

JANET T. MILLS GOVERNOR

STATE OF MAINE DEPARTMENT OF AGRICULTURE, CONSERVATION & FORESTRY DIVISON OF ANIMAL AND PLANT HEALTH 28 STATE HOUSE STATION

28 STATE HOUSE STATION Augusta, Maine 04333

Amanda E. Beal Commissioner

To: Maine Hemp Growers From: DACF Hemp Licensing Program (<u>hemp@maine.gov</u>; 207.287.7545) Date: January 1, 2024 **Re: Hemp Licensing Instructions and Application Forms**

Maine operates under a USDA-approved hemp licensing program. The state plan can be found on the <u>USDA hemp website</u>. Growers licensed through a USDA-approved program can market their hemp nationwide and are eligible to apply for USDA loans, grants, and organic certification.

The USDA-approved program does mean some changes to how we have been operating. Here are the major ones:

Criminal history report. A person with a state or federal felony conviction relating to a controlled substance may not grow hemp for 10 years from the date of the conviction. [An exemption applies to a person who has lawfully been producing hemp under section 7606 of Farm Bill 2014 before December 20, 2018, and whose conviction also occurred before that date.]

The person applying for the license must obtain and submit to DACF a criminal history report from the <u>Federal Bureau of Investigation</u> (FBI). Certain businesses may need to have additional "key participants" submit a report; we will handle this on a case-by-case basis. The criminal history report must go back 10 years, be dated within 60 days of licensing, and it must include criminal history from the 50 states and the federal level. Please contact us if you have questions about what we can accept for this report.

Growers who were licensed in 2023 have a criminal history report already on file. The reports need only be renewed every three years.

As soon as you receive the report send it to DACF. We cannot issue a license without it.

2. THC Measurement for Defining Hemp. The rules just adopted define hemp as the plant Cannabis sativa L. and any part of that plant, including the seeds and all derivatives, extracts, cannabinoids, isomers, acids, salts and salts of isomers, whether growing or



PHONE: (207) 287-3891 FAX: (207) 287-5576 WWW.MAINE.GOV/DACF not, with a total tetrahydrocannabinol concentration that is not more than 0.3% on a dry weight basis including any measurement of uncertainty, or as otherwise defined in federal law.

- **3.** Total THC. Total THC is defined in the new rule as: on a dry weight basis, the postdecarboxylation value of THC, either after testing with gas chromatography or a similar chromatograph technique which uses heat that converts THCA from the acid form into the neutral form of THC or total THC can also be calculated using liquid chromatography (LC) which keeps the THCA intact. This technique requires use of the following conversion formula: [Total THC = (0.877 x THCA) + THC] which calculates the maximum total THC in a given sample.
- **4. Location Information Disclosure**. Grower location information is no longer confidential and must be reported to USDA by DACF.
- 5. Registering hemp grow sites and lots with Farm Service Agency (FSA). FSA is the USDA agency that issues the lot numbers you will use to track your hemp from production to harvest. All licensed hemp producers are required to set up a Farm Profile with FSA and report their hemp. Because we need you to include your FSA-assigned codes on the Planting Report that you send to DACF within 2 weeks of planting, please take care of the FSA reporting as soon as possible after planting. A list of FSA offices by county can be found <u>here</u>.

Explanation of Fees

Maine law requires that the Department cover the costs of operating the hemp program by charging an application fee, license fee, and a per acre fee. These fees are as follows:

- \$100.00 application fee this fee must be submitted with all applications. (*Please do not submit any other fees with the initial application*)
- A \$100.00 license fee with no additional per acre or square foot fee is required for growing hemp indoors or outdoors exclusively for the production of:
 - seedlings for planting,
 - o immature leafy greens, or
 - o microgreens.
- A \$100.00 license fee with no additional per acre or square foot fee is required for growing hemp exclusively for:
 - research purposes in cooperation with a recognized educational institution where no plant parts or derivatives will be used for commercial purposes or the entire crop will be destroyed.

- A \$250.00 license fee with no additional per acre or square foot fee is required for growing hemp indoors or outdoors exclusively for the production of:
 - seed for food oil or grain;
 - o fiber;
 - immature plants (larger than microgreens or leafy greens) for human or animal food or feed;
 - \circ breeding of new cultivars indoors on less than 100 square feet; or
 - soil remediation where no plant parts or derivatives will be used for commercial purposes or the entire crop will be destroyed.
- A \$500.00 plus \$50.00/acre fee is required for growing hemp for production of floral material, viable seed or any other commercial purpose not listed above to be planted outdoors.
- A \$500.00 plus \$0.25 per square foot fee is required for growing hemp for production of floral material, viable seed or any other commercial purpose not listed above to be planted indoors.
 - Indoor facilities that will plant hemp on multiple levels within a structure shall calculate the square feet of growing area by adding the surface area of each tier together.
- The maximum license fee for an individual license agreement shall be \$20,000. Partial acreage or square footage should be rounded up to the next whole acre or square foot.
- All grower license fees include THC lab analysis for one hemp lot. An additional fee of \$60.00 per additional lot must be submitted with the grower planting report.

**Please be aware that the number of acres (or square feet) you have requested to grow on cannot be increased once the license is finalized.

Non-contiguous growing areas or facilities separated by more than 50 miles require a separate license application and fees. Please note that license and application fees charged must cover all program costs. This includes travel cost for all inspections, all necessary analysis fees, and salaries for all hemp program personnel.

Planting Report

Documentation showing that the varieties or cultivars of seeds, seedlings, and clones you planted meet the definition of hemp (0.3% or less Total THC content) must be submitted within 14 days after planting. It is therefore important that you obtain documents from your supplier or breeder that includes the THC test results for the mature parent material that gave rise to the seeds or clones that you planted.

Deadlines and Duration of License

We no longer have an application deadline. However, you should apply no later than 30 days **before** you intend to plant. Hemp licenses expire on April 30th of the year following issuance and **do not** automatically renew. It can take up to 30 days to generate a license agreement once a license is accepted. To avoid delays in the review of your application, double-check your forms and make sure all additional documents like maps are attached. Keep a copy of your application for your records. If you grow hemp again next year, you must complete a new license application.

Steps for Applying for a 2024 Hemp License

- Read these application instructions and the forms carefully. Contact the hemp program if you have any questions. Link to the application form page.
- Start the process for a criminal history report. It takes time to complete, and we cannot issue a license without this report.
- Go to the Federal Bureau of Investigation (FBI) Identity History Summary Checks webpage <u>https://www.fbi.gov/services/cjis/identity-history-summary-checks</u>. Follow the steps.
- Download and fill out the appropriate application form(s) for the type(s) of hemp you plan to grow.
- If you are leasing land, the landowner must give permission with the <u>landowner affidavit</u> <u>form (PDF)</u>.
- Sign and date the <u>disclosure consent form (PDF)</u> for the grower address/grow site location.
- Mail this paperwork to DACF with the \$100 non-refundable application fee. The criminal history report can be sent separately.
- DACF will contact you about your application by email soon after it is received. If you do not hear from us after 10 days, please email <u>hemp@maine.gov</u> or call (207) 287-7545.
- When we approve your license application, we will send you a Draft Hemp License Agreement. You must initial and sign this agreement and return it to DACF with your license and any required acreage or square footage fees. Only then is the license process complete, and we will send you a signed Final License Agreement. You can now plant your hemp, submit your planting report information, and report your lots to USDA FSA.
- Inspections may take place after planting. Keep the hemp program informed about when you plan to harvest. DACF staff may need to sample your hemp lots and have them tested for THC content. You have 30 days after we sample your hemp lot(s) to complete the harvest of those lot(s).

Mail Your Application Materials to the DACF Hemp Licensing Program

While you can submit your application by email, you must pay all fees with a check or money order, so we recommend mailing the completed orginal package to the following address:

Hemp Licensing Program Maine DACF-Horticulture Program 28 State House Station Augusta, ME 04333-0028

If you do not hear from us about your application within 10 days, do not delay in contacting the hemp licensing office to make sure we have received your application. You must have a final license agreement before you plant your hemp crop. Call 207-287-7545 or email gary.fish@maine.gov.

Please keep in mind when completing the application that a Hemp License is non-transferable, and the application fee is not refundable. The Hemp License covers the growing of hemp through harvest. We do not license processing activities or processed products.

For additional information about our hemp licensing program, please review the materials on the hemp web page (<u>https://www.maine.gov/dacf/php/hemp/</u>) and sign up to receive updates on Maine's electronic delivery system.