



State of Tennessee

PUBLIC CHAPTER NO. 916

HOUSE BILL NO. 2445

By Representatives Faison, Casada, Miller, Holt, Hardaway, Sexton, Bailey, Lynn, Tidwell, Powell, Parkinson

Substituted for: Senate Bill No. 2495

By Senators Niceley, Bowling, Green

AN ACT to amend Tennessee Code Annotated, Title 39; Title 43; Title 53 and Title 67, relative to industrial hemp.

WHEREAS, mankind has cultivated hemp as a source of fiber for thousands of years; and

WHEREAS, modern production methods have utilized hemp's oilseed to make high-grade food and beauty products. The stalks produce fiber and cellulose for everything from automotive parts and fine clothing to building products and fuel; and

WHEREAS, the states of California, Colorado, Kentucky, Maine, Montana, North Dakota, Oregon, Vermont, Washington and West Virginia have defined industrial hemp as a distinct agricultural crop and removed barriers to its production; and

WHEREAS, a bipartisan coalition of members of Congress is sponsoring the Industrial Hemp Farming Act (H.R. 525) in the United States House of Representatives; and

WHEREAS, in the summer of 2013, the attorney general for the United States issued a directive instructing the federal department of justice not to enforce federal drug laws concerning cannabis in states that have approved the medical or recreational use of marijuana; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 39-17-402, is amended by adding the following language immediately preceding the semicolon at the conclusion of the existing language in the definition of "marijuana" contained in subdivision (16):

. "Marijuana" also does not include industrial hemp, as defined in § 43-26-102

SECTION 2. Tennessee Code Annotated, Section 39-17-415, is amended by adding the following language as a new subsection:

(c) Nothing in this section shall be construed to categorize industrial hemp, as defined in § 43-26-102, as a controlled substance; provided, however, that industrial hemp shall be categorized as a controlled substance in circumstances where such classification is required by § 43-26-103(f).

SECTION 3. Tennessee Code Annotated, Section 43-26-102, is amended by adding the language "industrial hemp;" between the language "grasses;" and the word "trees" in the definition of "farm product" contained in subdivision (3).

SECTION 4. Tennessee Code Annotated, Section 43-26-102, is further amended by adding the following language as a new, appropriately designated subdivision:

() "Industrial hemp" means the plants and plant parts of the genera cannabis that do not contain a delta-9 tetrahydrocannabinol (THC) concentration more than three tenths of one percent (0.3%) on a dry mass basis, grown from seed certified by a certifying agency, as defined by § 43-10-103;

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SECTION 5. Tennessee Code Annotated, Section 43-26-103, is amended by adding the following as new subsections:

(e) The department of agriculture shall oversee and annually license any grower who wishes to produce industrial hemp. The department shall develop rules and regulations concerning industrial hemp production within one hundred and twenty (120) days of this act becoming law, including rules and regulations establishing reasonable fees for licenses, permits or other necessary expenses to defray the cost of implementing and operating the industrial hemp program in this state on an ongoing basis. All revenue collected pursuant to rules and regulations promulgated for the industrial hemp program shall be used exclusively for the administration and regulation of industrial hemp.

(f) Any person who cultivates an industrial hemp crop of any size shall obtain a license from the department of agriculture. In order to obtain an industrial hemp license, the grower shall agree that the department has the right to inspect the hemp crop for compliance. If a grower fails to obtain a license, the crop will be considered marijuana under § 39-17-415.

SECTION 6. Tennessee Code Annotated, Section 43-37-103, is amended by deleting all of the existing language in the section and by substituting instead the following language:

Nothing in this chapter shall be construed to authorize the development of or research relative to any strain or variety of cannabis other than industrial hemp, as defined by § 43-26-102.

SECTION 7. Tennessee Code Annotated, Section 67-4-2802, is amended by adding the following immediately preceding the semicolon at the conclusion of the existing language in the definition of "marijuana" contained in subdivision (7):

. "Marijuana" does not include industrial hemp, as defined in § 43-26-102

SECTION 8. Tennessee Code Annotated, Section 43-41-102(c), is amended by deleting the subsection in its entirety and substituting instead the following:

(c) The department shall initiate the promulgation of rules, pursuant to the Uniform Administrative Procedures Act, compiled at title 4, chapter 5, concerning industrial hemp production within one hundred and twenty (120) days of this act becoming law, including rules establishing reasonable license fees in an amount sufficient to offset the cost of implementing and administering the industrial hemp program in this state.

SECTION 9. For purposes of promulgating rules and regulations, this act shall take effect upon becoming a law, the public welfare requiring it, and shall take effect on July 1, 2014, for all other purposes.

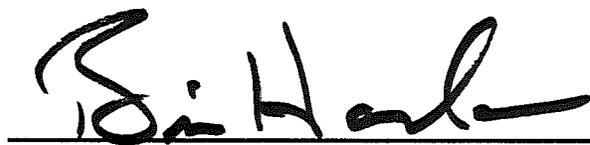
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PASSED: April 16, 2014


BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES


RON RAMSEY
SPEAKER OF THE SENATE

APPROVED this 13th day of May 2014


BILL HASLAM, GOVERNOR