

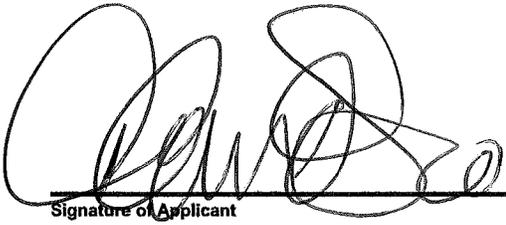
**APPLICATION FOR INITIATIVE OR REFERENDUM PETITION SERIAL NUMBER**

Secretary of State  
1700 W. Washington Street, 7th Floor  
Phoenix, AZ 85007

The undersigned intends to circulate and file an INITIATIVE or a REFERENDUM (circle the appropriate word) petition and hereby makes application for the issuance of an official serial number to be printed in the lower right-hand corner of each side of each signature sheet of such petition. Pursuant to Arizona Revised Statutes § 19-111, attached hereto is the full text, in no less than eight point type, of the MEASURE or CONSTITUTIONAL AMENDMENT (circle appropriate word) intended to be INITIATED or REFERRED (circle appropriate word) at the next general election.

**SUMMARY:** A description of no more than one hundred words of the principal provisions of the proposed law, constitutional amendment or measure that will appear in no less than eight point type on the face of each petition signature sheet to be circulated.

THIS MEASURE SHALL BE KNOWN AS THE "ARIZONA INDUSTRIAL HEMP FARMING ACT". THIS MEASURE ESTABLISHES AN INDUSTRIAL HEMP COMMITTEE IN COORDINATION WITH THE DEPARTMENT OF AGRICULTURE AND ALLOWS INDUSTRIAL HEMP- PERMITTED GROWTH BY PERSONS REGISTERED WITH THE STATE. THIS MEASURE ALSO DEFINES THE RULES FOR REGISTRATON AND CULTIVATION OF INDUSTRIAL HEMP FOR RESEARCH AND DEVELOPMENT AND COMMERCIAL PURPOSES. THIS MEASURE DEEMS THAT THE DEPARTMENT OF AGRICULTURE SHALL ADMINISTER AN INDUSTRIAL HEMP GRANT RESEARCH PROGRAM SO STATE INSTITUTIONS OF HIGHER EDUCATION MAY CONDUCT RESEARCH TO DEVELOP OR RECREATE STRAINS OF INDUSTRIAL HEMP BEST SUITED FOR INDUSTRIAL APPLICATIONS IN ARIZONA.



Signature of Applicant

Christian G. Carrasco

Printed Name of Applicant

743 W. Sherri Dr.

Address

GILBERT, AZ 85233

City

State

Zip

602-303-7282

Telephone Number

H.O.W. Arizona

Name of Organization (if any)

743 W. SHERRI DR.

Address

GILBERT, AZ 85233

City

State

Zip

602-303-7282

Telephone Number

Christian G. Carrasco - Chairman

Name of Officer and Title

743 W. SHERRI DR.

Address

GILBERT, AZ 85233

City

State

Zip

602-303-7282

Telephone Number

Brittany Murphy

Name of Officer and Title

743 W Sherri Dr

Address

GILBERT, AZ 85233

City

State

Zip

(602)214-3360

Telephone Number

Date of Application	12/3/2014
Signatures Required	150,642
Deadline for Filing	July 7 <sup>th</sup> , 2016
Serial Number Issued	I-02-2016
FOR OFFICE USE ONLY	

Revised 11/92

2014 DEC 3 PM 4:57

SECRETARY OF STATE

CF ID# 201600006

---

**AN INITIATIVE MEASURE CONCERNING THE CREATION OF A  
PROGRAM IN THE DEPARTMENT OF AGRICULTURE TO  
REGULATE INDUSTRIAL HEMP PRODUCTION.**

---

Be it enacted by the people of the state of Arizona:

Section 1 - **TITLE.** ARIZONA INDUSTRIAL HEMP FARMING ACT

Section 2 - **DEFINITIONS.** AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "CERTIFIED SEED" MEANS INDUSTRIAL HEMP SEED, INCLUDING ARIZONA HERITAGE CANNABIS SEED, THAT HAS BEEN CERTIFIED BY AN ORGANIZATION RECOGNIZED BY THE DEPARTMENT AS HAVING NO MORE THAN A THREE-TENTHS OF ONE PERCENT OF DELTA-9 TETRAHYDROCANNABINOL CONCENTRATION ON A DRY-WEIGHT BASIS.

(2) "ARIZONA HERITAGE CANNABIS SEED" MEANS SEED FROM THE PLANT CANNABIS SATIVA THAT POSSESSES CHARACTERISTICS OF A UNIQUE AND SPECIALIZED CANNABIS SEED VARIETY THAT IS PRESENT IN ARIZONA OR HAS BEEN RECOGNIZED AS PRODUCED IN ARIZONA.

(3) "DIRECTOR" MEANS THE DIRECTOR OF AGRICULTURE.

(4) "COMMITTEE" MEANS THE INDUSTRIAL HEMP COMMITTEE ESTABLISHED IN *SECTION 4* OF THIS MEASUREMENT.

(5) "DEPARTMENT" MEANS THE DEPARTMENT OF AGRICULTURE.

(6) "DELTA-9 TETRAHYDROCANNABINOL" HAS THE SAME MEANING AS "TETRAHYDROCANNABINOL" AS SET FORTH IN *TITLE 36-2501, A.R.S.*

(7) "INDUSTRIAL HEMP" MEANS A PLANT OF THE GENUS CANNABIS AND ANY PART OF THE PLANT, WHETHER GROWING OR NOT, CONTAINING A DELTA-9 TETRAHYDROCANNABINOL CONCENTRATION OF NO MORE THAN THREE-TENTHS OF ONE PERCENT ON A DRY WEIGHT BASIS.

Section 3 - **INDUSTRIAL HEMP - PERMITTED GROWTH BY REGISTERED PERSONS.**

2018 DEC - 8 PM 4:57

SECRETARY OF STATE

(1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, A PERSON WHO HOLDS A REGISTRATION ISSUED PURSUANT TO SECTION 5 MAY:

(a) ENGAGE IN THE PLANTING, GROWING, HARVESTING, POSSESSING, PROCESSING, SELLING, AND BUYING OF INDUSTRIAL HEMP FOR COMMERCIAL PURPOSES; OR

(b) GROW INDUSTRIAL HEMP FOR RESEARCH AND DEVELOPMENT PURPOSES.

**Section 4 - INDUSTRIAL HEMP COMMITTEE - APPOINTMENTS - DUTIES - COORDINATION WITH DEPARTMENT.**

(1) (a) THE INDUSTRIAL HEMP COMMITTEE IS HEREBY ESTABLISHED. THE CHAIR OF AGRICULTURE, LIVESTOCK, AND NATURAL RESOURCES COMMITTEE IN THE HOUSE OF REPRESENTATIVES AND THE CHAIR OF THE AGRICULTURE, NATURAL RESOURCES, AND ENERGY COMMITTEE IN THE SENATE SHALL JOINTLY APPOINT EIGHT MEMBERS TO THE INDUSTRIAL HEMP COMMITTEE AS FOLLOWS:

(I) ONE MEMBER WITH EXPERIENCE IN INDUSTRIAL HEMP REGULATION;

(II) ONE MEMBER WHO IS A FARMER FROM A COOPERATIVE;

(III) ONE MEMBER WHO IS A COMMERCIAL FARMER;

(IV) ONE MEMBER WITH EXPERIENCE IN SEED DEVELOPMENT AND GENETICS;

(V) ONE MEMBER REPRESENTING THE HEMP MANUFACTURING INDUSTRY;

(VI) ONE MEMBER REPRESENTING SMALL HEMP BUSINESSES;

(VII) ONE MEMBER WHO IS A CITIZEN ADVOCATE FOR INDUSTRIAL HEMP; AND

(VIII) ONE MEMBER WHO IS A REPRESENTATIVE FROM A RESEARCH INSTITUTION OF HIGHER EDUCATION.

(b) THE TERM OF OFFICE OF MEMBERS OF THE COMMITTEE IS THREE YEARS; EXCEPT THAT THE MEMBERS APPOINTED PURSUANT TO SUBPARAGRAPHS (I), (V), (VI), AND (VII) OF PARAGRAPH (a) OF THIS SUBSECTION (1) SHALL SERVE INITIAL TWO-YEAR TERMS TO ENSURE STAGGERED TERMS OF OFFICE.

(c) EACH COMMITTEE MEMBER HOLDS 1 OFFICE UNTIL HIS OR HER TERM OF OFFICE EXPIRES OR UNTIL A SUCCESSOR IS DULY APPOINTED. IF A

2019 DEC -9 PM 4:57  
SECRETARY OF STATE

VACANCY OCCURS ON THE BOARD, THE APPOINTING AUTHORITIES SHALL APPOINT A NEW MEMBER MEETING THE QUALIFICATIONS OF THE MEMBER VACATING THE POSITION TO SERVE THE REMAINDER OF THE UNEXPIRED TERM OF THE MEMBER.

(d) MEMBERS OF THE COMMITTEE SHALL SERVE WITHOUT COMPENSATION BUT ARE ENTITLED TO REIMBURSEMENT FOR ACTUAL AND NECESSARY TRAVEL AND SUBSISTENCE EXPENSES INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES AS MEMBERS OF THE COMMITTEE.

(2) THE COMMITTEE SHALL WORK WITH THE DEPARTMENT TO ESTABLISH AN INDUSTRIAL HEMP REGISTRATION PROGRAM PURSUANT TO *SECTION 5* OF THIS MEASUREMENT, UNDER WHICH A PERSON MAY OBTAIN AUTHORIZATION TO:

(a) ENGAGE IN INDUSTRIAL HEMP CULTIVATION FOR COMMERCIAL PURPOSES; OR

(b) GROW INDUSTRIAL HEMP FOR RESEARCH AND DEVELOPMENT PURPOSES.

(3) THE COMMITTEE SHALL ASSIST THE DEPARTMENT IN DETERMINING THE QUALIFICATIONS AND OTHER CRITERIA A PERSON MUST SATISFY TO QUALIFY FOR REGISTRATION UNDER THIS SECTION.

(4) THE COMMITTEE SHALL MEET AT LEAST ONCE A YEAR.

**Section 5 - REGISTRATION - CULTIVATION OF INDUSTRIAL HEMP - RESEARCH AND DEVELOPMENT GROWTH - RULES.**

(1) A PERSON WISHING TO ENGAGE IN INDUSTRIAL HEMP CULTIVATION FOR COMMERCIAL PURPOSES OR TO GROW INDUSTRIAL HEMP FOR RESEARCH AND DEVELOPMENT PURPOSES SHALL APPLY TO THE DEPARTMENT FOR A REGISTRATION IN A FORM AND MANNER DETERMINED BY THE DIRECTOR, IN CONSULTATION WITH THE COMMITTEE, PRIOR TO PLANTING THE INDUSTRIAL HEMP FOR COMMERCIAL OR RESEARCH AND DEVELOPMENT PURPOSES. THE APPLICATION MUST INCLUDE THE NAME AND ADDRESS OF THE APPLICANT AND THE LEGAL DESCRIPTION, GLOBAL POSITIONING SYSTEM LOCATION, AND MAP OF THE LAND AREA ON WHICH THE APPLICANT PLANS TO ENGAGE IN INDUSTRIAL HEMP CULTIVATION OR RESEARCH AND DEVELOPMENT GROWTH OPERATIONS. THE APPLICANT SHALL ALSO SUBMIT TO THE

2014 DEC 31 10:00 AM

SECRETARY OF STATE

DEPARTMENT THE FEE REQUIRED BY *SECTION 7 (2)*. APPLICATION FOR REGISTRATION PURSUANT TO THIS SECTION IS A MATTER OF STATEWIDE CONCERN.

(2) IF A PERSON APPLIES FOR REGISTRATION IN ACCORDANCE WITH SUBSECTION (1) OF THIS SECTION AND THE DIRECTOR DETERMINES THAT THE PERSON HAS SATISFIED THE REQUIREMENTS FOR REGISTRATION PURSUANT TO THIS SECTION IN THIS MEASUREMENT, THE DIRECTOR SHALL ISSUE A REGISTRATION TO THE PERSON.

**Section 5.5 - RESEARCH - FEES.**

(1) (a) THE DEPARTMENT SHALL ADMINISTER AN INDUSTRIAL HEMP GRANT RESEARCH PROGRAM SO THAT STATE INSTITUTIONS OF HIGHER EDUCATION MAY CONDUCT RESEARCH TO DEVELOP OR RECREATE STRAINS OF INDUSTRIAL HEMP BEST SUITED FOR THE PURPOSE OF SEED PRODUCTION. THE PURPOSE OF THE RESEARCH IS TO GROW INDUSTRIAL HEMP TO PROVIDE BREEDING STRAINS TO AID ARIZONA'S INDUSTRIAL HEMP PROGRAM AND TO CREATE ARIZONA STRAINS OF INDUSTRIAL HEMP.

(b) AN INSTITUTION OF HIGHER EDUCATION THAT CONDUCTS INDUSTRIAL HEMP SEED RESEARCH MAY ACCEPT SEED VARIETIES THAT ARE APPROVED BY THE COMMITTEE OR THE DEPARTMENT. THE INSTITUTIONS OF HIGHER EDUCATION MAY WORK WITH PRIVATE HEMP DEVELOPERS AND OTHER STAKEHOLDERS TO DEVELOP A ARIZONA HERITAGE SEED.

(2) IN ADDITION TO THE FEES COLLECTED PURSUANT TO *SECTION 6*, THE DIRECTOR MAY COLLECT AN ADDITIONAL FEE, ESTABLISHED BY THE COMMITTEE, FROM EACH REGISTRANT FOR THE PURPOSE OF FUNDING INDUSTRIAL HEMP RESEARCH AND CERTIFICATION PROGRAMS, INCLUDING BY MAKING GRANTS TO INSTITUTIONS OF HIGHER EDUCATION AS SPECIFIED IN SUBSECTION (1) OF THIS SECTION. THE FEES COLLECTED SHALL BE DEPOSITED IN THE INDUSTRIAL HEMP REGISTRATION PROGRAM CASH FUND CREATED IN *SECTION 6 (3)*. THE DEPARTMENT MAY SOLICIT, APPLY FOR, AND ACCEPT MONEYS FROM OTHER SOURCES FOR THE GRANT PROGRAM.

**Section 6 - REPORT OF GROWTH AND SALES ACTIVITIES - VERIFICATION OF CROP CONTENT - TESTING - WAIVER OF CONCENTRATION LIMITS - RULES.**

2018 DEC 14 10:50 AM

SECRETARY OF STATE

2014 DEC -9 PM 4:50

SECRETARY OF STATE

(1) AT LEAST ANNUALLY AND MORE OFTEN AS REQUIRED BY THE DIRECTOR, A PERSON WHO OBTAINS A REGISTRATION UNDER THIS ARTICLE TO ENGAGE IN INDUSTRIAL HEMP CULTIVATION FOR COMMERCIAL PURPOSES SHALL FILE WITH THE DEPARTMENT A REPORT THAT INCLUDES THE FOLLOWING INFORMATION:

(a) PRIOR TO PLANTING, A VERIFICATION THAT THE CROP THE REGISTRANT WILL PLANT IS OF A TYPE AND VARIETY OF HEMP THAT WILL PRODUCE A DELTA-9 TETRAHYDROCANNABINOL CONCENTRATION OF NO MORE THAN THREE-TENTHS OF ONE PERCENT ON A DRY WEIGHT BASIS;

(b) DOCUMENTATION DEMONSTRATING THAT THE REGISTRANT HAS ENTERED INTO A PURCHASE AGREEMENT WITH AN IN-STATE INDUSTRIAL HEMP PROCESSOR; AND

(c) ANY OTHER INFORMATION REQUIRED BY THE DIRECTOR BY RULE.

(d) PRIOR TO PLANTING, A VERIFICATION THAT THERE IS NO MARIJUANA GROW OPERATIONS WITHIN 1 MILE OF A REGISTERED OUTDOOR INDUSTRIAL HEMP LOCATION AND A QUARTER MILE AWAY FROM A REGISTERED INDOOR INDUSTRIAL HEMP GROW OPERATION.

(2) THE DIRECTOR, IN CONSULTATION WITH THE COMMITTEE, SHALL ADOPT RULES TO ESTABLISH A SYSTEM FOR REQUIRING REGISTRANTS TO SUBMIT CROP SAMPLES TO AN APPROVED TESTING FACILITY, AS DETERMINED BY THE DIRECTOR, FOR TESTING AND VERIFICATION OF COMPLIANCE WITH THE LIMITS ON DELTA-9 TETRAHYDROCANNABINOL CONCENTRATION. THE RULES SHALL ALSO ESTABLISH A PROCESS BY WHICH A REGISTRANT MAY APPLY TO THE DIRECTOR FOR A WAIVER FROM THE DELTA-9 TETRAHYDROCANNABINOL CONCENTRATION LIMITS UNDER CIRCUMSTANCES SPECIFIED IN THE RULES.

**Section 7 - INDUSTRIAL HEMP REGISTRATION PROGRAM CASH FUND - INDUSTRIAL HEMP RESEARCH GRANT CASH FUND - FEES.**

(1) THERE IS HEREBY CREATED IN THE STATE TREASURY THE INDUSTRIAL HEMP REGISTRATION PROGRAM CASH FUND, REFERRED TO IN THIS ARTICLE AS THE "FUND". THE FUNDS CONSISTS OF FEES COLLECTED BY THE DIRECTOR PURSUANT TO SUBSECTION (2) OF THIS SECTION AND ANY GENERAL FUND MONEY'S APPROPRIATED TO THE FUND BY THE GENERAL ASSEMBLY. THE MONEYS IN THE FUND ARE SUBJECT TO ANNUAL APPROPRIATIONS BY THE GENERAL ASSEMBLY TO THE DEPARTMENT FOR THE DIRECT AND INDIRECT COSTS ASSOCIATED WITH IMPLEMENTING THIS MEASUREMENT.

(3) THERE IS HEREBY CREATED IN THE STATE TREASURY THE INDUSTRIAL HEMP RESEARCH GRANT FUND. THE FUND CONSISTS OF FEES COLLECTED BY THE DIRECTOR PURSUANT TO *SECTION 5.5 (2)*; ANY MONEYS FROM FOUNDATIONS, PRIVATE INDIVIDUALS, OR ANY OTHER FUNDING SOURCES THAT CAN BE USED TO EXPAND THE SCOPE OR TIME FRAME OF ANY HEMP RESEARCH IS AUTHORIZED PURSUANT TO THIS MEASUREMENT; THE DEPARTMENT OF AGRICULTURE TO ADMINISTER AN INDUSTRIAL HEMP RESEARCH PROGRAM PURSUANT TO *SECTION 7*. THE MONEYS IN THE FUND ARE SUBJECT TO ANNUAL APPROPRIATIONS BY THE GENERAL ASSEMBLY TO THE DEPARTMENT TO ESTABLISH AND ADMINISTER AN INDUSTRIAL HEMP RESEARCH GRANT PROGRAM AND TO CONDUCT HEMP RESEARCH.

Section 8 - **VIOLATIONS - PENALTIES.**

(1) THE DIRECTOR MAY DENY, REVOKE, OR SUSPEND A REGISTRATION IF THE APPLICANT OR REGISTRANT:

(a) VIOLATES ANY PROVISION OF THIS ARTICLE OR RULES ADOPTED PURSUANT TO THIS ARTICLE;

(b) ENGAGES IN FRAUD OR DECEPTION IN THE PROCUREMENT OR ATTEMPT TO PROCURE A REGISTRATION UNDER THIS ARTICLE OR PROVIDES FALSE INFORMATION ON A REGISTRATION APPLICATION; OR

(c) FAILS TO COMPLY WITH ANY LAWFUL ORDER OF THE DIRECTOR.

(2) THE DIRECTOR MAY IMPOSE A CIVIL PENALTY, NOT TO EXCEED TWO THOUSAND FIVE HUNDRED DOLLARS PER VIOLATION, ON ANY PERSON WHO VIOLATES THIS ARTICLE OR ANY RULE ADOPTED UNDER THIS ARTICLE.

(3) THE DIRECTOR SHALL NOT IMPOSE A PENALTY AGAINST A PERSON ALLEGED TO HAVE VIOLATED THIS MEASUREMENT OR A RULE ADOPTED UNDER THIS ARTICLE UNTIL THE DIRECTOR HAS NOTIFIED THE PERSON OF THE CHARGE AND HAS GIVEN THE PERSON AN OPPORTUNITY FOR A HEARING PURSUANT TO *TITLE 48-3615.01 A.R.S.*

(4) IF THE DIRECTOR IS UNABLE TO COLLECT A CIVIL PENALTY OR IF A PERSON FAILS TO PAY ALL OR A PORTION OF A CIVIL PENALTY IMPOSED PURSUANT TO THIS SECTION, THE DIRECTOR MAY BRING AN ACTION IN A COURT OF COMPETENT JURISDICTION TO RECOVER THE CIVIL PENALTY PLUS ATTORNEY FEES AND COSTS.

(5) THE DIRECTOR SHALL NEITHER REVOKE NOR SUSPEND AN INSTITUTION OF HIGHER EDUCATION'S REGISTRATION OR A RESEARCH-AND-DEVELOPMENT REGISTRANT'S REGISTRATION WHEN A SAMPLE

2011 FEB -5  
SECRETARY OF STATE

OF THE REGISTRANT'S INDUSTRIAL HEMP TESTS HIGHER THAN THE LIMITS ESTABLISHED BY RULE OF THE DIRECTOR IF THE CROP IS DESTROYED OR UTILIZED IN A MANNER APPROVED OF AND VERIFIED BY THE DIRECTOR.

**Section 8 - EXPORTATION OF INDUSTRIAL HEMP.**

(1) NOTHING IN THIS ARTICLE LIMITS OR PRECLUDES THE EXPORTATION OF INDUSTRIAL HEMP IN ACCORDANCE WITH THE FEDERAL "CONTROLLED SUBSTANCES ACT", AS AMENDED, 21 U.S.C. SEC. 801 ET SEQ., FEDERAL REGULATIONS ADOPTED UNDER THE ACT, AND CASE LAW INTERPRETING THE ACT.

(2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A PERSON ENGAGED IN PROCESSING, SELLING, OR OTHERWISE DISTRIBUTING INDUSTRIAL HEMP CULTIVATED BY A PERSON REGISTERED UNDER THIS ARTICLE, OR SELLING INDUSTRIAL HEMP PRODUCTS PRODUCED THEREFROM, IS NOT SUBJECT TO ANY CIVIL OR CRIMINAL ACTIONS UNDER ARIZONA LAW FOR ENGAGING IN SUCH ACTIVITIES.

**Section 9 - SAFETY CLAUSE.**

THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT THIS ACT IS NECESSARY FOR THE IMMEDIATE PRESERVATION OF THE PUBLIC PEACE, HEALTH, AND SAFETY.

2014 DEC -3 PM 4:58

SECRETARY OF STATE