



Minorities for Medical Marijuana (M4MM) 2023 Public Policy Focus for Federal Hemp Specific Legislation

Increasing economic support for Minority Hemp Cultivators and Industrial Hemp Processors 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.

We recommend the following two legislative and appropriative actions to create investment capital to stabilize the Hemp Cultivator sector and encourage the development of additional Industrial Hemp Processors:

1. Reauthorization and lending capacity expansion of the USDA Heirs' Property Relending Program (HPRP) (Congress authorized appropriations for the HPRP through the Agriculture Improvement Act of 2018 (P.L. 115-334) until FY2023). Increase the lending capacity by an additional \$3.5 million for eligible applicants who seek Industrial Hemp Cultivation licenses and an additional \$5 million for eligible applicants who seek Hemp Processor Licenses for Industrial Hemp Production.
2. Designate targeted appropriations from the Distressed Farmers relief fund (Section 22006 of the Inflation Reduction Act (IRA)) to provide direct and guaranteed loan support for distressed qualified Heirs farmers who chose to become licensed Hemp Cultivators and licensed Hemp Processors.



Legislative text for the 2023 Farm Bill – Farm Ownership Loans, Relending Program to Resolve Ownership and Succession on Farmland. Insert new text (in red) into Title V, Subtitle A, Sec. 5103 and Sec. 5104: to create a new **Heirs' Property Relending Industrial Hemp Cultivator and Processor Opportunity Act.**

TITLE V—CREDIT

Subtitle A—Farm Ownership Loans

SEC. 5104. RELENDING PROGRAM TO RESOLVE OWNERSHIP AND SUCCESSION ON FARMLAND

Subtitle A of title III of the Consolidated Farm and Rural Development Act ([7 U.S.C. 1922](#) et seq.) is amended by adding at the end the following:

“SEC. 310I. RELENDING PROGRAM TO RESOLVE OWNERSHIP AND SUCCESSION ON FARMLAND.

“(a) IN GENERAL.—The Secretary may make loans to eligible entities described in subsection (b) so that the eligible entities may relend the funds to individuals and entities for the purposes described in subsection (c).

In subparagraph (b) Insert “community development financial institutions” and “minority depository institution” before “credit union”

(4) by inserting after paragraph (3) the following:

“(4) a community development financial institution, as defined in section 103 of the Community Development Banking and Financial Institutions Act of 1994 ([12 U.S.C. 4702](#)); and

(5) by inserting after new paragraph (4) the following:

“(5) a minority depository institution, as defined in section 308 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ([12 U.S.C. 1463](#) note)

In subparagraph (c) Insert at the end of “(c) ELIGIBLE Purposes. “Projects could include establishing a Licensed Hemp Cultivation or Processor business as established by 7 U.S.C 1639q(a)(2)(b).”

In subparagraph (d) Insert “(2) socially disadvantaged farmers and ranchers who seek to produce Hemp crops as a Licensed Hemp Cultivator or produce Industrial Hemp products as a Licensed Hemp Producer as established by 7 U.S.C 1639q(a)(2)(b)” after (1)

In subparagraph (e)(3)(B), Insert after (3)(B) --



“(C) be offered the opportunity to borrow sufficient funds to cover costs associated with obtaining a Hemp Cultivator license and producing Hemp fiber, stalk & biomass for Industrial Product applications under subparagraph (A) and other associated legal and closing costs.

“(D) be offered the opportunity to borrow sufficient funds to cover costs associated with obtaining a Hemp Processor and producing Industrial Hemp products for energy, commercial and industrial domestic and international product applications under subparagraph (A) and other associated legal and closing costs.

In subparagraph (g) strike “\$10,000,000” and insert “\$40,000,000” and strike “2023” and insert “2028”

In subparagraph (g) insert at the end “appropriated from SEC. §2279. [Pub. L. 117–2, title I, §1006, Mar. 11, 2021, 135 Stat. 13](#), as amended by [Pub. L. 117–169, title II, §22007, Aug. 16, 2022, 136 Stat. 2021](#). ”(b) Land loss assistance. equal to \$40,000,000 for each of fiscal years 2024 through 2028”

SEC. 5103. LIMITATIONS ON AMOUNT OF FARM OWNERSHIP LOANS.

Section 305 of the Consolidated Farm and Rural Development Act ([7 U.S.C. 1925](#)) is amended—

(1) in subsection (a)(2)—

- (A) by striking “\$600,000” and inserting “\$1,200,000”;
- (B) by striking “\$1,750,000” and inserting “\$2,250,000”; and
- (C) Inserting “up to an additional \$3,500,000 for project related to obtaining a Hemp Cultivator license
- (D) Inserting “up to an additional \$5,000,000 for project related to obtaining a Hemp Processor license for Industrial product development.