

SENATE BILL No. 371

DIGEST OF INTRODUCED BILL

Citations Affected: IC 15-15-13; IC 16-42-28.6; IC 35-48-1.

Synopsis: Industrial hemp commodities and products. Specifies that the definition of "industrial hemp" includes the resins of the Cannabis sativa plant. Allows a person to sell topical and ingestible commodities and products that are derived from industrial hemp if certain conditions are met. Requires the commodities and products to be tested. Requires the state seed commissioner to maintain an Internet web site that lists the topical and ingestible commodities and products that comply with the testing, registration, and labeling requirements. Allows individuals with certain medical conditions that have been diagnosed by a physician to qualify to be on the cannabidiol registry. Specifies that the definitions of: (1) "controlled substance"; (2) "controlled substance analog"; (3) "hashish"; (4) "hash oil"; and (5) "marijuana"; do not include industrial hemp or certain commodities and products that are derived from industrial hemp, do not contain more than 0.3% of tetrahydrocannabinol, and meet the testing, registration, and labeling requirements.

Effective: Upon passage; July 1, 2018.

Doriot

January 4, 2018, read first time and referred to Committee on Corrections and Criminal Law.



Second Regular Session of the 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

SENATE BILL No. 371

A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and animals.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 15-15-13-6, AS ADDED BY P.L.165-2014,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 6. As used in this chapter, "industrial hemp"
4 means:

5 (1) all nonseed parts and varieties of the Cannabis sativa plant,
6 **including resins**, whether growing or not, that contain a crop
7 wide average tetrahydrocannabinol (THC) concentration that does
8 not exceed the lesser of:

9 (A) three-tenths of one percent (0.3%) on a dry weight basis;
10 or

11 (B) the percent based on a dry weight basis determined by the
12 federal Controlled Substances Act (21 U.S.C. 801 et seq.); or

13 (2) any Cannabis sativa seed that is:
14 (A) part of a growing crop;
15 (B) retained by a grower for future planting; or
16 (C) for processing into, or use as, agricultural hemp seed.

17 The term does not include industrial hemp commodities or products.



1 SECTION 2. IC 15-15-13-10, AS ADDED BY P.L.165-2014,
 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2018]: Sec. 10. The amount of any fees charged:

- 4 (1) growers and handlers **under this chapter; and**
 5 (2) **as required under section 18 of this chapter;**

6 by the state seed commissioner ~~under this chapter~~ must be sufficient to
 7 cover the cost of the administration of this chapter, including the cost
 8 of conducting audits and testing.

9 SECTION 3. IC 15-15-13-14, AS ADDED BY P.L.165-2014,
 10 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2018]: Sec. 14. (a) The state seed commissioner shall adopt
 12 rules under IC 4-22-2 to implement and administer this chapter.

13 (b) **The state seed commissioner may adopt emergency rules**
 14 **under IC 4-22-2-37.1 to administer section 18 of this chapter. This**
 15 **subsection expires December 31, 2019.**

16 SECTION 4. IC 15-15-13-18 IS ADDED TO THE INDIANA
 17 CODE AS A NEW SECTION TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2018]: Sec. 18. (a) **Except for commodities**
 19 **and products intended or designed to be inhaled through smoke or**
 20 **vapor, a person may sell topical and ingestible commodities and**
 21 **products that are derived from industrial hemp if the following**
 22 **conditions are met:**

23 (1) **The industrial hemp was grown and processed legally**
 24 **according to the laws of the jurisdiction where it was grown**
 25 **and processed.**

26 (2) **The manufacturer or producer of the commodity or**
 27 **product:**

28 (A) **is registered with the state seed commissioner;**

29 (B) **pays a registration fee that includes the cost of**
 30 **providing random testing; and**

31 (C) **provides information on the commodity or product**
 32 **required by the state seed commissioner, including product**
 33 **lot number or other lot identification.**

34 (3) **The commodity or product meets the testing requirements**
 35 **in subsection (b).**

36 (4) **The commodity or product contains the name of the**
 37 **independent laboratory that tested the commodity or product**
 38 **on:**

39 (A) **the packaging; or**

40 (B) **a tag;**

41 **affixed to the exterior of the commodity or product that can**
 42 **be easily read.**



1 (b) Before a topical or ingestible commodity or product that is
2 derived from industrial hemp may be sold, the commodity or
3 product must be tested by the state seed commissioner or an
4 independent laboratory approved by and registered with the state
5 seed commissioner to test the commodity or product to certify that
6 the commodity or product does not contain:

- 7 (1) more than three-tenths of one percent (0.3%) of
8 tetrahydrocannabinol (THC) by dry weight; and
9 (2) a harmful level of potential contaminants.

10 (c) An independent laboratory certifying the results of the test
11 described in subsection (b) shall forward the certified results to the
12 state seed commissioner in a format and with the information
13 required by the state seed commissioner.

14 (d) For the purpose of testing under this section, an independent
15 laboratory may possess industrial hemp and industrial hemp
16 commodities and products that were grown and processed legally
17 according to the laws of the jurisdiction where they were grown
18 and processed.

19 (e) The state seed commissioner may randomly test topical and
20 ingestible commodities and products that are derived from
21 industrial hemp to verify that the commodity or product meets the
22 requirements in subsection (a). If the state seed commissioner
23 determines the commodity or product does not meet the
24 requirements in subsection (a), the state seed commissioner:

- 25 (1) shall provide the test information to the state police
26 department; and
27 (2) may suspend the registration of the independent
28 laboratory, manufacturer, producer, commodity, or product.

29 (f) The state seed commissioner shall charge fees for the
30 following:

- 31 (1) Testing conducted by the state seed commissioner under
32 this section.
33 (2) Approving and registering independent laboratories.
34 (3) Registering manufacturers and producers of the
35 commodity or product, including fees for random testing.
36 (4) Registering commodities and products that have been
37 tested and approved.

38 (g) The state seed commissioner shall maintain an Internet web
39 site that lists the topical and ingestible commodities and products
40 that comply with the requirements under this section. The state
41 seed commissioner shall consult with the state police department
42 to determine the information and format of the information that



1 **must be displayed on the Internet web site to assist law**
 2 **enforcement officers in determining the commodities and products**
 3 **that comply with this section.**

4 SECTION 5. IC 16-42-28.6-0.5 IS ADDED TO THE INDIANA
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS
 6 [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. As used in this chapter,**
 7 **"approved medical condition" means any of the following medical**
 8 **conditions that have been diagnosed by a physician:**

- 9 (1) **Amyotrophic lateral sclerosis (ALS).**
 10 (2) **Crohn's disease.**
 11 (3) **Mitochondrial disease.**
 12 (4) **Multiple sclerosis.**
 13 (5) **Parkinson's disease.**
 14 (6) **Sickle cell disease.**
 15 (7) **A medical condition approved by the state department**
 16 **under section 11(b) of this chapter.**

17 SECTION 6. IC 16-42-28.6-2, AS ADDED BY P.L.188-2017,
 18 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]: Sec. 2. As used in this chapter, "caregiver" means
 20 a parent or legal guardian of an individual who has been diagnosed
 21 with treatment resistant epilepsy **or an approved medical condition**
 22 by a physician.

23 SECTION 7. IC 16-42-28.6-3, AS ADDED BY P.L.188-2017,
 24 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 UPON PASSAGE]: Sec. 3. As used in this chapter, "patient" refers to
 26 an individual who has been diagnosed with treatment resistant epilepsy
 27 **or an approved medical condition** by a physician.

28 SECTION 8. IC 16-42-28.6-4, AS ADDED BY P.L.188-2017,
 29 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 UPON PASSAGE]: Sec. 4. As used in this chapter, "physician" means
 31 an individual who

- 32 (†) is licensed under IC 25-22.5. ~~and~~
 33 (‡) is ~~board certified in neurology.~~

34 SECTION 9. IC 16-42-28.6-7, AS ADDED BY P.L.188-2017,
 35 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 7. (a) The state department shall develop and
 37 implement a cannabidiol registry for the registration of:

- 38 (1) patients; and
 39 (2) caregivers;

40 for the use of a substance containing cannabidiol in the treatment of
 41 patients who have been diagnosed with treatment resistant epilepsy **or**
 42 **an approved medical condition.**



1 (b) The cannabidiol registry must include a secure, electronic online
 2 data base that is accessible by law enforcement agencies in order to
 3 verify the registration of an individual.

4 (c) The state department shall register and issue an individual
 5 described in subsection (a) a registration card under this section only
 6 if the individual meets the following requirements:

7 (1) The individual is:

8 (A) a caregiver at least eighteen (18) years of age; or

9 (B) a patient.

10 (2) The individual is an Indiana resident.

11 (3) The individual provides a certified statement by a physician
 12 that the patient or a patient in the care of the caregiver has been
 13 examined and diagnosed by the physician to have treatment
 14 resistant epilepsy **or an approved medical condition.**

15 (4) The patient submits a completed registration application.

16 (5) The patient pays the registration fee set by the state
 17 department.

18 (d) The state department shall develop the cannabidiol registration
 19 application. The registration application for a caregiver must ask for
 20 the following information:

21 (1) The caregiver's name, address, and relationship to the patient.

22 (2) The patient's name and address.

23 (3) A copy of the caregiver's valid government issued photo
 24 identification card.

25 (4) The name and business address of the physician who
 26 diagnosed the patient with treatment resistant epilepsy **or an**
 27 **approved medical condition.**

28 (5) Any other relevant information the state department considers
 29 necessary to implement this section.

30 (e) The state department shall charge a registration fee of not more
 31 than fifty dollars (\$50) for an individual's initial registration under this
 32 section to cover the costs of implementing and administering the
 33 cannabidiol registry. The state department may adopt rules under
 34 IC 4-22-2 permitting a fee reduction or fee waiver for a patient who is
 35 indigent.

36 (f) Registration under this section is valid for one (1) year from the
 37 date of issuance, unless the physician requests a shorter expiration date.
 38 The state department shall renew registration under this section for an
 39 individual if the initial registration is current or has been updated by
 40 the individual and the individual continues to meet the registration
 41 requirements under this chapter. The state department shall charge a
 42 renewal fee of not more than twenty-five dollars (\$25). The state



1 department may adopt rules under IC 4-22-2 permitting a fee reduction
2 or fee waiver for a patient who is indigent.

3 (g) The state department may execute a contract with a vendor
4 designated by the state department to perform any function associated
5 with the administration of the cannabidiol registry.

6 SECTION 10. IC 16-42-28.6-11, AS ADDED BY P.L.188-2017,
7 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 UPON PASSAGE]: Sec. 11. (a) The state department may adopt rules
9 under IC 4-22-2 necessary to implement this chapter.

10 (b) **The state department may adopt rules under IC 4-22-2 to**
11 **add other medical conditions that qualify an individual to be on the**
12 **cannabidiol registry.**

13 SECTION 11. IC 35-48-1-9 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 9. (a) "Controlled
15 substance" means a drug, substance, or immediate precursor in
16 schedule I, II, III, IV, or V under:

17 (1) IC 35-48-2-4, IC 35-48-2-6, IC 35-48-2-8, IC 35-48-2-10, or
18 IC 35-48-2-12, if IC 35-48-2-14 does not apply; or

19 (2) a rule adopted by the board, if IC 35-48-2-14 applies.

20 (b) **The term does not include the following:**

21 (1) **Industrial hemp (as defined by IC 15-15-13-6).**

22 (2) **Commodities and products, including topical or ingestible**
23 **consumer products, that:**

24 (A) **are derived from industrial hemp (as defined by**
25 **IC 15-15-13-6), including products containing cannabidiol**
26 **(as defined by IC 16-42-28.6-1);**

27 (B) **do not contain more than three-tenths of one percent**
28 **(0.3%) of tetrahydrocannabinol (THC) by dry weight; and**

29 (C) **if the commodity or product is topical or ingestible,**
30 **meet the testing, registration, and labeling requirements**
31 **under IC 15-15-13-18.**

32 **However, the commodities and products under this**
33 **subdivision do not include commodities and products intended**
34 **or designed to be inhaled through smoke or vapor.**

35 SECTION 12. IC 35-48-1-9.3 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 9.3. (a) "Controlled
37 substance analog" means a substance:

38 (1) the chemical structure of which is substantially similar to that
39 of a controlled substance included in schedule I or II and that has;
40 or

41 (2) that a person represents or intends to have;

42 a narcotic, stimulant, depressant, or hallucinogenic effect on the central



1 nervous system substantially similar to or greater than the narcotic,
 2 stimulant, depressant, or hallucinogenic effect on the central nervous
 3 system of a controlled substance included in schedule I or II.

4 (b) The definition set forth in subsection (a) does not include **the**
 5 **following:**

6 (1) A controlled substance.

7 (2) A substance for which there is an approved new drug
 8 application.

9 (3) A substance for which an exemption is in effect for
 10 investigational use by a person under Section 505 of the federal
 11 Food, Drug and Cosmetic Act (chapter 675, 52 Stat. 1052 (21
 12 U.S.C. 355)), to the extent that conduct with respect to the
 13 substance is permitted under the exemption. ~~or~~

14 (4) A substance to the extent not intended for human consumption
 15 before an exemption takes effect regarding the substance.

16 **(5) Industrial hemp (as defined by IC 15-15-13-6).**

17 **(6) Commodities and products, including topical or ingestible**
 18 **consumer products, that:**

19 (A) are derived from industrial hemp (as defined by
 20 IC 15-15-13-6), including products containing cannabidiol
 21 (as defined by IC 16-42-28.6-1);

22 (B) do not contain more than three-tenths of one percent
 23 (0.3%) of tetrahydrocannabinol (THC) by dry weight; and

24 (C) if the commodity or product is topical or ingestible,
 25 meet the testing, registration, and labeling requirements
 26 under IC 15-15-13-18.

27 **However, the commodities and products under this**
 28 **subdivision do not include commodities and products intended**
 29 **or designed to be inhaled through smoke or vapor.**

30 SECTION 13. IC 35-48-1-16.7 IS ADDED TO THE INDIANA
 31 CODE AS A NEW SECTION TO READ AS FOLLOWS
 32 [EFFECTIVE JULY 1, 2018]: **Sec. 16.7. (a) "Hashish" means the**
 33 **resin extracted from the plant genus Cannabis in a dry or solid**
 34 **form.**

35 **(b) The term does not include the following:**

36 **(1) Industrial hemp (as defined by IC 15-15-13-6).**

37 **(2) Commodities and products, including topical or ingestible**
 38 **consumer products, that:**

39 (A) are derived from industrial hemp (as defined by
 40 IC 15-15-13-6), including products containing cannabidiol
 41 (as defined by IC 16-42-28.6-1);

42 (B) do not contain more than three-tenths of one percent



1 **(0.3%) of tetrahydrocannabinol (THC) by dry weight; and**
 2 **(C) if the commodity or product is topical or ingestible,**
 3 **meet the testing, registration, and labeling requirements**
 4 **under IC 15-15-13-18.**

5 **However, the commodities and products under this**
 6 **subdivision do not include commodities and products intended**
 7 **or designed to be inhaled through smoke or vapor.**

8 SECTION 14. IC 35-48-1-16.8 IS ADDED TO THE INDIANA
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS
 10 [EFFECTIVE JULY 1, 2018]: **Sec. 16.8. (a) "Hash oil" means the**
 11 **resin extracted from the plant genus Cannabis in a liquid**
 12 **concentrate, liquid extract, or liquid distillate form.**

13 **(b) The term does not include the following:**

14 **(1) Industrial hemp (as defined by IC 15-15-13-6).**

15 **(2) Commodities and products, including topical or ingestible**
 16 **consumer products, that:**

17 **(A) are derived from industrial hemp (as defined by**
 18 **IC 15-15-13-6), including products containing cannabidiol**
 19 **(as defined by IC 16-42-28.6-1);**

20 **(B) do not contain more than three-tenths of one percent**
 21 **(0.3%) of tetrahydrocannabinol (THC) by dry weight; and**
 22 **(C) if the commodity or product is topical or ingestible,**
 23 **meet the testing, registration, and labeling requirements**
 24 **under IC 15-15-13-18.**

25 **However, the commodities and products under this**
 26 **subdivision do not include commodities and products intended**
 27 **or designed to be inhaled through smoke or vapor.**

28 SECTION 15. IC 35-48-1-19, AS AMENDED BY P.L.165-2014,
 29 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2018]: **Sec. 19. (a) "Marijuana" means any part of the plant**
 31 **genus Cannabis whether growing or not; the seeds thereof; the resin**
 32 **extracted from any part of the plant, including hashish and hash oil; any**
 33 **compound, manufacture, salt, derivative, mixture, or preparation of the**
 34 **plant, its seeds or resin.**

35 **(b) The term does not include the following:**

36 **(1) The mature stalks of the plant.**

37 **(2) Fiber produced from the stalks.**

38 **(3) Oil or cake made from the seeds of the plant.**

39 **(4) Any other compound, manufacture, salt, derivative, mixture,**
 40 **or preparation of the mature stalks (except the resin extracted**
 41 **therefrom).**

42 **(5) The sterilized seed of the plant which is incapable of**



1 germination. or
2 (6) Industrial hemp (as defined by IC 15-15-13-6).
3 **(7) Commodities and products, including topical or ingestible**
4 **consumer products, that:**
5 (A) are derived from industrial hemp (as defined by
6 IC 15-15-13-6), including products containing cannabidiol
7 (as defined by IC 16-42-28.6-1);
8 (B) do not contain more than three-tenths of one percent
9 (0.3%) of tetrahydrocannabinol (THC) by dry weight; and
10 (C) if the commodity or product is topical or ingestible,
11 meet the testing, registration, and labeling requirements
12 under IC 15-15-13-18.
13 However, the commodities and products under this
14 subdivision do not include commodities and products intended
15 or designed to be inhaled through smoke or vapor.
16 SECTION 16. An emergency is declared for this act.

