

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 licenses to grow or process industrial hemp for commercial or research purposes; and to
3 repeal chapter 4-41 of the North Dakota Century Code, relating to licenses to grow or process
4 industrial hemp for commercial or research purposes.

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

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

8 **4.1-18-01. Industrial hemp (cannabis sativa L.) - Oilseed.**

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

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

- 16 1. Any person desiring to grow or process viable kernels of industrial hemp for
17 commercial purposes or research shall apply to the agriculture commissioner for a
18 license on a form prescribed by the commissioner.
- 19 a. The application for a license must include the name and address of the applicant
20 and the legal description of the land area to be used to produce or process
21 industrial hemp.
- 22 b. Except for employees of the state seed department, the agricultural experiment
23 station, or the North Dakota state university extension service involved in
24 research and extension-related activities, the commissioner shall require each

- 1 applicant for initial licensure to submit to a statewide and nationwide criminal
2 history record check. The nationwide criminal history record check must be
3 conducted in the manner provided in section 12-60-24. All costs associated with
4 the criminal history record check are the responsibility of the applicant.
- 5 c. Criminal history records provided to the commissioner under this section are
6 confidential. The commissioner may use the records only in determining an
7 applicant's eligibility for licensure.
- 8 d. Any person with a prior criminal conviction may be denied licensure.
- 9 e. If the applicant has completed the application process to the satisfaction of the
10 commissioner, the commissioner shall issue the license, which is valid for a
11 period of one year.
- 12 f. Any person licensed under this section is presumed to be growing or processing
13 industrial hemp for commercial purposes or research.
- 14 g. A license required by this section is not conditioned on or subject to review or
15 approval by the United States drug enforcement agency.
- 16 h. This subsection does not apply to any person licensed by the United States drug
17 enforcement agency to conduct research.
- 18 i. An application for a license under this subsection may be filed with the
19 commissioner at any time.
- 20 2. a. Each licensee must file with the commissioner documentation indicating that the
21 seeds planted were of a type and variety certified to have no more than
22 three-tenths of one percent tetrahydrocannabinol and a copy of any contract to
23 grow industrial hemp.
- 24 b. Each licensee shall notify the commissioner of the sale or distribution of any
25 industrial hemp grown by the licensee, and the names of the persons to whom
26 the hemp was sold or distributed.
- 27 3. The commissioner shall adopt rules to allow the industrial hemp to be tested during
28 growth for tetrahydrocannabinol levels and to allow for supervision of the industrial
29 hemp during its growing, harvesting, and processing.
- 30 4. To provide sufficient funds to pay costs associated with monitoring and testing
31 industrial hemp in the state, the commissioner shall assess each applicant a fee of five

1 dollars per acre. The minimum fee assessed must be one hundred fifty dollars per
2 applicant. Collections from this fee must be deposited in the commissioner's operating
3 fund and are appropriated to the commissioner to be used to enforce this chapter.

4 **4.1-18-03. Industrial hemp seed - Authorized activity - Research.**

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

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