

TRANSMITTAL SHEET FOR
 NOTICE OF INTENDED ACTION

Control 80 Department or Agency Department of Agriculture and Industries
 Rule No.: 80-10-21-.17
 Rule Title: Application for Processor or Handler Licensing; Criteria and Procedure for Evaluation

 New X Amend Repeal Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? Yes

Is there a reasonable relationship between the state's police power and the protection of the public health, safety or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? N/A

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule?

 No

Does the proposed rule have any economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection(f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer *[Handwritten Signature]*
 Date: 2/11/2022

REC'D & FILED
FEB 11 2022
 LEGISLATIVE SVC AGENCY

APA-2

ALABAMA DEPARTMENT OF AGRICULTURE AND INDUSTRIES
Plant Protection

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Department of Agriculture and Industries

Rule NO. & TITLE: 80-10-21-.17 Application for Processor or
Handler Licensing; Criteria and Procedure for Evaluation

INTENDED ACTION: To amend rule.

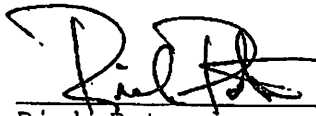
SUBSTANCE OF PROPOSED ACTION: To comply with the United States
Department of Agriculture (USDA) 2018 Farm Bill requirements.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Views may be presented
in writing to the contact person below or in person on Tuesday,
May 10, 2022, at 10:00 a.m., in the Board Room of the Richard
Beard Building, 1445 Federal Drive, Montgomery, Alabama, 36117.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: May 10, 2022.

CONTACT PERSON AT AGENCY: N. Gunter Guy, Jr., General Counsel,
Department of Agriculture and Industries, 1445 Federal Drive,
Montgomery, Alabama 36107-1123, Telephone No. (334) 240-7117.

2/11/2022
Date



Rick Pate
Commissioner of Agriculture
and Industries

80-10-21-.17 Application for Processor or Handler Licensing; Criteria and Procedure for Evaluation

(1) The department shall apply the criteria established in paragraphs (a) through (n) of this subsection in evaluating applications for a processor or handler licensing agreement:

(a) In accordance with this administrative regulation, the applicant shall submit a complete application with all required components and attachments.

(b) An applicant who has been a program participant previously, the applicant shall comply with the responsibility to submit any reports required by these regulations.

(c) All involved business entities shall be registered and in good standing with the Alabama Secretary of State.

(d) The applicant's processing sites, handling sites, and storage sites, shall be located in the State of Alabama.

(e) The criminal background check report indicates that, within ten (10) years from the date when the background check was issued, the applicant shall not have:

1. A felony conviction relating to a controlled substance under State or Federal law; provided however, that an exception applies to a person who was lawfully growing Hemp under the 2014 Farm Bill before December 20, 2018, and whose conviction also occurred before that date. If the applicant is an entity, all Key Participants of the entity are subject to this requirement.

2. Any other felony or misdemeanor conviction which affects the grower's competency to hold a license to grow, handle or process hemp.

(f) The processing or handling plan shall be compliant with state and federal law.

(g) The applicant's planned activities shall remain compliant with state law and the department policy.

(h) The applicant shall have a hemp acquisition plan.

(i) The applicant shall have a ~~marketing plan~~ hemp grow plan that is compliant with state and federal law.

(j) The applicant shall have adequate facilities, or plans to acquire adequate facilities sufficiently soon enough, to comply with the issuance of a license.

(k) In the past, including those times when the applicant was not a participant in the department's program, the applicant shall have demonstrated a willingness to comply with the department's rules, instructions from department staff, and instructions from representatives of ALEA and other law enforcement agencies.

(l) The applicant shall not be delinquent in making any required reports or payments to the department in connection with the applicant's participation in the program or other programs within the department.

(m) The applicant shall not have any unpaid fines or civil

penalties owed to the department.

(n) The applicant shall not have made and shall not make any false statements or representations to a representative of the department or a law enforcement agency.

(2) The department may conditionally approve an application for a processor or handler licensing agreement if the application satisfies the criteria established in this administrative regulation.

(3) The department shall notify applicants whether the application has been denied or conditionally approved. A person shall not be a participant in the department's program until the applicant and the department have executed a processor or handler licensing agreement following the applicant's completion of the department's mandatory orientation session.

Author: N. Gunter Guy, Jr.

Statutory Authority: Code of Ala.1975, §2-8-383

History: New Rule: Filed November 15, 2018; effective December 30, 2018. **Repealed and New Rule:** Published August 31, 2020; effective October 15, 2020; operative November 1, 2020. **Amended:** Filed November 9, 2021, effective: January 14, 2022. **Amended:**