

Environment Committee

JOINT FAVORABLE REPORT

Bill No.: SB-893

Title: AN ACT CONCERNING AN ENFORCEMENT PLAN FOR HEMP PRODUCTION.

Vote Date: 3/8/2019

Vote Action: Joint Favorable Substitute

PH Date: 3/1/2019

File No.: 230

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SPONSORS OF BILL:

Environment Committee

REASONS FOR BILL:

Recent changes in federal law, through the Agricultural Improvement Act of 2018, removed hemp as a Schedule I controlled substance and allows states to regulate hemp production. However, state regulation must be submitted and approved by the U.S. Department of Agriculture (USDA).

Testimony shared by farmers, advocacy groups, and other proponents of growing industrial hemp in the state shared interest in passing legislation as soon as possible so that farmers can begin growing the crop during this agricultural season. However, the timeline for federal approval of the state's regulation of industrial hemp is unclear.

In 2014, the federal government, through the Agricultural Act of 2014, allowed states to authorize the growing and cultivation of industrial hemp for higher education institutions or state agricultural agencies through a pilot program or other research program. In 2015, PA-15-202 removed industrial hemp from state laws definition of "marijuana" and "cannabis-type substances", thereby allowing industrial hemp to be grown, used, and sold under state law. However, the state did not enact a law authorizing an industrial hemp pilot program under the Agricultural Act of 2014.

This bill requires the Connecticut Department of Agriculture (DoAg) to establish a pilot program for growing or cultivating industrial hemp through the guidelines establish in the Agricultural Act of 2014 (7 USC 5940) and allows for the growing or cultivating of industrial hemp on sites certified and registered with DoAg. This would allow such sites certified and

registered with DoAg to grow and cultivate industrial hemp while state regulations (if passed and enacted by the legislature) are pending approval from the USDA.

Substitute Language – LCO No. 5685

Substitute language clarifies the title of the bill as a “pilot program” rather than an “enforcement plan” as titled on the original draft of the bill.

RESPONSE FROM ADMINISTRATION/AGENCY:

Bonnie Burr, Assistant Director and Department Head of Cooperative Extension,

University of Connecticut (UCONN): Supports the bill. UCONN has a unique position to assist the state and its farmers in developing new opportunities for Cannabis “from seed to final product”. Services provided by UCONN such as training, testing, education and research can be readily used in the development of Connecticut’s Cannabis industry. UCONN provides examples of how they are currently involved in the industry, how they are able to expand their services for the state of Connecticut, and requests that forthcoming legislation and regulations ensure that UCONN can be a THC testing facility.

Melody Currey, Acting Commissioner, Department of Agriculture (DoAg): Provided comment on the bill. The bill as drafted does not include necessary language to establish a successful hemp program in Connecticut. DoAg recommends the passage of the Governor’s Bill, Senate Bill 872 An Act Implementing the Governor’s Budget Recommendations for General Government. Although an industrial hemp pilot program was established in the 2014 Farm Bill, this program was eliminated in the 2018 Farm Bill. Senate Bill 893 as currently drafted does not reflect the 2018 Farm Bill’s allowance for commercial sales of hemp.

Michelle Seagull, Commissioner, Department of Consumer Protection (DCP): Provided comment on the bill. DCP supports a structure to regulate the cultivation of hemp consistent with the requirements of the Agricultural Improvement Act of 2018. Such requirements are included in the Governor’s Bill, Senate Bill 872 An Act Implementing the Governor’s Budget Recommendations for General Government.

NATURE AND SOURCES OF SUPPORT:

Chelsea Gazillo, Director, Working lands Alliance: Hemp is a natural multi-usage product that grows in a variety of soils and conditions. The passage of hemp legislation allows Connecticut to become the 44th state to allow hemp production that is currently valued at \$500 million dollars. The bill allows struggling farmers to move to a more profitable crop market.

Bryan Hurlburt, Executive Director, Connecticut Farm Bureau Association (CFBA):

CFBA estimates show an average acre of hemp cultivation could generate a revenue of \$37,500 to \$150,000 for farmers. A high value crop like industrial hemp would keep farmers on their land, attract new farmers into the industry, stabilize farm incomes, and generate more revenue for the state. CFBA recommends a hemp program that (1) deletes cannabimon and similar chemical compounds from the controlled substances definition, (2) defines industrial hemp as an agricultural product, (3) has oversight and regulation from DoAg, (4)

creates a licensing program, (5) creates an inspection and testing program, and (6) establishes penalties for producers growing hemp outside of the federal THC limitation guidelines. Additionally, CFBA recommends that UCONN and Connecticut Agricultural Experiment Station be approved in-state facilities to provide testing.

Pam Patalano: America consumes \$580 million worth of products imported from more than thirty countries around the world. Connecticut can align its agricultural market and regulatory status with other states around the country in the near term to compete and derive economic benefit to Connecticut and its small towns and industrial centers.

Norman Plude: Shared personal testimony as an industrial hemp grower under a 2017 research program at UCONN and a grower of medicinal hemp in Oregon. The state of Connecticut should not limit who is able to grow industrial hemp, hemp for medicinal purposes, or personal use in the state.

Kevin Skulczyck: Supports legalization of cannabis under the federal regulatory model, similar to legislation in California and Missouri. The cannabis industry could be worth more than \$500 million dollars and create between 1500 and 3000 jobs. Opportunity would abound throughout the state to include rural farming areas and large manufacturing centers.

Troy Sprang, Vice President of Sales and Service, NuFilm, LLC.: Shared personal testimony of J.E. Shepard Companies growth and as an employee of the Shepard family. Connecticut should “get this program up and running as fast as possible.”

NATURE AND SOURCES OF OPPOSITION:

None Expressed.

Reported by: Steve Smith / Ussawin R. Bumpen 3/26/2019