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To: Interested Parties
From: Forbes Tate Partners (FTP)
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Subject: Hemp State of Play

Overview

The policy landscape surrounding marijuana is evolving, from changes regarding medical and recreational use to moves toward decriminalization. Regulation of commercial hemp cultivation has reached a critical point. If handled wisely, imminent decisions at multiple levels of government could create opportunities for states to lead and businesses to grow into exciting and new legal markets, including textiles, food, fuel, biodegradable plastics, and other industrial materials. However, poorly considered or loosely coordinated rules could lead to serious missteps within both federal and state regulatory structures.

FTP will be monitoring the emerging market and policy landscape closely. Issues we'll be tracking include:

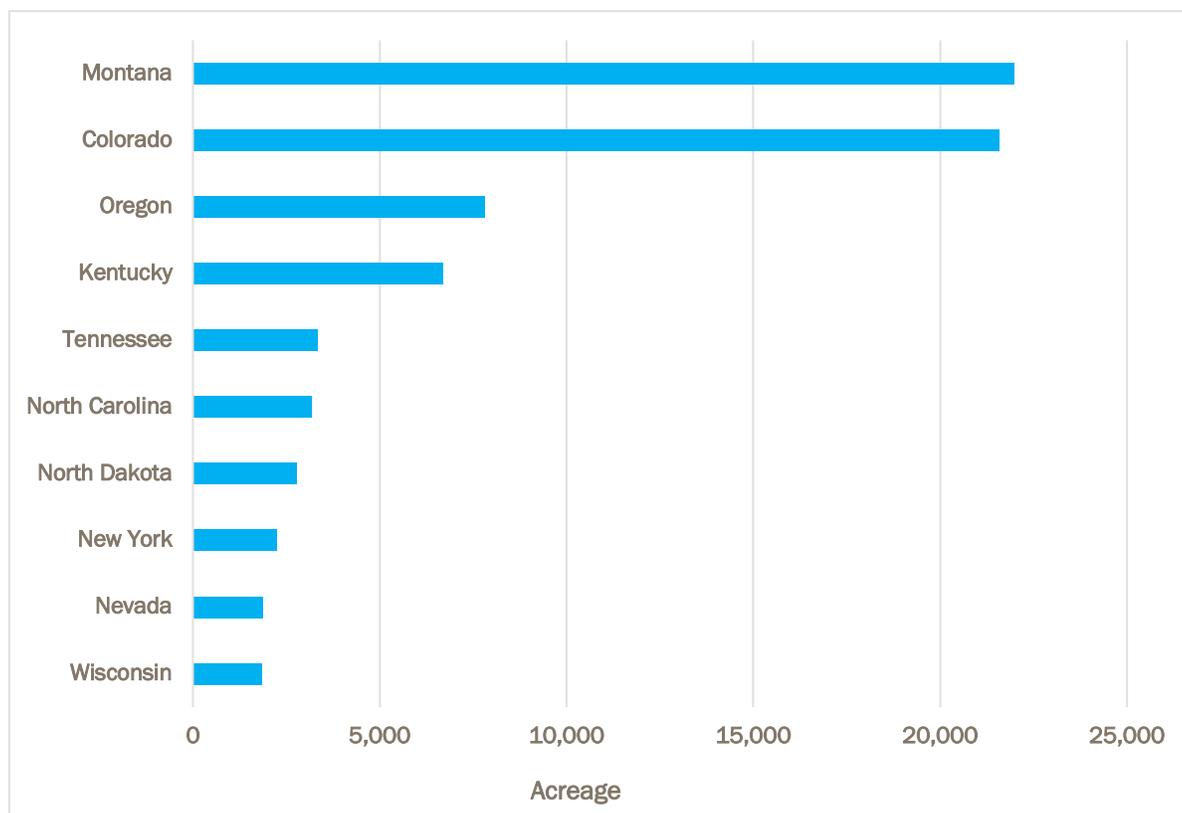
- 1) **State implementation:** While the U.S. Department of Agriculture (USDA) will approve hemp plans and issue guidance this fall, states will have leeway to implement programs and create completely new regulatory structures. How those structures evolve and interact will preview a potential future for cannabis, cannabidiol (CBD), and a newly regulated type of farming and retail.
- 2) **Interstate commerce:** In practice, as products begin moving across state lines, determining what is classified as hemp or cannabis while navigating across states with varying legal cannabis rules will be a multi-state, multi-agency issue. The ability of those authorities to effectively coordinate will have a direct impact on the trajectory of the industry.
- 3) **Public perception and safety:** While the country's perceptions about cannabis and hemp are evolving, issues including, but not limited to, quality, quantity, labelling, pesticides, and concentration remain unresolved. Implementation without pause for public safety issues and accountability could create backlash as health regulations must be addressed in a consistent and thoughtful manner.

We'll be watching carefully as implementation moves forward. As a primer, we created the following deep dive on the hemp state of play across all 50 states. We evaluated each state's actions with an eye towards the policy landscape, combined with state-by-state data from [Vote Hemp's 2018 Hemp Crop Report](#), to highlight acreage of hemp cultivated.

The report is organized by:

- 1) Top ten hemp states in 2018
- 2) Federal policy
- 3) Policy in practice
- 4) States with hemp cultivation in 2018
- 5) Remaining states

Top 10 Hemp States in 2018



Acreage totals come from the [‘Vote Hemp’ U.S. Hemp Crop Report](#)

A quick review of the top ten hemp cultivation states showcases potential issues. For instance:

- **Only Colorado, Nevada, and Oregon** have set up recreational and medical cannabis markets;
- **Montana and New York** have set up medical but not recreational cannabis markets; and
- **Kentucky, Tennessee, North Carolina, and Wisconsin** have not set up either medical or recreational cannabis markets.

Federal Policy

The Agriculture Improvement Act of 2018 (“2018 Farm Bill”) dramatically transformed the federal approach to hemp, legalizing the manufacture and sale of cannabis products with small amounts of THC under a new regulatory environment shared between the federal government and states. Since the passage of the 2018 Farm Bill, USDA has been working to implement the new provisions. USDA has indicated that the rules are expected to be completed in fall 2019 in time for the 2020 planting season.

The 2018 Farm Bill legalized hemp by amending the Controlled Substances Act (CSA) to differentiate the crop from marijuana using a key distinction: hemp may be considered outside the purview of CSA if it contains a maximum of 0.3 percent THC. The 2018 Farm Bill also allows for increased commercialization of hemp by designating the crop as an agricultural commodity, making it eligible for financial protections under the Federal Crop Insurance Act, allowing for the importation of hemp seeds, and allowing the interstate transfer of hemp and hemp-derived products.

Policy in Practice

The legalization of commercial hemp comes with restrictions. The most important of which, as noted above, is that the level of THC allowed in a hemp plant must be no more than 0.3 percent. Additionally, the 2018 Farm Bill details the regulatory system for hemp cultivation between the federal government and states, requiring states that want to commercialize hemp to submit a regulatory plan to USDA for approval. States that don’t take an active role in regulating hemp can allow their cultivators to apply for federally-approved licenses. Rules from the Food and Drug Administration (FDA) and the Drug Enforcement Administration (DEA) are anticipated but on a less stringent timeline. Cultivators found in violation of USDA regulations may comply with a corrective action prescribed by state regulatory plans or USDA. Three violations in five years will result in a cultivator being barred by a state from producing hemp for five years.

The 2018 Farm Bill also expanded provisions in the 2014 Farm Bill by allowing for research into hemp in two ways: it renewed protections for hemp research and placed hemp under the Critical Agricultural Materials Act, recognizing the crop’s “strategic and industrial importance,” thus making it eligible for federally-sponsored research and development.

States with Hemp Cultivation in 2018

State: Montana

Overseeing State Entity: [Montana Department of Agriculture \(MDA\)](#)

Legal: Yes

[22,000 acres of hemp were cultivated in Montana last year]

After the passage of the 2014 Farm Bill, the state created a hemp pilot program with accompanying state legislation, which is [administered](#) by the state’s Department of Agriculture. The pilot program

became [active](#) in 2017 with 14 growers. Since then, it has grown to become the largest in the nation. Montana is one of the few states that has expressed its intention to expand the pilot program in the state after the 2018 Farm Bill allowed for commercialization and has made its [regulatory plan](#), which requires USDA approval, publicly available. Notably, Montana's regulatory plan says that the MDA will strive to minimize the number of inspections needed to avoid unnecessary expenses and burdens being placed on farmers. MDA intends to prioritize inspection based on complaints of non-compliance and will inspect strains with higher risk profiles. The state also intends to hold inspections on a yearly basis regardless of the strain of hemp being planted.

State: Colorado

Overseeing State Entity: [Colorado Department of Agriculture \(CDA\) - Industrial Hemp Committee](#)

Legal: Yes

[21,578 acres of hemp were cultivated in Colorado last year]

Hemp cultivation is overseen by the Industrial Hemp Committee, which falls [under](#) the Department of Agriculture. Colorado has established a seed certification program and a grant program for institutions of higher learning to research hemp. According to CDA, the number of registrations for hemp operations have doubled since January 2018. After the passage of the 2018 Farm Bill, CDA partnered with leading state, local, and tribal agencies, as well as industry experts, on an initiative called [Colorado Hemp Advancement and Management Plan](#) (CHAMP).

The initiative was created to gain a stronger understanding of the industrial hemp supply chain and develop legislative solutions to support the burgeoning industry. CHAMP is currently exploring the first half of the industrial hemp supply chain and plans to deliver a management plan to USDA in the fall. The group plans to address the second half of the supply chain and release a report early next year. An [interview](#) with the director of CDA indicated that the state is relying on the results of the CHAMP initiative to be a blueprint for future initiatives.

State: Oregon

Overseeing State Entity: [Oregon Department of Agriculture](#)

Legal: Yes

[7,808 acres of hemp were cultivated in Oregon last year]

Oregon's hemp pilot program, in place since 2016, is one of the largest in the country. Despite the large amounts of hemp grown in the state, some farmers have raised [concerns](#) about what to do with the crop since there could be a shortage of durable goods processors as its popularity increases. Oregon's legislature [passed House Bill 4089](#) (2018), which created a regulatory framework for the crop and [authorized](#) the sale of processed hemp products into a cannabis recreational market administered by the Oregon Liquor Control Commission (OLCC). Thus, Oregon already has a framework for edible and durable hemp-derived products. After the passage of the 2018 Farm Bill, officials [submitted a letter of intent](#) in anticipation of promulgated rules from USDA later this year.

State: Kentucky

Overseeing State Entity: [Kentucky Department of Agriculture](#)

Legal: Yes

[6,700 acres of hemp were cultivated in Kentucky last year]

The Kentucky Department of Agriculture created an Industrial Hemp Research Pilot Program after the 2014 Farm Bill. With the passage of the 2018 Farm Bill, the state [does not intend to make any changes](#) to its current program, as the program currently exceeds the minimum requirements stipulated. However, there may be forthcoming changes to account for any additional administrative burdens. Kentucky [announced](#) the Department of Agriculture approved 1,035 applications to cultivate up to 42,086 acres of industrial hemp for the 2019 planting season, making Kentucky one of the top states for hemp. Senate Majority Leader Mitch McConnell (R) has indicated that he is proud of the language in the Farm Bill and [plans](#) to tout it in his 2020 reelection campaign.

State: Tennessee

Overseeing State Entity: [Tennessee Department of Agriculture](#)

Legal: Yes

[3,338 acres of hemp were cultivated in Tennessee last year]

Tennessee [created](#) a hemp pilot program in 2015 after the federal government passed the 2014 Farm Bill, with accompanying state legislation. In 2018, the state's hemp program consisted of 226 licensed growers who are expected to submit their data to the Tennessee Department of Agriculture. After President Trump signed the 2018 Farm Bill, the Department [announced its intent](#) to develop rules and regulations for industrial hemp and to alter its current program to maintain consistency with federal regulations. The Department noted, however, that the current program is unlikely to change in the short term until USDA releases its regulations. Generally speaking, Tennessee's long history of tobacco farming and its approach to the hemp industry position the state to be a major hemp player.

State: North Carolina

Overseeing State Entity: [North Carolina Department of Agriculture and Consumer Services](#)

Legal: Yes

[3,184 acres of hemp were cultivated in North Carolina last year]

With the passage of [Senate Bill 313](#) (2015), [House Bill 992](#) (2016), and the federal 2014 Farm Bill, the North Carolina Department of Agriculture established a hemp pilot program. The state intends to operate within the established pilot program until USDA and FDA clarify rules stemming from the 2018 Farm Bill. Press coverage [suggests](#) that North Carolina is well positioned to be one of the largest growers nationwide because of the state's history of tobacco cultivation and farmers' abilities to use similar methods and infrastructure with hemp operations.

State: North Dakota

Overseeing State Entity: [North Dakota Department of Agriculture](#)

Legal: Yes

[2,778 acres of hemp were cultivated in North Dakota last year]

North Dakota put a [pilot program](#) in place ahead of the 2016-2017 planting season, with six research centers authorized to cultivate the crop. In 2019, state legislators rewrote the state's hemp laws to [coincide](#) with the 2018 Farm Bill. While the new rules present opportunities in the long term, they were [not](#) written in time for farmers to grow in 2019. Per the state [law](#) passed in the spring of 2019, in order to grow industrial hemp in North Dakota, a producer must submit to a background check and supply the locations of fields. The Department requires a licensing [fee](#) of \$41.25. The cost to license the land where hemp will be grown [starts](#) at \$25 for a single acre, with the maximum fee set at \$350 based on the number of acres planted. According to John Mortenson, the Department's hemp lead, North Dakota is [ready](#) to submit a plan to USDA in the fall.

State: New York**Overseeing State Entity:** [New York Department of Agriculture and Markets](#)**Legal:** Yes**[2,240 acres of hemp were cultivated in New York last year]**

Governor Andrew Cuomo (D) signed [Assembly Bill 9310](#) (2016) authorizing the expansion of the state's pilot program to include research projects into the sale, distribution, transportation, and processing of industrial hemp. Notably, any person who seeks to grow hemp in the state must participate in the [Industrial Hemp Agricultural Research Pilot Program](#). This announcement was made via a hemp program guidance [issued](#) on April 24, 2019. In 2017, the state legislature and the Governor created a [working group](#) to advise the state on policies and initiatives to help grow the industry.

State: Nevada**Overseeing State Entity:** [Nevada Department of Agriculture](#)**Legal:** Yes**[1,881 acres of hemp were cultivated in Nevada last year]**

According to the [state's Department of Agriculture site on hemp](#), Nevada has a pilot program that was formed following the 2018 Farm Bill. Senate Bills [305](#) and [396](#), approved in 2015 and 2017 respectively, deal with growing and handling hemp under that program. According to an [official document](#) from the Nevada Department of Agriculture, the state is working on a state plan to submit to USDA for approval pursuant to the 2018 Farm Bill.

State: Wisconsin**Overseeing State Entity:** [State of Wisconsin Department of Agriculture, Trade, and Consumer Protection](#)**Legal:** Yes**[1,850 acres of hemp were cultivated in Wisconsin last year]**

Wisconsin has a hemp pilot program that began in 2018. According to the [state page](#) on hemp, this program is authorized under the 2014 Farm Bill, a state bill, and a state regulation signed by then-Governor Scott Walker (R) ([2017 Senate Bill 119](#) and [ATCP 22](#)). The number of licenses distributed has [increased](#) from 185 in 2018 to 1,247 in 2019.

State: Vermont

Overseeing State Entity: [The Agency of Agriculture, Food, and Markets \(AAFM\)](#)

Legal: Yes

[1,820 acres of hemp were cultivated in Vermont last year]

AAFM submitted its proposed rules for a state hemp program on May 17, 2019, consistent with the 2018 Farm Bill. According to the [proposed rules](#), only those who plan to grow, cultivate, or process hemp in Vermont are required to register with the state and provide all necessary details for the program. Following the submission of the rules, AAFM held two public hearings on how to implement the law and plans to make changes based on the feedback received. Once finalized, the rules must be submitted first to the Vermont Legislative Committee on Administrative Rules and then to USDA.

State: Minnesota

Overseeing State Entity: [Minnesota Department of Agriculture's \(MDA\)](#)

Legal: Yes

[710 acres of hemp were cultivated in Minnesota last year]

The [Minnesota Industrial Hemp Development Act](#), which passed the state legislature in late 2015, enabled the creation of a research pilot program. The law, combined with the passage of the 2014 Farm Bill, allowed Minnesota to begin its pilot program in 2016. Minnesota residents have [shown](#) a strong interest in growing the crop, with the number of participants sharply increasing since the creation of the program. In fact, press coverage indicates that the MDA Hemp Pilot program is currently understaffed and [unable](#) to handle the large volume of applications. In recognition of the strong interest in cultivating the crop in the state, MDA Industrial Hemp Program Coordinator Margaret Wiatrowski [told reporters](#), "Hemp doesn't have the same ready markets as established crops. And there's very little processing infrastructure in the state. So potential growers will need more than a casual interest." Moreover, MDA intends to license cultivators under the MDA Hemp Pilot program until USDA approves the state's regulatory plan pursuant to the 2018 Farm Bill.

State: Pennsylvania

Overseeing State Entity: [Pennsylvania Department of Agriculture](#)

Legal: Yes

[580 acres of hemp were cultivated in Pennsylvania last year]

Pennsylvania has been operating a hemp [pilot program](#) since Governor Tom Wolf (D) signed the [Industrial Hemp Research Act of 2016](#). The state has submitted a regulatory plan to USDA in order to take advantage of the numerous profitable commercial opportunities stemming from the cultivation of

the product. However, the Pennsylvania Department of Agriculture states that it is unlikely that USDA will respond until fall 2019.

State: Maine

Overseeing State Entity: Maine Department of Agriculture, Conservation, and Forestry

Legal: Yes

[550 acres of hemp were cultivated in Maine last year]

Following the passage of [LD 4](#) in 2015 over then-Governor Paul LePage's (R) veto, the state began a pilot program in 2016. [The state page on hemp](#) announced recently that there is now an active trial for growing hemp indoors. In March 2019, Governor Janet Mills (D) also signed into law [LD 630](#), a bill that provides protections for CBD, allowing it to be added to food. This law is [expected to](#) drive interest in the Maine hemp industry.

State: Oklahoma

Overseeing State Entity: [Oklahoma Department of Agriculture, Food, and Forestry](#)

Legal: Yes

[445 acres of hemp were cultivated in Oklahoma last year]

According to the [state's page on hemp](#), "The Oklahoma legislature passed the Oklahoma Agricultural Industrial Hemp Pilot Program (OAIHPP) in April of 2018 and the temporary rules to govern the program were adopted by the Department in May of 2018. Under the laws and rules for the OAIHPP program, a farmer wishing to grow industrial hemp must establish a relationship with a University or college that belongs to the Oklahoma State System of Higher Education and has a plant science curriculum." The program is now in its second growing season and, [according to Hemp Industry Daily](#), the state expects around 1,300 acres to be planted in 2019 - nearly three times the amount planted in 2018. Additionally, following the 2018 Farm Bill, Oklahoma passed [legislation](#), signed on April 18, 2019, that moves the hemp program from a pilot program to commercial production. However, regulations are still being developed, and the 2019 growing season is still operating under the rules of the pilot program. Oklahoma hopes to have the regulations ready for the 2020 growing season.

State: South Carolina

Overseeing State Entity: [South Carolina Department of Agriculture](#)

Legal: Yes

[256 acres of hemp were cultivated in South Carolina last year]

South Carolina has a pilot program that has been active since 2018. The [state webpage](#) is sparse, but does provide [links](#) to all active licensed growers. In 2017, [House Bill 3559](#), signed by Governor Henry McMaster (R), authorized the creation of the program. Additionally, a [new law](#) signed by Gov. McMaster in late March 2019 has expanded the program. As a [result](#), "South Carolina has 113 permitted growers this year planning to plant about 3,300 acres total.... up from 20 growers and 256 acres last year [2018]."

State: West Virginia

Overseeing State Entity: [West Virginia Department of Agriculture \(WVDA\)](#)

Legal: Yes

[155 acres of hemp were cultivated in West Virginia last year]

West Virginia has had a hemp pilot program since 2002, but the program was essentially inactive until the 2014 Farm Bill. Following passage of the 2014 Farm Bill, the pilot program became active and was expanded in 2017 to allow for commercial cultivation. Since passage of the 2018 Farm Bill, West Virginia has been waiting for USDA to finalize regulations before submitting its plan. Kent Leonhardt, [Commissioner of Agriculture](#), has noted that West Virginia will submit its plan to manage the state-based program to USDA after the rules are issued.

According to Commissioner Leonhardt, “the WVDA and West Virginia’s industrial hemp program is in a transition period. We will continue to operate under the current rules and regulations until the USDA establishes its new framework.” [The state site on hemp](#) links to the [current rules](#) governing the program. [Stats](#) for the 2019 program show that the state issued 158 licenses for a total acreage of 2,531, a 300 percent increase from the previous year. Commissioner Leonhardt is overall optimistic, saying “We are still in a holding pattern until more federal guidelines are released this fall, but at least we know West Virginia is ahead of the game on this emerging industry. We will update our law to respond to any changes in policy or regulation from our federal partners once more information is released.”

State: Washington

Overseeing State Entity: [Washington State Department of Agriculture \(WSDA\)](#)

Legal: Yes

[142 acres of hemp were cultivated in Washington last year]

Washington’s hemp pilot program was [authorized](#) by the state legislature in 2016. Washington’s industrial hemp bill, [ESSB 6206](#) (now codified as Chapter 15.120 RCW), directed WSDA to develop a process for issuing licenses to produce industrial hemp as a means of researching the cultivation and marketing of industrial hemp in the state. Washington’s law was passed in accordance with the 2014 Farm Bill, which allowed states to grow hemp only for research purposes and determine if it is a viable industry. However, the program appears to be transitioning, as according to the state’s [website](#): “The Industrial Hemp Research Pilot Program (IHRP) has issued a new policy statement to provide clarity for the transition from the Industrial Hemp Research Pilot Program to implementation of a commercial ‘hemp’ program under both the Agriculture Improvement Act of 2018 (2018 Farm Bill) and Engrossed Second Substitute [Senate Bill 5276](#),” which was signed by Governor Jay Inslee (D) on April 26, 2019.

According to a policy statement from WSDA, most sections of the new law authorize WSDA to “develop a new ‘Hemp plan’ to replace the current Industrial Hemp Research Pilot Program (IHRP) upon approval of the new hemp plan by USDA and its adoption by WSDA using expedited rule-making.” The state is working on transitioning its program from pilot to a commercial hemp program.

State: Virginia

Overseeing State Entity: [Virginia Department of Agriculture and Consumer Services](#)

Legal: Yes

[135 acres of hemp were cultivated in Virginia last year]

Virginia has a pilot program that was formed after passage of the 2014 Farm Bill and [Virginia's Industrial Hemp Bill](#) (2015). Despite the fact that the pilot program was launched in 2015, it was confined to universities due to the legally-required research component of the law. Following the passage of the 2018 Farm Bill, Virginia passed [new legislation](#) in March of this year that updates the hemp law to conform with the 2018 Farm Bill and removes the research component. The [state website](#) for hemp has an [annual report](#) on the program as well as a section devoted to the 2018 Farm Bill that says "The Secretary of Agriculture and Forestry and VDACS, in conjunction with the Governor's Office and the Superintendent of the Virginia State Police, as required by the Farm Bill, will review the hemp-related provisions of the Farm Bill and determine a course of action that will best support Virginia's hemp industry."

State: Massachusetts

Overseeing State Entity: [Massachusetts Department of Agricultural Resources \(MDAR\)](#)

Legal: Yes

[21 acres of hemp were cultivated in Massachusetts last year]

Massachusetts' hemp pilot program became active in 2018 following a change in Massachusetts General Laws (Chapter 128, sections 116-123). According to the [hemp program policy](#), as well as [the hemp Q and A](#), "Massachusetts law allows hemp to be grown as part of an agricultural pilot program and for commercial purposes, provided such activities are licensed or registered by MDAR. MDAR is currently licensing growing and processing activities related to industrial hemp. It will address activities that may solely require registration at a later date and is not currently issuing any registrations." There is nothing on the state site regarding Massachusetts' approach to USDA rules with respect to the 2018 Farm Bill. The program has [expanded](#) from 14 licensed farmers in 2018 to more than 100 in 2019. Despite the growth, farmers are [reportedly](#) in limbo because of a new [policy](#) prohibiting the sale of food products containing hemp-derived CBD, products containing hemp as a dietary supplement, and products containing CBD derived from hemp that makes therapeutic or medicinal claims.

State: Indiana

Overseeing State Entity: [Office of Indiana State Chemist](#)

Legal: Yes

[five acres of hemp were cultivated in Indiana last year]

Indiana's path to enter the hemp industry has been complicated. In 2014, former Governor Mike Pence (R) signed [IC 15-15-13](#) ("Industrial Hemp") into law, which authorized the state Chemist and Seed Commissioner to begin the process of obtaining permits for the production of industrial hemp. In 2019, [Senate Bill 516](#) was signed by Governor Eric Holcomb (R), which establishes the state's

regulatory systems for commercial hemp farming. This regulatory structure has not been cleared by USDA as is required by the 2018 Farm Bill for industrial hemp production, so current hemp production in the state is limited to research-focused production through the [state's pilot program](#) as authorized by 2014 Farm Bill.

State: Hawaii

Overseeing State Entity: [Hawaii Department of Agriculture](#)

Legal: Yes

[Two acres of hemp were cultivated in Hawaii last year]

Hawaii has a hemp pilot program that began after Governor David Ige (D) signed [Senate Bill 2659](#) in July 2016. As of [early 2019](#), the state has issued just 10 licenses to growers and the crop does not appear to have a strong presence in the state. The state [page](#) on hemp explicitly addresses the 2018 Farm Bill, saying, "The 2018 Federal Farm Bill specifically did not invalidate current state regulations. Currently, the only legal means of cultivating hemp in Hawaii is the Department's Industrial Hemp Pilot Research Program, which is based upon the 2014 Farm Bill and state law enacted in 2016." However, there is no mention of whether the state plans to submit a plan to USDA or how it is reacting to the 2018 Farm Bill.

State: Illinois

Overseeing State Entity: [Illinois Department of Agriculture](#)

Legal: Yes

[One acre of hemp was cultivated in Illinois last year]

Illinois' hemp pilot program started once then-Governor Bruce Rauner (R) signed [Senate Bill 2298](#) into law in August 2018. The application process for licensing was recently established and opened to the public on April 30. The state [page](#) for the pilot program is sparse, but explicitly says that if one wants to grow hemp in Illinois, "there must be a research component and... [you also must be] awarded a Hemp Grower's License." Although the state authorized the pilot program in 2018, because the application process for licenses was not finished until April 30, 2019, farmers only recently planted the first crop.

State: Nebraska

Overseeing State Entity: [Nebraska Department of Agriculture](#)

Legal: Yes

[0.5 of an acre of hemp was cultivated in Nebraska last year]

Governor Pete Ricketts (R) signed [LB 657](#) into law earlier this year, expanding the hemp pilot program. According to the [state page on hemp](#) FAQ, the legislation allows for hemp cultivators and processors to apply for a licensing agreement from the Nebraska Department of Agriculture to grow, harvest, and process hemp in Nebraska. The expanded program began this year and [received 176 applications](#). The deadline is now closed and applicants can be found [here](#). Officials are waiting for guidance from USDA before submitting a plan for approval to regulate its own industrial hemp industry.

Remaining States

State: Alabama

Overseeing State Entity: [Alabama Department of Agriculture and Industries](#)

Legal: Yes

[No hemp was cultivated in Alabama last year]

Alabama has created an industrial hemp research program overseen by the Alabama Department of Agriculture and Industries, which works to organize the study of hemp with universities and other institutions. According to the [state page on hemp](#), “In 2016, the Alabama Legislature passed the Alabama Industrial Hemp Research Program Act, Section 2-8-380 Code of Alabama 1975, tasking the department with the development of a licensing and inspection program for the production of industrial hemp.” Until USDA develops regulations regarding the 2018 Farm Bill, the state’s hemp program is operating under the Industrial Research Program Act and the 2014 Farm Bill. As of [early 2019](#), Alabama has approved applications from 180 farmers to grow hemp. 150 of those individuals have paid the \$1,000 permit fee to obtain their state license.

State: Alaska

Overseeing State Entity: [Alaska Department of Natural Resources – Division of Agriculture](#)

Legal: Yes

[No hemp was cultivated in Alaska last year]

Alaska has [directed](#) the Commissioner of Natural Resources to enact regulations regarding hemp that include approved sources of seeds, testing requirements, and growing regulations. The state also provides specific registration requirements and permitted actions for registered producers of industrial hemp. Alaska’s law is such that it defines both industrial CBD and clarifies that the addition of industrial hemp to food does [not](#) create an illegal product. The state also allows for the creation of a pilot program by an institution of higher learning or the state Department of Natural Resources. In 2018, then-Governor Bill Walker (R) signed [SB 6](#), which authorized a pilot program for industrial hemp. Since then, [over](#) 1,000 people have expressed interest in cultivating hemp, and the Alaska Division of Agriculture and Alaska Department of Law have been working to put forward regulations so the state can move forward with cultivation. The proposed regulations are still subject to change and can be found [here](#). The situation with hemp in Alaska is dynamic and could undergo additional changes in the near future. Some argue that growing recreational marijuana is [easier](#) for farmers in Alaska compared to growing industrial hemp.

State: Arizona

Overseeing State Entity: [Arizona Department of Agriculture](#)

Legal: Yes

[No hemp was cultivated in Arizona last year]

The Arizona Department of Agriculture (AZDA) oversees the laws for the licensing, production, and management of hemp for the pilot program. AZDA created an Industrial Hemp Advisory Council which works to create the regulatory setup such that Arizona can receive USDA approval and start cultivating hemp. So far, the state's Industrial Hemp program, which officially [launched](#) in June 2019, has received hundreds of applications. [Senate Bill 1098](#), signed in May 2018 by Governor Doug Ducey (R), was the legislative vehicle that enabled the pilot program.

State: Arkansas

Overseeing State Entity: [Arkansas Department of Agriculture - State Plant Board](#)

Legal: Yes

[No hemp was cultivated in Arkansas last year]

The Arkansas State Plant Board, a wing of the Department of Agriculture, is responsible for regulating the state's hemp program. Currently, the state is conducting a hemp pilot program that was authorized by the 2014 Farm Bill. The state's rules and regulations for this program can be found [here](#). As of January 2019, the state has issued hemp cultivation licenses to four [companies](#). However, the State Plant Board had not submitted these regulations for approval from USDA as required by the 2018 Farm Bill. Finally, as of December 31, 2018, the State Plant Board is [required](#) to submit an annual report regarding hemp.

State: California

Overseeing State Entity: [California Department of Food and Agriculture](#)

Legal: Yes

[No hemp was cultivated in California last year]

Then-Governor Jerry Brown (D) signed [Senate Bill 1409](#) into law in 2018, which allowed for the cultivation of hemp as long as the grower is registered with the California Department of Food and Agriculture (CDFA). Following SB 1409's passage, CDFA issued [regulations](#) for this registration that recently finished review. According to a [Cannabis Law Blog](#) on California's hemp laws, "part of the reason for the stalling out of the proposed regulations seems to be the 2018 Farm Bill, which was signed on December 20, 2018," as there is nothing on the [California state site for hemp](#) regarding the state's approach to the 2018 Farm Bill. For this reason, California has not been able to make much headway with respect to its hemp program. Though the laws in California governing hemp allow for cultivation for research purposes, it is difficult to determine the extent to which that has been utilized, if at all.

Despite an overall lack of progress, the state appears to be moving to get ready for industrial hemp cultivation. This is reflected through the creation of the [state's Industrial Hemp Advisory Board](#) and two pieces of legislation currently under consideration ([Senate Bill 153](#) and [Assembly Bill 228](#)). The Industrial Hemp Advisory Board is composed of 11 members with terms ending at the end of May 2020 and works to advise CDFA regarding hemp laws and regulations.

State: Connecticut

Overseeing State Entity: [Connecticut Department of Agriculture \(DOAG\)](#)

Legal: Yes

[No hemp was cultivated in Connecticut last year]

Connecticut's hemp pilot program began in June 2019 after being authorized by the passage of [Senate Bill 893](#). The [regulation](#) "authorizes DOAG to implement a hemp research program. It also authorizes DOAG to submit a state plan to the United States Secretary of Agriculture. Once the State Plan is approved by USDA, the research program will expire and DOAG will regulate the commercial production of hemp as an agricultural commodity in conformance with the 2018 Agriculture Improvement Act and the Connecticut Public Act Concerning A Pilot Program for Hemp." So far, Connecticut has approved 71 licenses for hemp cultivation.

State: Delaware

Overseeing State Entity: [Delaware Department of Agriculture](#)

Legal: Yes

[No hemp was cultivated in Delaware last year]

Governor John Carney (D) [signed Senate Bill 266](#) into law on August 28, 2018, which, along with the 2014 Farm Bill, permits the cultivation of hemp for agricultural or academic research and established the state's pilot program. SB 266 gave the Delaware Department of Agriculture the regulatory oversight over hemp cultivation. According to the [state Department of Agriculture website](#), the goal behind the law was to "position Delaware to immediately permit the cultivation of hemp if and when the federal restrictions were repealed." Considering these restrictions were repealed in the 2018 Farm Bill, it seems likely there could be more action regarding commercial activity in the near future.

State: Florida

Overseeing State Entity: [Florida Department of Agriculture and Consumer Services \(DACS\)](#)

Legal: Yes

[No hemp was cultivated last year in Florida]

Under current law, hemp cultivation is authorized for two higher education institutions: University of Florida (UF) and Florida A&M University (FAMU). The legislation authorizing the research was signed into [law](#) by former Governor Rick Scott (R) in 2017. Since then, Governor Ron DeSantis (R) signed [Senate Bill 1020](#) in 2019 to create a state hemp program wherein DACS submits a plan to USDA for approval. Within that program, DACS is required to maintain a land registry, submit monthly reports, and provide licensure requirements and rules for distribution and sale of hemp extract. The state also has a working group called the [Hemp Advisory Committee](#) (HAC) that acts as an ancillary to DACS with respect to creating rules and regulations for the state's forthcoming program.

State: Georgia

Overseeing State Entity: [Georgia Department of Agriculture](#)

Legal: Yes

[No hemp was cultivated in Georgia last year]

The production and sale of hemp and hemp products is legal, due to Governor Brian Kemp (R) signing of the [Georgia Hemp Farming Act](#) of 2019. However, only growers that have been approved and licensed by the State Department of Agriculture are permitted to grow, and none are currently licensed. The state is currently working on developing regulations for its hemp program, but according to the [Department of Agriculture](#), these regulations are still in progress and no licenses will be given out until after they are finished. The organization Vote Hemp [opposed](#) the Georgia Hemp Farming Act due to excessive processor and grower fees and for its authorization of law enforcement as the primary enforcement inspectors. The state also excludes hemp from its definition of marijuana and has begun to allow some universities to study it.

State: Idaho**Overseeing State Entity:** N/A, potentially the Idaho State Department of Agriculture**Legal:** No**[No hemp was cultivated in Idaho last year]**

Hemp is currently illegal in Idaho, and a bill that [looked](#) to have strong support this past legislative session ended up stalling and later dying. The Idaho Attorney General [considers](#) hemp extracts with CBD to be a controlled substance unless it is derived from excluded parts of the hemp plant and contains no THC.

State: Iowa**Overseeing State Entity:** [Iowa Department of Agriculture and Land Stewardship](#)**Legal:** Yes**[No hemp was cultivated in Iowa last year]**

Despite Iowa's ideal location for hemp production, the state [did not](#) create a pilot program after the passage of the 2014 Farm Bill. However, [Senate File 599](#) was signed into law on May 13, 2019, by Governor Kim Reynolds (R), which permits licensed growers to plant up to 40 acres of hemp. Despite this, the [state site on hemp](#) explicitly says that "[F]armers cannot legally grow hemp in Iowa until USDA approves the state's proposed regulatory plan. Hemp production will likely not be legalized until the 2020 growing season at the earliest, depending on the timing of the review and approval process." While the state's proposed regulatory plan is [not](#) out yet, it is supposedly "coming soon."

State: Kansas**Overseeing State Entity:** [Kansas Department of Agriculture](#)**Legal:** Yes**[No hemp was cultivated in Kansas last year]**

Kansas [Senate Bill 263](#), the Alternative Crop Research Act, was signed into law in April 2018 by then-Governor Jeff Colyer (R) and allowed the Kansas Department of Agriculture (KDA), either alone or in coordination with institutions of higher education, to grow and cultivate industrial hemp and promote

the research and development of industrial hemp. Individuals are also permitted to participate in the research program. KDA, while acknowledging the opportunities that the passage of the 2018 Farm Bill brings to the hemp industry, has not indicated an interest in submitting a regulatory plan in the short term until the state collects data from its pilot program. In February 2019, a group of business leaders, state government employees, and legislators were named to the [Industrial Hemp Advisory Board](#) to assist with the rules and regulations procedure.

State: Louisiana

Overseeing State Entity: [Louisiana Department of Agriculture and Forestry](#)

Legal: Yes

[No hemp was cultivated in Louisiana last year]

The Louisiana state legislature passed [House Bill 491](#) (2019) authorizing the Louisiana Department of Agriculture and Forestry to develop and submit a state industrial hemp regulatory plan to USDA in the fall. Louisiana's [hemp bill](#) is restrictive, as it relates to hemp-derived CBD and prohibits retailers and producers from marketing CBD products as dietary supplements. It also requires all products to have QR codes or other pieces of information denoting their origins and "the product's certificate of analysis." Prior to the passage of the bill and the 2018 Farm Bill, hemp farming was illegal in the state.

State: Maryland

Overseeing State Entity: [Maryland Department of Agriculture](#)

Legal: Yes

[No hemp was cultivated in Maryland last year]

Maryland recently enacted a pilot program for the cultivation of industrial hemp. The state legislature first started moving to create this program after the passage of the 2014 Farm Bill, initially passing [HB 443](#) in 2016. In 2018, lawmakers passed [HB 698](#), updating the original law to accommodate for the implementation of a pilot program. The Department of Agriculture's regulations that pertain to HB 698 [were issued on January 28](#) of this year. According to the [state's page](#) for hemp, applications appear to be open for the upcoming season. Most recently, the state legislature passed [HB 1123](#) (effective June 1, 2019), which changes the hemp laws such that qualified growers will be able to cultivate hemp without being involved in some research capacity and [allows for CBD oil to be classified as industrial hemp \(not cannabis\)](#).

State: Michigan

Overseeing State Entity: [Michigan Department of Agriculture and Rural Development](#)

Legal: Yes

[No hemp was cultivated in Michigan last year]

In 2014, Michigan passed the [Industrial Hemp Research and Development Act](#). According to the [Michigan State University Site on Cannabis](#), this law permits regulated research on this crop. It does not appear that this act created a pilot program, though, as "the federal Drug Enforcement Agency,

however, delayed issuing controlled substances permits, which has stalled industrial hemp research in Michigan and elsewhere.” In late December 2018, former Governor Rick Snyder (R) signed into law [House Bill 6330](#), [House Bill 6331](#), and [House Bill 6380](#). These bills enable the Michigan Department of Agriculture and Rural Development to regulate the cultivation and handling of hemp or create a pilot program. According to the [state's hemp page](#), the growing applications were [up](#) and running in time for the 2019 growing season.

State: Mississippi

Overseeing State Entity: Mississippi Department of Agriculture and Commerce

Legal: No

[No hemp was cultivated in Mississippi last year]

According to the [state page on hemp](#), “Mississippi did not adopt state laws to legalize hemp under authority of the 2014 Farm Bill....[and] To date, Mississippi laws and regulations have not been amended to allow the cultivation of hemp within the state.” Therefore, the state does not currently have a pilot program. However, following the passage of [House Bill 1547](#) this year, the state created a [Hemp Cultivation Task Force](#) “to consider the potential of hemp cultivation, market potential, and potential job creation in Mississippi.” There is no word on the findings of the Task Force or how the state plans to act with respect to the 2018 Farm Bill.

State: Missouri

Overseeing State Entity: [Missouri Department of Agriculture](#)

Legal: Yes

[No hemp was cultivated in Missouri last year]

Following passage of the 2014 Farm Bill, Missouri passed a variety of hemp-related acts in the state. These include [House Bill 2238](#) (2014, permits hemp to be grown for research purposes), [House Bill 2054](#) (2018, industrial hemp is not a controlled substance), and [House Bill 2034](#) (2018, permits hemp for broader purposes and amends state licensing program). Most recently, Governor Mike Parson (R) signed [Senate Bill 133](#) on June 24, 2019. The bill moves industrial hemp to commercialization rather than the research pilot program, which was created by House Bill 2034 in 2018. Existing rules created for the industrial hemp research pilot program must be revised to reflect changes made to the industrial hemp law in 2019.

The above legislation has enabled Missouri to launch its pilot program this year. According to the [timeline](#) on the website of the Missouri Department of Agriculture, the program took effect on August 28. The law contains a provision that enables universities to start planting immediately, which the University of Missouri [has](#) begun to do. Applications for hemp cultivation are expected to be online this fall and, following the 2018 Farm Bill, the state will submit a plan to USDA for approval following USDA’s release of regulations.

State: New Hampshire

Overseeing State Entity: Currently N/A, potentially the New Hampshire Department of Agriculture, Markets, and Food

Legal: No

[No hemp was cultivated in New Hampshire last year]

Hemp is currently illegal in New Hampshire as there is no hemp program. The state Department of Agriculture [site](#) has a page on hemp-related questions, which redirects to USDA. There is a bill moving through the state legislature now, however, [HB 459](#), which would legalize industrial hemp and appears to have broad support. If passed, this bill would effectively put state policy in line with new federal policy based on the 2018 Farm Bill.

State: New Jersey

Overseeing State Entity: [New Jersey Department of Agriculture](#)

Legal: Yes

[No hemp was cultivated in New Jersey last year]

In the fall of 2018, New Jersey began operating a hemp pilot program after passing [Assembly Bill 1330](#) into law. Soon after the program began, however, the 2018 Farm Bill was signed and New Jersey interpreted the new federal law as making hemp legal. In response, the legislature passed, and Governor Phil Murphy (D) signed, [Assembly Bill 5332](#), which expands the previous pilot program and sets the state up for industrial hemp cultivation by allowing cultivators to include hemp derived from CBD into a wide range of products. The official state page on hemp [explains](#) that the state is waiting for USDA action regulations for the commercial hemp industry and that it gives hemp the “highest priority.” Notably, [state fiscal analysts](#) estimate that there could be 2,500 acres of hemp grown next year.

State: New Mexico

Overseeing State Entity: [New Mexico Department of Agriculture](#)

Legal: Yes

[No hemp was cultivated in New Mexico last year]

New Mexico lawmakers [passed a bill](#) authorizing hemp production in 2017 only for it to be vetoed by former Governor Susana Martinez (R). However, her veto was overturned [on procedural grounds](#) in spring 2018, though this did not leave enough time to launch the pilot program for the 2018 growing season. The law went into effect in July 2019 and includes some CBD-related provisions. According to the [state page](#) on hemp, it is still illegal to grow hemp in the state without the approval of the Department of Agriculture. Despite the program being new, many [are optimistic](#) about the potential for hemp to thrive in New Mexico due to the state’s climate. [As of late July](#), the state had issued 335 licenses to grow hemp on around 7,000 acres.

State: Ohio

Overseeing State Entity: [Ohio Department of Agriculture](#)

Legal: Yes

[No hemp was cultivated in Ohio last year]

Ohio began its hemp pilot program in 2019 with the [passage](#) of [Senate Bill 57](#) on July 30. Senate Bill 57 “decriminalizes hemp, making it a legal crop for Ohio farmers to cultivate and process. The law also sets up a licensing structure for farmers who are interested in growing the crop and those interested in processing it.” Despite the hemp program being signed into law this year by Governor Mike DeWine (R), farmers will probably [not](#) begin planting until 2020. The Department of Agriculture will spend the next several months writing rules, including requirements for obtaining a growing or processing licenses. Finally, universities can grow and process hemp without a license, and Ohio State University and Central State University [plan](#) to grow hemp this summer.

State: Rhode Island

Overseeing State Entity: [Rhode Island Department of Business Regulation](#)

Legal: Yes

[No hemp was cultivated in Rhode Island last year]

Rhode Island has a pilot program that went active in October 2018. According to [the state’s page](#), it was created by the 2014 Farm Bill and 2016 [House Bill 8232](#). Rhode Island’s program is small, with only [five approved licenses](#) to cultivate hemp. All five of those licenses were distributed in 2019. Rhode Island is [not](#) a state that is expected to become a large producer of hemp.

State: South Dakota

Overseeing State Entity: South Dakota Department of Agriculture

Legal: No

[No hemp was cultivated in South Dakota last year]

Hemp farming and research is still illegal in South Dakota. This year, Governor Kristi Noem (R) vetoed [House Bill 1191](#), which would have legalized industrial hemp, over concerns that it was indistinguishable from marijuana. The House of Representatives overrode Governor Noem’s veto with a 55-11 vote, but the 20-13 vote in the Senate was not enough to enact the bill into law. South Dakota enters 2020 as one of few states that has not legalized the plant.

State: Texas

Overseeing State Entity: [Texas Department of Agriculture \(TDA\)](#)

Legal: Yes

[No hemp was cultivated in Texas last year]

Governor Greg Abbott (R) signed [House Bill 1325](#) into law in June of 2019 which, according to the [state page](#) on hemp, “authorizes the production, manufacture, retail sale, and inspection of industrial hemp crops and products in Texas.” However, despite this bill’s passage, hemp is [not](#) currently legal to

grow in Texas until the TDA submits a state hemp plan to USDA and receives approval, which is anticipated in 2020. [This statement](#) from the commissioner of the TDA lays out the state's plan with respect to the 2018 Farm Bill; "The next steps will be the development of a plan to submit to the U.S. Department of Agriculture and the rules that Texas producers will be required to follow. The Texas Department of Agriculture is in constant contact with USDA and other state and federal partners to make sure that all guidelines are followed."

State: Utah

Overseeing State Entity: Utah Department of Agriculture and Food

Legal: Yes

[No hemp was cultivated in Utah last year]

Utah has a pilot program that is newly active as a result of 2018 [Senate Bill 130](#), signed by Governor Gary Herbert (R) in March of 2018. The list of all currently licensed growers can be found [here](#). Since the adoption of the pilot program, 56 licenses have been [issued](#) to growers of varying experience levels.

State: Wyoming

Overseeing State Entity: [Wyoming Department of Agriculture](#)

Legal: Yes

[No hemp was cultivated in Wyoming last year]

Wyoming does not currently have a hemp pilot program. [According to the state site on hemp](#), following the 2018 Farm Bill, Wyoming passed [HB 171](#) (2019) which, according to Governor Mark Gordon's (R) [page](#) on hemp, "repealed all existing industrial hemp statutes in Wyoming under an immediate effective date.... [and] required submission of a state plan for Hemp to USDA within 30 days of enactment." Following the passage of this legislation, Wyoming submitted its [regulatory plan](#) to USDA on April 4th and received a response acknowledging Wyoming's regulatory plan and stating that they are working diligently to turn back a response ahead of the 2020 growing season. As the state sits between Colorado and Montana, two of America's largest hemp producers, Wyoming has [potential](#) to develop and maintain a competitive hemp program.