CS FOR SENATE BILL NO. 27(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 3/17/21
Referred: Resources

Sponsor(s): SENATOR HUGHES

A BILL

FOR AN ACT ENTITLED

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

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

*** Section 1.** AS 03.05.010(a) is amended to read:

(a) The commissioner of natural resources shall

(1) direct, administer, and supervise promotional and experimental work, extension services, and agricultural projects for the purpose of promoting and developing commercial and noncommercial agricultural industry in the state, including horticulture, dairying, cattle raising, fur farming, grain production, vegetable production, and agricultural products;

(2) procure and preserve all information pertaining to developing the agricultural industry in the state and disseminate that information to the public;

(3) assist prospective settlers and others to engage in the agricultural industry in the state by providing information about activities and programs essential to developing the agricultural industry and areas in the state that are suitable for agriculture;

(4) review the marketing, financing, transportation, and development of agricultural products in the state, with special emphasis on local production, and negotiate for the marketing of agricultural products of the state with federal and state agencies operating in the state;

(5) regulate and control the entry in the state and the transportation, sale, or use in the state of plants, seeds, vegetables, shell eggs, fruits and berries, nursery stock, animal feeds, remedies and mineral supplements, fertilizers, and agricultural chemicals to prevent the spread of pests, diseases, or toxic substances injurious to the public interest and protect the agricultural industry against fraud, deception, and misrepresentation; for purposes of this paragraph, the commissioner may require registration, inspection, and testing [,] and may establish procedures and fees;

(6) regulate the farming of elk in a manner similar to the manner in which the commissioner regulates domestic animals and livestock, to the extent that is appropriate;

(7) adopt regulations relating to industrial hemp, including regulations that

(A) specify approved sources or varieties of hemp seed to be grown, sold, or offered for sale by an individual registered to produce industrial hemp;

(B) require testing, paid for by the registrant, for delta-9-tetrahydrocannabinol concentration following harvest of the industrial hemp;

(C) provide for general production practices to avoid the unintended distribution of industrial hemp seeds by registrants into nonagricultural land;

(D) establish isolation distances for the production of industrial hemp; in this subparagraph, "isolation distance" means the minimum separation required between two or more varieties of the plant (genus) Cannabis for the purpose of keeping the seed pure;

(E) permit manufacturing and retail sale of industrial hemp and products made from industrial hemp;

(F) establish a registration and renewal procedure for a participant in the industrial hemp program developed under AS 03.05.076;

(8) submit a list of individuals registered to produce industrial hemp under AS 03.05.076 and the expiration dates of the registrations to the Marijuana Control Board and the Department of Public Safety;

(9) regulate the labeling of seed that does not comply with the requirements of AS 03.20.130.

*** Sec. 2.** AS 03.05.010(c) is amended to read:

(c) The commissioner of natural resources **may** [SHALL] issue a stop order to any person who is found to be producing a plant product with delta-9-tetrahydrocannabinol over 0.3 percent, regardless of whether the person is registered under AS 03.05.076. The commissioner of natural resources shall notify the Marijuana Control Board and the Department of Public Safety when the commissioner issues a stop order.

*** Sec. 3.** AS 03.05.076(a) is amended to read:

(a) Industrial hemp is an agricultural crop in the state. An individual who produces industrial hemp shall apply to the department for registration under this section. Registration is valid for one year but may be renewed. An application for registration or renewal must be on a form prescribed by the department that includes

(1) the name and address of the applicant;

(2) the address and global positioning system coordinates of the area to be used for the production of industrial hemp**; and**

(3) a signed statement by the applicant, made under the penalty of perjury, affirming that the applicant

(A) has not been convicted of a felony related to a controlled substance in this or another jurisdiction within the 10 years immediately preceding the date of application; or

(B) was lawfully growing hemp before December 20, 2018, and was not convicted of a felony related to a controlled substance in this or another jurisdiction before that date.

*** Sec. 4.** AS 03.05.076 is amended by adding a new subsection to read:

(i) The department may develop an industrial hemp program that complies with federal requirements and submit a program plan to the United States Department of Agriculture for approval.

*** Sec. 5.** AS 03.05.079 is amended to read:

Sec. 03.05.079. Production in violation of delta-9-tetrahydrocannabinol limit. Notwithstanding AS 11.71.040 - 11.71.060, an individual registered under AS 03.05.076 to produce industrial hemp whose product has a delta-9-tetrahydrocannabinol content between 0.3 percent and one percent **may retain and recondition the product as provided in AS 03.05.076(b)(4)** [IS GUILTY OF A VIOLATION].

*** Sec. 6.** AS 03.05.079 is amended by adding a new subsection to read:

(b) An individual who retains but fails to recondition an industrial hemp product described in (a) of this section is guilty of a violation.

*** Sec. 7.** AS 03.05.100(5) is amended to read:

(5) "industrial hemp" means [ALL PARTS AND VARIETIES OF] the plant Cannabis sativa L. **and any part of that plant, including its seeds and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of** [CONTAINING] not more than 0.3 percent **on a dry weight basis** [DELTA-9-TETRAHYDROCANNABINOL].

*** Sec. 8.** AS 03.05.077 is repealed.

*** Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to read:

CONDITIONAL EFFECT; NOTIFICATION TO REVISOR OF STATUTES. (a) Section 8 of this Act takes effect only if the United States Department of Agriculture approves an industrial hemp program plan submitted by the Department of Natural Resources under AS 03.05.076(i) before January 1, 2030.

(b) If the United States Department of Agriculture approves an industrial hemp program submitted under AS 03.05.076(i), the commissioner of natural resources shall notify the revisor of statutes not later than 30 days after receiving notice of the approval.

*** Sec. 10.** If, under sec. 9(a) of this Act, sec. 8 of this Act takes effect, it takes effect on the day after the date on which the revisor of statutes receives notice from the commissioner of natural resources under sec. 9(b) of this Act.