

Introduced by

1 A BILL for an Act to create and enact chapter 4.1-18 of the North Dakota Century Code, relating
2 to cultivation, possession, and sale of industrial hemp; and to repeal chapter 4-41 of the North
3 Dakota Century Code, relating to cultivation, possession, and sale of industrial hemp.

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

5 **SECTION 1.** Chapter 4.1-18 of the North Dakota Century Code is created and enacted as
6 follows:

7 **4.1-18-01. Industrial hemp (cannabis sativa L.) - Oilseed.**

8 Industrial hemp (cannabis sativa L.), having no more than three-tenths of one percent
9 tetrahydrocannabinol, is recognized as an oilseed. Upon meeting the requirements of section
10 4.1-18-02, any person in this state may plant, grow, harvest, possess, process, sell, and buy
11 industrial hemp (cannabis sativa L.) having no more than three-tenths of one percent
12 tetrahydrocannabinol.

13 **4.1-18-02. Industrial hemp - Licensure - Reporting requirements - Continuing**
14 **appropriation.**

- 15 1. Any person desiring to grow or process industrial hemp for commercial purposes or
16 research shall apply to the agriculture commissioner for a license on a form prescribed
17 by the commissioner.
- 18 a. The application for a license must include the name and address of the applicant
19 and the legal description of the land area to be used to produce or process
20 industrial hemp.
- 21 b. The commissioner shall require each applicant for initial licensure to submit to a
22 statewide and nationwide criminal history record check conducted in the manner
23 provided in section 12-60-24. All costs associated with the criminal history record
24 check are the responsibility of the applicant. A statewide and nationwide criminal

- 1 history record check is not required for employees of the state seed department,
2 the agricultural experiment station, or the North Dakota state university extension
3 service involved in research and extension-related activities.
- 4 c. Criminal history records provided to the commissioner under this section are
5 confidential. The commissioner may use the records only in determining an
6 applicant's eligibility for licensure.
- 7 d. Any person with a prior criminal conviction may be denied licensure.
- 8 e. If the applicant has completed the application process to the satisfaction of the
9 commissioner, the commissioner shall issue the license, which is valid for a
10 period of one year.
- 11 f. Any person licensed under this section is presumed to be growing or processing
12 industrial hemp for commercial purposes or research.
- 13 g. A license required by this section is not conditioned on or subject to review or
14 approval by the United States drug enforcement agency.
- 15 h. This subsection does not apply to any person licensed by the United States drug
16 enforcement agency to conduct research.
- 17 i. An application for a license under this subsection may be filed with the
18 commissioner at any time.
- 19 2. a. Each licensee must file with the commissioner documentation indicating that the
20 seeds planted were of a type and variety certified to have no more than three-
21 tenths of one percent tetrahydrocannabinol and a copy of any contract to grow
22 industrial hemp.
- 23 b. Each licensee shall notify the commissioner of the sale or distribution of any
24 industrial hemp grown by the licensee and the names of the persons to whom the
25 hemp was sold or distributed.
- 26 3. The commissioner shall adopt rules to allow the industrial hemp to be tested during
27 growth for tetrahydrocannabinol levels and to allow for supervision of the growing,
28 harvesting, and processing of industrial hemp.
- 29 4. The commissioner shall assess each applicant a fee of five dollars per acre to provide
30 sufficient funds to pay costs associated with monitoring and testing industrial hemp in
31 the state. The minimum fee assessed must be one hundred fifty dollars per applicant.

1 Collections from this fee must be deposited in the commissioner's operating fund and
2 are appropriated to the commissioner to be used to enforce this chapter.

3 **4.1-18-03. Industrial hemp seed - Authorized activity - Research.**

4 The commissioner, North Dakota state university, and any other person licensed under this
5 chapter may import, resell, and plant industrial hemp seed, cultivate the growing plant, and
6 harvest any resulting crop, for any legally permissible purpose, including an authorized pilot
7 program or other agricultural research involving the planting, cultivating, or marketing of
8 industrial hemp.

NOTE: "Commissioner" is used throughout this chapter. It is intended that, as part of revising the agriculture laws, "commissioner" will be defined for all of title 4.1 to mean the agriculture commissioner or the commissioner's designee.

9 **SECTION 2. REPEAL.** Chapter 4-41 of the North Dakota Century Code is repealed.