

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE DRS85403-LDz-163 (5/9)

Short Title: Study Beneficial Uses of Industrial Hemp. (Public)

Sponsors: Senator Bingham.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO CREATE AN INDEPENDENT COMMISSION TO STUDY THE BENEFICIAL INDUSTRIAL USES OF INDUSTRIAL HEMP, INCLUDING THE USE OF INDUSTRIAL HEMP OIL AS AN ALTERNATIVE FUEL AND THE USE OF INDUSTRIAL HEMP FIBER IN CONSTRUCTION AND PAPER PRODUCTS; TO STUDY THE ECONOMIC OPPORTUNITIES INDUSTRIAL HEMP PROVIDES TO THE STATE; AND TO CONSIDER THE DESIRABILITY AND FEASIBILITY OF AUTHORIZING INDUSTRIAL HEMP CULTIVATION AND PRODUCTION AS A FARM PRODUCT IN NORTH CAROLINA.

The General Assembly of North Carolina enacts:

SECTION 1. The Study Commission to Study the Industrial Uses of Industrial Hemp is created to study the many beneficial industrial uses of industrial hemp, including the use of industrial hemp oil as an alternative fuel and the use of industrial hemp fiber in construction and paper products; to study the economic opportunities industrial hemp provides to the State; and to consider the desirability and feasibility of authorizing industrial hemp cultivation and production as a farm product in North Carolina. This Study Commission shall consist of fifteen members as follows:

- (1) Two appointed by the Governor.
- (2) Two appointed by the President Pro Tempore of the Senate.
- (3) Two appointed by the Speaker of the House of Representatives.
- (4) The chairman of the House Agriculture Committee.
- (5) The chairman of the Senate Agriculture Committee.
- (6) The Commissioner of Agriculture or the Commissioner's designee.
- (7) The President of the North Carolina Farm Bureau Federation, Inc., or the President's designee.
- (8) The Secretary of Commerce or the Secretary's designee.

- 1 (9) The Dean of the Kenan-Flagler Business School at the University of
2 North Carolina at Chapel Hill or the Dean's designee.
- 3 (10) The Dean of The Fuqua School of Business, Duke University or the
4 Dean's designee.
- 5 (11) The Dean of the College of Agriculture and Life Sciences at North
6 Carolina State University or the Dean's designee.
- 7 (12) The Dean of the School of Agriculture and Environmental Sciences at
8 North Carolina Agricultural and Technical State University or the
9 Dean's designee.

10 Members shall be appointed for two-year terms beginning October 1 of each
11 odd-numbered year. The cochairmen of the Commission shall be the chairmen of the
12 Senate and House Agriculture Committees respectively.

13 **SECTION 2. Cochairs.** – The Commission shall have two cochairs, one
14 designated by the President Pro Tempore of the Senate and one designated by the
15 Speaker of the House of Representatives from among their respective appointees. The
16 Commission shall meet upon the call of the cochairs.

17 **SECTION 3. Quorum.** – A quorum of the Commission shall consist of eight
18 members.

19 **SECTION 4. Vacancies.** – Any vacancy on the Commission shall be filled
20 by the original appointing authority.

21 **SECTION 5. Purpose and Duties.** – The Commission shall have the
22 following purposes and duties:

- 23 (1) The Commission shall conduct an in-depth examination of issues
24 related to:
 - 25 a. A review of current scientific and business literature on the
26 many industrial uses of industrial hemp, including the uses of
27 industrial hemp oil as an alternative fuel and motor oil; the uses
28 of omega-3 rich industrial hemp seed and industrial hemp oil in
29 snack foods, body care products, and food supplements; the
30 uses of industrial hemp fibers as raw materials for construction
31 and paper products and for fabric; and the uses of industrial
32 hemp in the manufacture of recyclable car parts.
 - 33 b. A review of scientific literature on the different types of hemp
34 and how industrial hemp differs from hemp that is the illegal
35 drug marijuana.
 - 36 c. A review of current economic literature on the economic
37 benefits of and the economic markets for the products made
38 using industrial hemp.
 - 39 d. A review of actions taken by the federal government and
40 actions by other states to produce industrial hemp for its
41 industrial uses.
 - 42 e. An evaluation of the economic opportunities for the State that
43 may result from producing industrial hemp as a farm product
44 and to manufacture industrial hemp products.

1 f. Any other issues the Commission determines are pertinent.

2 (2) The Commission shall develop findings and recommendations,
3 including any legislative proposals it determines to be appropriate, for
4 consideration by the General Assembly.

5 **SECTION 6.** Expenses of Members. – Members of the Commission shall
6 receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1,
7 138-5, or 138-6, as appropriate.

8 **SECTION 7.** Staff. – Upon the prior approval of the Legislative Services
9 Commission, the Legislative Services Officer shall assign professional staff to the
10 Commission to aid in its work.

11 **SECTION 8.** Consultants. – The Commission may hire consultants to assist
12 with the study as provided in G.S. 120-32.02(b).

13 **SECTION 9.** Meetings. – The Commission may meet in the Legislative
14 Building or the Legislative Office Building upon the approval of the Legislative
15 Services Commission.

16 **SECTION 10.** Report. – The Commission shall report its findings and
17 recommendations to the General Assembly and the Environmental Review Commission
18 on or before 1 December 2006, at which time the Commission shall terminate.

19 **SECTION 11.** Funding. – There is appropriated from the General Fund to
20 the General Assembly the sum of thirty thousand dollars (\$30,000) for the 2006-2007
21 fiscal year for the purpose of conducting the study provided for in this act.

22 **SECTION 12.** Effective Date. – This act becomes effective July 1, 2006.