Legal Challenges to Growing Hemp in New Mexico

Brad Lewis

Division Director

Agricultural and Environmental Services Division

New Mexico Department of Agriculture

Economic Entomologist

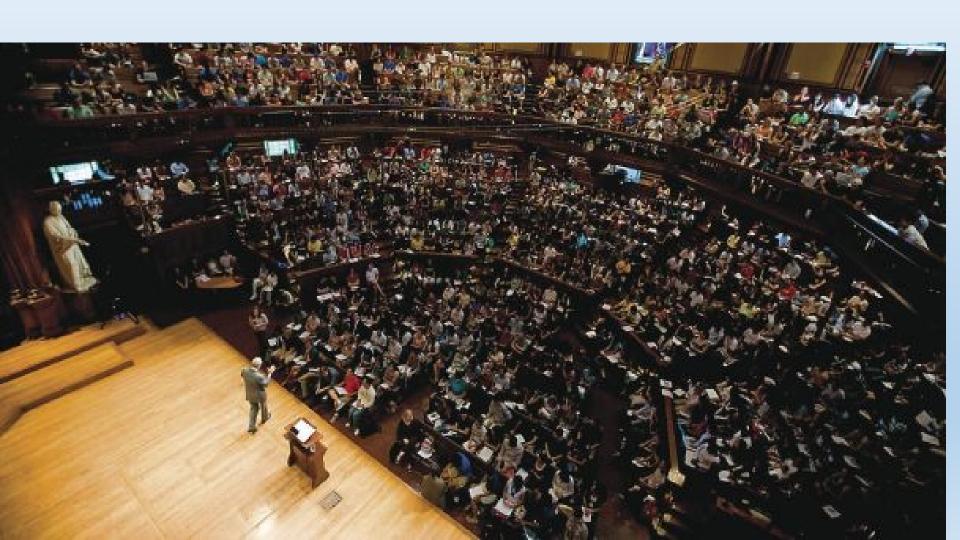
Department of Entomology, Plant Pathology

and Weed Science

New Mexico State University



We Are All Learning Together Ask Questions, Contribute



Definitions

• Cannabis: inclusive of hemp, recreational, medical

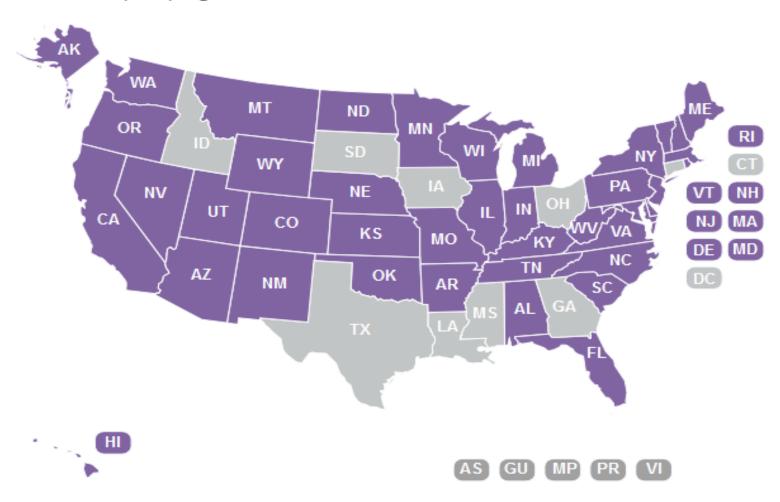
• Hemp: Cannabis sativa less than or equal to .3% THC, inclusive of all cultivar types- dual purpose, industrial, pharmaceutical

THC: delta nine tetrahydrocannabinol measured post-decarboxylation

Legalized Hemp Production 2018

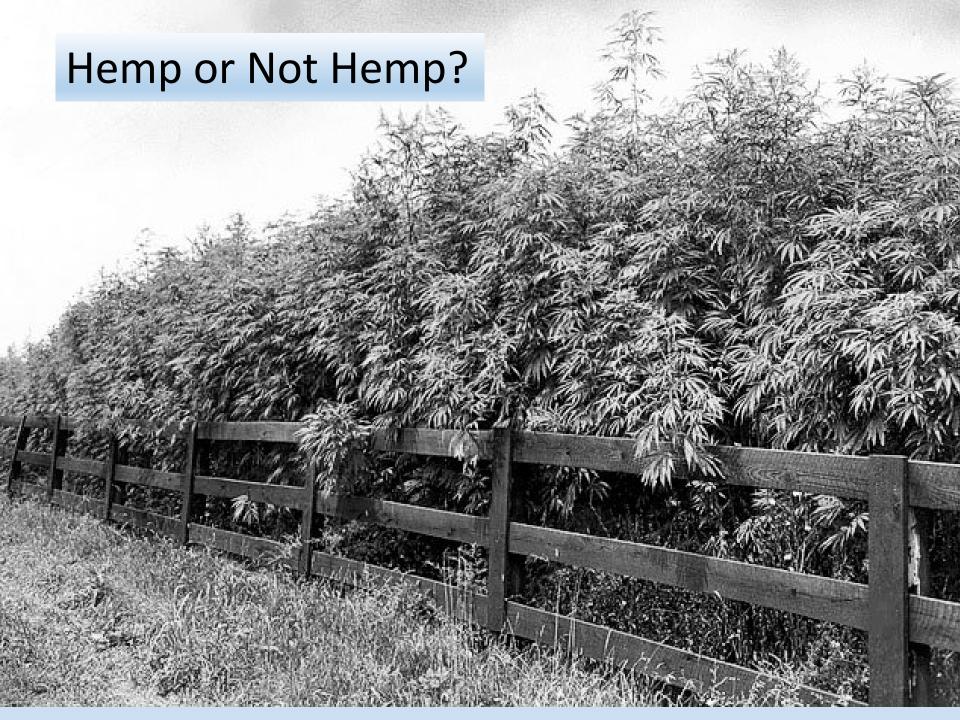
Allows cultivation of hemp for commercial, research or pilot programs

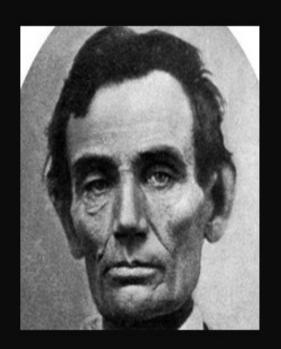
Does not allow cultivation of hemp.



Which Farm Bill Language Do States Follow

- 2014 Farm Bill
 - Pilot Research Program
 - Less than or equal to .3% THC
- 2018 Farm Bill Language-USDA Accepted Regulatory Plan (signed December 2018)
 - Commercial Plantings
 - .3% Delta Nine THC Post-decarboxylation
 - Removes hemp from federal schedule 1
 - Eligibility Requirements (background check)
 - Location Requirements
 - Remediation





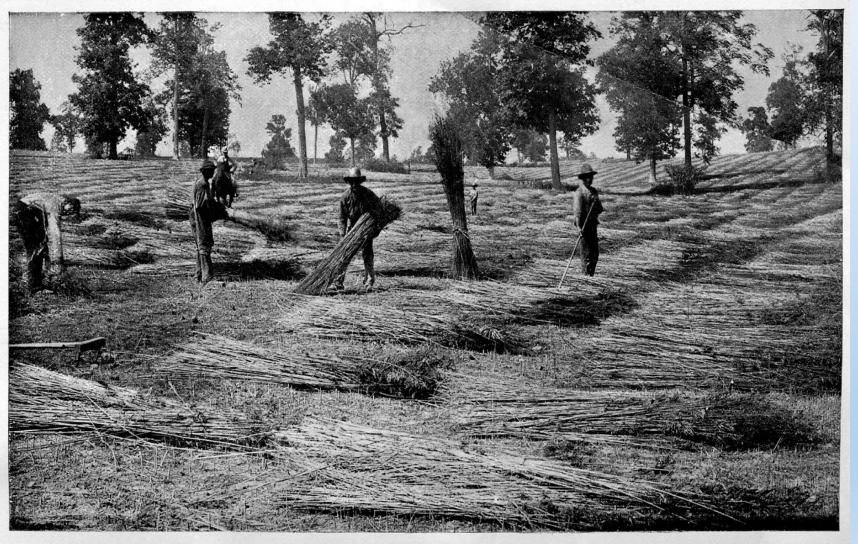
Two of my favorite things are sitting on my front porch smoking a pipe of sweet hemp, and playing my Hohner harmonica.

AZ QUOTES

Hemp Historically Defined by Use

PLATE !

, 8, Office Fiber Investigations.



Remains a Highly Regulated Crop

- Cultivars of the same plant species are not all considered legal;
- Illegal cultivars can be difficult to distinguish from legal cultivars;
- Presumed legal cultivars may grow into in illegal plants/fields (genetic drift, environment)
- .04 % THC separates legal vs illegal

New Mexico Hemp Regulatory Considerations

- Varieties/Cultivars/COA
- Grower Types
 - Nursery
 - Plant Breeders
 - Continuous (CBD; Seed)
 - Annual (Seed, CBD, Seed, Fiber)
- Growing Locations
 - Plant Breeding Facilities
 - Indoor
 - Field
- Testing
 - Sampling Methodology
 - Laboratory Testing Requirements
- Law Enforcement
 - Transportation
 - Customs and Border Protection Interior Ports
 - Growing Locations/Individuals

Varieties/Cultivars/COA

 New Mexico does not have an approved varieties/cultivars list for planting

 New Mexico does not require submission of a COA for varieties/cultivars to be planted

 Origin of seedlings/clones only important with respect to phytosanitary requirements (plant pests)

Grower Licenses

- Objectives:
 - Minimize number of licenses required
 - Minimize the fee structure
- No Limit on Number of Licenses
- Types of Hemp-Growing Licensing
 - Continuous Grow
 - Annual Grow
 - Special Breeding License

Growing Locations

- No restrictions on growing locations (local may apply)
- Require map and GPS coordinates
- Special hemp breeding requires confinement of plants in excess of .3% and less than 5% THC.
- Not Resolved: proximity of mixed-seed fields to feminized fields

Testing

- Field Sampling Methodology (subject to change)
 - 21 day notification before initiation of harvest
 - Harvest completed within 10 days of provided harvest date
 - Each cultivar in each field sampled and tested for THC compliance
 - Flower/bud of top and middle colas sampled
 - Grower responsible for sample delivery to lab/payment
 - Harvest certificate required prior to harvest (annual)
 - May need agreement with other states for extraction/transporting through
 - No remediation available for non-compliant fields
 - Re-test option available

Testing (cont.)

- Laboratory Certification (rules in process)
 - Only those laboratories testing for regulatory requirements required for license
 - Provide New Mexico Department of Agriculture either a pass or fail result for THC

Law Enforcement

Transportation

 Customs and Border Protection Interior Ports

Growing Locations/Individuals (list)

2014 Pilot-Research Project

Data collection from specific fields

VARIABLE	MEASUREMENT	VARIABLE	MEASUREMENT
Climatic Zone	3-7	Plant Appearance	Poor, Average, Good
Irrigation Method	Flood, Drip, Sprinkler	Harvest Type	Hand, Machine
Planting Type	Seed, Seedling, Clone	Harvested Portion	Cola Only, Whole Plant, Cola + Leaf
Stand	Poor, Medium, Good / Density	Market Intent	CBD; Seed Oil; Seed; Seed for Planting; Fiber; Other
Cultivar	Identity	Extraction Location	Town-City
Soil Texture	Sand, Medium, Clay	Extraction Method	CO2; Press; Solvent
Pests	Species, Control Method	Profit	Equal to existing crops grown in the area; twice of the existing crops grown in the area; greater than twice the existing crops grown in the area
Plant Measurements	Dependent on Intent (fiber, oil), Height, # colas, cola length	Rotational Crop Adaptability	Species of other crops suitable as a rotation

Why Provide a Regulatory Framework for Hemp Production?

Federal and state requirements

Provides safeguards for the community

Even playing field for producers

New Mexico Department of Agriculture Ancillary Challenges

- Federal Project Water
- National Resource Conversation Service
- Banking
- Crop Insurance
- Pesticides
- Seed labeling

Legal Challenges Addressed in 2019 Legislative Session

- Laboratories testing 'hemp' subject to prosecution under controlled substance act (Env. Dept. or Dept. of Health)
- Plant breeders breeding for new hemp strains subject to prosecution under controlled substance act (NM Dept. Health)
- Individuals transporting hemp/cannabis of unknown THC concentration subject to prosecution under controlled substance act (Dept. of Safety)
- Extractors extracting from raw hemp subject to prosecution under controlled substance act (Env. Dept.)
- Refiners of hemp extract subject to prosecution under controlled substance act (Env. Dept.)
- Manufacturers of products containing hemp extracts subject to controlled substance act (Env. Dept.)
- No oversight of food products containing hemp extracts (Env. Dept.)

Where are We Now



Current License Status (May 15, 2019)

-Continuous Production: 60 licenses issued

~ 5 million square feet

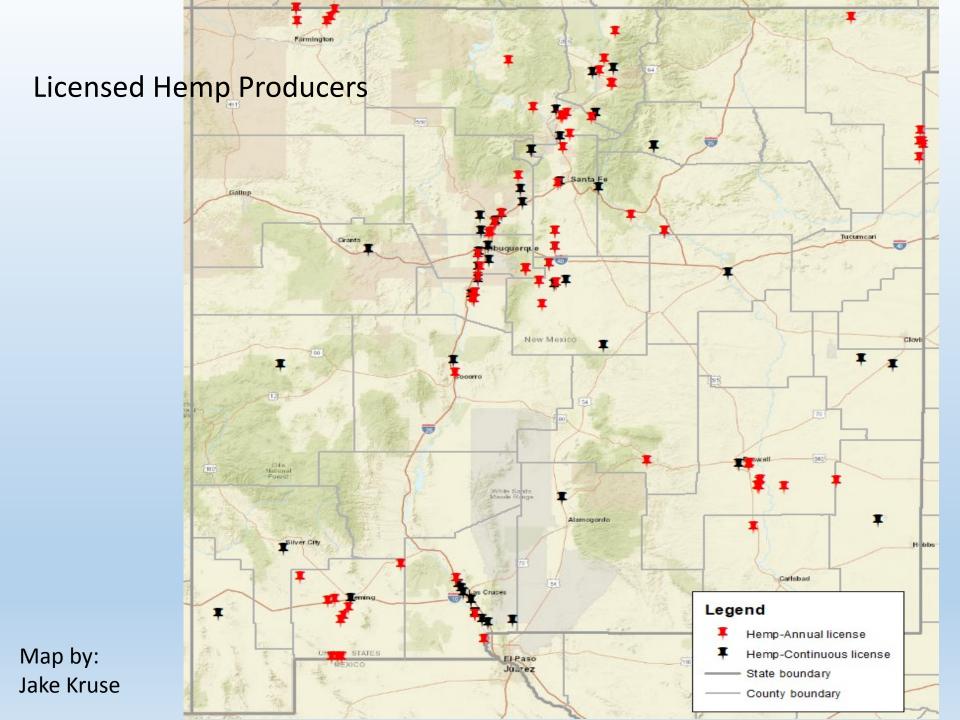
Range: 200 – 900,000 square

feet

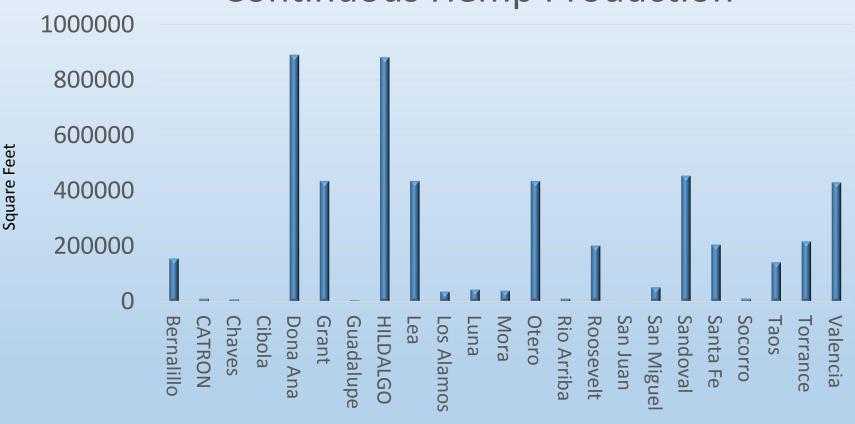
-Annual Production: 75 licenses issued

~ 3,900 acres

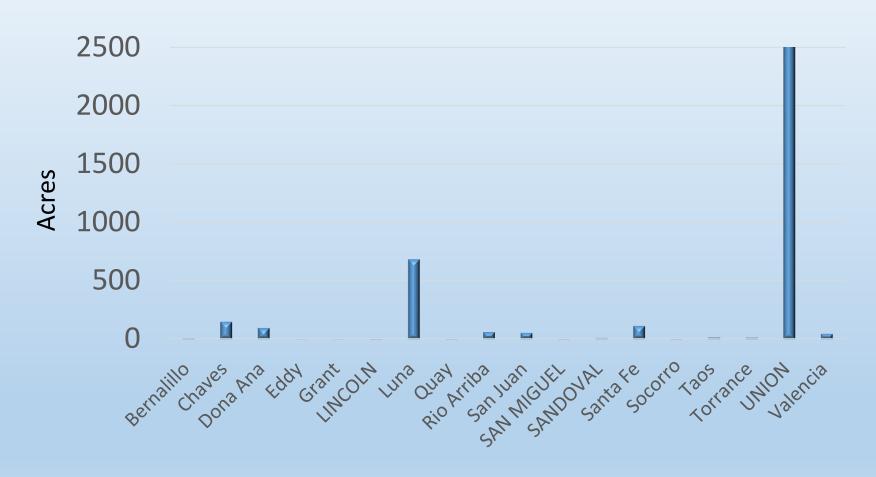
Range: .1 - 1,400 acres



Continuous Hemp Production



Annual Hemp Production





Questions

