

STATE OF WISCONSIN  
DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION  
2021 HEMP RESEARCH PROGRAM: RESEARCH AGREEMENT

This Research Agreement (“Agreement”) is made between the Department of Agriculture, Trade and Consumer Protection (“Department”) and the hemp research program (“Hemp Program”) licensed grower or licensed processor (“Licensee”).

The Department is authorized by the Agricultural Act of 2014 (“2014 Farm Bill”), the Agriculture Improvement Act of 2018 (“2018 Farm Bill”), Wis. Stat. § 94.55, and Wis. Admin. Code ch. ATCP 22 to implement a Hemp Program. The Department has authority to partner with persons to grow and process hemp for research purposes in Wisconsin.

All state hemp research program expirations are established pursuant to section 7605(b) of the 2018 Farm Bill.

The Licensee hereby agrees to the following upon the Department issuing a Grower or Processor License and Annual Registration:

1. The Licensee shall act as a researcher in connection with the Hemp Program.
2. The Licensee’s authority to conduct research under the Hemp Program commences on the date the Department signs this Agreement and expires on December 31, 2021.
3. The Licensee shall strictly adhere to the Agreement, Wis. Stat. § 94.55, and Wis. Admin. Code ch. ATCP 22.
4. The Department shall have the right to monitor compliance by, among other things, conducting inspections. Wis. Admin. Code § ATCP 22.08. The Licensee agrees to provide information reasonably requested by the Department to verify compliance with this Agreement, Wis. Stat. § 94.55, Wis. Admin. Code ch. ATCP 22, and any other local, state, and federal laws.
5. At all times during the term of this Agreement, and with respect to any obligations surviving its expiration, the Licensee shall remain responsible for the performance of this Agreement. If requested by the Department, the Licensee shall present evidence of its continuing legal authority to do business in Wisconsin and compliance with this Agreement, Wis. Stat. § 94.55, and Wis. Admin. Code ch. ATCP 22.
6. The Licensee represents and affirms that in the past 10 years the Licensee or its Operations Manager has not been convicted of any felony criminal violation relating to a controlled substance under state or federal law, unless the person held a valid license, registration, or other authorization to produce hemp under a pilot program of any state authorized by the 2014 Farm Bill on December 20, 2018, and the felony conviction occurred prior to that date. If at any time after the issuance of a license, the Licensee or its Operations Manager is convicted of any felony criminal violation of

the aforementioned laws, the Licensee or its Operations Manager must report the conviction to the Department within 10 days of the conviction.

7. In the event there is a change in the application information provided to the Department, the Licensee shall be responsible for requesting an amendment to its license under Wis. Admin. Code. § ATCP 22.03(8).
8. Licenses are not transferable to another person. Wis. Admin. Code § ATCP 22.03 (1) and (3). The Licensee, notwithstanding any subcontracting, shall remain responsible and liable for all activities performed by any subcontractor or under any subcontract with respect to the Hemp Program. The Licensee is responsible and liable for all activities performed by its employees.
9. It is understood and agreed that the legal status of the Licensee, its employees, agents, partners, or subcontractors is that of an independent contractor and in no manner shall they be deemed employees or agents of the State of Wisconsin, and therefore, are not entitled to any of the benefits associated with such employment or designation.
10. The Licensee understands and agrees that it will submit all forms and reports as required in Wis. Admin. Code §§ ATCP 22.05, 22.07, 22.09 and 22.12, as follows:
  - A. Variety Approval Form (Licensed Grower Only). At least 30 days prior to planting to obtain Department variety approval.
  - B. Planting Report (Licensed Grower Only). By July 1, 2021, and no later than 30 days following planting.
  - C. Harvest Notification Form (Licensed Grower Only). At least 30 days before harvest.
  - D. Destruction Notification Form and Destruction Report (Licensed Grower or Processor). Prior to voluntary destruction independent of a requirement set by the Department.
  - E. Final Production Report (Licensed Grower Only). By December 15, 2021.
  - F. Processing Report (Licensed Processors Only). By December 15, 2021.
11. The Department shall have a perpetual right to use the data and materials required to be reported to the Department with respect to the Hemp Program.
12. Information submitted to the Department may be confidential under Wis. Stat. § 94.55(2)(b)5. The Department is required by law to provide information collected under the Hemp Program to a law enforcement agency or law enforcement officer.
13. The Licensee represents that it is aware of the federal and state laws governing hemp and the Hemp Program.
14. The Licensee acknowledges that the regulatory environment surrounding hemp is in transition; that certain aspects of the law relating to hemp are subject to differing

interpretations; that possession of hemp outside the terms of this Agreement, Wis. Stat. § 94.55, and Wis. Admin. Code ch. ATCP 22 may constitute a violation of state and federal law; and, that anyone in violation may be subject to local, state, and federal prosecution.

15. The Licensee consents to the Department’s testing protocol, as follows. Total delta-9 tetrahydrocannabinol (“THC”) content will be evaluated by using high performance liquid chromatography (“HPLC”), and by using a conversion formula that sums delta-9 THC and 87.7 percent of tetrahydrocannabinolic acid (“THC-A”) to achieve equivalent results to drying or heating. THC-A is included in the assessment because THC-A is a precursor to delta-9 THC, and converts to delta-9 THC.
16. The Licensee acknowledges that sampling and testing will take place at times and on dates determined by the Department. Wis. Admin. Code § ATCP 22.09.
17. The Licensee consents to the Department’s Sample Collection Standard Operation Procedure at <https://datcp.wi.gov/Documents/HempSampleCollectionProcess.pdf>.
18. The Licensee acknowledges that if hemp fails its initial test with a total delta-9 THC concentration above 0.3 percent and at or below 1.0 percent the licensed grower may request that a new sample be taken at the expense of the licensee, and that if the final lab analysis exceeds 0.3 percent THC on a dry weight basis, the lot where the sample was collected shall be destroyed by the licensed grower within 10 days. Wis. Admin. Code § ATCP 22.10.
19. The Licensee consents to forfeiture and destruction, without compensation, of hemp found by the Department to have a measured total delta-9 THC content of more than 0.3 percent. The Department will issue special orders for destruction of such hemp material following the procedure in Wis. Stat. § 93.18(2) and Wis. Admin. Code ch. ATCP 1, with appeal rights. In no event shall any forfeiture or destruction by the Department constitute or be deemed a breach of contract, and, therefore, no liability shall be incurred by or arise against the State, its officers or employees for actual losses, anticipated lost profits and any other damages.
20. The Licensee acknowledges the inherent risk associated with participation in a research program focusing on a new crop. By entering into this Agreement and planting hemp, the Licensee assumes and bears sole responsibility for financial or other losses that may result from the Licensee’s choice to participate as a researcher under the Hemp Program.
21. The Licensee shall abide by all local, state, and federal laws applicable to the growing or processing of hemp.
22. The Licensee represents that it has sought whatever legal or other advice it believes to be appropriate and is not relying on the Department’s granting a license or any other statement or conduct by the Department in evaluating any legal or other risk to which the Licensee may be exposed by participating in the Hemp Program.

23. The Department, at its sole discretion, reserves the right to suspend or terminate any or all activities under this Agreement if it discovers information that the Licensee has failed to abide by the terms of this Agreement, Wis. Stat. § 94.55, or Wis. Admin. Code ch. ATCP 22. The Department may also suspend or terminate this Agreement if the authority for the Department to perform the Hemp Program is altered or terminated by legislative, judicial, or executive action. In the event of a suspension, the Licensee shall be given written notice outlining the reason for the suspension. The Licensee shall comply with the terms of a suspension or termination until such time as the Department issues a written notice authorizing the resumption of performance under the Agreement.
24. In no event shall any suspension or termination by the Department constitute or be deemed a breach of contract, and, therefore, no liability shall be incurred by or arise against the State, its officers or employees for actual losses, anticipated lost profits and any other damages.
25. The Licensee may terminate this Agreement by providing written notice to the Department. If this Agreement is terminated by either the Licensee or the Department, the Licensee will be ineligible to grow or process hemp, and will be responsible for destroying its hemp as directed by the Department.
26. The Licensee shall be fully liable for the actions of its employees, agents, partners, or subcontractors and shall fully defend, indemnify, and hold harmless the State, its officers, and employees from suits, actions, proceedings, claims, losses, damages, and costs of every name and description relating to any and all accidents, personal injury and damage to real or personal tangible property caused by any intentional act or negligence of the Licensee, or its employees acting within the scope of their employment, agents, partners and subcontractors in connection with this Agreement, without limitation; provided, however, that the Licensee shall not be obligated to indemnify the State, its officers, or employees for any claim, loss, damage, or cost arising from this Agreement to the extent caused by the negligent act, failure to act, gross negligence, or willful misconduct of the State, its officers, or employees.
27. This Agreement is not assignable.
28. Any notice or communication required hereunder shall be in writing and shall be deemed duly served as of the date it is delivered by hand or three business days after having been mailed by certified mail.
29. In the event that any one or more of the provisions of this Agreement shall for any reason be declared unenforceable under the laws or regulations in force, such provision will have no effect on the validity of the remainder of this Agreement, which shall then be construed as if such unenforceable provision had never been written or contained in this Agreement.

- 30. The provisions of Paragraphs 8, 9, 11, 12, 22, and 25 of this Agreement shall remain enforceable following its expiration, suspension, or termination. The Licensee shall maintain compliance with Wis. Stat. § 94.55 and Wis. Admin. Code ch. ATCP 22.
- 31. This Agreement may not be changed, modified or altered in any manner except by an instrument in writing executed by the Department and the Licensee.
- 32. This Agreement may be executed in multiple originals, which together shall constitute a single contract. The parties agree to accept a handwritten signature or an electronic signature that complies with Wis. Stat. ch. 137 to execute this Agreement.

The persons signing this Agreement represent and warrant that they are duly authorized to sign on behalf of the respective parties.

**Applicant**

By: \_\_\_\_\_ Date: \_\_\_\_\_

For: \_\_\_\_\_

LEGAL ENTITY AND BUSINESS NAME OF THE APPLICANT AS IT  
APPEARS ON THE APPLICATION

Wisconsin Department of Agriculture, Trade and Consumer Protection

By: \_\_\_\_\_ Date: \_\_\_\_\_

(For DATCP Use Only – Do Not Sign This Line)