

**FIRST ENGROSSMENT
with Senate Amendments**

Sixty-first
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1549

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; and to declare an emergency.

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 or research shall apply to the agriculture commissioner for a license on a form
10 prescribed by the commissioner. The application for a license must include the
11 name and address of the applicant and the legal description of the land area to be
12 used to produce or process industrial hemp. Except for employees of the state
13 seed 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
24 is valid for a period of one year. Any person licensed under this section is

1 presumed to be growing or processing industrial hemp for commercial purposes or
2 research. A license required by this section is not conditioned on or subject to
3 review or approval by the United States drug enforcement agency. This
4 subsection does not apply to any person licensed by the United States drug
5 enforcement agency to conduct research.

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

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

20 **SECTION 2. EMERGENCY.** This Act is declared to be an emergency measure.