RULES OF THE TENNESSEEE DEPARTMENT OF AGRICULTURE HEMP

CHAPTER 0080-10-01 HEMP PRODUCERS

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0080-10-01-.01 SCOPE.

- (1) This chapter applies to any person who possesses rooted hemp or who cultivates cannabis for introduction into commerce.
- (2) The department shall not refund fees for early termination of any license issued under this chapter.
- (3) Licenses under this chapter are not transferable from person to person or location to location.

Authority: T.C.A. §§ 4-3-203 and 43-27-104. Administrative History: New rules filed September 27, 2024; effective December 26, 2024.

0080-10-01-.02 DEFINITIONS.

- (1) Terms in this chapter share those meanings of terms in T.C.A. §§ 43-27-101, et seq.
- (2) When used in this chapter, unless the context requires otherwise:
 - (a) Act means T.C.A. §§ 43-27-101, et seq.;
 - (b) Cannabis means any plant or any part of a plant of the genera Cannabis and includes hemp;
 - (c) Certificate of Analysis (COA) means a written document from a laboratory that meets USDA standards for testing of hemp samples, and which communicates the results of those tests performed;
 - (d) Commerce or similar words mean involving payment for an item or payment for services incident to production of the item;
 - (e) Cultivate or similar words mean to foster the growth of plant material and includes growing and cloning;
 - (f) Growing area means a contiguous area in a field, greenhouse, or indoor growing structure containing the same variety or strain of cannabis throughout the area;
 - (g) Harvest means to gather, in any manner, cannabis material from rooted plants and to transport it from the property where it was cultivated;
 - (h) In a manner similarly reliable to post-decarboxylation means a manner sufficient to quantify by percentage the resulting THC of a sample if carboxyl groups are removed

(Rule 0080-10-01-.02, continued)

from all molecules containing THC within the sample. A manner similarly reliable to post-decarboxylation is shown by a post-decarboxylation THC value equal to the sum of the sample's THC percentage plus the product of its delta-9 tetrahydrocannabinolic acid (THCa) percentage and 0.877;

- (i) Move, transport, or similar words mean to relocate in any manner an item from one real property to another;
- (j) Person means an individual, partnership, corporation, or any other form of legal entity;
- (k) Sample means to take plant material or the plant material taken from a location used to cultivate cannabis;
- (I) Stop movement order means a written directive issued by the department to prohibit or to limit the movement of plants or plant parts; and,
- (m) USDA means United States Department of Agriculture.

Authority: T.C.A. §§ 4-3-203 and 43-27-104. Administrative History: New rules filed September 27, 2024; effective December 26, 2024.

0080-10-01-.03 LICENSE APPLICATION AND FEES.

- (1) A hemp producer license is required per person per location for any person who possesses rooted hemp or who cultivates cannabis for introduction into commerce. The hemp producer license authorizes the producer to sell harvested hemp as an unprocessed commodity to wholesalers and distributors. If a hemp producer alters harvested hemp beyond its form as a farm commodity (e.g., by trimming, filtering, or packaging the crop for its component parts) or offers harvested hemp for retail sale, the producer must also have an HDC supplier license and HDC retail license, as appropriate, under Tenn. Comp. R. & Regs. 0080-10-02 and 0080-10-03.
- (2) Applicants for a hemp producer license must submit required information on forms provided by the department, which may include:
 - (a) Name of the applicant;
 - (b) Date of birth of any applicant who is an individual or a partner in a general partnership;
 - (c) Proof of registration in its state of incorporation for any applicant that is a formalized business entity;
 - (d) Contact information for applicant, to include name of person legally responsible for applicant's operations, telephone number, email address, and address of principal place of business;
 - (e) Address of location to be licensed:
 - Acreage and perimeter description for each growing area at the location to be licensed;
 - (g) Global Positioning System coordinates for the central most point of each growing area at the location to be licensed;
 - (h) A nationwide criminal background check, facilitated through the Tennessee Bureau of Investigation, for the person identified as legally responsible for applicant's operations; and,

(Rule 0080-10-01-.03, continued)

- (i) Other information as required by the department.
- (3) Licensees must notify the department of any changes to the contents of their application on file within 30 days after the change takes place, including but not limited to any change of contact information, growing areas, or planting of new hemp crops.
- (4) Applicants must include with their application payment of an annual hemp producer license fee, calculated as follows:
 - (a) Cumulative growing areas less than five acres: \$250;
 - (b) Cumulative growing areas of five to 20 acres: \$300;
 - (c) Cumulative growing areas of more than 20 acres: \$350; and,
 - (d) License fees are waived for any accredited college or university that offers programs of study in agricultural sciences and that is seeking licensure for growing areas on its college or university property.
- (5) Hemp producer licenses expire on June 30 of the licensing cycle for which they are issued. Applicants for renewal must submit to the department on or before the following July 1 the hemp producer license fee, application for licensure, and an updated criminal background check for the person identified as legally responsible for applicant's operations. If an applicant for renewal fails to pay the annual license fee by July 16 following expiration, the applicant must also pay a late charge under T.C.A. § 43-1-703 prior to renewal of the applicant's license.
- (6) The department may deny any application for licensure that is not completed in full or that is not completed in conformance with this rule.

Authority: T.C.A. §§ 4-3-203, 43-1-703, and 43-27-104. **Administrative History:** New rules filed September 27, 2024; effective December 26, 2024.

0080-10-01-.04 TRANSPORTATION.

Any licensee moving rooted hemp or other cannabis shall have in their immediate possession a copy of the hemp producers' license(s) from which the cannabis originated and a copy of the certificate(s) of analysis for the growing area and crop that produced the cannabis.

Authority: T.C.A. §§ 4-3-203 and 43-27-104. Administrative History: New rules filed September 27, 2024; effective December 26, 2024.

0080-10-01-.05 INSPECTIONS AND TESTING.

- (1) Scope. The department may enter any licensed premises during normal business hours for purposes of inspecting and sampling any cannabis or other material and copying records necessary to determine compliance with the Act and this chapter.
- (2) Frequency. The department may conduct inspections as often as necessary to determine compliance with the Act and this chapter.
- (3) Sampling and testing.
 - (a) A sample collected and tested according to protocols issued by either USDA or the department is deemed representative of the growing area from which the sample was obtained.

(Rule 0080-10-01-.05, continued)

(b) Comingling of sample material from different growing areas invalidates the results of the sample tested.

- (c) Collection of a sample by a licensee or their agent invalidates the results of the sample tested.
- (d) Any sample test result less the measurement uncertainty showing a postdecarboxylation value for THC in the plant greater than 0.3% is grounds for destruction or remediation of all cannabis represented by the sample material.
- (e) Third party.
 - 1. The department may approve third-party samplers for collection of cannabis material and third-party test laboratories to conduct official analysis of samples. The department will accept test results for a third-party collected or tested sample only if the sample was collected and tested in conformance with sampling guidelines and testing requirements issued by either USDA or the department, and for which test results are submitted by the third-party testing laboratory directly to the department.
 - If a sample test result from an approved third-party laboratory is the initial test for a growing area and shows the sample to be within allowable limits, the department may recognize the sample as compliant without further testing. If the sample test is either not the initial test of the crop or is not within allowable limits, the department will re-sample and re-test the growing area prior to determining regulatory compliance.

(f) Department.

- Sampling by the department must be attended by the licensee or the licensee's authorized representative, if applicable. If the licensee or authorized representative does not appear for scheduled sampling, the department may assess a \$150 travel charge against the licensee for departmental costs in visiting the location to be sampled.
- 2. The department serves as the reference laboratory for all samples. Its test results of any sample are considered conclusive.
- 3. Licensees must pay a \$150 laboratory analysis fee for each sample tested by the department.

Authority: T.C.A. §§ 4-3-203 43-1-703, and 43-27-104. Administrative History: New rules filed September 27, 2024; effective December 26, 2024.

0080-10-01-.06 VIOLATIONS.

- (1) In addition to other requirements of the Act and this chapter, persons subject to this chapter must:
 - (a) Maintain areas where cannabis is grown or kept so as to be readily accessible for inspection;
 - (b) Provide adequate lighting necessary for inspection of all cannabis and areas where cannabis may be grown or held;

(Rule 0080-10-01-.06, continued)

(c) Provide full access to facilities, inventory, records, and invoices necessary to departmental inspection;

- (d) Give full information as to the source of cannabis currently or previously held in their possession;
- (e) Identify each growing area with the cultivar and USDA Farm Service Agency (FSA) field and/or subfield number, as applicable;
- (f) Consent to sampling of all cannabis cultivated by the licensee;
- (g) Harvest a hemp crop within 30 days of sampling for testing, unless directed otherwise by the department;
- (h) Report hemp crop acreage to FSA annually and within 30 days of new crops being planted. Reports must meet all FSA requirements, including:
 - 1. Street address and GPS location of site for each area where hemp will be grown;
 - 2. Total acreage or square footage dedicated to production of hemp; and
 - 3. Licensee's hemp producer license number; and,
- (i) Record each transaction in which the licensee sells or introduces rooted hemp into commerce. The licensee must keep the record for two years from the transaction date. The record must include: the name, contact information, and hemp producer license number for any person who purchased or received the cannabis.
- (2) In addition to other requirements of the Act and this chapter, persons subject to this chapter must not:
 - (a) Possess or receive rooted hemp without first securing a license from the department;
 - (b) Cultivate cannabis for introduction into commerce without first securing a license from the department;
 - (c) Sell, supply, or move rooted cannabis to any person in this state not licensed under this division of rules;
 - (d) Possess or cultivate cannabis showing a post-decarboxylation value for THC in the plant greater than 0.3%, less measurement uncertainty;
 - (e) Grow more than one variety of cannabis per growing area;
 - (f) Possess rooted hemp outside a licensed growing area unless it is under immediate transport to another licensed growing area or a licensed hemp-derived cannabinoid product manufacturer, distributor, or retailer;
 - (g) Harvest hemp or introduce rooted hemp into commerce prior to:
 - 1. Sampling within the previous 30 days, and
 - 2. Departmental receipt of sample test results showing the sample tested within allowable limits for THC;

(Rule 0080-10-01-.06, continued)

 Interfere with an authorized representative of the department in performance of their duties;

- (i) Violate any federal or state quarantine of plants, regulated articles, or other material;
- (j) Sell, offer for sale, move, or allow movement of any apparently infested material;
- (k) Violate applicable hemp movement regulations of any state or federal agency; or,
- (I) Violate any departmental order issued under the Act or this chapter, including but not limited to orders to stop movement, destroy, or remediate cannabis.
- (3) A person is responsible for violations of the Act or this chapter when committed by either the person or their agent.
- (4) Each violation of the Act or this chapter is grounds for issuance of stop movement, destruction, or remediation orders for any cannabis held by the violator or their agent, denial or revocation of any license issued by the department, actions for injunction, imposition of civil penalties, and/or pursuit of criminal charges against the violator.

Authority: T.C.A. §§ 4-3-203 and 43-27-104. **Administrative History:** New rules filed September 27, 2024; effective December 26, 2024.