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**OFFICE OF THE LIEUTENANT GOVERNOR  
ALASKA**

**M E M O R A N D U M**

**TO:** Mary Kay Ryckman  
Department of Natural Resources

**FROM:** April Simpson, Office of the Lieutenant Governor  
465.4081 

**DATE:** March 5, 2020

**RE:** Filed Permanent Regulations: Department of Natural Resources

Department of Natural Resources regulations re: growing, harvest, processing, endorsement, and retail sale of industrial hemp and industrial hemp and industrial help products (11 AAC 40)

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Attorney General File:	2019200330
Regulation Filed:	3/5/2020
Effective Date:	4/4/2020
Print:	234, July 2020

cc with enclosures: Harry Hale, Department of Law  
Judy Herndon, LexisNexis

ORDER ADOPTING CHANGES TO REGULATIONS  
OF THE DEPARTMENT OF NATURAL RESOURCES

The attached 72 pages of regulations, dealing with industrial hemp, are adopted and certified to be a correct copy of the regulation changes that the Department of Natural Resources adopts under the authority of AS 03.05 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

In considering public comments, the Department of Natural Resources paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

Date: 2/20/20

  
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Corri A. Feige, Commissioner

FILING CERTIFICATION

I, Kevin Meyer, Lieutenant Governor for the State of Alaska, certify that on MARCH 5<sup>th</sup>, 2020, at 1:36 P.m., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.

  
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Kevin Meyer, Lieutenant Governor

Effective: April 4, 2020.

Register: 234, July 2020.

11 AAC is amended by adding a new chapter to Part 4 to read:

**Chapter 40. Industrial Hemp.**

**Article**

1. Purpose; Registration; Application; Procedures for Approval; Denials; Modification; Fees  
(11 AAC 40.010 - 11 AAC 40.100)
2. Grower Registration (11 AAC 40.200 - 11 AAC 40.295)
3. Processor Registration (11 AAC 40.300 - 11 AAC 40.335)
4. Hemp Product Endorsement and Labeling (11 AAC 40.400 - 11 AAC 40.420)
5. Retailer Registration (11 AAC 40.500 - 11 AAC 40.530)
6. Sampling, Testing, Quarantines, and Destruction (11 AAC 40.600 - 11 AAC 40.665)
7. Requirements Common to All Registrations (11 AAC 40.700 - 11 AAC 40.710)
8. Enforcement; Appeals (11 AAC 40.800 - 11 AAC 40.830)
9. General Provisions (11 AAC 40.910)

**Article 1. Purpose; Registration; Application; Procedures for Approval; Denials;  
Modification; Fees.**

**Section**

10. Purpose
20. Registration required
30. Registration restrictions
40. Original registration term, renewals, and submission dates
50. Application for new registration

- 60. Application for renewal of registration
- 70. Procedure for action on applications and endorsements
- 80. Denial of registration application and renewal application
- 90. Modification of registration
- 100. Fee schedule

**11 AAC 40.010. Purpose.** (a) Industrial hemp, including a product derived from industrial hemp, is an agricultural crop subject to regulation by the division.

(b) The purposes of this chapter are to

(1) promote the research of and study methods for the growth, cultivation, and marketing of industrial hemp; and

(2) regulate the production of industrial hemp and industrial hemp products consistent with public health and safety. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010            AS 03.05.050            AS 03.05.077  
AS 03.05.030            AS 03.05.076            AS 03.05.100

**11 AAC 40.020. Registration required.** (a) A person may not produce industrial hemp in the state unless the person has obtained an industrial hemp registration from the division to participate in the Alaska Industrial Hemp Pilot Program. The division will issue the following classes of industrial hemp registrations for participation in the program under this chapter:

- (1) an industrial hemp grower registration;
- (2) an industrial hemp processor registration; and

(3) an industrial hemp retailer registration.

(b) A person may hold a single registration or any combination of classes of registrations. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.078  
AS 03.05.076

**11 AAC 40.030. Registration restrictions.** A registration may be held by an individual at least 18 years of age or a business entity that is in good standing within the state and other jurisdictions, as applicable. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.090  
AS 03.05.030 AS 03.05.077

**11 AAC 40.040. Original registration term, renewals, and submission dates.** (a) Except as set out in 11 AAC 40.060, an industrial hemp registration is valid from the date it is issued until January 1 of the following year.

(b) An industrial hemp registration may be renewed for unlimited, additional one-year terms. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.050. Application for new registration.** (a) An applicant for registration in the Alaska Industrial Hemp Pilot Program must file an application on a form that the division prescribes.

(b) An application for a new industrial hemp registration must include

(1) the full legal name of the applicant; if the applicant is a business entity, the application must contain

(A) the name of the business entity, including its designation as corporation, partnership, association, limited liability company, or other permissible business formation;

(B) the names of its officers, members, and partners, as applicable;

(C) proof that the business entity is authorized by and in good standing with the state, and other jurisdictions, as applicable; and

(D) documentation validating the authority of the signatory to bind the entity;

(2) the business name the applicant will use for its industrial hemp operations, along with any applicable business licenses issued under AS 43.70;

(3) the physical address of the applicant;

(4) the mailing address and an electronic mailing address of the applicant; and

(5) the address, GPS coordinates, and a map of the area to be used to produce, process, or offer, with or without compensation, to a consumer industrial hemp.

(c) An application for registration in the Alaska Industrial Hemp Pilot Program must be signed by

(1) the applicant, if the applicant is an individual; or

(2) an authorized representative of a business entity, if the applicant is a business entity.

(d) Each signatory to an application for an industrial hemp registration must declare under penalty of unsworn falsification that

- (1) the application is true, correct, and complete;
- (2) the signatory has authority to bind the applicant; and
- (3) the applicant has read and is familiar with AS 03.05.010,

03.05.076 - 03.05.100, and this chapter.

(e) The completed application and fees may be filed electronically, mailed, or hand-delivered to the division.

(f) All fees, including non-refundable application fees, registration fees, and, if applicable, industrial hemp product endorsement fees set out in 11 AAC 40.100 must be paid at the time of submittal of an application.

(g) If an applicant applies for more than one class of registration, a separate application and all required fees must be submitted for each class of registration. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.060. Application for renewal of registration.** (a) An application for renewal of an industrial hemp registration must be filed on a form that the division prescribes, with the information and documents described in this section. A renewal application for a registration must be postmarked or received by the division not later than December 15 of the calendar year before the registration term.

(b) An industrial hemp renewal application must

- (1) identify the class of registration to be renewed;
- (2) provide detail of any change of information set out in 11 AAC 40.050(b) on the original application; and
- (3) report for each registration held by the applicant any notice of violation that has been issued under this chapter.

(c) Until the division makes a decision on a timely filed renewal application, the prior year registration remains valid after January 1.

(d) Each signatory to a renewal application for an industrial hemp registration must declare under penalty of unsworn falsification that

- (1) the renewal application is true, correct, and complete;
- (2) the signatory has authority to bind the applicant; and
- (3) the applicant has read and is familiar with AS 03.05.010, 03.05.076 - 03.05.100, and this chapter.

(e) All fees, including non-refundable application fees, registration fees, and, if applicable, industrial hemp product endorsement fees set out in 11 AAC 40.100 must be paid at the time of submittal of a renewal application.

(f) If an applicant applies for renewal of more than one class of registration, a separate application and all required fees must be submitted for each class of registration. (Eff.

4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010      AS 03.05.076      AS 03.05.077

**11 AAC 40.070. Procedure for action on applications and endorsements.** (a) The

division will make a determination as to the completeness of the original or renewal application and will notify each applicant in writing that the application is complete, or of any additional information or submittals necessary to complete the application.

(b) Not later than 30 days after receipt of the request, an applicant must submit any additional information requested by the division.

(c) Upon a determination of the receipt of all requested additional information, the division will notify each applicant in writing that the application is complete.

(d) The division will grant or deny an application for registration or endorsement subject to 11 AAC 40.400 - 11 AAC 40.420 not later than 60 business days after sending an applicant written notice that the application is complete. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.080. Denial of registration application and renewal application.** (a) The division will deny an application for a new registration if the division finds that the signatory is not authorized to sign the application or is ineligible to participate in the program under 11 AAC 40.030.

(b) The division may deny an application for a renewal registration if the division finds that

(1) an applicant is not responsive to a request for additional information;

(2) a renewal application for a registration is not postmarked or received by the division not later than December 15 of the calendar year before the registration term as required under 11 AAC 40.060(a);

(3) a registration has been suspended or revoked under 11 AAC 40.830; or

(4) any action taken under 11 AAC 40.800 prohibits renewal of the registration.

(c) If the division denies an application, the division will furnish a written statement to the applicant, explaining the reasons for the denial.

(d) The aggrieved applicant may appeal the denial in compliance with 11 AAC 40.830.

(Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.090

AS 03.05.076 AS 03.05.079

**11 AAC 40.090. Modification of registration.** (a) To request a modification to a registration, a registrant must submit a modification request on a form prescribed by the division and pay the required fee set out at 11 AAC 40.100.

(b) In the event of a registrant's death, incapacity, or dissolution, the registration may be modified to transfer the registration to an authorized transferee. The applicant for a modification must provide information required under 11 AAC 40.050(b)(1) - (4) and make the declarations required under 11 AAC 40.050(d). Modification requests under this subsection shall be filed with the division not later than 60 calendar days after the death, incapacity, or dissolution of the original registrant.

(c) If the request is to change the site of operations, the registrant must file a modification request that provides the information for the replacement sites specified in 11 AAC 40.050(b)(5). Site modifications for new locations must comply with all land use restrictions established in 11 AAC 40.240.

(d) Any registrant may submit multiple registration modification requests, but separate fees are required for each requested modification.

(e) Each registrant shall comply with the all terms of the original registration, until the division approves the modification request in writing. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.100. Fee schedule.** The division will charge fees as follows:

- (1) non-refundable application fee for a registration: \$100;
- (2) non-refundable application fee for a renewal registration: \$50;
- (3) annual registration fee for a grower: \$200;
- (4) annual registration fee for a processor that creates a product not intended for human or animal consumption: \$250;
- (5) annual registration fee for a processor that creates a product intended for human or animal consumption: \$750;
- (6) annual registration fee for a retailer: \$300;
- (7) endorsement fee for each industrial hemp product subject to 11 AAC 40.400 - 11 AAC 40.420: \$100;
- (8) transportation permit issued under 11 AAC 40.710: \$50;
- (9) modification of product endorsement: \$100;
- (10) modification of registration: \$50;
- (11) sampling fee under 11 AAC 40.275(e) and 11 AAC 40.290(b) for the division or the division's representative to collect samples from harvest of industrial hemp: \$200;

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(12) testing of seeds of wild, landrace, or unknown origin under 11 AAC 40.220:

\$1,200. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**Article 2. Grower Registration.**

**Section**

- 200. Grower registration required
- 205. Grower registration, privileges, and prohibited acts
- 210. Authorized seed and propagules
- 215. Compliance with plant health and quarantine regulations
- 220. Seeds or propagules of wild, landrace, or unknown origin
- 225. Industrial hemp propagules
- 230. Documentation of seed and propagule source and distribution
- 235. Grow areas
- 240. Land use restrictions
- 245. Signage
- 250. Planting reports
- 255. Pesticides
- 260. Testing
- 265. Initial pre-harvest report
- 270. Division response
- 275. Pre-harvest testing

- 280. Post-harvest testing
- 285. Sampling and harvesting of industrial hemp within delta-9-THC limitations
- 290. Sample results in excess of delta-9-THC limitations
- 295. Post-harvest reports

**11 AAC 40.200. Grower registration required.** A person may not grow industrial hemp unless the person has obtained a grower registration from the division in compliance with this chapter or is operating under a registration subject to 11 AAC 40.200 - 11 AAC 40.295. (Eff. 4/4/2020, Register 234)

**Authority:**    AS 03.05.010                      AS 03.05.076                      AS 03.05.077

**11 AAC 40.205. Grower registration, privileges, and prohibited acts.** (a) A registered grower is authorized to do the following, in compliance with this chapter:

- (1) grow industrial hemp;
- (2) store industrial hemp, hemp seed, and propagules;
- (3) receive compensation for raw industrial hemp from a registered processor or other registered grower, if the hemp has been sampled and tested by the division to prove that the raw hemp contains less than 0.3 percent delta-9-THC;
- (4) receive compensation for raw industrial hemp from persons who are not required to be registered by this chapter, including consumers in the state, if the hemp will not be further processed and the lot of industrial hemp from which it is sourced has been sampled and tested by the division to prove that the raw hemp contains less than 0.3 percent delta-9-THC;

(5) provide samples of industrial hemp to the division or testing facility authorized by the division;

(6) conduct in-house testing;

(7) store industrial hemp at the locations identified in the application for registration; and

(8) transport industrial hemp in compliance with 11 AAC 40.710.

(b) A registered grower may not

(1) purposefully grow any cannabis that is not industrial hemp unless the grower also holds a marijuana cultivation facility license issued under 3 AAC 306;

(2) grow industrial hemp in a structure used primarily for a residential purpose;

(3) store or handle leaf or floral materials from industrial hemp in any structure that is primarily used for residential purpose;

(4) process industrial hemp without a processor registration;

(5) receive compensation for processed industrial hemp or industrial hemp products without an industrial hemp retailer registration. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.090

AS 03.05.076 AS 03.05.079

**11 AAC 40.210. Authorized seed and propagules.** (a) The division will publish and update on an annual basis a list of accepted and prohibited varieties of industrial hemp seed or propagules.

(b) In addition to seeds and propagules received as an approved variety, a registered

grower may

(1) grow approved varieties of industrial hemp seeds or propagules received from registered growers in the Alaska Industrial Hemp Pilot Program, without written approval from the division;

(2) grow varieties of industrial hemp seeds or propagules received from out-of-state sources, after the division approves the use in writing; in order to approve the out-of-state sources, the division will use the same analyses and testing used for inclusion on the qualified list;

(3) acquire, but may not grow wild, landrace, or seeds of unknown origin until the division has grown and sampled the seeds in accordance with 11 AAC 40.220 and the division concludes the seed is not a prohibited variety.

(c) A registered grower may not acquire or grow industrial hemp seeds or propagules that are on the division's prohibited varieties list. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.215. Compliance with plant health and quarantine regulations. (a)**

Industrial hemp seed varieties from approved sources under this section that are offered for sale or acquisition in quantities of one pound or more must comply with the provisions of 11 AAC 34.

(b) Industrial hemp seed varieties from approved sources under this section that are offered for sale or acquisition in quantities less than one pound are exempt from the provisions of 11 AAC 34, but are sold or acquired at the purchaser's risk. (Eff. 4 / 4 / 2020, Register 234)

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**Authority:** AS 03.05.010 AS 03.05.040 AS 03.05.076  
AS 03.05.027 AS 03.05.050 AS 03.05.077  
AS 03.05.030

**11 AAC 40.220. Seeds or propagules of wild, landrace, or unknown origin.** (a) A registrant may not grow or replicate industrial hemp seeds or propagules of wild, landrace, or unknown origin without first obtaining written permission from the division and complying with this section.

(b) Before a registrant receives written permission from the division, industrial hemp seeds or propagules subject to this section must first be grown and tested by the division after the registrant pays the fee established under 11 AAC 40.100(12). A registrant must coordinate with the division for the division's receipt of the seeds or propagules and arrange for replication and testing of mature plants grown from those seeds or propagules.

(c) Following replication and testing of mature plants from industrial hemp seeds or propagules subject to this section, the division will notify the registrant whether the matured plants have passed required testing described in 11 AAC 40.600 - 11 AAC 40.665 and will approve or deny in writing the registrant's further use of the seeds or propagules, based on the results of testing. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.040 AS 03.05.076  
AS 03.05.027 AS 03.05.050 AS 03.05.077  
AS 03.05.030

**11 AAC 40.225. Industrial hemp propagules.** (a) A registered grower importing industrial hemp propagules from outside the state and in compliance with 11 AAC 40.210 must ship the propagules to the division for inspection at the registered grower's expense.

(b) The division will test the imported industrial hemp propagules for compliance with 11 AAC 34. Any propagule received by the division that fails to comply with all applicable regulations will be destroyed by the division with written notice to the registrant.

(c) The division will arrange for pickup of or ship the industrial hemp propagules that passed division inspection to the registered grower at the registrant's expense. (Eff.

4 / 4 / 2020, Register 234)

<b>Authority:</b>	AS 03.05.010	AS 03.05.040	AS 03.05.076
	AS 03.05.027	AS 03.05.050	AS 03.05.077
	AS 03.05.030		

**11 AAC 40.230. Documentation of seed and propagule source and distribution.** (a) A registered grower must document all sources of industrial hemp seeds and propagules and the registrant's distribution of those seeds and propagules.

(b) The documentation must contain

- (1) the name of the person from whom the seeds or propagules were acquired;
- (2) proof that the person identified in (1) of this subsection is either

- (A) a registered grower with the Alaska Industrial Hemp Pilot Program;
- (B) a source registered or licensed with a different industrial hemp pilot

program operating in accordance with 7 U.S.C. 5940 (sec. 7606 of the Agricultural

Improvement Act of 2014) or a United States Department of Agriculture approved industrial hemp program authorized under 7 U.S.C. 1639p (sec. 10113 of the Agricultural Improvement Act of 2018); or

(C) a lawful international source authorized in writing by the division;

(3) the date of acquisition;

(4) if applicable, identification of any trademark, patent, or other proof of intellectual property for the seeds or propagules; and

(5) identification of all registered growers or other persons to whom the registrant distributed the seeds or propagules.

(b) A registered grower shall keep and maintain records required by this section for a period of three years from the date of acquisition or distribution of the seed or propagule.

(c) A registered grower must provide documents required by this section to the division upon request. (Eff. 4 / 4 / 2020, Register 234)

<b>Authority:</b>	AS 03.05.010	AS 03.05.040	AS 03.05.076
	AS 03.05.027	AS 03.05.050	AS 03.05.077
	AS 03.05.030		

**11 AAC 40.235. Grow areas.** A registered grower may not grow industrial hemp outside the authorized grow area identified by GPS coordinates and identified on the approved application. The registrant must destroy any industrial hemp that grows outside the authorized grow area. (Eff. 4 / 4 / 2020, Register 234)

<b>Authority:</b>	AS 03.05.010	AS 03.05.076	AS 03.05.077
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**11 AAC 40.240. Land use restrictions.** (a) The isolation distance between two or more varieties of the plant Cannabis for the purpose of keeping all seed pure is 3,230 feet (1,000 meters).

(b) In addition to an isolation distance, planted hemp shall also be separated from other planted forms of cannabis by a barrier that plainly distinguishes hemp from another form of cannabis.

(c) Hemp may not be grown in a grow area smaller than one-quarter acre and no fewer than 200 plants may be planted in a grow area, unless approved in writing by the division.

(d) Hemp may not be grown on property owned by or leased from a person who is ineligible to participate in the Alaska Industrial Hemp Pilot Program under 11 AAC 40.030 or whose registration is suspended or revoked. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.245. Signage.** If a grow area is one acre or less, the registered grower shall post readable signage no smaller than a total area of 144 square inches at the grow area and visible to the public that includes the following information:

- (1) the title, "Alaska Industrial Hemp Pilot Program";
- (2) the registration holder's registration number; and
- (3) contact information for the Alaska Industrial Hemp Pilot Program in the

Division of Agriculture. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.250. Planting reports.** (a) Not later than 20 days after seeding, direct sowing, or replanting of hemp seeds and propagules, a registered grower must submit to the division, by mail or electronic mail, a planting report on a form prescribed by the division.

(b) If the planting is outdoors, the planting report must contain

- (1) the name of the variety, strain, or cultivar of seed or propagule planted;
- (2) the field location by cross streets and GPS coordinates;
- (3) a statement of intended use of crop harvested for each planting;
- (4) the date of planting;
- (5) the total amount of seed or propagules planted; and
- (6) the total number of acres or square feet planted.

(c) If the planting is indoors, the planting report must contain

- (1) the name of the variety, strain, or cultivar of seed or propagule planted;
- (2) the indoor production location by street address and GPS coordinates;
- (3) a statement of intended use of crop harvested for each planting;
- (4) the date of planting; and
- (5) the total amount of seed or propagules planted.

(d) If no planting has occurred before July 31 of a registered year, a registered grower shall withdraw the grower's registration or submit a planting report that designates the dates the registered grower intends to plant industrial hemp during the registered year.

(e) The registrant shall maintain a planting report for a period of three years from each date of planting. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.255. Pesticides.** (a) Only a pesticide applicator certified under AS 46.03.320 and 18 AAC 90 may apply pesticides to industrial hemp.

(b) Before planting any hemp, a registered grower shall comply with the longest pre-planting interval listed on the pesticide product label. (Eff. 4 / 4 / 2020 Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.260. Testing.** A registered grower may not harvest industrial hemp until the division, or an authorized representative of the division has

(1) collected and tested one or more samples from the harvest in compliance with 11 AAC 40.285 or 11 AAC 40.290(b), and also in compliance with 11 AAC 40.600 - 11 AAC 40.665, and provided a written statement that the crop is eligible to be moved to market; or

(2) provided written permission to harvest the lot before sampling or testing; the harvest lot must be stored on the registered premises of the grower and may not be transferred to another person until the division completes post-harvest sampling and testing and provides a written statement that the crop is eligible to be moved to market. (Eff. 4 / 4 / 2020 Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.090  
AS 03.05.076 AS 03.05.079

**11 AAC 40.265. Initial pre-harvest report.** A registered grower shall inform the division by mail or electronic mail of a projected harvest date for an industrial hemp crop at least 30 calendar days before the projected harvest. (Eff. 4 / 4 / 2020 Register 234)

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**Authority:** AS 03.05.010

AS 03.05.076

AS 03.05.077

**11 AAC 40.270. Division response.** The division will collect and test samples from the harvest lot before the projected harvest date or will inform the registered grower in writing that the division is unable to collect the samples for testing before the projected harvest date. (Eff.

4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010

AS 03.05.076

AS 03.05.077

**11 AAC 40.275. Pre-harvest testing.** (a) The division will schedule with the registered grower a time for the division or an authorized representative of the division to conduct pre-harvest sample collections.

(b) The registrant or the registrant's agent shall be present at the grow site during sample collection by the division or may waive in writing the right to be present. The registrant shall provide to the division complete access to all industrial hemp, whether growing or stored, and all structures and locations listed on the registrant's application.

(c) Based upon the availability of division personnel the division or representatives of the division will sample grow areas identified in a registrant's pre-harvest report and may sample other portions of the grow areas randomly.

(d) The division or representatives of the division collecting or transporting the samples from a harvest lot or random sampling area have the legal right to possess and retain the sample and to transport it to a laboratory for analysis.

(e) The registrant shall be responsible for the cost of sampling, as set out in 11 AAC

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40.100(11), and for the cost of testing. Any sample taken by the division for testing is property of the division. (Eff. 4 / 4 / 2020 Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077  
AS 03.05.040

**11 AAC 40.280. Post-harvest testing.** (a) If the registered grower is informed in writing that the registrant may harvest industrial hemp from a harvest lot before division sampling and testing, the registrant may proceed with the harvest.

(b) The division will schedule with the registrant a time for the division or an authorized representative of the division to conduct post-harvest sample collections.

(c) The registrant or the registrant's agent shall be present during sample collection by the division or may waive in writing the right to be present. The registrant shall provide to the division complete access to all industrial hemp, whether growing or stored, and all structures and locations listed on the registrant's application. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.285. Sampling and harvesting of industrial hemp within delta-9-THC limitations.** (a) If pre-harvest testing confirms delta-9-THC levels in the harvest lot of not more than 0.3 percent, the registered grower may harvest each tested lot from which the sample was derived and further store or transport the industrial hemp for compensation or processing in compliance with 11 AAC 40.710. A harvest is subject to the following requirements:

- (1) a registered grower shall harvest a tested lot not later than 15 days after the

division's sample collection date;

(2) if conditions do not allow the registrant to harvest not later than 15 days after the sample collection, the division may order additional testing of the lot or provide written authorization to harvest the crop by a specific date, with or without further testing being required.

(b) If post-harvest sampling and testing confirms delta-9-THC levels in the harvest lot of not more than 0.3 percent, the registrant is authorized to receive compensation for the raw industrial hemp from the harvest lot in compliance with 11 AAC 40.205. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.079  
AS 03.05.076

**11 AAC 40.290. Sample results in excess of delta-9-THC limitations.** (a) If a pre- or post-harvest sample tests greater than 0.3 percent delta-9-THC, the tested lot must be destroyed, unless reconditioning is permitted under (b) of this section.

(b) If a sample tests greater than 0.3 percent delta-9-THC but not greater than 1.0 percent delta-9-THC, the division will issue a notice of violation. The registered grower may elect to recondition the failing lot with another lot within testing levels in an attempt reduce the delta-9-THC of the reconditioned lots to not more than 0.3 percent. The registrant is responsible for sampling costs, set out in 11 AAC 40.100(11), and testing costs of the reconditioned lots. If the reconditioned lots still exceed the 0.3 delta-9-THC or if the registrant chooses not to recondition the lot, the registrant shall destroy the hemp in compliance with 11 AAC 40.665.

(c) If a pre- or post-harvest sample tests in excess of 1.0 percent delta-9-THC levels, the division will issue a notice of violation, order the destruction of the harvest lot in compliance with 11 AAC 40.665, and notify the Department of Public Safety and the Marijuana Control Board of the notice of violation. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.090  
AS 03.05.076 AS 03.05.079

**11 AAC 40.295. Post-harvest reports.** (a) A registered grower must submit to the division, by mail or electronic mail, a post-harvest report on a form prescribed by the division, not later than 60 days after receiving sampling results from the division.

(b) The report must include the following information:

- (1) identification of the lot and grow area harvested by cross streets and GPS coordinates, as applicable;
- (2) the quantity of the industrial hemp harvested or destroyed;
- (3) the testing results for the sample of the harvest lot;
- (4) the disposition of the harvest lot, including if the lot is being stored on site;

and

(5) documentation of all persons who provided compensation for the harvested lot, of all persons who were offered the harvested lot free of charge, or of each registered processor to whom the harvested lot was provided.

(c) For lots stored on site, the disposition information described in (b)(4) and (5) of this section must be submitted not later than 60 days after disposition. (Eff. 4 / 4 / 2020, Register

234)

**Authority:** AS 03.05.010

AS 03.05.076

AS 03.05.077

**Article 3. Processor Registration.**

**Section**

- 300. Processor registration required
- 305. Processor registration; privileges and prohibited acts
- 310. Processor registration application
- 315. Extraction methods
- 320. Testing
- 325. Test results
- 330. Records
- 335. Production reports

**11 AAC 40.300. Processor registration required.** A person may not process industrial hemp from its raw form into any other form, unless the person has obtained a processor registration from the division in compliance with this chapter or is operating under a registration subject to 11 AAC 40.300 - 11 AAC 40.335. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010

AS 03.05.076

AS 03.05.077

**11 AAC 40.305. Processor registration; privileges and prohibited acts.** (a) A registered processor is authorized to do the following, in compliance with this chapter:

- (1) purchase and store raw industrial hemp for processing at the locations identified in the processor registration;
- (2) process industrial hemp;
- (3) receive compensation for raw industrial hemp as permitted for registered growers under 11 AAC 40.205(a)(4);
- (4) provide samples of processed industrial hemp or industrial hemp products to the division for sampling and testing;
- (5) conduct in-house testing for the processor's own use;
- (6) store processed hemp or hemp products at the locations identified in the processor registration;
- (7) transport industrial hemp or industrial hemp products in compliance with 11 AAC 40.710; and
- (8) receive compensation for processed industrial hemp or industrial hemp products from a processor or retailer registered under 11 AAC 40.300 - 11 AAC 40.335 or 11 AAC 40.500 - 11 AAC 40.530.

(b) A registered processor must

- (1) comply with all applicable occupational health and safety standards;
- (2) use registered scales in compliance with AS 45.75.080 and 17 AAC 90.920 - 17 AAC 90.935;
- (3) permit inspection by the division or division's representatives in compliance with AS 03.05.040 or 03.05.076(e);
- (4) permit inspection by local safety officials, including local fire departments,

building inspectors, or regulatory code enforcement officers as required by other law; and

(5) upon request of the division and not later than three business days after notice of the request, provide a copy of the registration and inspection reports of the registered scales to the division.

(c) A registered processor may not

(1) receive compensation for processed industrial hemp or industrial hemp products from consumers without an industrial hemp retailer registration;

(2) process or store industrial hemp in a structure that is primarily used for residential purposes;

(3) purchase for processing any industrial hemp or industrial hemp product from a person who is not

(A) registered with the division;

(B) registered or licensed by other states or qualifying entities that have implemented an industrial hemp pilot program in accordance with 7 U.S.C. 5940 (sec. 7606 of the Agricultural Improvement Act of 2014), or a United States Department of Agriculture approved industrial hemp program, authorized under 7 U.S.C. 1639p (sec. 10113 of the Agricultural Improvement Act of 2018); or

(C) a lawful international source authorized in writing by the division.

(Eff. 4/4/2020, Register 234)

<b>Authority:</b>	AS 03.05.010	AS 03.05.050	AS 03.05.077
	AS 03.05.040	AS 03.05.076	

**11 AAC 40.310. Processor registration application.** In addition to the information set out under 11 AAC 40.050, an applicant for a processor registration must submit the following:

- (1) a physical description of the processing facility;
- (2) a depiction on the map required under 11 AAC 40.050(b)(5) of where industrial hemp will be stored or processed;
- (3) if available at the time of application, a list of sources of raw industrial hemp;
- (4) for applicants who intend to extract cannabinoids and terpenoids from hemp, a description of the proposed extraction processes and of safety measures provided to protect employees, agents, and the public from the dangers associated with the extraction process; and
- (5) a statement of the intended end use or of the disposal of the hemp plant or plant parts not used for processing. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.315. Extraction methods.** (a) A registered processor may only create hemp-based extracts utilizing the following methods:

- (1) the following non-hydrocarbon extractions:
  - (A) cold or hot potable water filtration;
  - (B) isopropanol;
  - (C) ethanol;
  - (D) carbon dioxide;
  - (E) dry ice;
  - (F) dry shifting or sieve; or

(G) another method, only when preapproved in writing by the division; or

(2) the following hydrocarbon extractions:

(A) n-butane;

(B) isobutane;

(C) propane;

(D) heptane; or

(E) another method, only when preapproved in writing by the division.

(b) A registered processor shall only use solvents in the extraction process that are food grade or at minimum 99 percent or greater in purity. Solvent-based extractions must be completed in a commercial, professional grade, closed-loop system capable of recovering the solvent used for extraction.

(c) Each individual batch of processed hemp must meet or exceed the testing requirements set out in 11 AAC 40.600 - 11 AAC 40.665 before the processed industrial hemp or industrial hemp product may be offered with or without compensation to a person or transported from the processing sites. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010            AS 03.05.050            AS 03.05.077

AS 03.05.040            AS 03.05.076

**11 AAC 40.320. Testing.** (a) For any processed hemp product intended for human or animal consumption, each batch of product shall be tested in accordance with 11 AAC 40.600 - 11 AAC 40.665, for

(1) cannabinoid concentration and profile;

- (2) residual solvents;
- (3) microbials;
- (4) pesticides; and
- (5) heavy metal concentrations.

(b) The testing under (a) of this section must be completed by the division or by a testing facility authorized by the division at the expense of the registered processor before packaging, transporting, or making the hemp product available for sale.

(c) The division or authorized representatives of the division may also conduct random sampling and testing of industrial hemp products or sampling of suspected materials unannounced, at any time during the normal business hours of the registered processor. Any sample taken by the division under this section is the property of the division. At the time of inspection, the division or the division's authorized representative will have complete and unrestricted access to all industrial hemp, industrial hemp materials, and industrial hemp products and all land, buildings, and structures listed on the application or registration used to process or store hemp or hemp products. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010            AS 03.05.050            AS 03.05.077  
                  AS 03.05.030            AS 03.05.076            AS 03.05.079  
                  AS 03.05.040

**11 AAC 40.325. Test results.** (a) The division will notify the registered processor in writing of test results.

(b) For products with test results greater than 0.3 percent delta-9-THC but not greater

than 1.0 percent delta-9-THC, the division will issue a notice of violation. The registered processor may elect to recondition the failing batch with another batch within testing levels or re-extract the failing batch in an attempt reduce the delta-9-THC of the reconditioned batches to not more than 0.3 percent. The registered processor is responsible for sampling and testing costs of the reconditioned or re-extracted batch. If the reconditioned or re-extracted batch still exceeds the 0.3 delta-9-THC or if the registered processor chooses not to recondition the batch, the registered processor shall destroy the batch in compliance with 11 AAC 40.665.

(c) If the sample taken from a batch is greater than 1.0 percent delta-9-THC, the division will issue a notice of violation, order the destruction of the batch and products derived from the batch, and notify the Department of Public Safety and the Marijuana Control Board of the notice of violation.

(d) The division will notify the registrant of any solvents, heavy metals, microbials, or pesticides found during testing. (Eff. 4 / 4 / 2020, Register 234)

<b>Authority:</b>	AS 03.05.010	AS 03.05.076	AS 03.05.079
	AS 03.05.040	AS 03.05.077	AS 03.05.090
	AS 03.05.050		

**11 AAC 40.330. Records.** (a) A registered processor shall keep records of all industrial hemp obtained for the purpose of processing for each registered year, including

- (1) the date the industrial hemp was received;
- (2) the quantity received;
- (3) an identifying harvest lot number;

(4) the name, telephone number, mailing address, and electronic mail address of the seller or supplier of the hemp; and

(5) the cross streets, if applicable, and GPS coordinates of the grow site for the supplied hemp.

(b) A registered processor shall keep all records for each batch of processed industrial hemp, including

(1) the date of processing;

(2) the lot number coordinated with each batch of processed hemp;

(3) the total amount processed;

(4) the type and method of processing; and

(5) any tests or test results conducted on the hemp in original or processed form, identified by lot and batch number of the tested hemp.

(c) All reports and records identified in this section must be maintained for a minimum of three years and shall be made available for review by the division or authorized representatives of the division not later than three business days after the division's request. (Eff.

4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.335. Production reports.** (a) A registered processor shall submit a completed production report for each registration term on or before March 1 of the following registration year.

(b) The report must contain

(1) the quantity of the industrial hemp processed;

(2) the type and quantity of products produced;

(3) identification of the lot and batch numbers processed;

(4) the disposition of all raw and processed industrial hemp; and

(5) documentation of all persons who acquired raw industrial hemp or processed industrial hemp or industrial hemp products, either with or without compensation, from the registrant. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

#### **Article 4. Hemp Product Endorsement and Labeling.**

##### **Section**

- 400. Endorsement
- 405. Application for endorsement
- 410. Testing standards
- 415. Hemp product sizing.
- 420. Labeling

**11 AAC 40.400. Endorsement.** (a) Before being transported in the state or offered with or without compensation to a consumer, any industrial hemp product processed beyond its raw form and intended for human or animal consumption must be endorsed by the division.

(b) Endorsements for each hemp product or product line subject to 11 AAC 40.400 - 11 AAC 40.420 are valid and will not expire if

- (1) the registrant holds a valid registration;
- (2) the product process has been approved and then renewed annually;
- (3) each product batch meets the approved product process standards;
- (4) each product batch passes all testing requirements; and
- (5) an approved label is affixed on each product.

(c) The division will provide a written endorsement for each approved product or product line. (Eff. 4 / 4 / 2020 Register 234)

**Authority:** AS 03.05.010            AS 03.05.076            AS 03.05.090  
                  AS 03.05.030            AS 03.05.077            AS 03.05.100

**11 AAC 40.405. Application for endorsement.** (a) An application for endorsement of an introductory hemp product intended for human or animal consumption must be on a form prescribed by the division and must include

- (1) a color copy of the product's proposed label;
- (2) a copy of the laboratory test results, if applicable, of each product or batch of product;
- (3) a copy of
  - (A) the processor's registration under this chapter;
  - (B) proof that the hemp product was grown under an industrial hemp pilot program operating under 7 U.S.C. 5940 (sec. 7606 of the Agricultural Improvement Act of 2014) or under a United States Department of Agriculture approved industrial hemp program, authorized under 7 U.S.C. 1639p (sec. 10113 of the Agricultural Improvement

Act of 2018); or

(C) a lawful international source's written authorization from the division;

(4) a copy of the terpene analysis if required under 11 AAC 40.630(c); and

(5) submission of the endorsement fee set out in 11 AAC 40.100(7).

(b) A written request for modification of the endorsement and the fee set out in 11 AAC 40.100(9) is required for any change to the labeling requirements of 11 AAC 40.420. (Eff.

4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.410. Testing standards.** (a) Processed industrial hemp products intended for human or animal consumption must meet or exceed the requirements of 11 AAC 40.600 - 11 AAC 40.665.

(b) Processed industrial hemp products intended for human or animal consumption may not be offered with or without compensation to a consumer if failing any requirement in 11 AAC 40.600 - 11 AAC 40.665. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

AS 03.05.050

**11 AAC 40.415. Hemp product sizing.** A processed industrial hemp product intended for human or animal consumption may not contain more than 50 milligrams of delta-9-THC per individual product. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.100

**11 AAC 40.420. Labeling.** (a) Processed industrial hemp products intended for human or animal consumption must be labeled with the following:

- (1) the product name;
- (2) a batch number for the product;
- (3) an expiration date;
- (4) the total quantity of the product by weight or volume;
- (5) the serving size or recommended dose;
- (6) a list of all ingredients;
- (7) the industrial hemp pilot program or authorized international industrial hemp source from which the industrial hemp originated; and
- (8) if the product contains any delta-9-THC, the statement "warning: contains THC".

(b) Processed industrial hemp products intended for human or animal consumption may not contain health or medical claims on the label, packaging, advertisement, or any other marketing material. (Eff. 4/4/2020, Register 234)

<b>Authority:</b>	AS 03.05.010	AS 03.05.076	AS 03.05.079
	AS 03.05.030	AS 03.05.077	AS 03.05.100

**Article 5. Retailer Registration.**

**Section**

- 500. Retailer registration required
- 505. Retailer registration; privileges and prohibited acts
- 510. Retailer registration application
- 515. Incorporation of a processed hemp product into a non-hemp product intended for human or animal consumption
- 520. Inspection and testing
- 525. Records
- 530. Retailer reports

**11 AAC 40.500. Retailer registration required.** A person may not receive compensation for processed industrial hemp or processed industrial hemp products from a consumer in the state, unless the person has obtained a retailer registration from the division in compliance with this chapter or is operating under a registration subject to 11 AAC 40.500 - 11 AAC 40.530. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.505. Retailer registration; privileges and prohibited acts.** (a) A registered retailer is authorized to do the following, in compliance with this chapter:

- (1) import processed industrial hemp or industrial hemp products;
- (2) receive compensation for processed industrial hemp or industrial hemp

products;

(3) store processed industrial hemp or industrial hemp products for the purposes of receiving compensation at the retail locations identified in the registration;

(4) conduct in-house testing for the registrant's own use; and

(5) transport processed industrial hemp or industrial hemp products in compliance with this chapter.

(b) A registered retailer shall

(1) ensure that industrial hemp products intended for human or animal consumption and offered for compensation are free from prohibited substances and appropriately labeled in compliance with applicable law;

(2) display, in an area visible in or outside each retailer location, the official Alaska Industrial Hemp Pilot Program placard provided by the division;

(3) not later than three business days after a request, provide to the division a list of the processors of any processed industrial hemp or industrial hemp product offered for compensation; and

(4) permit inspection of the retail locations identified in the application for registration and of the processed industrial hemp or industrial hemp product by the division or division's representatives in compliance with AS 03.05.040 or 03.05.076(e).

(c) A registered retailer may submit an endorsement application for an industrial hemp product intended for human or animal consumption, in the absence of a processor having done so, but shall identify the processor who did not apply for an endorsement for the product in compliance with this chapter.

(d) Unless a registered retailer is also a registered grower, the registrant may not transfer or receive compensation for live industrial hemp plants, viable industrial hemp plants, or viable seed. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.050 AS 03.05.077  
AS 03.05.040 AS 03.05.076

**11 AAC 40.510. Retailer registration application.** In addition to the information set out under 11 AAC 40.050, an applicant for a retailer registration must submit the following:

- (1) a description of the type of store or operations of the retailer;
- (2) a location or list of locations of the retailer where industrial hemp will be offered for retail sales; and
- (3) a list of industrial hemp product types intended to be sold by the retailer. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.515. Incorporation of a processed hemp product into a non-hemp product intended for human or animal consumption.** (a) A registered retailer who adds, mixes, or incorporates a processed industrial hemp product intended for human or animal consumption into non-hemp products shall use only processed hemp products endorsed under 11 AAC 40.400 - 11 AAC 40.420.

(b) A registered retailer who adds, mixes, or incorporates a processed industrial hemp product intended for human or animal consumption into a non-hemp product shall use registered

scales or other instruments that are in compliance with AS 45.75.080 and 17 AAC 90.920 - 17 AAC 90.935 to determine the appropriate serving size of the hemp product and shall maintain current registration and inspection reports for the scales or other instruments as required under AS 45.75.080 and 17 AAC 90.920 - 17 AAC 90.935.

(c) Not later than three business days after the division's request, copies of registration and inspection reports required under (b) of this section shall be provided to the division. (Eff.

4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.050 AS 03.05.077  
AS 03.05.030 AS 03.05.076

**11 AAC 40.520. Inspection and testing.** (a) The division or an authorized representative of the division shall be granted access to all industrial hemp products available at any retail location during normal business hours in order to inspect, test, and sample any hemp products available for sale.

(b) The division may issue a notice of violation and a stop order for any processed hemp product intended for human or animal consumption from a registered retailer if the hemp product

(1) does not hold a current endorsement from the division issued in compliance with 11 AAC 40.400 - 11 AAC 40.420;

(2) is not packaged as required by 11 AAC 40.415 or labeled as required by 11 AAC 40.420;

(3) contains greater than 0.3 percent delta-9-THC; or

(4) has failed the permissible level of contaminants as provided in 11 AAC

40.640. (Eff. 4 / 4 / 2020, Register 234)

<b>Authority:</b>	AS 03.05.010	AS 03.05.050	AS 03.05.079
	AS 03.05.030	AS 03.05.076	AS 03.05.090
	AS 03.05.040	AS 03.05.077	

**11 AAC 40.525. Records.** (a) A registered retailer shall keep records of processed industrial hemp or processed industrial hemp products obtained for the purpose of retail for each registered year, including

(1) the date the processed industrial hemp or processed industrial hemp products were received;

(2) the quantity received;

(3) identifying lot and batch numbers for processed industrial hemp or processed industrial hemp products; and

(4) identification of the supplier of processed industrial hemp or processed industrial hemp products.

(b) All reports and records identified in this section shall be maintained for a minimum of three years and shall be made available for review by the division or the division's representative not later than three business days after the division's request. (Eff. 4 / 4 / 2020, Register 234)

<b>Authority:</b>	AS 03.05.010	AS 03.05.076	AS 03.05.077
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**11 AAC 40.530. Retailer reports.** (a) A registered retailer shall submit a retailer report

on a form prescribed by the division not later than March 1 of the year following the registration year.

(b) The report must include the following information:

(1) identification of the processed industrial hemp or industrial hemp products offered for compensation during the registration term;

(2) the quantity of processed industrial hemp or industrial hemp products for which the registrant received compensation;

(3) the percentage of processed industrial hemp or processed industrial hemp products offered for retail that is intended for human or animal consumption; and

(4) documentation of consumer complaints. (Eff. 4/14/2020, Register 234)

**Authority:** AS 03.05.010      AS 03.05.076      AS 03.05.077

### **Article 6. Sampling, Testing, Quarantines, and Destruction.**

#### **Section**

600. Compliance with 11 AAC 40.600 - 11 AAC 40.665

605. Laboratory testing of hemp and hemp products

610. Sampling required

615. Sample size for a processed hemp batch

620. Samples for test batches of pre-packaged hemp products

625. Test batch, standards for authorized testing facilities

630. Cannabinoid and terpene potency

635. Methodology for testing delta-9-THC levels in raw industrial hemp

- 640. Contaminants
- 645. Exceeding contaminant testing levels
- 650. Failed test results for hemp products
- 655. Retests
- 660. Quarantine
- 665. Waste disposal, including hemp destruction

**11 AAC 40.600. Compliance with 11 AAC 40.600 - 11 AAC 40.665.** (a) A registered hemp grower may not sell, give, distribute, transfer, or offer to sell, give, distribute, or transfer any raw industrial hemp until the requirements of 11 AAC 40.270 - 11 AAC 40.295 have been completed and the division has issued a written statement that the crop is eligible to be moved to market.

(b) A registered industrial hemp processor may not sell, give, distribute, transfer, or offer to sell, give, distribute, or transfer any processed industrial hemp until each batch of processed hemp product has satisfied the requirements of 11 AAC 40.600 - 11 AAC 40.665.

(c) A registered hemp retailer may not sell, give, distribute, transfer, or offer to sell, any industrial hemp product unless the product has satisfied the requirements of 11 AAC 40.600 - 11 AAC 40.665. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010      AS 03.05.077      AS 03.05.078  
AS 03.05.076

**11 AAC 40.605. Laboratory testing of hemp and hemp products.** (a) The division or

a testing facility authorized by the division shall test industrial hemp and industrial hemp products to verify compliance with this chapter, perform investigations, compile data for the Industrial Hemp Pilot Program, and address public health and safety concerns.

(b) The division may require industrial hemp or industrial hemp products to undergo a second independent third-party review to verify that the industrial hemp or industrial hemp products do not pose a threat to public health and safety, when the division has reason to believe and finds, upon investigating, one or more of the following:

(1) the industrial hemp or industrial hemp product being distributed contains one or more contaminants at levels known to cause harm; or

(2) the industrial hemp or industrial hemp product contains one or more contaminants that could be toxic as consumed or applied in accordance with the intended use as stated on the product label.

(c) The division may quarantine industrial hemp or industrial hemp products as set out under 11 AAC 40.660. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.078  
AS 03.05.076

**11 AAC 40.610. Sampling required.** (a) Any industrial hemp or industrial hemp product, before being offered for compensation or offered without charge, must have samples drawn from the entire harvest lot or processing batch, as applicable, and submitted to the division or an authorized testing facility as one test sample.

(b) To comply with (a) of this section, a registrant shall permit samples submitted for

testing to be collected by the division or a representative of the division.

(c) A registrant may not

(1) attempt to influence the samples selected by the division or an authorized representative of the division;

(2) adulterate, alter, or attempt to adulterate or alter, any samples taken from the production batch for the purpose of circumventing contaminant testing limits or potency testing requirements. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.078  
AS 03.05.076

**11 AAC 40.615. Sample size for a processed hemp batch.** The division or the division's representative shall collect a minimum number of representative samples per processed batch for testing in the following amounts:

(1) for processed batches weighing up to one pound, a minimum of eight separate 0.50-gram samples must be combined into a four-gram sample and submitted as one test sample;

(2) for processed batches weighing more than one pound and less than two pounds, a minimum of 12 separate 0.50-gram samples must be combined into one six-gram sample and submitted as one test sample;

(3) for processed batches weighing two pounds or more but less than three pounds, a minimum of 15 separate 0.50-gram samples must be combined into one 7.5-gram sample and submitted as one test sample;

(4) for processed batches weighing three pounds or more but less than four

pounds, a minimum of 18 separate 0.5-gram samples must be combined into one nine-gram sample and submitted as one test sample;

(5) for processed batches weighing four pounds or more but less than 10 pounds, a minimum of 23 separate 0.50-gram samples must be combined into one 11.5-gram sample and submitted as one test sample; or

(6) for processed batches weighing 10 pounds or more, a minimum of 29 separate 0.50-gram samples must be combined into one 14.5-gram sample and submitted as one test sample. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010      AS 03.05.077      AS 03.05.078  
AS 03.05.076

**11 AAC 40.620. Samples for test batches of pre-packaged hemp products.** (a) If not tested and approved by the division under a processing registration, a sample of a product of processed hemp or hemp products must be submitted to the division or as directed by the division to an authorized testing facility. Each sample shall be submitted in its packaged form.

(b) The number of samples required for testing is as follows:

- (1) for up to 100 units, a minimum of two separate samples must be submitted;
- (2) for up to 500 units, a minimum of five separate samples must be submitted;
- (3) for up to 1,000 units, a minimum of 10 separate samples must be submitted;
- (4) for up to 5,000 units, a minimum of 50 separate samples must be submitted;
- (5) for up to 10,000 units, a minimum of 100 samples must be submitted; or
- (6) for more than 10,000 units, a minimum of one percent of samples must be

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submitted. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.078  
AS 03.05.076

**11 AAC 40.625. Test batch, standards for authorized testing facilities.** (a) The division will establish a minimum weight or volume of processed industrial hemp or industrial hemp products and direct the designated testing facilities to apply those standards for every type of test conducted.

(b) The division will also establish a standard number of samples required to be included in each batch of processed hemp or hemp products for every type of test conducted in compliance with 11 AAC 40.630 - 11 AAC 40.640.

(c) An authorized testing facility may not accept a sample that is smaller than the standard minimum amount, unless the sample was collected by the division, an authorized representative of the division, or a registrant under division direction. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.078  
AS 03.05.076

**11 AAC 40.630. Cannabinoid and terpene potency.** (a) All industrial hemp grown, processed, or made available for retail sales will be tested by the division or an authorized testing facility for delta-9-THC, and must test at or below 0.3 percent.

(b) All processed industrial hemp products intended for human or animal consumption

must also undergo a cannabinoid potency test that must at least determine the concentration of tetrahydrocannabinol, cannabidiol, cannabichomene, cannabigerol, cannabichromene, and cannabidivarin, including acid forms.

(c) Terpene analysis is not required for any industrial hemp or industrial hemp product unless terpene content is listed on the label, the packaging, or an advertisement. In those cases, a terpene analysis must be performed and submitted to the division. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.078  
AS 03.05.030 AS 03.05.077

**11 AAC 40.635. Methodology for testing delta-9-THC levels in raw industrial hemp.**

Raw industrial hemp collected by the division or an authorized representative of the division for sampling will be tested for a quantitative determination of delta-9-THC by a method to be approved in writing by the division. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.078  
AS 03.05.030 AS 03.05.077

**11 AAC 40.640. Contaminants.** (a) Industrial hemp products intended for human or animal consumption shall be tested or screened for the contaminants listed and may not exceed the following permissible levels:

(1) residual solvents:

<b>Solvent</b>	<b>Parts Per Million (ppm)</b>	<b>Product to be tested</b>
Acetone	< 500	Extracted concentrates
Benzene	0	
Butanes	< 500	
Chloroform	< 1	
Cyclohexane	< 500	
Heptane	< 500	
Hexane	0	
Isopropanol	< 500	
Methanol	< 500	
Pentanes	< 500	
Propane	< 500	
Toluene	0	
Xylenes (m, p, o-xylenes)	< 217	

## (2) microbials (bacterial, fungus):

<b>Substance</b>	<b>Acceptable limits per gram</b>	<b>Product to be tested</b>
Shiga Toxin Escherichia coli (STEC) – bacteria	Less than 1 colony forming unit (CFU/g)	Hemp or hemp products intended for human consumption; water and food-based concentrates
Total Yeast and Mold Count (TYMC)	Less than 10,000 colony forming unit (CFU/g)	
Salmonella species – bacteria	Less than 1 colony forming unit (CFU/g)	
Aspergillus fumigatus, Aspergillus flavus, Aspergillus niger-fungus, Aspergillus terreus	Less than 1 colony forming unit (CFU/g)	

## (3) mycotoxins:

<b>Substance</b>	<b>Acceptable limits per gram</b>	<b>Product to be tested</b>
Total Aflatoxin B1, B2, G1, G2	< 20 parts per billion (PPB)	Hemp or hemp products intended for human consumption; water and food-based concentrates
Ochratoxin A	< 20 parts per billion (PPB)	

## (4) pesticides:

<b>Substance</b>	<b>Detection Limits (Parts Per Million, PPM)</b>	<b>Product to be tested</b>
Abamectin	< 0.07	Hemp or hemp products intended for human consumption; water and food-based concentrates
Azoxystrobin	< 0.02	
Bifenazate	< 0.02	
Etoxazole	< 0.01	
Imazalil	< 0.04	
Imidacloprid	< 0.02	
Malathion	< 0.05	
Myclobutanil	< 0.04	
Permethrin	< 0.04	
Spinosad	< 0.06	

Spiromesifen	< 0.03	
Tebuconazole	< 0.01	

(5) metals:

<b>Substance</b>	<b>Acceptable Limits Per Gram Based on Intended Use</b>	<b>Product to be tested</b>
Metals (Cadmium, Arsenic, Lead, Mercury)	<p><b>Inhaled or Audited Product: smoke hemp flowers or vape concentrates</b></p> <p>Lead – Max Limit: &lt; 0.5 ppm</p> <p>Arsenic – Max Limit: &lt; 0.02 ppm</p> <p>Cadmium – Max Limit: ,0.02 ppm</p> <p>Mercury – Max Limit: &lt;0.1 ppm)</p>	Hemp or hemp products intended for human consumption; water and food-based concentrates

	<p><b>Topical and/or Transdermal</b></p> <p>Lead – Max Limit: &lt; 10 ppm</p> <p>Arsenic – Max Limit: &lt; 3 ppm</p> <p>Cadmium – Max Limit &lt; 3 ppm</p> <p>Mercury – Max Limit &lt; 1 ppm</p>	
	<p><b>Oral Consumption or Audited Product: rectal or vaginal administration</b></p> <p>Lead- Max Limit: &lt; 1 ppm</p> <p>Arsenic – Max Limit: &lt; 1.5 ppm</p> <p>Cadmium – Max Limit: &lt; 0.5 ppm</p>	

	Mercury – Max Limit: <  1.5 ppm	
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(b) Notwithstanding the permissible levels established in (a) of this section, the division may conclude, upon good cause and reasonable grounds, that an industrial hemp product meeting these levels still presents a risk to the public health or safety and therefore will be considered to have failed a contaminant test. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010      AS 03.05.050      AS 03.05.077  
 AS 03.05.030      AS 03.05.076      AS 03.05.078

**11 AAC 40.645. Exceeding contaminant testing levels.** (a) If industrial hemp or an industrial hemp product is found to have a contaminant in levels exceeding those established as permissible under 11 AAC 40.640, the industrial hemp or industrial hemp product has failed contaminant testing.

(b) If industrial hemp or an industrial hemp product has failed a contaminant test, the testing facility must immediately notify in writing the division and the retailer or processor that submitted the test batch for testing of the failure. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010      AS 03.05.050      AS 03.05.077  
 AS 03.05.030      AS 03.05.076      AS 03.05.078

**11 AAC 40.650. Failed test results for hemp products.** (a) Any registrant that is

notified by the division or the division's representative that a test batch failed a contaminant or potency test shall immediately discontinue offering for sale any industrial hemp products associated with the failed test batch.

(b) Any industrial hemp products that have failed a contaminant or potency test must be physically separated from all other hemp inventory, may not be transported, and may not be further processed or added to a non-hemp product. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010            AS 03.05.050            AS 03.05.077  
AS 03.05.030            AS 03.05.076            AS 03.05.078

**11 AAC 40.655. Retests.** (a) A registrant whose industrial hemp product has failed initial testing under 11 AAC 40.630 or 11 AAC 40.640 may submit a written request, on a form provided by the division, for a retest of the industrial hemp product. The division will authorize a request for a retest, but the registrant requesting the retest shall pay all costs of testing and validation.

(b) If electing to retest, a registrant must either

(1) submit new test samples complying with 11 AAC 40.600 - 11 AAC 40.665 from the same failing batch to the division or authorized testing facility that performed the original test; or

(2) submit the new test samples complying with 11 AAC 40.600 - 11 AAC 40.665 from the same failing batch to a different testing facility approved by the division and available to conduct the retest.

(c) If the sample passes the potency or a required contaminant testing under (b) of this

section, the division may elect to submit the industrial hemp product for a third testing at the division's expense. If the division does not elect a third testing, the lot or batch from which the sample came must have the identifying number modified with the addition of the letter "X" at the end or the previous identifier. Afterwards, the hemp or hemp products associated with each test batch may be transferred or further processed in compliance with this chapter.

(d) In the event the division has elected to test the industrial hemp product a third time, two passing results means the product passes and the product may continue to be offered for retail, subject the addition of the letter "X" to the identifying number, as described in (c) of this section. Two failing results means the product fails and must be destroyed in accordance with (e) of this section.

(e) If the sample fails and is not retested, or is retested and fails under (c) or (d) of this section, the division may direct the registrant to destroy all industrial hemp products affiliated with the failed test and require proof of destruction, or seize and destroy the hemp products as permitted under AS 03.05.010(a)(7) and 03.05.076(d)(4). (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010            AS 03.05.050            AS 03.05.077

AS 03.05.030            AS 03.05.076            AS 03.05.078

**11 AAC 40.660. Quarantine.** (a) In addition to other remedies provided under 11 AAC 40.800, the division may also elect to immediately quarantine industrial hemp or an industrial hemp product in the following circumstances:

(1) the division or an authorized representative of the division finds after investigation that a registered processor or retailer has violated this chapter;

(2) the industrial hemp or industrial hemp product was processed by a person who is not

(A) registered with the Alaska Industrial Hemp Pilot Program under this chapter;

(B) registered or licensed by other states or qualifying entities that have implemented an industrial hemp pilot program in accordance with 7 U.S.C. 5940 (sec. 7606 of the Agricultural Improvement Act of 2014), or a United States Department of Agriculture approved industrial hemp program, authorized under 7 U.S.C. 1639p (sec. 10113 of the Agricultural Improvement Act of 2018); or

(C) a lawful international source authorized in writing by the division.

(3) the industrial hemp or industrial hemp product presents a potential threat to public health or safety;

(4) the division has received reports of an adverse event related to the use of industrial hemp or an industrial hemp product.

(b) Any industrial hemp or industrial hemp product quarantined may be returned to the registrant if the division finds there is no potential threat to public health or safety and the person whose industrial hemp was quarantined is otherwise in compliance with this chapter. The division will destroy quarantined industrial hemp or an industrial hemp product if an allegation identified in (a) of this section is substantiated.

(c) In this section, "adverse event" includes any unfavorable or unintended physical symptom or disease, hospitalization, emergency room visits, doctor's visits, abnormal laboratory findings, or any other negative medical consequence associated with the use of industrial hemp

or an industrial hemp product. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077  
AS 03.05.050

**11 AAC 40.665. Waste disposal, including hemp destruction.** (a) A registrant shall store, manage, and dispose of any solid or liquid waste, including wastewater generated during industrial hemp or industrial hemp product production, processing, testing, or retail sales, in compliance with applicable federal, state, and local statutes, ordinances, regulations, and other law.

(b) Industrial hemp waste or industrial hemp product waste must be made unusable for any purpose for which it was grown or produced and must be made unrecognizable before leaving the registered premises. Industrial hemp waste or industrial hemp product waste includes

- (1) industrial hemp plant waste, including stalks, leaves, stem, and flowers that have not been processed with solvent;
- (2) industrial hemp or industrial hemp products that has been found unfit for sale or consumption;
- (3) expired industrial hemp or industrial hemp products; or
- (4) industrial hemp or industrial hemp products that failed testing under 11 AAC 40.600 - 11 AAC 40.665.

(c) Industrial hemp, industrial hemp product waste, and failed industrial hemp processing batches may be made unusable and unrecognizable through mowing, grinding, or compacting the hemp or hemp product and incorporating the industrial hemp or industrial hemp product with at

least an equal amount of other compostable or non-compostable materials listed as follows, such that the resulting mixture cannot be easily separated and sorted:

- (1) food waste;
- (2) yard waste
- (3) vegetable-based grease or oils;
- (4) paper waste;
- (5) cardboard waste;
- (6) plastic waste;
- (7) oil;
- (8) soil; or
- (9) other wastes approved by the division or a representative of the division that

will render the industrial hemp or industrial hemp products unusable and unrecognizable.

(d) A registrant shall give notice to the division, on a form prescribed by the division, of the disposal of the industrial hemp or industrial hemp products not later than 10 business days after disposal.

(e) If industrial hemp or industrial hemp products are found by or surrendered to a peace officer, the officer may dispose of the industrial hemp or industrial hemp products as set out in this section or by any method allowed under any applicable local ordinance.

(f) Notwithstanding (b) of this section, a registrant may request written authorization from the division to utilize industrial hemp waste, such as spent floral material, for another purpose. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**Article 7. Requirements Common to All Registrations.**

**Section**

700. Notification

705. Hemp storage

710. Transportation

**11 AAC 40.700. Notification.** (a) The division will submit a list of registrants and information about approved grower, processor, and retail registrants to the Marijuana Control Board and the Department of Public Safety on at least an annual basis and to any peace officer upon request.

(b) The division will submit all notices of violation specific to industrial hemp or industrial hemp products in excess of 1.0 percent of delta-9-THC to the Marijuana Control Board and the Department of Public Safety. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.705. Hemp storage.** (a) Under any registration issued under this chapter, a registrant may store industrial hemp or industrial hemp products on the same property and at the same address or GPS coordinates listed on the registrant's application and registration.

(b) A registrant under 11 AAC 40.200 - 11 AAC 40.295 may store seeds, hemp, and hemp parts in raw form or industrial hemp in a processed form, but to sell industrial hemp in a

processed from the registered grower must also hold a retailer registration.

(c) Industrial hemp and industrial hemp products shall be stored securely with reasonable physical containment and security measures.

(d) The division may inspect stored industrial hemp or industrial hemp products as set out in 11 AAC 40.275(b), 11 AAC 40.320(c), or 11 AAC 40.520(a). (Eff. 4 / 4 / 2020,

Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

AS 03.05.040

**11 AAC 40.710. Transportation.** (a) Except as described in (b) of this section, a person subject to or registered under this chapter may not transport industrial hemp or industrial hemp products without a transportation permit issued by the division. A transportation permit only authorizes industrial hemp to be transported from one registrant to another registrant or from one property of a registrant to another property of a registrant.

(b) A transportation permit is not required

(1) for a registrant under 11 AAC 40.200 - 11 AAC 40.295 to transport industrial hemp on property listed on its registration for storage, drying, or testing in advance of a pre-harvest report;

(2) to transport industrial hemp seed or propagules to a registered grower; or

(3) to transport an industrial hemp product holding a valid endorsement under 11 AAC 40.400 - 11 AAC 40.420 to or from a registered retail location.

(c) A transportation permit will be issued to a registered grower or registered processor

only after sampling has validated that that hemp is no more than 0.3 percent delta-9-THC.

(d) A registrant shall apply to the division for a transportation permit and pay the required fee under 11 AAC 40.100.

(e) The division will process the application for a transportation permit not later than five business days from the date of receipt of the application. A single transportation permit may be approved by the division for multiple days or methods of transportation, if determined practicable or necessary by the division.

(f) A transportation permit will contain

(1) the name of the permittee;

(2) the address and the GPS coordinates from where the industrial hemp will depart;

(3) the name of the registrant to whom the industrial hemp will be transported;

(4) the address and the GPS coordinates at which the industrial hemp will be delivered;

(5) the amount of industrial hemp being transported;

(6) a physical description of the vehicle transporting the industrial hemp, including the registration plate number; and

(7) the name of the person operating the vehicle transporting the industrial hemp.

(g) A registrant shall maintain all transportation permits for three years and make them available to the division for inspection not later than three business days after the division's request.

(h) The operator of the vehicle transporting industrial hemp shall have a copy of the

applicable registration and the transportation permit in the operator's immediate possession at all times while transporting industrial hemp. When transporting industrial hemp, a person shall present a copy of the registration and permit upon demand to a peace officer, the division, or the division's representative. (Eff. 4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.077 AS 03.05.078  
AS 03.05.076

**Article 8. Enforcement; Appeals.**

**Section**

- 800. Enforcement authority
- 810. Suspension
- 820. Revocation
- 830. Appeals

**11 AAC 40.800. Enforcement authority.** To carry out the provisions of this chapter, the division may

- (1) sample and test industrial hemp, cannabis, industrial hemp products, and cannabis products for the presence of delta-9-THC, prohibited contaminants, or pesticide residue and for proper labeling and distribution;
- (2) control, seize, quarantine, embargo, or direct destruction of industrial hemp or industrial hemp products not in compliance with this chapter;
- (3) during the usual hours of a business, or at any time if the division determines

that there is an immediate threat to the health or safety of the general public, enter and inspect premises where industrial hemp or industrial hemp products are produced, handled, or transported;

(4) with three days' notice to the registrant, inspect records documenting the sale or transfer of industrial hemp or industrial hemp products;

(5) declare as a public nuisance injurious to the public interest

(A) any industrial hemp or industrial hemp product found to violate a provision of this chapter; or

(B) any cannabis or cannabis product with delta-9-THC over 0.3 percent, subject to this chapter, and found to violate a condition of this chapter;

(6) direct the movement, reconditioning, or destruction of any industrial hemp, industrial hemp product, or cannabis or cannabis products with delta-9-THC over 0.3 percent declared to be a public nuisance as permitted by AS 03.05.050 or 03.05.076;

(7) issue notices of violations and civil fines, or issue stop orders for violations of this chapter, including to persons who are not registered or permitted to participate in the Alaska Industrial Hemp Pilot Program;

(8) as permitted under AS 03.05.090, refer violations of this chapter to a peace officer for criminal prosecution;

(9) suspend, revoke, or deny registrations, endorsements, or permits issued under this chapter;

(10) cooperate and communicate with the Marijuana Control Board, the Department of Public Safety, or any other peace officers; and

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(11) undertake any other action not listed here, but permitted under AS 03.05.

(Eff. 4/4/2020, Register 234)

<b>Authority:</b>	AS 03.05.010	AS 03.05.076	AS 03.05.079
	AS 03.05.040	AS 03.05.077	AS 03.05.090
	AS 03.05.050	AS 03.05.078	AS 03.05.100

**11 AAC 40.810. Suspension.** The division may temporarily suspend, for up to 60 days, a registration, endorsement, or permit issued under this chapter if the registrant is alleged to have

- (1) violated any provision of AS 03.05.010, 03.05.076 - 03.05.079, or this chapter;
- (2) made any false statement to the division or the division's representatives;
- (3) failed to comply with any agreement signed by the registrant or permittee at the time the registration or permit was issued;
- (4) failed to comply with any orders of the division to enforce this chapter; or
- (5) failed to pay any fines issued in connection with notices of violation. (Eff.

4/4/2020, Register 234)

<b>Authority:</b>	AS 03.05.010	AS 03.05.076	AS 03.05.077
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**11 AAC 40.820. Revocation.** In addition to temporary suspension, the division may revoke a registration, permit, or endorsement and prohibit participation in the Alaska Industrial Hemp Pilot Program for a period of up to five years if the registrant

- (1) has planted, grown, cultivated, or replicated industrial hemp seeds or

propagules from a hemp plant of wild, landrace, or unknown origin without advance written approval from the division;

(2) has harvested industrial hemp without a harvest report and pre-harvest sample taken by the division, without advance written approval of the division;

(3) failed to destroy, as ordered, a harvest lot the sample of which has tested at greater than 1.0 percent delta-9-THC;

(4) processes industrial hemp that is greater than 1.0 percent delta-9-THC;

(5) utilizes an extraction method under 11 AAC 40.310 determined by the division to pose a risk to human or animal health or safety;

(6) fails to submit any report required under this chapter; or

(7) violates this chapter on three separate occasions in a one-year period. (Eff.

4/4/2020, Register 234)

**Authority:** AS 03.05.010 AS 03.05.076 AS 03.05.077

**11 AAC 40.830. Appeals.** (a) Except as described in (b) of this section, appeals of decisions of the division under this chapter must be in accordance with 11 AAC 02.040 - 11 AAC 02.900.

(b) The automatic stay provisions of 11 AAC 02.060 do not apply to permit any industrial hemp or industrial hemp product testing in violation of 11 AAC 40.630 or 11 AAC 40.640 to be sold or transferred to another registrant or a consumer. Hemp or a hemp product violating those standards are subject to quarantine under 11 AAC 40.660. The quarantine may only be lifted if the commissioner reverses on appeal the decision of the division. (Eff.

### Article 9. General Provisions

#### 910. Definitions

##### **11 AAC 40.910. Definitions.** In this chapter,

(1) "Alaska Industrial Hemp Pilot Program" means the pilot program operated by the division to study the growth, cultivation, or marketing of industrial hemp as permitted under AS 03.05.077;

(2) "applicant" means a person who submits an application to participate as a registrant in the Alaska Industrial Hemp Pilot Program;

(3) "batch" means

(A) a quantity of hemp or hemp parts from a harvest lot; or

(B) a quantity of hemp extract from a process lot;

(4) "business day" means a day other than Saturday, Sunday, or a state holiday;

(5) "business entity" means a not-for-profit or for-profit corporation, partnership, limited liability company, or other business association that is not a natural person;

(6) "calendar day" means a day, including Saturday, Sunday, or a state holiday;

(7) "cannabinoid" means any of the chemical compounds that are the active constituents of the cannabis plant;

(8) "cannabis" means all parts of the cannabis plant, whether growing or not,

including its seeds, resin, compounds, salts, derivatives, and extracts;

(9) "CBD" means cannabidiol;

(10) "commissioner" means the commissioner of natural resources;

(11) "compensation" means money, bartered objects or services, or anything else of value, whether given as a payment or voluntarily as a donation, when accepted by a person who gives, distributes, or delivers industrial hemp to another;

(12) "consumer" has the meaning given in AS 45.50.561, but excludes registrants or persons who should be registered, but are not, in the Alaska Industrial Hemp Pilot Program;

(13) "consumption" means any method of ingestion of or application to the body, including eating, drinking, inhaling, absorbing, or injecting;

(14) "delta-9-THC" means delta-9-tetrahydrocannabinol concentration, the primary intoxication component of cannabis;

(15) "delta-9-THC content of not more than 0.3 percent" means delta-9-tetrahydrocannabinol concentration or not more than 3,000 parts per million on a dry weight basis;

(16) "department" means the Department of Natural Resources;

(17) "destroy" means to make incapable of being

(A) harvested;

(B) processed; or

(C) offered, with or without compensation, to a consumer;

(18) "division" means the division of agriculture within the department;

(19) "extraction" means the act of using a solvent or mechanical means to process

raw hemp plant parts by means of hydrocarbon, non-hydrocarbon, or mechanical extraction;

(20) "fibrous waste" means any roots, stalks, stems or flowers from hemp, not used or intended for use in making a product;

(21) "GPS" means global positioning system;

(22) "grow" means to plant, propagate, cultivate, or harvest industrial hemp;

(23) "grow area" means a contiguous area where industrial hemp is grown or is intended to be grown, that may consist of field, greenhouses, or other buildings, and that is described from a single GPS coordinate within the grow area;

(24) "grower registration" means a document authorizing the person to grow, handle, and store hemp at one or more specified locations in the state;

(25) "harvest" means to remove industrial hemp plants, plant parts, grain, or seeds from a grow area;

(26) "harvest lot"

(A) means a quantity of industrial hemp that is

(i) harvested in a distinct timeframe; and

(ii) grown in one contiguous production area within a grow area, or grown in one or more portions of one contiguous production area within a grow area;

(B) does not include a quantity of industrial hemp grown in noncontiguous production areas;

(27) "hemp seed" means cannabis seed

(A) that is sold to or intended to be sold to registered growers for

planting; or

(B) that remains in unprocessed or partially processed condition that is capable of germination;

(28) "individual" means a natural person;

(29) "industrial hemp" or "hemp" has the meaning given in AS 03.05.100, whether the plant is growing or not;

(30) "industrial hemp product" or "hemp product" means an item derived from all parts and varieties of the plant *Cannabis sativa* L. containing not more than 0.3 percent delta-9-THC;

(31) "isolation distance" has the meaning given in AS 03.05.010(a)(7)(D);

(32) "label" means the display of all written, printed, or graphic matter upon the immediate container or statement accompanying an industrial hemp product;

(33) "landrace" means not systematically selected and marketed and not developed by plant breeders;

(34) "marketing" includes

(A) promoting or selling a product within the state, in another state, or outside of the United States; and

(B) efforts to advertise and gather information about the needs or preferences of potential consumers or suppliers;

(35) "peace officer" has the meaning given in AS 01.10.060;

(36) "person" has the meaning given in AS 01.10.060;

(37) "plant part" or "part" includes

- (A) whole or partial unprocessed plants, including stalk, leaf, seed, floral, root materials, oils, resin, or wax;
  - (B) raw roots;
  - (C) fresh, unprocessed, dried, or ground leaves or floral material;
  - (D) rooted plants, cuttings, propagules, or clones; or
  - (E) any other portion of an industrial hemp plant;
- (38) "ppm" means parts per million;
- (39) "processing" means all means of converting, extracting, refining, altering, manufacturing, or turning industrial hemp into finished industrial hemp or an industrial hemp product ready for market;
- (40) "process lot" means any amount of hemp, hemp concentrate, or extract of the same type that is processed at the same time using the same extraction methods, standard operating procedures, and batches from the same or a different harvest lot;
- (41) "produce industrial hemp," as set out in AS 03.05.076(b)(1),
- (A) includes growing, harvesting, possessing, transporting, processing, selling or buying industrial hemp or an industrial hemp product;
  - (B) does not include a consumer's provision of compensation to a registrant for industrial hemp or an industrial hemp product;
- (42) "prohibited variety" means a variety or strain of cannabis excluded from the Alaska Industrial Hemp Pilot Program;
- (43) "propagation" means the reproduction of hemp plants by seed, cutting, grafting, or in vitro;

(44) "propagule" means a plant or plant part that can be utilized to grow a new plant;

(45) "quarantine" means, at the election of the division, either

(A) keeping industrial hemp or an industrial hemp product segregated, but in place and in the custody of the registrant; or

(B) removing industrial hemp or an industrial hemp product to a location designated by the division and in the division's custody;

(46) "registered grower" means a person in the state authorized by the division to cultivate, plant, grow, handle, harvest, condition, store, distribute, or transport industrial hemp, plants, plant parts, grain, or seed in the state;

(47) "registered processor" means a person in the state authorized by the division to process, handle, store, or process industrial hemp plants, plant parts, or grain and take part in any aspect of turning raw, harvested industrial hemp into an industrial hemp product in the state;

(48) "registered retailer" means a person in the state authorized by the division to receive compensation for, or offer for free, industrial hemp or an industrial hemp product after registration, and, if applicable, a product endorsement, to a consumer;

(49) "registrant" means a person possessing one or more industrial hemp registrations issued by the division under the authority of this chapter and AS 03.05.077;

(50) "registration" means an instrument permitting an applicant to participate in the Alaska Industrial Hemp Pilot Program subject to its terms and the provisions of this chapter;

(51) "sample" means an amount of industrial hemp or industrial hemp product selected for testing;

(52) "seed" means an industrial hemp plant's unit of sexual reproduction intended to be planted for germination;

(53) "solvent" means a substance that is capable of dissolving or dispersing one or more other substances;

(54) "signing authority" means the permissibility for an adult individual or an officer or agent of a legal entity to validly enter a binding agreement;

(55) "test batch" means a group of samples submitted collectively for testing;

(56) "THC" means total composite tetrahydrocannabinol, including delta-9-tetrahydrocannabinol and tetrahydrocannabinolic acid;

(57) "variety" means a subdivision of a species that is

(A) uniform, in the sense that the variations in essential and distinctive characteristics are describable;

(B) stable, in the sense that the variety will remain unchanged in its essential and distinctive characteristics and its uniformity if reproduced or reconstituted as required by the different categories of varieties; and

(C) distinct, in the sense that the variety can be differentiated by one or more identifiable morphological, physiological, other characteristics from all other publicly known varieties, or other characteristics from all other publicly known varieties;

(58) "wild" means growing in the natural environment, not domesticated or cultivated. (Eff. 4 / 4 / 2020, Register 234)

**Authority:** AS 03.05.010      AS 03.05.050      AS 03.05.077  
AS 03.05.030      AS 03.05.076      AS 03.05.100

# MEMORANDUM

## State of Alaska Department of Law

**To:** The Honorable Kevin Meyer  
Lieutenant Governor

**Date:** February 28, 2020

**File No.:** 2019200330

**Thru:** Susan R. Pollard *SRP*  
Chief Assistant Attorney General  
and Regulations Attorney  
Legislation and Regulations Section

**Tel. No.:** 465-3600

**From:** Steven C. Weaver *SCW*  
Senior Assistant Attorney General  
Legislation and Regulations Section

**Re:** Department of Natural Resources  
regulations re: growing, harvest,  
processing, endorsement, and retail  
sale of industrial hemp and industrial  
hemp products (11 AAC 40)

The Department of Law has reviewed the attached regulations of the Department of Natural Resources against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations. The regulations were adopted by the Department of Natural Resources after the close of the public comment period.

Implementing amendments made to AS 03.05, AS 11.71, AS 17.38, and other provisions under ch. 5, SLA 2018, the regulations implement a comprehensive pilot program to regulate the growing, harvest, processing, endorsement, retail sale, and transportation of industrial hemp and industrial hemp products, under the oversight of the Department of Natural Resources. In particular, the regulations reflect AS 03.05.076, requiring registration of an individual who produces industrial hemp. Under AS 03.05.076(b)(1), a registered person may "produce industrial hemp, including growing, harvesting, possessing, transporting, processing, selling, or buying industrial hemp." The regulations establish three classes of registration. The regulations also reflect that industrial hemp products meant for human consumption may not exceed 0.3 percent delta-9-tetrahydrocannabinol (THC)--the active ingredient in marijuana--and "industrial hemp" is defined as all parts and varieties of the plant *Cannabis sativa* L. that contain not more than 0.3 percent delta-9-THC. See AS 03.05.076(g), 03.05.100. A person may retain and recondition, but not produce, industrial hemp that tests between 0.3 and 1.0 percent delta-9-THC on a dry weight basis, to try to produce reconditioned hemp that tests below the 0.3 percent ceiling. See AS 03.05.076(b)(4), 03.05.079. But the person must destroy any industrial hemp that tests over 1.0 percent delta-9-THC. See AS 03.05.076(d)(4).

Also, the regulations reflect an amendment to AS 17.38.900 that excludes industrial hemp from the definition of "marijuana" under the jurisdiction of the Marijuana Control Board, in effect putting industrial hemp under Department of Natural Resources jurisdiction. The regulations also reflect amendments to AS 11.71 in the criminal code, to exclude industrial hemp from the definition of "marijuana" and to exclude cannabidiol (CBD) oil--an industrial hemp product that contains not more than 0.3 percent delta-9-THC--from the definition of "hashish oil."

The June 3, 2019 public notice and the February 20, 2020 adoption order both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

SCW

Hon. Corri A. Feige, Commissioner  
Department of Natural Resources

Mary Kay Ryckman, Temporary Regulations Contact  
Department of Natural Resources

Brent Goodrum, Deputy Commissioner  
Department of Natural Resources

David W. Schade, Director  
Division of Agriculture  
Department of Natural Resources

Robert T. Carter, Agronomist  
Division of Agriculture  
Department of Natural Resources

Joan M. Wilson, Assistant Attorney General  
Commercial, Fair Business, and Child Support Section

## 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

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

Corri A. Feige  
Commissioner

www.DNR.Alaska.Gov



Department of  
Natural Resources

Anchorage, Alaska

STATE OF ALASKA

PRESS RELEASE

For Immediate Release: June 3, 2019

## **DNR releases draft industrial hemp regulations**

**(Anchorage, AK)** – The state Division of Agriculture today released proposed regulations implementing state and federal laws authorizing a pilot program for a legal industrial hemp industry in Alaska.

Senate Bill 6, passed by the Alaska Legislature in 2018, directed the division to design and conduct a pilot program. The division is working to identify what varieties of hemp are best suited to commercial cultivation in Alaska, to create a registry of hemp farming, manufacturing and retail operations in the state, and to issue the regulations necessary to implement an industrial hemp pilot program.

Senate Bill 6 builds on elements of the 2014 federal Farm Bill authorizing individual states to develop pilot programs for the development of an industrial hemp industry.

“These proposed regulations are a result of the efforts to implement that directive,” said David W. Schade, director of the Division of Agriculture. “Our staff has researched the issues surrounding development of a program, including the challenges of regulating cannabidiol (CBD), one of the compounds found in cannabis plants. We’ve worked with the Department of Law to develop a good legal framework for the industry.”

“With the 2018 farm bill declassifying industrial hemp as a controlled substance, there is even greater interest in this proposed industry,” said DNR Commissioner Corri Feige. “Alaska is one of the leading states in this effort, and it’s important that we hear from all interested parties on these regulations so we can get it right.”

Industrial hemp is defined as “all parts and varieties of the plant *Cannabis sativa L.* containing not more than 0.3 percent of delta-9-tetrahydrocannabinol (THC)”, the psychoactive element of marijuana.

Interested parties can review the proposed regulations on the Alaska Online Public Notice system, by contacting Robert Carter at 907-745-4469 or 907-745-8127, or by going to [www.http://plants.alaska.gov](http://plants.alaska.gov). Comments must be received no later than 5 p.m. on Tuesday July 3, 2019.

###

**CONTACT:** Robert Carter, 907-745-8127, [robert.carter@alaska.gov](mailto:robert.carter@alaska.gov)

## Department of Natural Resources Proposed Regulations Notice - Industrial Hemp Pilot Program

### 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](mailto: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 3<sup>rd</sup>, 2019.** Comments received after this deadline will not be considered by the department.

**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

**Attachments, History, Details**

**Attachments**

[Industrial Hemp Regulations Public Notice Draft 5-31-19 Final.pdf](#)

**Revision History**

Created 5/31/2019 2:56:34 PM by rtcarter

**Details**

Department:	Natural Resources
Category:	Regulations
Sub-Category:	Notice of Proposed Regulations
Location(s):	Statewide
Project/Regulation #:	201900330
Publish Date:	6/3/2019
Archive Date:	7/3/2019
Events/Deadlines:	

## Department of Natural Resources - Proposed Industrial Hemp Pilot Program Regulation Questions and Response 06.20.2019

The Department of Natural Resources - Response to Questions derived from the proposed regulations regarding the Alaska Industrial Hemp Pilot Program.

Questions and Responses from the Department will be updated weekly through the Online Public System and on the web at:

<http://plants.alaska.gov/industrialhempFAQs.htm>

Or

In attached below (please see "attachments")

To View the proposed regulations use the following link:

<http://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=194460>

To comment on the proposed regulations send questions or comments to:

[industrialhemp@alaska.gov](mailto:industrialhemp@alaska.gov)

Or

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](mailto: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.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.

### Attachments, History, Details

#### Attachments

[Alaska Proposed Industrial Hemp Regulations Questions & Answers 6-20-19.pdf](#)

#### Revision History

Created 6/21/2019 10:41:58 AM by rtcarter

#### Details

Department:	Natural Resources
Category:	Regulations
Sub-Category:	
Location(s):	Statewide
Project/Regulation #:	2019200330

Publish Date:	6/21/2019
Archive Date:	7/3/2019

Events/Deadlines:



Natural Resources / Agriculture / Plant Materials Center

## INDUSTRIAL HEMP PILOT PROGRAM

The new law authorizes the Alaska Department of Natural Resources (DNR), through the Division of Agriculture, to create an Industrial Hemp Pilot Program to research the growth, cultivation, and marketing of industrial hemp. The purpose of the pilot program is to increase the knowledge of how industrial hemp production, cultivation, and marketing may increase agricultural production in Alaska and contribute to our economy.

### PMC Programs

<a href="#">PMC Home Page</a>	▶
<a href="#">Horticulture</a>	▶
<a href="#">Industrial Hemp Pilot Program</a>	▶
<a href="#">Invasive Plants</a>	▶
<a href="#">Plant Pathology</a>	▶
<a href="#">Potatoes</a>	▶
<a href="#">Revegetation</a>	▶
<a href="#">Seed Production</a>	▶
<a href="#">Soil Conservation</a>	▶
<a href="#">Publication List</a>	▶
<a href="#">Native Plant Source Directory</a>	▶
<a href="#">Seed Library Directory</a>	▶
<a href="#">PMC Staff Directory</a>	▶

**The proposed Industrial Hemp Pilot Program Regulations Public Notice.**

**The proposed Industrial Hemp Pilot Program Regulations.**

**The current list of Questions & Answers for the Proposed Alaska Industrial Hemp Regulations June 20, 2019.**

Additional information can also be found on the State of Alaska's Online Public Notices Website here.

**For More Information Contact:**  
[industrialhemp@alaska.gov](mailto:industrialhemp@alaska.gov)



5310 S. Bodenburg Spur  
Palmer, AK 99645

Alaska Department of Natural Resources  
 Division of Agriculture  
 Proposed Regulations Re: Industrial Hemp Pilot Program

Question	Response
<p>We do not have heavy metal or pesticide testing offered in Alaska. How will this get done?</p>	<p>Alaska registrants may not currently have the testing capacity for all tests required through the laboratories licensed under the Marijuana Control Board. However, there are agencies and cooperators within the State of Alaska that have both the expertise and equipment to complete this type of testing. The industrial hemp program will also evaluate the use of out of state laboratories to meet the programs needs as well as support Alaskan laboratories development and implementation of standardized testing for heavy metal and pesticide testing.</p>
<p>Are big stores such as GNC, Natural Pantry, all the gas stations going to have to get retail licenses?</p>	<p>Yes. Except for a grower or processor selling raw industrial hemp, all retail sales of hemp and hemp products will require retail registration.</p>
<p>What are the clear requirements for business's just selling retail products that they do not manufacture? Local and out of state?</p>	<p>The requirements to offer for sale Industrial Hemp products are for the person to be; 1) a retail registrant; 2) for those products to have met the testing requirements of Article 6; and 3) when necessary, for those productions to carry a valid endorsement under 11 AAC 40.405 - 11 AAC 40.505.</p>
<p>Are you writing in banking rules? To clear up business operations?</p>	<p>No. The 2014 and 2018 Federal Agricultural Improvement Acts (farm bills) have defined industrial hemp as an agricultural crop. Specifically, the 2018 Bill also has removed Industrial hemp from the Federal Drug Schedule. Therefore, if a person becomes a registrant of the program and follows all existing industrial hemp regulations, there should be no difficulties related to banking or normal business operations.</p>
<p>How will this effect marijuana dispensaries?</p>	<p>Industrial Hemp will be regulated by the Department of Natural Resources. Division of Agriculture and marijuana is regulated by the Alcohol and Marijuana Control Board. The Industrial Hemp Pilot Program will have no impacts on regulated marijuana dispensaries.</p>
<p>How I would go about getting an application for growing/processing/retail?</p>	<p>When this industrial hemp regulation package has been adopted, persons will be able to get the applications for growing, processing or retail registration under the Alaska Industrial Hemp Pilot Program from the Division of Agriculture.</p>

AFFIDAVIT OF NOTICE OF PROPOSED REGULATION  
AND FURNISHING OF ADDITIONAL INFORMATION

I, David W. Schade, Director of the Division of Agriculture of the Department of Natural Resources, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of changes to 11 AAC 40.010 – 40.900 Industrial Hemp Regulations

- (1) published in a newspaper or trade publication;
- (2) furnished to every person who has filed a request for notice of proposed action with the state agency;
- (3) furnished to appropriate state officials;
- (4) furnished to interested persons;
- (5) furnished to the Department of Law, along with a copy of the proposed regulation;
- (6) furnished electronically to incumbent State of Alaska legislators;
- (7) posted on the Alaska Online Public Notice System as required by AS 44.62.175(a)(1) and (b) and 44.62.190(a)(1).

As required by AS 44.62.190, additional regulation notice information regarding the proposed adoption of the regulation changes described above has been furnished to interested persons and those in (2), (4) and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.

Date: December 18, 2019

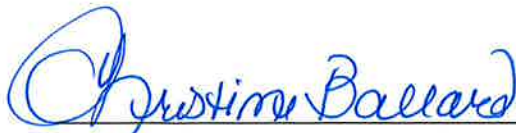


David W. Schade, Director

Subscribed and sworn to before me at DNR Suite 1020, Anch AK on

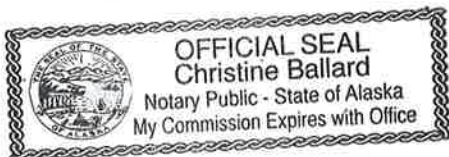
December 18, 2019.

(date)



Notary Public in and for the State of Alaska

[NOTARY SEAL]



AFFIDAVIT OF AGENCY RECORD OF PUBLIC COMMENT

I, David W. Schade, Director for the Department of Natural Resources, Division of Agriculture, being duly sworn, state the following:

In compliance with AS 44.62.215, the Department of Natural Resources has kept a record of its use or rejection of factual or other substantive information that was submitted in writing as public comment and that was relevant to the accuracy, coverage, or other aspect of the Department of Natural Resources regulations on Industrial Hemp.

Date: December 18, 2019

David W. Schade  
David W. Schade, MPA Director

Subscribed and sworn to before me at DNR Suite 1020, Anch Alaska on December 18, 2019 (date)

Christine Ballard  
Notary Public in and for the State of Alaska

[NOTARY SEAL]



# ANCHORAGE DAILY NEWS

## AFFIDAVIT OF PUBLICATION

Account #: 268979

ST OF AK/DNR/AK PLANTS MATERIAL CTR  
5310 S BODENBURG SPUR  
PALMER, AK 99645

Order# 0001438927  
Cost \$1,050.80

Product ADN-Anchorage Daily News  
Placement 0300  
Position 0301

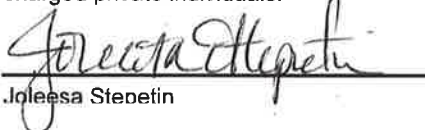
STATE OF ALASKA  
THIRD JUDICIAL DISTRICT

Joleesa Stepetin

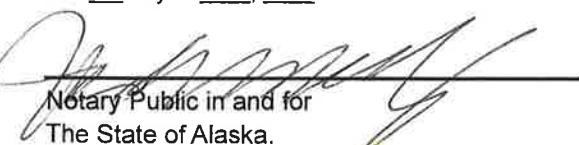
being first duly sworn on oath deposes and says that he/she is a representative of the Anchorage Daily News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the aforesaid place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental form) of said newspaper on

June 03, 2019

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed   
Joleesa Stepetin

Subscribed and sworn to before me  
this 3rd day of June, 2019

  
Notary Public in and for  
The State of Alaska.  
Third Division  
Anchorage, Alaska

MY COMMISSION EXPIRES

7/14/2020

STATE OF ALASKA  
NOTARY  
PUBLIC  
Jada L. Nowling

### 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).

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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;
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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).

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:**  
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E-mail: robert.carter@alaska.gov
10. **The origin of the proposed action:** Staff of State Agency
11. **Date:** 5/31/2019

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