

ARIZONA DEPARTMENT OF AGRICULTURE

PLANT SERVICES DIVISION - INDUSTRIAL HEMP PROGRAM 1688 W. ADAMS ST. PHOENIX, AZ 85007 602-542-0955 - azhemp@azda.gov

INDUSTRIAL HEMP PROGRAM FAQ's

Q: What is the definition of industrial hemp?

A: Industrial hemp is defined as the plant *Cannabis sativa* L. and any part of such plant, whether growing or not, with a Total Delta-9 Tetrahydrocannabinol (THC) concentration of not more than three-tenths percent (0.3%) on a dry-weight basis. This includes the total calculable amount of the conversion of Tetrahydrocannabinolic Acid (THCA).

Q: I hear a lot about "CBD", what is "CBD"?

A: "CBD" or Cannabidiol, is a chemical compound that can be extracted from an industrial hemp plant (primarily from the floral material). "CBD" compounds are not narcotic or included in the Controlled Substances Act and is different from the "THC" that is found in marijuana.

Q: Do I need a license to sell CBD oil or other hemp derived wholesale or retail products?

A: You do not need a license issued by the Department if you are selling, manufacturing, or marketing any post-processed hemp materials.

Q: Can I legally sell hemp flower as a retail product?

A: The Department cannot provide legal advice on the interpretation of what is allowed to be sold as a retail product. If you have questions about the legality of your business activity, please consult with an attorney.

Q: Can I grow industrial hemp for personal use?

A: No, a person will only be allowed to grow and/or process industrial hemp for commercial or research purposes.

Q: When can I apply for an industrial hemp license for 2020?

A: Anytime, there is no cut-off for applying for a license.

Q: My license expired, can I still apply for a license?

A: Yes, even if your previous license expired you can re-apply for the program and there is no penalty for allowing your previous license to expire.

Q: Will there be any changes in the fees for 2020?

A: The licensing fees in A.A.C. Table 1 of R3-4-1005 will not change for the 2020 season.

Q: Will the Department limit the number of licenses issued, or will there be any size requirements for the area to be planted?

A: No, There will be no limitation on the number of licenses issued or a size requirement to be licensed.

Q: What types of licenses will be available?

A: There will be five types of licenses that can be applied for, individually or as a combination of two or more. Grower, Harvester, Transporter, Processor, and Nursery.



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Q: How do I obtain a business license for my hemp business?

A: The Department does not issue business licenses. Please follow this link for business license information: https://www.azcommerce.com/small-business/quick-links/business-licensing/

Q: Who will be able to apply for an industrial hemp license?

A: Any U.S. citizen or legal alien who meets the following requirements and can provide:

- Accurately completes a Department approved application.
- Provides a copy of the person's Level I Fingerprint Clearance Card issued by the Fingerprint Division of the AZ Dept. of Public Safety. No other forms of background check documents are approved.
- Provides proof of age and legal presence status.
- Submits complete payment for the Program licensing fee.

Q: How can I apply for an industrial hemp license?

A: Visit https://agriculture.az.gov/plantsproduce/industrial-hemp-program and download your application under the "Industrial Hemp Applications and Forms" page.

Q: How can I pay for my license?

A: The Department will only accept payments in the form of check, cashier's check, or money order. No cash or credit card payments will be accepted.

Q: Will I need a license issued by the Department?

A: Possibly, please refer to the definitions in statute (A.R.S. § 3-311) of a Grower, Harvester, Transporter, and Processor to see if your operation would fit in any of these categories.

Q: I have questions about getting a Level I Fingerprint Clearance Card, who do I contact?

A: All questions regarding the fingerprint clearance cards must go through the Application Clearance Card Team (ACCT) of the Arizona Dept. of Public Safety. Also, do not deliver fingerprint clearance card applications to the Dept. of Agriculture. Call 602-223-2279 or visit: www.azdps.gov/services/public/fingerprint

Q: When I submit my application, will I be issued a license right-away?

A: No, the Department will need to validate eligibility, accuracy of the contents of the application, and ensure the licensing payment clears. This may take a few days, and up to fourteen (14) business days based on workload and completeness of the application received.

Q: Can I go ahead and purchase seed or propagative materials before I'm issued a license?

A: A person may not possess seed or propagative materials for planting in the State, under this program, unless they are licensed by the Department.

Q: Can I get a fee exemption to start trials or conduct research on industrial hemp?

A: Only if it is for non-profit and the criteria under A.A.C. R3-4-1005 is met.



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Q: What zoning/distance requirements will I have to comply with?

A: It will be the responsibility of the applicant to determine if there are any local zoning, codes or ordinance restrictions. Cross-pollination issues are the responsibility of the applicant/licensee to be aware of to protect their crop.

Q: What effect does the 2018 farm bill have on Arizona's Industrial Hemp Program?

A: The 2018 Farm bill changes the Controlled Substances Act and removes industrial hemp from the definition of marijuana and it allows for the commercialization of industrial hemp. It will still require a person to obtain a license from the Department and follow compliance guidelines for producing and processing industrial hemp.

Q: Where can I find information about the USDA-AMS regulations on industrial hemp production?

A: Here is a link to where the Interim Rules that were posted and made effective on October 31, 2019 can be found. https://www.ams.usda.gov/rules-regulations/hemp

Q: Will I be able to manufacture "CBD" products from industrial hemp?

A: Yes, however the Department's oversight only extends from the growth and cultivation of industrial hemp, up to the point of processing. For licensed processors, the Program will focus on ensuring they receive raw material that is below 0.3% THC. If there are food handling laws, laws and regulations under the oversight of the Food and Drug Administration, or other laws related to manufacturing of another agency, then those issues are out of the Department's scope of regulatory oversight.

Q: I have a license to grow hemp, now what?

A: It is the grower's responsibility to find seed or planting material to produce a crop. Growers must submit preplanting reports prior to planting; planting reports within 7 days of planting, and notify the Department no less than 14 Days prior to harvest to schedule an inspection and sample collection.

Q: I have a license to process hemp, now what?

A: It is the processor's responsibility to find eligible hemp plant material from an authorized grower to process into any number of hemp products. A processor must notify the Department of all shipments received within 72 hours by providing the information required in A.A.C. R3-4-1011 and for the billing of the processor assessment fee in Table 1 of A.A.C. R3-4-1005.

Q: My hemp crop was sampled by the Department, can I harvest my crop?

A. Yes, you can harvest your crop, but you cannot send it to a processor until you are provided a Crop Certificate, issued by the Department.

Q: Who do I contact about Lab Certification for testing the THC levels in Hemp?

A. Please contact the State Agricultural Lab at 602-744-4904 or <u>dramirez@azsal.gov</u> for lab certification questions.

Q: I have more questions, who can I contact?

A: Please email: azhemp@azda.gov or call (602) 542-0955