



## <u>Minorities for Medical Marijuana (M4MM) 2023 Public Policy Focus for Federal Hemp</u> Specific Legislation

# Hemp Farmer Revenue Protection Act of 2023 - Increasing economic support for Hemp Cultivators through the 2023 Farm Bill

On behalf of M4MM, we mutually take a proactive prescriptive approach to creating opportunity within the Commercial Hemp sector. Despite making Hemp legal in the 2018 Farm Bill, the related infrastructure to build a viable Industrial production sector for Commercial and Industrial Hemp products has lagged and stunted American economic growth from this sector. The following three statistics demonstrate the challenge and opportunity for investing in American Industrial Hemp Production capacity:

- (1) As of June 2023, there are only 20 licensed and operational Industrial Hemp Processors in the United States
- (2) The global industrial hemp market size was estimated at USD \$4.74 billion in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 17.1% from 2023 to 2030.
- (3) As of the April 19, 2023, National Hemp Report (by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board) in 2022, the value of hemp production in the open and under protection for the United States totaled \$238 million, down 71 percent from 2021.

An additional operational challenge for Hemp cultivators is crop testing fails due to the THC content requirements and the issue with Delta variants of Hemp products. The dual burdens have depressed the value and economic forecasting for both current Hemp Cultivators/Farmers and prospective Hemp Cultivator/Farmers due to the requirement of destroying harvested Hemp crops that fall into one of these disqualifying buckets. We recommend that Hemp that falls into one of these categories be redesignated for application the following two legislative to investment capital to stabilize the Hemp Cultivator/Farmer sector and encourage the development of additional Industrial Hemp Processors:

### **Hemp Farmer Revenue Protection Act of 2023**

1. Allowing Hemp that tests above the 0.3 THC level, produces a Delta variant that is ruled illegal via the DEA and FDA and Hemp harvested via plant crops in the EPA's Ecological reuse programs to be repurposed for Industrial Hemp Product production, non-Consumable products or foods by amending 7 USC §1639p. State and tribal plans. And 7 USC §1639q.





Department of Agriculture. And thereby increasing revenue opportunities for Hemp farmers and Minority Hemp farmers specifically.

- THC Content for hemp in the farming sector. If the Hemp Cultivators Crop fails the 0.3% THC content testing and remediation structure to fall under the 0.3% requirement, M4MM recommends language in the 2023 Farm bill to repurpose those "hot crops" (those testing about the 0.3% THC level) to be used for exclusively for industrial products development (so farmers don't have to waste a full growing season on Hemp products and not have a viable commercial market for revenue generation).
- Create statutory language and regulatory guidance to classify Hemp that produces Delta THCO product variants (Delta 8, Delta 9, Delta 10) to be repurposed exclusively for Industrial Hemp production only.

### "7 USC §1639p. State and tribal plans.

Amend 7 USC §1639p. State and tribal plans. (a)(2)(ii-v): by inserting a new subsection (iii) and new subsection (iv)

"(iii) a procedure that provides for repurposing hemp that either produces, through testing and remediation, a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis or produces a delta-8, delta-9 or any other delta THCO variant classification, to be designated as industrial hemp biomass for industrial hemp product production, non-consumable product and human consumption products only.

"(iv) a procedure that provides for repurposing hemp that is harvested as a part of hemp crops used in ecological restoration and revegetation of landfill and contaminated sites projects used to be designated as industrial hemp biomass for industrial hemp product production, non-consumable product and human consumption products only.

#### Amend 7 USC §1639p. "Violations" as follows:

(1) in subsection (e)(2)(A)—

(A) in subparagraph (iii), by inserting at the end of clause (iii) the following—

"unless the failed Cannabis sativa L crop is repurposed for industrial hemp product production, non-consumable product and human consumption products only.





## "7 USC §1639p. Department Of Agriculture.

Amend 7 USC §1639q. Department Of Agriculture Plan. (a)(2): by inserting a new subsection (B) and new subsection (C)

"(B) a procedure that provides for repurposing hemp that produces, through testing and remediation, a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis or produces a delta-8, delta-9 or any other delta THCO variant classification, to be designated as industrial hemp biomass for industrial hemp product production, non-consumable product and human consumption products only.

"(C) a procedure that provides for repurposing hemp that is harvested as a part of hemp crops used in ecological restoration and revegetation of landfill and contaminated sites projects used to be designated as industrial hemp biomass for industrial hemp product production, non-consumable product and human consumption products only.