Other major changes:

- Hemp farmers may now have access to crop insurance and participate in USDA programs and grants in 2020.
- States cannot interfere with interstate transport of hemp or hemp products.

FDA continues its jurisdiction over the regulation of ingestible and topical hemp products.
Agricultural Improvement Act of 2018

• State departments must submit a plan to USDA to keep primary regulatory authority
• TDA was the 3rd state to submit a plan
• The plan must contain:
  – Method for location of hemp farms
  – Procedure for testing
  – Procedure for disposal
  – Enforcement procedures
  – Procedure for information submission to USDA
  – Certification process
• Will submit revisions in the Fall based on USDA Interim Final rules
Industrial Hemp Program Participation

<table>
<thead>
<tr>
<th>Year</th>
<th>Licenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>44</td>
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<tr>
<td>2016</td>
<td>64</td>
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<tr>
<td>2017</td>
<td>79</td>
</tr>
<tr>
<td>2018</td>
<td>226</td>
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</table>
2019 Applications

<table>
<thead>
<tr>
<th>Month</th>
<th>Growers</th>
<th>Processors</th>
</tr>
</thead>
<tbody>
<tr>
<td>November</td>
<td>111</td>
<td>41</td>
</tr>
<tr>
<td>December</td>
<td>180</td>
<td>81</td>
</tr>
<tr>
<td>January</td>
<td>488</td>
<td>160</td>
</tr>
<tr>
<td>February</td>
<td>2331</td>
<td>600</td>
</tr>
</tbody>
</table>
New Regulations

Emergency Rules filed June 3rd

- Processors no longer regulated under hemp program
- Only rooted hemp plants regulated, seed can move freely
- Year round streamlined application process
- Online movement permit applications
Types of hemp licenses

- **Hemp Grower License**: allows any amount of hemp to be grown within that licensed area for any purpose. Licenses are for a person/firm to an address in specific areas. Fees range from $250-$350 depending on size. Non-certified breeding or seedling sales with this license.

- **Food Manufacturing License**: Required if you are going to make hemp products into edible products. This is with food and dairy section.

- **Seed Seller License**: Labeled seed distributors are required to have a seed license. This is through the feed, seed and fertilizer section.
Inspections

• Growers are inspected and sampled by area plant inspectors at least 30 days before harvest.

• Self regulate by sending plant samples to independent labs every few weeks after flower development to maintain compliance.

• $150 for each sample analyzed in our regulatory lab. Test using HPLC-MS
Movement Permits

• Needed to transport rooted hemp plants

• Needed for harvested/nonviable hemp moving from farm to processor (even though non regulated)
Hemp Task Force

Created by state legislature

• Made up of 12 members with medical or agricultural expertise.

• Six appointed by House speaker, six appointed by Senate.

• Study all aspects of hemp including CBD and food.

• Submit report no later than January 1, 2020.
Best place for information

- Visit our industrial hemp webpage-
  https://www.tn.gov/agriculture/farms/hemp-industry.html
- Fluid program- each year we have had major changes and TDA keeps the info updated.
NEW! USDA Interim Final Rule

- Released October 31, 2019
  - Submit comments until December 30, 2019
- Three types of licenses:
  - State, Tribal, and USDA (for individuals without a state program)
- States will be required to have information on each hemp producer and their land (lot numbers and varieties)
  - Report regularly to USDA
- USDA specified procedures for collecting samples and testing samples 15 days before harvest
  - Test done for Total THC
  - Total THC = $\Delta 9$ THC + THCA
State Comments on USDA Interim Final Rule

- Sampling every lot and every variety in each lot within 15 days of harvest
  - With 4000 growers, over 50000 acres, and over 900 samples the TDA labs were stretched to the limit
  - New rules would exceed the capacity state and private labs in TN could handle
  - Growers would suffer from postponed harvest dates due to sampling/testing
    - Concerns with issues in maintaining separate lots and varieties during harvest and storage
- Hemp grown without license is considered negligent
- Total THC testing
  - Over 20% of TN crop would have been destroyed based on this rule
  - No fault of the grower and should not be punished