



Representative Harriet Drummond  
Sectional Analysis

House Bill 172 "Cultivation of Industrial Hemp"

"An Act relating to the regulation and production of industrial hemp; relating to industrial hemp pilot programs; providing that industrial hemp is not included in the definition of 'marijuana'; and clarifying that adding industrial hemp to food does not create and adulterated food product."

**Sec. 1 – AS 03.05.078 Page 1-2, lines 6-31**

Title 3, Chapter 5 is amended by adding a new section. This section establishes that:

- (a) Industrial Hemp will be classified as an agricultural crop in the state of Alaska.
- (b) Those wishing to produce industrial hemp must register with the Division of Agriculture with information that must include but is not limited to; name, address, and global positioning coordinates of the area to be used for production.
- (c) An individual who is registered with the state of Alaska may produce industrial hemp.
- (d) Registration is valid for one year and registrants may renew on an annual basis.
- (e) The Division of Agriculture shall assign application, registration, and fees necessary to regulate the industrial hemp industry and shall review those fee structures annually to ensure those fees collected cover regulatory costs.
- (f) The Division of Agriculture may issue a stop sale order or issue a violation notice if someone is producing industrial hemp without a current registration.
- (g) A person registered with the Division of Agriculture may use any propagation method needed to produce industrial hemp.
- (h) The Division of Agriculture, a registered producer, or any institution of higher education may import and/or sell industrial hemp seeds.
- (i) A person with a registration may retain hemp seeds for the purpose of growing hemp in the future.

(j) A person registered with the Division of Agriculture to produce industrial hemp may retain and recondition hemp that tests between 0.3% and 1% THC on a dry weight basis, but industrial hemp intended for consumption in any form cannot exceed a 0.3% THC level.

(k) Division of Agriculture may create regulations for approved shipping documentation for transporting industrial hemp.

(l) Registered producers of industrial hemp must retain record of sale for three years, including the name and address of the person who received the industrial hemp and the amount sold.

(m) Records in section (l) are to be made available to the department during normal business hours and the department must give three days' notice of inspection.

**Sec. 2 – AS 03.05.100 Page 3, lines 9-11**

This section is amended to add a new paragraph (5) to define “Industrial hemp” as all parts and varieties of the plant *Cannabis sativa* L containing no more than 0.3% of Delta-9 Tetrahydrocannabinol.

**Sec. 3 – AS 11.71.900 (14) Page 3, lines 12-21**

Section 3 explains the definition of marijuana and specified that the definition does not include industrial hemp as defined in AS 03.05.100.

**Sec. 4 AS 17.20.020 Page 3, lines 22-24**

Section 4 is amended by adding (e) Food is not contaminated if it contains industrial hemp as defined in section 2.

**Sec. 5 – AS 17.38.900 (10) Page 3-4, lines 25-2**

Defines marijuana as all derivatives from the plant of the genes *cannabis*. Also indicates members of the plant *cannabis* that are not classified as marijuana now includes industrial hemp.