

AN ACT concerning agriculture.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 1. Short title. This Act may be cited as the Industrial Hemp Act.

Section 5. Definitions. In this Act:

"Department" means the Department of Agriculture.

"Director" means the Director of Agriculture.

"Industrial hemp" means the plant *Cannabis sativa* L. and any part of that plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis that has been cultivated under a license issued under this Act or is otherwise lawfully present in this State, and includes any intermediate or finished product made or derived from industrial hemp.

"Land area" means a farm as defined in Section 1-60 of the Property Tax Code in this State or land or facilities under the control of an institution of higher education.

"Person" means any individual, partnership, firm, corporation, company, society, association, the State or any department, agency, or subdivision thereof, or any other entity.

"Process" means the conversion of raw industrial hemp plant

material into a form that is presently legal to import from outside the United States under federal law.

"THC" means delta-9 tetrahydrocannabinol.

Section 10. Licenses and registration.

(a) Under Section 5940 of Title 7 of the United States Code, no person shall cultivate industrial hemp in this State without a license issued by the Department.

(b) The application for a license shall include:

(1) the name and address of the applicant;

(2) the legal description of the land area, including Global Positioning System coordinates, to be used to cultivate industrial hemp; and

(3) if federal law requires a research purpose for the cultivation of industrial hemp, a description of one or more research purposes planned for the cultivation of industrial hemp which may include the study of the growth, cultivation, or marketing of industrial hemp; however, the research purpose requirement shall not be construed to limit the commercial sale of industrial hemp.

(b-5) A person shall not process industrial hemp in this State without registering with the Department on a form prescribed by the Department.

(c) The Department may determine, by rule, the duration of a license or registration; application, registration, and license fees; and the requirements for license or registration

renewal.

Section 15. Rules.

(a) The application and licensing requirements shall be determined by the Department and set by rule within 120 days of the effective date of this Act.

(b) The rules set by the Department shall include one yearly inspection of a licensed industrial hemp cultivation operation and allow for additional unannounced inspections of a licensed industrial hemp cultivation operation at the Department's discretion.

(c) The Department shall adopt rules necessary for the administration and enforcement of this Act, including rules concerning standards and criteria for licensure and registration, for the payment of applicable fees, signage, and for forms required for the administration of this Act.

(d) The Department shall adopt rules for the testing of the industrial hemp THC levels and the disposal of plant matter exceeding lawful THC levels, including an option for a cultivator to retest for a minor violation, with the retest threshold determined by the Department and set in rule. Those rules may provide for the use of seed certified to meet the THC levels mandated by this Act as an alternative to testing.

Section 17. Administrative hearings. Administrative hearings involving licensees under this Act shall be conducted

under the Department's rules governing formal administrative proceedings.

Section 18. Industrial Hemp Regulatory Fund. There is created in the State treasury a special fund to be known as the Industrial Hemp Regulatory Fund. All fees and fines collected by the Department under this Act shall be deposited into the Fund. Moneys in the Fund shall be utilized by the Department for the purposes of implementation, administration, and enforcement of this Act.

Section 19. Immunity. Except for willful or wanton misconduct, a person employed by the Department shall not be subject to criminal or civil penalties for taking any action under this Act when the actions are within the scope of his or her employment. Representation and indemnification of Department employees shall be provided to Department employees as set forth in Section 2 of the State Employee Indemnification Act.

Section 20. Hemp products. Nothing in this Act shall alter the legality of hemp or hemp products that are presently legal to possess or own.

Section 25. Violation of federal law. Nothing in this Act shall be construed to authorize any person to violate federal

rules, regulations, or laws. If any part of this Act conflicts with a provision of the federal laws regarding industrial hemp, the federal provisions shall control to the extent of the conflict.

Section 895. The State Finance Act is amended by adding Section 5.886 as follows:

(30 ILCS 105/5.886 new)

Sec. 5.886. The Industrial Hemp Regulatory Fund.

Section 900. The Illinois Noxious Weed Law is amended by changing Section 2 as follows:

(505 ILCS 100/2) (from Ch. 5, par. 952)

Sec. 2. As used in this Act:

(1) "Person" means any individual, partnership, firm, corporation, company, society, association, the State or any department, agency, or subdivision thereof, or any other entity.

(2) "Control", "controlled" or "controlling" includes being in charge of or being in possession, whether as owner, lessee, renter, or tenant, under statutory authority, or otherwise.

(3) "Director" means the Director of the Department of Agriculture of the State of Illinois, or his or her duly

appointed representative.

(4) "Department" means the Department of Agriculture of the State of Illinois.

(5) "Noxious weed" means any plant which is determined by the Director, the Dean of the College of Agricultural, Consumer and Environmental Sciences of the University of Illinois and the Director of the Agricultural Experiment Station at the University of Illinois, to be injurious to public health, crops, livestock, land or other property. "Noxious weed" does not include industrial hemp as defined and authorized under the Industrial Hemp Act.

(6) "Control Authority" means the governing body of each county, and shall represent all rural areas and cities, villages and townships within the county boundaries.

(7) "Applicable fund" means the fund current at the time the work is performed or the money is received.

(Source: P.A. 99-539, eff. 7-8-16.)

Section 905. The Cannabis Control Act is amended by changing Sections 3 and 8 as follows:

(720 ILCS 550/3) (from Ch. 56 1/2, par. 703)

Sec. 3. As used in this Act, unless the context otherwise requires:

(a) "Cannabis" includes marihuana, hashish and other substances which are identified as including any parts of the

plant Cannabis Sativa, whether growing or not; the seeds thereof, the resin extracted from any part of such plant; and any compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin, including tetrahydrocannabinol (THC) and all other cannabinol derivatives, including its naturally occurring or synthetically produced ingredients, whether produced directly or indirectly by extraction, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil or cake, or the sterilized seed of such plant which is incapable of germination. "Cannabis" does not include industrial hemp as defined and authorized under the Industrial Hemp Act.

(b) "Casual delivery" means the delivery of not more than 10 grams of any substance containing cannabis without consideration.

(c) "Department" means the Illinois Department of Human Services (as successor to the Department of Alcoholism and Substance Abuse) or its successor agency.

(d) "Deliver" or "delivery" means the actual, constructive or attempted transfer of possession of cannabis, with or without consideration, whether or not there is an agency

relationship.

(e) "Department of State Police" means the Department of State Police of the State of Illinois or its successor agency.

(f) "Director" means the Director of the Department of State Police or his designated agent.

(g) "Local authorities" means a duly organized State, county, or municipal peace unit or police force.

(h) "Manufacture" means the production, preparation, propagation, compounding, conversion or processing of cannabis, either directly or indirectly, by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of cannabis or labeling of its container, except that this term does not include the preparation, compounding, packaging, or labeling of cannabis as an incident to lawful research, teaching, or chemical analysis and not for sale.

(i) "Person" means any individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other entity.

(j) "Produce" or "production" means planting, cultivating, tending or harvesting.

(k) "State" includes the State of Illinois and any state, district, commonwealth, territory, insular possession thereof, and any area subject to the legal authority of the United States of America.

(1) "Subsequent offense" means an offense under this Act, the offender of which, prior to his conviction of the offense, has at any time been convicted under this Act or under any laws of the United States or of any state relating to cannabis, or any controlled substance as defined in the Illinois Controlled Substances Act.

(Source: P.A. 89-507, eff. 7-1-97.)

Section 999. Effective date. This Act takes effect upon becoming law.