LC002850

2015 -- S 0990

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

AN ACT

RELATING TO AGRICULTURE AND FORESTRY - CBD-RICH HEMP ACT

Introduced By: Senator V. Susan Sosnowski

Date Introduced: June 11, 2015

Referred To: Senate Judiciary

(by request)

It is enacted by the General Assembly as follows:

1	SECTION 1. Title 2 of the General Laws entitled "AGRICULTURE AND FORESTRY"
2	is hereby amended by adding thereto the following chapter:
3	<u>CHAPTER 26</u>
4	CBD-RICH HEMP ACT
5	2-26-1. Short title This chapter shall be known and may be cited as the "CBD-Rich
6	Hemp Act."
7	2-26-2. Definitions When used in this chapter, the following terms shall have the
8	following meanings:
9	(1) "Cannabinoid" means a class of a diverse chemical compound that acts on
10	cannabinoid receptors on cells that repress neurotransmitter release in the brain.
11	(2) "Cannabidiol" or "CBD" means an active cannabinoid found in the plant of the genus
12	Cannabis.
13	(3) "CBD-rich hemp" means a sativa L strain reaching a CBD count of more than fifteen
14	percent (15%) CBD and less than eight-tenths (0.8) of tetrahydrocannabinol (THC).
15	(4) "Department" means the department of health.
16	(5) "Division" means the division of agriculture in the department of environmental
17	management.
18	(6) "Hemp" means the plant of the genus cannabis and any part of such plant, whether
19	growing or not, with a delta-9 tetrahydrocannabinol concentration that does not exceed three-

1 tenths percent (.3%) on a dry weight basis of any part of the plant cannabis, or per volume or

2 weight of marijuana product, or the combined percent of delta-9 tetrahydrocannabinol and

3 tetrahydrocannabinolic acid in any part of the plant cannabis regardless of moisture content.

4 (7) "Hemp/CBD-rich hemp products" means all products made from the plants,
5 including, but not limited to, concentrated oil, cloth, cordage, fiber, food, fuel, paint, paper,
6 construction materials, plastics, seed, seed meal, seed oil, and certified seed for cultivation.

- 7 <u>2-26-3. Hemp/CBD-Rich Hemp; an agricultural product. Hemp/CBD-rich hemp is</u>
- 8 an agricultural medical product which may be grown as a crop, produced, possessed, distributed,
- 9 and commercially traded in Rhode Island pursuant to the provisions of this chapter.

<u>2-26-4. Authority over licensing and sales. - (a)(1) The division of agriculture in the</u>
 department of environmental management shall promulgate rules and regulations for the licensing
 and regulation of hemp or CBD-rich cultivators and shall be responsible for the enforcement of
 such licensing and regulation.

14 (2) A person or entity who intends to cultivate hemp or CBD-rich hemp shall file for a

15 license to cultivate with the division of agriculture at the department of environmental

management. All applicants shall file a national criminal background check with the bureau of
 criminal identification through the attorney general's office. All such applicants shall also register

as applicants with the state police. The applicant shall pay the costs of such national background
 <u>check.</u>

20 (i) Information produced by a national criminal records check pertaining to a conviction
 21 for any felony offense under chapter 28 of title 21 ("Rhode Island controlled substances act"),

22 murder, manslaughter, rape, first-degree sexual assault, second-degree sexual assault, first-degree

23 child molestation, second-degree child molestation, kidnapping, first-degree arson, second-degree

24 arson, mayhem, robbery, burglary, breaking and entering, assault with a dangerous weapon,

25 assault or battery involving grave bodily injury, and/or assault with intent to commit any offense

26 punishable as a felony or a similar offense from any other jurisdiction shall result in a letter to the

27 <u>applicant and the division disqualifying the applicant.</u>

28 (ii) For purposes of this section, "conviction" means, in addition to judgements of 29 conviction entered by a court subsequent to a finding of guilty, or a plea of guilty, those instances 30 where the defendant has entered a plea of nolo contendere and has received a sentence of 31 probation, and those instances where a defendant has entered into a deferred sentence agreement 32 with the attorney general.

33 (3) The division shall charge a non-refundable application fee of twenty-five thousand
 34 dollars (\$25,000) for each application to obtain a cultivator's license.

1 (b) The department of health shall promulgate regulations for the sales, storage, 2 manufacturing, and testing of CBD-rich hemp products and plants as set forth herein. Applicants 3 must demonstrate that the CBD-rich hemp to be grown will be a cannabidiol-rich product with a 4 cannabidiol no less than fifteen percent (15%) and a THC-concentration of less than one percent 5 (1%) during the growing of the plant. The final product must have a THC-concentration of less than three-tenths percent (0.3%). 6 7 2-26-5. Rulemaking authority. -- The division and the department may adopt rules to 8 provide for the implementation of this chapter, which may include rules to require CBD-rich 9 hemp and standard hemp to be tested during growth for tetrahydrocannabinol levels and to 10 require inspection of CBD-rich hemp and standard hemp during sowing, growing season, harvest, 11 storage, and processing. The division and the department shall not adopt under this or any other 12 section a rule that would prohibit a person or entity to grow or distribute hemp based on the legal 13 status of hemp/CBD-rich hemp under federal law. 14 2-26-6. Registration. -- (a) Except as provided in this section, beginning seven (7) days 15 after the effective date of this act, the division shall accept applications for licensure to cultivate 16 CBD-rich hemp and hemp. 17 (b) A person or entity who intends to cultivate hemp/CBD-rich hemp shall register with 18 the division of agriculture as a cultivator, and shall also submit on a form provided by the 19 department of health an application for a license to manufacture and sell hemp/CBD-rich hemp 20 products. The application for a license to manufacture and sell shall contain the following: 21 (1) The name and address of the person or entity; 22 (2) A certificate of analysis that the seeds or plants obtained for cultivation are of a type and variety that do not exceed the maximum concentration of delta-9 tetrahydrocannabinol set 23 24 forth in this chapter; 25 (3) The location of the cultivation facility and other field reference information as may be 26 required by the state; provided, that at a minimum, each applicant shall provide the department of 27 health and the division with a tracking program and security layout to indicate all agriculture 28 grown is tracked and monitored from seed to distribution outlets; 29 (4) An explanation of the seed to sale tracking, cultivation method, extraction method, 30 and CBD-rich certificate of analysis/certificate of analysis for the standard hemp seeds; and 31 (5) The division and the department shall review each application for the appropriate 32 license to determine whether the applicant meets the criteria in this chapter and qualifies for 33 licensure. 34 (c) A person registered with the department or the division pursuant to this section shall

1 <u>allow hemp/CBD-rich hemp crops, throughout sowing, year-long growing seasons, harvest,</u>

2 storage, and processing, to be inspected and tested by and at the discretion of the department or

3 <u>division.</u>

4	2-26-7. CBD-rich hemp products. Methods of extraction (a) No butane method of
5	extraction of oil shall be allowed for any hemp or CBD-rich hemp product. The only permitted
6	method of extraction of oil for CBD-rich hemp products shall be the CO2 extraction, a/k/a
7	supercritical fluid extraction, as described in this section, or such methods of extraction the
8	national medical association deems fit for final consumption.
9	(1) CO ₂ extraction, $a/k/a$ supercritical fluid extraction (SFE), is the process of separating
10	one component (the extractant) from another (the matrix) using supercritical fluids as the
11	extracting solvent. Extraction is usually from a solid matrix, but can also be from liquids. SFE
12	can be used as a sample preparation step for analytical purposes, or on a larger scale to either strip
13	unwanted material from a product or collect a desired product.
14	2-26-8. Product testing and labeling (a) The tetrahydrocannabinol concentration of
15	CBD-rich hemp shall be determined and tested by the department from the final product after
16	manufacturing and processing.
17	(b) All final products must be properly tested by nationally accredited testing facilities,
18	which must include testing of CBD, CBD-A, CBN, THC, and THC-A. All such products shall be
19	properly labelled as having been tested successfully. Products must also be tested and labeled as
20	contaminant free.
21	2-26-9. Exemption from state penalties. – (a) It is not a violation of state or local law
22	for a person to plant, grow, harvest, possess, process, sell, and buy CBD-rich hemp if that person
23	does so in compliance with this chapter and rules adopted in accordance with it.
24	(b) It is not a violation of state or local law for a person to purchase and possess industrial
25	CBD-rich hemp or CBD-rich hemp products.

26 SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO AGRICULTURE AND FORESTRY - CBD-RICH HEMP ACT

1 This act would allow for the growth of hemp or CBD-rich hemp as an agricultural 2 product subject to registration as a cultivator with the division of agriculture in the department of 3 environmental management. The sale or manufacture of hemp and CBD-rich hemp products 4 would be under the regulation of the department of health. 5 This act would take effect upon passage.

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