



Industrial Hemp Plan

South Dakota State Hemp Plan

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SOUTH DAKOTA DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES

REVISED INDUSTRIAL HEMP PLAN

As required by SDCL 38-35, the South Dakota Department of Agriculture and Natural Resources (DANR) is responsible for the administration and oversight of the industrial hemp program in the state of South Dakota. The following state plan will be effective and in place upon approval by the USDA. State law and regulations along with this state plan will provide for administration and enforcement of the South Dakota Industrial Hemp Program. The state plan also includes forms and reports to be utilized by DANR.

The following terms used in this plan mean:

- (1) "Acceptable hemp THC level," The acceptable hemp THC level for the purpose of compliance with the requirements of the State hemp plan is when the application of the measurement of uncertainty to the reported total delta-9 tetrahydrocannabinol content concentration level on a dry weight basis produces a distribution or range that includes 0.3% or less;
- (2) "Applicant," A person, including the state or any agency or institution thereof, any municipality, political subdivision, public or private corporation, individual, partnership, limited liability company, association, federal agency, or trust; and includes any officer or governing or managing body of any municipality, political subdivision, or public or private corporation, or limited liability company, submitting an application for an industrial hemp grower license, processor license, or both;
- (3) "Cannabis," A genus of flowering plants in the family Cannabaceae of which *Cannabis sativa* is a species, and *Cannabis indica* and *Cannabis ruderalis* are subspecies thereof. Cannabis refers to any form of the plant in which the total delta-9 tetrahydrocannabinol concentration on a dry weight basis has not yet been determined;
- (4) "Department," The Department of Agriculture and Natural Resources (DANR);
- (5) "Greenhouse," An indoor structure no less than 2,880 square feet, not in a residential dwelling;
- (6) "Hemp" or "industrial hemp," The plant *Cannabis sativa L.* and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a total delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent on a dry weight basis;
- (7) "Key participant," A sole proprietor, a partner in a partnership, or a

person with executive managerial control in a corporation or limited liability company;

- (8) "Industrial hemp product," A finished manufactured product, or consumer product containing cannabidiol that is packaged for individual sale, with a total delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent, derived from or made by processing industrial hemp);
- (9) "Lot," A contiguous area in a field or greenhouse containing the same variety or strain of hemp throughout the area;
- (10) "Measurement of uncertainty," The parameter, associated with the result of a measurement, that characterizes the dispersion of the values that could reasonably be attributed to the particular quantity subject to measurement;
- (11) "Process" or "processing," To convert or converting industrial hemp into industrial hemp product;
- (12) "Processor," A person who processes industrial hemp;
- (13) "Produce" or "producing," To grow or growing hemp plants in the field or greenhouse for processing;
- (14) "Secretary," The secretary of the Department of Agriculture and Natural Resources; and
- (15) "Total THC," The value determined after the process of decarboxylation, or the application of a conversion factor if the testing methodology does not include decarboxylation, that expresses the potential total delta-9-tetrahydrocannabinol content derived from the sum of the THC and THCA content and reported on a dry weight basis. Total THC is calculated by using a liquid chromatograph technique using the following conversion: [total THC = (0.877 x THCA) + THC] which calculates the potential total THC in a given sample.

1. Plan to Maintain Licensee Information and Land Information

An industrial hemp license is required for any person who purchases, receives, or obtains industrial hemp, including clones or seedlings, for planting, storing, propagating, or processing industrial hemp. An industrial hemp license is not required for purchasing or receiving an industrial hemp product. An industrial hemp license is not required for possession or distribution of hemp seed. No unlicensed person is subject to criminal penalties for possession or distribution of hemp seed. Hemp seed is considered an agricultural seed as defined in SDCL 38-12A-1(2); therefore, requirements outlined in the Federal Seed Act and SDCL 38-12A must be followed.

Application Process

Under SDCL ch. 38-35, industrial hemp growers and processors must apply to the Secretary for a license. The Department will require and collect the following information from the applicant:

- Name; address; telephone number; email address, if available;
- Legal description and geospatial coordinates of the Lot(s) where industrial hemp will be located;
- If the applicant is a business entity, the applicant must include the full name of the business, the address of the principal business location, telephone number, and a copy of a Certificate of Good Standing provided by the South Dakota Secretary of State.
- Full name and title of the key participants; email addresses, if available; and IRS Employer Identification Number (EIN) of the business entity;
- An authorization allowing DANR to access state and federal background checks conducted by the South Dakota Division of Criminal Investigation (DCI) and the Federal Bureau of Investigation (FBI) for applicants, key participants and landowners;
- The planned harvest use (seed/grain, floral, CBD, or fiber);
- If the Lot location is within the corporate limits of any incorporated municipality, the applicant must provide documentation from a municipal official verifying the Lot location meets all applicable municipal zoning regulations; and
- Verification that the Lot location is not within "Territory of the Indian Tribe."

DANR will collect this information via an application process and maintain information on an Excel spreadsheet until a secure database can be established. DANR will report to USDA the license number, the status of licensees and any amendments thereof within 30 days after receipt of the information via USDA form AMS 23.

Licenses

Applications to plant, grow, or produce industrial hemp must be for greater than or equal to 0.5 contiguous outdoor acres per Lot or in a greenhouse, or both. The licenses shall be valid for 15 months from the date of issuance.

Upon approval and receipt of payment of the license fee, the licensee will be assigned a grower license number using the South Dakota code (46) as indicated in the American Standards Institute (ANSI) Code for States, the District of Columbia, Puerto Rico, and the Insular Areas of the United States. South Dakota licenses will start with 46_0001, be sequential, and not duplicated or reused by different licensees. Licensees will retain the same grower license number for all subsequent licenses issued. Licenses are non-transferable.

Licensees will be notified via email when an application has been approved or denied. Upon receipt of payment of license fee, the industrial hemp licenses will be mailed via United States Mail.

A license is not required for employees of the State of South Dakota when performing official duties. A license is not required for research or testing facilities testing industrial hemp seed to determine label information but must follow requirements outlined in

SDCL 38-12A-9.

License Amendments

After a license is issued, any changes to the information on an application require a licensee to submit a License Amendment Form within ten days of the change pursuant to SDCL 38-35-4.

License Denial or Revocation

The Secretary may deny, suspend, or revoke a license if an applicant or licensee fails to meet or maintain the license requirements. A licensee that negligently violates their license 3 times in a 5-year period shall be subject to revocation and ineligible for a license to produce industrial hemp for a period of 5 years from the date that the last violation was identified. A licensee will not receive more than one negligent violation per calendar year.

Records

Grower licensees are required to provide their industrial hemp license number and certify industrial hemp acreage and square footage planted for all growing location(s) with their county office of the United States Department of Agriculture (USDA) Farm Service Agency (FSA). Licensees must keep the following information in order to document and report to USDA, FSA, and DANR as required.

- All license number information and authorization number;
- Street address;
- Geospatial location(s) of each Lot where hemp will be produced;
- Industrial hemp crop acreage;
- Total outdoor acreage and indoor square footage of industrial hemp planted, harvested, and disposed;
- Record of all processors sold to and quantities sold to each processor;
- Variety/strain for each Lot;
- Copies of all notifications of total THC test results for each Lot;
- All records, documents, forms regarding the disposal of cannabis production in violation of the USDA guidelines;
- All records, documents, forms regarding the disposal of cannabis for any reason other than cannabis production in violation of the USDA guidelines;
- Copies of all records, forms, and reports submitted to DANR, the Department of Public Safety (DPS), law enforcement officers, and to the FSA;
- All records that support, document, or verify the information submitted to DANR, DPS, law enforcement officers, and the FSA.

All license information and records submitted to the Secretary will be retained electronically by DANR for 3 years from the date the application is received. The licensee is responsible to maintain copies of all records required by USDA, FSA or other state or federal agencies for 3 years from the date the license is issued.

2. Plan for Crop Sampling and Testing for Total Delta-9-Tetrahydrocannabinol

Procedures

Every Lot shall be inspected by DANR or DPS, and samples shall be collected no more than 30 days before the industrial hemp is harvested. The licensee must contact DANR at least 14 days prior to harvest to schedule an inspection. The licensee or key participant must be present during the inspection. If the licensee fails to be present at the scheduled inspection date and time, a second request for inspection must be made by contacting DANR.

DANR and DPS have complete and unrestricted access during business hours and may enter on any land or other property where industrial hemp is grown produced, stored, or processed for the purposes of inspections, sample collection, testing, or investigation.

Samples obtained by DANR or DPS will represent a homogenous composition of the Lot. Any samples obtained by DANR or DPS will be analyzed by a DEA registered analytical chemistry laboratory. The laboratory will determine total THC, including Delta-9- Tetrahydrocannabinol ($\Delta 9$ -THC) and Delta-9- Tetrahydrocannabinolic Acid ($\Delta 9$ - THCA), concentration in industrial hemp by using testing methods that include post decarboxylation (liquid chromatography-electrospray/mass spectrometry, for example). The laboratory must report the total Delta-9-Tetrahydrocannabinol content concentration level on dry weight basis and report the measurement of uncertainty, as required by USDA.

Industrial hemp may only be harvested after the sample is collected by DANR or DPS. All harvested material must remain in the dominion of control of the licensee and may not be commingled with Cannabis plant material from other Lots or other material until the licensee receives a laboratory result from DANR that confirms compliance with the acceptable hemp THC level.

Sample collection protocols and procedures shall be in accordance with the attached DANR Hemp Sampling Guidance. Samples will be collected from the flowering tops of plants, approximately six to eight inches in length from the main stem, terminal bud, or central cola. Collection methods will ensure samples represent a homogeneous composition of each industrial hemp Lot. Each sample will be sealed in a collection bag and identified by: inspector, licensee name, license number, date, and field/tract ID as provided by the USDA Farm Service Agency.

The testing laboratory will provide laboratory analysis results to DANR and will be reported to USDA using the Laboratory Test Results Report (AMS 22). DANR will provide individual test results to licensees via email.

Any industrial hemp grown in a Lot that fails to fall within an acceptable hemp THC level shall not be handled, processed, or enter the stream of commerce. The acceptable hemp THC for the purpose of compliance is when the application of the measurement of uncertainty to the reported total Delta-9-tetrahydrocannabinol content concentration level on a dry weight basis produces a distribution or range that includes 0.3% or less.

If a producer elects to perform remediation activities, DANR or DPS must conduct additional sampling and analysis of the post-remediated crop to determine total THC

concentrations. Only successfully remediated crops with a total THC concentration equal or less than 0.3% will be allowed to enter the stream of commerce, and all non-compliant crops must be disposed.

3. Plan for Disposal or Remediation of Non-Compliant Plants

Any industrial hemp plants exceeding the acceptable hemp THC level will either be remediated or disposed under the oversight of DANR or DPS. Licensees must provide a plan for remediation or disposal of non-compliant Cannabis plants. Disposal methods must use destruction methods that render the lot non-retrievable, non-ingestible, and unfit to enter the stream of commerce. All disposal of Cannabis shall comply with USDA guidelines. Please see DANR's Industrial Hemp page for links to the USDA disposal guideline (<https://danr.sd.gov/Agriculture/Inspection/IndustrialHemp/default.aspx>).

The only allowed method for remediation is shredding the entire plant into a bio-mass like material, then re-testing the shredded biomass material for compliance. DANR will notify USDA of any non-compliant plants and the disposal thereof with submission of the State and Tribal Hemp Disposal Report (AMS 24), including proper documentation and verification of disposal. Testing laboratories will provide test results to USDA using the Laboratory Test Results Report (AMS 22).

If the licensee determines all or a portion of their industrial hemp crop is unfit for commerce due to pests, insects, weeds, disease, poor stand, or damaged by natural disasters or weather such as a flood, wind, hail, or any other reason other than THC non-compliance, the damaged industrial hemp must be disposed in accordance with USDA and state requirements. The licensee shall chemically or mechanically destroy and render the industrial hemp non-retrievable, non-ingestible, and unfit to enter the stream of commerce, per USDA disposal guidelines. The licensee must document and report all disposal of industrial hemp crops to DANR.

4. Plan for Inspection Procedures & Annual Inspection

In addition to planting verification and pre-harvest sampling and testing, the licensee may be subject to random inspections at any time. Inspections shall be conducted by DANR or DPS pursuant to established guidelines for sampling and testing.

Planting Verification Inspection

Within 30 days of planting, the licensee shall file with the department documentation to identify the type and variety of each industrial hemp seed planted with its corresponding Lot. Upon receipt of this documentation, DANR will contact the licensee and schedule a planting verification inspection. This inspection will verify the GPS coordinates of the growing sites, legal description of the planted Lot(s), address, acreage, square footage, the number of plants planted, location ID, and to verify that the information provided on the licensee's application is accurate and in compliance with state and USDA requirements. The licensee or key participant must be present at the inspection.

Pre-harvest Inspection

DPS or DANR shall conduct inspections and sampling of each Lot not more than 30 days before the hemp is harvested. Hemp shall not be harvested prior to DPS or DANR performing a pre-harvest inspection and sampling of each Lot. The licensee or a key participant must be present at the inspection. No harvested Lot of industrial hemp shall be commingled with another harvested Lot of industrial hemp or other plant material until laboratory analytical results verify the harvested Lots have an acceptable hemp THC level. No industrial hemp may leave the dominion of control of the licensee until the licensee receives a laboratory result from DANR, confirming the Lot complies with the acceptable hemp THC level.

Remediation or Disposal Inspections

Disposal or remediation is required for industrial hemp Lots that do not comply with the acceptable hemp THC level.

DANR or DPS may conduct a disposal inspection to verify that non-compliant Lots are disposed of in a manner that renders the Lot non-retrievable, non-ingestible, and unfit to enter the stream of commerce. The licensee must be present at the disposal inspection. A disposal inspection is not required for disposal of industrial hemp Lots damaged or destroyed due to pests, insects, weeds, disease, poor stand, or destroyed by natural disaster or weather such as a flood, wind, or hail.

If a grower licensee chooses to remediate a noncompliant Lot, the licensee must schedule an additional sampling inspection with DANR or DPS to re-test the remediated Lot to determine compliance with the acceptable hemp THC level. If a remediated Lot does not meet the acceptable hemp THC level, the Lot shall be destroyed and rendered unfit to enter the stream of commerce using USDA approved guidelines. DANR or DPS will verify and document disposal for remediated Lots that do not meet the acceptable hemp THC level.

5. Plan for Information Collection and Sharing

DANR will use AMS 23, AMS 24, and AMS 25 to report information to USDA or Agricultural Marketing Service (AMS) including: (1) hemp crop acreage; 2) reporting total acreage of hemp planted, harvested, and disposed; 3) license or authorization number; 4) street address; 5) geospatial location(s) of each lot where hemp will be produced; 6) acreage of greenhouse or indoor square footage dedicated to the production of industrial hemp. Reports shall be submitted to USDA by the first of each month. Testing laboratories will use AMS 22 to report test results to USDA.

6. Plan for Enforcement

If an industrial hemp inspection results in the discovery of a negligent violation, the Secretary will institute a corrective action plan with the licensee. As a result of a negligent violation, a licensee shall not be subject to any criminal enforcement action. Three negligent violations in a 5-year period results in a grower being ineligible to produce industrial hemp for a period of 5 years from the date of the last violation. A grower licensee will not receive more than one negligent violation in a calendar year. DANR or DPS must be notified by the licensee of all corrective action plans and shall conduct inspections to determine if corrective action plans have been implemented; the licensee must be present during those inspections.

Negligent Violations

- Failure to provide accurate, legal description of the land on which the licensee produces industrial hemp
- Failure to obtain a license or other required authorization from DANR
- Produces cannabis with total THC exceeding 1% on a dry weight basis
- Growth of industrial hemp outside of a licensed planting site

Corrective Action Plan

A licensee shall comply with a corrective action plan established by DANR to correct negligent violations including:

- A date to correct the negligent violation.
- A requirement to periodically report to the DANR regarding compliance with the corrective action plan for a period of not less than the next 2 calendar years.
- A plan of correction to correct each negligent violation.

A description of the procedures that will demonstrate compliance must be submitted to USDA.

Non-negligent violations

In the case of violations with a culpable mental state greater than negligence as determined by DANR, including growing hemp containing a total THC concentration that exceeds 1 percent on a dry weight basis or a tolerance range as specified by USDA, DANR shall immediately report the violation and the industrial hemp grower to the United States Attorney General, the South Dakota Attorney General, and the Division of Criminal Investigation. Crops may be seized and/or destroyed and a criminal case may be initiated for any violation of this act or the South Dakota law.

The Secretary must deem ineligible and deny any application, or revoke or suspend a license, of any applicant, licensee, key participant, or landowner for any of the following:

- violates USDA rules regarding industrial hemp;
- provides false or misleading information in connection with any application;
- has a conviction of a misdemeanor or felony relating to a controlled substance or marijuana under state or federal law in the last ten years, unless participating in a state hemp pilot program authorized under the 2014 Agricultural Act* before December 20, 2018 and whose conviction also occurred before that date;
- has been charged with a misdemeanor or felony relating to a controlled substance under state or federal law since the most recent background check;

All enforcement actions will be conducted with due process as provided by SDCL 1-26.

*South Dakota does not have any pilot programs authorized under the 2014 Agricultural Act.

7. Certification of Resources

An appropriation was made by the 2020 South Dakota Legislature to allocate one-time funds to the SDDA to start the program. Additionally, an appropriation for ongoing funds was made to fund the program until such time as it could be supported by fees. South Dakota law and rules allow DANR to establish fees for licenses, inspection, and sampling as needed to pay for costs incurred, subject to statutory limits. DANR plans to have two full-time employees in the program and utilize additional department staff throughout the year. The DANR certifies that it can perform the duties outlined in this plan and as required by the 2018 Farm Bill.

South Dakota State Industrial Hemp Plan Appendix

Industrial Hemp License Application

Industrial Hemp License Amendment Application

Sampling Guidelines for Industrial Hemp

Testing Guidelines for Industrial Hemp

State Producer Report Form

State Hemp Disposal Form

Annual Report Form



Industrial Hemp License Application and Amendment Application



DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES
JOE FOSS BUILDING
523 E CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

INDUSTRIAL HEMP LICENSE APPLICATION

Please Indicate: Grower Processor Both

Section 1: Individual Application Information

(Only complete this section if you are an individual applying. Business entities proceed to section 2.)

Name _____ DOB _____
Last First MI

Home Address _____
Street City State Zip

Mailing Address _____
Street City State Zip

Phone Number _____ Alternate Number _____

Email Address _____

Section 2: Business Application Information

(Only complete this section if you are a business entity. Individuals complete section 1.
Additional Key Participants proceed to section 2a.)

Business Name _____

Contact Name _____ DOB _____
Last First Mi

Street Address _____
Street City State Zip

Mailing Address _____
Street City State Zip

Phone Number _____ Alternate Number _____

Email Address _____

Type of Business: Corporation LLC Partnership Other _____

EIN # _____

PLEASE ATTACH

1. SOUTH DAKOTA SECRETARY OF STATE CERTIFICATE OF GOOD STANDING
2. LETTER FROM MUNICIPALITY VERIFYING ALL MUNICIPAL ZONING REGULATIONS ARE MET (IF APPLICABLE).
3. INCLUDE MAP(S) OF LICENSED AREA LOT(S) BASED ON DIRECTIONS PROVIDED IN THE GROWER APPLICATION GUIDANCE ON OUR WEBSITE

**HEMP LICENSE APPLICATION
(Continued)**

38-35-1. INDUSTRIAL HEMP DEFINED

For the purposes of this chapter, industrial hemp or hemp, is the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a total delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent on a dry weight basis.

Section 2a: Key Participants

Definition of Key Participants: A sole proprietor, a partner in a partnership, or a person with executive managerial control in a corporation or limited liability company.

Please list Key Participants Authorized to act on behalf of the business entity.

Name _____ Title _____
Last First Mi

E-mail _____

Name _____ Title _____
Last First Mi

E-mail _____

Name _____ Title _____
Last First Mi

E-mail _____

Name _____ Title _____
Last First Mi

E-mail _____

Name _____ Title _____
Last First Mi

E-mail _____

Name _____ Title _____
Last First Mi

E-mail _____

HEMP LICENSE APPLICATION
(Continued)

Section 3a: Licensed Growing Area(s)

Multiple production areas can be attached to a single application. Please make additional copies of this page as necessary. Please name and number each licensed area lot. GPS coordinates must be included and obtained from the approximate center of each licensed area lot. Each variety is considered a licensed area lot. An aerial map indicating the outer boundaries of each licensed area lot must be also included.

Licensed Area Lot _____ Field Name _____

Legal Description _____
Section Township Range

Indoor Outdoor Lot Location is NOT within a territory of the Indian Tribe

GPS Latitude _____ GPS Longitude _____

Licensed Lot Size _____ Planned Acreage _____
(area/sq ft) (area/sq ft)

Ownership Owned Leased If leased, please complete page 5 for each leased Lot

Planned harvest use Seed/Grain CBD Floral Fiber Other _____

Storage Building Latitude/Longitude: Lat: _____ Long: _____

Licensed Area Lot _____ Field Name _____

Legal Description _____
Section Township Range

Indoor Outdoor Lot Location is NOT within a territory of the Indian Tribe

GPS Latitude _____ GPS Longitude _____

Licensed Lot Size _____ Planned Acreage _____
(area/sq ft) (area/sq ft)

Ownership Owned Leased If leased, please complete page 5 for each leased Lot

Planned harvest use Seed/Grain CBD Floral Fiber Other _____

Storage Building Latitude/Longitude: Lat: _____ Long: _____

HEMP LICENSE APPLICATION (Continued)

Section 3b: Licensed Processing Area(s)

Multiple production areas can be attached to a single application. Please make additional copies of this page as necessary. Please name and number each licensed area lot. GPS coordinates must be included and obtained from the approximate center of each licensed area lot. Each facility is considered a licensed area lot. An aerial map indicating the outer boundaries of each licensed area lot must be also be included.

Licensed Area Lot _____	Building Name _____
Legal Description _____	
Section	Township
Range	
GPS Latitude _____	GPS Longitude _____
Processing Area _____ (sq/ft or acreage)	
Ownership Owned <input type="checkbox"/> Leased <input type="checkbox"/> (If area is leased, please fill out section 4: landowner agreement.)	
Mobile Processing? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Licensed Area Lot _____	Building Name _____
Legal Description _____	
Section	Township
Range	
GPS Latitude _____	GPS Longitude _____
Processing Area _____ (sq/ft or acreage)	
Ownership Owned <input type="checkbox"/> Leased <input type="checkbox"/> (If area is leased, please fill out section 4: landowner agreement.)	
Mobile Processing? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Licensed Area Lot _____	Building Name _____
Legal Description _____	
Section	Township
Range	
GPS Latitude _____	GPS Longitude _____
Processing Area _____ (sq/ft or acreage)	
Ownership Owned <input type="checkbox"/> Leased <input type="checkbox"/> (If area is leased, please fill out section 4: landowner agreement.)	
Mobile Processing? Yes <input type="checkbox"/> No <input type="checkbox"/>	

HEMP LICENSE APPLICATION (Continued)

Section 4: Landowner Agreement

This Section is to be completed if you are leasing the licensed area from another real property owner. Please make additional copies of this form as necessary.

The landowner of any non-owned licensed area used for production/processing of industrial hemp or hemp products **MUST** consent for the area to be used for industrial hemp production/processing.

I, _____ (print name), the undersigned, am the lawful owner of real property located the referenced licensed area number _____ in Section 3 of this application, and I hereby consent to the use of such property for the purpose of production/processing of industrial hemp consistent with and for all purposes allowed under federal law, South Dakota law, and the rules of the South Dakota Department of Agriculture & Natural Resources (DANR). I produce/process on said property.

1. Any information obtained by the DANR with respect to this application and the production/processing industrial hemp on my property may be disclosed to the public and/or provided to law enforcement agencies without further notice to me or my representative(s).
2. I agree to allow any inspection or sampling of my property at the referenced licensed area number _____ in Section 3 of this application that DANR deems necessary relative to this application for a hemp production/processing license.
3. I agree to allow DANR to use any right of way or another entry point to access the Lot for inspection.

Landowner's Signature _____ Date _____

Landowner's Contact Information: (Please print)

Name _____
Last First Mi

Phone Number _____ Alternate Number _____

Email Address _____

HEMP LICENSE APPLICATION (Continued)

SECTION 5: ACKNOWLEDGEMENT

Please affirm the applications agreement to the following terms and conditions for a hemp license.

I, _____ (print name), have the legal authority to bind the applicant to the terms and conditions of this application for a industrial hemp license, hereby acknowledge those regulations governing the production and processing of hemp under federal law, South Dakota law, and the rules of DANR. I further acknowledge, understand and agree to each of the following terms and conditions of a license from DANR to produce and/or process industrial hemp.

1. Any information provided to DANR may be publicly disclosed in accordance with the South Dakota open records law SDCL 1-27 and may be provided to law enforcement agencies without further notice to the license applicant or licensee. License and harvest information will also be shared with the appropriate sections of the United States Department of Agriculture or other federal agencies.
2. I agree to allow any inspection or sampling that DANR deems necessary pursuant to South Dakota law during reasonable business hours.
3. In accordance with South Dakota law, I agree to pay all fees for inspection, sampling, and analysis.
4. I agree to submit all reports or records requested by DANR pertaining to this license application, hemp production, and hemp processing by the applicable due dates specified by DANR.
5. I agree to produce or process hemp only in a licensed area.
6. I affirm that I have not been convicted of or pled nolo contendere to a controlled substance felony or misdemeanor within the past 10 years.
7. If the applicant is a business entity, I affirm that no key participant of the applicant has been convicted of or pled nolo contendere to a controlled substance felony or misdemeanor within the past 10 years.
8. I affirm that all documents and information in support of this application for an industrial hemp license are correct and complete.
9. I affirm that I have read and understand South Dakota Industrial Hemp Law SDCL 38-35 available at: <https://sdlegislature.gov>
10. I agree to produce industrial hemp in compliance with the South Dakota Industrial Hemp Law SDCL 38-35. If the crop does not adhere to the South Dakota Industrial Hemp Law SDCL 38-35-14 the entire crop will be destroyed at the applicant's expense.

Applicant Name (please print) _____ Date _____

Applicant Signature _____

OFFICE USE ONLY

Background check: Approved Denied

Date Application Rec'd _____ License # _____ Processed Date _____

Check # _____ Amount \$ _____ Application Fee: \$50.00

Check # _____ Amount \$ _____ Grower License Fee: \$500.00

Processor License Fee: \$2,000.00

Approved By: _____

Program Manager

Administrator



DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES
JOE FOSS BUILDING
523 E CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

INDUSTRIAL HEMP LICENSE AMENDMENT

Please Indicate: Grower Processor Both

Section 1: Individual Application Information

(Only complete this section if you are an individual applying. Business entities proceed to section 2.)

Name _____ DOB _____
Last First MI

Home Address _____
Street City State Zip

Mailing Address _____
Street City State Zip

Phone Number _____ Alternate Number _____

Email Address _____

Section 2: Business Application Information

(Only complete this section if you are a business entity. Individuals complete section 1.
Additional Key Participants proceed to section 2a.)

Business Name _____

Contact Name _____ DOB _____
Last First Mi

Street Address _____
Street City State Zip

Mailing Address _____
Street City State Zip

Phone Number _____ Alternate Number _____

Email Address _____

Type of Business: Corporation LLC Partnership Other _____

EIN # _____

PLEASE ATTACH

1. SOUTH DAKOTA SECRETARY OF STATE CERTIFICATE OF GOOD STANDING
2. LETTER FROM MUNICIPALITY VERIFYING ALL MUNICIPAL ZONING REGULATIONS ARE MET (IF APPLICABLE).
3. INCLUDE MAP(S) OF LICENSED AREA LOT(S) BASED ON DIRECTIONS PROVIDED IN THE GROWER APPLICATION GUIDANCE ON OUR WEBSITE

HEMP LICENSE AMENDMENT (Continued)

38-35-1. INDUSTRIAL HEMP DEFINED

For the purposes of this chapter, industrial hemp or hemp, is the plant *Cannabis sativa L.* and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a total delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent on a dry weight basis.

Section 2a: Key Participants

Definition of Key Participants: A sole proprietor, a partner in a partnership, or a person with executive managerial control in a corporation or limited liability company.

Please list Key Participants Authorized to act on behalf of the business entity.

Name _____ Title _____
Last First Mi

E-mail _____

Name _____ Title _____
Last First Mi

E-mail _____

Name _____ Title _____
Last First Mi

E-mail _____

Name _____ Title _____
Last First Mi

E-mail _____

Name _____ Title _____
Last First Mi

E-mail _____

Name _____ Title _____
Last First Mi

E-mail _____

HEMP LICENSE AMENDMENT (Continued)

Section 3a: Licensed Growing Area(s)

Multiple production areas can be attached to a single application. Please make additional copies of this page as necessary. Please name and number each licensed area lot. GPS coordinates must be included and obtained from the approximate center of each licensed area lot. Each variety is considered a licensed area lot. An aerial map indicating the outer boundaries of each licensed area lot must be also be included.

Licensed Area Lot _____	Field Name _____				
Legal Description _____					
Section	Township	Range			
Indoor <input type="checkbox"/>	Outdoor <input type="checkbox"/>	Lot Location is NOT within a territory of the Indian Tribe <input type="checkbox"/>			
GPS Latitude _____	GPS Longitude _____				
Licensed Lot Size _____ (area/sq ft)	Planned Acreage _____ (area/sq ft)				
Ownership	Owned <input type="checkbox"/>	Leased <input type="checkbox"/>	If leased, please complete page 5 for each leased Lot		
Planned harvest use	Seed/Grain <input type="checkbox"/>	CBD <input type="checkbox"/>	Floral <input type="checkbox"/>	Fiber <input type="checkbox"/>	Other _____ <input type="checkbox"/>
Storage Building Latitude/Longitude:	Lat: _____	Long: _____			

Licensed Area Lot _____	Field Name _____				
Legal Description _____					
Section	Township	Range			
Indoor <input type="checkbox"/>	Outdoor <input type="checkbox"/>	Lot Location is NOT within a territory of the Indian Tribe <input type="checkbox"/>			
GPS Latitude _____	GPS Longitude _____				
Licensed Lot Size _____ (area/sq ft)	Planned Acreage _____ (area/sq ft)				
Ownership	Owned <input type="checkbox"/>	Leased <input type="checkbox"/>	If leased, please complete page 5 for each leased Lot		
Planned harvest use	Seed/Grain <input type="checkbox"/>	CBD <input type="checkbox"/>	Floral <input type="checkbox"/>	Fiber <input type="checkbox"/>	Other _____ <input type="checkbox"/>
Storage Building Latitude/Longitude:	Lat: _____	Long: _____			

HEMP LICENSE AMENDMENT (Continued)

Section 3b: Licensed Processing Area(s)

Multiple production areas can be attached to a single application. Please make additional copies of this page as necessary. Please name and number each licensed area lot. GPS coordinates must be included and obtained from the approximate center of each licensed area lot. Each facility is considered a licensed area lot. An aerial map indicating the outer boundaries of each licensed area lot must be also be included.

Licensed Area Lot _____ Building Name _____			
Legal Description _____			
Section	Township	Range	
GPS Latitude _____		GPS Longitude _____	
Processing Area _____ (sq/ft or acreage)			
Ownership Owned <input type="checkbox"/> Leased <input type="checkbox"/> (If area is leased, please fill out section 4: landowner agreement.)			
Mobile Processing? Yes <input type="checkbox"/> No <input type="checkbox"/>			
Licensed Area Lot _____ Building Name _____			
Legal Description _____			
Section	Township	Range	
GPS Latitude _____		GPS Longitude _____	
Processing Area _____ (sq/ft or acreage)			
Ownership Owned <input type="checkbox"/> Leased <input type="checkbox"/> (If area is leased, please fill out section 4: landowner agreement.)			
Mobile Processing? Yes <input type="checkbox"/> No <input type="checkbox"/>			
Licensed Area Lot _____ Building Name _____			
Legal Description _____			
Section	Township	Range	
GPS Latitude _____		GPS Longitude _____	
Processing Area _____ (sq/ft or acreage)			
Ownership Owned <input type="checkbox"/> Leased <input type="checkbox"/> (If area is leased, please fill out section 4: landowner agreement.)			
Mobile Processing? Yes <input type="checkbox"/> No <input type="checkbox"/>			

**HEMP LICENSE AMENDMENT
(Continued)**

Section 4: Landowner Agreement

This Section is to be completed if you are leasing the licensed area from another real property owner. Please make additional copies of this form as necessary.

The landowner of any non-owned licensed area used for production/processing of industrial hemp or hemp products MUST consent for the area to be used for industrial hemp production/processing.

I, _____ (print name), the undersigned, am the lawful owner of real property located the referenced licensed area number _____ in Section 3 of this application, and I hereby consent to the use of such property for the purpose of production/processing of industrial hemp consistent with and for all purposes allowed under federal law, South Dakota law, and the rules of the South Dakota Department of Agriculture & Natural Resources (DANR). I produce/process on said property.

1. Any information obtained by the DANR with respect to this application and the production/processing industrial hemp on my property may be disclosed to the public and/or provided to law enforcement agencies without further notice to me or my representative(s).
2. I agree to allow any inspection or sampling of my property at the referenced licensed area number _____ in Section 3 of this application that DANR deems necessary relative to this application for a hemp production/processing license.
3. I agree to allow DANR to use any right of way or another entry point to access the Lot for inspection.

Landowner's Signature _____ Date _____

Landowner's Contact Information: (Please print)

Name _____
Last First Mi

Phone Number _____ Alternate Number _____

Email Address _____

HEMP LICENSE AMENDMENT (Continued)

SECTION 5: ACKNOWLEDGEMENT

Please affirm the applications agreement to the following terms and conditions for a hemp license.

I, _____ (print name), have the legal authority to bind the applicant to the terms and conditions of this application for a industrial hemp license, hereby acknowledge those regulations governing the production and processing of hemp under federal law, South Dakota law, and the rules of DANR. I further acknowledge, understand and agree to each of the following terms and conditions of a license from DANR to produce and/or process industrial hemp.

1. Any information provided to DANR may be publicly disclosed in accordance with the South Dakota open records law SDCL 1-27 and may be provided to law enforcement agencies without further notice to the license applicant or licensee. License and harvest information will also be shared with the appropriate sections of the United States Department of Agriculture or other federal agencies.
2. I agree to allow any inspection or sampling that DANR seems necessary pursuant to South Dakota law during reasonable business hours.
3. In accordance with South Dakota law, I agree to pay all fees for inspection, sampling, and analysis.
4. I agree to submit all reports or records requested by DANR pertaining to this license application, hemp production, and hemp processing by the applicable due dates specified by DANR.
5. I agree to produce or process hemp only in a licensed area.
6. I affirm that I have not been convicted of or pled nolo contendere to a controlled substance felony or misdemeanor within the past 10 years.
7. If the applicant is a business entity, I affirm that no key participant of the applicant has been convicted of or pled nolo contendere to a controlled substance felony or misdemeanor within the past 10 years.
8. I affirm that all documents and information in support of this application for an industrial hemp license are correct and complete.
9. I affirm that I have read and understand South Dakota Industrial Hemp Law SDCL 38-35 available at: <https://sdlegislature.gov>
10. I agree to produce industrial hemp in compliance with the South Dakota Industrial Hemp Law SDCL 38-35. If the crop does not adhere to the South Dakota Industrial Hemp Law SDCL 38-35-14 the entire crop will be destroyed at the applicant's expense.

Applicant Name (please print) _____ Date _____

Applicant Signature _____

OFFICE USE ONLY

Background check: Approved Denied

Date Application Rec'd _____ License # _____ Processed Date _____

Check # _____ Amount \$ _____ Application Fee: \$50.00

Check # _____ Amount \$ _____ Grower License Fee: \$500.00

Processor License Fee: \$2,000.00

Approved By: _____

Program Manager

Administrator



Sampling Guidelines

South Dakota Department of Agriculture and Natural Resources (DANR) Hemp Inspection, Sampling, and Testing Protocol

The 2018 Farm Bill gave the South Dakota Department of Agriculture and Natural Resources (DANR) the authority to regulate the growing, harvesting, and processing of hemp. Accordingly, DANR intends to inspect and sample every lot and every grower licensee. Official samples must be collected by South Dakota state employees trained by DANR or USDA representatives. The samples collected are intended to represent a homogeneous composition of the THC content in each lot. All lots will be tested for compliance with the acceptable hemp THC level (0.3% total THC). Testing will be completed at the grower's expense.

Harvest Notification

1. The grower licensee must complete and submit a *Grower Inspection Sample Request* form to DANR at least 30 days prior to the expected harvest date.
2. The *Grower Inspection Sample Request* will detail which lots will be sampled and harvested.
3. The lot numbers and Location ID should match the information provided on the *Planting Verification and Harvest Report*.
4. After the *Grower Inspection Sample Request* is received by DANR, the Program Manager will forward the *Grower Inspection Sample Request* to the inspector along with associated maps and site information.
5. The *Grower Inspection Sample Request* will provide the contact information for the licensee or the key participant who must be on site during the inspection.
6. The inspector will set up a time and date for the inspection no more than 30 days prior to the harvest date listed. This can be adjusted at the grower licensee's request.
7. The inspection date should be set so that the sample(s) can be mailed Monday – Thursday.
8. The inspector will notify the Program Manager of the inspection date.

Pre-Harvest Sampling Procedure

All samples become the property of DANR and are non-returnable.

1. Forms and equipment:
 - a. Receipt for Samples (RFS) Form
 - b. Lab sample request form(s)
 - c. USPS shipping letter
 - d. Shipping labels
 - e. Chain of custody seals
 - f. Disposable coveralls*
 - g. Nitrile gloves

- h. Pruning shears
- i. Alcohol wipes
- j. Paper sample bags
- k. 1-gallon plastic resealable bags (Ziploc)
- l. Sharpie marker
- m. Bag or container to transport bagged samples and sampling supplies
- n. Cooler with ice pack
- o. USPS shipping box
- p. Packing Tape
- q. Stapler

*Coveralls will be worn at the discretion of the inspector depending on plant spacing and inspection schedule.

2. Fill out the RFS using information from the key participant on site and the Grower Inspection Sample request. Provide key participant on site with the yellow carbon copy.
3. Label paper sample bags with lot numbers, if this was not done ahead of time. If more than one bag is required for the lot, label bags with the same lot number and "1 of X", where X = number of bags.
4. Sanitize shears.
5. Begin collecting plant material and place into paper sample bag. The material selected should represent an average plant with the lot. Avoid sampling from edges and thoroughfares.
6. Sampling will be done in a zig-zag pattern with the inspector walking at right angles to the rows where possible in the field/site to ensure even distribution.
7. Cuttings will be collected to make one composite sample for each lot present at the site.
8. Clip the top 6-8 inches of hemp plant's "main stem" (that includes the leaves and flowers, "terminal bud" (end of the stem), or "central cola" (cut stem that could develop into a bud).
9. A minimum of five* cuttings per composite sample will be taken.
10. Write the lot number, inspector information, and date on a chain of custody seal.
11. Fold the top of the bag over at least twice and staple shut.
12. The chain of custody seal will be placed around the top of the bag, perpendicular to the fold.
13. Seal the paper bag in a 1-gallon resealable plastic bag.
14. Store samples in a cooler with an ice pack or in a refrigerator until they can be shipped to the lab.
15. Mail samples to the DEA-registered lab as soon as possible along with the lab sample request form and RFS (pink carbon copy or scan of original). The USPS shipping letter should be taped to the outside of the box.

16. Samples are mailed using USPS Priority Mail Express. Send tracking information to the Program Manager.

Number of cuttings per sample

The total number of cuttings per lot is estimated in a two-part process. The initial number of primary plants is estimated using:

$$n_0 = \frac{\ln(1 - p)}{\ln(1 - i)}$$

Where p is the confidence level to detect hemp plants testing above the acceptable THC threshold and i is the proportion of hemp plants having THC content above the acceptable THC threshold. The value for i is 0.15 and is based on past experience in similar growing areas from surrounding states (Nebraska, Minnesota).

The initial number of primary plants estimate is adjusted by the number of acres to calculate the minimum number of primary plants as follows:

$$n = \frac{n_0}{1 + \frac{(n_0 - 1)}{N}}$$

Where n is the minimum number of primary plants to be selected for forming a composite sample, n_0 is the initial number of primary plants estimated from the first formula, and N is the number of acres cultivated.

Number of Acres	Number of Cuttings
0-7	5
8-9	6
10-11	7
12-14	8
15-18	9
19-23	10
24-28	11
29-36	12
37-47	13
48-64	14
65-92	15
93-148	16
148-326	17

*Indoor lots will require a minimum of 5 cuttings per lot. For lots containing 5 plants or less, take one cutting per plant.

Testing

After the inspection has been scheduled, an email billing statement will be sent to the primary email listed for the licensee. Test results will not be released to the licensee until the sampling fee is paid. All lots must be harvested within 30 days of sampling. All lots must remain separate at a site registered by the grower licensee until test results are released showing the lot complies with the THC threshold. If any lots are not compliant, the noncompliant hemp must be remediated or destroyed.

Remediation can occur by shredding the entire hemp plant to create "biomass." All flowers, buds, trichomes, leaves, stalks, seed, and all plant parts from a lot should be chopped or shredded in a way that creates a homogeneous, uniform blend of the lot.



Testing Guidelines

Testing Guidelines for Identifying Total Delta-9 Tetrahydrocannabinol (THC) Concentration in Hemp

Purpose:

1. Standard testing procedures are specified for samples taken in accordance with the Sampling Procedures for the USDA Hemp Production Program to measure the total delta-9 tetrahydrocannabinol (THC) concentration levels of samples on a dry weight basis.
2. The results are intended to measure the total THC concentration of composite hemp samples collected from a Lot of hemp crop acreage designated by a hemp producer and as reported to USDA as required under the USDA Hemp Production Program. The purpose of the measurements is to determine whether the total THC concentration of the tested material is within the acceptable hemp THC level.

Scope:

1. All hemp grown under the South Dakota industrial hemp program is subject to sampling and compliance testing for THC concentration.
2. Tests shall measure the total THC concentration in a sample submitted to a laboratory for analysis. The laboratory will perform chemical analysis on the sample using post-decarboxylation or other similarly reliable methods where the total THC concentration level considers the potential to convert delta-9-tetrahydrocannabinolic acid (THCA) into THC.
3. The total delta-9 tetrahydrocannabinol concentration level shall be determined and reported on a dry weight basis.
4. Laboratories shall calculate and include the Measurement of Uncertainty (MU) when they report THC concentration test results. "Measurement of uncertainty" is defined as "the parameter, associated with the result of a measurement, that characterizes the dispersion of the values that could reasonably be attributed to the particular quantity subject to measurement." USDA does not establish or standardize an upper or lower boundary for general use by laboratories to calculate a measurement of uncertainty. MU is typically not standardized, but rather is controlled using test methods controlled by performance standards (e.g., AOAC Standard Method Performance Requirements 2019.003 that can be found at <https://www.aoac.org/resources/smpr-2019003/>).
5. Hemp testing laboratories are not required to be ISO accredited, although USDA strongly encourages adherence to the ISO 17025 standard.
6. It is the responsibility of the licensed producer to pay any fees associated with testing or retesting.

Summary of Practice:

1. As required under USDA Hemp Production Program regulations, laboratories that analyze hemp to determine total delta-9 tetrahydrocannabinol THC should meet the following standards:

1.1. Laboratory quality assurance protocols must ensure the validity and reliability of test results;

1.2. Analytical method selection, validation, and verification protocols must ensure that the testing method used is appropriate (fit for purpose) and that the laboratory can successfully perform the testing;

1.3. Protocols for demonstrating testing validity must ensure consistent, accurate analytical performance;

1.4. Method performance specifications must ensure analytical tests are sufficiently sensitive for the purposes of the detectability requirements of this part; and

1.5. Testing protocols must include an effective disposal procedure, in accordance with USDA guidelines, for non-compliant samples that do not meet the requirements of this part (see <https://www.ams.usda.gov/rules-regulations/hemp/rulemaking-documents> for disposal guideline).

1.6. Measurement of uncertainty (MU) must be estimated and reported with test results. Laboratories shall use appropriate, validated methods and procedures for all testing activities and evaluate measurement of uncertainty.

1.7. Sample preparation of pre- or post-harvest sample shall require grinding of the sample to ensure homogeneity of plant material prior to testing.

1.8 At a minimum, analytical testing of samples for total delta-9 tetrahydrocannabinol concentration levels must use post-decarboxylation or other similarly reliable methods approved by the Secretary in writing. The testing methodology must consider the potential conversion of delta-9 tetrahydrocannabinolic acid (THCA) in hemp into delta-9 tetrahydrocannabinol (THC), and the test result must reflect the total available THC derived from the sum of the THC and THCA content. Current testing methodologies meeting these requirements include gas chromatography and liquid chromatography. Other methods may be approved if they meet the regulatory requirements.

1.9 The total delta-9 tetrahydrocannabinol concentration level shall be determined and reported on a dry weight basis.

2. Laboratories should create an internal SOP specific to testing and retesting hemp and should have the SOP available upon request for inspection.

3. After December 31, 2022, laboratories approved for THC testing must also be registered with DEA to handle controlled substances under the Controlled Substances Act (CSA), 21 CFR part 1301.13.

4. In order to provide flexibility to States and Tribes in administering their own hemp production programs, alternative testing protocols will be considered, if they are comparable and similarly reliable to the baseline mandated by section 297B(a)(2)(ii) of the Agricultural Marketing Act of 1946 and established under the USDA plan and procedures. Approval for alternative testing protocols must be requested of USDA in writing and approved in writing by USDA, provided they meet the requirements of this guidance.

General Guidelines:

General Sample Preparation and Testing Procedures should be conducted as follows:

1. Laboratory receives sample.
2. Dry sample to remove the majority of water.
3. Grind entire sample including leaves, seeds, twigs, and stems.
4. Separate sample into “Test” and “Retain” specimens.
5. Package and store the “Retain” specimen(s) until needed.
6. Analyze the “Test” specimen.
7. Determine moisture content or dry to a consistent weight.
8. Perform chemical analysis.
9. Calculate total THC concentration on a dry weight basis. Test results should be reported on a dry weight basis.

Sample Preparation Guidelines:

Samples should be prepared for testing as follows:

1. Once the composite sample is received by the laboratory, the laboratory should dry the composite sample until brittle in a manner that maintains the THC level of sample.

2. If it is not possible to dry the composite sample within 24 hours from the time of sample arrival, the sample should be held in a freezer at approximate -20°C or lower until the sample is dried.

3. After the initial drying step, the laboratory should grind the entire sample including leaves, seeds, twigs, and stems using centrifugal rotor mill or other method as appropriate. All samples received should be ground, regardless of whether they consist of the initial intact material or “remediated” (shredded or blended) material, as allowed under USDA regulations.

4. The laboratory should create both a “Test Specimen” and a “Retain Specimen for reanalysis and/or confirmation as needed.” One sample part should be selected for analysis and labeled "Test Specimen." The other sample part should be marked "Retain Specimen" and should be packaged and stored in a secured place. The testing laboratory internal SOP should define the sample size and distribution of “Test Specimen” and “Retain Specimen.”

5. Samples should be stored in secured locations, in appropriate containers (e.g., bottles, tubes, vials, etc.).

6. The laboratory should then either determine moisture content or dry the test specimen to a consistent weight. Samples should be dried to a consistent loss (typically 5- 12% moisture content) so that the test can be performed on a dry weight basis, meaning the percentage of THC by weight, after excluding moisture from the sample. The moisture content is expressed as the ratio of the amount of moisture in the sample to the amount of dry solid in the sample.

6.1. The sample can be dried to a consistent weight to remove all water and then be tested on a dry weight basis. If the sample is not to be extracted immediately after drying, it should be stored in a desiccator.

6.2. Alternatively, the sample can be analyzed for moisture content and this moisture content can be factored into the total THC result to give a dry weight basis.

7. Extraction of the sample should occur as soon as possible from the time of sample arrival. Extracts should be stored in secured locations, in appropriate containers (e.g., bottles, tubes, vials, etc.).

Testing Guidelines:

1. The laboratory will perform chemical analysis on the sample using post- decarboxylation or other similarly reliable methods where the total THC concentration level considers the potential to convert delta-9-tetrahydrocannabinolic acid (THCA) into THC.

2. Testing methodologies meeting these requirements include those using gas chromatography and liquid chromatography.

3. The laboratory will then calculate total THC concentration on a dry weight basis.

Testing Methods:

1. The total available THC, derived from the sum of the THC and THCA content, shall be determined and reported on a dry weight basis.

2. Alternative testing protocols will be considered if they are comparable to the baseline mandated by the 2018 Farm Bill and established under the USDA plan and procedures. Approval to use alternative sampling and testing procedures must be requested in writing and approved in writing by USDA.

3. Laboratories shall use appropriate, validated methods and procedures for all testing activities and shall evaluate measurement of uncertainty.

4. Laboratories should meet the AOAC International standard method performance requirements for Quantitation of Cannabinoids in Plant Materials of Hemp (Low THC Varieties Cannabis sp.) (SMPR 2019.003) for selecting an appropriate method.

5. The range of estimated uncertainty is reported as a \pm value and is the same unit as the hemp THC threshold (e.g. +/- 0.05), following best practices for significant figures and rounding.

6. There are resources available for defining, guiding, and calculating measurement uncertainty. They include the GUM, ISO, and Eurachem. Once the expanded measurement uncertainty (U) is determined, then the confidence interval can be calculated around a designated threshold. (i.e. the hemp threshold of 0.3% THC.)

Test Results Exceeding 0.3% THC Concentration:

1. Any sample test result where the total THC concentration of the sample is higher than the acceptable hemp THC level shall be conclusive evidence that one or more cannabis plants or plant products from the lot represented by the sample contain a THC concentration in excess of that allowed under the Act.

1.1. If the results of a test conclude that the THC concentration levels of a sample are higher than the acceptable hemp THC level, the laboratory will promptly notify the producer and the State, Tribal, or Federal regulatory licensing body.

2. Retest Procedures.

2.1. Any hemp program licensee may request that the laboratory retest samples if it is believed the original THC concentration level test results were in error.

2.2. If this occurs, the laboratory shall follow the same procedures as to conduct the initial test.

2.3. The licensee requesting the retest of the second sample will pay the cost of the test.

2.4. The retest results shall be issued to the licensee requesting the retest, and a copy shall be provided to USDA or its agent using AMS Form 22.

Information Sharing:

1. Laboratories performing THC testing for compliance purposes of this program are required to share test results with the licensed producer, the appropriate State Department of Agriculture or Tribe, and USDA. Laboratories shall report all test results, whether passing or failing, to USDA using AMS Form 22 available here: <https://www.ams.usda.gov/rules-regulations/hemp/information-laboratories>.

2. Laboratories shall indicate that a test result is for “official compliance” purposes on lab testing results for compliance purposes. Laboratories shall not mark test results for monitoring of THC levels throughout the growing season as for “official compliance” purposes. Laboratories shall retain a legible copy for inspection upon request of all test results for official compliance purposes for a period of three (3) years from date of analysis.

3. Laboratories may provide test results to licensed producers in whatever manner best aligns with their business practices, but producers must be able to produce a legible copy of test results upon request for inspection purposes. For this reason, providing test results to producers through a web portal or through electronic mail, so the producer will have ready access to print the results when needed, is preferred.

4. Results of testing conducted throughout the growing season for the purposes of monitoring THC concentration should not be submitted to USDA. Only the official test result for compliance testing purposes shall be submitted to the USDA.

Testing Remediated Hemp Samples:

1. Licensees can “remediate” hemp following an initial failed test by shredding plant material in a product called “biomass.” In this instance, laboratories will receive samples of remediated biomass material for retesting.

2. For remediated testing, the laboratory shall follow the same procedures used to conduct an initial test, as described in this document.

3. For remediated testing, the laboratory shall follow the same reporting requirements as described in this document. A licensee must maintain a legible copy of the remediated test results, available for inspection, for a period of three years from receipt of the testing results provided by the laboratory. Therefore, laboratories are encouraged to provide such documentation to licensees.

References:

ISO 17025. General requirements for the complete testing and calibration laboratories. Food and Drug Administration, Office of Regulatory Affairs, ORA Laboratory Manual

Volume III Section 4, Basic Statistics and Data Presentation (current version).

AOAC Standard Method Performance Requirements AOAC SMPR 2019.003; Title: Quantitation of cannabinoids in plant materials of hemp (low THC varieties 4 Cannabis spp.), and Official Method of Analysis 2018.11.

JCGM 100:2008, Evaluation of measurement data – Guide to the expression of uncertainty in measurement (GUM).

ISO/IEC Guide 98, Expression of Uncertainty in Measurement.

EURACHEM/CITAC Guide “Quantifying Uncertainty in Analytical Measurement” Second edition (2000). A Williams, S L R Ellison, M Roesslein (eds.) ISBN 0 948926 15 5. Available from the Eurachem Secretariate

E. Small and H. D. Beckstead. 1973. Common Cannabinoid Phenotypes in 350 stocks of Cannabis.

J. of Natural Products. 36(2): 144-165.

United Nations Office on Drugs and Crime: Recommended Methods for the Identification and Analysis of Cannabis and Cannabis Products. ISBN 978-92-1-148242-3.



State Producer Report Form



UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL MARKETING SERVICE
 USDA DOMESTIC HEMP PRODUCTION PROGRAM
 STATE AND TRIBAL HEMP PRODUCER REPORT

Instructions:

The USDA Domestic Hemp Production Program requires states and tribes with approved plans to submit contact information and the status of the license for each producer under their plan. This information must be submitted to the U.S. Department of Agriculture (USDA) on the 1st day of each month. If this date falls on a holiday or weekend, the reports are due the next business day. Each monthly report is for new producers and changes to existing producer information only.

Producers: Report all required information for each producer licensed under the Plan.

Changes to Producer Information: Report any changes to reported information for producers that were included in previous reports. These changes include but are not limited to; a change of license status, an address change, a change in the key participant of a business or an updated phone number.

This report should be submitted to USDA using a digital format compatible with USDA’s information sharing systems, whenever possible. If this is not possible, please submit report to:

By Mail: USDA/AMS/Specialty Crops Program Hemp Branch 470 L’Enfant Plaza S.W. Post Office Box 23192 Washington, D.C. 20026	Or via Email at: FarmBill.Hemp@usda.gov	Or via Fax at: (202) 720-8938
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Reporting Period:		to	
State or Tribe Name		Date Submitted:	

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. § 552a) and the Paperwork Reduction Act of 1995. The authority for requesting this information to be supplied on this form is the 7 CFR Part 990 Domestic Hemp Program (Program). The purpose of collecting this information is for USDA to administer the Program and the information provided on this form will be used to monitor Program participants. Failure to provide the information requested on this form may result in ineligibility to participate in the Program.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is OMB 0581-NEW. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA’s TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

	License Identifier or other Authorization Identifier	Individual or Entity Name	Name of Licensee(s) (First)	Name of Licensee(s) (Middle)	Name of Licensee(s) (Last)	Business Address of Producer(s) or Entity (Line 1)	Business Address of Producer(s) or Entity (Line 2)
Current Information							
New Information							
Current Information							
New Information							
Current Information							
New Information							
Current Information							
New Information							

**Employees Submitting Criminal History
Record Report by Entity**

Individual or Entity Name	Name of Employee	Title of Employee	Employee Email Address



State Hemp Disposal Form



UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL MARKETING SERVICE
USDA DOMESTIC HEMP PRODUCTION PROGRAM
STATE AND TRIBAL HEMP DISPOSAL REPORT

Instructions:

If a producer has produced cannabis that tested above the acceptable delta-9 tetrahydrocannabinol (THC) level, the material must be disposed of in accordance with the Controlled Substances Act (CSA) and U.S. Drug Enforcement Administration (DEA) regulations because such material constitutes marijuana, a schedule I controlled substance under the CSA. Consequently, the material must be collected for destruction by a person authorized under the CSA to handle marijuana, such as a DEA-registered reverse distributor, or a duly authorized Federal, State, or local law enforcement officer. This form is used to document the disposal process.

States and Tribes must submit this form and each corresponding disposition certificate to the U.S. Department of Agriculture (USDA) on the 1st day of each month. If this date falls on a holiday or weekend, the report is due the next business day. If no disposals occurred during the reporting cycle, check the box indicating there were no changes during the current reporting cycle. This report should be submitted to USDA using a digital format compatible with USDA's information sharing systems, whenever possible. If this is not possible, please submit report to:

By Mail:
USDA/AMS/Specialty Crops Program Hemp Branch
470 L'Enfant Plaza S.W. Post Office Box 23192 Washington, D.C. 20026
Or via Email at: FarmBill.Hemp@usda.gov
Or via Fax at: (202) 720-8938

If disposal did not occur during this reporting cycle please mark this box with an "X"

[Empty box for marking disposal status]

State or Tribe Name

[Yellow box for State or Tribe Name]

Date Submitted

[Yellow box for Date Submitted]

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. § 552a) and the Paperwork Reduction Act of 1995. The authority for requesting this information to be supplied on this form is the 7 CFR Part 990 Domestic Hemp Program (Program). The purpose of collecting this information is for USDA to administer the Program and the information provided on this form will be used to monitor Program participants. Failure to provide the information requested on this form may result in ineligibility to participate in the Program.

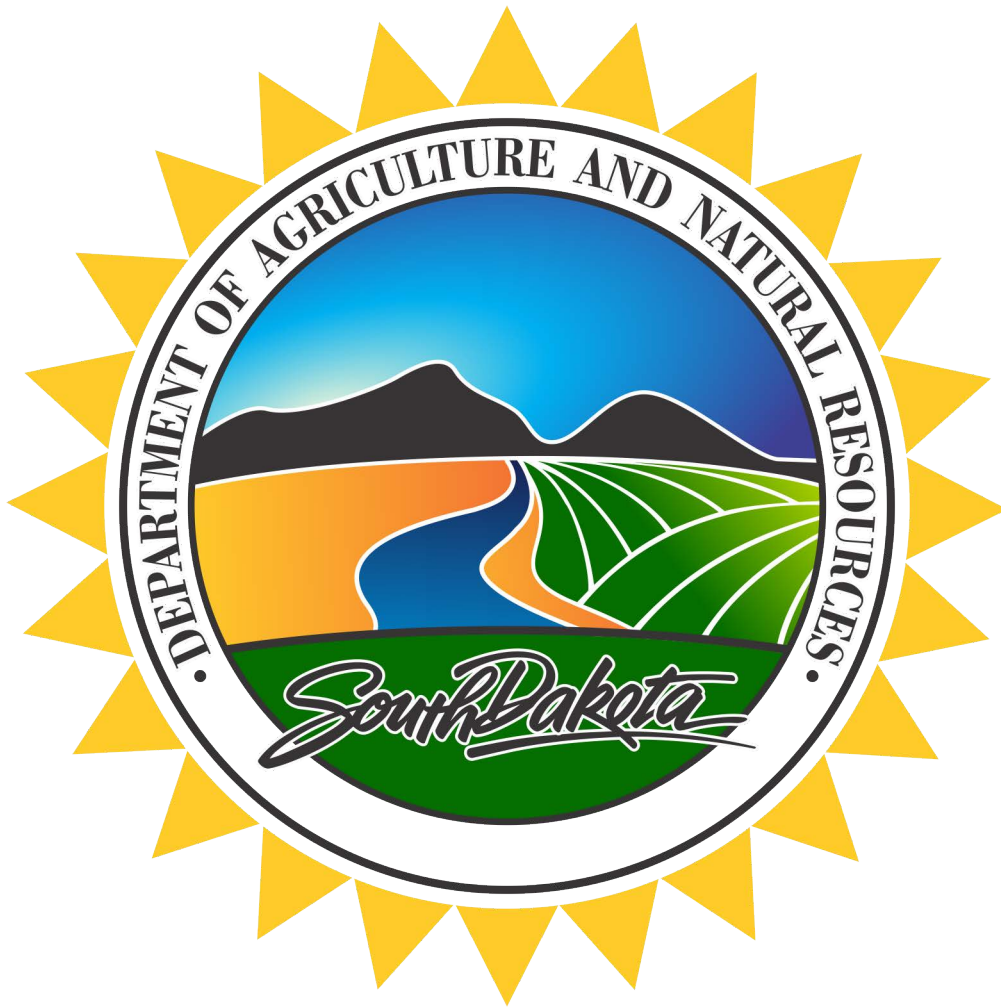
According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is OMB 0581-NEW. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

AMS-24 (12/2019) Exp: 06/2020

State and Tribal Hemp Disposal Report	License or Authorization Identifier	Producer or Entity Name	Business Address of Producer(s) or Entity (Line 1)	Business Address of Producer(s) or Entity (Line 2)	City	State (XX)	Zip	Lot #	Location Type (Greenhouse, Indoor, Field)	Geospatial Location (or other valid land descriptor)	Total Acreage	Date of Disposal	Name of Disposition Agent	Organization of Disposition Agent
<i>List all licenses and locations where a disposal took place during this reporting cycle.</i>														
<i>If no disposals occurred during this reporting cycle please leave this sheet blank.</i>														
<i>The lot number received by the ESA should be reported as "Farm Number - Tract Number - Field Number - Subfield Number"</i>														
<i>Ex. 8736-6253-10-C</i>														



State Annual Report Form



UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL MARKETING SERVICE
USDA DOMESTIC HEMP PRODUCTION PROGRAM
STATE AND TRIBAL HEMP ANNUAL REPORT

Instructions:

States and Tribes must submit this form to the U.S. Department of Agriculture (USDA) by December 15th of each year. This report should be submitted to USDA using a digital format compatible with USDA's information sharing systems, whenever possible. If this is not possible, please submit report to:

By Mail: USDA/AMS/Specialty Crops Program Hemp Branch, 470 L'Enfant Plaza S.W. Post Office Box 23192 Washington, D.C. 20026
Or via Email at: FarmBill.Hemp@usda.gov
Or via Fax at: (202) 720-8938

Table with 2 columns: State or Tribe Name, Date Submitted. Both cells are currently blank/yellow.

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AMS-25 (12/2019) Exp: 06/2020

**State and Tribal Hemp
Annual Report**

*Please respond "N/A" in any field
that is not applicable*

Total Planted Acreage	Total Acreage Disposed	Total Harvested Acreage