plant  
17 and fiber produced from the stalks. "Marijuana" shall not include hemp or  
18 hemp products as defined in 6 V.S.A. § 562.

19 Sec. 3. 18 V.S.A. § 4241(b) is amended to read:

1           (b) This subchapter shall not apply to any property used or intended for use  
2           in an offense involving two ounces or less of marijuana or in connection with  
3           hemp or hemp products as defined in 6 V.S.A. § 562.

4           Sec. 4. EFFECTIVE DATE

5           This act shall take effect on July 1, 2013.