

HOUSE BILL 2032

By Faison

AN ACT to amend Tennessee Code Annotated, Title 39;
Title 43 and Chapter 936 of the Public Acts of
2014, relative to industrial hemp.

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

SECTION 1. Tennessee Code Annotated, Title 43, is amended by adding sections 2 through 7 of this act as a new chapter.

SECTION 2. As used in this chapter:

- (1) "Commissioner" means the commissioner of agriculture, or the commissioner's authorized agent;
- (2) "Department" means the department of agriculture;
- (3) "Distribute" means to offer for sale, sell, exchange, or barter industrial hemp;
- (4) "Industrial hemp" has the same meaning as in § 43-26-102;
- (5) "Person" includes an individual, partnership, corporation, association, or other legal entity; and
- (6) "Process" means to perform one (1) or more mechanical or chemical operations on industrial hemp in order to change or preserve the industrial hemp.

SECTION 3.

(a) Any person who processes raw industrial hemp within this state, or who distributes industrial hemp in or into this state, shall obtain a license from the department for each facility at which industrial hemp is processed in this state, or from which industrial hemp is distributed in or into this state, authorizing the person to process or distribute industrial hemp before engaging in the activity. Any person who makes only

retail sales of industrial hemp obtained from a licensed processor or distributor is not required to obtain a license.

(b) Any person who is required to obtain a license under this section shall submit an application on a form approved by the commissioner, accompanied by payment of a fee in the amount set by rule pursuant to § 43-1-703 for each facility. Each license shall expire on July 1 of the year for which it is issued.

(c) The form and content of the industrial hemp license application shall be established by rules promulgated by the commissioner.

(d) In order to ensure public health and safety and compliance with federal law, the commissioner is authorized to promulgate rules concerning qualifications for licensure under this chapter.

(e) The department is authorized to refuse to issue a license to any person not in compliance with this chapter and to cancel the license of any licensee subsequently found not to be in compliance with this chapter; provided, that no license shall be refused or canceled unless the applicant or licensee has been given an opportunity to be heard before the commissioner and to amend the applicant's or licensee's application in order to comply with the requirements of this chapter.

SECTION 4.

(a) Any person convicted of violating any of the provisions of this chapter or who impedes, hinders or otherwise prevents, or attempts to prevent, the commissioner or an employee or agent of the department in performance of that official's duty in connection with this chapter commits a Class C misdemeanor.

(b) The commissioner is authorized to apply for, and the court to grant, a temporary or permanent injunction restraining any person from violating or continuing to violate any of the provisions of this chapter or any rule or regulation promulgated under this chapter, notwithstanding the existence of other remedies at law. The injunction is to be issued without bond.

(c) Any person adversely affected by an act, order, or ruling made pursuant to this chapter may seek judicial review under § 4-5-322.

SECTION 5. To the extent permitted by federal law, any higher education institution in this state that offers a baccalaureate or post-graduate level program of study in agricultural sciences is authorized to acquire, possess, cultivate, and test seeds, plants, and plant parts of the genera cannabis for the purpose of developing and reproducing seeds that may be certified under § 43-10-205, by a certifying agency, as defined by § 43-10-103, for growing industrial hemp.

SECTION 6. The commissioner is authorized to promulgate rules that are necessary for the efficient administration and enforcement of this chapter. All such rules shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 7. The commissioner is authorized to cooperate with and enter into agreements with governmental agencies of this state, other states, agencies of the federal government, and private associations in order to carry out the purpose and provisions of this chapter.

SECTION 8. Tennessee Code Annotated, Section 43-1-701(b), is amended by adding the following as a new subdivision:

() Sections 2 through 7 of this act, relative to industrial hemp;

SECTION 9. Tennessee Code Annotated, Section 43-10-205, is amended by adding the following as a new subsection:

(d) To the extent permitted by federal law, the state seed certifying agency shall include in its rules for the certification of seeds, plants, or plant parts intended for growth, harvest, sale, or distribution in Tennessee, rules for the certification of seeds for industrial hemp, as defined in § 43-26-102.

SECTION 10. Tennessee Code Annotated, Section 39-17-402(16), is amended by adding the following as new subdivisions:

(E) Seeds, plants, and plant parts of the genera cannabis that are being used, under Section 5 of this act, for the purpose of developing and reproducing seeds that may be certified under § 43-10-205, by a certifying agency, as defined by § 43-10-103, for growing industrial hemp as defined in § 43-26-102;

(F) Seeds, plants, and plant parts of the genera cannabis that are being used in the process of certification of industrial hemp seed under § 43-10-205;

SECTION 11. If any provision of this act or its application to any person or circumstance is held invalid, then the invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end the provisions of this act shall be severable.

SECTION 12. This act shall take effect upon becoming a law, the public welfare requiring it.