

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. House Bill 967

PRINTER NO. 3706

AMOUNT

\$515,000

FUND

General Fund

DATE INTRODUCED

April 15, 2015

PRIME SPONSOR

Representative Diamond

DESCRIPTION AND PURPOSE OF BILL

House Bill 967 establishes a new Chapter 7 (Industrial Hemp Research) in Title 3 (Agriculture) to provide for an agricultural pilot program for industrial hemp research.

The bill authorizes industrial hemp to be grown or cultivated for research by the Department of Agriculture or an institution of higher education at sites that are certified, inspected, permitted and registered by the department. Allows both the department and institutions of higher education to contract with persons to grow or cultivate industrial hemp. Requires contractors to have U.S Drug Enforcement Administration permission and no misdemeanor or felony convictions within the past 10 years. Also, requires contractors to submit fingerprints to the Pennsylvania State Police for criminal history record checks.

Provides for the department to implement and administer the law. Provides criminal and civil penalties for violations of the act. Provides for funds from fees, fines and penalties to be deposited into a subaccount in a special restricted account in the General Fund known as the Plant Pest Management Account and provides for the money in the subaccount to be appropriated to the department. Provides that the subaccount may be supplemented by money received from appropriations made by the General Assembly, Federal Funds and gifts and other contributions.

Provides that if a federal agency becomes authorized to regulate industrial hemp, Chapter 7 will expire. Removes "Cannabis sativa" from the Noxious Weed Control List in the Noxious Weed Control Law (Act 74 of 1982) and repeals the Noxious Weed Control Law of 1982.

Provides for the legislation to take effect immediately and the pilot program to become effective upon publication in the Pennsylvania Bulletin.

FISCAL IMPACT:

House Bill 967 provides for the department to establish reasonable permitting and inspection fees to cover the cost of administration.

In addition, the Department of Agriculture has estimated that House Bill 967 will require the expenditure of \$515,000 in the first year of the program for the staff and equipment necessary to administer the act. This includes a plant and pest program specialist, a clerk typist, two field technicians, two vehicles, travel, lab equipment and supplies, computers and cell phones and other miscellaneous items.