

**In Title 3, California Code of Regulations, Division 4, Chapter 8, Article 2, adopt:**

**Section 4901. Registration Application for Industrial Hemp**

(a) Definitions.

- (1) "Cultivation site" means contiguous land area on which the applicant plans to engage in industrial hemp cultivation, storage, or both.
- (2) "Person" as defined in Section 38 of the Food and Agricultural Code, means any individual, partnership, association, corporation, limited liability company, or any organized group of persons whether incorporated or not.

(b) Registration.

- (1) Any person cultivating industrial hemp must have a valid registration prior to cultivation. A valid registration means the registration is unexpired, unsuspended, and unrevoked.
- (2) ~~(4)~~ Except for an established agricultural research institution subject to Food and Agricultural Code ~~§~~Section 81004.5 or a hemp breeder subject to Food and Agricultural Code ~~§~~Section 81004, ~~before cultivation~~, a grower of industrial hemp, before cultivation, shall register with the commissioner of the county in which the grower intends to engage in industrial hemp cultivation. The registration application for growers of industrial hemp shall include:
  - (A) the name, physical address, and contact information of the applicant, including mailing address, telephone number, and email (if available),
  - (B) the business type (sole proprietor, partnership, corporation, limited liability ~~corporation~~ company, or specified other type), business name(s) including all DBAs ("doing business as"), and the employer identification number (EIN) of the business entity as provided by the Internal Revenue Service,
  - (C) the name(s), ~~and title(s), and email(s) (if available)~~ of all key participants as defined in Section 4902(a)(2),
  - (D) the legal description, Global Positioning System coordinates, size, and map of the cultivation site(s),
  - (E) the approved cultivar to be grown, including the state or country of origin, and supporting documentation to demonstrate compliance with Section 4920, and
  - (F) the applicant's signature certifying the following:
    - (i) the information provided on the application is true and correct,
    - (ii) the cultivation site(s) to be registered for industrial hemp cultivation is not on premises licensed by the department to cultivate or process cannabis,
    - (iii) the applicant shall comply with all the requirements outlined in Division 24 of the Food and Agricultural Code and this chapter, and
    - (iv) any changes to the registration shall be provided to the commissioner in accordance with Section 4901(c).
- (3) ~~(2)~~ Except for an established agricultural research institution subject to Food and Agricultural Code ~~§~~Section 81004.5 or a grower of industrial hemp subject to Food and Agricultural Code Section 81003, before cultivation, a hemp breeder, before cultivation, shall register with the commissioner of the county in which the hemp breeder intends to engage in industrial hemp cultivation. The registration application for hemp breeders shall include:
  - (A) the name, physical address, and contact information of the applicant, including mailing address, telephone number, and email (if available),
  - (B) the business type (sole proprietor, partnership, corporation, limited liability ~~corporation~~ company, or specified other type), business name(s) including all DBAs ("doing business as"), and the employer identification number (EIN) of the business entity as provided by the Internal Revenue Service,

- (C) the name(s), ~~and~~ title(s), and email(s) (if available) of all key participants as defined in Section 4902(a)(2),
- (D) the legal description, Global Positioning System coordinates, size, and map of the cultivation site(s),
- (E) a variety development plan, which shall include:
  - (i) the name of the seed-certifying agency that will be conducting the certification if a new cultivar is to be certified by a seed-certifying agency,
  - (ii) the hemp varieties that will be used and, if applicable, how those varieties will be used in the development of a new cultivar,
  - (iii) a plan for testing the THC concentration of all the plants grown,
    - (a) Industrial hemp produced by registered hemp breeders that does not enter the stream of commerce shall not be subject to the sampling requirements outlined in Section 4941 if the sampling method to test THC concentration has the potential to ensure, at a confidence level of 95 percent, that the plants grown will not test above the acceptable hemp THC level, and is adopted by the department and approved by the United States Department of Agriculture pursuant to Title 7 Code of Federal Regulations Section 990.3(a)(2)(iii).
    - (b) Industrial hemp produced by registered hemp breeders that enters the stream of commerce shall be sampled in accordance with the sampling procedures outlined in Sections 4940 through 4941 and tested in accordance with the testing procedures outlined in Sections 4942 through 4944.
  - (iv) the measures that will be taken to destroy any plants with THC concentrations that test above 0.3 percent,
    - (a) Any hemp destruction shall be conducted in accordance with Section 297B of the federal Agricultural Marketing Act of 1946 (added by Section 10113 of the federal Agriculture Improvement Act of 2018 (December 20, 2018) (Public Law 115-334), implementing regulations, and guidance which is hereby incorporated by reference.
  - (v) the measures that will be taken to prevent the unlawful use of hemp under Division 24 of the Food and Agricultural Code and this chapter,
  - (vi) a procedure for the maintenance of records documenting the development of the new cultivar, and
- (F) the applicant's signature certifying the following:
  - (i) the information provided on the application is true and correct,
  - (ii) the cultivation site(s) to be registered for industrial hemp cultivation is not on premises licensed by the department to cultivate or process cannabis,
  - (iii) the applicant shall comply with all the requirements outlined in Division 24 of the Food and Agricultural Code and this chapter, and
  - (iv) any changes to the registration shall be provided to the commissioner in accordance with Section 4901(c).
- (4) ~~(3)~~ Except for a grower of industrial hemp subject to Food and Agricultural Code Section 81003 or a hemp breeder subject to Food and Agricultural Code section 81004, an established agricultural research institution, before cultivation, shall register with the commissioner of the county in which the established agricultural research institution intends to engage in industrial hemp cultivation. This subsection shall become operative as of the date on which a state plan for California is approved pursuant to Section 297B of the federal Agricultural Marketing Act of 1946 in accordance with the Code of Federal Regulations Section 10113 of the federal Agriculture Improvement Act of 2018

(December 20, 2018) (Public Law 115-334) which is hereby incorporated by reference. The registration application for established agricultural research institutions shall include:

- (A) the name, physical address, and contact information of the applicant, including mailing address, telephone number, and email (if available).
- (B) the business type (sole proprietor, partnership, corporation, limited liability corporation company, or specified other type), business name(s) including all DBAs (“doing business as” designations).
- (C) the name(s), title(s), and email(s) (if available) of all key participants as defined in Section 4902(a)(2).
- (D) the legal description, Global Positioning System coordinates, size, and map of the cultivation site(s).
- (E) a research plan, which shall include:
  - (i) the hemp varieties that will be used and, if applicable, how those varieties will be used for the purposes of agricultural or academic research.
  - (ii) a plan for testing the THC concentration of all the plants grown.
    - (a) Industrial hemp produced by registered established agricultural research institutions that does not enter the stream of commerce shall not be subject to the sampling requirements outlined in Section 4941 if the sampling method to test THC concentration has the potential to ensure, at a confidence level of 95 percent, that the plants grown will not test above the acceptable hemp THC level, and is adopted by the department and approved by the United States Department of Agriculture pursuant to meets the requirements outlined in Title 7 Code of Federal Regulations Section 990.3(a)(2)(iii).
    - (b) Industrial hemp produced by registered established agricultural research institutions that enters the stream of commerce shall be sampled in accordance with the sampling procedures outlined in Sections 4940 through 4941 and tested in accordance with the testing procedures outlined in Sections 4942 through 4944.
  - (iii) the measures that will be taken to destroy any plants with THC concentrations that test above 0.3 percent.
    - (a) Any hemp destruction shall be conducted in accordance with Section 297B of the federal Agricultural Marketing Act of 1946 (added by Section 10113 of the federal Agriculture Improvement Act of 2018 (December 20, 2018) (Public Law 115-334)), implementing regulations, and guidance which is hereby incorporated by reference.
    - (b) Registered established agricultural research institutions registered with the United States Drug Enforcement Administration to handle marijuana may possess industrial hemp with a laboratory test report that indicates a percentage concentration of THC that is greater than 0.3 percent until the end of the study.
  - (iv) the measures that will be taken to prevent the unlawful use of hemp under Division 24 of the Food and Agricultural Code and this chapter.
  - (v) a procedure for the maintenance of records documenting the agricultural or academic research, and
- (F) the applicant’s signature certifying the following:
  - (i) the information provided on the application is true and correct.
  - (ii) the cultivation site(s) to be registered for industrial hemp cultivation is(are) not on premises licensed by the department to cultivate or process cannabis.

- (iii) the applicant shall comply with all the requirements outlined in Division 24 of the Food and Agricultural Code and this chapter, and
    - (iv) any changes to the registration shall be provided to the county agricultural commissioner in accordance with Section 4901(c).
  - (5) ~~(3)~~ Each registration application, except for established agricultural research institutions, shall be accompanied with:
    - ~~(A)~~ the registration or renewal fee in accordance with Section 4900., and
    - (6) ~~(B)~~ Each registration application shall be accompanied by criminal history reports for all key participants in accordance with Section 4902.
- (c) Alterations or changes to registration.
  - (1) Registration is non-transferrable to another person. A new registration application shall be submitted in accordance with Section 4901(b) for any change in ownership.
  - (2) ~~(4)~~ Registrants shall submit an updated registration application to the commissioner for any of the following alterations or changes:
    - (A) Any alterations or changes to business name, contact information, or key participants as defined by Section 4902(a)(2) must be submitted within 15 calendar days of the change.
    - (B) ~~(2)~~ Any alterations or changes to cultivation sites, approved cultivars, or variety development plans, or research plans, must be approved by the commissioner prior to planting.
  - (3) Any alterations or changes not submitted to the commissioner in accordance with the specified timeframes outlined in Section 4901(c) shall result in the existing crop being considered non-compliant and subject to destruction in accordance with Section 4950.
- (d) Registration renewal.
  - (1) A registrant shall submit a registration application in accordance with the registration procedures outlined in Section 4901(b) to the commissioner in each county in which the applicant intends to renew the registration at least 30 calendar days prior to the expiration of registration. Renewal applications received less than 30 calendar days from registration expiration may result in noncompliance with Section 4901(b).
  - (2) If the registration application for renewal is received less than 30 days from registration expiration and registration is not renewed prior to registration expiration, any existing plantings shall be considered noncompliant with Section 4901(b) upon registration expiration.
- (e) Commissioner approval, refusal, or revocation.
  - (1) Once the commissioner receives the application in accordance with the registration procedures outlined in Section 4901(b) for registration, registration amendment, or renewal and determines that the registration requirements pursuant to Division 24 of the Food and Agricultural Code and this chapter are met, the commissioner shall issue a registration to the applicant and notify the registrant that the key participants as defined in Section 4902(a)(2) with no disqualifying convictions may cultivate hemp using the registered cultivar(s), cultivation site(s), research plan(s), and variety development plan(s). For new registrations and registration amendments, the commissioner shall issue such registration and notice within 30 calendar days from the application submission date. For registration renewals, the commissioner shall issue such registration and notice prior to registration expiration, unless the application is received less than 30 days prior to registration expiration, in which case the commissioner shall issue the registration and notice as soon as reasonably possible but not necessarily before expiration.
  - (2) ~~(4)~~ The commissioner may verify the registration application by conducting field inspections. The commissioner shall be provided with complete and unrestricted access during business hours to all hemp and other cannabis plants, whether growing or

harvested, and all land, buildings, and other structures used for the cultivation, handling, and storage of all hemp and other cannabis plants, and all locations registered as a cultivation site.

- (3) ~~(2)~~ If the commissioner determines that the application for registration or renewal does not meet the registration requirements outlined Division 24 of the Food and Agricultural Code and this chapter, the commissioner shall provide written notification to the applicant of the deficiencies in the application. If the deficiency is a lack of requested information, ~~the~~ applicant shall have 30 calendar days from the receipt of the notification to provide the requested information to the commissioner. If the requested information is not provided within the timeframe, the commissioner shall deny registration.
- (A) If registration is denied due to deficiencies in the application for registration or renewal, the applicant must submit a new application and registration or renewal fee (if applicable) to the commissioner in order to register to cultivate hemp.
- (4) If the commissioner determines that the registrant no longer meets the registration requirements outlined in Division 24 of the Food and Agricultural Code and this chapter or fails to comply with a corrective action plan, the commissioner shall revoke the registration and provide written notification to the applicant regarding the registration revocation. The revocation is effective as of the date on the notification.
- (f) The following information shall be transmitted by the commissioner to the department no more than 10 business days, and submitted by the department to the United States Department of Agriculture no more than 30 business days, after the date on which it is collected, or, in the case of subparagraph (c), the date of a change in registration status:
- (1) the name and contact information for each registrant,
  - (2) the employer identification number (EIN) of the business entity as provided by the Internal Revenue Service,
  - (3) a legal description of the land on which the registrant engages in hemp cultivation,
  - (4) the registration status of the registrant,
  - (5) the registration number for each registrant associated with each location in the state where hemp will be produced, and
  - (6) the name, business title, and email address (if available) of all key participants for each registration.

Note: Authority cited: Sections 407, 81003, 81004, 81004.5, 81005, 81006, and 81013, Food and Agricultural Code.

Reference: Sections 38, 81003, 81004, 81004.5, 81005, 81006, and 81013, Food and Agricultural Code.

## **Section 4902. Criminal History Report for Industrial Hemp Registration**

(a) Definitions.

- (1) "Criminal history report" means the Federal Bureau of Investigation's Identity History Summary.
- (2) "Key Participants" includes the registrant and means any person in the entity producing industrial hemp who is:
  - (A) a sole proprietor, a partner in partnership, or a person with executive managerial control in a corporation producing industrial hemp, or
  - (B) a person with executive managerial control over the entity producing industrial hemp, including persons such as a chief executive officer, chief operating officer and chief financial officer.

- (C) This definition does not include a person in a management position with no executive managerial control over the entity producing industrial hemp, such as farm, field, or shift managers.
- (3) “Disqualifying conviction” means any plea of guilty or *nolo contendere*, or any finding of guilt for a State or Federal felony related to a controlled substance, except:
- (A) when the finding of guilt is subsequently overturned on appeal, pardoned, or expunged, or
- (B) where an individual is allowed to withdraw an original plea of guilty or *nolo contendere* and enter a plea of not guilty and the case is subsequently dismissed.
- (b) Registration requirements.
- (1) ~~Before cultivation, a~~ A criminal history report for each key participant listed pursuant to Section 4901 shall be submitted along with the registration application in accordance with the registration procedures outlined in Section 4901(b) for registration, registration amendment, or renewal to the commissioner. A registration application will not be considered complete without all required criminal history reports.
- ~~(A) Any registration applications approved by the commissioner prior to April 30, 2020 must comply with Section 4902(b) by April 30, 2020. Any registrations that do not comply with Section 4902(b) by April 30, 2020 shall be revoked.~~
- (2) Any changes to key participants must be reported along with criminal history reports for any additional key participants to the commissioner as an amendment to the registration within 15 calendar days of the change.
- (3) ~~Except as provided in Section 4902(b)(3)(A), a~~ All criminal history reports must be dated within 60 calendar days of submission of the application for registration, registration amendment, or renewal.
- ~~(A) All criminal history reports submitted pursuant to Section 4902(b)(1)(A) must be dated within 60 calendar days of submission of the amendment to the registration application.~~
- (4) Registrants shall notify the commissioner in writing within 48 hours of the registrant or a key participant receiving a disqualifying conviction.
- (5) If an applicant, registrant, or key participant is found to have a disqualifying conviction as defined in Section 4902(a)(3), the applicant or key participant shall be ineligible to participate in the hemp program for ten (10) years from the date of the conviction.
- (6) Any falsification of criminal history reports shall be considered as materially falsifying information in an application or registration and shall result in revocation or refusal of registration and ineligibility to participate in the industrial hemp program.
- (7) The commissioner may require additional criminal history reports during the registration period as deemed necessary to ensure all registered key participants do not have a disqualifying conviction as defined in Section 4902(a)(3).

Note: Authority cited: Sections 407, 81003, 81004, 81004.5, and 81013, Food and Agricultural Code. Reference: Sections 81003, 81004, 81004.5, 81013, and 81014, Food and Agricultural Code.