

Kentucky Department of Agriculture

Hemp Licensing Program

Processor/Handler Orientation

2025



Released 11/15/2024

Length of Orientation

- This online orientation is incorporated into the online application portal.
- An in-person training is not required.
- It will take at least an hour to complete.
- You may stop before completion and restart at a later time where you left off.



Overview

- Program Overview & Legal Updates
- Background Checks
- Licensed Locations
- Sourcing Planting Materials
- Sampling and THC Testing
- Additional Requirements
- Restrictions on Sale and Transfer



Information Overload

- There is A LOT of information in this orientation.
- You can find all information on our website.
 - We'd rather you ask KDA directly than get a second-hand answer that may be misguided.
- You do NOT have to complete this Application
 - Not completing this application does NOT affect future applications.



Kentucky Hemp Program Highlights

Kentucky Department of Agriculture Hemp Program Annual Overview

Production Year	University Projects	Processor / Handlers	Growers	KY Counties with Hemp	Approved Acres	Planted Acres	Harvested Acres	% Grain or Seeds	% Fiber	% CBD / Cannabinoids	% Grain & CBD	% Seed & Fiber
2014	7	9	20	14	-	33	-	47%	32%	21%		
2015	8	29	99	41	1,742	922	500	47%	6%	47%		
2016	17	45	137	60	4,600	2,300	2,000	34%	6%	60%		
2017	17	49	204	71	12,800	3,200	2,300	36%	5%	27%	32%	
2018	14	72	210	73	16,100	6,700	6,000	18%	4%	61.5%	14%	2.5%
2019	12	200	978	102	60,000	26,500	24,900	2%	4%	92%	0	2%
2020	12	178	970	113	32,000	5,000	4,500	4%	4%	92%	0	0
2021	17	140	450	99	11,500	1,800	1,700	2%	7%	91%	0	0
2022	13	93	240	90	5,530	1,300	1,250	3%	10%	87%	0	0
2023	14	70	170	71	4,550	1,500	1,425	0%	11%	87%	0	2%
2024	11	60	137	58	5,500	2,600	2,550	7%	5%	87%	0	1%



Kentucky – Law

260.858 Lawful and unlawful conduct.

(2) It is unlawful for a person who does not hold a license issued by the department, or who is not an agent of a licensee, to cultivate, handle, process, or market living hemp plants or viable seeds, leaf materials, or floral materials derived from hemp.

Penalties for persons who cultivate, handle, process, or market living hemp plants or viable seeds, leaf materials, or floral materials derived from hemp without a license are the same as those penalties that are applicable to persons who violate KRS Chapter 218A, relating to marijuana.



Kentucky – Law

260.858 Lawful and unlawful conduct.

(3) It is unlawful for a person who does not hold a license issued by the department, or who is not an agent of a licensee, to possess hemp extract material having a delta-9 tetrahydrocannabinol concentration in excess of three-tenths of one percent (0.3%). Penalties for persons who possess such hemp extract materials without a license are the same as those penalties that are applicable to persons who violate KRS Chapter 218A, relating to marijuana.

(4) Nothing in this chapter authorizes any person to violate any federal or state law or regulation.



Federal Law

Definition of Hemp in 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.”

(Note: Federal law requires that all compliance testing measure delta-9 THC post-decarboxylation – **That’s total THC.**
(Both delta-9 THCa and delta-9 THC must be included.)



USDA Final Rule released Jan. 19, 2021

- Final Rule took effect March 22, 2021.
- **Kentucky began operating under an approved State Plan January 1, 2022.**
- All KY hemp regulations in 302 KAR 50 are incorporated into KY's State Plan.



Hemp Licensing Program

- **Processor/Handler License**

- **NO Live Plants**
- Process Harvested Crop into Products
- Extraction of CBD
- Possess, Handle, Store, Market
- Brokers, Labs, Seed Cleaners
- Dry, Chop, Grind other person's harvest
- Handle other person's harvest

- **Grower License**

- Live Plants
- Grow in Fields
- Grow in Greenhouses
- Produce Transplants
- Store your hemp
- Dry, Chop, Grind (your own hemp)
- Market your own Crop



Processor/Handler Licenses

Applicants must select from the following Processor/Handler scopes on the application's "Plan" tab.

- **Grain Processing** – Crushing, Dehulling, Cold-pressing, etc.
- **Fiber Processing** – Decortication, Making finished products from bales of stalk/stem.
- **Floral Material Processing** – Extraction, Formulation, Crude Refinement, Distillation (any other modification of cannabinoid levels).
- **Handler**
 - Brokers, Labs, Seed Cleaners.
 - Bulk drying, milling, or separation of biomass as a service to others.
 - Storage or Marketing of concentrated extracts.



Processor/Handler Licenses

- **Possession and Retail Sale of Publicly Marketable Hemp Products does NOT require a license from KDA.**
- Hemp leaf material, floral material, and extracts above 0.3% THC are NOT Publicly Marketable Hemp Products and do require a hemp license to possess.
- Refer to 302 KAR 50:070 Prohibited Products for further details.



Questions

- Does Federal Law require testing for Total THC?
 - Yes or No
- Does a Hemp Processor/Handler License enable you to grow hemp?
 - Yes or No



Questions

- Does retailing a “publicly marketable hemp product” **require** a Hemp Processor/Handler License?
 - Yes or **No**
- Does storage of concentrated hemp extract (Crude) require a Hemp Processor/Handler License?
 - **Yes** or No



Electronic Communications

- Email is Primary Method of Communication.
- The online system will send you emails and direct you to log in to your account to address the issue.
- Hemp Staff will not send you something unless it applies and is important for your project.
- **IF WE SEND IT, READ IT!**

Make sure to add the following emails to your “safe” list, as you will be receiving emails from all of these individuals, and we don’t want you to miss any important communications from KDA:

- Hemp Program Manager: SarahJ.Gravitt@ky.gov
- Hemp Program Staff: Andrew.Glass@ky.gov
- Plant Division Director: Doris.Hamilton@ky.gov
- Hemp Inbox: hemp@ky.gov



Electronic Communications

- Email general questions to hemp@ky.gov.
- Provide your name and the name of the license holder in all communications.
- Please don't send separate emails or voicemails to multiple staff members and duplicate the work. Cc to others is perfectly okay.



Seed and Transplant Providers List

- KDA maintains a public list of Growers who offer seeds and transplants for sale.
- Voluntary Listing.
- Designed to help with marketing efforts.
- Posted on our website on the Overview program page.
- If you'd like to be included, email us the specific information to hemp@ky.gov (use the format found in the existing list).



Seed and Transplant Providers

- This is not a new rule but has been historically overlooked by the hemp industry – take note!
- Any person engaging in the **distribution of hemp seeds** shall adhere to the applicable Kentucky seed laws (KRS 250.010 to KRS 250.990) and administrative regulation (12 KAR 1:116 to 175). Go to the UK Division of Regulatory Services seed program website for more details: <http://www.rs.uky.edu/regulatory/seed/>



Seed and Transplant Providers

- This is not a new rule but has been historically overlooked by the hemp industry – take note!
- Any person who intends to **move transplants or other living plants from a location inside Kentucky to a location outside Kentucky** must obtain a Class A Nursery License from the Kentucky Office of the State Entomologist. See their website for details:
<http://www.uky.edu/Ag/NurseryInspection/>



Processor List

- KDA maintains a public list of Processors/Handlers available on our website.
- This is a voluntary listing. Not a comprehensive list of ALL licensed Processors and Handlers.
- Designed to help with marketing efforts.
- All lists are found on the Overview page of the website at www.kyagr.com/hemp.



A Note About Organic Hemp

- “Organic” is strictly regulated by the United States Department of Agriculture (USDA).
- **You cannot market your hemp as “organic” unless you have been Certified Organic.**
- Organic hemp products must be grown by a certified organic farm AND processed by a certified organic processor.
- KDA is a certifying agent.
- Certification can sometimes be a multi-year process.
- If you are interested in growing organic hemp, and have not yet been certified, please email KDA’s Organic Program Staff at organic@ky.gov.



Questions

- What is the best way to reach the KDA hemp program staff?
 - By Phone
 - By letter
 - By email to hemp@ky.gov
- Are the following lists of hemp license holders found on the KDA website: Processors and Handlers; Seed and Transplant Providers.
 - Yes or No



Background Checks



Background check

- A business entity is required to submit background checks on “key participants” as well as the signing authority.
- Background check must have occurred 60 or less days prior to the date of application.
- Background check request form must be submitted to the Kentucky State Police as directed on the request form titled “Request for Conviction Records”.



What are key participants?

- This is a person who has direct or indirect financial interest in the entity producing hemp such as an owner or partner in a partnership.
- Key Participants include an entity's Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Financial Officer (CFO), or any other positions that have these same job responsibilities.
- Farm managers, field managers, shift managers, etc. are not key participants.



Background Check for Individual Applicants

- Individual applicants are only required to submit a background check on themselves.
- No need to submit background check on secondary contacts.
- Remember, an individual may NOT allow another individual to operate under their license.



Background Check

- Background check must be free from felony convictions and drug related misdemeanors for the past 10 years.
- Background check request forms are found on the application page of our website or on the Applicant Information tab in this application portal.
- Once your Background check is received it must be uploaded onto the Applicant Information tab of the application portal.



Questions

- As an individual applicant must you submit a background check for your secondary contacts or farmhands?
 - Yes or **No**
- To whom do I submit the Background Check request form (form titled “Request for Conviction Records”)?
 - **Submit the request to Kentucky State Police, then upload the resulting Background Check into this portal with the applicant information**
 - Submit the request form to KDA



Licensed Locations



Things to remember

- Two different licensed processors may license buildings at the same address, but **NOT** license the same building.
- The software will warn you if you enter a duplicate address and KDA must approve the use of the same address as another applicant before you proceed.



Land Use Restrictions

Land use restrictions for processors or handlers

- (1) A licensed processor or handler shall not process or store leaf or floral material from hemp or other cannabis in or adjacent to any structure that is used for residential purposes.
- (2) A licensed processor or handler shall not apply to process, handle, or store hemp on any property that is not owned or completely controlled by the applicant or licensed processor.



Land Use Restrictions

Land use restrictions for licensed processors or handlers

(3) A licensed processor or handler shall not process, handle, or store hemp on property owned by, leased from, or previously submitted in an application by any person who is ineligible or was terminated or denied admission to the Hemp Licensing Program for:

- (a) Failure to obtain an acceptable criminal background check,
- (b) Failure to comply with an order from a representative of the department; Or
- (c) Both.



Site Modification Request

- A Site Modification request is required to add new licensed locations after the application and/or annual renewal process is complete.
- Adding storage only locations do not incur a fee.
- Each new processing location incurs a fee of \$750.
 - \$750 fee is per GPS coordinate (structure or building), not address.



Proceed With Caution

- There are no guarantees!
- This is a new industry with new companies, new production techniques.
- The price model is not well developed, and many companies have failed to make payments to growers.



Questions

- Can 2 different applicants license the same building?
 - Yes or **No**

- Can a licensed processor store hemp in their house?
 - Yes or **No**



Sourcing Planting Materials



Sourcing Seeds

- Licensed hemp processors or handlers are NOT eligible to grow hemp (unless they also obtain a grower license), however, we realize that many processors provide seeds or plants to their contracted growers.
- For this reason, we are covering the topic of “Sourcing Planting Materials in the Processor/Handler Orientation.



Sourcing Seeds or Transplants

- First check to see if the variety or strain is on the “**Summary of Varieties List**” found on the KDA website.
- If the variety is listed, no request is required.
- IF the variety or strain is **not on the list** you will need to submit the:
“**New Hemp Variety or Strain Request Form**”
- **A Certificate of Analysis with a “TOTAL THC” of 0.3% or less is also required.**



Summary of Varieties List

- Document found on the website on the License Holder page.
- More than **300** different hemp varieties, named strains have been grown and tested in the Kentucky Hemp Program.
- More than 50 Varieties have been **Prohibited**; the test results proved that it was not hemp.
- Varieties are designated as **Varieties of Concern** once we have test results in KY above 0.3% THC.
- Testing data within compliance can simply be because the plots were tested when premature.



Summary of Varieties List

Varieties of Concern (VOC)

The varieties or strains designated as a *Variety of Concern* (VOC) in the table on the following pages had at least one THC test result above 0.300%. Growers who are considering whether to use these varieties in the future should exercise caution and remain aware of the Department's *Varieties of Concern* designations. These varieties are at a higher risk for exceeding the THC limit that could lead to the ordered destruction of the crop. These designations are subject to change.

- **ALL high CBD strains of hemp will exceed 0.3% THC if allowed to fully mature – so they must be harvested early to remain legal.**



Summary of Varieties List

- The latest Summary of Varieties List is always available on the website.
- This information will be very important in determining your selection of planting materials.
- When buying planting materials, always demand a Certificate of Analysis on the parent plant floral material and check your THC/CBD levels and ratios.
- It is nearly impossible to get 10% CBD without going over the legal limit of THC.

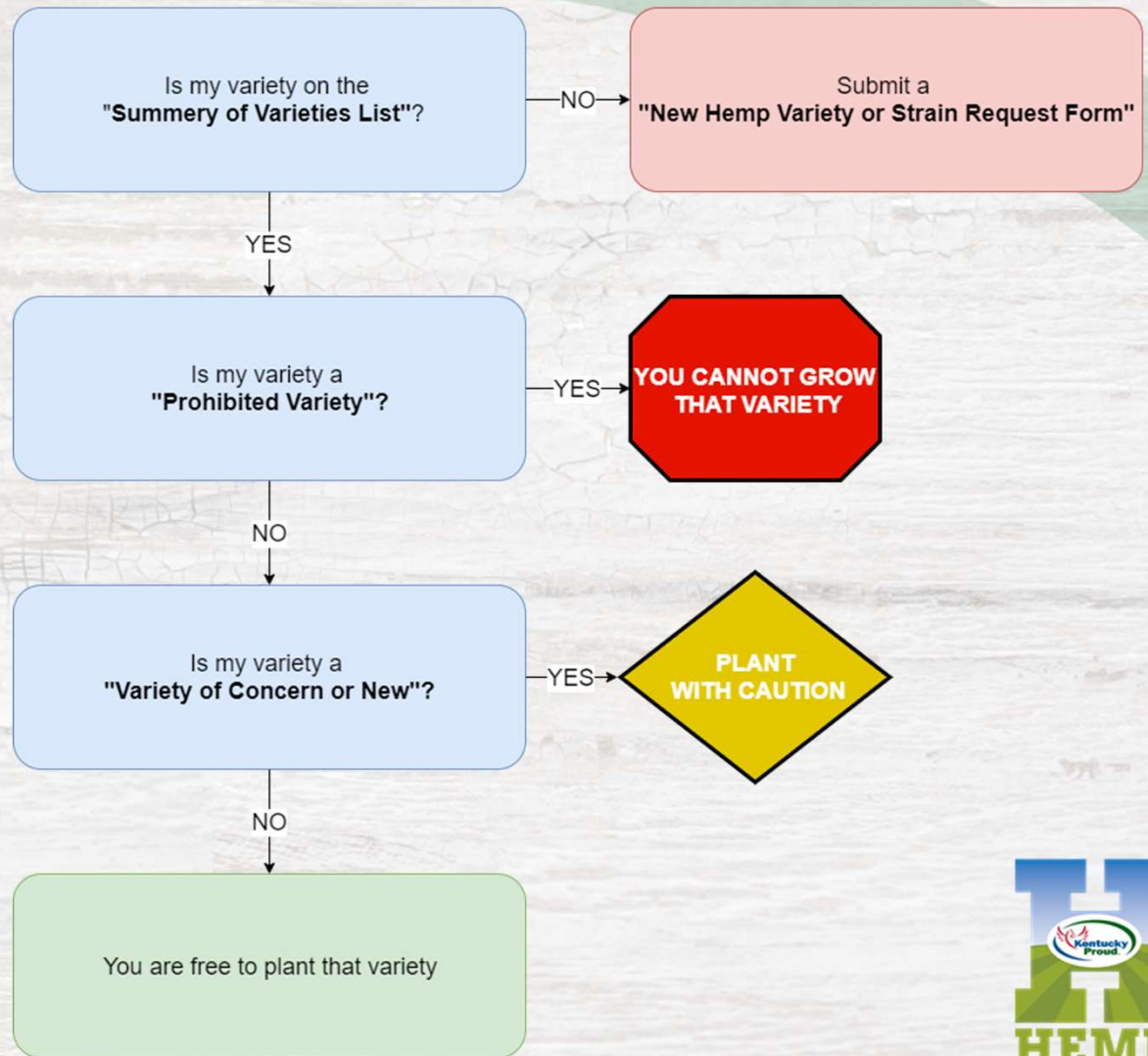


Reasons to Be Cautious in Selecting your Hemp Varieties

- Over 25% of samples tested above 0.4% THC in 2020.
- New varieties are not becoming more compliant.
- Saved seed from the year before is VERY unstable and likely to have highly elevated THC levels (We've seen THC above 3.5%!)



What do I need to do for the variety I want to plant?



New Hemp Variety or Strain Form

- This form can be completed from your User Dashboard in the online system.
- Complete the information on the form documenting the intended source of the seeds or transplants.
- Upload a Certificate of Analysis which indicates that the mature floral material from the variety/strain is not more than 0.3% Total THC.
- **CAUTION:** Watch the ratio of THC/CBD on new varieties – if you are seeking 10% CBD, calculate where that THC would be if you reached that level. THC and CBD both increase as the plant matures in relatively the same ratio.



Questions

- Can a license holder purchase and plant any variety/strain of cannabis seeds they choose?
 - Yes or **No**
- What form must be completed to request permission to bring a new hemp variety/strain into Kentucky?
 - **New Hemp Variety or Strain form**
 - Domestic Seed Acquisition Request
 - International Seed Acquisition Request



THC Testing



Sampling and THC Testing

- 100% of lots intended for harvest are inspected and sampled by KDA inspectors prior to harvest.
- All varieties tested for compliance with the 0.3% delta-9-THC limit set by Congress.
- Acceptable hemp THC level is 0.30% plus the Measurement Uncertainty (MU). The Measurement Uncertainty is calculated and reported by the lab.
- **Federal law requires all delta-9 THC concentrations be measured post-decarboxylation (result is commonly referred to as Total THC).**
- THC Test results reported within 60 days (typically 2 weeks).



Secondary Pre-Harvest Sampling

- The Licensing fee of \$400 per address ONLY covers three pre-harvest samples.
- If a licensed address requires more than 3 samples (includes fields AND greenhouses/indoor) a Secondary Pre-Harvest Sample fee will be invoiced to the licensed grower for \$250 PER SAMPLE above three.
- **Example:** If you plant 5 lots (contiguous planting of same variety/strain) at an address, the first 3 samples are included in your licensing fee, but you will be required to pay an additional \$500 for the 2 additional samples.



Sampling and THC Testing

- Grower (or knowledgeable help) must be present for the inspection.
- Inspector shall be given full access to all growing, storage, and handling locations (will also be inspecting unplanted locations).
- Sample taken of each lot (contiguous planting of the same variety/strain).
- Harvest must be completed within 30 days following pre-harvest sample collection.



Sampling and THC Testing

- 0.30% THC is the legal limit set by law.
- The USDA Final Rule allows for 0.30% THC plus the “Measurement Uncertainty” for the “Acceptable Hemp THC Level”.
- Kentucky’s “Acceptable Hemp THC Level” is calculated by the labs annually.
- Lots with pre-harvest test results below or equal to the “Acceptable Hemp THC Level” are released for transfer or sale.



Sampling and THC Testing

- Harvested hemp materials from a lot testing between the “Acceptable Hemp THC Level” and 0.999% is eligible for remediation and a Post-Harvest Retest at a cost of \$250 per sample.
- Lots testing at or above 1% are required to be destroyed immediately and are not eligible for retest.
- Materials from lots with post-harvest retests at or above “The Acceptable Hemp THC Level” must be destroyed.
- A THC concentration of **3.0% or greater** is grounds for license suspension and revocation proceedings.



Understanding THC Analysis

- Cannabis plants only produce delta-9 THCa (tetrahydrocannabinolic acid).
- Delta-9 THCa converts to delta-9 THC, the intoxicant through a process called decarboxylation.
- Decarboxylation will happen naturally over time when exposed to air OR immediately in high heat conditions (if ignited).



Understanding THC Analysis

- Measurement of THC concentrations can be conducted with many methods.
- The combined, or decarboxylated THC, is often referred to as Total THC.
- **Federal law requires testing for Total THC.**
- This has been the method used by KDA from the beginning.



Understanding THC Analysis

- If an analysis gives only THC or delta-9 THC, that would be the Total THC.
- If an analysis gives THCa and delta-9 THC or THC, it must be combined mathematically.
- $\text{THC} + (\text{THCa} \times 0.877) = \text{Total THC}$



Questions

- State and Federal law requires hemp to have not more than 0.30% of what type of THC?
 - THCa only
 - Delta-9 THC only
 - **Total THC (Delta-9 THCa and Delta-9 THC)**



Additional Requirements for Processors and Handlers



Processor Requirements

- A licensed processor or handler shall comply with the federal Food Drug and Cosmetic Act, 21 U.S.C. Chapter 9, and all other applicable local, state, and federal laws and regulations relating to product development, product manufacturing, consumer safety, and public health.
- Any person making human-consumable products, or substances that will be used to make human-consumable products, shall be Good Manufacturing Practices-compliant and permitted by the Department of Public Health within the Cabinet for Health and Family Services.
- Any person packaging a product prior to sale shall comply with the Uniform Packaging and Labeling Regulations as prescribed in 302 KAR 75:130.



Processor Requirements

- 2023 legislation passed by the KY General Assembly ([HB544](#)) assigned the responsibility for regulating cannabinoid products to the Cabinet for Health and Family Services.
- Emergency regulations [902 KAR 45:190E](#) took effect on August 1, 2023, and details MANY new requirements.
- All entities planning to process, handle, or market cannabinoid products in KY should immediately contact the Kentucky Cabinet for Health and Family Services, Food Safety Branch to determine the appropriate permit or registration needed from that agency.
- License Holder's responsibility to determine the requirements and meet those – KDA does not regulate food safety, dietary supplements, labeling, etc.



Processor Requirements

- A licensed processor or handler selling or transferring, or permitting the sale or transfer, of floral or plant extracts (including CBD), shall conduct and retain testing data reflecting the total delta-9 THC level for at least three (3) years.
- A processor or handler **SHALL NOT** ship or transport, or allow to be shipped or transported, any hemp product with a total delta-9-THC concentration in excess of 0.3%.



Processor Requirements

- Any person packaging a hemp-derived cannabinoid product shall comply with [902 KAR 45:190E](#), Hemp-derived cannabinoid products; packaging and labeling requirements.
- FDA registration may also be required.
- A licensed processor or handler shall only purchase or receive harvested hemp plant material that has been determined compliant and released for sale or transfer by the appropriate hemp regulatory program in the grower's area of jurisdiction.



Annual Renewal

- **Renewal of Processor/Handler Licenses require annual background check(s).**
- **The Licensing Fees are paid annually.**
- **The annual renewal is required by December 31 of each year.**
- **A license holder may terminate their license upon 30 days notice to KDA.**



Questions

- Which state agency regulates food manufacturing and permits CBD extractors?
 - County Health Department
 - **Kentucky Cabinet for Health and Family Services, Food Safety Branch**
 - Kentucky Department of Agriculture
- When is the annual renewal of the Hemp Processor/Handler License due?
 - March 15
 - June 15
 - **December 31**
- Are new background checks required every year?
 - **Yes** or No



Restrictions on Sale or Transfer



Transfer Requirements

- **These requirements were designed to keep you legal.**
- Failure to comply with the *Transfer Requirements* may result in expulsion or other disciplinary measures.
- **Hemp Staff is available to help answer your questions.**



Transfer Requirements

- A licensed processor or handler shall not sell or transfer, or permit the sale or transfer, of living plants, viable seeds, leaf material, or floral material to or from any person in the Commonwealth who does not hold a license issued by the department.
- A licensed processor or handler shall not sell or transfer, or permit the sale or transfer, of living plants, viable seeds, leaf material, or floral material to or from any person outside the Commonwealth who is not authorized to possess such materials under the laws of that jurisdiction.



Transfer Requirements

- Stripped stalks (completely free of ALL leaf, flower and seed), fiber, dried roots, nonviable seeds, seed oils, cannabinoid extracts (excluding THC in excess of zero and three-tenths (0.3) percent), and other marketable hemp products may be sold to members of the general public, both within and outside the Commonwealth, if the marketable hemp product's decarboxylated delta-9-THC level is not more than zero and three-tenths (0.3) percent and is otherwise lawful and compliant with regulations.



Transfer Requirements

- A licensed processor or handler shall not knowingly permit hemp to be sold to or used by any person in the Commonwealth who is involved in the manufacture of an item named on the prohibited products list established in 302 KAR 50:070.
- A person shall not ship or transport, or allow to be shipped or transported, any hemp product with a decarboxylated delta-9-THC concentration in excess of zero and three-tenths (0.3) percent.
- Processors using hazardous materials or flammable solvents shall comply with the requirements of the State Fire Marshal.



Transfer Requirements

Exception allowing for **in-state** shipment of concentrates

- In February 2020, the Kentucky General Assembly enacted new legislation (KRS 260.8635) to create a legal “safe harbor” in state law for licensed processors to transport concentrated hemp extracts from one KY licensed processor to another.
- A licensed processor may transport hemp extract material having a delta-9 THC concentration in excess of 0.3% **from one licensed processing location in the Commonwealth to another licensed processing location in the Commonwealth**, provided that:
 - (a) The hemp extract material shall move directly from one (1) licensed processing location to another; and
 - (b) The licensed processor shall provide written notice to the department of the planned movement at least twenty-four (24) hours in advance to include multiple details.

The form needed to provide the department with notification is found on the website under the License Holder page under Forms & Documents, the “Processor Concentrate Transport Form”



Delta-8 THC

- According to the DEA Controlled Substance list, Delta-8 THC and all other “Tetrahydrocannabinols” (THCs) are a Schedule I drug under DEA Number 7370.
https://www.deadiversion.usdoj.gov/schedules/orangebook/c_cs_alpha.pdf See page 18.
- On August 3, 2022, a judge ruled that the definition of hemp that was enacted by the U.S. Congress in 2018 and adopted by the Kentucky General Assembly in 2019 had the effect of legalizing synthetically created Delta-8 THC.
- Following the court’s August 3 ruling, KDA’s Hemp Licensing Program will not take disciplinary action against a licensee on the basis of the licensee’s activities in making or distributing Delta-8 THC products that contain a Delta-9 THC concentration not exceeding 0.3% on a dry weight basis. Of course, should there occur in the future some change in law, then KDA will re-evaluate.
- We encourage consumers, manufacturers, and retailers to exercise caution and review the federal Food and Drug Administration’s Consumer Update titled “5 Things to Know about Delta-8 Tetrahydrocannabinol – Delta-8 THC”. Some of the Delta-8 THC products being offered for sale contain chemicals that are not only intoxicating but hazardous and potentially fatal, especially for children and young adults.



Analytical Labs

- Any person owning or operating an analytical laboratory offering third-party testing services must report post-decarboxylated Delta-9 THC on a 100% dry weight basis.
- Any person owning or operating an analytical laboratory offering third-party testing services must participate in the University of Kentucky's Hemp Proficiency Testing Program.



Prohibited Products

Section 1. Products Not to be Sold to Members of the Public.

- (1) The following hemp-derived products shall not be manufactured:
 - (a) Hemp cigarettes;
 - (b) Hemp cigars;
 - (c) Chew, dip, or other smokeless material consisting of hemp leaf material or hemp floral material; and
 - (d) Hemp leaf material or floral material teas.



Prohibited Products

- (2) The following hemp-derived products shall not be marketed, sold, or distributed to any person in Kentucky who does not hold a license from the Department, or any person outside the Commonwealth (but within the United States) who is not authorized by an institution of higher education, or state department of agriculture pursuant to 7 U.S.C. 5940 and the laws of that state:
- (a) Whole hemp buds;
 - (b) Ground hemp floral material;
 - (c) Ground hemp leaf material; and



Prohibited Products

(3) If the department finds that it is more likely than not that a person has manufactured, marketed, sold, or distributed a hemp-derived product in violation of this administrative regulation, the department shall assess a civil monetary penalty against that person of not less than \$100 and not more than \$1,000 per violation, in addition to possible termination of the Grower Licensing Agreement or Processor/Handler Licensing Agreement.



Violations, License Revocation & Civil Monetary Penalties

- **Section 16.** Violations Requiring Temporary License Suspension Procedures (followed by a revocation hearing)
- Plead guilty to, or convicted of felony or drug related misdemeanor or violation;
- Violation of state hemp laws or hemp regulations;
- Made a false statement to KDA or law enforcement;
- Found to be in possession of cannabis with THC over 0.3% with a culpable mental state greater than negligence;
- Growing hemp without a hemp grower license
- Failed to comply with an order from KDA or law enforcement
- Found to be in possession of cannabis with THC of 3.0% or greater



Violations, License Revocation & Civil Monetary Penalties

- **Section 17.** License Revocation Hearings and Consequences of Revocation.
- Revocation hearing before 3-person panel
- License revocation = ineligible for 5 years
- **Section 18.** Monetary Civil Penalties. Not to exceed \$2,500 per violation.



Bottom Line

- There have been no regulation changes for the upcoming year.
- Applicants and license holders will be notified of any changes or updates to the regulations or program operation.
- Always reach out to KDA hemp staff if you have questions about the hemp program.



Questions

- The following hemp-derived products shall not be sold to any person in Kentucky who does not hold a hemp license:
 - Whole hemp buds
 - Ground hemp floral material
 - Ground hemp leaf material
 - **All of the above**
- Is it legal to transport hemp materials with a THC content above 0.3% Total THC outside the Commonwealth?
 - Yes or **No**



Questions

- If a licensed hemp processor in KY wants to ship Crude to another licensed hemp processor in KY, what form must they submit to KDA at least 24 hours prior to transport?
 - Harvest Report Form
 - Production Report Form
 - **Hemp Concentrate Transport Notification Form**



Contact KDA Hemp Licensing Program

Kentucky Department of Agriculture

Hemp Licensing Program

111 Corporate Drive, Frankfort, KY 40601

Mainline: (502) 573-0282

Email us at:

hemp@ky.gov

