

Legislative Analysis



LEGALIZE HEMP RESEARCH PROGRAMS

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House Bill 5439 (Substitute H-1)
Sponsor: Rep. Kevin Daley

House Bill 5440 without amendment
Sponsor: Rep. Peter Pettalia

Committee: Agriculture
Complete to 5-21-14

A SUMMARY OF HOUSE BILLS 5439 & 5440 AS REPORTED FROM COMMITTEE

House Bill 5439 would create the Industrial Hemp Research Act to allow for industrial hemp research. House Bill 5440 would put the definition of "industrial hemp" in the Public Health Code and exclude it from the definition of marihuana. The two bills are tie-barred, meaning neither could take effect without both being signed into law.

House Bill 5439 would allow the Michigan Department of Agriculture and Rural Development (MDARD) or a college or university in Michigan to grow and/or cultivate industrial hemp for agricultural or academic research purposes. A college or university could receive direct grants from the federal government or any other source for such research. If a college or university transports hemp as authorized under the bill, then it would be required to include a letter on department, college, or university letterhead that provides notice of the presence of industrial hemp as authorized by this bill.

"Industrial hemp" would be defined as the plant *Cannabis sativa L.* and any part of the plant, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.

The bill also would create **"the Industrial Hemp Research Fund,"** which would be administered by MDARD. The state treasurer would be directed to place any money or other assets from any source into the fund, including federal research grants. Any monies left in the fund at the end of each fiscal year would remain in the fund rather than lapsing into the General Fund. Monies from the research fund could only be used for MDARD for research into growing and/or cultivating industrial hemp and for providing grants to colleges or universities in Michigan to conduct research into growing and/or cultivating industrial hemp.

House Bill 5440 would amend the Public Health Code (MCL 333.7106) by adding the same definition of industrial hemp found in **HB 5439**, and to specify that marihuana in the code does not include industrial hemp being grown and/or cultivated for research purposes under the Industrial Hemp Research Act.

FISCAL IMPACT:

House Bill 5440 would not have a significant fiscal impact on the state or local units of government.

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