

Notice of Proposed Regulations Relating to an Industrial Hemp Pilot Program

BRIEF DESCRIPTION: The Department of Natural Resources, proposes to develop an industrial hemp pilot program to implement amendments to and new provisions in AS 03.05 and AS 11.71.900, enacted under Chapter 5 SLA 2018 (SB 6).

The Department of Natural Resources proposes to adopt regulations in Title 11 of the Alaska Administrative Code, dealing with an industrial hemp pilot program. Proposed new regulations establish comprehensive procedures and requirements for participants in the program, to be set out in a new chapter 40 (11 AAC 40), and including the following:

1. requirements and procedures for the registration of participants; types of registration; renewal of registrations; denial of registrations; availability of appeals; and fees for applications, renewals, registrations, product endorsements, and transportation;
2. requirements and prohibitions for participants with grower registrations, including: approved sources for industrial hemp seed or industrial hemp propagules; prohibitions and requirements for planting seed and propagules of various sources; importation requirements for propagules, documentation requirements for sources and distribution; requirements to identify the location of grow areas; requirements for the location, use, and ownership of grow areas, including isolation distances; testing requirements for THC potency, various reporting requirements; sampling and harvest requirements; reconditioning or destruction requirements for harvest lots testing above allowable THC potency levels; and reporting and recordkeeping requirements;
3. requirements and prohibitions for participants with processor registrations, including: additional application requirements; permitted extraction methodology; testing requirements for hemp products intended for human or animal consumption; reconditioning or destruction requirements for industrial hemp batches testing above allowable THC potency levels; and reporting and recordkeeping requirements;
4. requirements for hemp product endorsement and labeling, including: applications for endorsement; requirements for industrial hemp products intended for human or animal consumption; and testing, packaging, and labeling requirements for those products;
5. requirements and prohibitions for participants with retailer registrations, including: additional application requirements; incorporation of a hemp product into a non-hemp product offered for retail; inspection and testing; and reporting and recordkeeping requirements;
6. standards for laboratory testing of hemp and hemp products for THC potency or contaminants; sampling requirements; acceptable THC potency levels, and additional testing for industrial hemp products intended for human or animal consumption; retests; quarantines; and waste disposal, including destruction of hemp and hemp products that fail testing;
7. inter-agency notification provisions; requirements for industrial hemp storage; and permits to transport industrial hemp;
8. enforcement provisions, including: suspension or revocation of registrations or permits; and appeals from enforcement actions and other agency decisions; and

9. provisions relating to public records; and definitions of terms used in the regulations.

You may comment on the proposed regulations, including the potential costs to private persons of complying with the proposed regulations, by submitting written comments to Robert Carter, Division of Agriculture at 5310 South Bodenbug Spur, Palmer, Alaska 99645. Additionally, the department will accept comments by facsimile at 907-746-1568 and by electronic mail at industrialhemp@alaska.gov. Comments may also be submitted through the Alaska Online Notice System by accessing this notice on the system at <http://notice.alaska.gov/>, and using the comment link. **The comments must be received not later than 5:00 p.m. on Tuesday July 3rd, 2019.** Comments received after this deadline will not be considered by the department.

You may submit written questions relevant to the proposed action to Robert Carter, at Division of Agriculture, 5310 South Bodenbug Spur Road, Palmer Alaska 99645, or by email at industrialhemp@alaska.gov. **The questions must be received at least 10 days before the end of the public comment period.** The department will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice system and on the Division of Agriculture's website at [www.http://plants.alaska.gov](http://plants.alaska.gov). The department, may, but is not required to, answer written questions received after the 10-day-cut-off date but before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Robert Carter at 907-745-4469 or at 907-745-8127, no later than 10 days prior the end of public comment, to ensure a necessary accommodation can be provided.

A copy of the proposed regulations are available on the Alaska Online Public Notice system or by contacting Robert Carter at 907-745-4469 or 907-745-8127 or go to [www.http://plants.alaska.gov](http://plants.alaska.gov). After the public comment ends, the department will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. **You should comment during the time allowed in your interests could be affected.** Written comments and questions received are public records and are subject to public inspection.

Statutory Authority: AS 03.05.010; AS 03.05.027; AS 03.05.030; AS 03.05.040; AS 03.05.050; AS 03.05.076; and AS 03.05.077

Statutes being Implemented, Interpreted, or Made Specific: AS 01.10.060; AS 03.05.010; AS 03.05.027; AS 3.05.030; AS 03.05.040; AS 03.05.050; AS 03.05.076; AS 03.05.077; AS 03.05.078; AS 03.05.079; AS 3.05.090; AS 03.05.100; AS 11.45.50.561 and AS 11.71.900.

Fiscal Information: The proposed regulations are not expected to require an increased appropriation.

Date 05/31/2019

David W. Schade

Director, Division of Agriculture, Department of Natural Resources

The Department of Natural Resources, Division of Agriculture keeps a list of individuals and organizations who are interested in the regulations implementing the Alaska Industrial Hemp Pilot Program. The Department automatically sends a Notice of Proposed Regulations to individuals and organizations who are interested in the regulations of the Department of Natural Resources, Division of

Agriculture. If you would like your address added to or removed from such a list, send your request to the Department at the address above, giving your name, either your email address or mailing address (as you prefer for receiving notices), and the agricultural area in which you are interested.

ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(d))

1. **Adopting Agency:** Department of Natural Resources
2. **General subject of regulation:** Implementation of the Alaska industrial Hemp Pilot Program; required registration for participation; rights, privileges and prohibitions of same.
3. **Citation of regulation:** 11 AAC 40
4. **Department of Law file number:** 2019200330
5. **Reason for proposed action:** Compliance with new state statute.
6. **Appropriation/Allocation:** Agriculture
7. **Estimated annual cost to comply with the proposed action to:**
A private person: \$0 to \$2000
Another state agency: None known.
A municipality: None known.
8. **Cost of implementation to the state agency and available funding (in thousands of dollars):**
No costs of implementation to the state agency are expected.
9. **The name of the contact person for the regulation:**
Robert Carter
Agronomist III
Department of Natural Resources, Division of Agriculture
5310 South Bodenbug Spur Road, Palmer Alaska 99645
Telephone: (907) 745-4469; (907) 745-8127
E-mail: robert.carter@alaska.gov
10. **The origin of the proposed action:** Staff of State Agency
11. **Date:** 5/31/2019 **Prepared by:** _____
David W. Schade
Director, Division of Agriculture
Department of Natural Resources