

CONFERENCE COMMITTEE REPORT

HB 640

2021 Regular Session

Schexnayder

June 9, 2021

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 640 by Representative Schexnayder, recommend the following concerning the Reengrossed bill:

1. That Senate Committee Amendments Nos. 1, 2, and 5 by the Committee on Agriculture, Forestry, Aquaculture and Rural Development (#2210) be rejected.
2. That Senate Committee Amendments Nos. 3, 4, and 6 by the Committee on Agriculture, Forestry, Aquaculture and Rural Development (#2210) be adopted.
3. That the set of amendments by the Legislative Bureau (#3263) be adopted.
4. That the following amendments to the Reengrossed bill be adopted:

AMENDMENT NO. 1

On page 1, at the end of line 2, change "and (D)(1)," to "(D)(1), and (F),"

AMENDMENT NO. 2

On page 1, line 4, after "R.S. 3:1469(C)" and before "and" insert "and (D)"

AMENDMENT NO. 3

On page 1, line 14, after "(C)(1)," and before "1466(A)" delete "and (D)(1)," and insert "(D)(1), and (F),"

AMENDMENT NO. 4

On page 1, line 16, after "R.S. 3:1469(C)" and before "and" insert "and (D)"

AMENDMENT NO. 5

On page 6, between lines 15 and 16, insert the following:

"F. The provisions of this Section shall not apply to the Louisiana State University Agricultural Center, the Southern University Agricultural Center, the University of Louisiana at Monroe Agribusiness Program, and the University of Louisiana at Monroe College of Pharmacy when performing research and development as provided for in R.S. 3:1469."

AMENDMENT NO. 6

On page 7, between lines 21 and 22, insert the following:

"C. The University of Louisiana at Monroe Agribusiness Program is authorized to cultivate, handle, and process industrial hemp for product research and development."

AMENDMENT NO. 7

On page 7, at the beginning of line 22, change "C." to "D."

Respectfully submitted,

Representative Clay Schexnayder

Senator Stewart Cathey Jr.

Representative Jack G. McFarland

Senator Louie Bernard

Representative Caxerrick Travis Johnson

Senator Barry Milligan

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

CONFERENCE COMMITTEE REPORT DIGEST

HB 640

2021 Regular Session

Schexnayder

Keyword and oneliner of the instrument as it left the House

AGRICULTURAL COMMODITIES: Provides relative to industrial hemp

Report adopts Senate amendments to:

1. Make technical changes.

Report rejects Senate amendments which would have:

1. Authorized the University of Louisiana at Monroe Agribusiness Program to cultivate, handle, and process industrial hemp and industrial hemp seeds for research and development of new varieties.
2. Made technical changes.

Report amends the bill to:

1. Authorize the University of Louisiana at Monroe Agribusiness Program to cultivate, handle, and process industrial hemp for product research and development.
2. Exempt the University of Louisiana at Monroe Agribusiness Program from industrial hemp licensure requirements.
3. Make technical changes.

Digest of the bill as proposed by the Conference Committee

Present law authorizes industrial hemp grower licensees to cultivate, handle, and transport industrial hemp in the state.

Proposed law removes "handle", otherwise maintains present law, and further authorizes licensees to possess, store, trim, dry, and cure industrial hemp.

Present law provides for registration and label requirements for commercial feed.

Proposed law exempts commercial feed manufactured and registered pursuant to consumable hemp regulations.

Present law requires licensure of contract carriers. Proposed law removes that requirement and creates a handler license.

Proposed law extends the timeframe to harvest approved industrial hemp from 15 days to 30 days.

Present law authorizes the La. Dept. of Agriculture and Forestry (LDAF) to detain, seize, destroy, or embargo any industrial hemp crop or product that exceeds the federally defined THC level for hemp.

Proposed law repeals present law.

Present law exempts the LSU Ag Center, the Southern University Ag Center, and the University of Louisiana at Monroe (ULM) College of Pharmacy from industrial hemp licensure requirements for the purpose of research and development.

Proposed law adds the ULM Agribusiness Program to present law.

Proposed law authorizes the University of La. at Monroe Agribusiness Program to cultivate, handle, and process industrial hemp for product research and development.

Proposed law requires all industrial hemp licensees whose intent is to perform research, except the universities exempted in present law, to submit an annual research plan to the LDAF. Further requires LDAF to adopt rules for performance based-sampling for those licensees.

Proposed law requires the LSU AgCenter to develop a centralized industrial hemp website in collaboration with regulatory agencies and stakeholders.

Proposed law changes "industrial hemp-derived CBD product" to "consumable hemp product" and provides that consumable hemp products are any industrial hemp-derived products that contain any cannabinoid, including CBD. Further provides that consumable hemp product includes commercial feed, pet products, and hemp floral material.

Proposed law requires that present law and proposed law dealing with consumable hemp products are preempted by any federal statute, federal regulation, or guidance from a federal government agency that is less restrictive than state law.

Proposed law establishes a consumable hemp processor license issued by the La. Dept. of Health (LDH) and establishes a fee schedule for the license.

Proposed law creates criminal penalties of not less than one year nor more than 20 years imprisonment at hard labor and a fine of not more than \$50,000 for processing consumable hemp products without a license.

Present law prohibits processing or selling any part of hemp for inhalation, except hemp rolling papers.

Proposed law removes the prohibition on processing hemp for inhalation.

Present law prohibits processing or selling any food or beverage containing CBD unless the FDA approves CBD as a food additive. Proposed law removes that prohibition.

Present law prohibits any CBD products that contain any active pharmaceutical ingredient other than cannabidiol. Proposed law exempts products intended for topical application from the prohibition.

Proposed law provides that consumable hemp products cannot contain a total delta-9 THC concentration of more than 0.3% nor a total THC concentration of more than 1% on a dry weight basis.

Proposed law prohibits consumable hemp products from containing any cannabinoid that is not naturally occurring.

Proposed law defines THC as a combination of tetrahydrocannabinol and tetrahydrocannabinolic acid.

Proposed law requires any floral hemp material to be contained in tamper-evident packaging and not be labeled or marketed for inhalation.

Proposed law provides that any facility processing hemp products for human consumption outside of the scope of the definition of consumable hemp product will be regulated by the LDH in accordance with the State Food, Drug, and Cosmetic Law.

Proposed law establishes a wholesaler license for consumable hemp products issued by the office of alcohol and tobacco control (ATC).

Proposed law establishes a wholesaler license fee not to exceed \$500.

Present law imposes civil fines for selling hemp-derived CBD products at retail without a permit.

Proposed law expands the violations that the civil penalties can be imposed. Further provides that each day a violation occurs is a separate offense.

Proposed law requires ATC to investigate any report of a violation of a provision of present law as related to consumable hemp products and report any criminal violation to the appropriate law enforcement agency.

Present law provides for an industrial hemp-derived CBD excise tax.

Proposed law changes the taxable product to consumable hemp products.

(Amends R.S. 3:1402, 1461, 1462, 1464(8), 1465(A), (C)(1), (D)(1), and (F), 1466(A) and (B)(2), 1468, 1471(A)(4), 1481, 1482, 1483, 1484, and 1485(B) and (G) and R.S. 47:1692 and 1693(A); Adds R.S. 3:1469(C) and (D) and 1473)