

FAQ on Hemp Licensing and Regulation

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Hemp (also known as industrial hemp) is one of the largest new opportunities for growers in Michigan due to its recent legalization by the 2018 U.S. Farm Bill. Hemp is *Cannabis (Cannabis sativa L.)* that has less than 0.3% THC, the psychoactive component. Hemp is cultivated to produce fiber, grain, biomass or non-intoxicating medicinal compounds such as cannabidiol (CBD).

What is the current status of the hemp program in Michigan?

The 2014 U.S. Farm Bill authorized colleges and universities, and state departments of agriculture to grow, cultivate, and market hemp as part of an Ag Pilot Program. The Michigan Department of Agriculture and Rural Development (MDARD) implemented the state's first Industrial Hemp Ag Pilot Program in April 2019. The United States Department of Agriculture (USDA) released their interim regulations on October 29, 2019 to provide guidance to state departments of agriculture for developing their state-specific hemp plans. Michigan will have up to one year to continue its pilot programs and update rules and regulations to be consistent with federal regulations.

When will the Federal rules surrounding hemp be finalized?

The USDA interim rules were released in October 2019 in order to accommodate the 2020 growing season. As the rules are finalized, states continue to operate under the authority of the 2014 U.S. Farm Bill. MDARD is still currently planning for a 2020 hemp ag pilot program continuation.

Once finalized, what may be included in the Federal rules on hemp?

The USDA rules on hemp likely will contain:

- Documentation of where hemp is being grown
- Standards for testing to ensure compliance
- Effective disposal of plants and products
- Compliance with law enforcement
- Annual inspection requirements
- Certification that resources are available to carry out the plan

What are the next steps once the federal rules are implemented?

Once the federal hemp regulations are implemented, then Michigan's Public Act 641 of 2018 will need to be updated to include any federal change and a state plan will need to be developed. The state hemp plan must be approved by the USDA, which has 60 days to approve.

Where can I find the legal requirements for growing, processing, and handling hemp in Michigan?

Michigan's Public Act 641 of 2018 authorizes the growing and cultivating of hemp and requires the registration and licensing of certain persons who are interested in growing, processing, and handling hemp.

What are the highlights of Public Act 641?

- Prohibits a person from growing hemp in Michigan unless registered as a grower.
- Requires growers to identify all growing locations on their grower application.
- Prohibits a person from processing, handling, brokering or marketing hemp unless licensed as a processor-handler.
- Requires signage to be placed at the boundaries of each growing area.
- Requires growers to have their crops tested for THC content prior to harvest.
- Requires that individuals to be able to show proof of registration and licensing upon request by law enforcement.

How does a grower or processor-handler get a license for hemp from MDARD?

Licenses to grow or process hemp in Michigan are available at any time. Those interested can download and complete the "[Hemp Grower Registration Application](#)" and the "[Hemp Processor-Handler Application](#)" on Michigan's [Hemp website](#). The cost for the grower license is \$100 and the processor-handler license is \$1,350. MDARD is currently issuing licenses for the 2020 Hemp Ag Pilot program as licenses expire annually on November 30.

Is there a limit on the number of licenses for hemp issued from MDARD?

No, there is no limit on the number of licenses issued or the number of acres grown in Michigan.

What is involved in getting a hemp license in Michigan?

Receiving a hemp license in Michigan has two steps:

1. First, growers must register for a [grower](#) registration and those interested in processing hemp will apply for a [processor-handler](#) license and submit their payment.
2. Applicants must complete the [2020 Ag-Pilot Program application](#). In doing so, applicants must enter into a [research agreement](#) with MDARD. Participation in the pilot program also requires a successful background check.

What is the reason for the background check to be part of the Hemp Ag Pilot Program?

Participation in the Hemp Ag Pilot Program requires licensees to be free of drug-related felony charges in the 10 years prior to their submission of their application.

When do the hemp grower or processor-handler licenses expire?

All State of Michigan hemp licenses expire November 30 of each year. License renewal packets are sent out 60 days prior to the expiration of their license.

All hemp must test below the 0.3% THC in order to still be compliant with the rules of hemp. Does Michigan have a state laboratory for THC testing for growers to submit samples?

As of October 2019, MDARD's Geagley Laboratory in East Lansing is testing THC content for growers in the state of Michigan. MDARD anticipates there will be additional labs available for testing services; however, information will become available in spring 2020.

What happens if my hemp tests higher than the 0.3% THC?

Public Act 641 allows testing to be completed two additional times. If a third test indicates a THC concentration greater than 0.3%, MDARD shall order the crop destroyed.

All growing areas with hemp must be labeled with signs. What is required on hemp signs?

Signage must state the following:

- Statement indicating: "hemp registered with Michigan Department of Agriculture and Rural Development"
- Grower name
- Grower registration number

Does Michigan have a list of hemp seed suppliers?

No, at this time, Michigan does not have a list of seed suppliers for hemp. Also, Michigan does not have certified seed sources as in other states where both marijuana and hemp have been legalized for a longer period of time. University of Wisconsin Extension compiled a [list](#) of seed sources in February 2019.

In the meantime, growers are encouraged to be vigilant in their seed source selection. Growers should seek a certificate of analysis from potential suppliers prior to purchase. The certificate of analysis should include information such as guaranteed germination rate and THC concentration.

How can I receive updates on MDARD's Hemp Program?

All licensees of the current hemp program are automatically subscribed to e-mail alerts with updated information. Other interested individuals can self-subscribe to the updates by visiting the [MDARD Industrial hemp website](#).

Does Michigan have regulations regarding container media or root disposal for hemp?

Currently, Michigan does not have any requirements for the disposal of container media or roots of hemp.

In Michigan, is it legal to produce hemp and marihuana (i.e., marijuana) in the same facility?

Public Act 641 does not address growing hemp and marijuana at the same facility. However, growers interested in doing so should evaluate regulations from Michigan Department of Licensing and Regulatory Affairs (LARA), Marihuana Regulatory Agency (MRA).

Is there a list of growers, processors, or handlers available to the public in Michigan?

No. Grower and processor-handler information is exempt from disclosure under PA 641 of 2018 and MDARD is prohibited from disclosing it. MDARD encourages licensees to network at local events or get involved in associations.

How will those interested learn about the results from the 2019 Hemp Ag Pilot Program?

All licensees are required to submit a final report of their hemp activities from 2019. Information that will be sought will include questions such as: acres actually planted, varieties planted, or pest problems. Once aggregated, information will be shared on MDARD's hemp website.

Where can those interested for information on how to grow hemp?

Those who are interested in growing hemp can check out the [MSU Hemp](#) website. There are news updates, [MSU Extension bulletins](#), recorded webinars from previous MSU Extension programming on hemp, and forms.

If I have regulatory or licensing questions, who should I contact?

Growers or processors-handlers can look on [MDARD's Hemp website](#) and then sign up for updates using the button, "Sign up for Hemp Updates." Any further questions can be sent to MDARD-hemp@michigan.gov