

# New Mexico Hemp Regulation (Draft Language)

Economic & Rural Development Committee

Las Cruces, New Mexico

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Jeff M. Witte

Director/Secretary

New Mexico Department of Agriculture

Las Cruces, NM

## Overview 2017 SENATE BILL 6

### Industrial Hemp Research

- 1) Defines Hemp (no more than .3% delta-9-THC, dry weight basis)
- 2) Directs NMDA to promulgate rules related to:
  - a. issuance of licenses
  - b. institutions of higher education, person or business eligible for a license
  - c. production for research purposes
- 3) NMDA director responsibilities:
  - a. licensing requirements
  - b. training
  - c. inspections
  - d. fee establishment
- 4) Amends controlled substance act to exclude hemp



## Secretary Directive

- 1) Develop a rule in a transparent process
- 2) Cognizant of:
  - a. university policy
  - b. current and proposed state & federal legislation (2014 Farm Bill vs proposed 2018 FB language)
  - c. federal check points
  - d. oversight process without inhibiting industry development
  - e. establish fee structure that does not exclude smaller producers



## 2014 Farm Bill vs. 2018 Farm Bill

### 2014 Farm Bill

- Allows for industrial hemp research by state departments of agriculture or institutions of higher education if hemp production is legal in that state
- Defines industrial hemp as not having a delta-9 tetrahydrocannabinol concentration (THC) of no more than 0.3 percent on a dry weight basis

### 2018 Farm Bill

- Defines industrial hemp as not having a delta-9 tetrahydrocannabinol concentration (THC) of no more than 0.3 percent on a dry weight basis
- Removes hemp from the controlled substances act
- Provides state departments of agriculture and Indian tribes the authority to administer regulatory programs under a USDA approved state or tribal plan
  - Describes state and tribal plan contents
- Defines enforcement protocol for violations





## Rule Components

- 1) Three license categories: annual, continuous, personal
- 2) Application details moved to policy
- 3) Fee caps established: \$900/location for annual and continuous; \$100/location for personal
- 4) Inspection and sampling (THC):
  - a. details found in policy
  - b. grower responsible for sampling and transporting validation samples (oversight by NMDA staff)
  - c. propose to use existing THC testing labs (3)
- 5) Disposition of non-compliant plants/fields
- 6) Violations: suspension/deny license for violations



## Anticipated Challenges

- 1) Development of a new program dependent on ever changing federal law
- 2) Other departmental impacts:
  - a. seed laws
  - b. nursery licensing
  - c. weights and measures (hemp & medical)
  - d. point of sale requirements
  - e. lack of pesticide registrations
  - f. marketing
- 3) Disposition of non-compliant crop (gt .3%THC)
- 4) Availability of sufficient field staff to validate producer sampling
- 5) Interagency & industry interactions (Customs and Border Protection check points, local & state law enforcement, Dept. of Health)





## Final Thoughts

- 1) Average 3 calls/day
  - a. less that 1 acre to 100+ acres
  - b. majority do not understand the business
  - c. majority do not understand the risk
- 2) Expertise is concentrated within the industry and in Albuquerque
- 3) 1<sup>st</sup> year potential for an expensive education



