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Testimony of Samantha Brunner Plant Industries Division Director North Dakota Department of Agriculture HB 1045 House Agriculture Committee January 7, 2021

Chairman Johnson and members of the House Agriculture Committee, I am Samantha Brunner, the Plant Industries Division Director for the North Dakota Department of Agriculture (NDDA), and I am representing Agriculture Commissioner Doug Goehring. I am here today in support of HB 1045, with the attached amendments.

Currently NDDA is operating under a pilot program sanctioned by the 2014 Farm Bill. The 2018 Farm Bill placed additional requirements and regulations on the hemp industry and by January 2022 North Dakota will need to comply with the federal regulations and operate under a USDA approved State Plan. The USDA has not yet published the Final Hemp Rule but it is expected to be released in the next few months. Given the uncertainty of what the final rule may contain, and the constantly changing knowledge about hemp THC levels and components we are asking for flexibility in the definition of hemp. This flexibility will allow us to quickly adapt to changing definitions released federally and allow us to continue to operate under a USDA approved state plan.

Since starting the pilot program, hemp production in North Dakota has moved from mainly grain producers with 1-2 fields to both grain producers and cannabinoid producers with multiple smaller fields and varieties. Each field and variety must be tested separately according to the USDA regulations. The increase in sampling and lab testing fees along with an increased

demand for retests has impacted our ability to cover the operating expenses of the program with the fees collected. The ability to charge producers based on the number of tests taken will balance out all those factors.

We also have concerns about going through the procurement process when determining a lab then getting locked into using a specific lab without being able to quickly move on if we run into issues that could have severe consequences for our producers.

Chairman Johnson and committee members, thank you for your consideration of HB 1045 with the attached amendments. I would be happy to answer any questions you may have.