



# Industrial Hemp Act of 2023

Bill Summary

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## Why are the current regulations problematic?

- Unreasonable financial burden and risk to farmers
- Unnecessary burden on departments of agriculture
- Additional costs hinder industrial hemp's ability to compete with other commodity crops
- Confusion with industries including banking, transportation, insurance, and advertising
- Long-standing exemption for harvested hemp stalk and grain under the Controlled Substances Act has been ignored

## What is the solution?

**A separation between the definition and regulation of industrial hemp from cannabinoid or floral hemp. These crops are easily differentiated with a visual inspection.**

## Grain and Fiber Industrial Hemp - Industrial Hemp Act Framework

***Field crop grown using standard agricultural practices and the harvested material is ONLY grain and/or fiber.***

**Maintain the current regulatory framework for cannabinoid hemp production with the following new framework for industrial hemp:**

- 2018 Farm Bill licensing with added designation for only grain/fiber production & harvest (including GPS coordinates of land on which hemp is produced)
- Signed declaration that producer will only harvest grain/fiber and will not harvest or sell floral material or extract any resin from crop (Note: full use of hemp seed/grain authorized)
- No background check required
- Required visual inspection (i.e. in-person, virtual, aerial with drones, or unmanned aircraft)
- No sampling or testing for uniform production consistent with designation
- If visual inspection reveals inconsistent crop production with designation, department of agriculture may require documented verification (i.e. seed/variety receipts, sales contract, planting report), or require harvest inspection. Departments reserve the right to chemical test harvested floral material.
- Intentional violations: restricted from program participation for 5 years; potential crop destruction/civil/criminal penalty at jurisdiction's discretion

## Why a grain and fiber exemption and not a universal certified seed exemption?

- Certified seed alone creates an inevitable loophole for illegal cannabis cultivation with no verification of cannabinoid crops
- Existing certified varieties are not performance-tested for every climate zone of the U.S.
- Impedes a free-market approach and encourages monopolies

Courtney N. Moran, LL.M.  
Chief Legislative Strategist  
Agricultural Hemp Solutions  
[courtney@agriculturalhemp.com](mailto:courtney@agriculturalhemp.com)  
888-388-4367

Morgan Tweet  
Chief Operating Officer  
IND HEMP  
[morgan@indhemp.com](mailto:morgan@indhemp.com)  
406-622-5680

Erica Stark  
Executive Director  
National Hemp Association  
[erica@nationalhempassociation.org](mailto:erica@nationalhempassociation.org)  
202-706-3911