Sixty-fifth Legislative Assembly of North Dakota

## **HOUSE BILL NO. 1240**

Introduced by

Representatives Monson, D. Johnson, Pollert

Senators Campbell, Luick, Myrdal

- 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.

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## 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 amended and reenacted as follows:
- 4-41-02. Industrial hemp Licensure Reporting requirements Continuing
  appropriation.
  - Any person desiring to grow or process industrial hemp for commercial purposes or research shall apply to the agriculture commissioner for a license on a form prescribed by the commissioner.
    - a. The application for a license must include the name and address of the applicant and the legal description of the land area to be used to produce or process industrial hemp.
    - b. Except for employees of the state seed department, the agricultural experiment station, or the North Dakota state university extension service involved in research and extension-related activities, the commissioner shall require each applicant for initial licensure to submit to a statewide and nationwide criminal history record check. The nationwide criminal history record check must be conducted in the manner provided in section 12-60-24. All costs associated with the criminal history record check are the responsibility of the applicant.
    - c. Criminal history records provided to the commissioner under this section are confidential. The commissioner may use the records only in determining an applicant's eligibility for licensure.
    - d. Any person with a prior criminal conviction may be denied licensure.

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1 If the applicant has completed the application process to the satisfaction of the 2 commissioner, the commissioner shall issue the license, which is valid for a 3 period of one year. 4 f. Any person licensed under this section is presumed to be growing or processing 5 industrial hemp for commercial purposes or research. 6 A license required by this section is not conditioned on or subject to review or g. 7 approval by the United States drug enforcement agency. 8 This subsection does not apply to any person licensed by the United States drug h. 9 enforcement agency to conduct research. 10 An application for a license under this subsection may be filed with the 11 commissioner at any time. 12 2. a. Each licensee must file with the commissioner documentation indicating that the 13 seeds planted were of a type and variety certified to have no more than 14 three-tenths of one percent tetrahydrocannabinol and a copy of any contract to 15 grow industrial hemp. 16 Each licensee shall notify the commissioner of the sale or distribution of any b. 17 industrial hemp grown by the licensee, and the names of the persons to whom 18 the hemp was sold or distributed. 19 3. The commissioner shall adopt rules to provide for oversight of the industrial hemp 20 during growth, harvest, and processing and to allow the industrial hemp to be tested 21 during growth for tetrahydrocannabinol levels and to allow for supervision of the 22 industrial hemp during its growing, harvesting, and processing. 23 4. To provide sufficient funds to pay costs associated with monitoring and testing-24 industrial hemp in the state, the The commissioner shall assess each applicant a fee of 25 fivetwo hundred fifty dollars plus forty dollars per acre. The minimum fee assessed-

must be one hundred fifty dollars per applicant. Collections from this fee must be

deposited in the commissioner's operating fund and are appropriated to the

commissioner to be used to enforce this chapter.