



# Puerto Rico Business Playbook

## Hemp Industry

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# Why Puerto Rico start a Hemp Business in Rico

- Puerto Rico has over 2,800 hours of sun a year and can produce up to three hemp crop cycles per year.
- There are unique incentives for registered farmers growing hemp.
- Government-owned land parcels and manufacturing facilities are available for rent through the Puerto Rico Industrial Development Company (PRIDCO.)
- Highly skilled farm workers.
- Puerto Rico advantageous location makes it ideal bridge between the US & Latin America or Europe.
- Legal infrastructure is based on US law (Farm Bill 2018).

## About this document

This document guide provides general information regarding basic permits that are required for any commercial operation in Puerto Rico, as well sector-specific permits that are mandatory for the hemp industry. Prior to initiating a hemp business on the island, you should consult with an experienced, local professional advisor; this overview does not constitute nor replace professional advice.

## We're here to help

Invest Puerto Rico is the official nonprofit, private company tasked with attracting business and capital investment to Puerto Rico. Our team includes experts in Marketing, Research & Strategy, and Business Development, and we offer concierge services free of charge to companies and investors setting up operations on the island. From basic orientation and connections to local stakeholders, to finding real estate, talent, service providers, and navigating the incentive application process.



**Let's Get Started!**

# Next Steps



## Step 1: Create and Register Your Business

- Register your business with the Puerto Rico Department of State. You can do this online [here](#) and will need to pay the applicable fee:
  - For-Profit Corporation, Close Corporation, Professional Corporation, and Foreign For-Profit Corporation: \$150
  - Nonprofit Corporation and Foreign Nonprofit Corporation: \$5
  - Limited Liability Partnership: \$110
- For Tax purposes, If your business does not already have and EIN from the US Internal Revenue Service (IRS) please request one by filling out Form SS-4 available online [here](#).
- For Tax purposes, please register EIN with the Puerto Rico Department of Treasury by filling out Form SC-4809 available online [here](#).
- Register with the Merchant Registration of the Treasury Department [here](#). This is similar to a “sellers permit” in the United States mainland.
- Employers are required to register with the Department of Labor & Human Resources [here](#) and the State Insurance Fund Corporation [here](#).
- All businesses of all industry sectors must obtain a use permit and other basic licenses that may apply, such as a sanitary license, fire prevention certificate, construction permits, and others, available at the [Single Business Portal \(SBP\)](#).
- You will need the following documents:
  - Deed or lease contract of the property
  - Certificate from the Center for the Collection of Municipal Revenue (CRIM), available [here](#)
  - Sketch and photos of the property and its measurements
  - Explanatory document detailing the intended use of the property, address, operating hours, number of parking spaces, and number of employees
- Access the SBP and log in to create your unique profile from which to request the Single Permit and others that may apply.

## Step 2: Complete Industry-Specific Requirements

- The local hemp industry is regulated by the [Puerto Rico Department of Agriculture](#) (PRDA), who established the [Hemp Licensing & Inspection Office](#) (OLIC).
- Any person or legal entity interested in participating in Puerto Rico's hemp industry must comply with all the requirements set forth in the [Puerto Rico Department of Agriculture Hemp Plan](#) (PRDAHP).
- There are distinct licenses for: Cultivation, Seed Distribution, Manufacturing, Importation, and Distribution of Hemp Products for Consumption, Research, and Laboratory.
- This document provides a general overview of the sector's requirements but does not contain all specifications. Please refer to the [PRDAHP](#) for additional provisions.



## Hemp Cultivation

### Requirements & procedures to obtain a license:

A **Cultivation License** issued by OLIC permits the possession, germination, growing, propagation, cultivation, drying, storage, sale, and exportation of hemp in Puerto Rico. It also allows the sale, distribution, and export of viable seeds for sowing so long as it complies with applicable laws and regulations.

- Any interested person or legal entity must fill out the application (available in person at the OLIC or for download [here](#)) and pay a \$50.00 filing fee. Yearly renewals incur no cost.

- If the applicant is a legal entity, the application must include both the name of the legal entity and the full name of the person authorized to represent the legal entity via corporate resolution or other legally binding document. The application must be signed by the applicant or, in the case of legal entities, their authorized representative. Photo identification of the applicant must be provided; if the applicant is a legal entity, a valid, government-issued ID of its authorized representative must be provided.

- Prior to applying, you will need the following government documents:
  - Copy of the Merchant Certificate issued by the [Puerto Rico Treasury Department](#) (Departamento de Hacienda)
  - Negative Debt Certification issued by the [Puerto Rico Treasury Department](#)
  - Fingerprint-based Criminal Background Check Certification issued by the Federal Bureau of Investigations (FBI) in support of the key applicant
  - Negative Certificate of Criminal Record issued by the country, state, or territory in which the key participant or its legal representative resides
- If the applicant is a legal entity, the following documents must also be provided:
  - Certificate of Good Standing issued by the Puerto Rico State Department
  - Corporate Resolution or applicable equivalent authorizing a representative to act on behalf of the legal entity
- The applicant must provide documentary evidence of the legal possession (ownership or lease) of the land and/or structures where hemp is going to be produced/grown and the GPS location of the land. If the applicant is a legal entity, the documents evidencing legal possession must be in the name of said legal entity.
- The applicant must provide a diagram of the land or structure where the hemp will be produced. The diagram must be in a digital format and display the coordinates or GPS location of the topography/terrain and/or existing structures.
- A Cultivation License may be issued to applicants whose land and/or structures are leased from the [Puerto Rico Land Authority](#) (ATPR). Additional information is available at ATPR offices.
- The applicant must obtain a Bona Fide Farmer Certificate from the DA Regional Director for the municipality on which the land, structure, or property where the hemp will be produced is located. Additional information is available at each of the DA's Agricultural Regions, which are:
  - Arecibo: +1 (787) 878-2028
  - Caguas: +1 (787) 810-0757
  - Lares: +1 (787) 897-2752
  - Mayagüez: +1 (787) 832-5022
  - Naranjito: +1 (787) 869-9110
  - Ponce: +1 (787) 842-9858
  - San Germán: +1 (787) 892-5158
  - Utuado: +1 (787) 894-2245
- In substitution of the Bonafide Farmer Certificate, the applicant may also present a certificate of completion of the course entitled "Next Level," coordinated by the DA's Integral Fund for Agricultural Development (FIDA, its Spanish acronym).
- In substitution of the Bonafide Farmer Certificate or the "Next Level" certificate, the applicant may present a certificate of completion of the "Farm Administration Program" (PAF for its Spanish acronym) offered by the Agricultural Extension Service (SEA, its Spanish acronym) of the University of Puerto Rico, Mayagüez Campus.
  - For these purposes, the "Next Level" and "PAF" courses or other DA certifications must have been completed on or after 2019.
- The annual costs of a Cultivation License will vary from \$500 to \$3,000 depending on the size and location of the production. Learn more [here](#).
- A license payment can be made electronically on the DA webpage, under the OLIC tab, or via check in the Finance Division of ADEA.
  - The check must be issued in the name of ADEA and must include in the description: OLIC – Puerto Rico Hemp License.

- If the applicant wishes to grow hemp on more than one property, structure, or facility and these are not under the same legal tenure or lease, the applicant will have to apply and pay for a Cultivation License for each property, structure, or facility tenure or lease.
- Any person or legal entity that obtains a Cultivation License and wishes to import hemp seed into Puerto Rico must obtain a Special Hemp Seed Importation Permit through the Plant Health Office inside the Department of Agriculture's Agro-commercial Integrity Auxiliary Secretary (DA-SAIA, its Spanish Acronym).
- All Cultivation License holders must comply with the Federal Insecticide, Fungicide and Rodenticide Act of 1947 (FIFRA) and the Puerto Rico Pesticide Law (Act 9-1953) regulations.
- Every holder of a Cultivation License must submit Quarterly Reports to the OLIC regarding the buying, pre-sowing, sowing, cultivation, destruction, and sale of hemp or its derivatives. The Quarterly Cultivation Report must include the following information:
  - Name of the varieties and quantities of hemp seeds and/or seedlings purchased
  - Evidence of the purchase of the seeds and/or seedlings
  - Copy of the Special Hemp Seed Importation Permit and the Phytosanitary Permit, if applicable
  - Names of the varieties and quantities of germinated seeds
  - Number of developed seedlings and/or clones of mother plants
  - GPS location of germination area
  - Names of the varieties and quantities of seeds and/or plants that have been planted;
  - GPS location of sowing area
  - Measurements of sowing areas (in acres, "cuerdas", or square feet)
- Results of THC concentration tests carried out in private authorized laboratories or in the Agrological Laboratory (part of the DA-SAIA)
- Name of varieties and quantities of harvested plants, the date of harvesting and harvested area (in acres, "cuerdas", or square feet);
- If applicable, regarding the destruction of hemp or its derivatives, the names and quantities of hemp-derived products and/or the name of the varieties and quantities of destroyed seeds, clones, and plants
- The results of THC concentration tests performed on hemp in private authorized laboratories or the Agrological Laboratory
- A description of the destruction protocol, including the previous location of the destroyed product
- Description and quantities of the products sold
  - A Cultivation License holder may exercise discretion regarding the protocol of destruction for male plants, and their destruction does not have to be reported.
- OLIC may request additional documents or information relevant to the reports, if necessary.





- Every holder of a Cultivation License must report the following information to the USDA-Farm Service Agency (FSA):
  - Street address and geospatial location for each lot or greenhouse where hemp will be produced, including all production sites from the producer that operates on more than one location.
  - If an applicant has production sites licensed under a USDA-approved State Plan, those sites will be covered under the respective plan and will not need to be included under the producer's application to become licensed under the USDA plan.
  - Acreage dedicated to the production of hemp, or greenhouse or indoor square footage dedicated to the production of hemp.
  - License or authorization identifier.
- Each licensee will be subject to, at least one unannounced annual inspection and sampling of vegetative material and/or hemp-derived product by OLIC personnel. All Cultivation License holders must request and coordinate additional inspections with the OLIC Inspectors to carry out samplings, as necessary.
- The issued licenses will be valid for one year from the date of issuance and can be renewed 30 days before their expiration date.



This guide provides a general overview of the sector's requirements but does not contain all specifications. Please refer to the [PRDAHP](#) for additional steps and requisites.

# Hemp Seed Distribution

## Requirements & procedures to obtain a license:

A **Seed Distributor License** granted by the OLIC allows for the importation, distribution, sale, and exportation of viable hemp seeds for sowing in compliance with applicable Puerto Rico and federal laws and regulations.

- Any interested person or legal entity must fill out the application (available in person at the OLIC or download [here](#)) and pay a \$50.00 filing fee. Yearly renewals incur no cost.
- A photo ID of the applicant must be provided. If the applicant is a legal entity, a valid, government-issued ID of its authorized representative must be provided.
- Prior to applying, you will need the following government documents:
  - Copy of the Merchant Register issued by the Puerto Rico Treasury Department
  - Negative Debt Certification issued by the Puerto Rico Treasury Department
  - Copy of a fingerprint-based Criminal Background Check issued by the Federal Bureau of Investigations (FBI) in support of the key participant
  - Negative Certificate of Criminal Record issued by the state or territory in which the key participant or its legal representative resides
- If the applicant is a legal entity, the following documents must also be provided:
  - Certificate of Good Standing issued by the Puerto Rico State Department
  - Corporate Resolution or applicable equivalent authorizing a representative to act on behalf of the legal entity
- Applications must include documentary evidence of the legal possession (ownership or lease) of the structure where hemp seeds are going to be stored, if applicable. If the applicant is a legal entity, the documents evidencing legal possession must be in the name of said legal entity.
- The annual cost of the Seed Distributor License is \$1,000.00.
- Any person or legal entity that obtains a Seed Distributor License and wishes to import seeds into Puerto Rico must visit the DA-SAIA's Plant Health Office to obtain a Special Hemp Seed Importation Permit.
  - The seeds must arrive with a Phytosanitary Permit and laboratory tests provided by the seed seller that certify that the mother plants (or seed donors) were hemp, with a concentration of 0.3% THC or less. The seeds must arrive at the OLIC's physical address: OLIC, Office 203, Building 1309, Ave. Fernández Juncos, Parada 19 ½, Santurce, Puerto Rico 00908-1163. Additional information is available at the DA-SAIA office.
- Any person or legal entity that obtains a license under the PRDAHP will be subject to, at least, one unannounced annual inspection and must allow OLIC personnel access to its facilities. OLIC personnel have the duty to inspect and ensure proper compliance with regulations established by the office and may collect vegetative material or samples of hemp-derived products to perform tests in authorized laboratories for these purposes. Failure to allow access to OLIC personnel may result in the immediate revocation of the license.

- Every holder of a Seed Distributor License must submit an **Annual Report** to the OLIC regarding the buying, selling and destruction of hemp seeds. The report must include the names of the varieties and quantities of hemp seeds purchased; evidence of purchase of the seeds and/or seedlings; copy of the Special Hemp Seed Importation Permits and Phytosanitary Permit, if applicable; names of the varieties and quantities of seeds destroyed, if applicable; description of destruction protocol; and/or names of varieties and quantities of seeds sold, as applicable. OLIC may request additional documents or information relevant to the reports if necessary.
- The issued licenses will be valid for one year from the date of issuance and can be renewed 30 days before their expiration date.



## Hemp Manufacturing

### Requirements & procedures to obtain a license:

A **Manufacturing License** granted by the OLIC allows for the purchasing, processing, creation, sale, and importation of hemp-derived products into Puerto Rico and the exportation thereof.

- Any interested person or legal entity must fill out the application (available in person at the OLIC or download [here](#)) and pay a \$50.00 filing fee. Yearly renewals incur no cost.
- If the applicant is a legal entity, the application must include both the name of the legal entity and the full name of the person authorized to represent the legal entity via corporate resolution or other legally binding document. The application must be signed by the individual applicant, or in the event of a legal entity, the legal entity's authorized representative.
- Photo identification (ID) of the applicant must be provided. If the applicant is a legal entity, a valid, government-issued ID of its authorized representative must be provided.
- Prior to applying, you will need the following government documents:
  - Copy of the Merchant Register issued by the Puerto Rico Treasury Department
  - Negative Debt Certification issued by the Puerto Rico Treasury Department
  - Copy of a fingerprint-based Criminal Background Check issued by the Federal Bureau of Investigations (FBI) in support of the key participant
  - Negative Certificate of Criminal Record issued by the state or territory in which the key participant or its legal representative resides

- If the applicant is a legal entity, the following documents must also be provided:
  - Certificate of Good Standing issued by the Puerto Rico State Department
  - Corporate Resolution or applicable equivalent authorizing a representative to act on behalf of the legal entity
- All applications must include documentary evidence of the legal possession (ownership or lease) of the structure where hemp or hemp-derived products will be processed. If the applicant is a legal entity, the documents evidencing legal possession must be in the name of said legal entity.
- All applicants must submit a diagram of the land or structure where the hemp or hemp-derived products will be processed is required. The diagram must be in a digital format and electronically display the coordinates or GPS location of the terrain and structures.
- Structures leased under contract with the Puerto Rico Industrial Development Company (PRIDCO, its Spanish acronym) are eligible for purposes of obtaining a Manufacturing License. Further information is available at the PRIDCO offices or on their [website](#).
- The annual cost of a Manufacturing License will be \$3,000.00.
- If the applicant wishes to carry out hemp manufacturing processes in more than one structure or facility and these are not under the same legal tenure or lease, the applicant will have to apply and pay for a Manufacturing License for each land, structure, or facility tenure or lease.
- The Manufacturing License holder may not import and/or distribute seeds or germinate, grow, or cultivate hemp in its facilities without the corresponding license that authorizes it.
- Any legal entity that obtains a license under the PRDAHP will be subject to, at least, one unannounced annual inspection and must allow OLIC personnel access to its facilities. OLIC personnel have the duty to inspect and ensure proper compliance with regulations established by the office. Failure to allow access to OLIC personnel may result in the immediate revocation of the license.
- Every holder of a Manufacturing License must submit **Annual Reports** to the OLIC regarding the purchase, sale, and destruction of hemp-derived products. The report must include the following information: description and quantity of hemp and/or hemp-derived products purchased for processing; evidence of the purchase of hemp or its derived products; if applicable, description and quantity of destroyed hemp-derived products; results of THC concentration tests performed on hemp-derived products in private authorized laboratories or the Agrological Laboratory; description of destruction protocol (must include the previous location of the destroyed product); and description and quantity of hemp and/or hemp-derived products sold. OLIC may request additional documents or information relevant to the reports if necessary.
- The issued licenses will be valid for one year from the date of issuance and can be renewed 30 days before their expiration date.



## Hemp Importation & Distribution

### Requirements and procedures to obtain a license:

A **license for the Importation and Distribution of Hemp Products for Consumption** granted by the OLIC allows for the importation and/or distribution of hemp-derived products for human or animal consumption, which may contain CBD in any form.

- Distributors must comply with the requirements of this license regardless of whether the products to be distributed are imported or locally produced.
- The following distributors are exempted from the requirements of this section:
  - Manufacturing License holders
  - Importers and distributors of hemp seeds for human and/or animal consumption. However, the importation and distribution of viable hemp seeds for sowing requires an OLIC license.
  - Importers and distributors of hemp-derived products that are not for human or animal consumption, such as lotions, cosmetic products, clothing, building materials, etc.
- Any interested person or legal entity must fill out the application (available in person at the OLIC or download [here](#)) and pay a \$50.00 filing fee. Yearly renewals incur no cost.
- If the applicant is a legal entity, the application must include both the name of the legal entity and the full name of the person authorized to represent the legal entity via corporate resolution or other legally binding document. The application must be signed by the individual applicant or, in the event of a legal entity, the legal entity's authorized representative.
- Photo identification (ID) of the applicant must be provided. If the applicant is a legal entity, a valid, government-issued ID of its authorized representative must be provided.

- Prior to applying, you will need the following government documents:
  - Copy of the Merchant Register issued by the Puerto Rico Treasury Department
  - Negative Debt Certification issued by the Puerto Rico Treasury Department
  - Copy of a fingerprint-based Criminal Background Check issued by the Federal Bureau of Investigations (FBI) in support of the key participant
  - Negative Certificate of Criminal Record issued by the state or territory in which the key participant or its legal representative resides
- If the applicant is a legal entity, the following documents must also be provided:
  - Certificate of Good Standing issued by the Puerto Rico State Department
  - Corporate Resolution or applicable equivalent authorizing a representative to act on behalf of the legal entity
- Applications must include documentary evidence of the legal possession (ownership or lease) of the structure where hemp-derived products are going to be stored, if applicable. If the applicant is a legal entity, the documents evidencing legal possession must be in the name of said legal entity.
- Any person or corporation that obtains a license under the PRDAHP will be subject to, at least, one unannounced annual inspection and must allow OLIC personnel access to its facilities. OLIC personnel have the duty to inspect and ensure proper compliance with regulations established by the office. OLIC personnel may collect vegetative material or samples of hemp-derived products to carry out tests in authorized laboratories for these purposes. Failure to allow access to OLIC personnel may result in the immediate revocation of the license, and individuals or legal entities and their authorized representatives may not participate in the PRDAHP.
- Every holder of a License for the Importation and Distribution of Hemp Products for Consumption must submit **Annual Reports** to the OLIC regarding the purchase, sale, and destruction of hemp-derived products. The report must include the following information: description and quantities of hemp-derived products purchased for distribution; evidence of the purchase of hemp-derived products; if applicable, description and quantity of destroyed hemp-derived products; results of THC concentration tests performed on hemp-derived products in private authorized laboratories or the Agrological Laboratory; description of destruction protocol, including the previous location of the destroyed product; and description and quantity of hemp-derived products sold. The OLIC may request additional documents or information relevant to the reports if necessary.
- Any change to the information provided in the application for a License for the Importation and Distribution of Hemp Products for Consumption must be reported immediately to the OLIC.
- Issued licenses will be valid for one year from day of issuance and can be renewed 30 days before their expiration date.



# Hemp Research

## Requirements and procedures to obtain a license:

A **Research License** granted by the OLIC allows for the importation of seeds, as well as their germination, growth, cultivation, propagation, storage, processing, and investigation of hemp and/or hemp-derived products in Puerto Rico.

- Any interested person or legal entity must fill out the application (available in person at the OLIC or download [here](#)) and pay a \$50.00 filing fee. Yearly renewals incur no cost.
- If the applicant is performing the research or investigation as a member of an institution of higher learning (college or university), the application must include both the name of the institution and that of the principal investigator that will carry out the research or investigation. If the applicant is a legal entity that is not an institution of higher learning, the application must include both the name of the legal entity and the full name of the person authorized to represent the legal entity via corporate resolution or other legally binding document. The application must be signed by the individual applicant or, in the event of an institution of higher learning or legal entity, the principal investigator or legal entity's authorized representative, as applicable.
- Photo identification (ID) of the individual applicant, principal investigator, or legal entity's authorized representative, as applicable, must be provided.
- Individual applicants and legal entities that are not institutions for higher learning must submit the following government documents:
  - Copy of the Merchant Register issued by the Puerto Rico Treasury Department, if applicable
  - Negative Debt Certification issued by the Puerto Rico Treasury Department
  - Copy of a fingerprint-based Criminal Background Check issued by the Federal Bureau of Investigations (FBI) in support of the key participant
  - Negative Certificate of Criminal Record issued by the state or territory in which the key participant or its legal representative resides
- If the applicant is a legal entity, the following documents must also be provided:
  - Certificate of Good Standing issued by the Puerto Rico State Department
  - Corporate Resolution or applicable equivalent authorizing a representative to act on behalf of the legal entity
- If the applicant is performing the research or investigation as a member of an institution of higher learning, the principal researcher must present a fingerprint based Criminal Background Check issued by the Federal Bureau of Investigations (FBI) and a letter of support from the Dean or Director of the Faculty or Department in which the principal investigator works.
- A Research Proposal that outlines, at a minimum, the purpose, research design and methods, research schedule, implications, and contribution to knowledge must be included with the application.
- A diagram of the terrain/topography or structure where hemp and/or hemp-derived products will be produced and/or processed is required. The diagram must be in digital format and electronically display the coordinates or GPS location of the terrain or structures.

- Hemp and/or hemp-derived products produced under this license cannot be sold and must be used for research purposes only. Upon completion of the research, all hemp plants and/or hemp-derived products must be destroyed in accordance with DEA regulations as set forth at 21 CFR 1317.15, or any other reliable method approved by OLIC.
- If a licensee wishes to sell hemp or any of its derived products produced under this Research license, it must obtain and comply with the requirements of the Cultivation and/or Manufacturing Licenses.
- Any person or legal entity that obtains a Research License and wishes to import seeds into Puerto Rico must visit the DA-SAIA's Plant Health Office to obtain a Special Hemp Seed Importation Permit.
- Only after obtaining the Research License and the Special Hemp Seed Importation Permit can hemp seed be imported into Puerto Rico. The seeds must arrive with a Phytosanitary Permit and laboratory tests that certify that the mother plants (or seed donors) were hemp, with a concentration of 0.3% THC or less. Further information is available at the DA-SAIA office.
- Any person or corporation that obtains a license under the PRDAHP will be subject to, at least, one unannounced annual inspection and must allow OLIC personnel access to its facilities. OLIC personnel have the duty to inspect and ensure proper compliance with regulations established by the office. OLIC personnel may collect vegetative material or samples of hemp-derived products to carry out tests in authorized laboratories for these purposes. Failure to allow access to OLIC personnel may result in the immediate revocation of the license and individuals or legal entities and their authorized representatives may not participate in the PRDAHP.





- Every Research License holder must submit an **Annual Report** to the OLIC regarding the purchase, sowing and destruction of hemp and/or its derived products. The report will include the following information: names and quantities of hemp seeds and/or seedlings purchased for distribution; evidence of the purchase of hemp seeds and/or seedlings; copy of the Special Hemp Seed Importation Permits and Phytosanitary Permit, if applicable; names of the varieties and quantities of seeds and/or seedlings; GPS location of the cultivation area; description and quantity of destroyed hemp-derived products and/or name of the varieties and quantities of destroyed seeds, clones, and plants; and description of destruction protocol, including identifying the previous location of the destroyed product. The OLIC may request additional documents or information relevant to the reports if necessary.
- Every holder of a Research License must submit to OLIC copies of publications arising from the research processes carried out under this license.
- Any change to the information provided in the application for Research License must be reported immediately to the OLIC.
- Any other document requested by the OLIC inspector or OLIC must be provided as requested.
- Issued licenses will be valid for one year from the date of issuance and can be renewed 30 days before their expiration date.





## Hemp Laboratories

### Requirements and procedures to obtain a license:

A **Laboratory License** granted by the OLIC allows a private laboratory to receive samples of hemp vegetative material or hemp-derived products to perform laboratory tests.

- Private laboratories must be registered with the DEA and accredited in compliance with state and federal laws and regulations.
- OLIC and/or USDA may require in the future that authorized laboratories have ISO 17025 accreditation.
- Authorized laboratories shall comply with the requirements described in the USDA-AMS interim final rules at 7 CFR Part 990, available [here](#).
- Samples will be submitted to the authorized private laboratory chosen by the licensee and/or the Agrological Laboratory as determined by the OLIC. In addition to the total THC concentration test, the OLIC may request additional testing such as detection of contaminants, microbial counts, concentration of heavy metals, presence of herbicides or pesticides, among others. OLIC reserves the right to re-submit samples taken to a private authorized laboratory to the Agrological Laboratory. The sampling and testing processes are established by the Agricultural Marketing Service of the USDA and are available for review [here](#). Sampling guidelines for Hemp are available [here](#) and laboratory testing guidelines are available [here](#).

- Any interested person or legal entity must fill out the application (available in person at the OLIC or download [here](#)) and pay a \$50.00 filing fee. Yearly renewals incur no cost.
- The application must include both the name of the legal entity and the full name and signature of the person authorized to represent the legal entity via corporate resolution or other legally binding document.
- Photo identification (ID) of the applicant's legally authorized representative must be provided.
- Prior to applying, you will need the following government documents:
  - Copy of the Merchant Register issued by the [Puerto Rico Treasury Department](#)
  - Negative Debt Certification issued by the [Puerto Rico Treasury Department](#)
  - Copy of a fingerprint-based Criminal Background Check issued by the Federal Bureau of Investigations (FBI) in support of the key participant
  - Negative Certificate of Criminal Record issued by the state or territory in which the key participant or its legal representative resides
  - Certificate of Good Standing issued by the [Puerto Rico State Department](#)
  - Corporate Resolution or applicable equivalent authorizing a representative to act on behalf of the legal entity
- Applications must include documentary evidence of the legal possession (ownership or lease) of the structures where the laboratory is located. The documents evidencing legal possession must be in the name of said legal entity. Legal entities that provide evidence of legal tenure in the name of an individual, rather than the applicant legal entity, will not be accepted.
- The annual cost of a Laboratory License will be \$3,000.00.
- Payment of the license may be made electronically on the DA webpage under the OLIC tab ([here](#)) or via check in the finance division of [ADEA](#) in the DA. The check must be issued in the name of ADEA and the check description must indicate: OLIC – Puerto Rico Hemp License.
- Any person or corporation that obtains a license under the PRDAHP will be subject to, at least, one unannounced annual inspection and must allow OLIC personnel access to its facilities. OLIC personnel will have the duty to inspect and ensure proper compliance with regulations established by the office. OLIC personnel may collect vegetative material or samples of hemp-derived products to carry out tests in authorized laboratories for these purposes. Failure to allow access to OLIC personnel may result in the immediate revocation of the license and individuals or legal entities and their authorized representatives may not participate in the PRDAHP.
- Authorized laboratories must submit test results to the OLIC no later than five days after receiving the samples from an OLIC inspector.
- Authorized laboratories must report test data to the USDA-AMS in accordance with 7 CFR 990, using reporting templates provided by the USDA-AMS, available [here](#).
- Any change to the information provided in the Laboratory License application must be reported immediately to the OLIC.
- The issued licenses will be valid for one year from date of issuance and can be renewed 30 days before their expiration date.

## Additional Information

- **The PRDAHP does not condone or permit interference with interstate Hemp trade.**
- The OLIC grants six (6) types of licenses:
  - Cultivation
  - Manufacturing
  - Research
  - Laboratory
  - Import and Distribution of Hemp Products for Consumption
  - Import and Distribution of Hemp Seeds
- As of April 1, 2021, they have granted 93 Cultivation licenses, 20 Manufacturing licenses, 9 Research licenses, 2 Seed Distribution licenses, and 40 licenses for Import and Distribution of Hemp Products for Consumption.
- **An estimated 10,000 “cuerdas” (Spanish acres, approx. 9,700 acres, or 39M m<sup>2</sup>) are available for planting and cultivation** throughout the island.
- For PRDA purposes, the 78 municipalities of Puerto Rico are organized into these eight agricultural regions: Caguas, Ponce, San Germán, Mayagüez, Arecibo, Lares, Naranjito and Utuado.
  - Each is administered by a Regional Director who is tasked with approving incentives such as the Bona Fide Farmer Certifications for farmers in their agricultural region.
- PRDAHP licenses do not empower licensees to import seeds or grow, germinate, handle, cultivate, process, or sell plants or products derived from medicinal cannabis.
- The Puerto Rico Pesticide Act, 9-1953, regulates all aspects related to the registration, management, and use of pesticides to protect public health and the environment from the adverse effects of pesticides.
- Any person or corporation that obtains a license under the PRDAHP must allow OLIC personnel access to its facilities and will be subject to at least one, unannounced, annual inspection.
  - OLIC personnel have the duty to inspect and ensure proper compliance with regulations established by the office.
- Any person or corporation that obtains a license under the PRDAHP will be required to submit **Quarterly and/or Annual Reports** to OLIC.
- In addition to Act 60 incentives under the Agroindustry chapter, the Department of Agriculture offers additional **incentives for bona fide farmers**.
- The United States Department of Agriculture offers **additional benefits** to the industry.
- The only financial institution where the hemp industry can carry out financial transactions is **TU COOP**.

## **Invest Puerto Rico**

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