

# North Carolina Industrial Hemp Commission

## MINUTES

August 5, 2021 at 10:00 a.m.

Telephone / Internet Conference Call

Commissioners in attendance:	Other official attendees:
Dr. Tom Melton, Chair	Tien Cheng, Department of Justice
Dr. Sandy Stewart, Vice-Chair	Janyne Kizer, EIT, NCSU
Mr. Guy Carpenter	Beth Farrell, General Administration, NCDA&CS
Chief Daniel House	Phil Wilson, Plant Industry Division, NCDA&CS
Mr. Billy McLawhorn	Jon Lanier, Asst. Gen. Counsel, NCDA&CS
Mr. Fen Rascoe	

Call to Order – *Dr. Tom Melton, Chairman*

Roll Call of Attendees – *Dr. Tom Melton, Chairman*

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

Statement Concerning Conflicts of Interest – *Dr. Tom Melton, Chairman*

Chairman **Melton** read the statement concerning conflicts of interest and asked members to identify any potential conflicts of interest. No conflicts of interest were identified.

Recognition of Conference Call – *Dr. Tom Melton, Chairman*

Chairman **Melton** noted that the purpose of this meeting is to approve applications to cultivate industrial hemp in North Carolina. Under state and federal laws, individuals must be issued a license to participate in the North Carolina Industrial Hemp Pilot Program. Growers in the state who wish to cultivate industrial hemp must submit an application for a license to the Industrial Hemp Commission. Applications that have been vetted seriously by N.C. Department of Agriculture and Consumer Services staff will be reviewed at this meeting. There is no public comment period for this meeting.

Recognition of Special Guests – *Dr. Tom Melton, Chairman*

Chairman **Melton** noted there were no special guests at this meeting.

Industrial Hemp Program Update – *Mr. Paul Adams, NC Industrial Hemp Program Manager, Plant Industry Division, NCDA&CS*

Chairman **Melton** called on Mr. Paul Adams to provide a program update.

- Mr. **Adams** reported that as of August 5, 2021, North Carolina has 1,500 licensed industrial hemp growers, representing 14,016.04 licensed acres and 6,874,413.59 square feet of licensed greenhouse production. There are currently 1,295 registered processors in the state.

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## New Business

- Approval of Minutes from the July 1, 2021 meeting – Dr. Tom Melton, Chairman
  - Chairman **Melton** called for a motion to approve the minutes from the July 1, 2021, meeting. Motion to approve these minutes was made by Commissioner **House** and seconded by Commissioner **Carpenter**. Motion passed on voice vote.
- Update on the Future of the NC Hemp Program– Mr. Jon Lanier, Asst. General Counsel, NCDA&CS
  - Mr. Lanier shared that there has been much discussion since the 2018 federal Farm Bill authorized the Domestic Hemp Production Program managed by USDA, including that NC could operate a State Plan under these provisions. To operate a State Plan, it would require an authorizing statute and it has become clear that will not happen.
  - USDA has received a letter from NCDA&CS that beginning in 2022, NC will move to the USDA program. Current license under the NC Industrial Hemp Pilot Program will be valid until January 1, 2022. To give farmers time to apply to the USDA hemp program, NCDA&CS needed to send USDA the notification letter.
  - Paul Adams noted that there is a rolling enrollment period for the USDA application and that NC growers can apply at any time.
  - Vice-Chairman **Stewart** noted that Paul Adams will be sending a letter to current license holders with a summary of deadline and information for growing hemp in 2022. The NCDA&CS Hemp website will also be updated to direct applicants to the USDA program; a press release will also be forthcoming explaining these changes.
  - Chairman **Melton** asked what will the Commission do in regards to applications between now and the end of the year. Commissioner **House** suggested contacting applicants to see if they can grow a hemp crop between now and the end of the year before issuing a license and collecting fees. Vice-Chairman **Stewart** directed NCDA&CS Plant Industry Division staff to follow up with pending applicants to see if they want to move forward with the NC hemp pilot program license and explain the USDA program for 2022.
  - Commissioner **Carpenter** asked if an individual applies for a USDA license and grows hemp under that program, would they be in violation of any state laws. Mr. Lanier responded that NC will be in the USDA plan and there is no specific NC law that would prohibit growing under the USDA program.
  - Commissioner **Carpenter** asked that NCDA&CS staff to evaluate how to get swift USDA hemp permits; Vice-Chairman **Stewart** responded that NCDA&CS will do all they can to help growers apply for the USDA hemp program. The Duty of the Commission is to issue license, but can advise applicants to the longevity of the USDA permit.
  - Commissioner **House** moved to notify pending applicants of the short longevity of the NC Industrial Hemp Pilot Program and license will only be valid until the end of 2021. If applicants choose to apply anyway, these applications will be vetted by staff and forwarded to the Commission for approval; Commissioner **Carpenter** seconded the motion and it passed unanimously on roll-call vote.
  - Vice-Chairman **Stewart** asked Mr. Tien Cheng what action will the Commission need to take in regards to the sunset of the NC Industrial Hemp Pilot Program. Mr. Cheng noted that to formally close the NC Hemp Commission, the Commission will need to vote to

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send resolution notification to Governor Cooper that the NC Industrial Hemp Research Pilot Program will no longer be valid due to the 2018 Federal Farm Bill establishing a Domestic Hemp Production Program. This action will be effective as of June 30, 2022, but for all intentions, licensing authority for the Commission will sunset on January 1, 2022. Vice-Chairman **Stewart** moved to direct Mr. Cheng to draft and submit a letter to this effect to Governor Cooper on behalf of the Commission; Commissioner **House** seconded the motion and it passed unanimously on a roll-call vote.

- Following discussion regarding pilot program license that would expire between now and January 1, 2022, Commissioner **Carpenter** moved that all current NC hemp production licenses issued by the Commission would be extended through the end of 2021 at no cost to applications. This motion was seconded by Commissioner **House** and passed on voice vote.
- There was discussion regarding if NCDA&CS would have access to a list of hemp growers in the state provided by USDA; Mr. Adams responded that it is unclear at this time if USDA will provide this information.
- Other Business – Commission Members
  - Commissioner **Carpenter** noted that it has been an honor and privilege to serve on this Commission.
  - Chairman **Melton** noted his appreciation to the Commission and staff for their assistance with this program.
  - Vice-Chairman **Stewart** echoed Chairman **Melton** and thanked him for serving on the Commission even after his retirement from NC State University.

Adjourn: Being no further business, a motion to adjourn was made by Commissioner **Rascoe** and seconded by Commissioner **Carpenter**. Motion passed on a voice vote.