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HOUSE BILL 62

50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012

INTRODUCED BY

Ray Begaye

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; PROVIDING FOR LICENSING THE
GROWING, SELLING AND PROCESSING OF SANTHICA; ESTABLISHING FEES
AND REVENUES; PROVIDING FOR ADMINISTRATIVE MONITORING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**SECTION 1. RULES TO ENCOURAGE GROWTH AND SALES OF
SANTHICA--REGISTRATION--LICENSE--FEES.--**

A. New Mexico state university shall:

(1) provide for registration of Santhica
plants and seeds and act as a monitoring and marketing agency
for growers of Santhica and of other hemp varieties that are
THC-free; and

(2) determine rules to encourage growth and
sales of industrial Santhica and ensure the participation by
and inclusion of individual farmers, agricultural cooperatives

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1 and businesses in the rulemaking process.

2 B. A person or business planning to grow and sell
3 Santhica seed or Santhica fiber shall obtain a grower's license
4 by submitting an application to New Mexico state university
5 containing the following:

6 (1) the name and address of the applicant;

7 (2) the location and legal description of the
8 land to be used for the production of Santhica and the name and
9 address of the person holding title to the land on which the
10 Santhica will be planted;

11 (3) authorization of field inspections;

12 (4) authorization of certification at the time
13 of sale; and

14 (5) a nonrefundable application and renewal
15 fee established by New Mexico state university.

16 C. A grower shall maintain records showing:

17 (1) the origin of the seed purchased and
18 planted;

19 (2) the quantity of the seed purchased and
20 planted;

21 (3) the amount of industrial Santhica
22 harvested and sold; and

23 (4) buyers and recipients of the industrial
24 Santhica plants, fiber and seed.

25 D. New Mexico state university shall help to ensure

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1 availability of seed. The department shall:

2 (1) maintain an authorized list of certified
3 seed sources for Santhica;

4 (2) certify Santhica seed obtained from other
5 sources;

6 (3) maintain a list of growers and processors
7 for whom seed has been provided; and

8 (4) maintain a list of growers and processors.

9 E. New Mexico state university may enter into joint
10 powers agreements with an Indian nation, tribe or pueblo to
11 share information, to provide technical assistance and to
12 generally cooperate with the Indian nation, tribe or pueblo to
13 facilitate the production of Santhica.

14 F. New Mexico state university may revoke or
15 suspend the license of a grower if there is substantial
16 evidence of violations of the provisions of or rules adopted
17 pursuant to this 2012 act.

18 G. Fees collected pursuant to this section are
19 appropriated to New Mexico state university to carry out the
20 provisions of this 2012 act, including funding assistance to
21 Indian tribes, nations and pueblos in New Mexico.

22 H. The board of regents of New Mexico state
23 university may authorize the New Mexico department of
24 agriculture to charge reasonable fees not to exceed the actual
25 costs of performing services, including inspections,

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1 monitoring, marketing, maintaining and certifying Santhica
2 seed.

3 I. The New Mexico department of agriculture shall
4 publish a fee schedule for all fees due to the department
5 pursuant to this 2012 act.

6 J. As used in this section, "Santhica" means
7 industrial hemp fiber produced from the stalks, oil or cake
8 made from the seeds of the plant cannabis and any compound,
9 manufacture, salt, derivative, mixture or preparation of the
10 mature stalks, fiber, oil or cake, or the sterilized seed of
11 the plant that is incapable of germination. It does not
12 include other parts of the plant cannabis or its varieties,
13 species and subspecies of the genus Cannabis, whether growing
14 or not, the germinable seeds thereof and any other compounds,
15 manufacture, salt, derivative, mixture or preparation of the
16 plant or its seeds.

17 SECTION 2. DEPARTMENT OF PUBLIC SAFETY--DUTIES AND
18 POWERS.--The department of public safety:

19 A. shall inspect growing fields and processing
20 facilities upon verifiable evidence that a designated Santhica
21 field is unlicensed or is in violation of this 2012 act;

22 B. shall conduct background checks on applicants
23 requesting licenses upon request by the New Mexico department
24 of agriculture; and

25 C. may enter into joint powers agreements with an

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1 Indian nation, tribe or pueblo to share information, to provide
2 technical assistance and to generally cooperate with the Indian
3 nation, tribe or pueblo to facilitate the production of
4 industrial Santhica on tribal land.

5 SECTION 3. COOPERATION BETWEEN AGENCIES.--New Mexico
6 state university, the New Mexico department of agriculture and
7 the department of public safety shall cooperate to implement
8 and enforce the provisions of this 2012 act.

9 SECTION 4. EFFECTIVE DATE.--The effective date of the
10 provisions of this act is July 1, 2012.