

Ryan F. Quarles
Commissioner



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Kentucky Department of Agriculture

March 31, 2017

Dear Hemp Program Participants,

Last night the General Assembly finished its work for the 2017 regular session. I am proud to take this opportunity to update you on two important bills that will have a lasting, positive impact on Kentucky's expanding community of industrial hemp growers and processors. We at KDA worked closely with leaders in the General Assembly to draft and enact legislation that I am confident will provide a significant boost for our efforts to make Kentucky the national leader in industrial hemp production.

House Bill 333. HB 333, which received final passage in the House of Representatives last night, removes any remaining doubt that cannabidiol (CBD) products derived from industrial hemp are legal products and not "marijuana" under state law. Governor Bevin now has 12 days to sign or veto the bill. You can find an unofficial copy of the bill here:

<http://www.lrc.ky.gov/recorddocuments/bill/17RS/HB333/bill.pdf>.

HB 333 addresses a wide variety of drug-enforcement issues, but I want to draw your attention to the specific provisions that amend the law's definition of "marijuana." As you can see, the bill creates two new carve-out exclusions from "marijuana" that specifically pertain to CBD products. See pp. 6-7.

First, Subsection (e) is the provision that is applicable to a variety of CBD products that currently exist here in Kentucky. Subsection (e) excludes from the definition of "marijuana" any "cannabidiol product derived from industrial hemp, as defined in KRS 260.850." KRS 260.850, as amended by Senate Bill 218, borrows the definition of "industrial hemp" that currently appears in federal law: "the plant *Cannabis sativa L.* and any part of such plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis." 7 U.S.C. § 5940(b)(2). The result is that Subsection (e) excludes from the definition of "marijuana" any CBD product that was derived from industrial hemp as defined by federal law.

Next, Subsection (f) is a forward-looking provision that excludes from "marijuana" any "cannabidiol product approved as a prescription medication by the United States Food and Drug Administration." Today, there are no FDA-approved CBD prescription medications on the



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market, but we anticipate that one or more such products will come forward within the next year or two. This subsection makes clear that those products will be legal in Kentucky.

Subsections (a) and (b) mirror provisions that Governor Bevin already signed into law with Senate Bill 218. Subsection (a) provides that a person holding a license from KDA may possess living industrial hemp plants, viable seeds, and any part of the plant, including its leaf material and floral material. Subsection (b) provides that anyone in Kentucky, licensed by KDA or not, may possess industrial hemp materials other than living plants, viable seeds, leaf material and floral material.

HB 333 also leaves in place Subsections (c) and (d), which exempt from the definition of “marijuana” doctor-prescribed CBD treatments and FDA-approved clinical trials and expanded access programs. The result is that there are now six different circumstances – outlined in Subsections (a), (b), (c), (d), (e) and (f) – where a person possessing hemp materials or products can do so without violating the law’s general prohibition against possession of “marijuana.”

Senate Bill 218. This new law took effect immediately after Governor Bevin signed it on March 20, 2017. SB 218 revised the legal framework that the General Assembly enacted in 2013 (Senate Bill 50), to align Kentucky law with the 2014 Farm Bill’s authorization of state-level research pilot programs. In recent weeks we have learned that legislators in other states have come forward with hemp industrial program bills that are modeled on SB 218. It makes me very proud to know that KDA’s program continues to receive recognition as a model that people in other states want to imitate. You can find an unofficial copy of the bill here:

<http://www.lrc.ky.gov/recorddocuments/bill/17RS/SB218/bill.pdf>.

In closing, I want to thank you for everything you do to make KDA’s industrial hemp research pilot program the success that it is. I also want to commend KDA’s Hemp Staff for their tireless efforts to manage the program in an efficient and responsible manner. The success of our expanding industrial hemp program would not be possible without them.

With appreciation,

A handwritten signature in black ink, appearing to read "Ryan Quarles".

Ryan F. Quarles
Commissioner of Agriculture

