

Vermont's Hemp Program

The Public Health and Agricultural Resource Management Division within the Vermont Agency of Agriculture, Food and Markets (VAAFAM) is responsible for administering Vermont's Hemp Program. In 2018 significant changes occurred nationally and in the state that influenced the cultivation and processing of hemp in Vermont and the VAAFAM's administration of its program. These changes provide an opportunity for Vermont to lead the industry and influence national policy.

The 2018 Farm Bill, signed in late December, removed "hemp" from the definition of marijuana, clarified that THC in hemp is not a Schedule I drug and enabled producers to ship hemp and hemp products in interstate commerce.

Act 143 altered Vermont's Hemp Program, adding certification of hemp cultivation sites, and requiring the VAAFAM to adopt rules on how it will conduct research within its program and for the registration of hemp processors. The VAAFAM is also responsible for establishing a cannabis quality control program that includes development of potency and contaminant testing protocols and to certify laboratories that could offer services to growers and processors. VAAFAM is drafting this rule, which should be in place before the field growing season in 2019.

PROGRAM by the NUMBERS

461

2018 Hemp Grower Registrations

3,290 ACRES

Registered in 2018 to produce hemp

5.5 ACRES

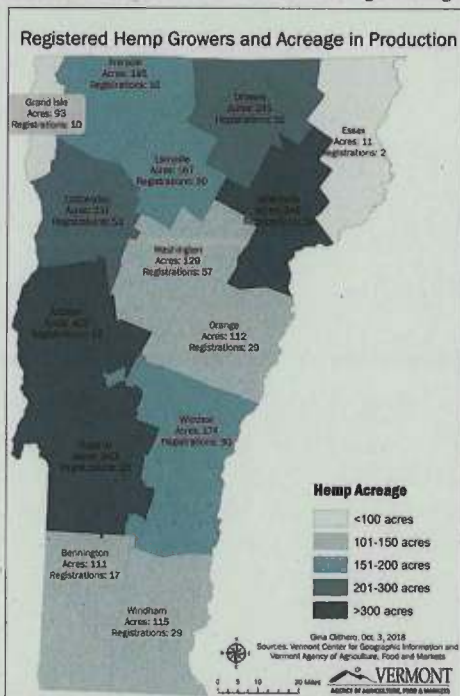
Average field size

\$11,525

Collected in registration fees

15 OUTREACH OPPORTUNITIES

Since September 2018, including conversations with state leaders, interested growers and processors, technical service providers, and general public



Historical photo from 1949



Field of hemp

What does the 2018 Farm Bill mean for Vermont Hemp Growers?

There are no immediate changes.

The 2018 Farm Bill defines hemp as an agricultural commodity and removes it from the list of controlled substances. The bill made its way through both chambers of Congress with wide-spread, bi-partisan support. It now awaits the signature of the President. As soon as the President signs the bill, the US Department of Agriculture (USDA) can begin to write rules to administer the law.

In reviewing the bill, we know -

States need a plan to:

- Track growers
- Track the location of fields/greenhouses, and
- Conduct pre-harvest testing to verify the THC content is 0.3% or less.

Vermont's draft rule already accounts for these things. The draft rule will be available for comment in early 2019.

Changes that could affect Vermont's Hemp program include:

- Changes in interstate commerce,
- Legality of extracts from hemp, and
- Restrictions on growers who have felonies.

We will know more when the USDA has a chance to make rules and communicates any new requirements. As we get more information, we will send updates. Intent to allow states to develop their own programs has been expressed, but we don't yet know what that means. We still hope to be able to use a taxonomic determination on Vermont's hemp crop.

For now, please know you still need a registration to grow industrial hemp in Vermont.

Vermont state law still applies for growing hemp in Vermont. The 2018 Farm Bill has not changed these requirements.

Language for hemp fees

Growers 6 VSA 564 (d)

(d) The Secretary may assess an annual registration fee of ~~\$25.00~~ for the performance of his or her duties under this chapter.

A person shall not grow hemp in the State unless registered with the Secretary. The person must apply to register to grow hemp on an annual basis on forms provided by the Secretary. The annual registration shall terminate December 31 of each year. At the time the person submits the application to the Secretary for review, the person shall pay an annual registration fee based on the amount of acreage and end use product of hemp that the person intends to grow in the year for which the person is registering and as set forth in the following tables. If the person wants to grow more acres than the amount that they have registered for during the calendar year the person must first pay the additional annual registration fee based on the amount of acreage to be added.

A person growing hemp for seed, grain crop, fiber or textile will pay a flat fee of \$100 per year.

A person growing hemp for floral material production, and viable seed, including CBD, CBC, CBG, CBN, will pay a fee based on the number of acres planted per year.

<u>Acres of hemp Grown for CBD, CBC, CBG, CBN, or other cannabinoid</u>	<u>Registration Fee</u>
<u>Less than 0.5 acres</u>	<u>\$50</u>
<u>0.5 to 9.9</u>	<u>\$250</u>
<u>10 to 50</u>	<u>\$500</u>
<u>Greater than 50</u>	<u>\$1500</u>

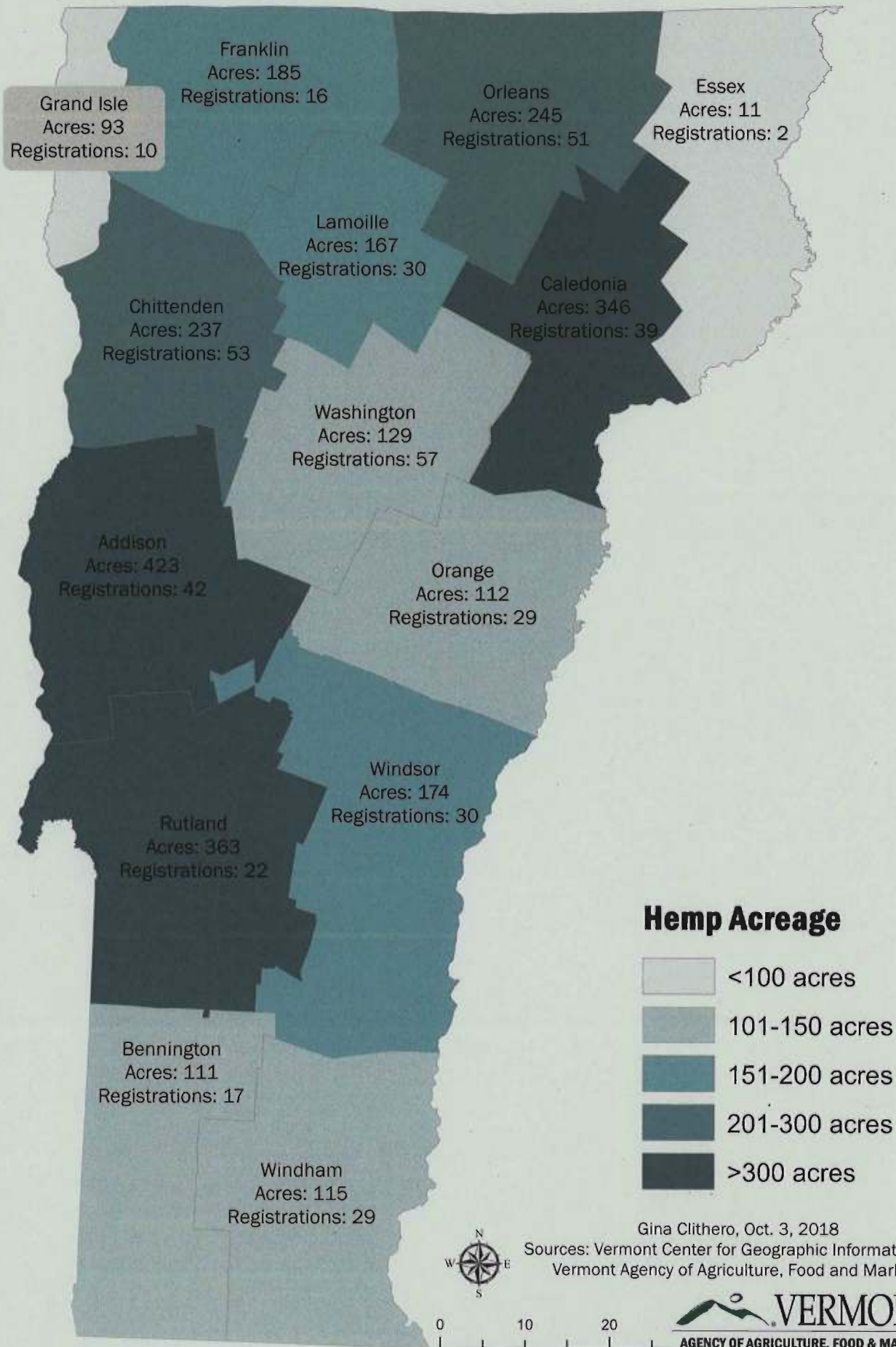
Processors 6 VSA 566(c)

(c) The Secretary shall adopt rules establishing requirements for the registration of processors of hemp and hemp-infused products. A person shall not process hemp and hemp-infused products unless registered with the Secretary. The person must apply on an annual basis on forms provided by the Secretary. The annual registration shall terminate December 31 of each year. The Secretary shall assess an annual registration fee of \$1500 for the performance of his or her duties under this section, which shall be due at the time of application.

Certified Analytical Laboratories 6 VSA 567 (5)

5) Analytical testing laboratory that intends to be a certified under the Agency of Agriculture's cannabis quality control program, shall register with the Secretary on an annual basis. The Secretary shall assess an annual registration fee of \$1500 for the performance of his or her duties under this section, which shall be due at the time of certification.

Registered Hemp Growers and Acreage in Production



Hemp Acreage



Gina Clithero, Oct. 3, 2018

Sources: Vermont Center for Geographic Information and Vermont Agency of Agriculture, Food and Markets



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