

Iowa Tribe of Kansas and Nebraska
Industrial Hemp Department

Industrial Hemp Program
Rules and Regulations

I. POLICY AND PURPOSE:

It is the declared policy of the Iowa Tribe of Kansas and Nebraska that Hemp is a valuable agricultural crop and commodity within the Iowa Tribe of Kansas and Nebraska. The purposes of this Chapter is to:

- (A) Promote the production of hemp and the development of new commercial markets for farmers and businesses through the sale of hemp products, and building the health of our soils.
- (B) Enable the Iowa Tribe of Kansas and Nebraska, its Licensees, and affiliated Institutions of Higher Education, to conduct research regarding the production of hemp within the Iowa Tribe of Kansas and Nebraska;
- (C) Promote the creation of the Iowa Tribe of Kansas and Nebraska's Industrial Hemp industry to the maximum extent permitted by law;
- (D) Encourage and empower research into Hemp production and the creation of hemp products at Institutions of Higher Education and in the private sector; and
- (E) Regulate hemp as an agricultural commodity in compliance with Federal law.

II. DEFINITIONS:

Meaning of terms. Words used in this subpart in the singular form shall be deemed to impart the plural, and vice versa, as the case may demand. For the purposes of the provisions and regulations of this part, unless the context otherwise requires, the following terms shall be construed, respectively, to mean:

- (A) “**Applicant**” means a person, or Entity who is authorized to sign for a business entity who submits an application to participate in the Iowa Tribe of Kansas and Nebraska's Hemp Program.

- (B) “**Commercial Sales**” means the sale of a product in the stream of commerce at retail or at wholesale, including sales on the Internet.
- (C) “**Industrial Hemp Committee**” means the Iowa Tribe of Kansas and Nebraska Industrial Hemp Committee.
- (D) “**Consumable Product**” means a Hemp Product intended for human or animal consumption.
- (E) “**Producer**” means an owner, operator, landlord, tenant, or sharecropper, who shares in the risk of producing industrial hemp, who is entitled to share in the crop available for marketing from the farm, or would have shared had the crop been produced, and is licensed or authorized to produce hemp under the Industrial Hemp Program. A producer includes a grower of hybrid seed.
- (F) “**Produce**” means to grow hemp plants for market, or for cultivation for market within the Iowa Tribe of Kansas and Nebraska.
- (G) “**Cannabis**” means: A genus of flowering plants in the family Cannabaceae of which *Cannabis sativa* is a species, and *Cannabis indica* and *Cannabis ruderalis* are subspecies thereof. Cannabis refers to any form of the plant in which the delta-9 tetrahydrocannabinol concentration on a dry weight basis has not yet been determined.
- (H) “**Industrial Hemp Department**” means the Iowa Tribe of Kansas and Nebraska’s Industrial Hemp Department.
- (I) “**Acceptable hemp THC level**” means when a laboratory tests a sample, it must report the delta-9 tetrahydrocannabinol content concentration level on a dry weight basis and the measurement of uncertainty. The acceptable hemp THC level for the purpose of compliance with the requirements of State, Tribal, or USDA hemp plans is when the application of measurement of uncertainty to the reported delta-9 tetrahydrocannabinol content concentration level on a dry weight basis produces a distribution or range that includes 0.3% or less. For example, if the reported delta-9 tetrahydrocannabinol content concentration level on a dry-weight basis is 0.35% and the measurement of uncertainty is +/- 0.06%, the measured delta-9 tetrahydrocannabinol content concentration level on a dry-weight basis for this sample ranges from 0.29% to 0.41%. Because 0.3% is within the distribution or range, the sample is within the acceptable hemp THC level for the purpose of plan compliance.
- (J) “**Geospatial Location**” For the purposes of this part, “geospatial location” means a location designated through a global system of navigational satellites used to determine the precise ground position of a place or object.
- (K) “**GPS**” means global positioning system.
- (L) “**Lot**” means A contiguous area in a field, greenhouse, or indoor growing structure containing the same variety or strain of cannabis throughout the area.

- (M) **“Criminal History Report”** means a Federal Bureau of Investigation’s Identity History Summary.
- (N) **“Corrective Action Plan”** means a plan for a licensed hemp producer to correct a negligent violation or non-compliance with a hemp production plan and this program.
- (O) **“Conviction”** means any plea of guilty or nolo contendere, or any finding of guilt, except when the finding of guilt is subsequently overturned on appeal, pardoned, or expunged.
- (P) **“Culpable mental state greater than negligence”** means to act intentionally, knowingly, willfully, recklessly, or fail to exercise the standard of care that a reasonably prudent person would have exercised in a similar situation.
- (Q) **“Grow Site”** has the same meaning as “Registered Land Area” as that term is defined in this Section, below.
- (R) **“Decarboxylation”** means the removal or elimination of carboxyl group from a molecule or organic compound.
- (S) **“Decarboxylated”** means the completion of the chemical reaction that converts THC-acid (THC-A) into delta-9 tetrahydrocannabinol (delta-9 THC). The decarboxylated value is also calculated using a conversion formula that sums delta-9 tetrahydrocannabinol and eighty-seven and seven tenths (87.7) percent of THC-A.
- (T) **“Delta-9 Tetrahydrocannabinol or THC”** means Delta-9 THC, the primary psychoactive component of cannabis. For the purposes of this part, delta-9 tetrahydrocannabinol, delta-9 THC, and THC, are interchangeable.
- (U) **“Entity”** means and includes a domestic or foreign limited liability company, corporation, professional corporation, foreign corporation, domestic or foreign nonprofit corporation, domestic or foreign cooperative corporation, profit or nonprofit unincorporated association, business trust, estate, domestic or foreign general or limited partnership, trust, two or more persons having a joint or common economic interest, any state, the United State or any foreign government, charitable organization, or other similar organization, including any such organization participating in the hemp production as a partner in a general partnership, a participant in a joint venture, or a participant in a similar organization.
- (V) **“Dry-weight Basis”** means the ratio of the amount of moisture in a sample to the amount of dry solid in a sample. A basis for expressing the percentage of a chemical in a substance after removing the moisture from the substance. Percentage of THC on a dry-weight basis means the percentage of THC, by weight, in a cannabis item (plant, extract, or other derivative), after excluding moisture from the item.
- (W) **“Gas chromatography”** means a type of chromatography in analytical chemistry used to separate, identify, and quantify each component in a mixture. Gas chromatography relies on heat for separating and analyzing compounds that can be vaporized without decomposition.

- (X) **“Harvest Lot”** means a quantity of Hemp, of the same Variety, harvested in a distinct timeframe that is: (1) Produced in one production area within a Grow Site; or (2) Produced in a portion or portions of one contiguous production area within a Grow Site. Harvest Lot does not include a quantity of Hemp comprised of Hemp grown in noncontiguous production areas.
- (Y) **“Handle”** means to harvest or store hemp plants, or hemp plant parts prior to the delivery of such plants or plant parts for further processing. “Handle” also includes the disposal of cannabis plants that are not hemp for purpose of chemical analysis and disposal of such plants.
- (Z) **“Harvest Lot Identifier”** means a unique identifier used by the Industrial Hemp Department to identify the Harvest Lot.
- (AA) **“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 total THC concentration of not more than three-tenths of one percent (0.3%) on a dry weight basis, or as otherwise defined in Federal law.
- (BB) **“High-performance liquid chromatography or HPLC”** means a type of chromatography technique in analytical chemistry used to separate, identify, and quantify each component in a mixture.
- (CC) **“Hemp Crop”** means one (1) or more unprocessed Hemp plants or plant parts.
- (DD) **“Hemp Grower”** means a Person licensed by the Iowa Tribe of Kansas and Nebraska to Produce Hemp in this Territory of the Iowa Tribe of Kansas and Nebraska.
- (EE) **“Hemp Ingredient”** means all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers of any part of the Hemp plant included in the definition of “Hemp.”
- (FF) **“Hemp Product”** means a finished product with the Federally Defined THC Level For Hemp, that is derived from, or made by, processing a Hemp Crop, and that is prepared in a form available for commercial sale. The term includes, but is not limited to cosmetics, personal care products, Consumable Products, cloth, cordage, fiber, fuel, paint, paper, particleboard, plastics, and any product containing one or more Hemp Ingredients such as cannabidiol.
- (GG) **“Key participants”** means a sole proprietor, a partner in a partnership, or a person with executive managerial control in a corporation. A person with executive managerial control includes persons such as a chief executive officer, chief operating officer and chief financial officer, or any person authorized as a key participant This definition does not include non-executive managers such as farm, field, or shift managers.
- (HH) **“Industrial Hemp”** has the same meaning as “Hemp” as that term is defined in

this Section, above.

- (II) “**Institution of Higher Education**” has the meaning assigned to it by 20 U.S.C. § 1001.
- (JJ) “**Intended for Consumption**” means intended for a human or animal to ingest, inhale, topically apply to the skin or hair, or otherwise absorb into the body.
- (KK) “**Licensee**” has the same meaning as “Hemp Grower” as that term is defined in this Section, above.
- (LL) “**Person**” means a natural person, corporation, foundation, organization, business trust, estate, limited liability company, licensed corporation, trust, partnership, limited liability partnership, association, or other form of legal business entity, as well as a state or local government entity.
- (MM) “**Process**” means to convert any portion of a Hemp Crop into a Hemp Ingredient, Hemp Product, or any other marketable form of Hemp.
- (NN) “**Marijuana**” means, as defined in the CSA, “marihuana”, all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds or resin. The term “marihuana” does not include hemp, as defined in section 297A of the Agricultural Marketing Act of 1946, and does not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination. “Marihuana” means all cannabis that tests as having a concentration level of THC on a dry-weight basis of higher than 0.3% THC.
- (OO) “**Registered Land Area**” means a contiguous lot, parcel, or tract of land registered with the Iowa Tribe of Kansas and Nebraska on which a Licensee Produces Hemp. A Registered Land Area may include land any buildings that are not used to Produce Hemp.
- (PP) “**Measurement of Uncertainty**” means the parameter, associated with the result of a measurement, that characterizes the dispersion of the values that could reasonably be attributed to the particular quantity subject to measurement.
- (QQ) “**Negligence**” means failure to exercise the level of care that a reasonably prudent person would exercise in complying with the regulations set forth under this part.
- (RR) “**Phytocannabinoid**” means the cannabinoid chemical compounds found in the cannabis plant, two of which are Delta-9 tetrahydrocannabinol and cannabidiol (CBD).
- (SS) “**Plan**” means the set of criteria or regulations under which the Iowa Tribe of Kansas and Nebraska monitors and regulates the production of hemp.

- (TT) “**Program**” has the same meaning as “Plan” as that term is defined in this Section, above.
- (UU) “**Postdecarboxylation**” means, in the context of testing methodologies for THC concentration levels in hemp, a value determined after the process of decarboxylation that determines the total potential delta-9 tetrahydrocannabinol content derived from the sum of the THC and THC-A content and reported on a dry-weight basis. The postdecarboxylation value of THC can be calculated by using a chromatographic technique using heat, gas chromatography, through which THC-A is converted from its acid form to its neutral form, THC. Thus, this test calculates the total potential THC in a given sample. The postdecarboxylation value of THC can also be calculated by using a high-chromatograph technique, which keeps the THC-A intact, and requires a conversion calculation of that THC-A to calculate total potential THC in a given sample. See the definition of decarboxylation.
- (VV) “**Variety**” means a group of plants or an individual plant that exhibits distinctive observable physical characteristic(s), or phenotypic qualities, or has a distinct genetic composition defined as a genotype.
- (WW) “**Tribe**” means any area located within the territory of the Iowa Tribe of Kansas and Nebraska.

III. COMPLIANCE WITH FEDERAL LAW:

- A) Nothing in this Program authorizes any person to violate any Federal law or regulation.

IV. IOWA TRIBE OF KANSAS AND NEBRASKA INDUSTRIAL HEMP PROGRAM:

- A) Any Person or Entity desiring to produce or intending to produce industrial hemp must have a valid license from the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department prior to producing, or storing hemp. A valid license means the license is unexpired, unsuspended, and unrevoked.
- B) Convicted Felon Ban. A person or key participant with a State or Federal felony conviction relating to a controlled substance is subject to a 10-year ineligibility restriction on participating in the Program and producing hemp under the Program from the date of the conviction.
- i) An exemption of the ineligibility status of persons or key participants convicted of a felony relating to a controlled substance exists for participants of a state hemp pilot program under the 2014 Agricultural Act who lawfully engaged in hemp production under the state hemp pilot program, before December 20, 2018, and who had been convicted of a felony relating to a controlled substance before that

date. Such person or key participant shall be eligible to participate under the Iowa Tribe of Kansas and Nebraska's Industrial Hemp Program such that the person had no additional felony convictions relating to a controlled substance after December 20, 2018.

- C) Falsifying Material Information on Application. Any Person or Entity who materially falsifies information contained in an application for a license under the Program shall be ineligible to participate in the Program.

V. Application for Licensure:

- A) Applicants may submit an application for a new license to the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department between November 1 through June 1.

- B) Any Person or Entity must submit an application for licensure with the following required information, including:

- i) Contact Information: Full name, residential address, geospatial location for each lot or greenhouse where hemp will be produced, a legal description of the land on which the producer will produce hemp including but not limited to geospatial location and acreage dedicated to the production of hemp, or greenhouse, or indoor square footage dedicated to the production of hemp, telephone number, and email address.
- ii) In addition, if the applicant is a business entity, the full name of the business, the principal business location address, full name and title of the key participants, title, email address (if available), employer identification number (EIN) of the business, and a Certificate of Good Standing from the state or territory in which the business is located; and
- iii) An applicant may choose to submit either an application for a one year license, which is valid until Dec. 31 of the year in which the license is issued, or a three-year license, which is valid for three years after the year in which the license was issued until Dec. 31 of the year three years after the license is issued.
 - a) If a one year license is issued before Dec. 31, but after Nov. 1 during the license application period, the license will be valid until Dec 31 of the following calendar year.
 - b) If a three year license is issued before Dec. 31, but after Nov. 1, during the license application period, the license will be valid until Dec 31 three years after the following calendar year. For example: if a license application is sent to the industrial hemp department on Nov. 3 2020 and receives an approved license on Dec. 3, 2020, the license will remain valid until Dec. 31 2023.
- iv) Criminal History Report: A current criminal history report for all key participants dated within 60 days prior to the application submission date. A license application will not be considered complete without all required criminal history reports.

- C) As a component of the Hemp Grower License Application, each applicant shall submit a Grow Site registration application on a form provided by the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department for each proposed Registered Land Area in which

the applicant intends to produce hemp. Information submitted to the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department must include, at a minimum:

- i) The street address, geospatial location, and legal description of each field, greenhouse, building, or site where hemp will be produced, stored, or handled.
 - ii) If hemp is produced or is intended to be produced in a field the form must include the following information:
 - a) The GPS coordinates provided in decimal degrees and taken at the approximate center of the grow site, the number of square feet or acres of each Grow Site, and a map of the production area showing clear boundaries of the Grow Site;
 - iii) If hemp is to be produced or is intended to be produced in a greenhouse or other building the form must include the following information:
 - a) The GPS coordinates provided in decimal degrees and taken at the approximate entrance of the greenhouse or other building composing the Grow Site.
 - iv) If the applicant is a business entity, the full name of the business, the principal business location address, full name and title of the key participants, title, email address (if available), employer identification number (EIN) of the business, and a Certificate of Good Standing from the state of territory which the business is located; full name of the Applicant who will have signing authority on behalf of the entity, title, and email address of the key participants.
- D) By submitting an application, the Applicant acknowledges and agrees to the following minimum terms and conditions:
- i) Any information provided to the Iowa Tribe of Kansas and Nebraska may be provided to law enforcement agencies without further notice to the Applicant;
 - ii) The Applicant shall allow and fully cooperate with each annual inspection and sampling that the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department or one of its representatives deems necessary;
 - iii) The Applicant shall pay for the inspection and laboratory analysis costs that the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department deems necessary within thirty (30) days of the date of the invoice, provided that the Applicant shall not be required to pay for more than one (1) Industrial Hemp Department inspection and associated laboratory analysis costs per year;
 - iv) The Applicant shall submit all required reports by the applicable due-date specified by Industrial Hemp Department;
 - v) All key participants shall submit fingerprints and pay Criminal History Report fees directly to the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department or other agency designated by the Iowa Tribe of Kansas and Nebraska;
 - vi) The Applicant must report any felony convictions relating to controlled substances under state or Federal law to the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department within five (5) business days of receiving notice of such conviction.
- E) All completed applications shall be submitted to the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department.

- F) All incomplete applications missing required information shall be returned to the applicant as incomplete. The applicant may resubmit a completed application.
- G) All licenses issued shall be valid until December 31 of the year one year, or three years after the year in which the license was issued dependent on the term of licensure.
- H) Current and valid licenses may be renewed by submitting a renewal application to the Industrial Hemp Department on a form provided by the Industrial Hemp Department no later than thirty (30) days prior to the date of the license expiration.
- I) If the Applicant is producing in more than one location, the applicant may have more than one license to grow hemp.
- J) The Iowa Tribe of Kansas and Nebraska shall keep all applications and forms for all production or storage licenses for a minimum of three (3) years.
- K) If the Applicant needs to make a change to any of the information required to be reported as detailed in Section V. of this plan, the applicant shall submit an Information Change Form, as provided by the Industrial Hemp Department, within fifteen (15) days of the change being made.

VI. ELIGIBILITY:

- A) Any Person or key participant convicted of a felony relating to a controlled substance under state or Federal law shall be ineligible, during the 10-year period following the date of the conviction, to receive licensure as a Hemp producer, or handler within the Iowa Tribe of Kansas and Nebraska.
- B) A Licensee that negligently violates this program three (3) times in a 5-year period shall be ineligible to participate in Industrial Hemp Program for a period of five (5) years beginning on the date of the third violation.
- C) Any Person or Entity who materially falsifies any information contained in an application to participate in the Industrial Hemp Program shall be ineligible to participate in the Iowa Tribe of Kansas and Nebraska Industrial Hemp Program.

VII. FEES:

- A) In addition to submitting a Hemp Grower license application, each applicant shall submit the application fee set by the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department.
- B) The Industrial Hemp Department may set and collect additional fees, including but not limited to license renewal, license maintenance, and testing fees, in amounts that are reasonable and necessary to cover the costs of administering and enforcing the Iowa Tribe of Kansas and Nebraska Industrial Hemp Program.

VIII. INSPECTIONS:

- A) The Iowa Tribe of Kansas and Nebraska Industrial Hemp Department shall conduct annual random inspections of hemp grow sites and all registered land areas to verify compliance with all requirements of the license issued. The annual inspections may include sampling by the Industrial Hemp Department inspectors or other legal

representative for testing to determine industrial hemp THC levels or any other defined purpose.

- B) Inspection visits may be conducted at any time during regular business hours. Inspectors shall be granted unrestricted access to the registered land area(s).
- C) All samples collected by the Industrial Hemp Department shall become the property of the Industrial Hemp Department, and the Industrial Hemp Department shall owe no compensation for such samples.
- D) The Iowa Tribe of Kansas and Nebraska Industrial Hemp Department shall keep test results for all hemp tested for a minimum of three (3) years.

IX. RESPONSIBILITY OF LICENSED PRODUCER PRIOR TO HARVEST:

- A) Within 15 days prior to the anticipated harvest of hemp, or cannabis plant(s), a producer shall submit a Pre-Harvest Notification to the Industrial Hemp Department to schedule for an approved Industrial Hemp Department inspector, Federal, or Tribal Law Enforcement Agency or other Industrial Hemp Department designated person to collect samples from the flower material of such cannabis material for delta-9 tetrahydrocannabinol concentration level testing following the sample collection procedures described in Exhibit A.
- B) The method used for sampling from the flower material of the cannabis plant must be sufficient at a confidence level of 95 percent that no more than one percent (1%) of the plants in the lot would exceed the acceptable hemp THC level. The method used for sampling must ensure that a representative sample is collected that represents a homogeneous composition of the lot.
 - i) In order to ensure that the sample represents a homogeneous composition of the lot, the sample shall meet the following requirements:
 - ii) For purposes of determining the number of individual plants to select for sampling, the number of plants within each acre shall be considered. For sampling purposes, samples from separate lots must be kept separate and not be commingled.
 - iii) For lots of one acre or less, including greenhouses, or any other building used for production, one tenth percent (.01%) of the total number of plants will be selected for sampling, a cutting shall be taken from the selected one tenth-percent (.01%) of the plants, then combined to form a composite sample.
 - iv) For lots greater than 1 acre up to 10 acres, including greenhouses, or any other building used for production, one-tenth percent (.01%) of the total number of plants shall be selected for sampling, a cutting shall be taken from the selected one-tenth percent (.01%) of the plants, then combined to form a composite sample.
 - v) For lots greater than ten (10) acres, including greenhouses, the number of plants that will be selected to form a composite sample is based upon the Codex Alimentarius Recommended Methods of Sampling for the Determination of Pesticide Residues for Compliance with MRLS CAC/GL 33-1999. The sample size and procedure is further detailed in Exhibit A of this plan and is based upon the *Sampling Guidelines for Hemp* as provided by the USDA.

- C) During a scheduled sample collection, the producer or an authorized representative of the producer shall be present at the growing site.
- D) Representatives of the sampling agency shall be provided with complete and unrestricted access during business hours to all hemp and other cannabis plants, whether growing or harvested, and all land, buildings, and other structures used for the production, handling, and storage of all hemp and other cannabis plants, and all the locations listed in the producer license.
- E) A producer shall not harvest the cannabis or hemp crop prior to samples being taken.

X. STANDARDS OF PERFORMANCE FOR DETECTING DELTA-9 TETRAHYDROCANNABINOL (THC) CONCENTRATION LEVELS:

- A) A producer shall not harvest the cannabis or hemp crop prior to samples being taken.
 - i) Laboratory quality assurance must ensure the validity and reliability of test results;
 - ii) Analytical method selection, validation, and verification must ensure that the testing method used is appropriate (fit for purpose) and that the laboratory can successfully perform the testing;
 - iii) The demonstration of testing validity must ensure consistent, accurate analytical performance; and
 - iv) Method performance specifications must ensure analytical tests are sufficiently sensitive for the purpose of the detectability requirements of this part.
- B) At a minimum, analytical testing of samples of delta-9 tetrahydrocannabinol (THC) levels must use post-decarboxylation or other similarly reliable methods approved by the Secretary. The testing methodology must consider the potential conversion of delta-9 tetrahydrocannabinolic acid (THC-A) in hemp into delta-9 tetrahydrocannabinol (THC) and the test results reflect the total available THC derived from the sum of the THC and the THC-A content. Testing methodologies meeting the requirement of this paragraph (B) include, but are not limited to, gas, or liquid chromatography with detection.
- C) The total delta-9 tetrahydrocannabinol (THC) concentration level shall be determined and reported on a dry weight basis. Additionally, measurement of uncertainty (MU) must be estimated and reported with the test results to show the acceptable hemp THC level. DEA-registered laboratories shall use appropriate, validated methods and procedures for all testing activities and evaluate measurement of uncertainty.
- D) Any sample test result exceeding the acceptable hemp THC level shall be conclusive evidence that the lot represented by the sample is not in compliance with this part. Lots tested and not certified by the DEA-registered laboratory at or below the acceptable hemp THC level may not be further handled, processed, or enter the stream of commerce and the producer shall ensure the lot is disposed of in accordance with section XIV.

XI. TRANSPORTATION REQUIREMENTS:

- A) The Licensee or other Person, or Entity responsible for the transportation of a hemp crop must ensure that the following documentation accompanies the hemp crop at all times during transport:

- i) A copy of the hemp grower license that corresponds to the registered land area from which the hemp originated;
- ii) A copy of the pre-harvest test results that correspond to the harvest lot in transit as identified by the harvest lot identifier that accompanies the hemp crop;
- iii) A copy of a transport manifest which includes the intended destination, and any relevant legal license application information regarding the receiver.

XII. COMPLIANCE AND ENFORCEMENT

- A) Licenses cannot be assigned or transferred to another person, unless first approved by the Industrial Hemp Department in writing.
- B) Hemp Producers shall provide the Industrial Hemp Department's inspectors complete and unrestricted access to all plants, plant parts, and seeds within a registered land area, whether growing or harvested, and all land, buildings and other structures used for the production, or storage of hemp, and all documents and records pertaining to the Licensee's Hemp business.
- C) Any licensee, producer, or location owned by a licensee who has been convicted of a felony, or who has had their license revoked or suspended may not transfer their license or registered land area to another producer.

XIII. REQUIRED RECORD KEEPING AND REPORTING:

- A) The Iowa Tribe of Kansas and Nebraska Industrial Hemp Department Recordkeeping and Reporting:
 - i) The Industrial Hemp Department shall retain for a period of at least three (3) years, all information required to be collected by Section V of this program, for every registered land area approved by the Industrial Hemp Department.
 - ii) Within thirty (30) days after the date on which the information is received, the Industrial Hemp Department shall submit to the U.S. Secretary of Agriculture all information required to be collected by Section V, including, but notwithstanding, the following information for each Program Licensee or Hemp Producer within the Iowa Tribe of Kansas and Nebraska:
 - a) Contact Information for each key participant, including the legal entity name, full name of all key participants, the street address and geospatial location of each registered land area, telephone number, and email address of each employee for whom the entity is required to submit a criminal history record report.
 - b) A legal description of the registered land area; and
 - c) The status of a license, and license identifier number of a producer.
 - iii) The Industrial Hemp Department shall submit the real-time information detailed in Section V, including all information gathered in the Hemp Grower License Application and Grow Site Registration, as well as Section XIII.A.ii., to the U.S. Secretary of Agriculture via mail, fax, or email, whichever is preferred,
- B) Licensee Recordkeeping and Reporting:
 - i) Hemp producers must report any changes of contact information to the Industrial

- Hemp Department in writing within fourteen (14) days of the change.
- ii) Planting Report: within fourteen (14) days after planting any hemp, each hemp producer shall submit to the Industrial Hemp Department, on a form provided by the Industrial Hemp Department, a planting report that includes at a minimum: license or authorization number, street address, total acreage of hemp planted per lot within a registered land area, total acreage of greenhouse or indoor square footage where hemp will be produced, each variety of industrial hemp for each lot within a registered land area intended use of industrial hemp crop, information on the seed you intend to plant, planting patterns and dates, irrigation practices, an FSA map of your farm, your tract and field numbers, and, to the extent practicable, the geospatial location of the lot, greenhouse, building, or site where hemp will be produced. All locations where hemp is produced must be reported in the planting report.
 - iii) The Planting Report shall, in addition to the Industrial Hemp Department, be delivered in person by the industrial hemp producer to their local Farm Service Agency (FSA) office within thirty (30) days after planting any hemp, and shall include all required information as detailed in Section XIII.B.ii. This planting report does not fulfill your requirement to submit an acreage report to the Farm Service Agency. To find out more information on filing an acreage report ask your local USDA service center staff for details.
 - iv) Post-Harvest Report: Within fifteen (15) days after harvest, each hemp producer shall submit a Post-Harvest report, on a form provided by the Industrial Hemp Department, that includes the actual harvest date(s) and location(s) of each variety of industrial hemp harvested within a registered land area, the license or authorization number, total acreage of hemp harvested in each lot within a registered land area, greenhouse, or building where hemp is produced. A hemp grower is not required to document the removal of male hemp plant(s) on a post-harvest report provided that the male hemp plant(s) are destroyed or utilized on the registered land area and are not transferred or sold.
 - v) A hemp producer must retain all documentation of sampling and testing for at least three (3) years in a manner such that it can be readily provided to the Industrial Hemp Department upon request.

XIV. PROCEDURE FOR DISPOSAL OF NON-COMPLIANT PLANTS

- A) Hemp plants exceeding the acceptable hemp THC level constitute marijuana, a schedule I controlled substance under the controlled substances act (CSA), 21 U.S.C. 801 et seq., and must be disposed of in accordance with the CSA and DEA regulations found at 21 CFR 1317.15.
- B) Using the Hemp Disposal Form, as provided by the Industrial Hemp Department, all producers must notify the Industrial Hemp Department within twenty-four (24) hours after a Lot within a registered land area is disposed of in accordance with Section XIV.A. The Hemp Disposal Form shall include at a minimum the following required information:
 - i) Producer or entity name, producer or entity registered address, license or authorization number, lot number, location type (greenhouse, indoor, field),

- geospatial location (or other valid land descriptor such as GPS coordinates or legal land description), total acreage disposed of, the date of disposal, and disposal agent name and organization.
- ii) Producers must submit the Hemp Disposal Form to the Industrial Hemp Department via mail, email, or fax, whichever is preferred, within twenty-four (24) hours after a Lot within a registered land area is disposed of.
- C) If a Harvest Lot tests higher than the acceptable Hemp THC Level as defined on page 2 of the Iowa Tribe of Kansas and Nebraska hemp plan the Harvest Lot shall be promptly disposed of by the hemp producer according to the following disposition:
- i) All hemp plant material must be destroyed or utilized on site in a manner approved and verified by the Industrial Hemp Department.
- D) Hemp producers shall have fifteen (15) calendar days from the date of notification of non-compliance of the acceptable Hemp THC Level as defined on page 2 of the Iowa Tribe of Kansas and Nebraska hemp plan to contact the Industrial Hemp Department in writing and apply for retesting.
- E) Hemp subject to destruction shall not be removed from the registered land area unless otherwise authorized by the Industrial Hemp Department.
- F) All hemp subject to destruction shall not be added to or processed into any consumable product and is prohibited from further processing, handling, or entering any stream of commerce.
- G) The hemp producer shall provide any and all evidence requested by the Industrial Hemp Department to verify disposal to the satisfaction of the Industrial Hemp Department.
- H) The Industrial Hemp Department shall notify the USDA's Agricultural Marketing Service Hemp Branch of non-compliant plants utilizing the State and Tribal Hemp Disposal Report, including the disposal plans of those plants from the lot where the representative samples were taken, producer or entity name, registered address, license or authorization identifier, registered land area lot number, location type (greenhouse, indoor, field), geospatial location, total acreage of registered land area, date of disposal, disposal agent name and organization, as well as all relevant test results for the non-compliant harvest lot(s) on the first (1st) day of each month. If this date falls on a holiday or weekend, the report will be sent on the next business day.

XV. VIOLATIONS:

- A) Producer violations. Producer violations of the industrial hemp program shall be subject to enforcement in accordance with the terms of this section.
- B) Negligent violations. Negligent violations shall include, but are not limited to:
- i) Failure to provide a legal description of land on which the producer produces hemp;
 - ii) Failure to obtain a license;
 - iii) Production of cannabis with a delta-9 tetrahydrocannabinol concentration exceeding the acceptable hemp THC level. Hemp producers do not commit a

negligent violation under this paragraph (b)(iii) if they make reasonable efforts to grow hemp and cannabis (marijuana) that does not have a delta-9 tetrahydrocannabinol concentration of more than 0.5 percent on a dry-weight basis.

- C) Corrective Action Plan for Negligent Violation. For each negligent violation a producer is found to commit violating the Iowa Tribe of Kansas and Nebraska Industrial Hemp Program, the Industrial Hemp Department will issue a Notice of Violation and require a Corrective Action Plan for the producer within fifteen (15) days following the date of violation. The producer shall comply with the Corrective Action Plan for a period of two (2) years from the date of their approval of their Corrective Action Plan in order to resolve their violation. Corrective Action Plans will, at a minimum, include:
- i) A reasonable date by which the producer shall correct the negligent violation, which shall be no longer than thirty (30) days following the date of issuance of the Notice of Violation.
 - ii) Steps to correct each negligent violation; and
 - iii) A description of the procedures to demonstrate compliance must be submitted to the industrial hemp department.
- D) Subsequent Negligent Violations. If a subsequent negligent violation is committed within the two-year time period of the corrective action plan, a new corrective action plan must be submitted with greater quality control, staff training, and quantifiable action measures.
- E) The producer shall report to the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department every six (6) months, as applicable to Section XV.C., for a period of not less than the next two (2) years from the date of the negligent violation.
- F) Negligent Violations and Criminal Enforcement. A producer that negligently violates the industrial hemp program approved under this part shall not as a result of that violation be subject to any criminal enforcement action by the Federal, State, Tribal, or local government.
- i) Initial/First Violation: A producer who commits their first violation within a five-year period that negligently violates the industrial hemp program approved under this part shall first pay an Initial Violation Penalty Fee of five hundred dollars (\$500.00).
 - ii) Subsequent/Second Violation: A producer who commits a subsequent violation following their initial violation within a five-year period that negligently violates the industrial hemp program approved under this part shall have their license revoked and shall be ineligible to produce hemp for a period of one-year beginning on the date of the subsequent or second violation.
 - iii) A producer which commits a negligent violation with a culpable mental state greater than negligence and whom is committing a felony will be reported to the Chief of Law Enforcement, and will be prosecuted.

- G) Third Subsequent Negligent Violation and License Revocation. A producer that negligently violates the Iowa Tribe of Kansas and Nebraska Industrial Hemp plan three (3) times in a 5-year period shall have their license revoked and shall be ineligible to produce hemp for a period of 5 years beginning on the date of the third violation.
- H) The Iowa Tribe of Kansas and Nebraska Industrial Hemp Department shall conduct an inspection to determine if the corrective action plan has been implemented as submitted in the producers approved corrective action plan. Inspections shall be conducted forty-five (45) days after the date of issuance of Notice of Violation.
- I) Culpable Mental State Greater than Negligence. If the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department determines that a producer has committed a violation with a culpable mental state greater than negligence, as the definition of negligence is derived from Black's Law Dictionary "(t)he failure to exercise the standard of care that a reasonably prudent person would have exercised in a similar situation", then:
- i) The Iowa Tribe of Kansas and Nebraska shall immediately report to:
 - (i) The Secretary of the United States Department of Agriculture,
 - (ii) The U.S. Attorney General; and
 - (iii) The Chief Law Enforcement Officer of the Iowa Tribe of Kansas and Nebraska.

XVI. LICENSE SUSPENSION:

- A) The Iowa Tribe of Kansas and Nebraska Industrial Hemp Department may issue a Notice of Suspension to a producer if the Industrial Hemp Department or its representatives receives some credible evidence establishing that a producer has:
- i) Engaged in conduct violating a provision of this part; or
 - ii) Failed to comply with a written order from the Industrial Hemp Department related to negligence as defined in this part.
- B) Any producer whose license has been suspended shall not handle or remove hemp or cannabis from the location where hemp or cannabis was located at the time when Iowa Tribe of Kansas and Nebraska Industrial Hemp Department issued a Notice of Suspension, without prior written authorization from the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department.
- C) Any person whose license has been suspended shall not produce hemp during the period of suspension.
- D) A producer whose license has been suspended may appeal that decision.
- E) If suspended for no more than one year, a producer whose license has been suspended and not restored on appeal may have their license restored after a waiting period of one year from the date of the suspension.

- F) A producer whose license has been suspended may be required to complete a corrective action plan to fully restore the license.

XVII. LICENSE REVOCATION:

- A) The Iowa Tribe of Kansas and Nebraska Industrial Hemp Department shall immediately revoke the license of a producer if such producer:
 - i) Pleads guilty to, or is convicted of, any felony related to a controlled substance; or
 - ii) Made any materially false statement with regard to this part to the Iowa Tribe of Kansas and Nebraska Industrial Hemp Department or its representatives with a culpable mental state greater than negligence; or
 - iii) Is found to be growing cannabis exceeding the acceptable hemp THC level with a culpable mental state greater than negligence or negligently violated this part three times in five years.