THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 50

Session of 2015

INTRODUCED BY SCHWANK, FOLMER, TEPLITZ, FARNESE, LEACH, YUDICHAK, WOZNIAK, McILHINNEY AND SMUCKER, FEBRUARY 12, 2015

SENATOR VOGEL, AGRICULTURE AND RURAL AFFAIRS, AS AMENDED, OCTOBER 27, 2015

AN ACT

- Establishing an industrial hemp industry in this Commonwealth; CONFERRING POWERS AND IMPOSING DUTIES ON THE DEPARTMENT OF AGRICULTURE; AND PRESCRIBING PENALTIES.

 The General Assembly of the Commonwealth of Pennsylvania

 hereby enacts as follows:

 Section 1. Short title.
- 7 This act shall be known and may be cited as the Industrial
- 8 Hemp Act.
- 9 Section 2. Definitions.
- 10 The following words and phrases when used in this act shall
- 11 have the meanings given to them in this section unless the
- 12 context clearly indicates otherwise:
- 13 "Board." The Hemp Research Board.
- 14 "AGRICULTURAL PILOT PROGRAM." A PILOT PROGRAM TO RESEARCH <
- 15 THE GROWTH, CULTIVATION OR MARKETING OF INDUSTRIAL HEMP IN A
- 16 MANNER THAT:
- 17 (1) ASSURES ONLY THE DEPARTMENT OR INSTITUTIONS OF
- 18 HIGHER EDUCATION WITHIN THIS COMMONWEALTH ARE UTILIZED TO

- 1 CONDUCT SUCH RESEARCH; AND
- 2 (2) REQUIRES THE DEPARTMENT TO PERMIT AND REGULATE THE
- 3 INSTITUTIONS OF HIGHER EDUCATION AND SITES, ENTITIES OR
- 4 INDIVIDUALS UTILIZED BY THE INSTITUTIONS OF HIGHER EDUCATION
- 5 TO GROW OR CULTIVATE INDUSTRIAL HEMP AS ALLOWED UNDER THIS
- 6 ACT.
- 7 "Department." The Department of Agriculture of the
- 8 Commonwealth.
- 9 "Industrial hemp." A plant of the genus cannabis and any <--
- 10 part of the plant, whether growing or not, containing a delta-9-
- 11 tetrahydrocannabinol concentration of no more than .3% on a dry-
- 12 weight basis.
- "INDUSTRIAL HEMP." THE PLANT CANNABIS SATIVA L. AND ANY PART <--
- 14 OF SUCH PLANT, WHETHER GROWING OR NOT, WITH A DELTA-9
- 15 TETRAHYDROCANNABINOL CONCENTRATION OF NOT MORE THAN 0.3% ON A
- 16 DRY WEIGHT BASIS.
- 17 "INSTITUTION OF HIGHER EDUCATION." AS DEFINED UNDER SECTION
- 18 101 OF THE HIGHER EDUCATION ACT OF 1965 (PUBLIC LAW 89-329, 79
- 19 STAT. 1219).
- "SECRETARY." THE SECRETARY OF AGRICULTURE OF THE
- 21 COMMONWEALTH.
- 22 Section 3. Industrial hemp.
- 23 (a) Activities authorized. An individual or entity
- 24 registered with the board may grow, cultivate or market
- 25 industrial hemp for any of the following purposes of research in-

- 26 accordance with section 4:
- 27 (1) Conducting research or development of industrial
- 28 hemp.
- 29 (2) Cultivation or production of industrial hemp and
- 30 other related strains.

1	(3) Marketing industrial hemp.
2	(4) Any other purpose as allowed by the department.
3	(b) Oilseed. Industrial hemp shall be recognized as an
4	oilseed in this Commonwealth.
5	Section 4. Board.
6	(a) Board. There is created within the department the Hemp
7	Research Board. The board shall operate in accordance with the
8	following:
9	(1) The board shall be comprised of the following-
10	members:
11	(i) The Secretary of Agriculture or a designee.
12	(ii) The Commissioner of Professional and
13	Occupational Affairs.
14	(iii) Three members appointed by the Governor and
15	approved by the Senate. One of the appointees shall
16	represent a Statewide agricultural organization. Each
17	appointee shall serve a staggered three year term.
18	(2) There shall be a chair of the board in accordance
19	with the following:
20	(i) The Governor shall designate one of the board
21	members as chair, and the chair shall serve at the
22	pleasure of the Governor. When present, the chair shall
23	preside at all meetings. In the chair's absence, a member
24	designated by the chair shall preside.
25	(ii) Three members of the board shall constitute a
26	quorum, and an action or order of the board shall require
27	the approval of at least three members.
28	(3) The board may appoint a secretary to hold office at
29	the board's pleasure. If appointed, the secretary shall have
30	powers and shall perform duties not contrary to law as the

Τ	board sharr prescribe. The secretary sharr receive
2	compensation as the board determines with the approval of the
3	Governor. The secretary shall have power and authority to
4	designate one of the clerks appointed by the board to perform
5	the duties of the secretary during the secretary's absence.
6	The appointed clerk shall exercise the powers of the
7	secretary of the board for the time designated.
8	(b) Powers and duties. The board shall have the following
9	powers and duties:
10	(1) To develop and implement regulations necessary to
11	carry out the provisions of this act.
12	(2) To issue, renew, deny, revoke, suspend or refuse to
13	renew registration to cultivate, grow or market industrial
14	hemp.
15	(3) To develop an application for registration.
16	(4) To create and maintain a database of registered
17	persons.
18	(5) To inspect the facilities, seeds, plants and other
19	items used by each registered grower to ensure compliance
20	with this act and regulations promulgated under this act.
21	(6) To establish reasonable registration fees to cover
22	the cost of administering this act.
23	(7) To regulate the labeling and testing of industrial
24	hemp within this Commonwealth.
25	(8) To establish guidelines for research conducted under
26	section 5.
27	(c) Report. Starting two years after the effective date of
28	this act, and continuing annually, the board shall submit to the
29	General Assembly a report detailing the following:
30	(1) The number of individuals and entities registered

- 1 under this act.
- 2 (2) A description of the regulations implemented since
- 3 the previous report.
- 4 (3) Any suspensions, revocations, refusals to renew or
- 5 deny and the reasons for those dispositions.
- 6 (4) A financial accounting of the fees taken in and the
- 7 expenditures of the department to carry out this act.
- 8 (5) Any other information requested by the General-
- 9 Assembly.
- 10 (A) AUTHORITY.--THE DEPARTMENT SHALL HAVE THE AUTHORITY TO
- 11 REGULATE AND PERMIT INDUSTRIAL HEMP UNDER THIS ACT IN A MANNER
- 12 CONSISTENT WITH THE PROVISIONS OF THIS ACT AND ALL FEDERAL LAWS,
- 13 REGULATIONS AND ORDERS, AND NOTWITHSTANDING ANY LAWS OF THE
- 14 COMMONWEALTH TO THE CONTRARY.
- 15 (B) ACTIVITIES AUTHORIZED. -- NOTWITHSTANDING THE CONTROLLED
- 16 SUBSTANCES ACT (PUBLIC LAW 91-513, 84 STAT. 1236), THE SAFE AND
- 17 DRUG-FREE SCHOOLS AND COMMUNITIES ACT (PUBLIC LAW 107-110, 20
- 18 U.S.C. § 7101 ET SEQ.), 41 U.S.C. CH. 81 (RELATING TO DRUG-FREE
- 19 WORKPLACE) OR ANY OTHER FEDERAL LAW OR THE LAWS OF THIS
- 20 COMMONWEALTH, INCLUDING THE ACT OF APRIL 14, 1972 (P.L.233,
- 21 NO.64), KNOWN AS THE CONTROLLED SUBSTANCE, DRUG, DEVICE AND
- 22 COSMETIC ACT, AND 18 PA.C.S. § 7508(A)(1)(RELATING TO DRUG
- 23 TRAFFICKING SENTENCING AND PENALTIES), THE DEPARTMENT UNDER ITS
- 24 PILOT PROGRAM, OR AN INSTITUTION OF HIGHER EDUCATION WITHIN THIS
- 25 COMMONWEALTH HOLDING A PERMIT FROM THE DEPARTMENT, MAY GROW OR
- 26 CULTIVATE INDUSTRIAL HEMP FOR THE PURPOSE OF RESEARCH, INCLUDING
- 27 MARKETING STUDIES.
- 28 (C) OILSEED.--INDUSTRIAL HEMP SHALL BE RECOGNIZED AS AN
- 29 OILSEED IN THIS COMMONWEALTH.
- 30 SECTION 4. DEPARTMENT.

- 1 (A) POWERS AND DUTIES. -- THE DEPARTMENT SHALL HAVE THE
- 2 FOLLOWING POWERS AND DUTIES:
- 3 (1) TO DEVELOP AND IMPLEMENT REGULATIONS AND PERMITTING
- 4 REQUIREMENTS NECESSARY TO CARRY OUT THE PROVISIONS OF THIS
- 5 ACT, INCLUDING RESEARCH CONDUCTED UNDER SECTION 5.
- 6 (2) TO ISSUE, RENEW, DENY, REVOKE, SUSPEND OR REFUSE TO
- 7 RENEW PERMITS TO CONDUCT RESEARCH ON THE CULTIVATION, GROWTH
- 8 OR MARKETING OF INDUSTRIAL HEMP.
- 9 (3) TO DEVELOP AN APPLICATION FOR PERMITS.
- 10 (4) TO CREATE AND MAINTAIN A DATABASE OF PERMITTED
- 11 INSTITUTIONS OF HIGHER EDUCATION AND SITES, ENTITIES OR
- 12 INDIVIDUAL GROWERS WHOM THE INSTITUTIONS HAVE UTILIZED.
- 13 (5) TO INSPECT THE FACILITIES, SITES, SEEDS, PLANTS,
- 14 INDIVIDUAL GROWERS AND OTHER ITEMS OR ENTITIES UTILIZED BY
- 15 EACH PERMITTED INSTITUTION OF HIGHER EDUCATION TO ENSURE
- 16 COMPLIANCE WITH THIS ACT AND REGULATIONS PROMULGATED UNDER
- 17 THIS ACT.
- 18 (6) TO ESTABLISH PERMIT REQUIREMENTS FOR THE USE OR
- 19 REUSE OF SEEDS, CROPS OR PRODUCTS PRODUCED AS THE END RESULT
- 20 OF ANY APPROVED RESEARCH PROGRAM UNDERTAKEN BY AN INSTITUTION
- 21 OF HIGHER EDUCATION UNDER THIS ACT.
- 22 (7) TO ESTABLISH, THROUGH REGULATION AS SET FORTH UNDER
- 23 SECTION 6, REASONABLE PERMITTING AND INSPECTION FEES THAT MAY
- 24 NOT EXCEED THE ACTUAL COST OF ADMINISTERING THIS ACT.
- 25 (8) NOTWITHSTANDING ANY PROVISIONS OF 3 PA.C.S. CH. 71
- 26 (RELATING TO SEED) AND ITS ATTENDANT REGULATIONS, TO REGULATE
- 27 THE LABELING AND TESTING OF INDUSTRIAL HEMP AND INDUSTRIAL
- 28 HEMP SEEDS WITHIN THIS COMMONWEALTH.
- 29 (9) TO ESTABLISH, THROUGH REGULATION AS SET FORTH UNDER
- 30 SECTION 6, GUIDELINES FOR RESEARCH CONDUCTED UNDER SECTION 5.

- 1 (B) REPORT.--BEGINNING ONE YEAR AFTER THE EFFECTIVE DATE OF
- 2 THIS ACT, AND ANNUALLY THEREAFTER, THE DEPARTMENT SHALL SUBMIT
- 3 TO THE MAJORITY CHAIRPERSON AND MINORITY CHAIRPERSON OF THE
- 4 AGRICULTURE AND RURAL AFFAIRS COMMITTEE OF THE SENATE AND THE
- 5 MAJORITY CHAIRPERSON AND MINORITY CHAIRPERSON OF THE AGRICULTURE
- 6 AND RURAL AFFAIRS COMMITTEE OF THE HOUSE OF REPRESENTATIVES A
- 7 REPORT DETAILING THE FOLLOWING:
- 8 (1) THE NUMBER OF INSTITUTIONS OF HIGHER EDUCATION,
- 9 SITES, ENTITIES AND INDIVIDUAL GROWERS PERMITTED UNDER THIS
- 10 ACT.
- 11 (2) A DESCRIPTION OF THE REGULATIONS AND PERMITTING
- 12 REQUIREMENTS IMPLEMENTED SINCE THE PREVIOUS REPORT.
- 13 (3) ANY SUSPENSIONS, REVOCATIONS, REFUSALS TO RENEW OR
- 14 DENY AND THE REASONS FOR THOSE DISPOSITIONS.
- 15 (4) A FINANCIAL ACCOUNTING OF THE FEES TAKEN IN AND THE
- 16 EXPENDITURES OF THE DEPARTMENT TO CARRY OUT THIS ACT.
- 17 (5) A SUMMARY OF ALL RESEARCH DERIVED FROM THIS ACT.
- 18 (6) ANY OTHER INFORMATION REQUESTED BY THE GENERAL
- 19 ASSEMBLY.
- 20 Section 5. Research.
- 21 A college or university THE DEPARTMENT MAY DEVELOP AN
- 22 AGRICULTURAL PILOT PROGRAM AND MAY GROW OR CULTIVATE HEMP FOR

- 23 RESEARCH PURPOSES UNDER THE AGRICULTURAL PILOT PROGRAM. IN
- 24 ADDITION, AN INSTITUTION OF HIGHER EDUCATION located in this
- 25 Commonwealth may apply to the department to conduct research in
- 26 accordance with this act and the regulations promulgated under
- 27 this act.
- 28 Section 6. Regulations.
- 29 (a) Requirement.--The board DEPARTMENT shall promulgate
- 30 regulations as necessary to implement this act. THE REGULATIONS <--

- 1 SHALL INCLUDE PERMITTING REQUIREMENTS.
- 2 (b) Temporary regulations. -- In order to facilitate the
- 3 implementation of this act, regulations promulgated by the board <--
- 4 DEPARTMENT shall be deemed temporary regulations which shall <--
- 5 expire not later than two years following the publication of the
- 6 temporary regulation. THE TEMPORARY REGULATIONS SHALL INCLUDE <--
- 7 PERMITTING AND OTHER REQUIREMENTS NECESSARY TO IMPLEMENT THE
- 8 PROVISIONS OF THIS ACT. Temporary regulations shall not be
- 9 subject to:
- 10 (1) Sections 201, 202, 203, 204 and 205 of the act of
- 11 July 31, 1968 (P.L.769, No.240), referred to as the
- 12 Commonwealth Documents Law.
- 13 (2) Sections 204(b) and 301(10) of the act of October
- 14 15, 1980 (P.L.950, No.164), known as the Commonwealth
- 15 Attorneys Act.
- 16 (3) The act of June 25, 1982 (P.L.633, No.181), known as
- 17 the Regulatory Review Act.
- 18 (c) Expiration.--The board's DEPARTMENT'S authority to adopt <--
- 19 temporary regulations under subsection (b) shall expire two
- 20 years after the effective date of this section. Regulations
- 21 adopted after this period shall be promulgated as provided by
- 22 law.
- 23 (d) Publication.--The board DEPARTMENT shall begin
- 24 publishing temporary regulations in the Pennsylvania Bulletin no

- 25 later than three months following the effective date of this
- 26 section.
- 27 Section 7. Contracts.
- 28 (a) Private persons. A college or university may contract
- 29 with private persons consistent with this act for the purposes-
- 30 of research.

- 1 (b) Validity. No contract is void or voidable if it
- 2 pertains to activities authorized by this statute.
- 3 SECTION 7. CONTRACTED PERSONS.
- 4 AN INSTITUTION OF HIGHER EDUCATION HOLDING A PERMIT TO
- 5 CONDUCT AN AGRICULTURAL PILOT PROGRAM MAY CONTRACT WITH ENTITIES

- 6 AND INDIVIDUAL GROWERS TO THE EXTENT NECESSARY TO CARRY OUT THE
- 7 PROGRAM. THE CONTRACT TERMS SHALL INCORPORATE THE PROVISIONS OF
- 8 THE PERMIT ISSUED TO THE INSTITUTION OF HIGHER EDUCATION. THE
- 9 ENTITY OR INDIVIDUAL GROWER SHALL BE SUBJECT TO THE TERMS AND
- 10 REQUIREMENTS OF THE PERMIT ISSUED TO THE INSTITUTION OF HIGHER
- 11 EDUCATION AND TO ENFORCEMENT BY THE DEPARTMENT FOR VIOLATIONS OF
- 12 THE PROVISIONS OF THIS ACT, ANY REGULATION ISSUED PURSUANT TO
- 13 THIS ACT OR THE PERMIT.
- 14 Section 8. Noncriminal offense.
- 15 Activities conducted under IN COMPLIANCE WITH this act shall <--
- 16 not be in violation of the act of April 14, 1972 (P.L.233,
- 17 No.64), known as The Controlled Substance, Drug, Device and
- 18 Cosmetic Act, for variances in delta 9 tetrahydrocannabinol
- 19 concentration not exceeding 1% that are not the result of
- 20 intentional conduct.
- 21 Section 9. Appropriations.
- 22 A sum as may be necessary to carry out the provisions of this
- 23 act is appropriated from the General Fund to the board. AND 18 <--
- 24 PA.C.S. § 7508(A)(1) (RELATING TO DRUG TRAFFICKING SENTENCING
- 25 AND PENALTIES) OR ANY OTHER LAW OF THIS COMMONWEALTH REGULATING
- 26 THE GROWTH OR CULTIVATION OF INDUSTRIAL HEMP.
- 27 SECTION 9. CRIMINAL AND CIVIL PENALTIES.
- 28 (A) CRIMINAL PENALTIES. -- ANY PERSON THAT VIOLATES ANY OF THE
- 29 PROVISIONS OF THIS ACT OR ANY RULES OR REGULATIONS ISSUED
- 30 PURSUANT TO THIS ACT OR WHO IMPEDES, OBSTRUCTS, HINDERS OR

- 1 OTHERWISE PREVENTS OR ATTEMPTS TO PREVENT THE DEPARTMENT IN
- 2 PERFORMANCE OF ITS DUTY IN CONNECTION WITH THE PROVISIONS OF
- 3 THIS ACT OR THE REGULATIONS PROMULGATED UNDER THIS ACT COMMITS A
- 4 SUMMARY OFFENSE AND SHALL, UPON CONVICTION, BE SENTENCED TO PAY
- 5 A FINE OF NOT LESS THAN \$100 NOR MORE THAN \$300 FOR THE FIRST
- 6 VIOLATION AND NOT LESS THAN \$500 NOR MORE THAN \$1,000 FOR A
- 7 SUBSEQUENT VIOLATION THAT OCCURS WITHIN ONE YEAR OF THE FIRST
- 8 CONVICTION.
- 9 (B) CIVIL PENALTIES. -- THE FOLLOWING SHALL APPLY:
- 10 (1) IN ADDITION TO ANY OTHER REMEDY AVAILABLE AT LAW OR
- 11 IN EQUITY FOR A VIOLATION OF THIS ACT, OR THE REGULATIONS
- 12 PROMULGATED UNDER THIS ACT, THE DEPARTMENT MAY ASSESS A CIVIL
- 13 PENALTY OF NOT MORE THAN \$5,000, PLUS COST OF REMEDIATION,
- 14 CONTAINMENT OR ERADICATION, UPON ANY PERSON FOR EACH
- 15 VIOLATION OF THIS ACT OR A REGULATION PROMULGATED OR ORDER
- 16 ISSUED UNDER AUTHORITY OF THIS ACT. THE CIVIL PENALTY
- 17 ASSESSED SHALL BE PAYABLE TO THE DEPARTMENT. SUCH PENALTY
- 18 AMOUNT SHALL BE COLLECTIBLE IN ANY MANNER PROVIDED BY LAW FOR
- 19 THE COLLECTION OF DEBT, INCLUDING REFERRING ANY COLLECTION
- 20 MATTER TO THE OFFICE OF ATTORNEY GENERAL, WHICH SHALL RECOVER
- 21 SUCH AMOUNT BY ACTION IN THE APPROPRIATE COURT.
- 22 (2) NO CIVIL PENALTY SHALL BE ASSESSED UNLESS THE PERSON
- 23 HAS BEEN GIVEN NOTICE AND AN OPPORTUNITY FOR A HEARING ON THE
- 24 ASSESSMENT IN ACCORDANCE WITH THE PROVISIONS OF 2 PA.C.S.
- 25 CHS. 5 SUBCH. A (RELATING TO PRACTICE AND PROCEDURE OF
- 26 COMMONWEALTH AGENCIES) AND 7 SUBCH. A (RELATING TO JUDICIAL
- 27 REVIEW OF COMMONWEALTH AGENCY ACTION).
- 28 (C) CIVIL REMEDY.--IN ADDITION TO ANY OTHER REMEDIES
- 29 PROVIDED FOR UNDER THIS ACT, THE ATTORNEY GENERAL, AT THE
- 30 REQUEST OF THE SECRETARY, MAY INITIATE, IN THE COMMONWEALTH

- 1 COURT OR THE COURT OF COMMON PLEAS OF THE COUNTY IN WHICH THE
- 2 DEFENDANT RESIDES OR HAS HIS OR HER PLACE OF BUSINESS, AN ACTION
- 3 IN EOUITY FOR AN INJUNCTION TO RESTRAIN ANY AND ALL VIOLATIONS
- 4 OF THIS ACT OR THE RULES AND REGULATIONS PROMULGATED UNDER THIS
- 5 ACT OR AN ORDER OF THE DEPARTMENT FROM WHICH NO TIMELY APPEAL
- 6 HAS BEEN TAKEN OR WHICH HAS BEEN SUSTAINED ON APPEAL. IN ANY
- 7 SUCH PROCEEDING, THE COURT SHALL, UPON MOTION OF THE
- 8 COMMONWEALTH, ISSUE A PRELIMINARY INJUNCTION IF IT FINDS THAT
- 9 THE DEFENDANT IS ENGAGING IN CONDUCT WHICH IS CAUSING IMMEDIATE
- 10 OR IRREPARABLE HARM TO THE PUBLIC. THE COMMONWEALTH SHALL NOT BE
- 11 REQUIRED TO FURNISH BOND OR OTHER SECURITY IN CONNECTION WITH
- 12 THESE PROCEEDINGS. IN ADDITION TO AN INJUNCTION, THE COURT MAY
- 13 LEVY CIVIL PENALTIES AS PROVIDED FOR UNDER THIS ACT.
- 14 SECTION 10. DISPOSITION OF FUNDS.
- 15 (A) DEPOSIT.--MONEY RECEIVED FROM LICENSING, PERMITTING
- 16 FEES, FINES AND PENALTIES SHALL BE PAID INTO A SPECIAL
- 17 RESTRICTED ACCOUNT IN THE GENERAL FUND KNOWN AS THE PLANT PEST
- 18 MANAGEMENT ACCOUNT. ALL MONEY DEPOSITED IN THE PLANT PEST
- 19 MANAGEMENT ACCOUNT IS APPROPRIATED TO THE DEPARTMENT FOR THE
- 20 PURPOSE OF THIS ACT AND THE ACT OF DECEMBER 16, 1992 (P.L.1228,
- 21 NO.162), KNOWN AS THE PLANT PEST ACT, AND MAY NOT REPLACE MONEY
- 22 APPROPRIATED TO THE ACCOUNT AS PROVIDED UNDER SUBSECTION (B).
- 23 (B) SUPPLEMENTS.--THE PLANT PEST MANAGEMENT ACCOUNT MAY BE
- 24 SUPPLEMENTED BY MONEY RECEIVED FROM THE FOLLOWING SOURCES:
- 25 (1) STATE FUNDS APPROPRIATED BY THE GENERAL ASSEMBLY TO
- THE DEPARTMENT FOR PURPOSES OF THIS ACT.
- 27 (2) FEDERAL FUNDS APPROPRIATED TO THE DEPARTMENT FOR
- 28 PURPOSES OF THIS ACT.
- 29 (3) GIFTS AND OTHER CONTRIBUTIONS FROM PUBLIC OR PRIVATE
- 30 SOURCES FOR PURPOSES OF THIS ACT.

- 1 Section 10 11. Repeals.
- 2 All acts and parts of acts are repealed insofar as they are

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- 3 inconsistent with this act.
- 4 Section 11 12. Expiration.
- 5 The provisions of this act shall expire 60 days after the
- 6 United States Department of Agriculture has been authorized to
- 7 regulate industrial hemp.
- 8 Section 12 13. Effective date.
- 9 This act shall take effect in 60 days.