

MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE ON Agriculture and Rural Development

DATE: November 5, 2019

Chairman VanWoerkom called the meeting to order at 9:00 AM. Representatives VanWoerkom, Bollin, Albert, Green, Kennedy, Sabo, and Brixie were present.

Representative Kennedy moved that the minutes of the October 29, 2019 meeting be approved; the motion was approved by voice vote without objection.

The subcommittee heard a presentation by Gina Alessandri, Industrial Hemp Program Director, Michigan Department of Agriculture and Rural Development (MDARD), on MDARD's Industrial Hemp regulatory program. Copies of the MDARD PowerPoint presentation are included in the official minutes maintained by the House Fiscal Agency. Ms. Alessandri was joined by MDARD Budget Officer, Maria Tyszkiewicz, who provided information on program staffing and funding.

In response to questions from members, the department representatives indicated that hemp as an agricultural product would be governed by current Generally Accepted Agricultural Management Practices (GAAMPs); hemp-specific GAAMPs, if needed, would be developed through existing processes. As an agricultural activity, hemp production would have Right-to-Farm protections and disputes could be heard by MDARD Right-to-Farm staff.

In response to questions from Chair VanWoerkom, Ms. Tyszkiewicz estimated resources needed for program, specifically: Program Director, 1.0 FTE; Laboratory, 2.0 FTEs; Field Inspector, 1.00 FTE; Technical/Administrative support, 1.0 FTE; Licensing staff, .5 FTE. Actual resource need, and restricted revenue support, would depend on number of licensees, as well as federal requirements. Ms. Tyszkiewicz indicated that the \$1.3 million GF/GP supplemental appropriation was for program start-up costs, including one-time equipment. Staffing and testing costs would be annual/ongoing.

Questions and discussion followed, including discussion of federal regulation of CBD oil.

The subcommittee then heard testimony by Brad and Keith Hagen, of HemPure Farms, a licensed industrial hemp grower and participant in MDARD's 2019 pilot project. The testimony described challenges to the industry. HemPure Farms supported a robust MDARD regulatory program, including fees needed to run the program.

The subcommittee then heard testimony from Michael Thue, Great Lakes Hemp Supplements, on the health benefits of CBD oil.

Chair VanWoerkom adjourned the meeting at 10:00 AM without objection.

Minutes Approved: November 7, 2019