



State of Tennessee
PUBLIC CHAPTER NO. 369

HOUSE BILL NO. 1164

By Representatives Reedy, McDaniel, Marsh, Faison

Substituted for: Senate Bill No. 968

By Senator Niceley

AN ACT to amend Tennessee Code Annotated, Title 43, Chapter 1, Part 7; Section 43-26-102 and Section 43-26-103, relative to industrial hemp.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 43-26-102(4), is amended by deleting the subdivision in its entirety and substituting instead the following:

(4) "Industrial hemp":

(A) Means the plants, plant parts, or whole plant extract, whether in manufacturing process or reconstituted, of the genera cannabis that do not contain a delta-9 tetrahydrocannabinol (THC) concentration more than three-tenths of one percent (0.3%) on a dry mass basis and that are grown:

(i) From seed or propagules from seed certified by a certifying agency, as defined in § 43-10-103;

(ii) From seed or propagules derived from landrace varieties of industrial hemp; or

(iii) By an institution of higher education in this state that offers a baccalaureate or post-graduate level program of study in agricultural sciences; and

(B) Includes any industrial hemp-derived products that do not contain more than three-tenths of one percent (0.3%) of delta-9 tetrahydrocannabinol (THC) in a topical or ingestible consumer product.

SECTION 2. Tennessee Code Annotated, Section 43-26-103, is amended by deleting subsections (b) and (c) in their entireties and substituting instead the following:

(b) Any person who grows or processes industrial hemp in this state must obtain an annual license from the department of agriculture. In order to obtain and maintain an industrial hemp license, the grower or processor must consent to reasonable inspection by the department of agriculture of the person's industrial hemp crop and inventory.

(c) Viable industrial hemp in the possession or control of a person licensed by the department as a grower or processor shall not be considered marijuana under § 39-17-415. Non-viable industrial hemp or any product made from non-viable industrial hemp procured through a grower or processor licensed by the department, or otherwise procured in accordance with the department's rules, shall not be considered marijuana under § 39-17-415.

(d) The department of agriculture shall register landrace varieties of industrial hemp for the purpose of providing notice to licensed growers and processors of which landrace varieties of hemp are industrial hemp.

(e) The department of agriculture shall promulgate rules, including rules establishing reasonable fees for industrial hemp licenses, necessary to implement and administer an industrial hemp program in this state on an ongoing basis. All revenue

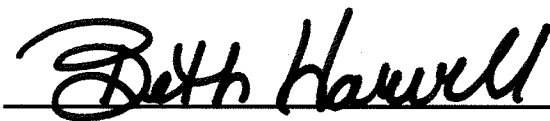
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collected from fees established pursuant to this subsection (e) shall be used exclusively for administration of the industrial hemp program and regulation of industrial hemp.

SECTION 3. This act shall take effect upon becoming law, the public welfare requiring it.

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PASSED: May 5, 2017


BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES


RANDY MCNALLY
SPEAKER OF THE SENATE

APPROVED this 11th day of May 2017


BILL HASLAM, GOVERNOR