

1 AN ACT relating to industrial hemp.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 260.850 is amended to read as follows:

4 As used in KRS 260.850 to 260.869:

5 (1) "Agribusiness" has the same meaning as in KRS 154.32-010;

6 (2) "Certified seed" means industrial hemp seed, including but not limited to Kentucky  
7 heritage hemp seed, that has been certified as having no more tetrahydrocannabinol  
8 concentration than that adopted by federal law in 7 U.S.C. sec. 5940 and any  
9 amendments thereto~~[the Controlled Substances Act, 21 U.S.C. secs. 801 et seq.]~~;

10 (3) "Commission" means the Industrial Hemp Commission created by KRS 260.857;

11 **(4) "Extract" means any cannabinoids, acids, isomers, salts, and salts of isomers**  
12 **derived from any portion of the industrial hemp plant;**

13 ~~(5)~~~~(4)~~ "Grower" means any person licensed to grow industrial hemp by the  
14 commission pursuant to KRS 260.854;

15 ~~(6)~~~~(5)~~ "Hemp products" means all products made from industrial hemp, including,  
16 but not limited to, cloth, cordage, extracts, fiber, food, fuel, paint, paper,  
17 particleboard, plastics, seed, seed meal and seed oil for consumption, and certified  
18 seed for cultivation if the seeds originate from industrial hemp varieties;

19 ~~(7)~~~~(6)~~ (a) "Industrial hemp" means all parts and varieties of the plant cannabis  
20 sativa, including extracts, cultivated or possessed by a licensed grower,  
21 whether growing or not, that contain a tetrahydrocannabinol concentration of  
22 no more than that adopted by federal law in 7 U.S.C. sec. 5940 and any  
23 amendments thereto~~[the Controlled Substances Act, 21 U.S.C. secs. 801 et~~  
24 ~~seq.]~~.

25 (b) "Industrial hemp" as defined and applied in KRS 260.850 to 260.869 is  
26 excluded from the definition of marijuana in KRS 218A.010;

27 ~~(8)~~~~(7)~~ "Kentucky heritage hemp seed" means industrial hemp seed that possesses

1 characteristics of the unique and specialized industrial hemp seed variety that  
2 originated in the Commonwealth and has been recognized historically as a signature  
3 export of this state;

4 ~~(9)~~~~(8)~~ "Seed research" means research conducted to develop or recreate better strains  
5 of industrial hemp, particularly for the purposes of seed production. In conducting  
6 this research, higher THC concentration varieties of industrial hemp may be grown  
7 to provide breeding strains to revitalize the production of a Kentucky strain of  
8 industrial hemp~~. However, in no case shall the THC levels exceed three tenths of~~  
9 ~~one percent (0.3%)~~; and

10 ~~(10)~~~~(9)~~ "Tetrahydrocannabinol" or "THC" means the natural or synthetic equivalents  
11 of the substances contained in the plant, or in the resinous extractives of, cannabis,  
12 or any synthetic substances, compounds, salts, or derivatives of the plant or  
13 chemicals and their isomers with similar chemical structure and pharmacological  
14 activity.

15 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 260 IS CREATED TO  
16 READ AS FOLLOWS:

17 **(1) Unless federal law requires otherwise, for the purposes of marketing research by**  
18 **the Department of Agriculture or institutions of higher education, including**  
19 **distribution of marketing materials, but not for the purpose of general**  
20 **commercial activity, industrial hemp products, including extracts, may be sold:**

21 **(a) In a state with an industrial hemp research program; or**

22 **(b) Among states with an industrial hemp research program.**

23 **(2) Industrial hemp products, including extracts, may not be sold in states where**  
24 **such sale is prohibited.**

25 **(3) Industrial hemp plants or seeds shall not be transported across state lines unless**  
26 **the state in which industrial hemp plants or seeds are being shipped to has**  
27 **adopted an industrial hemp agricultural pilot program as referenced in 7 U.S.C.**

1        *sec. 5940 and any amendments thereto.*

2        ➔Section 3. KRS 260.855 is amended to read as follows:

- 3        (1) A person shall obtain an industrial hemp grower license pursuant to KRS 260.854  
4        prior to planting or growing any industrial hemp in this state. An industrial hemp  
5        grower license holder who has planted and grown industrial hemp pursuant to a  
6        valid grower license may sell industrial hemp produced by the grower to any person  
7        engaged in agribusiness or other manufacturing for the purpose of processing or  
8        manufacturing that industrial hemp into hemp products.
- 9        (2) A person granted an industrial hemp grower license shall:
- 10        (a) Maintain records that reflect compliance with KRS 260.850 to 260.869, and  
11        with all other state laws regulating the planting and cultivation of industrial  
12        hemp;
- 13        (b) Retain all industrial hemp production records for at least three (3) years;
- 14        (c) Allow industrial hemp crops, throughout sowing, growing, and harvesting, to  
15        be inspected by and at the discretion of the commission or its designees, and  
16        the Department of Kentucky State Police and other law enforcement officers;
- 17        (d) File with the commission documentation indicating that the industrial hemp  
18        seeds planted were of a type and variety certified to have no more THC  
19        concentration than that adopted by federal law in *7 U.S.C. sec. 5940 and any*  
20        *amendments thereto*~~[the Controlled Substances Act, 21 U.S.C. secs. 801 et~~  
21        ~~seq.]~~;
- 22        (e) Notify the commission of the sale of any industrial hemp grown under the  
23        license and the names and addresses of the persons to whom the industrial  
24        hemp was sold; and
- 25        (f) Provide the commission with copies of any contracts between the licensee and  
26        any person to whom industrial hemp was sold.
- 27        (3) The commission shall assist the grower with his or her compliance with the

1 requirements of this section.

2 (4) Any person licensed to grow industrial hemp under KRS 260.850 to 260.869 may  
3 import and resell industrial hemp seed that has been certified as having no more  
4 THC concentration than that adopted by federal law in 7 U.S.C. sec. 5940 and any  
5 amendments thereto ~~[the Controlled Substances Act, 21 U.S.C. secs. 801 et seq].~~

6 (5) (a) Only industrial hemp grower licensees or their designees or agents shall be  
7 permitted to transport industrial hemp off the premises of the licensee.

8 (b) When transporting industrial hemp off the premises of an industrial hemp  
9 grower licensee, the licensee or their designee or agent shall carry with them  
10 the licensing documents from the commission, evidencing that the industrial  
11 hemp was grown by a licensee and is from certified seed.

12 (c) Any industrial hemp that is found in this state at any location off the premises  
13 of an industrial hemp grower licensee is deemed to be contraband and subject  
14 to seizure by the commission, the Department of Kentucky State Police, or  
15 any law enforcement officer, if the person in possession of the industrial hemp  
16 does not have in his or her possession either:

17 1. The proper licensing documents, as required by paragraph (b) of this  
18 subsection; or

19 2. A bill of lading, or other proper documentation, demonstrating that the  
20 industrial hemp was legally imported or is otherwise legally present in  
21 this state under applicable state and federal laws relating to industrial  
22 hemp.

23 (d) Any industrial hemp seized pursuant to paragraph (c) of this subsection shall  
24 be disposed of in accordance with KRS 500.090.