

Introduced by

Representatives Monson, Porter, Uglen

Senators Dever, J. Lee, Lindaas

1 A BILL for an Act to amend and reenact section 4-41-02 of the North Dakota Century Code,  
2 relating to industrial hemp.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 4-41-02 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **4-41-02. Industrial hemp - Licensure - Reporting requirements - Continuing**  
7 **appropriation.**

8 1. Any person desiring to grow or process industrial hemp for commercial purposes  
9 shall apply to the agriculture commissioner for a license on a form prescribed by  
10 the commissioner. The application for a license must include the name and  
11 address of the applicant and the legal description of the land area to be used to  
12 produce or process industrial hemp. Except for employees of the state seed  
13 department, the agricultural experiment station, or the North Dakota state  
14 university extension service involved in research and extension-related activities,  
15 the commissioner shall require each applicant for initial licensure to submit to a  
16 statewide and nationwide criminal history check. The nationwide criminal history  
17 check must be conducted in the manner provided in section 12-60-24. All costs  
18 associated with the background check are the responsibility of the applicant.  
19 Criminal history records provided to the commissioner under this section are  
20 confidential. The commissioner may use the records only in determining an  
21 applicant's eligibility for licensure. Any person with a prior criminal conviction is not  
22 eligible for licensure. If the applicant has completed the application process to the  
23 satisfaction of the commissioner, the commissioner shall issue the license, which is  
24 valid for a period of one year. Any person licensed under this section is presumed

1 to be growing or processing industrial hemp for commercial purposes. A license  
2 required by this section is not conditioned on or subject to review or approval by  
3 the United States drug enforcement agency.

4 2. Each licensee must file with the commissioner documentation indicating that the  
5 seeds planted were of a type and variety certified to have no more than  
6 three-tenths of one percent tetrahydrocannabinol and a copy of any contract to  
7 grow industrial hemp. Each licensee shall notify the commissioner of the sale or  
8 distribution of any industrial hemp grown by the licensee, and the names of the  
9 persons to whom the hemp was sold or distributed.

10 3. The commissioner shall adopt rules to allow the industrial hemp to be tested during  
11 growth for tetrahydrocannabinol levels and to allow for supervision of the industrial  
12 hemp during its growing, harvesting, and processing. To provide sufficient funds to  
13 pay costs associated with monitoring and testing industrial hemp in the state, the  
14 commissioner shall assess each applicant a fee of five dollars per acre. The  
15 minimum fee assessed must be one hundred fifty dollars per applicant. Collections  
16 from this fee must be deposited in the commissioner's operating fund and are  
17 appropriated to the commissioner to be used to enforce this chapter.

18 4. Notwithstanding any other provision of law, if industrial hemp is tested during  
19 growth and tetrahydrocannabinol levels are found to be in excess of three-tenths of  
20 one percent, the commissioner shall monitor the hemp through the remainder of its  
21 growing cycle and permit the hemp to be harvested and processed in a manner  
22 that lowers tetrahydrocannabinol levels to no more than three-tenths of one  
23 percent.