

## 129th MAINE LEGISLATURE

### FIRST REGULAR SESSION-2019

**Legislative Document** 

No. 1747

S.P. 581

In Senate, May 16, 2019

### An Act To Strengthen Maine's Hemp Program

Reference to the Committee on Agriculture, Conservation and Forestry suggested and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by President JACKSON of Aroostook.

#### Be it enacted by the People of the State of Maine as follows:

- Sec. 1. 7 MRSA §2231, sub-§1, as amended by PL 2019, c. 12, Pt. B, §1, is repealed and the following enacted in its place:
  - 1. **Definitions.** As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.
  - A. "Agricultural Act" means the federal Agricultural Act of 2014, Public Law 113-79.
  - B. "Certified seed source" means a source of hemp seeds that are certified by a 3rd party as producing hemp having a delta-9-tetrahydrocannabinol concentration of not more than 0.3% on a dry weight basis.
    - C. "Hemp" means the plant Cannabis sativa L. and any part of that plant, including the seeds and all derivatives, extracts, cannabinoids, isomers, acids, salts and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than 0.3% on a dry weight basis and that is grown or possessed by a licensed grower in compliance with this chapter. "Hemp" includes agricultural commodities and products derived from hemp and topical or ingestible consumer products, including food, food additives and food products derived from hemp. "Hemp" does not include marijuana for medical use pursuant to Title 22, chapter 558-C or adult use marijuana pursuant to Title 28-B, chapter 1.
- D. "Institution of higher education" has the same meaning as in 20 United States Code, Section 1001.
  - E. "Marketing" means promoting, distributing or selling hemp or hemp-derived products in this State or in another state or country and includes efforts to advertise and gather information about the needs or preferences of potential or current consumers or suppliers.
  - F. "Pilot program" means the Maine Hemp Pilot Program established by the commissioner by rulemaking pursuant to subsection 6 or a pilot program established by an institution of higher education pursuant to subsection 11.
- Sec. 2. 7 MRSA §2231, sub-§2, as amended by PL 2019, c. 12, Pt. B, §1, is further amended to read:
  - **2. Growing permitted.** Notwithstanding Pursuant to the Agricultural Act, Section 7606 but notwithstanding any other provision of law to the contrary, a person may plant, grow, harvest, possess, process, sell and buy hemp under a pilot program if that person holds a license issued pursuant to subsection 4. A person licensed pursuant to subsection 4 may plant, grow and harvest only hemp that is grown from seeds acquired from a certified seed source. A person licensed pursuant to subsection 4 may acquire hemp seeds directly from a certified seed source or from a hemp seed distributor licensed in this State distributing hemp seeds pursuant to subsection 2-A.
  - Sec. 3. 7 MRSA §2231, sub-§3, as amended by PL 2019, c. 12, Pt. B, §1, is further amended to read:

- **3. Application.** A person desiring to grow hemp, manufacture hemp-derived products, including, but not limited to, extracts, food, food additives and food products that contain hemp, including cannabidiol derived from hemp, or sell hemp or hemp-derived products for commercial research purposes, including researching the cultivation, production and marketing of hemp and hemp-derived products under a pilot program, shall apply to the commissioner for a license on a form prescribed by the commissioner. The application must include the name and address of the applicant, the physical address from which the marketing of hemp and hemp-derived products will take place, if applicable, the legal description of the land area to be used for the production of hemp and a map, an aerial photograph or global positioning coordinates sufficient for locating the production fields.
- Sec. 4. 7 MRSA §2231, sub-§6, as amended by PL 2019, c. 12, Pt. B, §1, is repealed and the following enacted in its place:
  - 6. Rules; fees; Maine Hemp Pilot Program. The commissioner shall adopt rules:
  - A. To establish an application fee, a license fee and a per acre fee for monitoring, sampling and testing hemp;
  - B. To establish guidelines for monitoring the growth, harvest and marketing of hemp;
    - C. To establish the Maine Hemp Pilot Program in compliance with the requirements of the Agricultural Act to allow a licensee to plant, grow, harvest, possess, process, sell and buy hemp as long as the licensee studies the growth, cultivation or marketing of hemp. The rules must establish an application process, licensing fee and other requirements as determined by the commissioner to be necessary to comply with the Agricultural Act as well as require a licensee to submit an annual report to the department regarding the research conducted by the licensee under the pilot program; and
- D. As necessary to implement this chapter.

- Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
  - Sec. 5. 7 MRSA §2231, sub-§§9 to 13 are enacted to read:
- 9. Annual reporting. The commissioner shall submit by April 1st annually to the joint standing committee of the Legislature having jurisdiction over agricultural matters a report that contains at a minimum:
  - A. The number of applications and renewals filed for licenses under this chapter;
- B. The number of acres dedicated to the production of hemp under this chapter;
- 36 C. The amount in pounds of hemp harvested under this chapter; and
- D. Tax revenues generated from the sale of hemp and hemp-derived products pursuant to this chapter.

10. Importing hemp from other states. The department, an institution of higher education and a person licensed pursuant to this chapter may import hemp from another state that has established a hemp pilot program in compliance with the Agricultural Act. All hemp-derived products sold in this State are subject to this chapter.

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- 11. Pilot programs authorized for institutions of higher education. An institution of higher education may develop and implement a pilot program in accordance with the Agricultural Act, Section 7606 to plant, grow, harvest, possess, process, sell and buy hemp if:
  - A. The purpose of the pilot program is to study the growth, cultivation or marketing of hemp;
  - B. Prior to conducting hemp research, the institution of higher education provides notification to the department and local law enforcement in writing of that intent; and
- C. The institution of higher education provides an annual report to the department on the research conducted.
- 12. Marijuana testing facility. A testing facility licensed or otherwise authorized under Title 22, section 2423-A or Title 28-B, section 503 that also holds a license pursuant to this chapter may test hemp and conduct research on hemp pursuant to this chapter and rules adopted pursuant to this chapter.
- 13. Marijuana manufacturing facility. A manufacturing facility licensed or otherwise authorized under Title 22, section 2423-F or Title 28-B, section 502 that also holds a license pursuant to this chapter may test hemp and conduct research on hemp pursuant to this chapter and rules adopted pursuant to this chapter.
- **Sec. 6. 22 MRSA §2158-A,** as enacted by PL 2019, c. 12, Pt. A, §1, is repealed and the following enacted in its place:

# §2158-A. Food, food additives and food products containing hemp not adulterated; rules

1. Food, food additives and food products containing hemp. Notwithstanding any other provision of law to the contrary, food, food additives or food products that contain hemp, including cannabidiol derived from hemp, are not considered to be adulterated or misbranded under this subchapter based solely on the inclusion of hemp or cannabidiol derived from hemp. The nonpharmaceutical or nonmedical production or marketing of food, food additives or food products within the State that contain hemp may not be restricted or prohibited within the State based solely on the inclusion of hemp. A food establishment or eating establishment, as defined in section 2491, subsection 7, may not make a claim that food, food additives or food products that contain hemp can diagnose, treat, cure or prevent any disease, condition or injury without approval pursuant to federal law. For the purposes of this section, "hemp" has the same meaning as in Title 7, section 2231, subsection 1, paragraph C and "marketing" has the same meaning as in Title 7, section 2231, subsection 1, paragraph E.

- 2. Rulemaking. The department and the Department of Agriculture, Conservation and Forestry shall jointly adopt rules to protect the health and safety of the public related to food, food additives and food products that contain hemp, including cannabidiol derived from hemp. In adopting rules pursuant to this subsection, the department and the Department of Agriculture, Conservation and Forestry shall consider the following for food, food additives and food products that contain hemp, including cannabidiol derived from hemp:
  - A. Testing requirements, including but not limited to the following:
    - (1) Whether food, food additives or food products that contain hemp, including cannabidiol derived from hemp, should be subject to testing;
    - (2) Which food, food additives or food products that contain hemp, including cannabidiol derived from hemp, should be subject to testing;
    - (3) Which contaminants are injurious to health, including but not limited to residual solvents, poisons and toxins; heavy metals; harmful chemicals; dangerous molds and mildews; pesticides, fungicides and insecticides; and harmful microbes, including but not limited to Escherichia coli and Salmonella, and testing for those contaminants;
    - (4) The maximum level of allowable contamination for any contaminant that is injurious to health and for which testing is required; and
    - (5) Testing for THC potency, homogeneity and cannabinoid profiles. For the purposes of this subparagraph, "THC" has the same meaning as in Title 28-B, section 102, subsection 55;
  - B. Labeling requirements, including but not limited to whether labeling should include a health and safety warning, nutrition facts, a list of ingredients, a batch number or an expiration date;
  - C. Packaging requirements; and

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- D. Record-keeping requirements.
- Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
  - Sec. 7. Department of Health and Human Services and Department of Agriculture, Conservation and Forestry to jointly adopt rules relating to food, food additives and food products that contain hemp. The Department of Health and Human Services and the Department of Agriculture, Conservation and Forestry shall provisionally adopt emergency major substantive rules pursuant to the Maine Revised Statutes, Title 5, section 8054 related to food, food additives and food products that contain hemp, including cannabidiol derived from hemp, pursuant to Title 22, section 2158-A, subsection 2, without the necessity of demonstrating that immediate adoption is necessary to avoid a threat to public health, safety or general welfare. The Department of Health and Human Services and the Department of Agriculture, Conservation and Forestry shall otherwise jointly propose routine technical rules in accordance with the procedures required under Title 5, chapter 375.

1 SUMMARY

The federal Agricultural Act of 2014, also known as the 2014 Farm Bill, legalized the growth and cultivation of hemp in states that choose to establish agricultural pilot programs for research purposes.

This bill requires the Commissioner of Agriculture, Conservation and Forestry to establish, by rule, the Maine Hemp Pilot Program, including the application process, licensing fees and reporting requirements, consistent with the 2014 Farm Bill. Under the pilot program, a licensee may plant, grow, harvest, possess, process, sell and buy hemp as long as the purpose of the program is to study the growth, cultivation or marketing of hemp. An institution of higher education is also authorized to establish a pilot program that complies with the 2014 Farm Bill as long as it provides notice of its intention to the Department of Agriculture, Conservation and Forestry and local law enforcement and an annual report to the department regarding its research.

This bill also expressly authorizes marijuana manufacturing facilities and testing facilities licensed under the Maine Medical Use of Marijuana Act and the Marijuana Legalization Act to obtain a license to process and test hemp and hemp-derived products that are legal under state and federal law.

Finally, this bill amends the recently enacted law that provides that food, food additives and food products containing hemp-derived cannabidiol are not considered to be "adulterated" under state law to require the Department of Health and Human Services and the Department of Agriculture, Conservation and Forestry to adopt routine technical rules regarding testing, labeling, packaging and record-keeping requirements for food, food additives or food products that contain hemp, including cannabidiol derived from hemp, and to also provisionally adopt emergency major substantive rules doing the same.