

## FORD PREDICTS FUEL FROM VEGETATION

*He Says Electricity Will Heat  
Cities in the Future—Tells of  
Testing a New Flour.*

BOSTON, Sept. 19 (P).—The time is coming when Americans will grow their own fuel and American cities will be heated by electricity, Henry Ford is quoted as saying during his stay at his Wayside Inn in Sudbury, in an interview published by The Christian Science Monitor today.

"The fuel of the future," he said, "is going to come from fruit like that sumach out by the road, or from apples, weeds, sawdust—almost anything. There is fuel in every bit of vegetable matter that can be fermented. There's enough alcohol in one year's yield of an acre of potatoes to drive the machinery necessary to cultivate the field for a hundred years.

"Electricity will heat American cities in the future. I think that is what we are going to use more and more in place of coal. Why not convert coal into electric power by burning it underground and sending it to the city from the mine without ever bringing it to the surface? That's what they'll do in the future. When the time comes, ways will be found to dam up the necessary water for condensing the steam.

"We have a 'lake' on the roof of one of my Michigan factories now for just that purpose. I'm beginning to send power by wire instead of by freight-load."

Turning to an explanation of his plans at the grist mill which he is having built not far from the inn, Mr. Ford said:

"I'm experimenting now with a new kind of flour. We're not ready to make an announcement yet, but it's going to consist of flour made entirely of the so-called 'germs' of the wheat alone; in other words, from the most nutritious part, which is now entirely discarded by bakers."

## FOILS COWARD BURGLARY.

**Shoe Store Watchman Is Badly Beaten, but Thwarts Two Robbers.**

An attempt by two burglars to rob the Coward Shoe Store at 272 Greenwich Street last night was frustrated by the watchman, who interrupted the thieves soon after they had entered. The watchman was badly beaten, but the thieves were forced to flee without obtaining anything, and in their haste left behind them a kit of burglar's tools.

The watchman, James Farrell, 65 years old, of 969 Trenton Avenue, the Bronx, was making his rounds when he found the burglars on the first floor of the four-story building. Both the intruders attacked him and when they had felled him one of them kicked him in the legs and ribs. Then the thieves fled. A short while later Policeman Robert Mahon heard moans and found Farrell lying in a semi-conscious condition on the floor. The policeman summoned Dr. de Innocentes from the Broad Street Hospital, who found that Farrell had several broken ribs and that one of his legs was fractured.

State of California  
DEPARTMENT OF FOOD & AGRICULTURE  
Pest Exclusion/Nursery, Seed, and Cotton Program  
Rev. 04/19



# INDUSTRIAL HEMP REGISTRATION APPLICATION FOR GROWERS

<input checked="" type="checkbox"/> New <input type="checkbox"/> Renewal Registration #: _____	Change Of: <input type="checkbox"/> Business Name <input type="checkbox"/> Contact Information <input type="checkbox"/> Primary Contact	<input type="checkbox"/> Cultivation Site <input type="checkbox"/> Approved Seed Cultivar
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## REGISTRANT INFORMATION

Applicant Name: <b>Kent Sawatzky</b>		Business Name: _____ <input checked="" type="checkbox"/> Same as applicant	
Mailing Address: <b>P.O. Box 765</b>		City: <b>Blue Lake</b>	State: <b>CA</b>
Primary Contact Name: _____ <input checked="" type="checkbox"/> Same as applicant		Phone Number: <b>(707)688-5288</b>	Zip: <b>95525</b>
		Email (optional): _____	

## CULTIVATION SITE #1 / SEED CULTIVAR INFORMATION

☐ Additional Cultivation Sites Attached

Total Sites: \_\_\_\_\_

Physical Address: <b>2360 Glendale Drive</b>	City: <b>McKinleyville, CA</b>	Zip: <b>95519</b>	Site Purpose: <input type="checkbox"/> Cultivation <input type="checkbox"/> Storage <input checked="" type="checkbox"/> Both
Global Positioning System (GPS) coordinates (Coordinates should be from the approximate center of the growing area) Latitude: <b>40.894378</b> Longitude: <b>-124.007644</b>		Size: <b>16.9</b> <input checked="" type="checkbox"/> Acres <input type="checkbox"/> Square Feet	

Legal Description of Site:

**REQUIRED: Attach a map showing boundaries of this growing area.**

Approved Seed Cultivar	State/Country of Origin	Certified?	Documentation to Meet CCR § 4920 Requirement
Cherry Wine	Colorado	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Attached <input type="checkbox"/> Will be provided prior to planting
T1	Colorado	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Attached <input type="checkbox"/> Will be provided prior to planting
Stormy Daniels	Colorado	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Attached <input checked="" type="checkbox"/> Will be provided prior to planting

☐ Additional Seed Cultivars, associated with Cultivation Site #1, Attached

## FEE AND PAYMENT INFORMATION

Industrial Hemp Grower Annual Registration Fee

Fees

\$900

Fees Submitted

\$ 900<sup>00</sup>

**SUBMIT APPLICATION TO COUNTY AGRICULTURAL  
COMMISSIONER ALONG WITH CHECK OR MONEY  
ORDER PAYABLE TO "CDFA Cashier":**

**County of Please Select  
Agricultural Commissioner's Office**

I hereby certify that the information submitted in this application is true and correct to the best of my knowledge and belief.

I understand that any changes to the cultivation site and/or seed cultivar must be provided to the county agricultural commissioner prior to planting. I also understand that all documentation to meet the approved seed cultivar requirement must be provided to the county agricultural commissioner prior to planting.

Signature

KENT SAWATZKY OWNER  
Print Name and Title

5-20-19  
Date

County Use Only:

Registration #	Issue Date	Expiration Date	Signature



# COUNTY OF HUMBOLDT

For the meeting of: 5/21/2019

File #: 19-758

**To:** Board of Supervisors

**From:** Planning and Building Department

**Agenda Section:** Departmental

**SUBJECT:**

Adoption of an Urgency Ordinance Establishing a Temporary Moratorium on the Cultivation of Industrial Hemp (4/5 Vote Required)

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Adopt the Interim Urgency Ordinance declaring a temporary moratorium on the cultivation of industrial hemp by "Established Agricultural Research Institutions" and any growers of industrial hemp within the unincorporated areas of Humboldt County based on the findings set forth within the Interim Urgency Ordinance under the provisions contained in California Government Code Sections 25123 (d) and 65858 (4/5 vote required); and
2. If adopted, direct the Clerk of the Board to publish the post-adoption summary of the ordinance within 15 days.

**SOURCE OF FUNDING:**

N/A

**DISCUSSION:**

This item would adopt an urgency ordinance to establish a moratorium on the cultivation of Industrial Hemp. This is as directed by the Board of Supervisors at the meeting of May 14, 2019.

On April 2, 2019, the Board of Supervisors adopted an interim urgency ordinance establishing a moratorium on the cultivation of Industrial Hemp. The moratorium was for a period of 45 days unless extended. The vote to extend the moratorium requires a 4/5s vote. On May 14, 2019 the Board of Supervisors did not have the necessary votes to extend the moratorium and it expired on May 17, 2019. At that meeting, the Board directed staff to return on May 21, 2019 with an ordinance for a new 45 day moratorium on industrial hemp cultivation. That ordinance is in Attachment 1 of this staff report. The Board also directed staff to initiate work on amending the CCLUO to address hemp cultivation in the County of Humboldt.

The moratorium being in place until adequate regulations can be established is important because:

1. The people who provided public comment advocating for the unregulated cultivation of hemp wanted to do so to make medicinal CBD available at a cheaper cost. However, the production of CBD for medical purposes is regulated under the CCLUO, but there are those who want to produce CBD outside of the medical cannabis regulatory framework. This must be clarified, including understanding where the state is going with the regulations.
2. There is concern over the potential for pollen adversely affecting permitted cannabis sites. Pollinating hemp plants could cross-pollinate with permitted cannabis sites resulting in decreased bud production, which could ruin crop productivity. This was a problem in both Oregon and Colorado, and measures should be taken to not repeat those experiences. This would not be consistent with the County's prior work to establish a healthy environment for the legal cannabis industry.
3. There are varieties of hemp that cannot be differentiated from cannabis being sold in the illicit market. There is the strong potential for illicit cannabis to be grown under a registration issued by the Agricultural Commissioner which would end up being sold in the illicit market. This would recreate the ambiguity created by Prop 215 on enforcement efforts.
4. Many view hemp as a way to return to unregulated cultivation of cannabis which would undo the progress that has been made to protect special areas around cities and community plan areas from odor and noise, protect biological resources in sensitive areas, regulate water diversions from streams and address unregulated water use in areas where streams and creeks are running dry.
5. There would be an immediate financial impact to the Sheriff's office, Agricultural Commissioner's office and Planning and Building due the need to have THC field test kits. These kits cost \$13,500 each. The Sheriff's office would need at least 7 kits, Agricultural Commissioner at least 2 and Code Enforcement would need at least 1. This would require at least 10 kits at a cost to the County of \$135,000.00.
6. The state regulations for registration of Industrial Hemp are unlikely to be completed in time to allow legal cultivation of Hemp this growing season, and thus the moratorium will not adversely affect hemp cultivation this season.

Absent full and final regulations for the state industrial hemp program, Humboldt County and at least 25 other California counties (Amador, Calaveras, Glenn, Mariposa, Mendocino, Merced, Modoc, Mono, Nevada, Placer, Sacramento, San Bernardino, San Joaquin, Shasta, Sierra, Siskiyou, Sonoma, Tehama, Trinity, Tulare, Tuolumne, Yolo and Yuba) placed some form of moratorium on hemp production until regulations are in place.

#### FINANCIAL IMPACT:

If the Board decides to adopt a moratorium on industrial hemp cultivation the Agricultural Commissioner's Office will collect a \$900 registration fee, \$700 of which is remitted to CDFA and \$200 is returned to the Agricultural Commissioner's Office. If no moratorium is adopted by the

Board there will be costs associated to the Agricultural Commissioner's Office mandate to regulate industrial hemp beyond the registration process, although at this time the potential workload and associated costs are unknown, but likely to include: staff time, vehicle mileage, and industrial hemp THC level tests. As noted above there would be immediate costs associated with having THC Test kits with a county cost of at least \$135,000.00. The Industrial Hemp Law authorizes counties to establish additional fees to cover those costs (FAC § 81005 (c)).

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by enforcing laws and regulations to protect residents Click here to type another item(s) from the Strategic Framework, or leave as a period.

OTHER AGENCY INVOLVEMENT:

Click or tap here to enter text.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Agriculture Commissioner

ATTACHMENTS:

1. Interim Urgency Ordinance Declaring a Temporary Moratorium on the Cultivation of Industrial Hemp.
2. Post-adoption summary of ordinance

PREVIOUS ACTION/REFERRAL:

Board Order No.: J-1

Meeting of: May 14, 2019

File No.: 19-721

HEMP MORATORIUM  
COUNTY OF HUMBOLDT  
For the Meeting Of 5-21-2019

File # 19-758   Agenda Staff Report

RECOMMENDATION(S):

1. How is the Public Safety, Health and Welfare definitively affected should this ordinance not be enacted as per Government Code Sections 25123?
2. This is an urgency ordinance and yet not urgent enough to publish the post-adoption summary today, but "within fifteen days". How can it be enforced until the public has access to the post-adoption summary?

SOURCE OF FUNDING (N/A )

What is the source of funding? Have there been zero dollars expended or expected to be expended to adopt the interim ordinance? What are anticipated costs to enforce or litigate said ordinance?

DISCUSSION

"The moratorium being in place until adequate regulations is important because"

1. Is the hemp-based CBD or hemp in general regulated under the CCLUO? Or is hemp, in fact, exempted either directly or by omission?

The County moved forward with marijuana/cannabis prior to having state regulations. Therefore, how is this reason valid? Why is it a legitimate reason.

There was no emergency ordinance precluding the federally-illegal marijuana/cannabis (a Class I schedule drug) and yet the County did not enact an emergency ordinance to preclude the unregulated marijuana/cannabis production.

Why is it doing so on a crop (Hemp) that is authorized by the Federal Government under the right to farm? Please justify the reasoning behind this issue.

2. We restate the items in #1 above and assert that the testimony of the public and staff show that a simple restriction requiring female clones or feminized seed would mitigate the pollen drift concerns. And further that there is nothing under the CCLUO that protects the current marijuana/cannabis business from pollen drift.

Is there any scientific evidence that the simple mitigation above, as an emergency ordinance would not eliminate the concerns in Item #2?

3. This statement is false. Any of the many testing labs, for a small fee, can determine legal hemp from cannabis. Or, a single shared THC field test kit, as stated in Item 5, would accomplish this. I have yet to find any Agriculture Dept, code enforcement, or sheriff in California who feel it necessary to have one such kit, let alone ten.

4. Any of the concerns stated in this item should be addressed under the County's right to farm as adopted by the General Plan, including but not limited to code enforcement for nuisance, etc.

5. See Item 3. The one test kit, if really required, may be made available to the County as specifically needed by the three county agencies at no cost to the County. This is anticipated, should the County permits within the unincorporated areas of Humboldt County submitted on 5-20-2019 be approved.

6. This statement is false. Authorized female clones are available at this time for approximately \$9.00 each. These could be easily cultivated this season. Public testimony has asked for a legal pilot program and further, if my permit is issued, I intend to cultivate legal hemp. Therefore the moratorium would adversely affect hemp cultivation and my right to farm under federal law.

Regarding financial impact as stated, "the industrial hemp law authorizes counties to establish additional fees to cover those costs." Therefore, there will be no cost to the county not collected from the growers. In fact, the fixed costs of the Agriculture Commissioners office should be able to be billed under (FAC 81005(C)).

#### SUMMARY

There is no factual basis to determine that failure to enact this "uncodified interim ordinance" shall substantially, if at all, preserve "the public peace, health, or safety". In fact, public testimony from those who would benefit from the effects from legal CBD hemp indicates the opposite to be true.

The staff report is so fraught with errors and omissions, that it should not be used by the Board as a reason to move forward with the proposed moratorium. For the above reasons, but not limited to, we request this temporary moratorium be denied and preserve all legal rights permitted under local, state and federal law.

# The Next Gold Rush Is the \$22 Billion CBD Business--and This Florida Company Is Ready to Win

Green Roads is cashing in on the demand for products with cannabidiol while preparing for changes in the law that could soon transform the industry.



By Kimberly Weisul *Editor-at-large, Inc.com* [@weisul](#)



Green Roads co-founders Laura Fuentes (left) and Arby Barrosa.

*CREDIT: Courtesy Green Roads*

Ready, set ...

That pretty much describes the status of an entire industry—the makers of products containing cannabidiol, or CBD. The compound, added to everything from skin cream to ice cream, can be derived from hemp or marijuana and has been touted as a treatment for ailments ranging from anxiety to cancer. The catch: "It's still in a legal gray area," says Bethany Gomez, director of research for Brightfield Group, which studies the cannabis and CBD industries.



Marijuana is subject to a patchwork of state regulations. But the 2018 farm bill would remove hemp from the list of controlled substances, opening the floodgates for hemp-derived products. "Everyone and their mother is starting a CBD line right now," says Gomez. "It's absolutely a gold rush."

With about 6 percent of the market, Davie, Florida-based Green Roads is the largest private company specializing in hemp-derived CBD, according to Brightfield. The company sells CBD-infused products such as tinctures and balms, online and in 6,000 stores and 2,000 doctors' offices. Green Roads now has about 100 employees, and co-founder Arby Barroso estimates 2018 revenue at \$45 million.

Barroso, 48, became interested in CBD after being introduced to it by a friend in Colorado. He had long taken painkillers for a crushing football injury he sustained when he was 23. When his real estate business collapsed during the financial crisis, he invested in a pain-management clinic. Barroso describes that decision as "the worst thing ever," as he soon became addicted to opiates. Then his friend suggested he try CBD gummies, which helped him stay clean.

The CBD in Barroso's gummies was derived from marijuana plants, so it contained another compound, THC, which is illegal in many states. Barosso needed something without THC—he'd been jailed for drug use, and testing positive for THC would violate his parole. In 2012, he approached a compounding pharmacist, Laura Fuentes, about making a hemp-derived CBD product that could alleviate his pain and help keep him off opiates. She came up with an oil. "I could have gotten cleaner quicker if I'd had CBD every day," he says.

Fuentes and Barosso soon became business partners and the co-founders of Green Roads. Barroso went door-to-door to smoke shops, leaving bottles of CBD oil on consignment. "In the beginning, no one would give us the time of day," Fuentes says. Then she started hearing that grandmothers were going into vape shops to find CBD. "I was like, we have to do something about this," she says. "Grandmas are not comfortable in vape stores!"



Green Roads' CBD Fruit Bites. *CREDIT: Courtesy Green Roads*

## The cost of doing CBD business

Unlike some producers of CBD, Fuentes and Barroso never intended to grow their own hemp, which was outlawed in Florida when they began anyway. At the time, Barroso says, it was almost impossible to buy an oil containing only minimal amounts of THC. It's easier now, but supply can still be tricky: "We can't always get 10 55-gallon drums of oil," he says. Green Roads products use a blend of four to five different cannabinoids, using both oils and isolates (concentrated CBD extract in the form of a powder), designed by Fuentes.

There are other, unexpected, costs. Green Roads lost four banks when their risk-management teams decided that Green Roads wasn't a business they wanted to be supporting. The company's Instagram account has likewise been shut down four times, because of legal restrictions on marketing CBD products. Instead of paying standard credit card processing fees of less than 3 percent, Green Roads pays closer to 6 percent.

Fuentes says she has to deal with "tons" of shady people in the industry. She says vendors have offered to sell her extract that contains specified levels of CBD or other compounds. They send her samples, which she sends to her lab. The samples check out fine, so she orders a kilogram—but when she sends a bit of that order to the lab, "it's not the same thing they sent me as a sample. And there is no recourse." Green Roads spends \$30,000 to

\$40,000 a month testing their raw materials for pesticides, solvents, and metals, and it requires certificates of origin from their suppliers as well.

## **Betting on the farm bill**

Because CBD currently operates on the boundaries of legality, it's tricky to figure out how big the industry is and how much bigger it could get. Brightfield pegs the market for hemp-derived CBD products at about \$591 million in 2018, growing to \$22 billion by 2022. Other analysts, while nowhere near as bullish, are still very positive on the sector. Hemp Business Journal says the market for hemp-derived CBD was about \$190 million in 2017, and will grow to \$646 million by 2022.

Experts expect the market for CBD to balloon if and when the farm bill passes, which could happen this month. That means the biggest challenge for Green Roads is yet to come. "I'm not worried about the companies that are in the market today, I'm worried about big companies," Barroso says. "We can't compete with those guys. I think about it every day."

So for now, Green Roads, like other private businesses in this market, is girding for the day when it will have to compete—or collaborate—with the larger players they are sure will enter the fray. (Even Coca-Cola is rumored to be developing a CBD product.) Green Roads, for example, is involved in a pilot program with the University of Florida to bring hemp farming back to the state to bolster its profile, connections, and potentially, supply. Another CBD company, Dr. Kerklaan Therapeutics, joined together with three manufacturing facilities to create a larger entity that would interest investors; they raised \$15 million.

"The day the farm bill passes, the day we're allowed to spend \$50,000 a day on marketing on Facebook, on Google Adwords, on Instagram—I don't know if there's enough product in the country" to fulfill demand, Barroso says. "We're not at our full potential today, not even close."

AMENDED IN ASSEMBLY MARCH 21, 2019

AMENDED IN ASSEMBLY MARCH 13, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

**ASSEMBLY BILL**

**No. 228**

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**Introduced by Assembly Member Aguiar-Curry**

January 17, 2019

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An act to add Section 26003 to the Business and Professions Code, and to add Sections ~~110611~~ 110382, 110611, and 111691 to the Health and Safety Code, relating to ~~hemp~~ *industrial hemp*, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 228, as amended, Aguiar-Curry. Food, beverage, and cosmetic adulterants: industrial hemp products.

Existing state law, the Sherman Food, Drug, and Cosmetic Law, prohibits the manufacture, sale, delivery, holding, or offer for sale of adulterated foods, beverages, or cosmetics. Existing law prescribes when a food or beverage is adulterated, including if it bears or contains any poisonous or deleterious substance that may render it injurious to the health of a person or other animal that may consume it. Existing law prescribes when a cosmetic is adulterated, including when it bears or contains a poisonous or deleterious substance that may render it injurious to users under the conditions of use prescribed in the labeling or advertisement of the cosmetic, under customary or usual conditions.

*The Sherman Food, Drug, and Cosmetic Law, among other things, regulates the labeling of food, beverages, and cosmetics and makes it a crime to distribute in commerce any food, drug, device, or cosmetic if its packaging or labeling does not conform to these provisions.*

Existing law, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), provides for the licensing and regulation of commercial cannabis activity, including cultivation, manufacturing, distribution, and retail sale.

This bill would state that a food, beverage, or cosmetic is not adulterated by the inclusion of industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp, and would prohibit restrictions on the sale of food, beverages, or cosmetics that include industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp based solely on the inclusion of industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp. The bill would specify that a food, beverage, cosmetic, or other product that contains industrial hemp-derived tetrahydrocannabinol (THC) in concentrations above 0.3% by product weight is subject to the provisions of MAUCRSA. ~~The bill would also state that a food or beverage that contains industrial hemp or one or more derivatives thereof is safe for human and animal consumption.~~

*This bill would require the label of any package of a food, beverage, or cosmetic product containing cannabidiol derived from industrial hemp to include a specified statement. By creating a new crime, this bill would impose a state-mandated local program.*

This bill would state that an entity that is licensed to engage in commercial cannabis activity pursuant to MAUCRSA is not prohibited from cultivating, manufacturing, distributing, or selling products that contain industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp.

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

*This bill would declare that it is to take effect immediately as an urgency statute.*

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: ~~no~~ yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 26003 is added to the Business and  
2 Professions Code, to read:

3     26003. (a) This division does not prohibit an entity licensed  
4 pursuant to its provisions from cultivating, manufacturing,  
5 distributing, or selling products that contain industrial hemp, as  
6 defined in Section 11018.5 of the Health and Safety Code, or  
7 cannabinoids, extracts, or derivatives from industrial hemp.

8     (b) A product containing industrial hemp-derived  
9 tetrahydrocannabinol (THC) in concentrations above 0.3 percent  
10 by product weight is subject to this division.

11     SEC. 2. Section 110382 is added to the Health and Safety Code,  
12 to read:

13     110382. *The label of any package of a food, beverage, or*  
14 *cosmetic containing cannabidiol derived from industrial hemp*  
15 *shall include the following statement:*

16  
17     “CANNABIDIOL USE WHILE PREGNANT OR  
18 BREASTFEEDING MAY BE HARMFUL. KEEP OUT OF REACH  
19 OF CHILDREN.”

20

21     ~~SEC. 2.~~

22     SEC. 3. Section 110611 is added to the Health and Safety Code,  
23 to read:

24     110611. (a) A food or beverage is not adulterated by the  
25 inclusion of industrial hemp, as defined in Section 11018.5, or  
26 cannabinoids, extracts, or derivatives from industrial hemp. The  
27 sale of food or beverages that include industrial hemp or  
28 cannabinoids, extracts, or derivatives from industrial hemp shall  
29 not be restricted or prohibited based solely on the inclusion of  
30 industrial hemp or cannabinoids, extracts, or derivatives from  
31 industrial hemp.

32     (b) A food or beverage containing industrial hemp-derived  
33 tetrahydrocannabinol (THC) in concentrations above 0.3 percent  
34 by product weight is subject to Division 10 (commencing with  
35 Section 26000) of the Business and Professions Code.

36     ~~(c) A food or beverage containing industrial hemp or one or~~  
37 ~~more derivatives thereof is safe for human and animal consumption.~~

1     ~~SEC. 3.~~

2     SEC. 4. Section 111691 is added to the Health and Safety Code,  
3 to read:

4     111691. (a) A cosmetic is not adulterated because it includes  
5 industrial hemp, as defined in Section 11018.5, or cannabinoids,  
6 extracts, or derivatives from industrial hemp. The sale of cosmetics  
7 that include industrial hemp or cannabinoids, extracts, or  
8 derivatives from industrial hemp shall not be restricted or  
9 prohibited based solely on the inclusion of industrial hemp or  
10 cannabinoids, extracts, or derivatives from industrial hemp.

11     (b) A cosmetic or other product containing industrial  
12 hemp-derived tetrahydrocannabinol (THC) in concentrations above  
13 0.3 percent by product weight is subject to Division 10  
14 (commencing with Section 26000) of the Business and Professions  
15 Code.

16     SEC. 5. *No reimbursement is required by this act pursuant to*  
17 *Section 6 of Article XIII B of the California Constitution because*  
18 *the only costs that may be incurred by a local agency or school*  
19 *district will be incurred because this act creates a new crime or*  
20 *infraction, eliminates a crime or infraction, or changes the penalty*  
21 *for a crime or infraction, within the meaning of Section 17556 of*  
22 *the Government Code, or changes the definition of a crime within*  
23 *the meaning of Section 6 of Article XIII B of the California*  
24 *Constitution.*

25     SEC. 6. *This act is an urgency statute necessary for the*  
26 *immediate preservation of the public peace, health, or safety within*  
27 *the meaning of Article IV of the California Constitution and shall*  
28 *go into immediate effect. The facts constituting the necessity are:*

29     *In order to protect a rapidly expanding industry relating to*  
30 *derivatives from industrial hemp in California and to reduce*  
31 *inconsistency in implementation of state and federal law, it is*  
32 *necessary that this bill take effect immediately.*

I2

## Department of Agriculture, Conservation and Forestry

DACF Home → Bureaus & Programs → Bureau of Agriculture → Division of Animal and Plant Health → Industrial Hemp

### Industrial Hemp Program

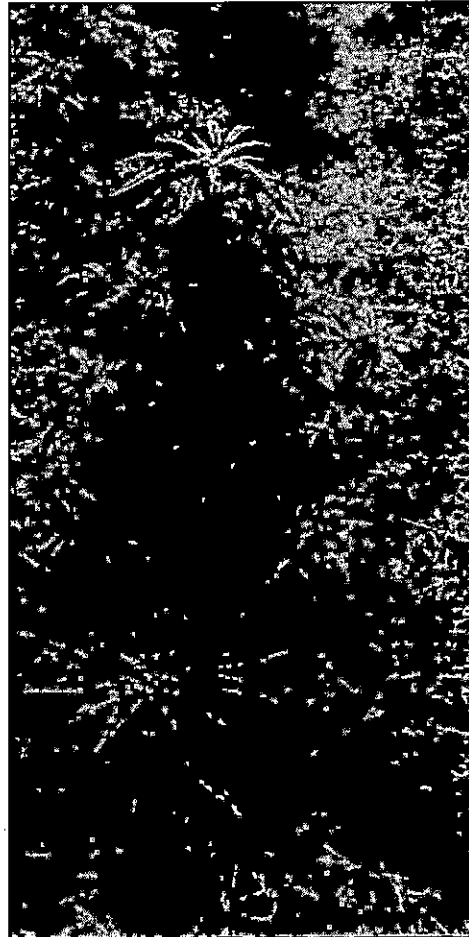
# Industrial Hemp Licensing

**Please Note:** We are now accepting applications to grow industrial hemp for the 2019 growing season. Applications will be accepted until April 1, 2019.

**Important Application Information:** Industrial hemp applications can not be approved unless maps of the growing areas are provided.

- **On this page:**

- Licensing Process
- Apply for a License
- Fees
- Obtaining Seed and Seed Certification
- Sampling and Testing
- FAQ



## What is the process for becoming licensed to grow industrial hemp in Maine?

1. Apply for a license between January 1 and April 1 of the year you wish to grow industrial hemp
2. Departmental review and approval of application
3. Sign licensing agreement
4. Testing of crop prior to harvest

## Apply for a license

Complete the license application and submit with the \$100.00 application fee between January 1 and April 1 of the year you wish to grow industrial hemp.

2019 Cover letter and application to grow industrial hemp (PDF) - Applications must be submitted before April 1.



## Explanation of fees

Maine law requires that the Department cover the costs of operating the industrial hemp program by charging an application fee, license fee and a per acre fee. These fees are as follows:

- \$100 application fee – this fee must be submitted with the application.
- \$500 license fee – this fee is due after approval of the application and must be submitted with the signed licensing agreement.
- \$50/acre fee – this fee is due after approval of the application and must be submitted with the signed licensing agreement.

Fees collected will cover Departmental costs including, but not limited to:

- Inspector travel costs including time to and from the growing area to take crop samples for THC content analysis;
- Costs of transporting crop samples to a lab for THC content analysis;
- Laboratory fees for testing crop samples;
- Costs of equipment and supplies used in sampling;
- Departmental time reviewing applications, preparing licensing agreements and issuing licenses;
- Other administrative costs.

Please note that the fees charged will only cover THC testing for one composite sample taken to represent the entire licensed crop. Licensees that wish to have individual growing areas or varieties tested separately will be responsible for paying any additional laboratory costs.

## Obtaining seed and seed certification

Availability of hemp seed is a major challenge to potential growers of industrial hemp. While Maine law allows for the planting of industrial hemp, and the 2018 Farm Bill removes hemp (any part of the plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis) from the controlled substances list, it remains unclear how the interstate and international movement of industrial hemp seed will be regulated by the US Drug Enforcement Administration, US Department of Agriculture or other federal agencies.

### Certified Seed Source

Maine law requires that industrial hemp be planted using a certified seed source. The industrial hemp rule (Chapter 274) defines a certified seed source as one that is certified according to AOSCA (Association of Seed Certifying Agencies) or other

approved standards and comes from plants that were tested during the active growing season and found to produce industrial hemp with 0.3% THC content or less.

The Department understands the very limited availability of industrial hemp seed and the certified seed source requirements are difficult or nearly impossible to meet. While the Department is required to verify and collect documents which indicate the industrial hemp seed planted comes from a certified seed source, for now, we can be somewhat flexible on the form this certification may take. Acceptable forms of certification could include a letter, form or other written verification or combination of these documents that at a minimum includes:

- Third party (someone other than the applicant and the grower of the seed) THC content testing results for the industrial hemp. The third party should be identified on the testing results;
- THC content test results must be for the variety or varieties included on the application and preferably for the specific lot of seed to be planted;
- Results of THC content testing and the date tests were conducted;
- The name of the seed supplier and origin of the seed.

As industrial hemp seed certified by AOSCA, or other official seed certification programs becomes more available, the Department will review and revise our policies and issue stricter guidelines for acceptable documentation of seed certification.

## **Sampling and Testing**

The licensee will allow the inspection and sampling of the industrial hemp crop at any and all times that the Department deems necessary. The licensee will be notified prior to inspection and sampling. During the inspection and sampling the licensee or authorized representative will allow complete and unrestricted access to all industrial hemp plants within the licensed growing area(s).

If the industrial hemp crop has not been inspected and sampled 15 days prior to the anticipated harvest date, the licensee will notify the Department of intent to harvest.

All industrial hemp plants from all varieties and licensed growing areas will be tested for THC content as one composite sample. Licensees that request to have growing areas or varieties tested separately are responsible for paying laboratory analysis costs for any additional testing.

Crops testing above the allowable THC limit (0.3% THC on a dry weight basis) will be destroyed in a manner approved by the Department. The licensee is responsible for paying all costs associated with crop destruction.

## **Frequently Asked Questions**

### **I have a medical marijuana license. Can I grow hemp?**

Yes, but industrial hemp and medical marijuana plants cannot be co-mingled. The rule states: "No industrial hemp plants shall be included in other licensed marijuana production programs. No growing area may contain Cannabis plants which the licensee knows or has reason to know are of a variety that will produce a plant that when tested will contain more than 0.3% THC on a dry weight basis."

### **What is a growing area?**

A "Growing Area" is defined as the land **(the current rules only allow growth of industrial hemp "outdoors")** on which a licensee cultivates or plans to cultivate industrial hemp.

A "Non-Contiguous Growing Area" is defined as a growing area on which a licensee grows or plans to grow industrial hemp that is separated from other growing areas by more than 50 miles.

### **Can I include multiple growing areas on one license?**

Growing areas that are within 50 miles of each other can be included on one license application.

### **When is a separate license required?**

Growing areas that are "non-contiguous" must be included on a separate application. Each separate application requires submission of the full \$100.00 application fee.

### **Can I grow industrial hemp indoors or in a greenhouse?**

No. Growers can start plants indoors, but once the seedlings are hardy enough to survive outdoors they must be grown outside without any sort of roof or covering over the top.

Industrial hemp seedlings are defined as non-flowering plants that are no more than 12 inches tall.

All seedlings started indoors must be moved outside and grown without coverings by June 15. Should the threat of frost occur after June 15, the intermittent use of a row cover or other frost protection is allowed.

### **Can I grow industrial hemp from tissue culture or clones?**

Yes, as long as you can provide appropriate third party analysis on the variety you plan to grow. If you plan to grow from tissue culture or clones, submit documentation on the plants from which the tissue culture or clones will be produced that includes the same minimum information required above for those growing industrial hemp from

seed.

### **Where can I find more information about industrial hemp?**

Industrial Hemp in North America: Production, Politics and Potential (PDF) - From the journal *Agronomy*

Growing Industrial Hemp in Ontario - Factsheet on growing, harvesting and processing industrial hemp

Purdue University Hemp Project - Information on biology, production and uses of industrial hemp

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### **Credits**

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