Legislative Update: Cannabis and Hemp

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Federal Legislation - Hemp

- 2014 Farm Bill
  - Pilot Programs “Industrial Hemp”
  - 0.3 THC or less on a dry weight basis
    - Limited agricultural pilot programs
    - Academic research
  - State licensing remains valid
- 2018 Farm Bill calls for USDA Study of Pilot Programs
- 2014 Hemp provisions repealed one year after USDA Rule

- 2018 Farm Bill – effective December 20, 2018
  - Legalization and removed from definition of “marihuana” and the Schedule 1 list, *provided*
    - 0.3 THC or less on a dry weight basis
  - USDA Rulemaking – State/Tribal plans – Year-end 2019?
  - State implementation (more on that later)
  - FDA Commissioner’s warning on December 20, 2018 . . .
Federal Legislation - Hemp

- Hemp = Agricultural commodity
- Hemp = Insurable crop
  - No details on crop insurance yet
- Hemp Production Program – USDA Resources
  - https://www.ams.usda.gov/content/hemp-production-program
- FAQs on 2018 Farm Bill Rules on Hemp
  - https://www.ams.usda.gov/publications/content/hemp-production-program-questions-and-answers
- USDA Legal Analysis concerning Hemp Provisions
Federal Legislation - Cannabis

- The SAFE Act (aka the Perlmutter Bill)
  - First ever hearing on 2/14/2019
    - House Financial Services Cmte. - Bill passed out of Cmte 45-15 3/28/2019
  - Second hearing on 7/10/2019
    - House Judiciary Cmte.
- Senate hearing on 7/23/2019
  - Senate Banking Cmte.
  - House Floor in October?

- The STATES Act (Sens. Gardner and Warren)
- FDA Hearing on CBD May 31, 2019
Colorado Statutes to Implement the 2018 Farm Bill

- Hemp Regulation Alignment With 2018 Federal Farm Bill
  - SB 19-220 - Signed May 29, 2019

- Industrial Hemp Products Regulation
  - SB 19-240 - Signed May 29, 2019
Colorado Hemp Advancement & Management Plan (CHAMP)

- Governor’s Office
- CO Dept. of Agriculture
- CO Dept. of Public Health and Environment
- CO Department of Revenue
- CO Dept. of Regulatory Agencies
- Office of Economic Development and International Trade
- CO Department of Public Safety
- CO Commission of Indian Affairs
- CO Dept. of Higher Education
- Local Governments
- Industry Experts
- The objective is to “define a well structured and defined supply chain for hemp in order to establish a strong market for the State’s farming communities.”
Colorado Hemp Advancement & Management Plan (CHAMP)

- Group 1 – R&D and Seed
- Group 2 – Cultivation
- Group 3 – Transportation
- Group 4 – Testing
- Group 5 – Processing
- Group 6 – Manufacture (Food)
- Group 7 – Marketing
- Group 8 – Banking & Insurance

- Stakeholder Discussion will take place over 5 months from late July to December 2019
- 15-25 selected subject matter experts with a balance between Government agencies and industry stakeholders
Grower Contacts for Hemp Information

NCUA “Interim” Guidance on Serving Hemp Businesses – 19-RA-02/August 2019


- OCC/Fed/FDIC have declined to issue guidance to date
QUESTIONS??