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**Industrial Hemp in Michigan - Program Overview and Update**

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## Overview

- What is Industrial hemp and how it is different from marijuana
- U.S. Farm Bill Activity – 2014 & 2018
- 2019-2020 ag. pilot programs
- Legislative activities in 2019 & 2020
- Changes needed based on USDA Final Rules
- Review of changes being proposed to our Industrial Hemp Growers Act, PA 220 of 2020.



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Cannabis sativa L. – specie of plant being raised for both industrial hemp and marijuana.

**Industrial Hemp defined:**

**“The plant *Cannabis sativa L.* and any part of that plant, including viable seeds of that plant and all derivatives, extracts, cannabinoids, isomers, acids, salts and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol (THC) concentration of not more than 0.3% on a dry weight basis.”**

**THC:**

One of at least 113 cannabinoids identified in cannabis AND the principal psychoactive constituent in marijuana.

➤ 0.3% = marijuana

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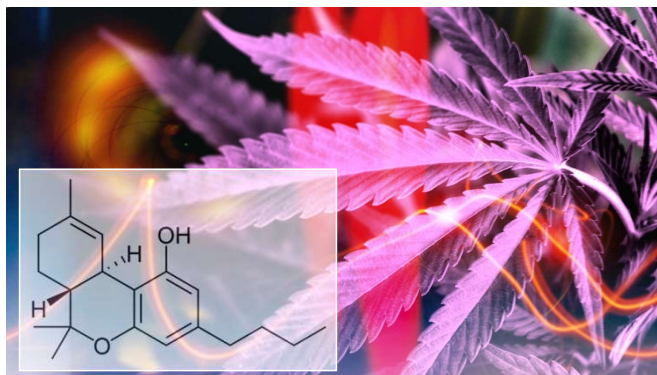
## Key Differences between Hemp and Marijuana Chemical Composition

### Industrial Hemp

- 0.3% or less THC
- Non-intoxicating

### Marijuana

- 5% - 35% THC
- Intoxicating



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# Legality

## Industrial Hemp

- Federally legal
- Removed from the Controlled Substance List
- Agricultural commodity that may be legally grown, processed, transported, possessed and sold.



## Marijuana

- Federally illegal
- Remains on the Controlled Substance List



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# Cultivation

## Industrial Hemp

- Typically grown outdoors
- Can grow up to 20 ft. depending on variety and purpose of growth



## Marijuana

- Typically grown indoors under very controlled environments
  - Temperature, Lighting &
  - Humidity
- Grows up to 5 ft



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# Uses

## Industrial Hemp

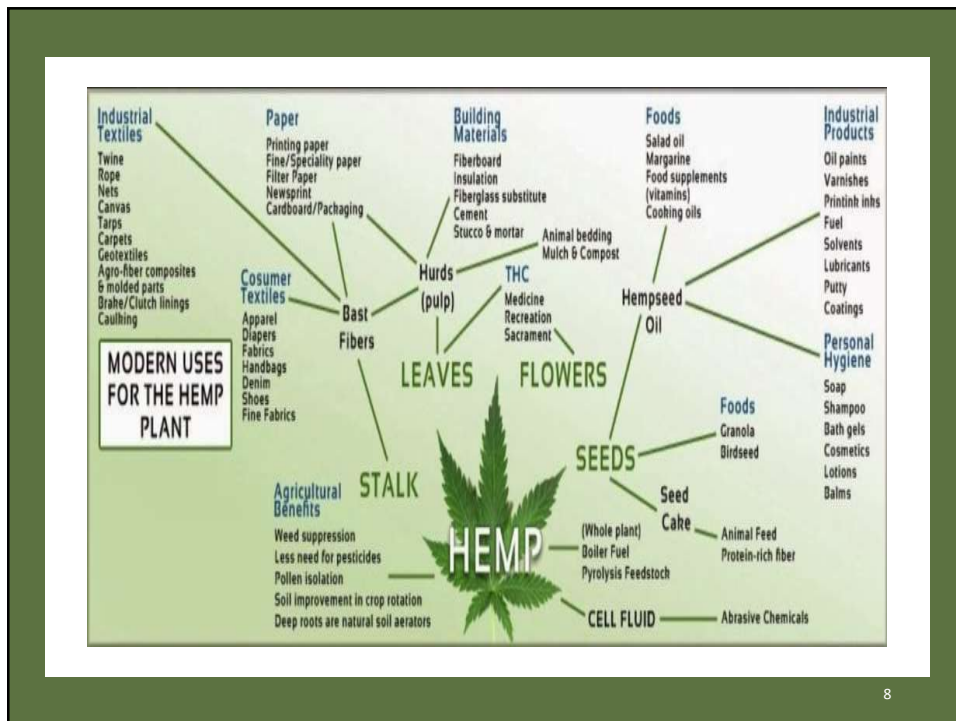
- +50,000 products and uses:
- Seed – Medications, health foods, bio-fuels and plastics
- Fiber – Paper, textiles, construction materials, clothing, auto parts, animal bedding
- Oil – CBD oil, medicine, cosmetics, lotions
- Parts of the plant used: All

## Marijuana

- Commonly recognized for:
  - Recreational uses
  - Therapeutic uses
- Parts of the plant used: Flowers

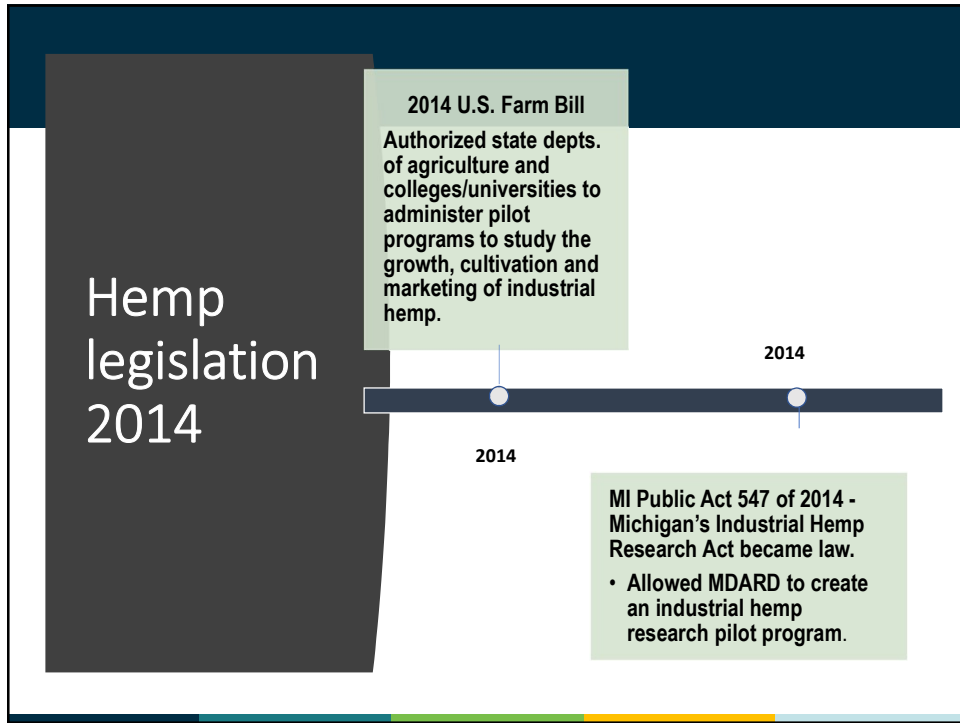


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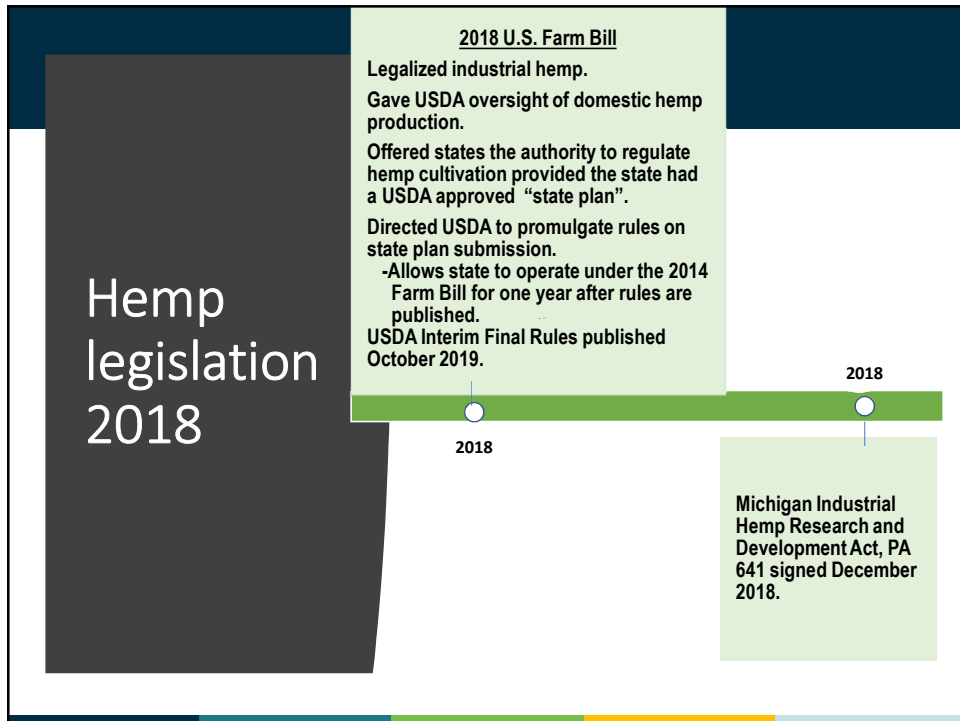


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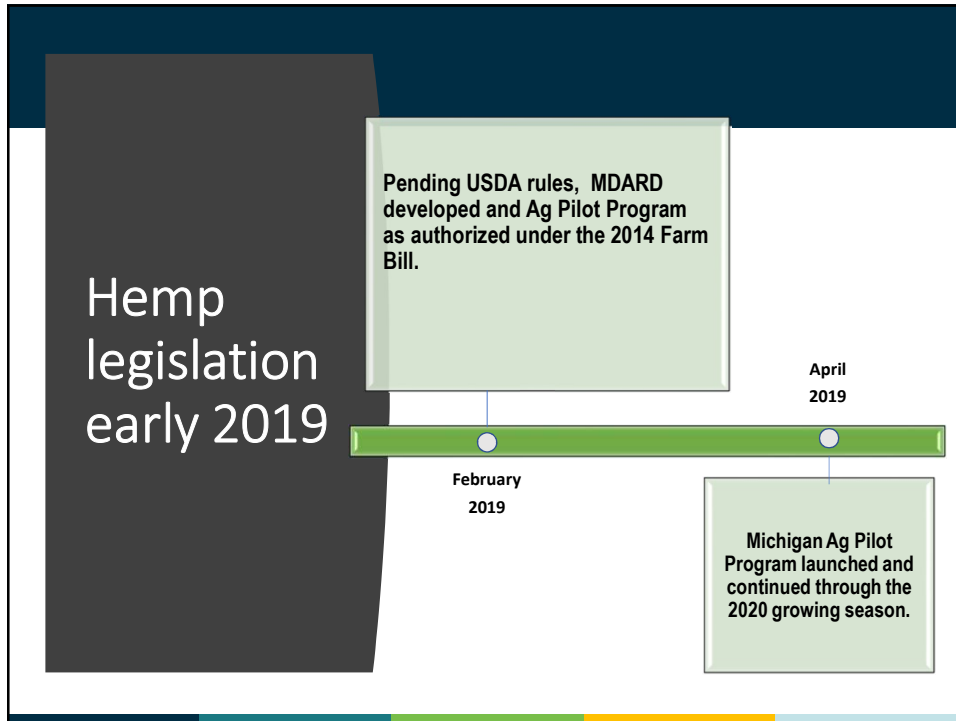
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## Michigan Ag Pilot Program

Allowed hemp growing, processing and handling in Michigan provided:

- Proper licensure - Grower registration and/or processor handler license
- Background check - No felony drug convictions during the preceding 10 years.
- Research agreement – Written agreement between the department and the applicant to conduct research on the growth, cultivation and marketing of industrial hemp on behalf of MDARD.



**2020 Data**

614 Registered Growers  
920 outdoor locations, 13,906 acres identified  
394 indoor locations, + 11 M square feet identified

496 Licensed Processor-Handlers

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## Legislative activity 2019-2020

- USDA Interim Final Rules published 10/31/2019
  - PA 641 (grower requirements) reviewed and updated to align with USDA Interim Final rules.
  - Signed by Governor Whitmer 7/8/20 and assigned Public Act 220 of 2020
- State plan submitted on 8/14/20
  - Reviewed and approved by USDA
- MDARD implemented its approved program on 12/1/20 in alignment with grower registration cycle.

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## USDA Final Rules



- USDA published its Final Rules (1/19/21)
- Become effective 3/22/21
- 5,900 comments were received during all comment periods and were considered when finalizing the rules.

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## Next steps

- Update PA 220 to align with USDA's final rules. Changes represent:
  - USDA Final Rules
  - Housekeeping
  - Input from industry
- Resubmit our state plan to USDA
- Communicate changes to industry
- Continue to work on revisions needed to the remainder of PA 641 (specific to hemp processing)
- When appropriate, repeal PA 641



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## Summary of changes being proposed

- Testing facilities performing analysis of hemp samples must be registered with DEA.
  - Regulatory samples
  - Compliance monitoring purposes
- Defined who can collect samples (Designated sampling agents)
- Changed the registration/license cycle from:
  - 12/1 – 11/30 to 2/1 - 1/31
- Amended when grower must report their acreage to USDA Farm Service Agency

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## Summary of changes being proposed (cont.)

- Amended harvest window time frame requirement from 15 days to 30 days
- Added language to allow for performance-based sampling protocol vs. the previously USDA prescribed approach
- Added remediation language. Growers will now have the ability to remediate non-compliant hemp instead of having to destroy it
- Added enforcement language that allows the department enforcement discretion
  - Gravity of the offense
  - Harm done to the public
  - Frequency of violative activity


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## Questions?


[www.Michigan.gov/industrialhemp](http://www.Michigan.gov/industrialhemp)




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