

North Carolina Industrial Hemp Commission

MINUTES

January 7, 2019 3:00 p.m.
Telephone / Internet Conference Call

Commissioners in attendance:	Other official attendees:
Dr. Tom Melton, Chair	Phil Wilson, Plant Industry Division, NCDA&CS
Dr. Sandy Stewart, Vice-Chair	Anne Brown, Department of Justice
Mr. Guy Carpenter	Jon Lanier, Asst. General Counsel, NCDA&CS
Chief Tony Godwin	Jayne Kizer, NCSU
Mr. Billy McLawhorn	Beth Farrell, Ag Programs Specialist, NCDA&CS
Sherriff Tim Manning	
Mr. Pat Short	
Dr. Guochen Yang	

Call to Order – Dr. Tom Melton, Chair

Statement Concerning Conflicts of Interest – Dr. Tom Melton, Chair

Chairman **Melton** read the statement concerning conflicts of interest and asked members to identify any potential conflicts of interest.

Commissioner **McLawhorn** noted conflict of interest with Application #709 (Joseph Stilley).

Commissioner **Manning** noted potential conflict of interest with Application #839 (Thomas Christopher Pierce).

Recognition of Conference Call

Chairman Melton expressed the necessity of each speaker identifying himself each time they speak on the call.

Roll Call of Attendees– Dr. Tom Melton, Chair

Chairman **Melton** initiated a roll call to determine if a quorum of Commissioners were present. Eight Commissioners as listed above were in attendance meeting the requirement of a quorum.

Industrial Hemp Program Update – Dr. Tom Melton, Chair

Chairman **Melton** called on Phil Wilson, Plant Industry Division, N.C. Department of Agriculture and Consumer Services, to provide a program update.

- **Wilson** – Reported that as of January 7, 2019, North Carolina has 438 licensed industrial hemp growers, representing 6,077.08 licensed acres and 2,524,422 square feet of licensed greenhouse production.

Approval of Minutes from the November 8, 2018 meeting– Dr. Tom Melton, Chair

N.C. Industrial Hemp Commission

Dr. Tom Melton, Chair Dr. Sandy Stewart, Vice-Chair
Guy Carpenter Chief Tony Godwin Billy McLawhorn
Sherriff Tim Manning Fen Rascoe Pat Short Dr. Guochen Yang

Chairman **Melton** called for a motion to approve the minutes from the November 8, 2018 meeting. Motion to approve these minutes made by Commissioner **Carpenter** and seconded by Commissioner **Manning**. Motion passed on a voice vote.

New Business

- Review and Approval of Research Pilot Program Applications – *Dr. Tom Melton, Chair*
 - Application #709 (Joseph Stilley): Commissioner **Short** moved to approve Application #709 and Commissioner **Carpenter** seconded. Chairman **Melton** did a roll call vote; Commissioner **McLawhorn** abstained from voting. Application was approved.
 - Application #839 (Thomas Christopher Pierce): Commissioner **McLawhorn** moved to approve Application #839 and Commissioner **Short** seconded. Chairman **Melton** did a roll call vote; Commissioner **Manning** abstained from voting. Application was approved.
 - Chairman **Melton** read the names of the remaining applications under consideration at this time: Roger David Lowe; Joseph Archie Williams; Warren Sentell Ramseur; Ann Rose; Darrell Theodore Kind; David J. Bolger; Zakiya Leggett; Deena Kaye Wade; Andrew Hunter Wheeler; Jonathan Ray Whitley; Frank Stacy Dail; Jason Scott Tidwell; Brooks Bennett Bunn; George Place; Randall Patrick Gifford; Daniel J. Kypena; Michael Glenn Morgan; John Harrington Gross; Herman Winstead Grissom, Jr.; Allen Bruce Cox; Kenlon Dain Knight; Ethan Taylor; Nicholas Allen Rogers; Roger Carl Hunt; Thomas Patrick O'Brien; Daniel Elliott Gordon; LaRue M. Powell; Garland Oscar Cook, Jr.; Anthony West Blair; Benjamin Franklin Scarborough, III; Jeffrey Wayne Hale; Joseph Keith Pearce; Max Gard; Poindexter Mills Cabell; Marlton Matthew Price; Pelmon Jart Hudson, Jr.; Blake Gary Adams; Charles Arthur Dick; John William Bannon; Duane Leland Jackson; Brian Lee Carter; James Clarence Morgan, IV; Danny Ray Sykes; Todd Vick Glover; Tommi J. Enzor; Russell Wilson Barr, III; Jimmy C. Hardison; Richard Shane Coltrain; George Ronald Crawford; Michael Kyle Weeks; Sarah Farris Smith; Robert Lyle Thompson; Stephen Earl Scott; Douglas Ray Farmer, Jr.; Lori Polly Lacy; John Thomas Jordan; James Allen Hardison; Richard Allen Quinn; Douglas Jay Staley; Christopher William Harrington; Jeremy James Johnson; William David Watson; Jeanie Bembridge Manning; Timothy Wayne Priest; Justin Kyle Cleve; Bert Kimbell Griffin; Carrie Ann Nicholson; John Michael Clanton; Paul Layne Worrell; Barbara Roseboro Featherson; John Samuel Blue; Joe Dietzel; Charles Dietzel; Teresa Ward Fann; Blake Johnson Atkins; Diane Doyle; Brian Douglas Warren; Elizabeth B. Balcerek; and Ralph Lawrence Modlin.
 - Chairman **Melton** stated he would entertain a motion to either approve or deny the applications listed above. Commissioner **Carpenter** made a motion to approve the applications. Commissioner **Short** seconded the motion to approve. After roll call vote, all applications were approved.
 - **Jon Lanier, Assistant General Counsel, NCDA&CS**, provided an overview of the 2018 Farm Bill. There is a provision specifically pertaining to industrial hemp. The North Carolina has been operating under provisions of the 2014 Farm Bill to develop the existing pilot program for research. NCDA&CS will be planning and submitting a state plan to the U.S. Secretary of Agriculture (USDA) for approval. USDA will also be

N.C. Industrial Hemp Commission

Dr. Tom Melton, Chair Dr. Sandy Stewart, Vice-Chair
Guy Carpenter Chief Tony Godwin Billy McLawhorn
Sherriff Tim Manning Fen Rascoe Pat Short Dr. Guochen Yang

developing rules; will be monitoring these to see how they impact North Carolina's submission. Commission members had the opportunity to ask **Jon Lanier** questions:

- Chairman **Melton** noted he had received a question that the 2018 Farm Bill removes hemp from the controlled substances list but doesn't say anything about derivatives; **Lanier** will look into this further.
 - Commissioner **McLawhorn** asked if there was a timeline for when USDA develops the rules and potential impacts to the N.C. program. **Lanier** responded that he doesn't know, but the rulemaking process isn't quick and may also be delayed by the current federal shutdown.
- Vice-Chairman **Stewart** – Noted that some grey areas were cleared by the 2018 Farm Bill. State program will evolve from research focus to something more permanent. At previous meetings, Vice-Chairman **Stewart** reiterated that the Commission's role is to regulate the program from the cultivation and growing, and authority stops with the product from the floral part with contains the CBD. There is still a regulatory grey area regarding CBD, and he warned new license holders to discuss this with their own legal advice. The 2018 Farm Bill doesn't change the Food, Drug and Cosmetic Act regulated by FDA. Commissioner Gottlieb issued a lengthy statement following authorization of the 2018 Farm Bill reiterating FDA's stance on CBD products and will be holding public hearing regarding CBD. This is something that will need to be monitored closely. The N.C. Industrial Hemp Commission and NCDA&CS will approach this change in hemp law by:
- Ensuring the N.C. industrial hemp program is complaint with federal law;
 - Look closely in N.C. to product public health, especially regarding manufactured products;
 - Continue to foster the development of this new crop and industry to bolster the state's economy.
- Chairman **Melton** – Noted the need to schedule another meeting soon.
- **Jon Lanier, Assistant General Counsel, NCDA&CS**, provided exact verbiage from the 2018 Farm Bill: "The term 'hemp' means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis." Commissioner **Carpenter** asked about a reference for fiber; **Jon Lanier** noted that his interpretation is that fiber was excluded from the original definition of marijuana and the definition doesn't explicitly say "fiber" because it isn't needed.
- Adjourn: Being no further business, Commissioner **Carpenter** made a motion to adjourn which was seconded by Commissioner **Short**.

Approved by the N.C. Industrial Hemp Commission on January 30, 2019.

N.C. Industrial Hemp Commission

Dr. Tom Melton, Chair Dr. Sandy Stewart, Vice-Chair
Guy Carpenter Chief Tony Godwin Billy McLawhorn
Sherriff Tim Manning Fen Rascoe Pat Short Dr. Guochen Yang