

SENATE BILL REPORT

SB 5732

As of February 22, 2017

Title: An act relating to funding industrial hemp research.

Brief Description: Concerning funding of industrial hemp research.

Sponsors: Senators Hasegawa, Wellman, Sheldon, Schoesler, Chase, Hobbs and Keiser.

Brief History:

Committee Activity: Agriculture, Water, Trade & Economic Development: 2/14/17, 2/16/17 [DP-WM].

Ways & Means: 2/22/17.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Appropriates funding for the Industrial Hemp Research Pilot program.
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SENATE COMMITTEE ON AGRICULTURE, WATER, TRADE & ECONOMIC DEVELOPMENT

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Warnick, Chair; Hawkins, Vice Chair; Chase, Ranking Minority Member; Wellman, Assistant Ranking Minority Member; Brown, Honeyford, McCoy, Pearson, Short, Takko and Van De Wege.

Staff: Greg Vogel (786-7413)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Jed Herman (786-7346)

Background: Industrial Hemp. Industrial hemp is generally defined as encompassing those cannabis plant types intended for agricultural and industrial purposes. The key distinguishing factor between industrial hemp and marijuana is the amount of delta-9 tetrahydrocannabinol (THC) each contains. THC is the psychoactive component of marijuana that in sufficient concentrations will cause intoxication in humans. Industrial

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

hemp has low levels of THC and therefore does not have psychoactive effects or cause intoxication.

Industrial hemp is grown primarily as a source of fiber principally used for textiles, rope, paper, and building materials. Hemp seed is also used for food, feed, and oil. Hemp seed oil may be used in pharmaceuticals, cosmetics, inks, lubrication, household detergents, varnishes, resins, and paints. Hemp plants are also used as a source of livestock feed and bedding.

Federal Law. As with other cannabis plant types, including marijuana, industrial hemp is considered a Schedule I controlled substance under the federal Controlled Substances Act (CSA). Accordingly, under the federal CSA, it is illegal to grow cannabis plants containing any level of THC without a permit from the United States Drug Enforcement Administration (DEA). However, without changing the federal CSA prohibition, the federal Agricultural Act of 2014 (2014 Farm Bill) defined the term industrial hemp and explicitly authorized institutions of higher education and state departments of agriculture to grow or cultivate industrial hemp for research purposes, but only in states that have legalized the growing and cultivation of industrial hemp.

Industrial Hemp Research Pilot. In 2016, the Legislature established the Industrial Hemp Research Pilot program (IHRP) to begin pilot studies that would research the cultivation and commercial viability of an industrial hemp industry in Washington. There is currently no industrial hemp being grown in the state. The goal of the IHRP is to develop a process for issuing licenses to produce industrial hemp as a means of achieving the research objective. The Department of Agriculture supervises IHRP and must establish an industrial hemp seed certification program in support of it.

Summary of Bill: The bill appropriates \$145,000 for fiscal year 2018 and \$145,000 for fiscal year 2019 from the state General Fund to the Agricultural Local fund for the purposes of providing funding for the IHRP.

Appropriation: \$290,000 is appropriated for the 2017-19 fiscal biennium from the state General Fund to the Agricultural Local fund for the purposes of providing funding for the IHRP.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony (Agriculture, Water, Trade & Economic Development): PRO: This bill concerns a groundbreaking industrial hemp research program within the state and simply continues funding for that program to keep the ball rolling. Compared to marijuana, hemp requires more process, investment, and infrastructure. This funding would help meet those needs in addition to funding key staff for the program.

OTHER: Without this bill, there will be a gap in funding for the program and hard decisions will have to be made in terms of providing available resources.

Persons Testifying (Agriculture, Water, Trade & Economic Development): PRO: Senator Bob Hasegawa, Prime Sponsor; Joy Beckerman, President, WA State Chapter of the Hemp Industries Association.

OTHER: Steve Fuller, Washington State Dept. of Agriculture.

Persons Signed In To Testify But Not Testifying (Agriculture, Water, Trade & Economic Development): No one.