## **Industrial Hemp**

As a result of Section 7606 of the Agricultural Act of 2014 ("Farm Bill") regarding industrial hemp, the U.S. Department of Agriculture (USDA) in consult with the U.S. Drug Enforcement Administration (DEA) and the U.S. Food and Drug Administration (FDA), recently published a notice in the Federal Register (August 12, 2016; 81 FR 53395).

This <u>document (link is external)</u> is a "Statement of Principles" to inform the public how federal law applies to activities associated with industrial hemp that is grown and cultivated in accordance with Section 7606.

The term "industrial hemp" includes the plant Cannabis sativa L. and any part or derivative of such plant, including seeds of such plant, whether growing or not, that is used exclusively for industrial purposes (fiber and seed) with a tetrahydrocannabinols concentration of not more than 0.3 percent on a dry weight basis. The term "tetrahydrocannabinols" includes all isomers, acids, salts, and salts of isomers of tetrahydrocannabinols.

The Statement of Principles informs individuals, institutions, and states how to legally participate in industrial hemp research, in states where such activity is legal, if they wish to do so. As reflected in this guidance, eligible National Institute of Food and Agriculture (NIFA) program participants may be able to use agency funding for industrial hemp research in some circumstances that are consistent with existing program priorities.

Consistent with the Statement of Principles, NIFA will, at a minimum, be taking the following steps:

- Include a <u>related certification</u> as part of the submission of applications to NIFA for federal financial assistance. This will be implemented with applications submitted on or after Oct. 1, 2016.
- Include an award term and condition. The award term will be included with new awards or those receiving a funding increment on or after Oct. 1, 2016.
- Make available a frequently asked questions (FAQs) document.

NIFA is authorized to support industrial hemp research where such activity complies with state law. Further, the researcher must either:

- Be an institution of higher education or state department of agriculture as defined by 20 U.S.C. 1001 (see <a href="https://www.gpo.gov/fdsys/pkg/USCODE-2011-title20/html/USCODE-2011-title20-chap28-subchapI-partA-sec1001.htm">https://www.gpo.gov/fdsys/pkg/USCODE-2011-title20/html/USCODE-2011-title20-chap28-subchapI-partA-sec1001.htm</a> (link is external)) or
- Grow the industrial hemp under the auspices of a state agricultural pilot program.

This web page will be updated with additional information as appropriate. For media inquiries contact <a href="maily.gifford@nifa.usda.gov(link sends e-mail">sally.gifford@nifa.usda.gov(link sends e-mail)</a>, for all other inquires contact whoffman@nifa.usda.gov(link sends e-mail).

## Frequently Asked Questions

Question 1: Will agricultural research pilot programs that conduct experiments involving growing industrial hemp still require DEA permitting?

Answer: No, as long as the hemp in question is grown or cultivated under a license, registration, authorization, or production lease with a state pilot program under (or otherwise compliant with) Section 7606. DEA permitting is required under the Controlled Substances Act (CSA). The 2014 Farm Bill legitimized industrial hemp research "notwithstanding" the CSA, if performed pursuant to section 7606. Therefore, industrial hemp legitimately may be grown or cultivated either pursuant to section 7606 or in connection with a DEA permit.

Question 2: What do I need to do if I want to legally conduct an experiment that involves growing industrial hemp?

Answer: First, the experiment must be conducted in a state that has legalized the production of hemp. Second, the researcher must either (a) be an institution of higher education or state department of agriculture or (b) grow the industrial hemp under the auspices of a state agricultural pilot program.

Question 3: If I apply for a USDA funded research grant for such an industrial hemp experiment, will USDA be permitted to fund my proposal?

Answer: Yes, provided the criteria (in question 2), above are met. Depending on the funding agency, applicants likely will need to certify compliance with the relevant State program and agree to certain terms and conditions as set by the agency.

Question 4: Can universities who receive capacity funding from NIFA utilize these dollars to support industrial hemp research?

Answer: Yes. Entities eligible to receive capacity funding from NIFA would not lose their eligibility merely because their research involves growing or cultivating industrial hemp, as long as that research is conducted under a license, registration, authorization, or production lease with a state pilot program under Section 7606 or otherwise represents legal activity within the state. Universities who receive these capacity funds may choose to devote a portion of them to industrial hemp research, consistent with other statutes and regulations governing those funds.

Question 5: How can I find out what types of industrial hemp activities are legal in my state? Answer: Consult your organization's legal counsel and the state agency responsible for the hemp pilot research program in your state. While organizations like the <u>National Conference of State Legislatures (link is external)</u> maintain websites that summarize State Industrial Hemp Statutes across the country, these websites should not be used to provide advice or assistance to private citizens or organizations regarding industrial hemp laws or other related matters.

Question 6: May producers grow hemp under this program for production of food and pharmaceutical products?

Answer: Section 7606 does not affect the requirements that already exist for the production of food and pharmaceutical products under the Federal Food, Drug, and Cosmetic Act or the Controlled Substances Act. For example, section 7606 did not alter the approval process for new drug applications or any other authorities of the FDA, nor does it alter the requirements of the Controlled Substances Act that apply to the manufacture, distribution, and dispensing of drug

products containing controlled substances. Whether hemp may be grown for food and pharmaceutical products remains a question for the FDA and/or the DEA.

rQuestion 7: Is DEA permitting still required for seed importation?

Answer: Section 7606 specifically authorized certain entities to "grow or cultivate" industrial hemp but did not eliminate the requirement under the Controlled Substances Import and Export Act that the importation of viable cannabis seeds must be carried out by persons registered with the DEA to do so. In addition, any USDA phytosanitary requirements that normally would apply to the importation of plant material will apply to the importation of industrial hemp seed.

Question 8: Is it possible for NIFA to support projects focused on post-harvest uses of industrial hemp?

Answer: Yes. In legitimizing industrial hemp research, section 7606 did not make any distinction between pre-harvest and post-harvest industrial hemp. Moreover, the law defines "industrial hemp" to include the plant Cannabis sativa L. "and any part or derivative of such plant ... whether growing or not, that is used exclusively for industrial purposes (fiber and seed) with a tetrahydrocannabinols concentration of not more than 0.3 percent on a dry weight basis." This definition, therefore, covers post-harvest stalks, as well as the fibers and other derivatives of the plant.