

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SIXTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1219**

Introduced by Wayne, 13.

Read first time January 23, 2020

Committee: Agriculture

1 A BILL FOR AN ACT relating to hemp; to amend section 28-401.01, Revised  
2 Statutes Cumulative Supplement, 2018, and sections 2-501, 2-503,  
3 2-504, 2-505, 2-506, 2-509, 2-514, 2-515, 2-516, 2-517, 28-101, and  
4 28-401, Revised Statutes Supplement, 2019; to provide, change, and  
5 eliminate definitions; to change authorized activities relating to  
6 hemp; to change and provide duties for the Department of  
7 Agriculture; to change requirements for the transportation of hemp;  
8 to change provisions relating to appointment of and to the Nebraska  
9 Hemp Commission; to provide for no preemption of certain local  
10 regulation; to change provisions of the Uniform Controlled  
11 Substances Act; to prohibit the sale of post-processed hemp and  
12 consumable hemp products to minors and prohibit the possession of  
13 such hemp or products by minors; to provide for labeling  
14 requirements; to prohibit the manufacture of consumable hemp  
15 products for sale within Nebraska; to prohibit the distribution of  
16 consumable hemp products within Nebraska; to provide penalties; to  
17 adopt the Nebraska Hemp Transportation and Sales Licensing Act; to  
18 harmonize provisions; to provide operative dates; and to repeal the  
19 original sections.  
20 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 2-501, Revised Statutes Supplement, 2019, is  
2 amended to read:

3 2-501 Sections 2-501 to 2-519 and sections 9 and 12 of this act  
4 shall be known and may be cited as the Nebraska Hemp Farming Act.

5 Sec. 2. Section 2-503, Revised Statutes Supplement, 2019, is amended  
6 to read:

7 2-503 For purposes of the Nebraska Hemp Farming Act:

8 (1) Agriculture Improvement Act of 2018 means section 10113 of the  
9 federal Agriculture Improvement Act of 2018, Public Law 115-334, and any  
10 regulations adopted and promulgated under such section, as such section,  
11 act, and regulations existed on January 1, 2020;

12 (2) Approved testing facility means a testing facility approved by  
13 the department;

14 (3) ~~(1)~~ Broker means a person who engages or participates in the  
15 marketing of hemp by acting as an intermediary or negotiator between  
16 prospective buyers and sellers;

17 (4) Cannabidiol or CBD means processed cannabis plant extract, oil,  
18 or resin that contains more than ten percent cannabidiol by weight, but  
19 not more than 0.3 percent THC by weight, and delivered in the form of a  
20 liquid or solid dosage;

21 (5) ~~(2)~~ Commercial sale means the sale of products in the stream of  
22 commerce, at retail, wholesale, and online;

23 (6) ~~(3)~~ Commission means the Nebraska Hemp Commission;

24 (7) Consumable hemp product means any good, item, or article which  
25 as a whole or in part contains any detectable amount of hemp and which is  
26 designed, created, or intended to be eaten, chewed, drank, inhaled,  
27 injected, ingested, swallowed, snorted, absorbed into the bloodstream, or  
28 otherwise introduced into the human body;

29 (8) ~~(4)~~ Cultivate or cultivating means planting, watering, growing,  
30 and harvesting a hemp plant or crop;

31 (9) ~~(5)~~ Cultivator means a person who cultivates hemp;

1           ~~(10) (6)~~ Department means the Department of Agriculture;

2           ~~(11) (7)~~ Director means the Director of Agriculture or his or her  
3           designee;

4           ~~(8)~~ Federally defined THC level for hemp means a delta-9  
5           tetrahydrocannabinol concentration of not more than 0.3 percent on a dry  
6           weight basis as defined in section 10113 of the federal Agriculture  
7           Improvement Act of 2018, Public Law 115-334, as such section existed on  
8           January 1, 2019;

9           ~~(12) (9)~~ GPS coordinates means latitude and longitude coordinates  
10           derived from a global positioning system;

11           ~~(13) (10)~~ Handle or handling means possessing or storing cultivated  
12           or preprocessed hemp plants for any period of time on premises owned,  
13           operated, or controlled by a person licensed to cultivate or process  
14           hemp. Handle or handling also includes possessing or storing cultivated  
15           or preprocessed hemp plants in a vehicle for any period of time other  
16           than during its actual transport from the premises of a person licensed  
17           to cultivate or process hemp to the premises of another licensee ~~licensed~~  
18           ~~person~~. Handle or handling does not include possessing, storing, or  
19           transporting post-processed hemp, consumable hemp products, or  
20           nonconsumable ~~finished~~ hemp products;

21           ~~(14)(a) (11)~~ Hemp means the plant Cannabis sativa L. and any part of  
22           such plant, including the viable seeds of such plant and all derivatives,  
23           extracts, cannabinoids, including cannabidiol, isomers, acids, salts, and  
24           salts of isomers, whether growing or not, with a delta-9  
25           tetrahydrocannabinol concentration of not more than 0.3 percent on a dry  
26           weight basis. Hemp includes any cultivated portion of the hemp plant  
27           regardless of whether it is in an unadulterated form or been refined or  
28           processed in any manner.

29           (b) Hemp does not include hemp seeds that do not contain any  
30           detectable cannabinoids.

31           (c) Hemp shall be considered an agricultural commodity.

1 Notwithstanding any other provision of law, hemp shall not be considered  
2 a controlled substance under the Uniform Controlled Substances Act;

3 (15) (12) Licensee means an individual or a business entity  
4 possessing a license issued by the department under the Nebraska Hemp  
5 Farming Act to cultivate, handle, process, or broker hemp;

6 (16) (13) Location ID means the unique identifier established by a  
7 licensee for each unique set of GPS coordinates where hemp is cultivated,  
8 handled, or processed;

9 ~~(14) Nebraska heirloom cannabis plant or seed means a hemp plant or~~  
10 ~~seed from the plant Cannabis sativa L. that possesses characteristics of~~  
11 ~~a unique and specialized cannabis seed variety that is present in~~  
12 ~~Nebraska or has been recognized as produced in Nebraska;~~

13 (17) Nonconsumable hemp product means any good, item, or article  
14 containing any detectable amount of hemp and which is not designed,  
15 created, or intended to be eaten, chewed, drank, inhaled, injected,  
16 ingested, swallowed, snorted, absorbed into the bloodstream, or otherwise  
17 introduced into the human body. Nonconsumable hemp products include: (a)  
18 Items which may be applied topically to the human body and that are not  
19 intended or designed to be absorbed into the human bloodstream,  
20 including, but not limited to, creams, lotions, ointments, cosmetics,  
21 shampoos, and soaps; (b) cloth or clothing; (c) cordage; (d) fiber; (e)  
22 fuel; (f) paint; (g) paper; (h) particleboard; (i) plastics; and (j) any  
23 other consumer or industrial product that is not intended for or  
24 ordinarily capable of human consumption;

25 (18) (15) Person means an individual, partnership, corporation,  
26 limited liability company, association, postsecondary institution, or  
27 other legal entity;

28 (19) Post-processed hemp means:

29 (a) Any hemp seeds containing detectable cannabinoids which are not  
30 intended for planting and cultivation; or

31 (b) Harvested raw hemp plant material that has been subjected to

1 some form of processing, separation, or extraction, including any  
2 harvested buds, isolated cannabinoids, extracts, fiber, or seeds  
3 containing cannabinoids which are obtained from raw hemp plant material;

4 (20) (16) Postsecondary institution means a postsecondary  
5 institution as defined in section 85-2403 that also meets the  
6 requirements of 20 U.S.C. 1001, as such section existed on January 1,  
7 2019;

8 (21) Preprocessed hemp means any:

9 (a) Hemp seeds containing any detectable cannabinoids intended for  
10 planting and cultivation; or

11 (b) Raw hemp plant material that is in the process of cultivation or  
12 that has been harvested and that has not yet been subjected to any form  
13 of processing, separation, or extraction;

14 (22) (17) Process or processing means converting hemp into a  
15 marketable commodity, consumable hemp product, or nonconsumable hemp  
16 product form;

17 (23) (18) Processor-handler means a person who handles or processes  
18 hemp and converts it into a marketable commodity, consumable hemp  
19 product, or nonconsumable hemp product;

20 (24) (19) Site means an area defined by the same legal description  
21 in a field, greenhouse, or other outdoor area or indoor structure; and

22 ~~(20) Testing facility means a testing facility approved by the~~  
23 ~~department; and~~

24 (25) (21) THC means tetrahydrocannabinol.

25 Sec. 3. Section 2-504, Revised Statutes Supplement, 2019, is amended  
26 to read:

27 2-504 (1) Subject to the Nebraska Hemp Farming Act Notwithstanding  
28 any other provision of law, it shall be lawful:

29 (a) For a licensee or his or her employee or agent to cultivate,  
30 handle, process, or broker preprocessed hemp in Nebraska and to transport  
31 preprocessed hemp outside of Nebraska; and

1 (b) To possess, transport, sell, and purchase preprocessed lawfully  
2 ~~produced~~ hemp products.

3 (2) The department shall establish, operate, and administer a  
4 program to license and regulate cultivators, processor-handlers, and  
5 brokers that meets the requirements of ~~section 10113~~ of the federal  
6 Agriculture Improvement Act of 2018, ~~Public Law 115-334~~, as such section  
7 existed on ~~January 1, 2019~~, and the Nebraska Hemp Farming Act. ~~Nebraska~~  
8 ~~heirloom cannabis plant or seed not being cultivated for commercial~~  
9 ~~purposes is not subject to the Nebraska Hemp Farming Act.~~

10 (3) The department may adopt and promulgate rules and regulations to  
11 implement the Nebraska Hemp Farming Act and administer programs,  
12 including, but not limited to, the following:

13 (a) Practices to maintain relevant information regarding land where  
14 hemp is cultivated, handled, or processed in the state, including a legal  
15 description of such land, for a period of not less than three calendar  
16 years;

17 (b) Procedures governing the sampling, chain of custody, and testing  
18 of hemp cultivated, handled, or processed in the state;

19 (c) Procedures for the effective destruction of preprocessed hemp  
20 ~~plants~~ cultivated, handled, or sent for processing which violate  
21 ~~processed in violation of the Nebraska Hemp Farming Act~~ as well as any  
22 post-processed hemp, consumable hemp products, or nonconsumable hemp  
23 products which violate the act or any other provision of state law ~~and~~  
24 ~~hemp products made from those plants;~~

25 (d) Procedures implementing enforcement provisions outlined in the  
26 Nebraska Hemp Farming Act, including factors to be considered when  
27 issuing administrative fines;

28 (e) A procedure for conducting, at a minimum, annual inspections of  
29 a random sample of hemp cultivators and processor-handlers to verify that  
30 hemp is not cultivated, processed, or handled in violation of the  
31 Nebraska Hemp Farming Act, other provisions of state law, or the state

1 plan as described in section 2-516. The department may, at its  
2 discretion, conduct other inspections of a cultivator's or processor-  
3 handler's operation, including all sites registered with the department;

4 (f) A procedure for submitting required information to the United  
5 States Secretary of Agriculture not more than thirty days after the  
6 information is received; and

7 (g) Any other standard, practice, or procedure required by the  
8 Nebraska Hemp Farming Act or the federal Agriculture Improvement Act of  
9 2018.

10 Sec. 4. Section 2-505, Revised Statutes Supplement, 2019, is amended  
11 to read:

12 2-505 (1) Hemp may only be cultivated by a person meeting the  
13 requirements of section 2-5701 or in compliance with this section.

14 (2) Before a person may be licensed to cultivate hemp, such person  
15 shall submit an application on a form prescribed by the department that  
16 includes, but is not limited to, the following:

17 (a) If the applicant is an individual, the applicant's full name,  
18 birthdate, mailing address, telephone number, and valid email address;

19 (b) If the applicant is an entity and not an individual, the name of  
20 the applicant, mailing address, telephone number, and valid email  
21 address, the full name of each officer, director, partner, member, or  
22 owner owning in excess of ten percent of equity or stock in such entity,  
23 and the birthdate, title, mailing address, telephone number, and valid  
24 email address of each such person;

25 (c) The proposed acreage to be cultivated or the square footage of a  
26 greenhouse or other indoor space to be cultivated;

27 (d) The street address, legal description, location ID, and GPS  
28 coordinates for each field, greenhouse, building, or other site where  
29 hemp will be cultivated. The site information may be verified by the  
30 department; and

31 (e) Maps depicting each site where hemp will be cultivated, with

1 appropriate indications for entrances, field boundaries, and specific  
2 locations corresponding to the GPS coordinates provided under subdivision  
3 (d) of this subsection.

4 (3) Before a person may be licensed to cultivate hemp, such person  
5 shall submit with the application a nonrefundable application fee as set  
6 by the department pursuant to section 2-508.

7 (4) Before a person may be licensed to cultivate hemp, such person  
8 shall submit with the application a site registration fee as set by the  
9 department pursuant to section 2-508. The site registration fee shall be  
10 paid for each separate site where the applicant will cultivate hemp.  
11 Subsequent modifications to the sites listed in the application shall be  
12 submitted on forms prescribed by the department along with a site  
13 modification fee and shall only take effect upon written approval of the  
14 department. The applicant must certify that all sites where hemp is to be  
15 cultivated are under the control of the applicant and that the department  
16 shall have unlimited access to all such sites.

17 (5) After the department receives approval by the United States  
18 Secretary of Agriculture for the state plan described in section 2-516,  
19 an initial cultivator license application may be submitted at any time,  
20 except that the department may set a cutoff date for applications ahead  
21 of the growing season. An initial cultivator license issued by the  
22 department expires on December 31 in the calendar year for which it was  
23 issued.

24 (6) A renewal application for a license to cultivate hemp shall be  
25 submitted on forms prescribed by the department. A renewal application is  
26 due by December 31 and shall be accompanied by the cultivator license fee  
27 and the site registration fee for all sites listed in the renewal  
28 application. The renewal cultivator license is valid from January 1 or  
29 when the license is granted, whichever is later, through December 31 next  
30 following.

31 (7) A cultivator license shall lapse automatically upon a change of



1 ownership or location, and a new license must be obtained. The licensee  
2 shall promptly provide notice of change in ownership or location to the  
3 department.

4 (8) An application and supporting documents submitted to the  
5 department under this section are not public records subject to  
6 disclosure pursuant to sections 84-712 to 84-712.09. Such information may  
7 be submitted to the United States Department of Agriculture pursuant to  
8 the requirements of ~~section 10113~~ of the federal Agriculture Improvement  
9 Act of 2018, ~~Public Law 115-334~~, as such section existed on January 1,  
10 ~~2019~~, or any other federal statute, rule, or regulation, and may be  
11 submitted to law enforcement.

12 Sec. 5. Section 2-506, Revised Statutes Supplement, 2019, is amended  
13 to read:

14 2-506 (1) Except for handling by approved testing facilities, a  
15 person shall not process, handle, or broker hemp in this state unless the  
16 person meets the requirements of section 2-5701 or is in compliance with  
17 this section and licensed as a processor-handler or broker under the  
18 Nebraska Hemp Farming Act.

19 (2) Before a person ~~other than an approved testing facility~~ may be  
20 licensed to process, handle, or broker hemp in this state, such person  
21 shall submit an application on a form prescribed by the department that  
22 includes, but is not limited to, the following:

23 (a) If the applicant is an individual, the applicant's full name,  
24 birthdate, mailing address, telephone number, and valid email address;

25 (b) If the applicant is an entity and not an individual, the name of  
26 the applicant, mailing address, telephone number, and valid email  
27 address, the full name of each officer and director, partner, member, or  
28 owner owning in excess of ten percent of equity or stock in such entity,  
29 and the birthdate, title, mailing address, telephone number, and valid  
30 email address of each such person;

31 (c) The street address, legal description, location ID, and GPS

1 coordinates for the site where hemp will be processed or handled, if  
2 applicable; and

3 (d) Maps depicting the site where hemp will be processed or handled,  
4 if applicable, with appropriate indications for entrances and specific  
5 locations corresponding to the GPS coordinates provided under subdivision  
6 (c) of this subsection.

7 (3) Before a person ~~other than an approved testing facility~~ may be  
8 licensed to process, handle, or broker hemp, such person shall submit  
9 with the application a nonrefundable application fee as set by the  
10 department pursuant to section 2-508.

11 (4) Before a person ~~other than an approved testing facility~~ may be  
12 licensed to process or handle hemp, such person shall submit with the  
13 application a nonrefundable site registration fee as set by the  
14 department pursuant to section 2-508. The site registration fee shall be  
15 paid for each separate site where hemp is processed or handled.  
16 Subsequent modifications to the sites listed in the application shall be  
17 submitted on forms prescribed by the department along with the site  
18 modification fee and shall only take effect upon written approval of the  
19 department. The applicant must certify that all sites where hemp is to be  
20 processed or handled are under the control of the applicant and that the  
21 department shall have unlimited access to all such sites.

22 (5) After the department receives approval by the United States  
23 Secretary of Agriculture for the state plan submitted pursuant to section  
24 2-516, an initial processor-handler or broker license application may be  
25 submitted at any time. An initial processor-handler or broker license  
26 issued by the department expires on December 31 in the calendar year for  
27 which it was issued.

28 (6) A renewal application for a processor-handler or broker license  
29 shall be submitted on forms prescribed by the department. A renewal  
30 application is due by December 31 and shall be accompanied by the  
31 processor-handler or broker license fee and, if applicable, the site

1 registration fee for all sites listed in the renewal application. The  
2 renewal processor-handler or broker license is valid from January 1 or  
3 when the license is granted, whichever is later, through December 31 next  
4 following.

5 (7) A processor-handler or broker license shall lapse automatically  
6 upon a change of ownership or location, and a new license must be  
7 obtained. The licensee shall promptly provide notice of change in  
8 ownership or location to the department.

9 (8) A processor-handler licensee who also brokers hemp shall not be  
10 required to also obtain a broker license under this section.

11 (9) An application and supporting documents submitted to the  
12 department under this section are not public records subject to  
13 disclosure pursuant to sections 84-712 to 84-712.09. Such information may  
14 be submitted to the United States Department of Agriculture pursuant to  
15 the requirements of ~~section 10113~~ of the federal Agriculture Improvement  
16 Act of 2018, ~~Public Law 115-334, as such section existed on January 1,~~  
17 ~~2019,~~ or any other federal statute, rule, or regulation, and may be  
18 submitted to law enforcement.

19 Sec. 6. Section 2-509, Revised Statutes Supplement, 2019, is amended  
20 to read:

21 2-509 The Nebraska Hemp Program Fund is established. The fund shall  
22 be administered by the department for the purpose of covering the costs  
23 of the department in administering sections 2-504 to 2-516 and 2-5701 and  
24 sections 9 and 12 of this act. The fund may receive appropriations by the  
25 Legislature, gifts, grants, federal funds, and any other funds both  
26 public and private. All fees collected by the department under sections  
27 2-508 and 2-5701 shall be remitted to the State Treasurer for credit to  
28 the fund. Transfers from the Nebraska Hemp Program Fund to the Noxious  
29 Weed Cash Fund may be made as provided in section 2-958. Transfers from  
30 the Nebraska Hemp Program Fund to the Fertilizers and Soil Conditioners  
31 Administrative Fund may be made as provided in section 81-2,162.27. Any

1 money in the fund available for investment shall be invested by the state  
2 investment officer pursuant to the Nebraska Capital Expansion Act and the  
3 Nebraska State Funds Investment Act.

4 Sec. 7. Section 2-514, Revised Statutes Supplement, 2019, is amended  
5 to read:

6 2-514 (1) Hemp from each cultivation site registered with the  
7 department shall be tested for delta-9 tetrahydrocannabinol concentration  
8 prior to harvest by an approved testing facility at the licensee's  
9 expense. The results of such tests shall be certified directly to the  
10 department by the approved testing facility prior to harvest. The test  
11 results shall identify the location ID of where the hemp was cultivated.

12 (2) The department may, at its discretion, conduct sampling and  
13 testing of any hemp from any licensee at any time.

14 (3) The department may adopt and promulgate rules and regulations  
15 governing the sampling and testing of hemp, including, but not limited  
16 to, the number of samples required, the procedure for gathering samples,  
17 and certification of the test results to the department.

18 (4) Testing of hemp required under this section shall be conducted  
19 pursuant to standards adopted by the department using post-  
20 decarboxylation or other similarly reliable methods for the testing of  
21 delta-9 tetrahydrocannabinol concentration.

22 (5) Testing of hemp shall be conducted by an approved a testing  
23 facility ~~approved by the department~~.

24 (6) The department shall create and maintain a list of approved  
25 testing facilities.

26 (7) The entire hemp plant is not required to be submitted for  
27 testing.

28 (8) The test sample shall be obtained from flowering tops when  
29 flowering is occurring, shall be approximately eight inches in length,  
30 and shall consist of the fan leaf, the stalk, the flower, and, if  
31 available, the seed head.

1 (9) The requirements of this section shall be sufficient for both  
2 dioecious and monoecious cultivars.

3 (10) The approved testing facility shall provide a report giving the  
4 results of the potency analysis of each sample. For tests directed by the  
5 department, the report shall be provided to the licensee and a copy of  
6 the report shall be issued to the department. The report shall be  
7 provided before the harvest date, if applicable.

8 (11) When a test result is adverse, the department may require a  
9 licensee to have further tests done and may require harvesting and  
10 destruction of any plants in any portions of the site containing  
11 noncompliant plants.

12 Sec. 8. Section 2-515, Revised Statutes Supplement, 2019, is amended  
13 to read:

14 2-515 (1) Any cultivator transporting preprocessed hemp cultivated  
15 under the Nebraska Hemp Farming Act shall:

16 (a) ~~Carry~~ carry with the preprocessed hemp being transported a copy  
17 of the cultivator license under which the preprocessed hemp ~~it~~ was  
18 cultivated and a copy of the test results pertaining to such preprocessed  
19 hemp; and ~~-~~

20 (b) Conspicuously affix a copy of the license and test results  
21 described in subdivision (1)(a) of this section to each outer shipping or  
22 packaging container containing preprocessed hemp.

23 (2) Any processor-handler transporting preprocessed hemp, post-  
24 processed hemp, or consumable hemp products processed under the Nebraska  
25 Hemp Farming Act shall:

26 (a) ~~Carry~~ carry with such items ~~the hemp~~ being transported a copy of  
27 the processor-handler license under which such items ~~are the hemp~~ ~~is~~  
28 being transported and a copy of the test results pertaining to such  
29 items; and ~~hemp-~~

30 (b) Conspicuously affix a copy of the license and test results  
31 described in subdivision (2)(a) of this section to each outer shipping or

1 packaging container containing such items.

2 (3) Any person other than a cultivator or processor-handler who  
3 transports preprocessed hemp, post-processed hemp, or  
4 consumable hemp products shall:

5 (a) Carry ~~carry~~ with such items ~~hemp~~ being transported:

6 (i) ~~A~~ ~~(a)~~ a bill of lading indicating the owner of the items ~~hemp~~,  
7 the point of origin of the items ~~hemp~~, and the destination of the items;  
8 and

9 (ii) Either ~~hemp~~ ~~and~~ ~~(b)~~ either a copy of the test results  
10 pertaining to such items ~~hemp~~ or other documentation affirming that the  
11 items were ~~hemp~~ was produced in compliance with ~~section 10113~~ of the  
12 federal Agriculture Improvement Act of 2018; and ~~, Public Law 115-334, as~~  
13 ~~such section existed on January 1, 2019.~~

14 (b) Conspicuously affix a copy of the bill of lading and either the  
15 test results or other documentation described in subdivision (3)(a)(ii)  
16 of this section to each outer shipping or packaging container containing  
17 such items.

18 (4)(a) The department may develop a form bill of lading for use by a  
19 person transporting preprocessed hemp, post-processed hemp, or consumable  
20 hemp products pursuant to subsection (3) of this section for preprocessed  
21 hemp, post-processed hemp, or consumable hemp products originating in  
22 this state. Such bill of lading shall, at a minimum, identify the  
23 transporting person and indicate the owner, point of origin, and  
24 destination of the preprocessed hemp, post-processed hemp, or consumable  
25 hemp products.

26 (b) The department, in consultation with the Nebraska State Patrol,  
27 may adopt and promulgate rules and regulations regulating the movement  
28 carrying or transportation of preprocessed hemp, post-processed hemp, or  
29 consumable transporting of hemp products in this state to ensure that  
30 marijuana or any other controlled substance is not disguised as  
31 preprocessed hemp, post-processed hemp, or consumable hemp products and

1 ~~carried or~~ transported into, within, or through this state.

2 (c) No person shall ~~carry or~~ transport preprocessed hemp, post-  
3 processed hemp, or consumable hemp products in this state unless such  
4 preprocessed hemp, post-processed hemp, or consumable hemp products are  
5 ~~is~~:

6 (i) Produced in compliance with:

7 (A) For preprocessed hemp, post-processed hemp, or consumable hemp  
8 products originating in this state, the requirements of ~~section 10113~~ of  
9 the federal Agriculture Improvement Act of 2018, ~~Public Law 115-334~~, as  
10 ~~such section existed on January 1, 2019~~, and the Nebraska Hemp Farming  
11 Act and any rules and regulations adopted and promulgated thereunder; or

12 (B) For preprocessed hemp, post-processed hemp, or consumable hemp  
13 products originating outside this state, the requirements of ~~section~~  
14 ~~10113~~ of the federal Agriculture Improvement Act of 2018, ~~Public Law~~  
15 ~~115-334~~, as ~~such section existed on January 1, 2019~~; and

16 (ii) Carried or transported as provided in subsection (1), (2), or  
17 (3) of this section.

18 (5) ~~(4)~~ No person shall transport preprocessed hemp, post-processed  
19 hemp, or consumable hemp products in this state concurrently with any  
20 other plant material that is not hemp. This subsection does not apply to  
21 nonconsumable hemp products.

22 (6)(a) ~~(5)(a)~~ A peace officer may detain any person ~~carrying or~~  
23 transporting preprocessed hemp, post-processed hemp, or consumable hemp  
24 products in this state if such person does not provide the documentation  
25 required by this section. Unless the peace officer has probable cause to  
26 believe the preprocessed hemp, post-processed hemp, or consumable hemp  
27 products are is, or is being ~~carried or~~ transported with, marijuana or  
28 any other controlled substance, the peace officer shall immediately  
29 release the preprocessed hemp, post-processed hemp, or consumable hemp  
30 products and the person ~~carrying or~~ transporting such preprocessed hemp,  
31 post-processed hemp, or consumable hemp products upon production of such

1 documentation.

2 (b) The failure of a person detained as described in this subsection  
3 to produce documentation required by this section shall constitute  
4 probable cause to believe the preprocessed hemp, post-processed hemp, or  
5 consumable hemp products may be illegal contraband, marijuana, or another  
6 any other controlled substance. In such case, a peace officer may collect  
7 such preprocessed hemp, post-processed hemp, or consumable hemp products  
8 for testing to determine the delta-9 THC tetrahydrocannabinol  
9 concentration in the preprocessed hemp, post-processed hemp, or  
10 consumable hemp products, and, if the peace officer has probable cause to  
11 believe the person detained is moving ~~carrying~~ or transporting illegal  
12 contraband, marijuana, or any other controlled substance in violation of  
13 state or federal law, the peace officer may seize and impound the  
14 preprocessed hemp, post-processed hemp, or consumable hemp products,  
15 illegal contraband, or marijuana or other controlled substance and arrest  
16 such person.

17 (c) This subsection does not limit or restrict in any way the power  
18 of a peace officer to enforce violations of the Uniform Controlled  
19 Substances Act and federal law regulating marijuana and other controlled  
20 substances.

21 (7) ~~(6)~~ In addition to any other penalties provided by law,  
22 including those imposed under the Nebraska Hemp Farming Act, any person  
23 who intentionally violates this section shall be guilty of a Class IV  
24 misdemeanor and fined not more than one thousand dollars.

25 Sec. 9. (1) Any person who transports more than one pound of  
26 preprocessed hemp, post-processed hemp, or consumable hemp products  
27 within or into the State of Nebraska shall, not less than seven days  
28 prior to such transportation, notify the Nebraska State Patrol of the  
29 estimated date or dates such items will be transported through or into  
30 the state. Notification shall be given in a manner and form prescribed by  
31 the Nebraska State Patrol.



1       (2) This section does not apply to nonconsumable hemp products.

2       (3) A violation of this section is a Class III misdemeanor.

3       Sec. 10. Section 2-516, Revised Statutes Supplement, 2019, is  
4 amended to read:

5       2-516 (1) No later than December 31, 2019, the director, in  
6 consultation with the Governor and the Attorney General, shall submit to  
7 the United States Secretary of Agriculture for approval a state plan by  
8 which the department shall regulate the cultivation, handling, and  
9 processing of hemp. Such state plan shall include, at a minimum:

10       (a) A practice to maintain relevant information regarding land on  
11 which hemp is cultivated, handled, or processed in Nebraska, including a  
12 legal description of the land, for a period of not less than three  
13 calendar years;

14       (b) A procedure for testing, using post-decarboxylation or other  
15 similarly reliable methods, delta-9 tetrahydrocannabinol concentration of  
16 hemp cultivated in Nebraska;

17       (c) A procedure for the effective destruction of hemp that is  
18 cultivated, processed, or handled in violation of the Nebraska Hemp  
19 Farming Act;

20       (d) A procedure to implement enforcement procedures under the act;

21       (e) A procedure for conducting, at a minimum, annual inspections of  
22 a random sample of hemp cultivators and processor-handlers to verify that  
23 hemp is not being cultivated, processed, or handled in violation of state  
24 or federal law;

25       (f) A procedure for submitting required information to the United  
26 States Department of Agriculture, as required; and

27       (g) A certification that the state has the resources and personnel  
28 needed to carry out the practices and procedures required by the act and  
29 federal law.

30       (2) If the United States Secretary of Agriculture disapproves the  
31 plan, the director, in consultation with the Governor and the Attorney

1 General, shall submit an amended state plan to the secretary within  
2 ninety days after such disapproval.

3 (3) The director shall have the authority to alter or amend the  
4 state plan as required, consistent with the Nebraska Hemp Farming Act and  
5 federal law.

6 (4) Nothing in the Nebraska Hemp Farming Act shall be construed to  
7 be less restrictive than ~~section 10113~~ of the federal Agriculture  
8 Improvement Act of 2018, ~~Public Law 115-334~~, as such section existed on  
9 ~~January 1, 2019~~.

10 Sec. 11. Section 2-517, Revised Statutes Supplement, 2019, is  
11 amended to read:

12 2-517 (1) The Nebraska Hemp Commission is created. The commission  
13 shall consist of the following members:

14 (a) The dean of the University of Nebraska College of Agricultural  
15 Sciences and Natural Resources or his or her designee;

16 (b) One member representing postsecondary institutions other than  
17 the University of Nebraska; and

18 (c) Three members appointed by the Governor representing the  
19 following interests:

20 (i) Two Nebraska farmers with an interest in cultivating hemp; and

21 (ii) A manufacturer of consumable hemp products or nonconsumable  
22 hemp products.

23 (2) Members appointed pursuant to subdivisions (1)(b) and (c) of  
24 this section shall serve a term of four years and may be reappointed. A  
25 majority of the members of the commission shall constitute a quorum. The  
26 commission shall annually elect one member from among the remaining  
27 members to serve as chairperson. The commission shall meet quarterly and  
28 may meet more often upon the call of the chairperson or by request of a  
29 majority of the members. The commission shall be appointed no later than  
30 sixty days after the operative date of this section and conduct its first  
31 meeting no later than thirty days after appointment of the commission

1 ~~September 1, 2019~~. The members of the commission shall serve without pay  
2 but shall receive expenses incurred while on official business as  
3 provided in sections 81-1174 to 81-1177.

4 (3) The commission shall have primary responsibility for promoting  
5 the Nebraska hemp industry and shall have the following powers and  
6 duties:

7 (a) To appoint and fix the salary of such support staff and  
8 employees, who shall serve at the pleasure of the commission, as may be  
9 required for the proper discharge of the functions of the commission;

10 (b) To prepare and approve a budget;

11 (c) To adopt and promulgate reasonable rules and regulations  
12 necessary to carry out this section and section 2-519;

13 (d) To contract for services and authorize the expenditure of funds  
14 which are necessary for the proper operation of this section and section  
15 2-519;

16 (e) To keep minutes of its meetings and other books and records  
17 which will clearly reflect all of the acts and transactions of the  
18 commission and to keep such records open to public examination by any  
19 person during normal business hours;

20 (f) To prohibit using any funds collected by the commission to  
21 directly or indirectly support or oppose any candidate for public office  
22 or to influence state legislation; and

23 (g) To establish an administrative office at such place in the state  
24 as may be suitable for the proper discharge of commission functions.

25 (4) The commission shall periodically report to the Governor and to  
26 the Legislature on hemp policies and practices that will result in the  
27 proper and legal growth, management, marketing, and use of the state's  
28 hemp industry. Any report submitted to the Legislature shall be submitted  
29 electronically. Such policies and practices shall, at a minimum, address  
30 the following:

31 (a) Federal laws and regulatory constraints;

1 (b) The economic and financial feasibility of a hemp market in  
2 Nebraska;

3 (c) Nebraska businesses that may potentially utilize hemp;

4 (d) Examination of research on hemp production and utilization;

5 (e) The potential for globally marketing Nebraska hemp;

6 (f) The feasibility of private funding for a Nebraska hemp research  
7 program;

8 (g) Law enforcement concerns;

9 (h) Statutory and regulatory schemes for the cultivation of hemp by  
10 private producers; and

11 (i) Technical support and education about hemp.

12 (5) The commission is authorized to develop and coordinate programs  
13 to research and promote hemp, including, but not limited to, cultivating,  
14 handling, processing, transporting, marketing, and selling hemp.

15 (6) The commission shall establish such programs with the goal of  
16 securing at least twenty percent participation by small and emerging  
17 businesses in the Nebraska hemp industry, including, but not limited to,  
18 cultivating, handling, processing, transporting, marketing, and selling  
19 hemp.

20 Sec. 12. The Nebraska Hemp Farming Act does not preempt any city,  
21 village, or county of this state from enacting, adopting, or enforcing  
22 any rule, ordinance, order, resolution, or regulation which restricts,  
23 regulates, or prohibits the handling, processing, brokering, sale,  
24 transfer, or possession of post-processed hemp or consumable hemp  
25 products.

26 Sec. 13. Section 28-101, Revised Statutes Supplement, 2019, is  
27 amended to read:

28 28-101 Sections 28-101 to 28-1357 and 28-1601 to 28-1603 and  
29 sections 16, 17, 18, 19, 20, and 21 of this act shall be known and may be  
30 cited as the Nebraska Criminal Code.

31 Sec. 14. Section 28-401, Revised Statutes Supplement, 2019, is

1 amended to read:

2 28-401 As used in the Uniform Controlled Substances Act, unless the  
3 context otherwise requires:

4 (1) Administer means to directly apply a controlled substance by  
5 injection, inhalation, ingestion, or any other means to the body of a  
6 patient or research subject;

7 (2) Agent means an authorized person who acts on behalf of or at the  
8 direction of another person but does not include a common or contract  
9 carrier, public warehouse keeper, or employee of a carrier or warehouse  
10 keeper;

11 (3) Administration means the Drug Enforcement Administration of the  
12 United States Department of Justice;

13 (4) Cannabidiol has the same meaning as in section 2-503;

14 (5) Consumable hemp product has the same meaning as in section  
15 2-503;

16 (6) (4) Controlled substance means a drug, biological, substance, or  
17 immediate precursor in Schedules I through V of section 28-405.  
18 Controlled substance does not include distilled spirits, wine, malt  
19 beverages, tobacco, hemp, or any nonnarcotic substance if such substance  
20 may, under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 301 et  
21 seq., as such act existed on January 1, 2014, and the law of this state,  
22 be lawfully sold over the counter without a prescription;

23 (7) (5) Counterfeit substance means a controlled substance which, or  
24 the container or labeling of which, without authorization, bears the  
25 trademark, trade name, or other identifying mark, imprint, number, or  
26 device, or any likeness thereof, of a manufacturer, distributor, or  
27 dispenser other than the person or persons who in fact manufactured,  
28 distributed, or dispensed such substance and which thereby falsely  
29 purports or is represented to be the product of, or to have been  
30 distributed by, such other manufacturer, distributor, or dispenser;

31 (8) (6) Department means the Department of Health and Human

1 Services;

2 ~~(9)~~ ~~(7)~~ Division of Drug Control means the personnel of the Nebraska  
3 State Patrol who are assigned to enforce the Uniform Controlled  
4 Substances Act;

5 ~~(10)~~ ~~(8)~~ Dispense means to deliver a controlled substance to an  
6 ultimate user or a research subject pursuant to a medical order issued by  
7 a practitioner authorized to prescribe, including the packaging,  
8 labeling, or compounding necessary to prepare the controlled substance  
9 for such delivery;

10 ~~(11)~~ ~~(9)~~ Distribute means to deliver other than by administering or  
11 dispensing a controlled substance;

12 ~~(12)~~ ~~(10)~~ Prescribe means to issue a medical order;

13 ~~(13)~~ ~~(11)~~ Drug means (a) articles recognized in the official United  
14 States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United  
15 States, official National Formulary, or any supplement to any of them,  
16 (b) substances intended for use in the diagnosis, cure, mitigation,  
17 treatment, or prevention of disease in human beings or animals, and (c)  
18 substances intended for use as a component of any article specified in  
19 subdivision (a) or (b) of this subdivision, but does not include devices  
20 or their components, parts, or accessories;

21 ~~(14)~~ ~~(12)~~ Deliver or delivery means the actual, constructive, or  
22 attempted transfer from one person to another of a controlled substance,  
23 whether or not there is an agency relationship;

24 ~~(15)~~ ~~(13)~~ Hemp has the same meaning as in section 2-503;

25 ~~(16)~~~~(a)~~ ~~(14)~~~~(a)~~ Marijuana means all parts of the plant of the genus  
26 cannabis, whether growing or not, the seeds thereof, and every compound,  
27 manufacture, salt, derivative, mixture, or preparation of such plant or  
28 its seeds.

29 (b) Marijuana does not include the mature stalks of such plant,  
30 hashish, tetrahydrocannabinols extracted or isolated from the plant,  
31 fiber produced from such stalks, oil or cake made from the seeds of such

1 plant, any other compound, manufacture, salt, derivative, mixture, or  
2 preparation of such mature stalks, the sterilized seed of such plant  
3 which is incapable of germination, or cannabidiol contained in a drug  
4 product approved by the federal Food and Drug Administration or obtained  
5 pursuant to sections 28-463 to 28-468.

6 (c) Marijuana does not include hemp.

7 (d) When the weight of marijuana is referred to in the Uniform  
8 Controlled Substances Act, it means its weight at or about the time it is  
9 seized or otherwise comes into the possession of law enforcement  
10 authorities, whether cured or uncured at that time.

11 (e) When industrial hemp as defined in section 2-5701 is in the  
12 possession of a person as authorized under section 2-5701, it is not  
13 considered marijuana for purposes of the Uniform Controlled Substances  
14 Act;

15 (17) ~~(15)~~ Manufacture means the production, preparation,  
16 propagation, conversion, or processing of a controlled substance, either  
17 directly or indirectly, by extraction from substances of natural origin,  
18 independently by means of chemical synthesis, or by a combination of  
19 extraction and chemical synthesis, and includes any packaging or  
20 repackaging of the substance or labeling or relabeling of its container.  
21 Manufacture does not include the preparation or compounding of a  
22 controlled substance by an individual for his or her own use, except for  
23 the preparation or compounding of components or ingredients used for or  
24 intended to be used for the manufacture of methamphetamine, or the  
25 preparation, compounding, conversion, packaging, or labeling of a  
26 controlled substance: (a) By a practitioner as an incident to his or her  
27 prescribing, administering, or dispensing of a controlled substance in  
28 the course of his or her professional practice; or (b) by a practitioner,  
29 or by his or her authorized agent under his or her supervision, for the  
30 purpose of, or as an incident to, research, teaching, or chemical  
31 analysis and not for sale;

1        ~~(18)~~ ~~(16)~~ Narcotic drug means any of the following, whether produced  
2 directly or indirectly by extraction from substances of vegetable origin,  
3 independently by means of chemical synthesis, or by a combination of  
4 extraction and chemical synthesis: (a) Opium, opium poppy and poppy  
5 straw, coca leaves, and opiates; (b) a compound, manufacture, salt,  
6 derivative, or preparation of opium, coca leaves, or opiates; or (c) a  
7 substance and any compound, manufacture, salt, derivative, or preparation  
8 thereof which is chemically equivalent to or identical with any of the  
9 substances referred to in subdivisions (a) and (b) of this subdivision,  
10 except that the words narcotic drug as used in the Uniform Controlled  
11 Substances Act does not include decocainized coca leaves or extracts of  
12 coca leaves, which extracts do not contain cocaine or ecgonine, or  
13 isoquinoline alkaloids of opium;

14        (19) Nonconsumable hemp product has the same meaning as in section  
15 2-503;

16        ~~(20)~~ ~~(17)~~ Opiate means any substance having an addiction-forming or  
17 addiction-sustaining liability similar to morphine or being capable of  
18 conversion into a drug having such addiction-forming or addiction-  
19 sustaining liability. Opiate does not include the dextrorotatory isomer  
20 of 3-methoxy-n methylmorphinan and its salts. Opiate includes its racemic  
21 and levorotatory forms;

22        ~~(21)~~ ~~(18)~~ Opium poppy means the plant of the species *Papaver*  
23 *somniferum* L., except the seeds thereof;

24        ~~(22)~~ ~~(19)~~ Poppy straw means all parts, except the seeds, of the  
25 opium poppy after mowing;

26        ~~(23)~~ ~~(20)~~ Person means any corporation, association, partnership,  
27 limited liability company, or one or more persons;

28        (24) Post-processed hemp has the same meaning as in section 2-503;

29        ~~(25)~~ ~~(21)~~ Practitioner means a physician, a physician assistant, a  
30 dentist, a veterinarian, a pharmacist, a podiatrist, an optometrist, a  
31 certified nurse midwife, a certified registered nurse anesthetist, a



1 nurse practitioner, a scientific investigator, a pharmacy, a hospital, or  
2 any other person licensed, registered, or otherwise permitted to  
3 distribute, dispense, prescribe, conduct research with respect to, or  
4 administer a controlled substance in the course of practice or research  
5 in this state, including an emergency medical service as defined in  
6 section 38-1207;

7 (26) ~~Preprocessed hemp has the same meaning as in section 2-503;~~

8 (27) ~~(22)~~ Production includes the manufacture, planting,  
9 cultivation, or harvesting of a controlled substance;

10 (28) ~~(23)~~ Immediate precursor means a substance which is the  
11 principal compound commonly used or produced primarily for use and which  
12 is an immediate chemical intermediary used or likely to be used in the  
13 manufacture of a controlled substance, the control of which is necessary  
14 to prevent, curtail, or limit such manufacture;

15 (29) ~~(24)~~ State means the State of Nebraska;

16 (30) ~~(25)~~ Ultimate user means a person who lawfully possesses a  
17 controlled substance for his or her own use, for the use of a member of  
18 his or her household, or for administration to an animal owned by him or  
19 her or by a member of his or her household;

20 (31) ~~(26)~~ Hospital has the same meaning as in section 71-419;

21 (32) ~~(27)~~ Cooperating individual means any person, other than a  
22 commissioned law enforcement officer, who acts on behalf of, at the  
23 request of, or as agent for a law enforcement agency for the purpose of  
24 gathering or obtaining evidence of offenses punishable under the Uniform  
25 Controlled Substances Act;

26 (33)(a) ~~(28)(a)~~ Hashish or concentrated cannabis means (i) the  
27 separated resin, whether crude or purified, obtained from a plant of the  
28 genus cannabis or (ii) any material, preparation, mixture, compound, or  
29 other substance which contains ten percent or more by weight of  
30 tetrahydrocannabinols.

31 (b) When resins extracted from (i) industrial hemp as defined in

1 section 2-5701 are in the possession of a person as authorized under  
2 section 2-5701 or (ii) hemp as defined in section 2-503 are in the  
3 possession of a person as authorized under the Nebraska Hemp Farming Act,  
4 they are not considered hashish or concentrated cannabis for purposes of  
5 the Uniform Controlled Substances Act;

6 ~~(34)~~ ~~(29)~~ Exceptionally hazardous drug means (a) a narcotic drug,  
7 (b) thiophene analog of phencyclidine, (c) phencyclidine, (d)  
8 amobarbital, (e) secobarbital, (f) pentobarbital, (g) amphetamine, or (h)  
9 methamphetamine;

10 ~~(35)~~ ~~(30)~~ Imitation controlled substance means a substance which is  
11 not a controlled substance or controlled substance analogue but which, by  
12 way of express or implied representations and consideration of other  
13 relevant factors including those specified in section 28-445, would lead  
14 a reasonable person to believe the substance is a controlled substance or  
15 controlled substance analogue. A placebo or registered investigational  
16 drug manufactured, distributed, possessed, or delivered in the ordinary  
17 course of practice or research by a health care professional shall not be  
18 deemed to be an imitation controlled substance;

19 ~~(36)(a)~~ ~~(31)(a)~~ Controlled substance analogue means a substance (i)  
20 the chemical structure of which is substantially similar to the chemical  
21 structure of a Schedule I or Schedule II controlled substance as provided  
22 in section 28-405 or (ii) which has a stimulant, depressant, analgesic,  
23 or hallucinogenic effect on the central nervous system that is  
24 substantially similar to or greater than the stimulant, depressant,  
25 analgesic, or hallucinogenic effect on the central nervous system of a  
26 Schedule I or Schedule II controlled substance as provided in section  
27 28-405. A controlled substance analogue shall, to the extent intended for  
28 human consumption, be treated as a controlled substance under Schedule I  
29 of section 28-405 for purposes of the Uniform Controlled Substances Act;  
30 and

31 (b) Controlled substance analogue does not include (i) a controlled

1 substance, (ii) any substance generally recognized as safe and effective  
2 within the meaning of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C.  
3 301 et seq., as such act existed on January 1, 2014, (iii) any substance  
4 for which there is an approved new drug application, or (iv) with respect  
5 to a particular person, any substance if an exemption is in effect for  
6 investigational use for that person, under section 505 of the Federal  
7 Food, Drug, and Cosmetic Act, 21 U.S.C. 355, as such section existed on  
8 January 1, 2014, to the extent conduct with respect to such substance is  
9 pursuant to such exemption;

10 (37) ~~(32)~~ Anabolic steroid means any drug or hormonal substance,  
11 chemically and pharmacologically related to testosterone (other than  
12 estrogens, progestins, and corticosteroids), that promotes muscle growth  
13 and includes any controlled substance in Schedule III(d) of section  
14 28-405. Anabolic steroid does not include any anabolic steroid which is  
15 expressly intended for administration through implants to cattle or other  
16 nonhuman species and has been approved by the Secretary of Health and  
17 Human Services for such administration, but if any person prescribes,  
18 dispenses, or distributes such a steroid for human use, such person shall  
19 be considered to have prescribed, dispensed, or distributed an anabolic  
20 steroid within the meaning of this subdivision;

21 (38) ~~(33)~~ Chart order means an order for a controlled substance  
22 issued by a practitioner for a patient who is in the hospital where the  
23 chart is stored or for a patient receiving detoxification treatment or  
24 maintenance treatment pursuant to section 28-412. Chart order does not  
25 include a prescription;

26 (39) ~~(34)~~ Medical order means a prescription, a chart order, or an  
27 order for pharmaceutical care issued by a practitioner;

28 (40) ~~(35)~~ Prescription means an order for a controlled substance  
29 issued by a practitioner. Prescription does not include a chart order;

30 (41) ~~(36)~~ Registrant means any person who has a controlled  
31 substances registration issued by the state or the Drug Enforcement

1 Administration of the United States Department of Justice;

2 (42) ~~(37)~~ Reverse distributor means a person whose primary function  
3 is to act as an agent for a pharmacy, wholesaler, manufacturer, or other  
4 entity by receiving, inventorying, and managing the disposition of  
5 outdated, expired, or otherwise nonsaleable controlled substances;

6 (43) ~~(38)~~ Signature means the name, word, or mark of a person  
7 written in his or her own hand with the intent to authenticate a writing  
8 or other form of communication or a digital signature which complies with  
9 section 86-611 or an electronic signature;

10 (44) ~~(39)~~ Facsimile means a copy generated by a system that encodes  
11 a document or photograph into electrical signals, transmits those signals  
12 over telecommunications lines, and reconstructs the signals to create an  
13 exact duplicate of the original document at the receiving end;

14 (45) ~~(40)~~ Electronic signature has the definition found in section  
15 86-621;

16 (46) ~~(41)~~ Electronic transmission means transmission of information  
17 in electronic form. Electronic transmission includes computer-to-computer  
18 transmission or computer-to-facsimile transmission;

19 (47) ~~(42)~~ Long-term care facility means an intermediate care  
20 facility, an intermediate care facility for persons with developmental  
21 disabilities, a long-term care hospital, a mental health substance use  
22 treatment center, a nursing facility, or a skilled nursing facility, as  
23 such terms are defined in the Health Care Facility Licensure Act;

24 (48) ~~(43)~~ Compounding has the same meaning as in section 38-2811;

25 (49) ~~(44)~~ Cannabinoid receptor agonist shall mean any chemical  
26 compound or substance that, according to scientific or medical research,  
27 study, testing, or analysis, demonstrates the presence of binding  
28 activity at one or more of the CB1 or CB2 cell membrane receptors located  
29 within the human body; and

30 (50) ~~(45)~~ Lookalike substance means a product or substance, not  
31 specifically designated as a controlled substance in section 28-405, that

1 is either portrayed in such a manner by a person to lead another person  
2 to reasonably believe that it produces effects on the human body that  
3 replicate, mimic, or are intended to simulate the effects produced by a  
4 controlled substance or that possesses one or more of the following  
5 indicia or characteristics:

6 (a) The packaging or labeling of the product or substance suggests  
7 that the user will achieve euphoria, hallucination, mood enhancement,  
8 stimulation, or another effect on the human body that replicates or  
9 mimics those produced by a controlled substance;

10 (b) The name or packaging of the product or substance uses images or  
11 labels suggesting that it is a controlled substance or produces effects  
12 on the human body that replicate or mimic those produced by a controlled  
13 substance;

14 (c) The product or substance is marketed or advertised for a  
15 particular use or purpose and the cost of the product or substance is  
16 disproportionately higher than other products or substances marketed or  
17 advertised for the same or similar use or purpose;

18 (d) The packaging or label on the product or substance contains  
19 words or markings that state or suggest that the product or substance is  
20 in compliance with state and federal laws regulating controlled  
21 substances;

22 (e) The owner or person in control of the product or substance uses  
23 evasive tactics or actions to avoid detection or inspection of the  
24 product or substance by law enforcement authorities;

25 (f) The owner or person in control of the product or substance makes  
26 a verbal or written statement suggesting or implying that the product or  
27 substance is a synthetic drug or that consumption of the product or  
28 substance will replicate or mimic effects on the human body to those  
29 effects commonly produced through use or consumption of a controlled  
30 substance;

31 (g) The owner or person in control of the product or substance makes

1 a verbal or written statement to a prospective customer, buyer, or  
2 recipient of the product or substance implying that the product or  
3 substance may be resold for profit; or

4 (h) The product or substance contains a chemical or chemical  
5 compound that does not have a legitimate relationship to the use or  
6 purpose claimed by the seller, distributor, packer, or manufacturer of  
7 the product or substance or indicated by the product name, appearing on  
8 the product's packaging or label or depicted in advertisement of the  
9 product or substance.

10 Sec. 15. Section 28-401.01, Revised Statutes Cumulative Supplement,  
11 2018, is amended to read:

12 28-401.01 Sections 28-401 to 28-456.01 and 28-458 to 28-475 and  
13 sections 16, 17, 18, 19, 20, and 21 of this act shall be known and may be  
14 cited as the Uniform Controlled Substances Act.

15 Sec. 16. (1) Except as provided in subsection (2) of this section,  
16 a person shall not knowingly sell, offer for sale, advertise, deliver,  
17 dispense, or otherwise transfer any quantity of post-processed hemp or  
18 consumable hemp products to any person who is under twenty-one years of  
19 age.

20 (2) This section does not apply to nonconsumable hemp products.

21 (3) A violation of this section is a Class I misdemeanor.

22 Sec. 17. (1) Except as provided in subsection (2) of this section,  
23 a person who is under twenty-one years of age shall not knowingly or  
24 intentionally possess post-processed hemp or a consumable hemp product.

25 (2) This section does not apply to:

26 (a) Nonconsumable hemp products; or

27 (b) Cannabidiol in a drug product approved by the federal Food and  
28 Drug Administration pursuant to a valid prescription or as otherwise  
29 authorized pursuant to law.

30 (3) A violation of this section is an infraction.

31 Sec. 18. (1) Except as provided in subsection (4) of this section,

1 any quantity of post-processed hemp or consumable hemp products sold,  
2 offered for sale, advertised for sale, distributed, delivered, dispensed,  
3 or otherwise transferred to another person shall be packaged in a manner  
4 and bear a label indicating, at a minimum:

5 (a) The percentage by weight of the CBD contained in the post-  
6 processed hemp or consumable hemp product;

7 (b) The percentage by weight of THC contained in the post-processed  
8 hemp or consumable hemp product;

9 (c) The name and address of the manufacturer, producer, distributor,  
10 or seller;

11 (d) The name and address of the approved testing facility that  
12 tested the post-processed hemp or consumable hemp product;

13 (e) A statement indicating that testing of the post-processed hemp  
14 or consumable hemp product conforms with federal and state laws and  
15 regulations regarding post-processed hemp or consumable hemp products;

16 (f) A description of the contents and a listing of all ingredients,  
17 chemicals, or compounds contained in the post-processed hemp or  
18 consumable hemp product;

19 (g) The quantity by weight of post-processed hemp or consumable hemp  
20 product contained therein;

21 (h) Instructions regarding the intended use of the post-processed  
22 hemp or consumable hemp product, including any recommendations regarding  
23 its intended means of consumption and dosing, if applicable; and

24 (i) A statement indicating that the contents have not been tested,  
25 analyzed, or approved by the federal Food and Drug Administration for  
26 safety or efficacy.

27 (2) Except as provided in subsection (4) of this section, in  
28 addition to the packaging and labeling requirements provided in  
29 subsection (1) of this section, any person who sells, distributes,  
30 delivers, dispenses, or otherwise transfers any quantity of post-  
31 processed hemp or a consumable hemp product shall provide a receipt or

1 proof of purchase, delivery, distribution, or transfer that evidences:

2 (a) The quantity of post-processed hemp or consumable hemp product  
3 sold, distributed, delivered, dispensed, or transferred;

4 (b) The name and address of the seller, distributor, deliverer,  
5 dispenser, or transferor; and

6 (c) The date that the post-processed hemp or consumable hemp product  
7 was sold, distributed, delivered, dispensed, or transferred.

8 (3) Except as provided in subsection (4) of this section, any person  
9 who buys, receives, or is in possession of any quantity of post-processed  
10 hemp or a consumable hemp product shall keep and be capable of  
11 immediately producing the label found on the original packaging and the  
12 receipt or proof of purchase, delivery, distribution, or transfer until  
13 such time as such person is no longer in possession of any of such post-  
14 processed hemp or consumable hemp product.

15 (4) This section does not apply to nonconsumable hemp products.

16 (5) Any violation of subsection (1) or (2) of this section is a  
17 Class I misdemeanor.

18 (6) Any violation of subsection (3) of this section is a Class III  
19 misdemeanor.

20 Sec. 19. (1) It shall be unlawful for any person to manufacture,  
21 within the boundaries of the State of Nebraska, any consumable hemp  
22 product that is intended, designed, marketed, or known to be consumed  
23 through swallowing, drinking, eating, or ingestion, if such product is  
24 manufactured with the intent to be sold, offered for sale, advertised for  
25 sale, delivered, dispensed, or otherwise transferred to another person  
26 within the State of Nebraska.

27 (2) Any person who knowingly sells, offers for sale, advertises,  
28 delivers, dispenses, or otherwise transfers any consumable hemp product  
29 that is intended, designed, marketed, or known to be consumed through  
30 swallowing, drinking, eating, or ingestion commits unlawful distribution  
31 of consumable hemp products.



1       (3) Unlawful manufacture of consumable hemp products as provided in  
2 subsection (1) of this section is a Class IV felony.

3       (4) Unlawful distribution of consumable hemp products as provided in  
4 subsection (2) of this section is a Class I misdemeanor.

5       Sec. 20.   (1) Any person who transports, ships, distributes,  
6 delivers, or otherwise transfers more than one pound of post-processed  
7 hemp or consumable hemp products shall:

8       (a) Obtain either a cultivator, processor-handler, or broker license  
9 under the Nebraska Hemp Farm Act; or

10       (b) Obtain a license from the Tax Commissioner as provided in  
11 section 25 of this act.

12       (2) Any person who transports, ships, distributes, delivers, or  
13 otherwise transfers more than one pound of post-processed hemp or  
14 consumable hemp products shall:

15       (a) Possess on their person either (i) a valid cultivator,  
16 processor-handler, or broker license issued pursuant to the Nebraska Hemp  
17 Farming Act or (ii) a valid license required by section 24 of this act  
18 from the Tax Commissioner; and

19       (b) Have a valid and legible copy of the test results pertaining to  
20 all lots of post-processed hemp or consumable hemp products being  
21 transported, shipped, distributed, delivered, or transferred; or

22       (c) Conspicuously affix a copy of their valid cultivator, processor-  
23 handler, or broker license issued pursuant to the Nebraska Hemp Farming  
24 Act or license required by section 24 of this act, as well as a copy of  
25 the test results pertaining to all lots of post-processed hemp or  
26 consumable hemp products being transported, shipped, distributed,  
27 delivered, or transferred, to the outer shipping container or packaging  
28 containing the post-processed hemp or consumable hemp products being  
29 transported, shipped, distributed, delivered, or transferred.

30       (3) Any person who violates any of the requirements of subsection  
31 (1) or (2) of this section may be prosecuted for a Class I misdemeanor

1 unless they are able to produce the requisite documents described in  
2 subsection (2) of this section within five business days following such  
3 violation.

4       Sec. 21. (1) A person shall not, with intent to deceive, either  
5 forge, falsify, or alter:

6       (a) A cultivator, processor-handler, or broker license issued under  
7 the Nebraska Hemp Farming Act;

8       (b) A license issued under section 24 of this act;

9       (c) A bill of lading, test results, or any other documentation  
10 required under section 2-515 or section 20 of this act; or

11       (d) The results of any test conducted on preprocessed hemp, post-  
12 processed hemp, or consumable hemp products as required under the  
13 Nebraska Hemp Farming Act or section 20 of this act.

14       (2) A violation of this section is a Class IV felony.

15       Sec. 22. Sections 22 to 30 of this act shall be known as the  
16 Nebraska Hemp Transportation and Sales Licensing Act.

17       Sec. 23. For purposes of the Nebraska Hemp Transportation and Sales  
18 Licensing Act:

19       (1) Cancel means the discontinuation by a licensee of all rights and  
20 privileges granted to such licensee through a license issued by the Tax  
21 Commissioner for a period of five consecutive years or a formalized  
22 communication issued to the Tax Commissioner from the licensee to  
23 discontinue or surrender such license;

24       (2) Consumable hemp has the same meaning as in section 2-503;

25       (3) First owner means any person:

26       (a) Engaged in the business of selling post-processed hemp or  
27 consumable hemp products in this state, including any retailer who  
28 purchases post-processed hemp directly from a supplier, cultivator,  
29 broker, or processor-handler who is operating within or outside this  
30 state who is not licensed under the Nebraska Hemp Transportation and  
31 Sales Licensing Act;

1       (b) Who makes, manufactures, processes, or fabricates post-processed  
2 hemp or consumable hemp products in this state for sale in this state or  
3 for shipment to another state and who is not already licensed by the  
4 Department of Agriculture under the Nebraska Hemp Farming Act;

5       (c) Who has a cultivator, broker, or processor-handler license  
6 issued by the Department of Agriculture under the Nebraska Hemp Farming  
7 Act and is also engaged in selling, shipping, or transporting post-  
8 processed hemp or consumable hemp products either within or outside this  
9 state; or

10       (d) Operating within or outside this state who sells, ships or  
11 transports post-processed hemp or consumable hemp products to any  
12 consumer or retailer in this state regardless of whether such consumer or  
13 retailer is also licensed under the Nebraska Hemp Transportation and  
14 Sales Licensing Act;

15       (4) Hemp has the same meaning as in section 2-503;

16       (5) Post-processed hemp has the same meaning as in section 2-503;

17       (6) Revoke means to permanently void and recall all rights and  
18 privileges of a person to obtain a license;

19       (7) Suspend means to temporarily interrupt for up to one year all  
20 rights and privileges under a license; and

21       (8) Tax Commissioner means the Tax Commissioner of the State of  
22 Nebraska.

23       Sec. 24. (1) Each first owner of post-processed hemp or consumable  
24 hemp products shall be licensed by the Tax Commissioner. Each application  
25 for such license shall be made on a form prescribed by the Tax  
26 Commissioner. The application shall include: (a) The name and address of  
27 the applicant or, if the applicant is a firm, partnership, limited  
28 liability company, or association, the name and address of each of its  
29 members or, if the applicant is a corporation, the name and address of  
30 each of its officers and the address of its principal place of business;  
31 (b) the location of the place of business to be licensed; and (c) such

1 other information as the Tax Commissioner may require for the purpose of  
2 administering the Nebraska Hemp Transportation and Sales Licensing Act.

3 (2) A person outside of this state who sells, ships, or transports  
4 post-processed hemp or consumable hemp products to any person in this  
5 state may make application for a license and be granted such a license by  
6 the Tax Commissioner. If a license is granted, such person shall be  
7 subject to the Nebraska Hemp Transportation and Sales Licensing Act and  
8 entitled to act as a licensee. A person outside this state who receives a  
9 license shall have established sufficient contact with this state for the  
10 exercise of personal jurisdiction over the person in any matter or issue  
11 arising under the act.

12 Sec. 25. An application for a license shall be required for each  
13 place of business of a first owner and shall be accompanied by an  
14 application fee of twenty-five dollars. Such license shall be a  
15 continuing license unless the license is revoked, canceled, or suspended,  
16 and the fees shall be nonrefundable.

17 Sec. 26. Upon receipt of an application in the proper form and upon  
18 payment of the application fee, the Tax Commissioner shall issue a  
19 license to the applicant. The license shall permit the applicant to whom  
20 it is issued to engage in business at the place of business shown on the  
21 license. A license shall not be assignable, shall be valid only for the  
22 person in whose name it is issued, and shall be valid unless suspended,  
23 canceled, or revoked by the Tax Commissioner.

24 Sec. 27. The Tax Commissioner may revoke, cancel, or suspend any  
25 license for a violation of the Nebraska Hemp Transportation and Sales  
26 Licensing Act, the Nebraska Hemp Farming Act, or of section 16, 18, 19,  
27 20, or 21 of this act. If a license is revoked, canceled, or suspended,  
28 the licensee shall immediately surrender such license to the Tax  
29 Commissioner. No determination of revocation, cancellation, or suspension  
30 shall be made until notice has been given and a hearing has been held by  
31 the Tax Commissioner as provided in section 29 of this act.

1           Sec. 28. The Tax Commissioner may restore a license which has been  
2 revoked, canceled, or suspended, but the Tax Commissioner shall not issue  
3 a new license after the revocation of such a license unless the Tax  
4 Commissioner is satisfied that the former licensee will comply with the  
5 Nebraska Hemp Transportation and Sales Licensing Act. A person whose  
6 license has previously been revoked, canceled, or suspended shall pay the  
7 Tax Commissioner a fee of twenty-five dollars for the issuance of a  
8 license after each revocation, cancellation, or suspension.

9           Sec. 29. A licensee may request a hearing after receiving notice  
10 that the Tax Commissioner intends to revoke, cancel, or suspend a  
11 license. Such request shall be made within twenty days after the receipt  
12 of the notice that the Tax Commissioner intends to revoke, cancel, or  
13 suspend such license. At such hearing, the Tax Commissioner or any  
14 designee of the Tax Commissioner designated in writing may examine any  
15 books, papers, or memoranda relevant to the matter at issue and require  
16 the attendance of any licensee or any officer, agent, or employee of such  
17 licensee having knowledge pertinent to such hearing. The Tax Commissioner  
18 or his or her designee shall have the power to administer oaths to  
19 persons testifying at such hearing. During such hearing, the Tax  
20 Commissioner or his or her designee shall not be bound by the rules of  
21 evidence, and no informality in any proceeding or in the manner of taking  
22 testimony shall invalidate any order or decision made or approved by the  
23 Tax Commissioner.

24           Sec. 30. Any first owner of post-processed hemp or consumable hemp  
25 products who conducts business in this state without a valid license  
26 obtained from the Tax Commissioner pursuant to the Nebraska Hemp  
27 Transportation and Sales Licensing Act shall be guilty of a Class II  
28 misdeemeanor and be denied the issuance of a license for one year  
29 following their violation.

30           Sec. 31. Sections 11 and 32 of this act become operative on July 1,  
31 2021. The other sections of this act become operative on their effective

1 date.

2       Sec. 32. Original section 2-517, Revised Statutes Supplement, 2019,  
3 is repealed.

4       Sec. 33. Original section 28-401.01, Revised Statutes Cumulative  
5 Supplement, 2018, and sections 2-501, 2-503, 2-504, 2-505, 2-506, 2-509,  
6 2-514, 2-515, 2-516, 28-101, and 28-401, Revised Statutes Supplement,  
7 2019, are repealed.