STATE OF SOUTH DAKOTA

NOV 30 2021

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November 29, 2021

Governor Kristi Noem
Office of the Governor
500 E Capitol Ave
Pierre, SD 57501

Reed Holwegner, Director
Legislative Research Council
500 E. Capitol Ave
Pierre, SD 57501

RE: SD 2021 Hemp Report

Dear Governor Neom and Mr. Holwegner:

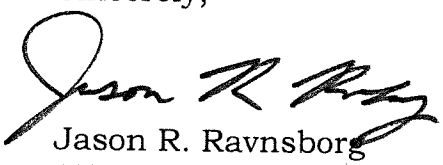
Pursuant to SDCL 38-35-19 here is the Hemp Report for 2021.

The Attorney General's Statistical Analysis Center surveyed law enforcement in November concerning the effect of legalizing industrial hemp. Law enforcement reported two violations of the industrial hemp laws. In the first, a Washington resident possessed "CBD" cigarettes which he intended to sell at the Sturgis Motorcycle Rally. The CBD cigarettes tested at 3% THC, well in excess of the requirement that industrial hemp be at or under 0.3% THC. Law enforcement seized 17,800 hemp cigarettes and the individual was charged with transporting industrial hemp without a license under SDCL 38-15-16 and industrial hemp for smoking prohibited under SDCL 38-35-21. As part of the investigation other controlled substances were found and appropriate charges were filed. The second incident involved a U-Haul which was transporting 1,640 pounds of industrial hemp from Oregon to North Carolina. The driver produced appropriate paperwork and permits from Oregon and law enforcement confirmed with the State of Oregon that the paperwork was legitimate. A field test of the industrial hemp indicated a 0.99% THC value which exceeds South Dakota's 0.3% THC limitation. After consulting with superiors and the States Attorney the industrial hemp permitted by the State of Oregon was allowed to proceed. Law enforcement did notify North Carolina officials of the incoming shipment.

Last year's issue of not being able to distinguish marijuana from industrial hemp in the field apparently has been resolved. There was little effect on law enforcement's ability to continue to prosecute illegal cases of marijuana and/or controlled substances. This may change as the production of industrial hemp increases in South Dakota and elsewhere. We anticipate the legalization of medical marijuana and the possible legalization of recreational marijuana, having a much greater impact on the prosecution of these cases than the early stages of the legalization of industrial hemp did.

Please contact me if you have any other questions.

Sincerely,



Jason R. Ravnsborg
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JRR/dd