

## Vermont Hemp Rules

### Section 1 General

#### 1.1 Authority and Purpose

These rules are adopted by the Secretary (the Secretary) of the Agency of Agriculture, Food and Markets (the Agency) pursuant to 6 V.S.A. Chapter 34. 6 V.S.A. Chapter 34 directs the Secretary to establish an industrial hemp pilot program in compliance with the federal law to research the growth, cultivation, and marketing of industrial hemp and provides that the Secretary may adopt rules to implement Chapter 34 and the pilot program. Chapter 34 directs the Secretary to adopt rules establishing how the Agency will conduct research within the pilot program and rules establishing requirements for registration of processors of hemp and hemp-infused products.

### Section 2

The Agency establishes the Vermont Hemp Program (the Hemp Program), a pilot program to research the growth, cultivation and marketing of industrial hemp.

Any person who wants to grow, cultivate, or process industrial hemp in Vermont must register with the Hemp Program.

### Section 2 Definitions

- 2.1. Agency means the Vermont Agency of Agriculture, Food and Markets.
- 2.2. Broad spectrum means a concentrate that was extracted from hemp which contains some cannabinoids, and that does not contain THC, terpenes, fats and waxes.
- 2.3. Hemp Agricultural Waste means a plant material originating or emanating from hemp growing or processing activities that has not been exposed to solvents or processed in any way and will not become a hemp or hemp-infused product.
- 2.4. Consumable means an industrial hemp or hemp-infused product that is intended for human consumption.
- 2.5. Consumption means ingesting, inhaling, or topically applying to skin or hair.
- 2.6. Crop means hemp grown under a registration issued by the Agency.
- 2.7. Cannabinoid means any of a group of closely related chemical compounds which include cannabinol and the active constituents naturally occurring in a cannabis plant.
- 2.8. Cannabinoid Content means the level of any of a group of closely related chemical compounds that are the active constituents and closely related compounds contained in the cannabis plant in a harvest lot or a process lot.
- 2.9. Certificate of Analysis means the report prepared by the laboratory about the analytical testing performed and results of that testing.
- 2.10. Compound is a substance formed when two or more chemical elements are chemically bonded together.
- 2.11. Concentrate means the product containing any chemical compounds removed by extraction, including cannabinoids, isomers, acids, salts and salts of isomers from a hemp crop harvest lot.

- 2.12. Contaminant means any pesticide, solvent, heavy metal, mycotoxin, foreign material, and bacterial and fungal impurity introduced through cultivation or processing and determined by the Agency to be a poisonous or harmful substance that may render a hemp crop, hemp product or hemp-infused product deleterious to the health of the consuming public.
- 2.13. Cultivar means a plant variety with known characteristics that has been grown and produced by humans
- 2.14. Cultivation Area means one (1) contiguous tract of land used to produce or intended to be used to produce industrial hemp.
- 2.15. Delta-9 tetrahydrocannabinol, also referred to as "THC," is the principal psychoactive cannabinoid found in cannabis.
- 2.16. Distillate means a high purity, greater than 95%, of a single cannabinoid concentrate created by heat separation.
- 2.17. Drying/Storage Area means the area where industrial hemp is dried and stored. A Drying/Storage Area may include areas where harvested industrial hemp is confined, housed, or stored, whether within or without structures, and areas to store agricultural inputs or hemp agricultural wastes associated with producing the crop.
- 2.18. Dry Weight means no greater than 15% moisture content.
- 2.19. Food means:
- (a) articles used for food or drink for humans or animals,
  - (b) chewing gum, and
  - (c) articles used for components or any such article.
- 2.20. Full Spectrum means a concentrate from a hemp crop that contains all naturally occurring compounds including cannabinoids, aromatics, essential vitamins and minerals, fatty acids, protein, chlorophyll, flavonoids, and terpenes and that does not contain fats and waxes. It does not mean a reformulation or addition of other cannabinoid isolates or distillates to the concentration.
- 2.21. Grow means the planting, cultivating, harvesting, drying, selling, storing or transporting hemp crops grown by the Grower. "Grow" may be used interchangeably with the word "produce."
- 2.22. Grower means a person who is registered with the Agency to produce hemp crops.
- 2.23. Handle means the possession of hemp plants for any period of time on premises owned, operated, or controlled by a person registered to cultivate or process hemp. Handling also includes possession of hemp plants in a vehicle for any period of time other than during its actual transport from the premises of a person registered to cultivate or process hemp to the premises of another registered person or out of state. "Handle" does not mean possession of finished hemp products.
- 2.24. Harvest Lot means a quantity of hemp harvested by the same Grower in a single growing season that is:
- (a) grown in a cultivation area or grown in a portion or portions of one contiguous area within a cultivation area, and
  - (b) does not include a quantity of hemp comprised of hemp grown in noncontiguous areas even if grown by the same Grower.
- 2.25. Harvest Lot Number means a unique numerical identifier that begins with the last five digits of a Grower's registration number, followed by the year of harvest, and a unique number to identify the harvest lot.
- 2.26. Hemp means the plant *Cannabis sativa* L., whether growing or not, and any part of that plant, including the seeds, all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, with the federally defined tetrahydrocannabinol concentration level of hemp.

- 2.27. Hemp Oil Concentrate means
- 2.28. Hemp Crop means standing or harvested hemp that complies with the federal definition of hemp prior to processing.
- 2.29. Hemp Product or Hemp-Infused Product means all products that have the federally defined tetrahydrocannabinol concentration level for hemp, that are derived from or made by processing hemp plants or plant parts, and that are prepared in a form available for commercial sale. This includes cosmetics, personal care products, food intended for animal or human consumption, cloth, cordage, fiber, fuel, paint, paper, particleboard, plastics, and any product containing one or more hemp derived cannabinoids, such as cannabidiol.
- 2.30. Ingredient means any substance that is used in the manufacture of the hemp or a hemp-infused product and that is intended to be present in the finished process lot.
- 2.31. Isolate means a concentrate greater than 95% of a single cannabinoid compound.
- 2.32. Laboratory means a laboratory that is certified by the Agency under 6 V.S.A. § 567.
- 2.33. Person means:
- (a) an individual, partnership, corporation, association, unincorporated organization, trust, or other legal or commercial entity, including a joint venture or affiliated ownership, or
  - (b) individuals and entities affiliated with each other for profit, consideration, or any other beneficial interest derived from agricultural management, including lessors and lessees.
- 2.34. Personal cultivation means cultivating hemp on less than 0.5 acres for personal use. No hemp crop, hemp product or hemp-infused product shall enter into commerce from cultivation areas for personal use.
- 2.35. Process means storing, drying, trimming, handling, compounding, or converting a hemp crop or hemp concentrate into hemp products or hemp-infused products that comply with the federal definition of hemp. It also includes transporting, aggregating, or packaging hemp from a single or multiple growers or processors. "Process" does not include the addition of "hemp" to a product at the point of sale.
- 2.36. Process Lot means:
- (a) any amount of pressed seed oil, fiber, or seed of the same type, processed at the same time using the same methods and same standard operating procedures, and derived from hemp crops from the same or different harvest lots; or
  - (b) any amount of consumable hemp product or hemp-infused product of the same type, processed at the same time using the same ingredients and same standard operating procedures, and derived from hemp crops from the same or different harvest lots or from the same or different process lots of cannabinoid concentrate.
- 2.37. Process Lot Number means a unique numerical identifier that begins with the last five digits of a Processor's registration number, followed by the year of processing, and then followed by a unique number to identify the process lot.
- 2.38. Processing Site means a single parcel of land and all infrastructure on that parcel used to process or intended to be used to process hemp.
- 2.39. Processor means a person who is registered with the Agency to process hemp crops.
- 2.40. "Produced in Vermont" shall mean only those hemp products or hemp-infused products that are manufactured in their entirety within the State of Vermont pursuant to standards established by these Rules.

- 2.41. Product Complaint means a written, electronic, or oral communication received by the Agency in which the person making the communication states a concern related to a hemp crop, a hemp product, or a hemp-infused product.
- 2.42. Registrant means a grower or processor registered with the Agency under these Rules.
- 2.43. Retting means to soak in water or expose to moisture to facilitate the removal of the fiber from woody tissue through partial rotting.
- 2.44. Stop Sale means an administrative order restraining the sale, use, disposition, and movement of a harvest lot or process lot issued by the Agency when it has cause to believe that the hemp crop, hemp product, or hemp-infused product is not in compliance with this Rule and presents a risk to the consuming public or is believed to be high-THC cannabis.
- 2.45. Tetrahydrocannabinolic Acid is the precursor of delta-9 THC before decarboxylation.
- 2.46. Total Theoretical Cannabidiol Concentration means ...
- 2.47. Total Theoretical Tetrahydrocannabinol Content is the method to determine tetrahydrocannabinol concentration levels present in a Harvest Lot to be processed when decarboxylation is not present in the potency testing method. It is the sum of the concentration of delta-9 tetrahydrocannabinol and its precursor, tetrahydrocannabinol-A, multiplied by 0.8777 on a dry weight basis and reported to two significant figures:

$$\text{Total theoretical THC} = \frac{([\text{delta} - 9 \text{ THC}] + ([\text{THC} - \text{A}] * 0.8777))}{\text{percent solid}} * 100$$

- 2.48. Taxonomic determination means a process of classification based on genetic testing of known cannabinoid ratios based on stable cultivars.
- 2.49. Type I means a cultivar of *Cannabis sativa* L. that is THC dominate.
- 2.50. Type II means a cultivar of *Cannabis sativa* L. equal ratio between THC and CBD.
- 2.51. Type III means a cultivar of *Cannabis sativa* L. CBD dominate.
- 2.52. Type IV means a cultivar of *Cannabis sativa* L. is neither THC nor CBD dominate.
- 2.53. Agricultural waste means material originating or emanating from a farm that is determined by the Secretary or the Secretary of Natural Resources to be harmful to the waters of the State, including: sediments, minerals, including heavy metals; plant nutrients; pesticides; organic wastes, including livestock waste, animal mortalities, compost, feed and crop debris; waste oils; pathogenic bacteria and viruses; thermal pollution; silage runoff; untreated milk house waste; and any other farm waste as the "waste" is defined in 10 V.S.A. § 1251(12).
- 2.54. Waste means associated with extraction
- 2.55. Whole Plant Extract means an extract that contains both water and lipid soluble plant compounds.

### Section 3 Application to Register

- 3.1. A person who wants to register as a grower or processor in the Hemp Program must submit to the Agency a completed application on a form provided by the Agency, all additional documentation required by the Agency, and a registration fee.

- (a) A person is registered with the Hemp Program when the Agency certifies the location(s) to be registered, and the person receives a written registration from the Agency.
  - (b) The Agency may verify the information provided on the application form and the documentation accompanying the application and may request additional documentation in order to process an application.
  - (c) If a person does not fully complete the application form, provide the documentation requested by the Agency, or does not submit the applicable registration fee to the Agency, the Agency may reject the application as incomplete.
  - (d) A person whose application the Agency rejects as incomplete may reapply for registration at any time.
- 3.2. A retailer of hemp products or hemp-infused products is not required to register with the Agency.
- 3.3. A seller of viable seed is considered a retailer of hemp products. Seed retailers must register seeds with the Agency.
- 3.4. A person convicted of a felony relating to a controlled substance under State or Federal law before, on, or after December 20, 2019 shall be ineligible, during the 10-year period following the date of the conviction to register as a hemp grower or processor; unless, the person has lawfully registered as a Hemp Program participant with Agency prior to this date.
- 3.5. A person who materially falsifies any information contained in an application to participate in the Hemp Program shall be ineligible to participate in the program.
- 3.6. A person who wants to register multiple cultivation areas may submit to the Agency a single application form identifying all cultivation areas associated with that application and appropriate registration fee.
- 3.7. A person who wants to register multiple processing sites must submit to the Agency a separate application form and a separate fee for each processing site.
- 3.8. A person registered with the Agency may not sell or otherwise transfer their registration to another person.
- 3.9. A person that needs to make changes to their registration must seek approval from the Agency in writing on a form provided for by the Agency and obtain written approval from the Agency.
- 3.10. A person holding a valid registration at the date of the adoption of these Rules or the date of an amendment of these Rules will be considered a Grower or Processor for the remainder of the calendar year in which the Rules are adopted or amended and does not need to submit an application form until the following calendar year.
- 3.11. All registrations expire on December 31 of each year. A new application for registration must be submitted for each year of growing or processing.

#### Section 4 Grower Requirements

- 4.1. A Grower shall make records required under this section of these Rules available to the Agency for inspection upon request.
- 4.2. A Grower shall keep all records required under this section of these Rules for a minimum of three (3) years.
- 4.3. Only a Grower may grow hemp crops in certified cultivation areas and handle their own crops in certified drying and storage areas.

- 4.4. A Grower is responsible for compliance with the federally defined tetrahydrocannabinol concentration level for hemp crops offered for sale or transferred to a Processor or the public.
- 4.5. A Grower may transfer a hemp crop, hemp clones, or hemp plants to a consumer.
- (a) A Grower that transfers hemp crops, hemp clones, or hemp plants to a consumer must
    - i. make certificates of analysis available upon request for public inspection, and
    - ii. offer a list of any pesticides used in the cultivation of the hemp crop, hemp clones, or hemp plants.
- 4.6. A Grower shall maintain records of all seed, starts, and clones purchases. The records shall include:
- (a) cultivar name;
  - (b) name of company the seed or plant stock was purchased from;
  - (c) a certificate of analysis on the cultivar's compliance with the federally defined tetrahydrocannabinol concentration level, or associated genetic tests that a cultivar is a type III or type IV hemp cultivar, as reported by the laboratory conducting testing;
  - (d) the name and address of the laboratory that conducted the analysis; and
  - (e) the certified cultivation area where a cultivar was grown by year.
- 4.7. A Grower shall maintain records of all transfer(s) of hemp crop(s) to a Processor, or out-of-state, by harvest lot number. The records shall include:
- (a) The name and address of the Processor and their registration number, or the name and address of out-of-state recipient, for any amount of hemp crop transferred by the Grower by harvest lot number;
  - (b) The date(s) on which hemp was transferred; and
  - (c) An estimate of the amount of hemp transferred on a dry weight basis in pounds.
- 4.8. A Grower shall maintain records of all testing request forms, documentation of sampling in conformance with Agency sampling protocols, and certificate of analysis by harvest lot number for any crop grown indexed by harvest lot number for a period of three years post-harvest.
- 4.9. A Grower shall annually submit a report to the Agency containing information required in this section of these Rules. The Agency may use this information for purposes of studying the growth, cultivation, and marketing of hemp and may only release the information in aggregate form.

## Section 5 Processor Requirements

- 5.1. A Processor shall make records required under this section of these Rules available to the Agency for inspection upon request.
- 5.2. A Processor shall keep all records required under this section of these Rules for a minimum of three (3) years.
- 5.3. A Processor is responsible for compliance with the federally defined tetrahydrocannabinol concentration level for hemp products and hemp-infused products offered for sale or transfer.
- 5.4. A Processor must report in writing to the Agency a closure of a processing site within 10 days of the closure.

- 5.5. A Processor shall only use lipid, ethanol, or carbon dioxide (CO<sub>2</sub>) botanical extraction methods, or other extraction methods for which the Processor has received written approval from the Secretary.
- 5.6. A Processor that produces a hemp oil concentrate shall maintain records of certificate of analysis reported by a laboratory, including the laboratory name. A Processor shall only sell hemp oil concentrate with a total theoretical THC concentration greater than 0.3% to another Processor.
- 5.7. A Processor that produces a cannabinoid distillate, isolate, or broad spectrum concentrate, which includes the removal of THC or THC-A must submit for approval by the Secretary a disposal plan that ensures the THC and THC-A is disposed of in a manner rendering the THC and THC-A unusable, and accounts by process lot for all the THC or THC-A removed.
- 5.8. A Processor shall maintain records of all hemp crop(s) received from a Grower by harvest lot number. The records shall include:
- (a) The name, address and registration number of the Grower for any amount of hemp crop transferred to the Processor;
  - (b) Date(s) on which the hemp was received from the Grower;
  - (c) Amount of hemp on a dry weight basis in pounds transferred by the Grower;
  - (d) Records of all sampling and certificates of analysis done at harvest indexed by harvest lot number for all harvest lots in the Processors possession.
  - (e) A Processor shall maintain records of all testing request forms, documentation of sampling in conformance with Agency sampling protocols, and a certificate of analysis by harvest lot number for any hemp crop transferred to the processor indexed by harvest lot number for a period of three years post-transfer.
- 5.9. A Processor shall maintain records of hemp crops that the Processor receives from outside of Vermont. The records shall include:
- (a) The name and address of the out-of-state grower for each transfer of hemp crops;
  - (b) Date(s) hemp crop(s) were received by the Processor;
  - (c) Amount of hemp on a dry weight basis in pounds transferred from the out-of-state grower to the Processor;
- 5.10. A Processor shall maintain all records associated with production of hemp products or hemp-infused products produced in the processing facility by process lot number. The records shall include:
- (a) The certificate of analysis reported by a laboratory, including the laboratory name, for each harvest lot number if grown in Vermont;
  - (b) An annual record of a certificate of analysis reported by a laboratory, including the laboratory name, for any retail hemp or hemp-infused product;
    - i. each process lot shall be manufactured according to the specific instructions maintained by the Processor;
    - ii. If manufacturing process changes for a hemp product or hemp-infused product a new representative certificate of analysis shall be required.
  - (c) ; and
  - (d) A copy of the required label, as outlined in Section 11, corresponding to the retail hemp or hemp-infused product.

- 5.11. A Processor shall annually submit a report to the Agency containing information required in this section of these Rules. The Agency may use this information for purposes of studying processing, marketing and sales of hemp products and hemp-infused products, and other information specified by the Agency, and may only release the information in aggregate form.

Section 6 Testing Requirements for Growers

- 6.1. All testing shall be conducted by a certified laboratory.
- 6.2. A Grower may request a taxonomic determination that a hemp plant is a type III or type IV cultivar, in lieu of testing outlined in Sec. 6.4.
- 6.3. A harvest lot does not satisfy the definition of hemp under these rules when corresponding certificate of analysis or genetic test results show that the cultivar in production is a type I or type II cultivar.
- (a) No mitigation of the crop shall be permitted. The grower must dispose of the hemp in accordance with Section 8.4 (c).
- 6.4. When a Grower does not request a taxonomic determination under section 6.2, a Grower shall sample and test each harvest lot for potency and contaminant compliance.
- (a) A Grower shall document that a harvest lot is sampled according to Agency protocols.
  - (b) A certificate of analysis shall demonstrate that the hemp crop has a delta-9 THC concentration of not more than 0.3 percent and a total theoretical THC concentration of not more than 1% on a dry weight basis.
  - (c) Harvest lots must be sampled separately and may not be combined with other harvest lots.
- 6.5. A Grower shall submit to a laboratory a completed testing request form to show compliance for individual harvest lots. Requests shall include the map of the cultivation area of each harvest lot that conforms with the Grower's registered fields. Testing request forms shall include
- (a) Grower's name and last five digits of registration number,
  - (b) Date Sample was taken,
  - (c) Expected harvest date,
  - (d) Cultivar(s) associated with harvest lot number,
  - (e) A confirmation that the sample was taken in conformance with Agency's most recent pre-harvest sampling protocol, documenting how the sample was taken including map of harvest lot using maps submitted to Agency for registration, and identification of the location of the field by harvest lot and identified by harvest lot number.
- 6.6. All certificates of analysis for each sample tested shall include:
- (a) Grower's name, business name, business address, and last five digits of registration number,
  - (b) copy of accompanying testing request form,
  - (c) a sample ID number,
  - (d) sample size by weight, specified on a dry basis and composition of sample (e.g. flower-cured, flower wet, etc),
  - (e) percent moisture content,
  - (f) testing date and method,
  - (g) delta-9 THC concentration and total theoretical THC concentration,
  - (h) other cannabinoids present and their potency in a cannabinoid summary, and

- (i) the laboratory director's name and signature.
- 6.7. A harvest lot satisfies the federal definition of hemp and state potency requirements when the sample's delta-9 THC concentration is 0.3 percent or less and the total theoretical THC concentration is 1 percent or less on a dry weight basis, and as represented on the laboratory issued certificate of analysis. Mitigation for excess THC in accordance with 8.4 (a) or (b) and will not require destruction.
- 6.8. A harvest lot is compliant with Agency standards when contaminant levels are below action limits outlined by the Secretary for pesticides, heavy metals, mycotoxins, and bacterial and fungal contaminants.
- 6.9. The Agency may, at its discretion, conduct testing for a Grower. The Agency will charge a fee service and a Grower must submit a testing request form for any tests requested.
- 6.10. A Grower shall retain copies of all records associated with testing including but not limited to testing requests, certificates of analysis for potency and presence contaminants by harvest lot for three years post-harvest, and make available upon request.

#### Section 7 Testing Requirements for Processors

- 7.1. A Processor shall obtain copies of all certificates of analysis completed prior to harvest and their results for all harvest lots handled by the Processor. These results shall be indexed by process lot number and maintained for three years post-processing.
- 7.2. For the purposes of hemp product and hemp-infused product compliance with potency and contaminant action levels, [Vermont Action levels policy or procedure?]
- 7.3. A Processor may establish testing parameters based on delivery method (inhalant, ingestion, or absorption) that are based on a risk analysis submitted for review by the Agency to be used in product testing.
- 7.4. A process lot is compliant with Agency standards when contaminant levels are below action limits for pesticides, solvents, heavy metals, mycotoxins, and bacterial and fungal contaminants. Harvest lot certificate of analyses may be used to show action level compliance.
- 7.5. A Processor of hemp oil concentrate shall submit to a laboratory a completed testing request form for each process lot. Testing request forms shall include
  - (a) Requestor's name, business name and address, and registration number,
  - (b) Harvest lots, identified by harvest lot number, utilized in a process lot,
  - (c) Type of hemp product or hemp-infused product (e.g. inhalable, ingestible, absorbable) and retail product name, the specific instruction associated with manufacturing of hemp product or hemp-infused product, and copy of product label for product intended for retail sale; and the tests requested based on a risk analysis submitted for review.
- 7.6. A Processor shall maintain all certificates of analysis, records of purchases of hemp derivatives used in hemp products and hemp-infused products formulated in Vermont.
- 7.7. A Processor shall retain copies of all records associated with hemp product or hemp-infused product testing including but not limited to requests for testing, risk analysis, certificates of analysis for potency and presence contaminants by process lot for three years post-processing, and shall make available upon request.
- 7.8. The Agency may, at its discretion, conduct testing for a Processor. The Agency will charge a fee service and a Processor must submit a testing request form for any requested test.

7.9. If a hemp crop is not grown in Vermont, a certificate of analysis shall accompany the hemp crop transferred into the State of Vermont and shall be maintained for a period of three years post-transfer.

Section 8 Reporting and Disposal, Destruction or Mitigation

8.1. If a harvest lot or a process lot has a delta-9 THC concentration of more than 0.3 percent or a total theoretical THC concentration greater than one percent on a dry weight basis:

- (a) Within 24 hours of the completion of testing, the laboratory shall send the certificate of analysis containing the result
  - i. electronically to the Agency at [AGR.Hemp@vermont.gov](mailto:AGR.Hemp@vermont.gov) or by certified mail to the Agency, and
  - ii. to the Grower or Processor requesting the test.
- (b) Within 48 hours of receipt of the certificate of analysis from the laboratory, the Registrant requesting testing shall notify the Agency and provide the following electronically, to [AGR.Hemp@vermont.gov](mailto:AGR.Hemp@vermont.gov) or by certified mail to the Agency:
  - i. A copy of the certificate of analysis,
  - ii. The name and address of the laboratory that conducted the testing and certification number,
  - iii. The cultivation area and harvest lot number associated with the certificate of analysis,
  - iv. The Registrant's proposed actions to comply with 6 V.S.A. § 568.
- (c) Failure to notify the Agency within 48 hours of receipt of certificate of analysis of a harvest lot exceeding delta-9 concentration of 0.3 percent or total theoretical tetrahydrocannabinol concentration greater than one percent, on a dry weight basis, will result in enforcement in accordance with Title 6, chapter 1.

8.2. In its discretion, the Agency may allow a harvest lot to be retested.

8.3. If a laboratory tests a harvest lot and the harvest lot has a delta-9 concentration greater than 0.3 percent or total theoretical tetrahydrocannabinol concentration greater than one percent, on a dry weight basis the Agency will require disposal or destruction of the harvest lot corresponding to a sample.

8.4. All methods of disposal and destruction of harvest lots with delta-9 concentration greater than 0.3 percent or total theoretical tetrahydrocannabinol concentration greater than one percent on a dry weight basis shall be reviewed and approved by the Agency

8.5. The Grower is responsible for the cost of disposal or destruction.

8.6. If a laboratory tests a harvest lot and the harvest lot has a delta-9 concentration at 0.3 percent and a total theoretical tetrahydrocannabinol concentration at one percent on a dry weight basis, the Agency will require mitigation of the harvest lot corresponding to a sample. Mitigation may be carried out in one or a combination of the following methods:

- (a) A Grower may enter into an agreement with a Processor registered under 6 V.S.A. chapter 34 for the separation and disposal of THC concentrations that do not comply with the federal definition of hemp, by the Processor and return of a concentration to the Grower;

- (b) Sell the hemp crop, that corresponds to harvest lot, to a Processor registered under 6 V.S.A. chapter 34 for separation, disposal of THC and use by Processor.

Section 9 Requirements for the Handling of Hemp by Registrants

- 9.1. Registrants shall only handle hemp crops that have a tetrahydrocannabinol concentration of 0.3 percent or less and a total theoretical tetrahydrocannabinol concentration no greater than one percent on a dry weight basis, or type III and type IV hemp crops, unless part of a disposal, destruction, or mitigation plan outlined in Section 9.4-9.6.
- 9.2. Registrants shall not formulate, handle, wholesale or retail a hemp product or hemp-infused product that contains a total theoretical tetrahydrocannabinol content greater than 0.3 percent on a dry weight basis except as provided in Section 5.3.
- 9.3. A Registrant selling or transporting a hemp crop, hemp product, or hemp-infused product out of state may have the hemp crop, hemp product or hemp-infused product confirmed by the Secretary to meet the definition of hemp under State or federal law. A request for certification by the Secretary must include:
  - (a) A copy of the certificate of analysis from a laboratory for the hemp crop by harvest lot, identified by harvest lot number or for hemp or hemp-infused product by process lot, identified by process lot number, and
  - (b) Within 30 days of receiving the request for a confirmed crop or product, the Agency will generate a hemp confirmation that may accompany the shipment.

Section 10 Requirements for Labeling of Hemp Products and Hemp-infused Products

- 10.1. All hemp products or hemp-infused products produced and sold in Vermont must be labelled and traceable to a certificate of analysis for all label guarantees.
- 10.2. Registrants must label consumable hemp products and hemp-infused products in accordance with this section.
- 10.3. All label claims using the terms "whole plant," "isolate," "full spectrum," "broad spectrum," and "distillate" shall comply with the definitions contained in these rules.
- 10.4. All labels for consumable hemp products or hemp-infused products grown or processed in Vermont under these rules must contain the following information:
  - (a) The name and principal mailing address of the manufacturer of the product,
  - (b) A statement that the product contains ingredients that are derived from "hemp,"
  - (c) A statement that "this product is neither reviewed nor approved by the state of Vermont; and has not been analyzed by the FDA. There is limited information on the effects of using this product. Keep out of reach of children."
  - (d) A list of all ingredients including but not limited to all cannabinoid content over 0.05% in package
  - (e) Servings per container. the purported cannabinoids in milligrams per serving and total content of cannabinoids in milligrams per package, and a recommended daily amount,
  - (f) The potency of any purported cannabinoids contained in the product by serving size,
  - (g) A statement that there is THC, if applicable, and

(h) Manufacturing date, expiration date, and process lot number.

- 10.5. All label claims regarding potency must be an accurate and within +/-10% per serving size listed on label.
- 10.6. It shall be unlawful to label a hemp product or hemp-infused product in a manner that is untruthful, unfair, deceptive, or fraudulent. No Processor may package or distribute a hemp or hemp-infused product for consumption that is improperly labeled.

Section 11 Vermont Hemp Brand

- 11.1. Under authority in 6 V.S.A. Chapter 21 the Secretary establishes the Vermont Hemp Brand.
- 11.2. Vermont Hemp is a hemp crop, hemp product, or hemp-infused product that
- (a) is Produced in Vermont as defined in Section 2 by a Registrant of the Hemp Program;
  - (b) is grown and processed in facilities that document practices and conditions that have the potential to reduce risks for contaminants in cultivation areas and storage, drying, and processing facilities;
  - (c) is tested and is documented to be compliant with potency and contaminant action levels;
  - (d) Compliant with the Vermont Hemp Program's labeling requirements in Section 11; and
  - (e) Complies with all sections related record keeping.

Section 12 Inspection and Record Reviews

- 12.1. The Agency shall conduct inspections of Registrants at random annually, to verify that hemp is not produced in violation of state and federal law.
- 12.2. The Agency may during normal business hours inspect the Registrants' premises, machinery, equipment and facilities, inspect any crop during any growth phase or any hemp product or hemp-infused product during processing or storage, take representative samples of crops or any hemp product or hemp-infused product for analysis, and inspect or audit a Registrant's records for compliance with Title 6, and this rule.
- 12.3. The Agency may during normal business hours take samples of hemp products or hemp-infused products at any retail location offering such products for sale.

Section 13 Enforcement

- 13.1. When the Secretary has cause to believe that a hemp crop, a hemp product, or hemp-infused product offered for sale has a delta-9 concentration greater than 0.3 percent, a total theoretical tetrahydrocannabinol concentration greater than one percent dry weight basis, or has unacceptable residual solvents, heavy metals, mycotoxins, and bacterial and fungal contaminants, Agency staff may enter with notice during reasonable business hours upon registered sites where hemp crops, hemp or hemp-infused products are being grown, stored, processed, marketed, or sold at any time to take samples, inspect records, and inspect equipment or any vehicle.
- 13.2. A negligent violation is when the Secretary determines that a Registrant has not complied with Chapter 34 or these Rules. Examples of negligent violations are:

- (a) failed to register the site where hemp will be cultivated,
  - (b) materially falsifies information contained on a Hemp Program application, including failing to provide the location of a site where hemp will be cultivated, or
  - (c) produces *Cannabis sativa* L. with a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis or a type I or type II cultivar.
- 13.3. Corrective Action Plan. A Registrant shall comply with these Rules to correct the negligent violation by
- (a) within 10 days of receipt of a notice of the negligent violation, proposing corrective action and a date for completion of the corrective action for review and approval by the Agency,
  - (b) performing the approved corrective action within the approved date;
  - (c) reporting twice annually report to the Secretary on the compliance with this rule for the next 2 calendar years.
- 13.4. Result of Negligent Violation. A Registrant that negligently violates these Rules shall not as a result of that violation be subject to any criminal enforcement action by the Federal Government or any State government, or local government.
- 13.5. Repeat Violations. A Registrant that negligently violates this rule 3 times in a 5-year period shall be ineligible to grow or process hemp for a period of 5 years beginning on the date of the third violation.
- 13.6. The Secretary may issue and enforce a written "stop sale" order to the registrant of any harvest or process lot, which the Secretary finds is in violation of any of the provisions of this rule or Title 6 Chapter 34 with an opportunity for a hearing if a written request is filed with the Secretary within (5) days of receipt of the or the stop sale order.
- (a) The order shall prohibit further sale, processing, and movement of the harvest or process lot except on approval of the Secretary and shall be in effect until the Secretary issues a release from the stop sale order.
  - (b) Stop sale labels may not be removed from the harvest or process lots except by written permission from the Secretary or upon authorized disposal of the lot.
- 13.7. The Secretary may issue a cease and desist order for failure to comply with Chapter 34 or these Rules with an opportunity for a hearing if a written request is filed with the Secretary within (5) days of receipt of the cease and desist order.
- (a) It shall be a violation of this rule to violate a cease and desist order.
- 13.8. The Secretary may suspend a registration issued pursuant to Chapter 34 for failure to pay a penalty allowed under this rule and more than 45 days after the penalty was imposed by order and served has passed.
- 13.9. In a final decision, the Secretary may revoke the registration of a Grower or Processor or may refuse to register or renew the registration if a Grower or Processor violates:
- (a) A provision of Chapter 34;
  - (b) A rule adopted under Chapter 34;
  - (c) An order issued by the Agency under Title 6 Chapter 34, a rule adopted under a provision of Title 6 Chapters 1 and 34.

Section 14 Exemptions

- 14.1. Sections 7, 8, 9, and 10 do not apply when the hemp product

- (a) Is seed or seed oil for consumption and considered "Generally Recognized as Safe" by the U.S. Food and Drug Administration, or
- (b) is not intended for consumption and will be used for fiber, building material or as animal bedding, and is not part of an arrangement or an order of destruction of a hemp crop from the Secretary.

14.2. If Grower plants cultivars from the Government of Canada, Health Canada Industrial Hemp Varieties Approved for Commercial Production list , <https://www.canada.ca/en/health-canada/services/drugs-medication/cannabis/producing-selling-hemp/commercial-licence/list-approved-cultivars-cannabis-sativa.html>, as updated no sampling or testing shall be required for total theoretical tetrahydrocannabinol content.

Section 15 Effective Dates

- 15.1. Sections ... shall become effective on [date of adoption].
- 15.2. Effective date section AOD immediately
- 15.3. Enforcement later then rest of document levels of enforcement internal with rule penalties.

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