

HOUSE AGRICULTURE AND WATER RESOURCES COMMITTEE SUBSTITUTE FOR
HOUSE BILL 565

50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

AN ACT

RELATING TO AGRICULTURE; PROVIDING FOR LICENSING THE GROWING,
SELLING AND PROCESSING OF INDUSTRIAL HEMP; ESTABLISHING FEES;
PROVIDING FOR ADMINISTRATIVE MONITORING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**SECTION 1. RULES TO ENCOURAGE GROWTH AND SALES OF
INDUSTRIAL SANTHICA--REGISTRATION.--**The New Mexico department
of agriculture shall:

A. provide for registration of Santhica plants and
seeds and act as a monitoring and marketing agency for growers
of Santhica and of other hemp varieties that are THC-free; and

B. determine rules to encourage growth and sales of
industrial Santhica and ensure the participation by and
inclusion of individual farmers, agricultural cooperatives and
businesses in the rulemaking process.

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1 SECTION 2. LICENSE--FEES.--

2 A. A person or business planning to grow and sell
3 industrial Santhica seed or industrial Santhica fiber shall
4 obtain a grower's license by submitting an application to the
5 New Mexico department of agriculture containing the following:

6 (1) the name and address of the applicant;

7 (2) the location and legal description of the
8 land to be used for the production of industrial Santhica and
9 the name and address of the person holding title to the land on
10 which the industrial Santhica will be planted;

11 (3) authorization of field inspections and
12 certification at the time of sale; and

13 (4) a nonrefundable application or renewal fee
14 of no more than one hundred fifty dollars (\$150).

15 B. A grower shall maintain records showing:

16 (1) the origin of the seed purchased and
17 planted;

18 (2) the quantity of the seed purchased and
19 planted;

20 (3) the amount of industrial Santhica
21 harvested and sold; and

22 (4) buyers and recipients of the industrial
23 Santhica plants, fiber and seed.

24 C. The New Mexico department of agriculture shall
25 help to ensure availability of seed. The department shall:

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1 (1) maintain an authorized list of certified
2 seed sources for industrial Santhica;

3 (2) certify industrial Santhica seed obtained
4 from other sources;

5 (3) maintain a list of growers and processors
6 for whom seed has been provided; and

7 (4) maintain a list of growers and processors.

8 D. The New Mexico department of agriculture may
9 enter into joint powers agreements with an Indian nation, tribe
10 or pueblo to share information, to provide technical assistance
11 and to generally cooperate with the Indian nation, tribe or
12 pueblo to facilitate the production of industrial Santhica.

13 E. The New Mexico department of agriculture may
14 revoke or suspend the license of a grower if there is
15 substantial evidence of violations of the provisions of or
16 rules adopted pursuant to this 2011 act.

17 F. Fees collected pursuant to this section are
18 appropriated to the New Mexico department of agriculture to
19 carry out the provisions of this 2011 act, including assistance
20 to Indian tribes, nations and pueblos in New Mexico.

21 **SECTION 3. DEPARTMENT OF PUBLIC SAFETY--DUTIES AND**
22 **POWERS.--**The department of public safety:

23 A. shall inspect growing fields and processing
24 facilities upon verifiable evidence that a designated
25 industrial Santhica field is unlicensed and is in violation of

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1 this 2011 act; and

2 B. may enter into joint powers agreements with an
3 Indian nation, tribe or pueblo to share information, to provide
4 technical assistance and to generally cooperate with the Indian
5 nation, tribe or pueblo to facilitate the production of
6 industrial Santhica on tribal land.

7 SECTION 4. COOPERATION BETWEEN AGENCIES.--The New Mexico
8 department of agriculture and the department of public safety
9 shall cooperate fully with one another to implement and enforce
10 the provisions of this 2011 act.

11 SECTION 5. EFFECTIVE DATE.--The effective date of the
12 provisions of this act is July 1, 2011.