

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for House Bill No. 2038, Page 59, Section 195.600, Lines 9-
2 19, by deleting all of said lines and inserting in lieu thereof the following:

3
4 "(5) "Grower", a licensed institution of higher education located in the state of Missouri that
5 produces industrial hemp;

6 (6) "Industrial hemp", the same as such term is defined in section 195.010;

7 (7) "Industrial hemp plant monitoring system", an electronic seed-to-sale tracking system
8 that includes, but is not limited to, testing and data collection established and maintained by a
9 grower and available to the department for purposes of documenting and for monitoring agricultural
10 hemp seed and industrial hemp plant development throughout the life cycle of an industrial hemp
11 plant cultivated as an agricultural product from seed planting to final packaging;

12 (8) "Research", a study or scientific inquiry for the advancement of knowledge in the areas
13 of agronomic requirements, growing, cultivation, harvesting, or marketing of industrial hemp,
14 including scientific studies and efforts to prevent the level of tetrahydrocannabinol concentration
15 from increasing above three-tenths of one percent on a dry weight basis, which , upon conclusion, is
16 to be made publicly available."; and

17
18 Further amend said bill, Pages 59-62, Sections 195.603, 195.606, and 195.609, by deleting all of
19 said sections from the bill and inserting in lieu thereof the following:

20
21 "195.603. 1. There is hereby created an industrial hemp agricultural pilot program to be
22 implemented by the department for the purpose of academic research. Industrial hemp production
23 and possession shall be permitted in this state for academic research purposes in compliance with
24 sections 195.600 to 195.609.

25 2. Industrial hemp shall be an agricultural product that is subject to regulation by the
26 department of agriculture, including compliance with an industrial hemp plant monitoring system.
27 Any grower of industrial hemp shall obtain a license from the department. Growers engaged in the
28 production of agricultural hemp seed shall also have an agricultural hemp seed production permit.

29 3. An application for an industrial hemp license or agricultural hemp seed production permit
30 shall include:

31 (1) The name and address of the applicant;

32 (2) The name and address of the industrial hemp operation of the applicant;

33 (3) The global positioning system coordinates and legal description for the property used for
34 the industrial hemp;

35 (4) For a license to grow industrial hemp, a detailed research plan from the institution is
36 required, including:

Standing Action Taken _____ Date _____

Select Action Taken _____ Date _____

- 1 (a) The academic subject area advanced;
- 2 (b) The names of the primary researchers; and
- 3 (c) The security measures in place to prevent access by unauthorized persons; and
- 4 (5) Any other information required by the department.

5 4. The department shall limit the number of licenses to no more than ten active licenses at
6 any one time for the duration of the industrial hemp agricultural pilot program. Each license shall
7 permit no more than fifty acres of industrial hemp production. A single grower may have more than
8 one license. If the department grants more than ten licenses that are in effect at any one time, the
9 latest licenses granted that are in excess of ten are void. If the grower's license covers more than
10 fifty acres in a single license, that license is automatically void and the entire crop is subject to
11 seizure and destruction by the department.

12 5. The department shall issue a license or permit under this section to an applicant who
13 meets the requirements of sections 195.600 to 195.609 if there are fewer than ten licenses in effect
14 in the state.

15 6. Upon issuance of a license or permit, information regarding all license and permit holders
16 shall be forwarded to the state highway patrol.

17 7. An industrial hemp license or agricultural hemp seed production permit is:

- 18 (1) Nontransferable;
- 19 (2) Valid for a three-year term unless revoked by the department; and
- 20 (3) Renewable as determined by the department.

21 8. An agricultural hemp seed production permit authorizes a grower to produce and handle
22 agricultural hemp seed for sale to licensed industrial hemp growers.

23 9. A grower may retain seed from each industrial hemp crop to ensure a sufficient supply of
24 seed for continued research. A grower shall not be required to obtain an agricultural hemp seed
25 production permit in order to retain seed for future planting. Any seed retained by a grower for
26 future planting shall not be sold or transferred.

27 10. Every grower shall be subject to an industrial hemp plant monitoring system and shall
28 keep industrial hemp crop and agricultural hemp seed records as required by the department. Upon
29 three days' notice, the department may require an inspection or audit during any normal business
30 hours for the purpose of ensuring compliance with:

- 31 (1) Any provision of this chapter;
- 32 (2) Department rules and regulations;
- 33 (3) Industrial hemp license or agricultural hemp seed production permit requirements,
34 terms, or conditions;
- 35 (4) Any industrial hemp plant monitoring system; or
- 36 (5) A final department order directed to the grower's industrial hemp operations or
37 activities.

38 11. In addition to any inspection conducted under subsection 10 of this section, the
39 department may inspect any industrial hemp crop during the crop's growth phase and take a
40 representative composite sample for field analysis. If a crop contains an average
41 tetrahydrocannabinol concentration exceeding three-tenths of one percent on a dry weight basis, the
42 department shall seize and destroy the crop. Any licensed institution of higher education found
43 producing such crop that exceeds the three-tenths of one percent requirement shall have its license
44 and permit permanently revoked.

45 12. The department shall charge each grower reasonable fees as determined by the
46 department for the purpose of carrying out the duties of the department under sections 195.600 to
47 195.609, including fees to cover the administrative costs of processing license and permit
48 applications, the costs of the criminal history background check, and the cost of any inspection of

1 the grower ordered by the department. All fees collected under sections 195.600 to 195.609 shall be
2 deposited in a dedicated fund for use by the department to carry out the duties of the department
3 under sections 195.600 to 195.609.

4 13. The department shall promulgate rules necessary to administer the provisions of sections
5 195.600 to 195.609. Any rule or portion of a rule, as that term is defined in section 536.010, that is
6 created under the authority delegated in this section shall become effective only if it complies with
7 and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. Sections
8 195.600 to 195.609 and chapter 536 are nonseverable, and if any of the powers vested with the
9 general assembly under chapter 536 to review, to delay the effective date, or to disapprove and
10 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
11 rule proposed or adopted after August 28, 2016, shall be invalid and void.

12 195.606. 1. The department may revoke or refuse to issue or renew an industrial hemp
13 license or agricultural hemp seed production permit and may impose a civil penalty of not less than
14 two thousand five hundred dollars or more than fifty thousand dollars for violation of:

15 (1) A license or permit requirement, term, or condition;

16 (2) Department rules relating to growing or handling industrial hemp;

17 (3) The industrial hemp plant monitoring system; or

18 (4) A final order of the department that is specifically directed to the grower's industrial
19 hemp operations or activities.

20 2. In addition, the department may revoke or refuse to issue or renew an industrial hemp
21 license or an agricultural hemp seed production permit for failing to comply with any provision of
22 this chapter or for a violation of any rule of the department that pertains to agricultural operations or
23 activities other than industrial hemp growing or handling.

24 195.609. 1. Any person growing industrial hemp who does not have a valid industrial hemp
25 license issued under sections 195.600 to 195.609 shall be subject to an administrative fine of five
26 thousand dollars and shall obtain a valid license to grow industrial hemp within thirty days.

27 2. If during the thirty-day period described in subsection 1 of this section such grower fails
28 to obtain an industrial hemp license, the grower shall be fined one thousand dollars per day until
29 such grower obtains a license to grow industrial hemp or the grower's industrial hemp crop is
30 destroyed."; and

31
32 Further amend said bill by amending the title, enacting clause, and intersectional references
33 accordingly.