

**260.853 Promotion of research and development of markets for Kentucky industrial hemp and hemp products -- Responsibilities of the commission -- Establishment of five year research program -- Demonstration plots overseen by University of Kentucky Agricultural Experiment Station -- Research into new energy technologies -- Coordination with universities and the Cabinet for Economic Development -- Exemption from criminal liability -- Annual report.**

- (1) The commission shall promote the research and development of industrial hemp, and commercial markets for Kentucky industrial hemp and hemp products, as provided in this section, to the extent that adequate funds are available and are approved by the commission for these purposes from the industrial hemp program fund. The commission shall work cooperatively with selected Kentucky university or universities' agricultural research programs utilizing the expertise of the university or universities in the area of agricultural research.
- (2) In addition to its other pursuits, the commission shall undertake research of industrial hemp production through the establishment and oversight of a five (5) year industrial hemp research program, to be directly managed by the University of Kentucky Agricultural Experiment Station, to the extent that adequate funds are available for the program from the industrial hemp program fund. This research program shall consist primarily of demonstration plots planted and cultivated in this state by selected growers, which shall be required to be licensed by the commission pursuant to KRS 260.854 prior to planting any industrial hemp.
- (3) The commission shall pursue any permits or waivers from the United States Drug Enforcement Agency or appropriate federal agency that are necessary for the advancement of the industrial hemp research program.
- (4) As part of the industrial hemp research program the commission shall, through the University of Kentucky Agricultural Experiment Station and in collaboration with the University of Louisville, the various comprehensive universities as defined in KRS 164.001, to the greatest extent possible according to the particular area of research expertise of each university, and other research partners:
  - (a) Oversee and analyze the growth of industrial hemp by selected and licensed growers, for agronomy research and analysis of required soils, growing conditions, and harvest methods relating to the production of various varieties of industrial hemp that may be suitable for various commercial hemp products;
  - (b) Conduct seed research on various types of industrial hemp that are best suited to be grown in Kentucky, including but not limited to seed availability, creation of Kentucky hybrid types, in-the-ground variety trials and seed production, and establish a program to recognize certain industrial hemp seed as being Kentucky heritage hemp seed;
  - (c) Study the economic feasibility of developing an industrial hemp market in various types of industrial hemp that can be grown in the Commonwealth;
  - (d) Report on the estimated value-added benefits, including environmental benefits, that Kentucky businesses would reap by having an industrial

hemp market of Kentucky-grown industrial hemp varieties in the Commonwealth;

- (e) Study the agronomy research being conducted worldwide relating to industrial hemp varieties, production, and utilization;
  - (f) Research and promote Kentucky industrial hemp and hemp seed on the world market that can be grown on farms in the Commonwealth; and
  - (g) Study the feasibility of attracting federal and private funding for the Kentucky industrial hemp research program.
- (5) In addition to the research and analysis outlined in subsection (4) of this section, the commission shall:
- (a) Coordinate with the University of Kentucky Center for Applied Energy Research to study the use of industrial hemp in new energy technologies. This research shall include but not be limited to:
    - 1. Evaluation of the use of industrial hemp to generate electricity, and to produce biofuels and other forms of energy resources;
    - 2. Growth of industrial hemp on reclaimed mine sites;
    - 3. Use of hemp seed oil in the production of fuels; and
    - 4. An assessment of the production costs, environmental issues, and costs and benefits involved with the use of industrial hemp for energy; and
  - (b) Coordinate with the Cabinet for Economic Development to promote awareness of the financial incentives that may be available to agribusiness and manufacturing companies that manufacture industrial hemp into hemp products, as provided through the Kentucky Business Investment program pursuant to Subchapter 32 of KRS Chapter 154, in order to diversify the agricultural economy of the Commonwealth, attract new businesses to the state, create new job opportunities for Kentucky residents, and create a commercial market for industrial hemp.
- (6) The research activities outlined in subsections(4) and (5) of this section shall not:
- (a) Subject the industrial hemp research program to any criminal liability under the controlled substances laws of the Commonwealth. This exemption from criminal liability is a limited exemption that shall be strictly construed and that shall not apply to any activities of the industrial hemp research program that are not expressly permitted in the authorization; or
  - (b) Alter, amend, or repeal by implication any provision of the Kentucky Revised Statutes relating to controlled substances.
- (7) The commission shall notify the Department of Kentucky State Police and all local law enforcement agencies of the duration, size, and location of all industrial hemp demonstration plots.
- (8) The commission may cooperatively seek funds from both public and private sources to implement the industrial hemp research program. The funds shall be deposited into the industrial hemp program fund.
- (9) By December 31, 2013, and annually thereafter, the commission shall report on the status and progress of the industrial hemp research program to the

Governor and to the Legislative Research Commission.

**Effective:** June 25, 2013

**History:** Amended 2013 Ky. Acts ch. 134, sec. 4, effective June 25, 2013. -- Amended 2010 Ky. Acts ch. 135, sec. 8, effective July 15, 2010. -- Amended 2007 Ky. Acts ch. 85, sec. 277, effective June 26, 2007. -- Created 2001 Ky. Acts ch. 138, sec. 3, effective June 21, 2001.