

## **Frequently Asked Questions about Industrial Hemp**

### **What is the purpose of the ND Department of Agriculture industrial hemp research pilot program?**

The North Dakota Department of Agriculture (NDDA) created the Industrial Hemp Research Pilot Program to research the growth, cultivation, and marketing of industrial hemp in North Dakota. The purpose of the pilot program is to increase the understanding of how industrial hemp fits into the current agricultural landscape, and investigate how it may contribute to the economy of North Dakota.

### **What is industrial hemp?**

Industrial hemp is a variety of the plant species *Cannabis sativa L.* and any part of such plant with a delta-9 tetrahydrocannabinol (THC) concentration of not more than 0.3% on a dry weight basis.

### **Is industrial hemp the same as marijuana?**

No. Both are varieties of *Cannabis sativa L.* and both are classified as Schedule I controlled substances under the Controlled Substances Act (CSA, 21 U.S.C. §§801 et seq.; Title 21 C.F.R. Part 1308.11). However, industrial hemp is an agricultural crop which contains only trace levels of the psychoactive cannabinoid THC. Due to advanced selective cultivation techniques, marijuana contains 5-20% THC on average, with some strains containing 25-30% THC.

### **What is industrial hemp used for?**

The Congressional Research Service's "Hemp as an Agricultural Commodity" by Renee Johnson states that:

The global market for hemp consists of more than 25,000 products in nine submarkets: agriculture, textiles, recycling, automotive, furniture, food and beverages, paper, construction materials, and personal care. Hemp can be grown as a fiber, seed, or dual-purpose crop. The stalk and seed are the harvested products. The interior of the stalk has short woody fibers called hurds; the outer portion has long bast fibers. Hemp seed/grains are smooth and about one-eighth to one-fourth of an inch long.

Hemp fibers are used in fabrics and textiles, yarns and spun fibers, paper, carpeting, home furnishings, construction and insulation materials, auto parts, and composites. Hurds are used in animal bedding, material inputs, papermaking, and oil absorbents. Hemp seed and oilcake are used in a range of foods and beverages (e.g., salad and cooking oil and hemp dairy alternatives) and can be an alternative food and feed protein source. Oil from the crushed hemp seed is used in soap, shampoo, lotions, bath gels, and cosmetics.

Hemp is also being used in nutritional supplements and in medicinal and therapeutic products, including pharmaceuticals. It is also used in a range of composite products. Hempcrete (a mixture of hemp hurds and lime products) is being used as a building material. Hemp is also used as a lightweight insulating material and in hemp plastics and related composites for use as a fiberglass alternative by the automotive and aviation sectors. Hemp has also been promoted as a potential biodiesel feedstock and cover crop.

### **Where is it cultivated?**

Over 30 countries produce industrial hemp. Canada is a leading producer of industrial hemp. The Canadian government reports that it has proven to be a hardy, fast growing, resilient and high yield crop. Industrial hemp has shown good potential as an alternative to be included in rotation with other more traditional crops. Its short growth period of 85- 120 days makes it well suited for cultivation in many parts of Canada. If planted at the proper time, it reportedly suppresses most weeds.

### **What are the laws governing industrial hemp?**

Industrial hemp is a variety of the plant species *Cannabis sativa* L. and it is considered a Schedule I Controlled Substance under the Controlled Substances Act (CSA, 21 U.S.C. §§801 et seq.; Title 21 C.F.R. Part 1308.11). It is a violation of federal criminal law to grow industrial hemp unless it is grown either pursuant to a state industrial hemp pilot program or under a Drug Enforcement Administration (DEA) permit. Cannabis varieties may be legitimately grown for research purposes only. Cultivation is highly restricted and only allowable for research purposes authorized under a provision of the Agricultural Act of 2014.

The Congressional Research Service's *Hemp as an Agricultural Commodity* written by Renee Johnson (2), states that:

The Agricultural Act of 2014 ("farm bill," P.L. 113-79) provided that certain research institutions and state departments of agriculture may grow industrial hemp, as part of an agricultural pilot program, if allowed under state laws where the institution or state department of agriculture is located. The farm bill also established a statutory definition of "industrial hemp" as the plant *Cannabis sativa* L. and any part of such plant with a delta-9 tetrahydrocannabinol (THC) concentration of not more than 0.3% on a dry weight basis. The enacted FY2015 appropriations (P.L. 113-235) further blocked federal law enforcement authorities from interfering with state agencies, hemp growers, and agricultural research.

### **How can one grow industrial hemp in North Dakota?**

Federal law, specifically the Controlled Substances Act (CSA), 21 U.S.C. § 801 *et seq*, continues to prohibit the possession, cultivation, processing, or distribution of industrial hemp except for the limited purpose of agricultural or academic research conducted by a state department of agriculture or by an institution of higher education. 7 U.S.C. § 5940.

To avoid being in violation of Federal criminal law, a North Dakota industrial hemp pilot producer must be licensed in the state of ND and: (1) be part of an agricultural or academic research program conducted by the North Dakota Department of Agriculture or by an institution of higher education; and/or (2) obtain annually a registration issued by the DEA.

### **How can an industrial hemp producer be part of NDDA's Agricultural Research Program?**

The NDDA requested industrial hemp research proposals in December of 2016. Proposals received on or before January 31, 2017 were reviewed and considered. North Dakota Agriculture Commissioner Doug Goehring approved 35 of the 42 proposals received.

Only processing facilities will be allowed to participate and gain licensure after the January 31, 2017 application deadline.

### **What requirements must a research pilot producer comply with?**

Research pilot producers must submit to a background check, become licensed and pay fees, sign a Memorandum of Understanding with the NDDA, comply with state and federal laws, and collect and submit research data after harvest.

### **What are the research market opportunities in North Dakota?**

Pilot producers may harvest and process any hemp seed and fiber they produce once it has been tested and the harvest of it has been approved by the NDDA as part of marketing research. Pilot producers may process these items themselves or sell them for processing or use. All hemp produced must be processed before movement/sale into other states. Viable hemp grain may be exported internationally per USDA's rules.

### **Where can a pilot producer ship industrial hemp?**

Exporting our North Dakota made industrial hemp products is critical to furthering marketing research. However, industrial hemp and some of its resulting commodities are heavily regulated by the federal government, particularly the DEA. On August 8, 2016, the USDA/DOJ-DEA/DHHS-FDA published a "Statement of Principles on Industrial Hemp" in the federal register. This document clarifies and details restrictions on movement of hemp plants, seeds, and products. The document, in part, states:

For purposes of marketing research by institutions of higher education or State departments of agriculture (including distribution of marketing materials), but not for the purpose of general commercial activity, industrial hemp products may be sold in a State with an agricultural pilot program or among States with agricultural pilot programs but may not be sold in States where such sale is prohibited. Industrial hemp plants and seeds may not be transported across State lines.