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July 27, 2007

Drug Enforcement Administration Office of Diversion Control Federal Register Representative (ODL) 2401 Jefferson Davis Highway Alexandria, VA 22301

Re:

Notice of Application

Manufacturer of Controlled Substances

Application of David C. Monson

OFFICE OF GENERAL COUNSE RECEIVED

JUL 3.0 2007

NDSU

To the Office of Diversion Control:

Pursuant to the regulations of the Drug Enforcement Administration (DEA), 21 C.F.R. §1301.33(a), North Dakota State University ("NDSU"), submits this comment in strong support of the application of David C. Monson for a registration for the bulk manufacture of a controlled substance in order to cultivate industrial hemp pursuant to North Dakota state law. Notice of the application appears at 72 Fed. Reg. 30632 (June 1, 2007). NDSU is an "other applicant" within the meaning of section 1301.33.

In 1997, the State of North Dakota enacted House Bill 1305, commissioning a study by the North Dakota State University ("NDSU") Institute for Natural Resources and Economic Development. That study was completed and published in 1998 (Agricultural Economics Report No. 402 (July 23, 1998)("North Dakota Hemp Study"). The North Dakota Hemp Study found that industrial hemp was grown in southeastern North Dakota during the 1940's, and concluded that industrial hemp is a viable alternative rotation crop and that cultivation of industrial hemp would create significant economic and business opportunities for the state's farmers. (North Dakota Hemp Study at 19).

Under that state law and amendments enacted in 1999, the main research center of NDSU serves as the location of the University's Agricultural Experiment Station, which is charged with the conducting research for the "development and dissemination of technology important to the production and utilization of food, feed, fiber and fuel from



crop and livestock enterprises." N.D. Century Code § 4-05.1-05. The center is authorized to conduct research regarding industrial hemp; and to collect feral hemp seed stock and develop appropriate adapted strains of industrial hemp containing less than 3/10 of one percent THC in the dried flowering tops. *Id*.

NDSU submitted its own application to DEA for a registration for cultivation of industrial hemp for research purposes, on September 28, 1999. NDSU proposed to plant 160,000 viable seeds to produce 144,000 hemp plants in the field, and to evaluate characteristics including emergence, growth and development, phenology, pest incidence, seed and biomass yield and seed and biomass quantity. No action has ever been taken by DEA on NDSU's application.

In 2005, the State of North Dakota enacted a law permitting a person within the state to plant, grow, harvest, possess, process, sell and buy industrial hemp upon meeting certain requirements and obtaining a license from the Agriculture Commissioner. N.D. Cent. Code. § 4-41-01 (2006). The law defines "industrial hemp" to mean *Cannabis sativa* 1. "having no more than three tenths of one percent tetrahydrocannabinol." *Id.*

Representative Monson obtained a license from the Agriculture Commissioner and subsequently applied to DEA for registration to manufacture a controlled substance in bulk, in order to cultivate industrial hemp pursuant to state law.

NDSU continues to believe that cultivation of industrial hemp would create significant economic and business opportunities for the state's farmers. Granting Rep. Monson's application would serve the interests of the state's farmers and would also enable to NDSU to carry out its statutorily mandated function of conducting research on industrial hemp, since the plants grown by Rep. Monson would be available for study and analysis as well as for the commercial uses set forth in his application.

Granting Rep. Monson's application would clearly be consistent with the public interest under the factors set forth in the Controlled Substances Act, 21 U.S.C. § 823(a). First, there is no risk of diversion of any controlled substances into other than legitimate industrial channels. As explained by Rep. Monson in his application, he will obtain viable seed only from sources which are not sources of seed for plants that can in any way enter the stream of commerce for drug marijuana. (If DEA were to grant NDSU's own application, one of those sources could be NDSU itself). There is no danger whatsoever that any drug marijuana would be cultivated in this field, the location of which is set forth in the license, and is subject to ongoing scrutiny and inspection by state officials. Further, following harvest, no controlled substance of any kind would actually leave Rep. Monson's property: the only products that would leave his farm are sterilized seed and oil, both of which are specifically exempted from the definition of "Marihuana" under the CSA, 21 U.S.C. § 802(16).

Second, Rep. Monson's cultivation of industrial hemp would be carried out, not only in compliance with applicable State and local law, 21 U.S.C § 823(a)(2), but pursuant to a regulatory regime directly created and implemented by the State of North

Dakota through its Agriculture Commissioner, which has issued strict regulations governing the cultivation of industrial hemp pursuant to state license. N.D. Admin. Code. § 7-14-02-04 requires that all industrial hemp seed be covered during transport to avoid the inadvertent dissemination of industrial hemp; that all volunteer plants not located in a licensed field be destroyed before reaching the seed producing stage; and that all nonexempt plant material be exported or sold to a DEA registered processor. The state regulations thus ensure that there will not be diversion of any parts of the industrial hemp plant other than those exempt from federal law.

Third, cultivation of industrial hemp pursuant to state law will help promote technical advances in the cultivation of industrial hemp in the U.S. NDSU's Agricultural Experiment Station would cooperate with and assist Rep. Monson, as well as the other applicant, Mr. Wayne Hauge, in ensuring that their initial and subsequent crops are cultivated in accordance with the best practices that will yield valuable lessons for these and other farmers in the state.

For these reasons, we urge the DEA to grant Rep. Monson's application for registration for bulk manufacture.

If you have any questions or need any further information concerning the above, please contact the undersigned.

NORTH DAKOTA STATE UNIVERSITY

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