

K.A.R. 4-34-22. License required to cultivate or produce industrial hemp for commercial purposes. (a) K.A.R. 4-34-22 through 4-34-30 shall apply only to the commercial production of industrial hemp pursuant to K.S.A. 2-3901 et seq., and amendments thereto, and, unless otherwise stated, shall not apply to research conducted as part of the pilot program pursuant to K.S.A. 2-3902, and amendments thereto, and regulated by K.A.R. 4-34-2 through 4-34-21.

(b) No individual may cultivate or produce industrial hemp for commercial purposes without a license issued by the secretary. A license shall not be required for employees, agents, contractors, or volunteers of a licensee.

(c) Only individuals shall be eligible to apply for licenses to cultivate or produce industrial hemp.

(d) Each individual who applies for a license to cultivate or produce industrial hemp shall be required to submit to a fingerprint-based state and national criminal history record check to verify that the individual has not been convicted of a felony violation of K.S.A. 2019 Supp. 21-5701 et seq., and amendments thereto, or a substantially similar offense in another jurisdiction, within the 10 years immediately preceding submission of that individual's application.

(e)(1) Each individual submitting a license application shall submit the application on a form provided by the secretary, which shall include the following:

(A) The individual's full legal name and date of birth;

(B) the individual's current mailing address, telephone number, and electronic-mail address;

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(C) the legal description and global positioning system coordinates of the entrance to the proposed licensed growing area and the entrance to each lot that will be used to cultivate or produce industrial hemp and a map of the proposed licensed growing area and each lot;

(D) the total number of acres or square feet that will be used to cultivate or produce industrial hemp;

(E) the number of acres or square feet that will be used to cultivate or produce industrial hemp in each lot;

(F) the variety of industrial hemp to be cultivated or produced in each lot;

(G) a completed fingerprint card for submission to the Kansas bureau of investigation;
and

(H) any other relevant information requested by the secretary.

(2) Each individual submitting a license application shall include with the application a \$100 application fee and the fee established by the Kansas bureau of investigation for performing a state and national criminal history record check. A single criminal history record check conducted in accordance with the act may be used to satisfy the act's criminal history record check requirement for multiple licenses in a single license year.

(f) All license applications shall be submitted no later than March 15 of each year in which an applicant intends to grow industrial hemp. Any individual who submits a license application after March 15, 2020 may be granted a license if good cause is shown and the secretary determines that granting the license is necessary to assist with the transition from the pilot program to the commercial industrial hemp program during 2020.

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(g) Each license shall allow the cultivation and production of industrial hemp within one licensed growing area.

(h) Upon approval of a license application by the secretary, the applicant shall submit a license fee of \$1,200 to the secretary within 15 days of notice of the approval.

(i) All licenses shall expire annually on December 31.

(j) In addition to providing the department with the information required by this regulation, each individual who is issued a license shall report the following directly to the United States department of agriculture farm service agency for each license:

(1) The street address and, to the extent practicable, the global positioning system coordinates for each growing area and for each lot or greenhouse where industrial hemp will be produced;

(2) the number of acres that will be used to cultivate or produce industrial hemp;

(3) the assigned license number; and

(4) any other information required by the United States department of agriculture.

(k) Acceptance of a license shall constitute a grant of authority by each licensee allowing the secretary to supply information to the United States department of agriculture and post information on the department's web site, including the industrial hemp producer license number, the full legal name of the licensee, the licensee's contact information, descriptions of all locations identified for cultivating or producing industrial hemp, and any information related to modifications to ensure that the information remains accurate.

(l) Each licensee shall be held responsible for any plant cultivated or produced in violation of the act and for the actions of all employees, agents, contractors, and volunteers

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engaged in the cultivation or production of industrial hemp under the supervision or direction of, or otherwise in conjunction with, the licensee. Each licensee shall be subject to the same disciplinary actions for a violation of the act committed by any employee, agent, contractor, or volunteer of that licensee as if the licensee had committed the violation.

(m) Each licensee requesting a license modification after issuance of a license shall submit the modification request to the secretary on a form provided by the secretary. Each modification request form shall be accompanied by a \$50 fee. Upon the secretary's review and approval of the modification request, a modified license shall be issued and may include any additional terms and conditions that the secretary deems necessary to implement the requested modification and to protect the public health, safety, and welfare. If the secretary denies the modification request, the licensee shall remain subject to the terms of the original license.

(n) Each license shall be nontransferable, unless the secretary determines that a transfer is necessary because the licensee dies or becomes disabled or because an individual who is an employee or agent of a bank, financial institution, or other creditor that has a legal right to take possession of industrial hemp for the purposes of settling a debt is required to obtain a license to do so. A license that is transferable may be transferred to the individual requesting the transfer upon that individual's submission of a modification request, a \$50 modification fee, the fee established by the Kansas bureau of investigation for performing a state and national criminal history record check, and satisfactory completion of a fingerprint-based state and national criminal history record check. A modification request shall be submitted within 60 days of the licensee's death or within 60 days of the date that the right of the bank, financial institution, or other creditor to take possession of the industrial hemp arises. If a modification request is not

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submitted within the time frame required by this regulation, all industrial hemp being cultivated or produced pursuant to the license shall be subject to an order to be destroyed. The individual applying for the transfer shall assume the full liability for all of the previous licensee's actions related to the cultivation or production of hemp.

(o) Each individual who materially falsifies any information in a license application or modification request shall be ineligible to receive a license to cultivate or produce industrial hemp pursuant to the act. (Authorized by K.S.A. 2019 Supp. K.S.A. 2-3906; implementing K.S.A. 2019 Supp. 2-3903 and 2-3906; effective P-_____.)

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