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ND DEPT OF AGRICULTURE

NO. 930 U. S. Department of Justice

Drug Enforcement Administration

Agreed with Department

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Washington, D.C. 20537

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Roger Johnson, Commissioner North Dakota Department of Agriculture 600 E. Boulevard Avenue, Dept. 602 Bismark, North Dakota 58505-0020

Dear Commissioner Johnson:

This responds to your March 5, 2007 letter to the Drug Enforcement Administration (DEA), in which you ask DEA to reconsider your prior request that DEA "waive individual DEA registration for North Dakota-licensed industrial hemp farmers and allow the State of North Dakota, with your guidance, to regulate industrial hemp farming within its borders." As you know, DEA denied this prior request by letter to you dated February 1, 2007.

In DEA's view, your latest letter does not raise any new issues or provide any additional information not previously considered by the agency. Accordingly, your request for reconsideration must be denied. However, we will address here the request in your latest letter that DEA issue by April 1, 2007, a final decision on the two applications to cultivate cannabis that you handed to the agency when we met with you on February 12, 2007.

Please understand that, as we explained during the February 12 meeting, any application by a person seeking to become registered with DEA to manufacture a controlled substance demands a careful and extensive review for DEA to meet its statutory and regulatory obligations. The process necessarily involves steps that take substantial time to complete. Among other things, DEA must first publish in the Federal Register a notice of application whenever a person seeks to manufacture in bulk a schedule I controlled substance. 21 CFR 1301.33(a). DEA must provide copies of the notice to all persons registered as a bulk manufacturer of that basic class of substance and allow such persons 60 days from the date of publication in the Federal Register to file comments or objections to the issuance of the proposed registration. Id. In addition, the agency must undertake a background investigation of the applicant and conduct an on-site investigation of the premises to evaluate the proposed manufacturing process and ensure that there are adequate safeguards against diversion. The general security requirements for all applicants and registrants are set forth in 21 CFR 1301.71 - 1301.76. Consistent with the overall framework of the Controlled Substances Act (CSA), the regulatory controls for schedule I controlled substances are the most stringent. Where, as here, the substance at issue is marijuana - the most widely abused controlled substance in the United States - the need for careful evaluation of the applicant's proposed security measures is of paramount concern.

Once DEA has completed the field investigation, the agency must evaluate all the relevant information to determine whether the application for registration can be granted in accordance with the statutory factors. With respect to the applications about which you inquire, the statutory factors are set forth in 21 U.S.C. 823(a), which governs applications by persons seeking to manufacture

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^{*} Roger Johnson, Commissioner

Once DEA has completed the field investigation, the agency must evaluate all the relevant information to determine whether the application for registration can be granted in accordance with the statutory factors. With respect to the applications about which you inquire, the statutory factors are set forth in 21 U.S.C. 823(a), which governs applications by persons seeking to manufacture controlled substances in schedule I or II.

Given the foregoing considerations, it would be unrealistic (and unprecedented) to expect DEA to make a final decision on *any* application to manufacture any controlled substance within the timeframe you suggest – approximately seven weeks. That time frame is even more infeasible where the agency is being asked to evaluate two separate applications, both of which seek to grow marijuana on a larger scale than any DEA registrant has ever been authorized to undertake.

I trust that this information fully addresses your inquiry. We again thank you for continuing to seek DEA's input in addressing these important matters.

Sincerely,

Joseph T. Rannazzisi

Deputy Assistant Administrator
Office of Diversion Control