AN ACT relating to hemp.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 260.850 is amended to read as follows:

As used in KRS 260.850 to 260.869:

1. "Commissioner" means the Commissioner of the Kentucky Department of Agriculture;
2. "Cultivating" means planting, growing, and harvesting a plant or crop;
3. "Department" means the Kentucky Department of Agriculture;
4. "Handling" means possessing or storing hemp for any period of time on premises owned, operated, or controlled by a person licensed to cultivate or process hemp. "Handling" also includes possessing or storing hemp in a vehicle for any period of time other than during its actual transport from the premises of a licensed person to cultivate or process hemp to the premises of another licensed person;
5. "Hemp" or "industrial hemp" means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than [three tenths of one percent (1%)(0.3%)] on a dry weight basis;
6. "Hemp products" or "industrial hemp products" means products derived from, or made by, processing hemp plants or plant parts;
7. "Licensee" means an individual or business entity possessing a license issued by the department under the authority of this chapter to grow, handle, cultivate, process, or market hemp or hemp products;
8. "Marketing" means promoting or selling a product within the Commonwealth, in another state, or outside of the United States. "Marketing" includes efforts to advertise and gather information about the needs or preferences of potential consumers or suppliers;
"Processing" means converting an agricultural commodity into a marketable form; and

"University" means an accredited institution of higher education located in the Commonwealth.

Section 2. KRS 260.858 is amended to read as follows:

(1) Notwithstanding any other provision of law to the contrary, it is lawful for a licensee, or his or her agent, to cultivate, handle, or process hemp or hemp products in the Commonwealth.

(2) It is unlawful for a person who does not hold a license issued by the department, or who is not an agent of a licensee, to cultivate, handle, process, or market living hemp plants or viable seeds, leaf materials, or floral materials derived from hemp. Penalties for persons who cultivate, handle, process, or market living hemp plants or viable seeds, leaf materials, or floral materials derived from hemp without a license are the same as those penalties that are applicable to persons who violate KRS Chapter 218A, relating to marijuana.

(3) It is unlawful for a person who does not hold a license issued by the department, or who is not an agent of a licensee, to possess hemp extract material having a delta-9 tetrahydrocannabinol concentration in excess of one percent (1%) [(0.3%)]. Penalties for persons who possess such hemp extract materials without a license are the same as those penalties that are applicable to persons who violate KRS Chapter 218A, relating to marijuana.

(4) Nothing in this chapter authorizes any person to violate any federal or state law or regulation.

Section 3. KRS 260.8635 is amended to read as follows:

(1) As used in this section, "location" means a single contiguous parcel of land and any buildings situated thereon.

(2) No person shall move or transport, or aid or abet another person in moving or
transporting, any hemp extract material having a delta-9 tetrahydrocannabinol concentration in excess of \[ \text{three-tenths of one percent (1\%)} \ (0.3\%): \]

(a) From any location outside the Commonwealth to any location within the Commonwealth;

(b) From any location inside the Commonwealth to any location outside the Commonwealth; or

(c) Except as provided in subsection (3) of this section, from any location inside the Commonwealth to any other location inside the Commonwealth.

(3) A licensed processor, or a person acting as a representative of a licensed processor, may move or transport hemp extract material having a delta-9 tetrahydrocannabinol concentration in excess of \[ \text{three-tenths of one percent (1\%)} \ (0.3\%): \] from one (1) licensed processing location in the Commonwealth to another licensed processing location in the Commonwealth, provided that:

(a) The hemp extract material shall move directly from one (1) licensed processing location to another; and

(b) The licensed processor shall provide written notice to the department of the planned movement at least twenty-four (24) hours in advance to include the following information:

1. The date of the movement;

2. The address of the origin;

3. The address of the destination; and

4. Other information required by the department.