SENATE BILL 5372

State of Washington 67th Legislature 2021 Regular Session

By Senators Stanford, Warnick, Conway, Hasegawa, Saldaña, and Wilson, J.

Read first time 01/28/21. Referred to Committee on Agriculture, Water, Natural Resources & Parks.

- ACT Relating to a hemp processor registration process; 1
- 2 amending RCW 15.140.020 and 15.140.060; and creating a new section.
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 3
- NEW SECTION. Sec. 1. The legislature intends to authorize and 4 5 establish a hemp processor registration necessary for entrance and 6 compliance with interstate and international commerce and business 7 requirements or stipulations in regard to hemp processing. A voluntary registration for processing in lieu of a hemp processor 8
- license will allow persons or companies to ship transitional or final 9
- 10 hemp products to states and countries that require a hemp processor
- 11 license or registration.
- 12 RCW 15.140.020 and 2019 c 158 s 2 are each amended to Sec. 2. 13 read as follows:
- 14 The definitions in this section apply throughout this chapter 15 unless the context clearly requires otherwise.
- (1) "Agriculture improvement act of 2018" means sections 7605, 16
- 17 10113, 10114, and 12619 of the agriculture improvement act of 2018,
- P.L. 115-334. 18
- 19 (2) "Crop" means hemp grown as an agricultural commodity.

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- 1 (3) "Cultivar" means a variation of the plant Cannabis sativa L. 2 that has been developed through cultivation by selective breeding.
- 3 (4) "Department" means the Washington state department of agriculture. 4
- (5) "Hemp" means the plant Cannabis sativa L. and any part of 5 6 that plant, including the seeds thereof and all derivatives, 7 extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol 8 concentration of not more than 0.3 percent on a dry weight basis. 9
- (6) "Hemp processor" means a person who takes possession of raw 10 hemp material with the intent to modify, package, or sell a 11 12 transitional or finished hemp product.
 - (7) (a) "Industrial hemp" means all parts and varieties of the genera Cannabis, cultivated or possessed by a grower, whether growing or not, that contain a tetrahydrocannabinol concentration of 0.3 percent or less by dry weight that was grown under the industrial hemp research program as it existed on December 31, 2019.
- (b) "Industrial hemp" does not include plants of the genera 18 19 Cannabis that meet the definition of "marijuana" as defined in RCW 20 69.50.101.
- 21 $((\frac{7}{1}))$ <u>(8)</u> "Postharvest test" means a test of 22 tetrahydrocannabinol concentration levels of hemp after being 23 harvested based on:
 - (a) Ground whole plant samples without heat applied; or
 - (b) Other approved testing methods.

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- 26 $((\frac{8}{(8)}))$ <u>(9)</u> "Process" means the processing, compounding, or 27 conversion of hemp into hemp commodities or products.
- 28 (((+9))) (10) "Produce" or "production" means the planting, 29 cultivation, growing, or harvesting of hemp including hemp seed.
- 30 Sec. 3. RCW 15.140.060 and 2019 c 158 s 6 are each amended to 31 read as follows:
- The department must issue hemp producer licenses to 33 applicants qualified under this chapter and the agriculture improvement act of 2018. The department may adopt rules pursuant to 34 35 this chapter and chapter 34.05 RCW as necessary to license persons to grow hemp under a commercial hemp program. The department may adopt 36 rules pursuant to this chapter and chapter 34.05 RCW as necessary to 37 38 register hemp processors.

p. 2 SB 5372 (2) A hemp processor that processes hemp for commercial use or sale may register with the department. The registration application must include the physical address of all locations where hemp is processed or stored, a registration fee as set in rule, and any other information required by the department by rule. A registered hemp processor is not required to obtain a hemp producer license. A registered hemp processor must be a registered business entity in Washington state or a foreign entity compliant with state laws.

(3) The plan must identify qualifications for license applicants, to include adults and corporate persons and to exclude persons with felony convictions as required under the agriculture improvement act of 2018.

(((3))) <u>(4)</u> The department must establish license fees in an amount that will fund the implementation of this chapter and sustain the hemp program. The department may adopt rules establishing fees for tetrahydrocannabinol testing, inspections, and additional services required by the United States department of agriculture. License fees and any money received by the department under this chapter must be deposited in the hemp regulatory account created in RCW 15.140.080.

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