HOUSE BILL No. 1214

DIGEST OF INTRODUCED BILL


Synopsis: Industrial hemp commodities and products. Specifies that the definition of "industrial hemp" includes the resins of the Cannabis sativa plant. Allows a person to sell topical and ingestible commodities and products that are derived from industrial hemp if certain conditions are met. Requires the commodities and products to be tested. Requires the state seed commissioner to maintain an Internet web site that lists the topical and ingestible commodities and products that comply with the testing, registration, and labeling requirements. Allows individuals with certain medical conditions that have been diagnosed by a physician to qualify to be on the cannabidiol registry. Specifies that the definitions of: (1) "controlled substance"; (2) "controlled substance analog"; (3) "hashish"; (4) "hash oil"; and (5) "marijuana"; do not include industrial hemp or certain commodities and products that are derived from industrial hemp, do not contain more than 0.3% of tetrahydrocannabinol, and meet the testing, registration, and labeling requirements.

Effective: Upon passage; July 1, 2018.

Friend, Davisson, Clere, Goodin

January 9, 2018, read first time and referred to Committee on Agriculture and Rural Development.
INTRODUCED

Second Regular Session of the 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in this style type. Also, the word NEW will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in this style type or this style type reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

HOUSE BILL No. 1214

A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and animals.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 15-15-13-6, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. As used in this chapter, "industrial hemp" means:

(1) all nonseed parts and varieties of the Cannabis sativa plant, including resins, whether growing or not, that contain a crop wide average tetrahydrocannabinol (THC) concentration that does not exceed the lesser of:

(A) three-tenths of one percent (0.3%) on a dry weight basis; or

(B) the percent based on a dry weight basis determined by the federal Controlled Substances Act (21 U.S.C. 801 et seq.); or

(2) any Cannabis sativa seed that is:

(A) part of a growing crop;

(B) retained by a grower for future planting; or

(C) for processing into, or use as, agricultural hemp seed.

The term does not include industrial hemp commodities or products.
SECTION 2. IC 15-15-13-10, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 10. The amount of any fees charged:

(1) growers and handlers under this chapter; and

(2) as required under section 18 of this chapter;

by the state seed commissioner under this chapter must be sufficient to cover the cost of the administration of this chapter, including the cost of conducting audits and testing.

SECTION 3. IC 15-15-13-14, AS ADDED BY P.L.165-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 14. (a) The state seed commissioner shall adopt rules under IC 4-22-2 to implement and administer this chapter.

(b) The state seed commissioner may adopt emergency rules under IC 4-22-2-37.1 to administer section 18 of this chapter. This subsection expires December 31, 2019.

SECTION 4. IC 15-15-13-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 18. (a) Except for commodities and products intended or designed to be inhaled through smoke or vapor, a person may sell topical and ingestible commodities and products that are derived from industrial hemp if the following conditions are met:

(1) The industrial hemp was grown and processed legally according to the laws of the jurisdiction where it was grown and processed.

(2) The manufacturer or producer of the commodity or product:

(A) is registered with the state seed commissioner;

(B) pays a registration fee that includes the cost of providing random testing; and

(C) provides information on the commodity or product required by the state seed commissioner, including product lot number or other lot identification.

(3) The commodity or product meets the testing requirements in subsection (b).

(4) The commodity or product contains the name of the independent laboratory that tested the commodity or product on:

(A) the packaging; or

(B) a tag;

affixed to the exterior of the commodity or product that can be easily read.
(b) Before a topical or ingestible commodity or product that is
derived from industrial hemp may be sold, the commodity or
product must be tested by the state seed commissioner or an
independent laboratory approved by and registered with the state
seed commissioner to test the commodity or product to certify that
the commodity or product does not contain:

(1) more than three-tenths of one percent (0.3%) of
tetrahydrocannabinol (THC) by dry weight; and
(2) a harmful level of potential contaminants.

(c) An independent laboratory certifying the results of the test
described in subsection (b) shall forward the certified results to the
state seed commissioner in a format and with the information
required by the state seed commissioner.

(d) For the purpose of testing under this section, an independent
laboratory may possess industrial hemp and industrial hemp
commodities and products that were grown and processed legally
according to the laws of the jurisdiction where they were grown
and processed.

(e) The state seed commissioner may randomly test topical and
ingestible commodities and products that are derived from
industrial hemp to verify that the commodity or product meets the
requirements in subsection (a). If the state seed commissioner
determines the commodity or product does not meet the
requirements in subsection (a), the state seed commissioner:

(1) shall provide the test information to the state police
department; and
(2) may suspend the registration of the independent
laboratory, manufacturer, producer, commodity, or product.

(f) The state seed commissioner shall charge fees for the
following:

(1) Testing conducted by the state seed commissioner under
this section.
(2) Approving and registering independent laboratories.
(3) Registering manufacturers and producers of the
commodity or product, including fees for random testing.
(4) Registering commodities and products that have been
tested and approved.

(g) The state seed commissioner shall maintain an Internet web
site that lists the topical and ingestible commodities and products
that comply with the requirements under this section. The state
seed commissioner shall consult with the state police department
to determine the information and format of the information that
must be displayed on the Internet web site to assist law
enforcement officers in determining the commodities and products
that comply with this section.

SECTION 5. IC 16-42-28.6-0.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 0.5. As used in this chapter,
"approved medical condition" means any of the following medical
conditions that have been diagnosed by a physician:

1. Amyotrophic lateral sclerosis (ALS).
2. Crohn's disease.
3. Mitochondrial disease.
4. Multiple sclerosis.
5. Parkinson's disease.
6. Sickle cell disease.
7. A medical condition approved by the state department

under section 11(b) of this chapter.

SECTION 6. IC 16-42-28.6-2, AS ADDED BY P.L.188-2017,
SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 2. As used in this chapter, "caregiver" means
a parent or legal guardian of an individual who has been diagnosed
with treatment resistant epilepsy or an approved medical condition
by a physician.

SECTION 7. IC 16-42-28.6-3, AS ADDED BY P.L.188-2017,
SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 3. As used in this chapter, "patient" refers to
an individual who has been diagnosed with treatment resistant epilepsy
or an approved medical condition by a physician.

SECTION 8. IC 16-42-28.6-4, AS ADDED BY P.L.188-2017,
SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 4. As used in this chapter, "physician" means
an individual who

1. is licensed under IC 25-22.5. and
2. is board certified in neurology.

SECTION 9. IC 16-42-28.6-7, AS ADDED BY P.L.188-2017,
SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 7. (a) The state department shall develop and
implement a cannabidiol registry for the registration of:

1. patients; and
2. caregivers;

for the use of a substance containing cannabidiol in the treatment of
patients who have been diagnosed with treatment resistant epilepsy or
an approved medical condition.
(b) The cannabidiol registry must include a secure, electronic online
data base that is accessible by law enforcement agencies in order to
verify the registration of an individual.

(c) The state department shall register and issue an individual
described in subsection (a) a registration card under this section only
if the individual meets the following requirements:

(1) The individual is:
   (A) a caregiver at least eighteen (18) years of age; or
   (B) a patient.

(2) The individual is an Indiana resident.

(3) The individual provides a certified statement by a physician
that the patient or a patient in the care of the caregiver has been
examined and diagnosed by the physician to have treatment
resistant epilepsy or an approved medical condition.

(4) The patient submits a completed registration application.

(5) The patient pays the registration fee set by the state
department.

(d) The state department shall develop the cannabidiol registration
application. The registration application for a caregiver must ask for
the following information:

(1) The caregiver's name, address, and relationship to the patient.

(2) The patient's name and address.

(3) A copy of the caregiver's valid government issued photo
identification card.

(4) The name and business address of the physician who
diagnosed the patient with treatment resistant epilepsy or an
approved medical condition.

(5) Any other relevant information the state department considers
necessary to implement this section.

(e) The state department shall charge a registration fee of not more
than fifty dollars ($50) for an individual's initial registration under this
section to cover the costs of implementing and administering the
cannabidiol registry. The state department may adopt rules under
IC 4-22-2 permitting a fee reduction or fee waiver for a patient who is
indigent.

(f) Registration under this section is valid for one (1) year from the
date of issuance, unless the physician requests a shorter expiration date.
The state department shall renew registration under this section for an
individual if the initial registration is current or has been updated by
the individual and the individual continues to meet the registration
requirements under this chapter. The state department shall charge a
renewal fee of not more than twenty-five dollars ($25).
department may adopt rules under IC 4-22-2 permitting a fee reduction or fee waiver for a patient who is indigent.

(g) The state department may execute a contract with a vendor designated by the state department to perform any function associated with the administration of the cannabidiol registry.

SECTION 10. IC 16-42-28.6-11, AS ADDED BY P.L.188-2017, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]; Sec. 11. (a) The state department may adopt rules under IC 4-22-2 necessary to implement this chapter.

(b) The state department may adopt rules under IC 4-22-2 to add other medical conditions that qualify an individual to be on the cannabidiol registry.

SECTION 11. IC 35-48-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 9. (a) "Controlled substance" means a drug, substance, or immediate precursor in schedule I, II, III, IV, or V under:

(1) IC 35-48-2-4, IC 35-48-2-6, IC 35-48-2-8, IC 35-48-2-10, or IC 35-48-2-12, if IC 35-48-2-14 does not apply; or
(2) a rule adopted by the board, if IC 35-48-2-14 applies.

(b) The term does not include the following:

(1) Industrial hemp (as defined by IC 15-15-13-6).

(2) Commodities and products, including topical or ingestible consumer products, that:

(A) are derived from industrial hemp (as defined by IC 15-15-13-6), including products containing cannabidiol (as defined by IC 16-42-28.6-1);

(B) do not contain more than three-tenths of one percent (0.3%) of tetrahydrocannabinol (THC) by dry weight; and

(C) if the commodity or product is topical or ingestible, meet the testing, registration, and labeling requirements under IC 15-15-13-18.

However, the commodities and products under this subdivision do not include commodities and products intended or designed to be inhaled through smoke or vapor.

SECTION 12. IC 35-48-1-9.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 9.3. (a) "Controlled substance analog" means a substance:

(1) the chemical structure of which is substantially similar to that of a controlled substance included in schedule I or II and that has;

or

(2) that a person represents or intends to have; a narcotic, stimulant, depressant, or hallucinogenic effect on the central
nervous system substantially similar to or greater than the narcotic, stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in schedule I or II.

(b) The definition set forth in subsection (a) does not include the following:

1. A controlled substance.
2. A substance for which there is an approved new drug application.
3. A substance for which an exemption is in effect for investigational use by a person under Section 505 of the federal Food, Drug and Cosmetic Act (chapter 675, 52 Stat. 1052 (21 U.S.C. 355)), to the extent that conduct with respect to the substance is permitted under the exemption.
4. A substance to the extent not intended for human consumption before an exemption takes effect regarding the substance.
5. Industrial hemp (as defined by IC 15-15-13-6).
6. Commodities and products, including topical or ingestible consumer products, that:
   (A) are derived from industrial hemp (as defined by IC 15-15-13-6), including products containing cannabidiol (as defined by IC 16-42-28.6-1);
   (B) do not contain more than three-tenths of one percent (0.3%) of tetrahydrocannabinol (THC) by dry weight; and
   (C) if the commodity or product is topical or ingestible, meet the testing, registration, and labeling requirements under IC 15-15-13-18.

However, the commodities and products under this subdivision do not include commodities and products intended or designed to be inhaled through smoke or vapor.

SECTION 13. IC 35-48-1-16.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 16.7. (a) "Hashish" means the resin extracted from the plant genus Cannabis in a dry or solid form.

(b) The term does not include the following:

1. Industrial hemp (as defined by IC 15-15-13-6).
2. Commodities and products, including topical or ingestible consumer products, that:
   (A) are derived from industrial hemp (as defined by IC 15-15-13-6), including products containing cannabidiol (as defined by IC 16-42-28.6-1);
   (B) do not contain more than three-tenths of one percent (0.3%) of tetrahydrocannabinol (THC) by dry weight; and
(0.3%) of tetrahydrocannabinol (THC) by dry weight; and
(C) if the commodity or product is topical or ingestible, meet the testing, registration, and labeling requirements under IC 15-15-13-18.

However, the commodities and products under this subdivision do not include commodities and products intended or designed to be inhaled through smoke or vapor.

SECTION 14. IC 35-48-1-16.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 16.8. (a) "Hash oil" means the resin extracted from the plant genus Cannabis in a liquid concentrate, liquid extract, or liquid distillate form.
(b) The term does not include the following:
(1) Industrial hemp (as defined by IC 15-15-13-6).
(2) Commodities and products, including topical or ingestible consumer products, that:
   (A) are derived from industrial hemp (as defined by IC 15-15-13-6), including products containing cannabidiol (as defined by IC 16-42-28.6-1);
   (B) do not contain more than three-tenths of one percent (0.3%) of tetrahydrocannabinol (THC) by dry weight; and
   (C) if the commodity or product is topical or ingestible, meet the testing, registration, and labeling requirements under IC 15-15-13-18.

However, the commodities and products under this subdivision do not include commodities and products intended or designed to be inhaled through smoke or vapor.

SECTION 15. IC 35-48-1-19, AS AMENDED BY P.L.165-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 19. (a) "Marijuana" means any part of the plant genus Cannabis whether growing or not; the seeds thereof; the resin extracted from any part of the plant, including hashish and hash oil; any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin.
(b) The term does not include the following:
(1) The mature stalks of the plant.
(2) Fiber produced from the stalks.
(3) Oil or cake made from the seeds of the plant.
(4) Any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom).
(5) The sterilized seed of the plant which is incapable of
germination. or
(6) Industrial hemp (as defined by IC 15-15-13-6).
(7) Commodities and products, including topical or ingestible consumer products, that:
   (A) are derived from industrial hemp (as defined by IC 15-15-13-6), including products containing cannabidiol (as defined by IC 16-42-28.6-1);
   (B) do not contain more than three-tenths of one percent (0.3%) of tetrahydrocannabinol (THC) by dry weight; and
   (C) if the commodity or product is topical or ingestible, meet the testing, registration, and labeling requirements under IC 15-15-13-18.

However, the commodities and products under this subdivision do not include commodities and products intended or designed to be inhaled through smoke or vapor.

SECTION 16. An emergency is declared for this act.