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CSSB 27 Industrial Hemp Version B

Sectional Analysis

“An Act relating to industrial hemp; and providing for an effective date.”

Section 1 – AS 03.05.010(a) – Page 1, Line 3 through Page 3, Line 8

Two subsections added to this section authorizing the commissioner of the Department of Natural Resources to include the manufacturing and retail sales of products made from industrial hemp, as well as registration and renewal procedures, in the regulations for the industrial hemp program.

Section 2 – AS 03.05.010(c) – Page 3, Lines 9 through 15

Amends AS 03.05.010(c) to allow that the Commissioner of the Department of Natural Resources may issue a stop sale order to a person found to be producing industrial hemp over 0.3 delta-9-tetrahydrocannabinol. Precious language was overly restrictive and did not allow the department to work with a good actor to recondition their crop. The new language allows the department to determine whether someone was acting in good faith or not prior to issuing the stop order.

Section 3 – AS 03.05.076(a) – Page 3, Lines 16 through 31

Adds language that a registrant for the industrial hemp program is not eligible if they had been convicted of a felony involving a controlled substance within the last ten years. This section is added to comply with provisions of the 2018 Farm Bill.

Section 4 – AS 03.05.076(i) – Page 4, Lines 1 through 4

Adds that the department may develop an industrial hemp program that complies with federal requirements and submit a plan for the program to USDA for approval.

Section 5 – AS 03.05.079 – Page 4, Line 5 through 11

A grower may retain and recondition their crop if it tests above .3% but below 1.0% THC.

Section 6 – AS 03.05.079(b) – Page 4, Lines 12 through 14

A new subsection adds that a person who retains but fails to recondition is guilty of a violation.

Section 7 – AS 03.05.100(5) – Page 4, Lines 15 through 21

Changes the statutory definition of industrial hemp to match the federal definition which was changed in the 2018 Farm Bill.

Section 8 – Page 4, Line 22

Repeals AS 03.05.077 the Industrial Hemp Pilot Program

Section 9 – Page 4, Lines 23 through 31

Conditional effect for Section 8 of the bill, in that the Pilot Program statute is repealed when the Industrial Hemp Program developed by the department is approved by the USDA.

Section 10 – Page 5, Lines 1 through 3

Effective date language stating that if section 8 is repealed under the conditions of section 9, the effective date of section 8 is the day after notice is received by the revisor of statutes by the Commissioner of Natural Resources.

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