

HOUSE FINANCE COMMITTEE  
February 9, 2018  
1:33 p.m.

1:33:08 PM

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 1:33 p.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair  
Representative Paul Seaton, Co-Chair  
Representative Les Gara, Vice-Chair  
Representative Jason Grenn  
Representative David Guttenberg  
Representative Scott Kawasaki  
Representative Steve Thompson  
Representative Cathy Tilton  
Representative Tammie Wilson

MEMBERS ABSENT

Representative Dan Ortiz  
Representative Lance Pruitt

ALSO PRESENT

Representative Harriet Drummond; Senator Shelley Hughes, Sponsor; Alexei Painter, Analyst, Legislative Finance Division.

PRESENT VIA TELECONFERENCE

Robert Harr, Harr Technologies, Kenai; Amy Seitz, Alaska Farm Bureau, Soldotna; John Brading, Self, Fairbanks; Gershon Cohen, Self, Haines; Frank Turney, Self, Fairbanks; Courtney Moran, Industrial Hemp Attorney, Earthlaw LLC, Washington D.C.; Ember Haynes, Self, Talkeetna; Ed Martin, Self, Cooper Landing; Dennis Wade, Self, Homer; Rob Carter, Division of Agriculture, Department of Natural Resources.

SUMMARY

SB 6 INDUSTRIAL HEMP PRODUCTION

HCS CSSB 6(FIN) was REPORTED out of committee with a "do pass" recommendation and with two new zero fiscal notes from the Department of Public Safety; one new zero fiscal note from the Department of Commerce, Community and Economic Development; one new zero fiscal note from the Department of Law; and one fiscal impact note from the House Finance Committee for the Department of Natural Resources.

Co-Chair Foster reviewed the meeting agenda.

#sb6

CS FOR SENATE BILL NO. 6 (JUD)

"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 an adulterated food product."

[1:33:58 PM](#)

Co-Chair Foster relayed that the committee had heard the bill twice the previous session. He intended to hear public testimony and consider amendments. He asked to hear from the bill sponsor and the sponsor of the House companion bill HB 172.

REPRESENTATIVE HARRIET DRUMMOND, introduced herself and read from a prepared statement:

House Bill 172 allows for a pilot program for cultivation of industrial hemp in the state of Alaska. Section 76.06 of the federal Agricultural Act of 2014 allows for a pilot program to operate in the states to monitor the cultivation, harvesting, and marketing of industrial hemp. Hemp is a very diverse product that has the potential to be successful in multiple markets, including agriculture, textiles, automotive, and livestock feed to name just a few. Senate Bill 6 by Senator Hughes is only slightly different from my bill, but I'm here to assure all members of the committee that it meets the intent of House Bill 172.

Hemp cultivation will benefit Alaskans no matter what political party they align with. That's why I fully support the movement of Senate Bill 6 and will help in any way I can to make sure Alaska's hopeful hemp harvesters can get to the fields as soon as possible. Thank you.

[1:36:15 PM](#)

SENATOR SHELLEY HUGHES, SPONSOR, thanked the committee for hearing SB 6. She noted that the bill had last been heard in May [2017]. She detailed that the idea had been brought to her by farmers in her district, who at the time had been very interested in legislation sponsored by former Senator Johnny Ellis. The issue had been discussed at town hall meetings and she had reintroduced it two years back. She was delighted to have Representative Drummond's support with HB 172.

Senator Hughes explained the bill would remove hemp from the marijuana statutes and would define it as having less than 0.3 percent THC, meaning it held no psychoactive qualities. Some of the early drafts of the Declaration of Independence had been drafted on hemp paper. Additionally, hemp had been used to make sails for boats traveling to America and for covered wagons. She elaborated that some of the country's founding fathers had hemp fields. In 1937 the Marijuana Act had been introduced - cotton had been on the rise and there had been a push to use wood for paper. As a result, hemp had taken a back seat and was categorized as illegal. The bill would fix the issue. The Farm Act in 2014 had paved the way for the change. She believed 29 states were currently on board. She thanked the Division of Agriculture and others for their work. She noted her staff was available for further detail.

Co-Chair Foster recognized individuals available for questions.

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Vice-Chair Gara supported the bill. He knew there had been a change in federal policy on marijuana prosecutions from the new federal administration. He remarked there was statute that allowed [the cultivation of hemp). His understanding was that even though policy on marijuana prosecutions had taken place, policy could not be shifted

on hemp prosecutions. He asked if his understanding was accurate.

Senator Hughes believed it was true. She detailed the issue emphasized the need for the passage of the bill in order to separate hemp from marijuana. She did not believe the bill was in violation of federal statute. The bill was compliant with federal statute and had grown in length because of federal law passed in 2014.

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ROBERT HARR, HARR TECHNOLOGIES, KENAI (via teleconference), testified in favor of the legislation. He shared that he had ranches in Colorado and in Alaska. He was a patent developer and innovator. He spoke about a study and patents he had done related to degrading infrastructure. He spoke about his involvement in the development of hemp products in the past year. There were numerous unique applications for hemp. He shared that he had provided written testimony and a document. His patents used hemp fiber to add strength to products. He had alliance members who wanted to use hemp worldwide. He shared that it was a trillion dollar industry and would bring substantial money into Alaska.

Mr. Harr provided further examples about the use of hemp products. He wanted to see Alaska more involved in the agricultural side - he believed the product was more sustainable than gas and oil because it was not stock market driven. He continued to address various uses for hemp.

Co-Chair Foster relayed that public testimony could be submitted in writing.

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AMY SEITZ, ALASKA FARM BUREAU, SOLDOTNA (via teleconference), testified in favor of the legislation. She discussed the rise of agriculture production in Alaska. The number of farms, the variety of agricultural products, and demand for local products were increasing. She believed everyone should be looking for ways to assist in expanding the agriculture industry; it would benefit the economy and the state's sustainability. The bill would set up a pilot program to study the growth, cultivation, and marketing of industrial hemp. She detailed that hemp had been a staple

crop for a long time in the U.S. until it had been reclassified as a controlled substance in the 1970s. She shared that hemp was one of the most versatile natural fibers with over 25,000 different uses from food and fiber to construction and cosmetics. She referenced questions about the viability of a hemp crop in Alaska and explained that without the passage of SB 6 no one would find out. The retail value in the U.S. was over \$600 million. Alaska currently had to import raw hemp material because it was not legal to grow in-state (some states were now allowing hemp as an agricultural crop). She discussed uses of hemp including animal feed, bedding, and rotation crops for soil supplement. Hemp is also a prolific pollinator, which could help the honey bee industry and other pollinators in Alaska. She reasoned that even if it took time to build infrastructure, there were many uses for the raw material. She believed everyone should be looking for ways to expand the agriculture industry in Alaska. She urged support for the bill.

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JOHN BRADING, SELF, FAIRBANKS (via teleconference), spoke in support of the legislation. He wanted to amend the bill to allow small scale gardeners to grow the crop for personal use on their own property. He explained it was possible to convert hemp oil into biodiesel - it was a cleaner burning fuel made from vegetable oil or industrial hemp oil. He provided detail about biodiesel oil - more oxygen meant the oil burned cleaner. Any diesel equipment could run on biodiesel - cars, boats, tractors, generators, and heating oil. He stressed the need for cleaner heating options especially in areas like Fairbanks and Mat-Su with air pollution problems. He shared that biodiesel reduced carbon dioxide by 78 percent, carbon monoxide by 50 percent, hydrocarbons by 70 percent, and sulfur dioxide by 100 percent. He stated that sulfur dioxide still existed in regular diesel, which was one of the causes of PM2.5 [air pollution]. Hemp oil contained simple organic non-toxic, biodegradable compounds. He continued to discuss the benefits of hemp oil as a clean fuel source.

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GERSHON COHEN, SELF, HAINES (via teleconference), testified in support of the bill. He shared that his infant granddaughter had been diagnosed with a form of epilepsy

and the long-term prognosis was dire for many individuals with the diagnosis. He shared that they had started her on a variety of harsh anti-seizure medicines. He had a background in biochemistry and molecular biology and had done significant research on CBD (cannabidiol), a derivative of industrial hemp because he had heard it was as good or better than many prescribed pharmaceuticals at reducing or eliminating epileptic seizures with no side effects. The family decided to ween his granddaughter off of the other drugs and kept her on CBD for seizure control; about one month later she had started to change. She was now walking without assistance.

Mr. Cohen shared numerous details about his granddaughter's progress. They had not witnessed any seizures for 26 months after beginning to use CBD. The substance was also being used by veterans for post-traumatic stress disorder. He noted that for this reason Congressman Young had become the founding co-chair of the cannabis caucus about one year back. The American Legion had passed two resolutions in 2016 for the full legalization of CBD and medical marijuana because the substances had significantly helped numerous veterans. He spoke to other medical issues the substance helped with including multiple sclerosis and treating chronic pain. The greatest proof of CBD's ability to address the disorders was that the drug companies were scrambling to create a synthetic CBD.

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Co-Chair Foster reiterated the House Finance Committee email address.

FRANK TURNEY, SELF, FAIRBANKS (via teleconference), spoke in favor of the legislation. He supported the testimony of previous speakers. He shared that since the early 1990s he had been educating people on industrial hemp. He acknowledged individuals in the region for their work on the issue. He hoped farmers were given the "green" light to grow industrial hemp. He stressed that hemp had been around for thousands of years. He thanked Representative Thompson for getting hemp rolling at the University. He mentioned desire to fix federal regulations because hemp seed was needed in Alaska.

[2:01:11 PM](#)

COURTNEY MORAN, INDUSTRIAL HEMP ATTORNEY, EARTHLAW LLC, WASHINGTON D.C. (via teleconference), testified in support of the legislation and the amendments. She confirmed that SB 6 was aligned with the intent of HB 172. She was honored to work with the sponsors and their staff in the drafting of the legislation, which complied with the federal Agricultural Act of 2014. The bill established the regulatory framework to provide for successful industrial hemp programs for farmers, manufacturers, and agricultural businesses throughout Alaska. She mentioned a memo that did not change state or federal law; it only applied to the guidance given to federal prosecutors in regard to marijuana enforcement - it did not apply to industrial hemp. She stated that the Agricultural Act of 2014, was federal statutory law defining industrial hemp distinct from marijuana and protecting industrial hemp growth, cultivation, and marketing.

Ms. Moran continued that the omnibus appropriations provision and the exemptions provided in the definition for marijuana under the controlled substances act provided federal authority for the implementation of state industrial hemp programs. The bill would establish an industrial hemp pilot program in Alaska. She provided further detail. She supported an amendment [yet to be offered] that would ensure a sustainable program and successful implementation. With the bill's passage, Alaska would join 34 other states in legalizing industrial hemp. In 2017, 19 states had cultivated industrial hemp. She thanked the committee for its support for the legislation.

[2:04:09 PM](#)

Co-Chair Seaton pointed to page 3, line 4, subsection (d) related to establishing isolation distances for the production of industrial hemp. He was trying to determine the purpose of the isolation distance. He wondered if industrial hemp could be a way to delegitimize permits for cultivation of cannabis for other purposes. He wondered if there could be a conflict in the law and disallow previously permitted cannabis cultivation.

Ms. Moran replied the provision was included because of the concern for potential cross pollination between industrial hemp and marijuana. She elaborated that Washington had set a four-mile isolation distance between the two types of cultivation. She furthered the issue had been dealt with in

Oregon over the past four years where responsible, friendly farming had been encouraged. They had worked to ensure that industrial hemp farmers planting in a sensitive area with marijuana cannabis cultivation, only planted female plants and non-feminized seed to avoid cross pollination. Canada had a certified seed program with certified seed, foundational seed, and registered seed; its minimum distance buffers were set at 5 kilometers or 3.1 miles, which had been very successful. The goal was to ensure there were no negative impacts on industrial hemp farmers or marijuana growers. It was about collaboration and responsible, friendly farming.

[2:07:37 PM](#)

Co-Chair Seaton remarked that the state had issued permits for the cultivation of marijuana in Alaska. He wondered if the isolation zone would prevent industrial hemp from being grown 3.5 to 4 miles from a marijuana cultivation facility. Alternatively, he wondered whether it would prevent marijuana cultivation within 4 miles of industrial hemp crops.

Ms. Moran asked for verification that Co-Chair Seaton was questioning whether the bill would limit the hemp growers or the marijuana growers.

Co-Chair Seaton replied in the affirmative. He wondered which grower would be limited if an isolation zone was required. He asked if hemp could not be grown within 4 miles of a marijuana growing operation or a marijuana growing permit could not be within 4 miles of an industrial hemp crop.

Ms. Moran replied that the marijuana program had been implemented first; therefore, she believed the marijuana growers would have deference over the industrial hemp growers. She clarified the bill would still allow the cultivation of industrial hemp within an isolation zone as long as the crop was limited to female plants to avoid the risk of pollen. The aim of the provision was to establish a distance - she thought research could determine what the actual isolation distance needed to be for a particular region or area. She believed Rob Carter with the Division of Agriculture had the authority to establish rules on the subject.

Co-Chair Seaton stated he would follow up with Mr. Carter. He believed the question needed to be on record because the provision would be statutory.

Representative Guttenberg pointed out that there had been quite a bit of conversation on the issue during the previous bill hearing. He agreed it was a major concern.

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EMBER HAYNES, SELF, TALKEETNA (via teleconference), testified in support of the bill. She and her husband owned the Denali Hemp Company and Silverbear Sundries. She detailed they infused oils with wild crafted and homegrown plants. They had been importing legal hempseed oil to incorporate for the past ten years - their goal was to utilize Alaskan grown and processed hemp as they did in their other balms and products. They raised livestock on their property and hemp cultivated on their own land could be used for animal bedding and food. Hemp was sustainable, and the entire plant could be utilized. She elaborated that one acre of hemp could produce 600 to 2,000 pounds of seed, 50 to 100 gallons of oil, and 2 to 5 tons of fiber stock. She shared that it would supplement her business. She represented Alaskans who lived a self-sustaining lifestyle.

Ms. Haynes associated herself with others with small-scale plans who would like to participate in the pilot program. She continued that Alaska was a vast state with many micro climates and myriad potential uses for hemp. She believed farmers and non-farmers could be successful and find their own niche. She understood there was a concern with staffing and administering too many applications. She suggested that perhaps more fees with more applicants would allow for more staff. She appreciated the Division of Agriculture's mission to help Alaskans succeed. Agricultural hemp was a hot market - Alaskans had been successful with other alternative agriculture such as peony farming and birch products, fisheries, crafters, and other; the same could be true for hemp. She spoke to keeping the fees at the minimum level needed to run a successful hemp industry. She implored the committee to pass the bill.

Representative Kawasaki asked if Ms. Haynes had stated she currently produced hash oil from imported hemp.

Ms. Haynes answered in the negative. She explained she used legal hempseed oil (with less than a trace, if any, THC) that anyone could purchase. She elaborated they used the oil just as they would olive oil, avocado oil, and other to get all of the properties out of herbs like yarrow and devil's club. She underscored there was no hashish oil being made.

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ED MARTIN, SELF, COOPER LANDING (via teleconference), spoke in support of the bill. He believed the bill was long overdue. He opined that the benefits of industrial hemp would help Alaska's economy and would create jobs. He encouraged passing the bill immediately in order to enable crops to be grown in the coming summer.

[2:16:18 PM](#)

DENNIS WADE, SELF, HOMER (via teleconference), testified in favor of the legislation. The bill would enable Alaskan farmers to turn the product into a profit. He acknowledged it would take several years to begin making paper products and woven garments. He spoke about the use of hemp oil for health purposes. He noted that hemp was cultivated at a latitude above Nome in Europe; therefore, he believed it could be grown virtually anywhere in Alaska. He reasoned it could be useful for rural communities to use hemp for diesel fuel, to build structures, and for insulation. He thanked the bill sponsors and the committee. He had heard testimony the previous year considering whether a person could get high from cooking the product down. He stated it was a ridiculous conversation. He elaborated on the issue. He asked the committee to pass the bill.

[2:18:32 PM](#)

Co-Chair Foster CLOSED public testimony.

Co-Chair Seaton directed his earlier question related to isolation distances between industrial hemp and a licensed marijuana growing facility to the Division of Agriculture. He wondered if the isolation distances could impact permitted marijuana growers or areas where industrial hemp could be grown.

ROB CARTER, DIVISION OF AGRICULTURE, DEPARTMENT OF NATURAL RESOURCES (via teleconference), replied there were general agronomic practices that were sometimes lost in translation when it came to statute. He stated that isolation distances were set for hundreds of agricultural crops worldwide. He continued that isolation distances were set for the seed industry in Canada, Washington, Oregon, and other. He clarified that individuals growing industrial hemp for the product itself, would not be affected by isolation distances. Good farming practices existed in order to prevent one industry from disturbing another. He addressed Co-Chair Seaton's question about which industry would be impacted by the potential of cross pollination. The impact would be on recreational cannabis if industrial hemp pollen was transferred and pollination occurred.

Mr. Carter clarified that isolation distances were set for the seed industry (seed classes such as breeder, foundation, registered, or seed). If a person was concerned that hemp would cross pollinate with recreational marijuana or vice versa, the genetic degradation of the crop would be seen until the following year when the seed crop was harvested, planted, and grown. The isolation distances within the pilot program would be set for the seed producers. Additionally, some good agricultural practices would be recommended and suggested to all program participants to grow only female crops if they were within a selected area where registered recreational marijuana growers may be located.

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Co-Chair Seaton wanted to ensure there was a well-established legislative record that the provision could not be used by someone growing industrial hemp to impact the permit of a marijuana cultivation activity. He was in full support of industrial hemp, but he wanted to ensure the isolation distance would not preclude the operation of a marijuana cultivation facility because it was the same variety or species. He wanted the intent clearly on the record. He asked for clarification from Mr. Carter that industrial hemp would not impact the cultivation approval license for marijuana.

Mr. Carter replied that he did not see how it would be physiologically possible for the transmittal of pollen from industrial hemp to null and void any of the current or

future recreational cannabis registrants. He acknowledged that the pollen transfer could degrade the future prodigy of recreational marijuana. He believed the provision had been included so that when the pilot program was defined - working with the Alaska Marijuana Control Board and its registrants - the agricultural producers interested in industrial hemp seed production could be identified to make sure good agronomic practices were provided to the individuals to meet the needed isolation distance by region. There were numerous environmental factors that could increase or decrease the opportunity for cross pollination between similar species. He believed it was highly unlikely a person could affect anyone producing either cannabis species.

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Co-Chair Seaton clarified that he was not talking about the physiological action between the plants; he was speaking about a regulatory restriction. He wanted to ensure everyone understood that the isolation distance did not restrict a cultivation permit.

Mr. Carter answered that there was no way the bill could regulatorily impede anyone from applying for the pilot program or a permit through the recreational side.

Representative Guttenberg recalled hearing that marijuana cultivators were not concerned about seed production, but about the possibility that the transfer of pollen could destroy a crop. He asked if the concern was legitimate. He believed it was part of the reason for isolation distances implemented in Colorado, Alberta, and other.

Mr. Carter agreed there were concerns from recreational growers that cross pollination from industrial hemp could degrade recreational marijuana grown by current registrants. He believed that the issues would be addressed during the rules and regulations that would be outlined from the law, to ensure that what one producer was doing within the state was not impacting a producer in another program regulated under the state system. There were isolation distances set in Colorado where a large recreational industry for other types of cannabis existed. He explained that the issues would have to be taken into consideration. The bill represented the generation of a pilot program - applicants could be selected based on

region, size, and what the end-point products would be - to enable the state to understand what the impacts could be on other lines of business within the state. The program would allow the state to gain the data to ensure it had a successful industry on each side.

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Representative Kawasaki stated that the issue had arisen the past session. He believed the committee had been provided with materials specifying that pollen from marijuana and hemp had been known to travel more than seven miles. There was only one outdoor cultivation facility, which was located in Fairbanks. The Fairbanks delegation had been contacted about the concern that crops could potentially be damaged as far as seven miles from adjacent plots. He spoke to the establishment of fees for the applications and registrations. He shared the committee held recent hearings regarding fees for marijuana licensure - fees were recouped from program participants. He looked at the bill's zero fiscal note commencing in 2019. He wondered what kind of fee schedule the committee could anticipate. He surmised that there would be a cost associated with starting the program. He stated that after the department figured out the regulation cost, it may cost additional money, but the cost would likely start to decrease in future years. He asked what it would cost a consumer to purchase a permit.

Mr. Carter answered there were many unknowns in the question. There were a diverse range of program fees nationally. The current fiscal note factored in building the regulation and rules. The Division of Agriculture's role was to support and promote agricultural production in Alaska. He currently did not know what the cost would be. The mission was to help grow an industry. Through the regulatory process, the division would ensure the fees would be covered and would begin to define the number of participants. The higher the number of participants, the lower the program cost would be over time. He could not currently provide a number. It was the division's objective to make the program as affordable as possible because it was a good opportunity to increase agricultural production in Alaska.

[2:33:20 PM](#)

Representative Kawasaki asked if the division had enough technical support to handle requests.

Mr. Carter replied in the affirmative. He acknowledged that the crop had not been grown nationally or in Alaska in a long time. He believed the division had the professional and academic background to implement the pilot program and make it successful for participants and the future growth of the industry. He currently served on a national industrial hemp regulatory committee that held quarterly meetings. The majority of states currently producing industrial hemp and the 34 other states in the process of getting legislation passed were very willing to help with the scientific process to make sure other agricultural producers were protected, good quality products were grown, and that the industry moved forward.

Representative Thompson pointed to a typo on page 2 of fiscal note OMB Component Number 2204. He believed the first sentence should read "conduct oversight of industrial hemp" instead of the current language "conduct oversight of industrial help." He asked for the correction to be made.

Representative Wilson asked why the fiscal note [OMB Component Number 2204] had come from the House Finance Committee and not the Department of Natural Resources (DNR). The note addressed that regulations would be drafted and fees would apply to permittees. She wanted to ensure the department realized it would be responsible for collecting the fees and recouping the \$10,000.

[2:36:42 PM](#)

ALEXEI PAINTER, ANALYST, LEGISLATIVE FINANCE DIVISION, answered that DNR had prepared a fiscal note that requested \$25,000 of unrestricted general fund (UGF). The Senate Finance Committee had written its own fiscal note, which had reduced the amount to \$10,000 and changed the fund source to general fund program receipts to fund the cost with fees; however, the fees would not come in until after regulations were written. The House Finance Committee note changed the fund source back to UGF and kept the amount at \$10,000.

Representative Wilson asked if there was a way to specify the \$10,000 would be paid back to UGF as the registration fees came in. Alternatively, she wondered if the process

would be automatic. She likened the process to the method used for marijuana permitting. She thought the funds should turn to DGF as explained on the second page [of the fiscal note].

Mr. Painter answered that in the future it would be possible, but the startup costs needed to write the regulations would require some general funds because the fee schedule would not yet be in place. He believed the intent was for program receipts to pay for the cost in the future.

Representative Wilson pointed out that the fiscal note specified that the money would be recovered.

Vice-Chair Gara surmised the fees that would come in later were designated, but they were not really designated because they would go into the General Fund.

Mr. Painter agreed. Any general fund program receipts could be appropriated for any purpose.

[2:38:54 PM](#)

Co-Chair Foster MOVED to ADOPT Amendment 2, 30-LS0173\E.4 (Martin, 2/8/18) (copy on file):

Page 5, lines 22 - 25:

Delete "Industrial hemp produced under a registration under this section may not be used to produce hashish, hashish oil, or marijuana concentrates. In this subsection, "hashish" and "hashish oil" have the meanings given in AS 1 1.71.900, but do not include cannabidiol oil."

There being NO OBJECTION, it was so ordered.

[2:39:20 PM](#)

Co-Chair Foster MOVED to ADOPT Amendment 3, 30-LS0173\E.3 (Martin/Wayne, 2/6/18) (copy on file):

Page 7. line 11:

Delete "oil."

Insert "oil [.]"

There being NO OBJECTION, it was so ordered.

Vice-Chair Gara reviewed the five fiscal notes including one zero fiscal note from the Department of Commerce, Community and Economic Development (OMB Component Number 3119); one zero fiscal note from the Department of Law (OMB Component Number 2202); two zero fiscal notes from the Department of Public Safety (OMB Component Numbers 3052 and 527); and one fiscal impact note [by the House Finance Committee] from the Department of Natural Resources for \$10,000 for the drafting and publication of regulations (OMB Component Number 2204). He clarified that all references to industrial help should read industrial hemp.

[2:41:19 PM](#)

Representative Wilson spoke to OMB Component Number 2204 related to the North Latitude Plant Materials Center. She clarified the center was not responsible for writing the regulations, which was included in a separate fiscal note specifying the costs would be absorbed. She stated, "this is just determined after regulations are drafted to administer the program." She wondered if the \$10,000 was included on the wrong fiscal note.

Vice-Chair Gara agreed with Representative Wilson. The center would enter into an RSA [reimbursable services agreement] with the Department of Law to assist in the drafting of regulations.

Representative Wilson clarified there were costs associated with the bill that other departments specified they could absorb. She noted that the program was not free.

Co-Chair Seaton MOVED to REPORT HCS CSSB 6(FIN) as amended out of committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

HCS CSSB 6(FIN) was REPORTED out of committee with a "do pass" recommendation and with two new zero fiscal notes from the Department of Public Safety; one new zero fiscal note from the Department of Commerce, Community and Economic Development; one new zero fiscal note from the Department of Law; and one fiscal impact note from the House Finance Committee for the Department of Natural Resources.

Co-Chair Foster reviewed the schedule for the following week.

Representative Grenn applauded the sponsors on the bill.

#

ADJOURNMENT

[2:44:11 PM](#)

The meeting was adjourned at 2:44 p.m.