



## 2013 ASSEMBLY BILL 638

January 21, 2014 - Introduced by Representatives VRUWINK, C. TAYLOR, SARGENT, MILROY, BEWLEY, GOYKE, HULSEY, HEBL, WRIGHT, KAHL, OHNSTAD and SHANKLAND, cosponsored by Senators VINEHOUT and SCHULTZ. Referred to Committee on Consumer Protection.

1     **AN ACT to renumber and amend** 961.55 (8); and **to create** 20.115 (7) (gc), 94.55,  
2           961.32 (3) and 961.55 (8) (b) of the statutes; **relating to:** growing and  
3           processing industrial hemp, granting rule-making authority, and making an  
4           appropriation.

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### *Analysis by the Legislative Reference Bureau*

Current law places various restrictions on the possession, manufacture, and delivery of controlled substances. One such controlled substance is tetrahydrocannabinol (THC), including THC contained in or obtained from marijuana. The controlled substances law defines marijuana as all parts of plants of the genus *Cannabis*, whether growing or not, and most derivatives or preparations of the plants (though it does not include, for instance, fiber produced from the stalks or oil made from the seeds of the plants). THC is currently placed in the most restrictive category of controlled substances: it may not be prescribed for medical use and may be manufactured and possessed only for particular purposes (such as research) under special permits.

This bill requires the Department of Agriculture, Trade and Consumer Protection (DATCP) to issue licenses that authorize the growing and processing of industrial hemp. Industrial hemp is defined as the plant *Cannabis sativa* with no more than 0.3 percent THC. The bill requires an applicant for a license to provide a legal description of the land on which industrial hemp will be grown or processed and to pay a fee for the license. It also requires DATCP to obtain a criminal history search from the state Department of Justice for each applicant and prohibits DATCP

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from issuing a license to a person if the criminal history search shows the person has been convicted of violating the controlled substances law. The bill requires reporting by a person with an industrial hemp license, including reporting all sales of industrial hemp. The bill also requires DATCP to promulgate rules for the administration of the licensing law.

This bill creates an exemption from the controlled substances law for growing or processing industrial hemp in conformity with a license issued by DATCP.

Growing and possessing the plant *Cannabis* is also prohibited by federal law, except with a permit issued by the federal Drug Enforcement Administration. This bill does not change federal law.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 20.115 (7) (gc) of the statutes is created to read:

2           20.115 (7) (gc) *Industrial hemp.* All moneys received under s. 94.55 for  
3 regulation of growing and processing industrial hemp under s. 94.55.

4           **SECTION 2.** 94.55 of the statutes is created to read:

5           **94.55 Industrial hemp. (1) DEFINITION.** In this section, “industrial hemp”  
6 means the plant *Cannabis sativa* having no more than 0.3 percent  
7 tetrahydrocannabinol, including the seeds of that plant.

8           **(2) LICENSING.** (a) The department shall issue licenses that authorize growing,  
9 processing, and, in conjunction with growing or processing, selling industrial hemp  
10 for commercial purposes or research.

11           (b) A person applying for a license under this subsection shall provide the name  
12 and address of the applicant and the legal description of the land on which industrial  
13 hemp will be grown or processed and shall pay a fee equal to \$150 or, if the person  
14 will grow industrial hemp, the greater of \$150 or \$5 multiplied by the number of acres  
15 on which the person will grow industrial hemp.

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1 (c) 1. The department shall obtain a criminal history search from the records  
2 maintained by the department of justice for each person applying for initial licensure  
3 under this subsection.

4 2. The department may not issue a license if the person has ever been convicted  
5 of a violation of ch. 961 as indicated in the information obtained under subd. 1.

6 3. Information obtained by the department under subd. 1. is confidential and  
7 may be used only to determine eligibility for licensure.

8 (d) A license issued under this subsection is valid for one year.

9 **(3) DOCUMENTATION AND REPORTING REQUIREMENTS.** (a) A licensee under sub. (2)  
10 who grows industrial hemp shall provide all of the following to the department:

11 1. Documentation showing that the seeds planted were of a variety certified to  
12 have no more than 0.3 percent tetrahydrocannabinol.

13 2. A copy of any contract under which the licensee grows industrial hemp.

14 (b) A licensee under sub. (2) shall report to the department the name and  
15 address of each person to whom the licensee sells industrial hemp and the amount  
16 of industrial hemp sold to each person.

17 **(4) AUTHORITY TO IMPORT AND SELL SEED.** A person licensed under sub. (2) may  
18 bring into this state and resell seed of varieties of industrial hemp that are certified  
19 to have no more than 0.3 percent tetrahydrocannabinol.

20 **(5) RULES.** The department shall promulgate rules for the administration of  
21 this section including rules concerning all of the following:

22 (a) Certifying industrial hemp seeds.

23 (b) Testing plants during growth for tetrahydrocannabinol levels.

24 (c) Supervising the growing, harvesting, and processing of industrial hemp.

25 **SECTION 3.** 961.32 (3) of the statutes is created to read:

