



NASDA HEMP REPORT

CONSTRUCTING A NEW INDUSTRY: NAVIGATING THE DETAILS

HEMP LEGALIZATION TIMELINE

- 2014 FARM BILL AUTHORIZED HEMP RESEARCH & PILOT PROGRAMS
- 2018 FARM BILL LEGALIZED COMMERCIAL HEMP PRODUCTION
- 2019 USDA RELEASES HEMP PRODUCTION RULE

STATE PLAN APPROVALS

States' hemp plans must be approved by USDA to issue grower licenses. In the absence of a state plan, growers may obtain licenses through USDA.

STATES SUBMITTING PLAN AFTER REVIEWING USDA HEMP RULE



STATES THAT MUST CHANGE LAW TO MEET COMPLIANCE WITH USDA HEMP RULE



TIMELINE SUMMARY

Since 2002, NASDA has been an advocate for hemp legalization. The 2018 Farm Bill enabled this, and states are building frameworks and markets that can deliver on the crop's promised economic prosperity for growers. Before harvest comes and the interim rule is final, however, many questions and details remain to be navigated. NASDA continues to work with USDA to provide a clear pathway for US hemp growers.

GROWING SEASON

The hemp rule's stipulations directly affect 2020 production. NASDA appreciates the opportunity to provide comments on the rule and USDA's objective to evolve regulations as the industry matures.

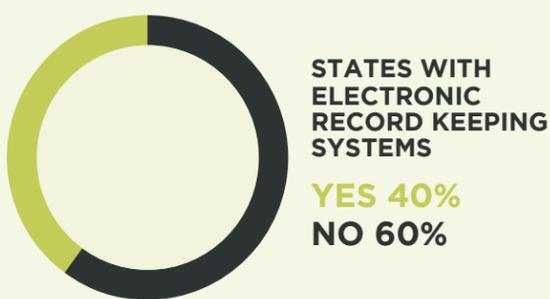
HEMP RULE OVERVIEW

- ENHANCES REGULATORY CONSISTENCY ACROSS STATES
- CLARIFIES THC TESTING REQUIREMENTS
- SETS RESTRICTIVE LIMITS FOR MAXIMUM THC LEVELS DETECTED
- REQUIRES EXTENSIVE SAMPLING OF EACH PLOT 15 DAYS BEFORE HARVEST

HARVEST & PRODUCTION SPRING 2020

Into the growing season, state departments of agriculture will administer hemp regulations on growing the crop. It's imperative FDA establishes CBD regulations early to ensure the crop has a stable market come harvest time.

230,000 ACRES EXPECTED



BRINGING EVERYONE TOGETHER

From seed to store, hemp will pass through numerous touch points, from transportation to quality testing labs, before it reaches consumers. While there's much attention on the CBD chain, hemp for seed and fiber are simultaneously developing its own farm to finished product system.



As the industry grows, NASDA increasingly understands the importance of partners from all areas of the farm to retail system.

Data retrieved from a NASDA conducted survey of its members. Data is not representative of all 54 states and territories, and information continues to be collected as of December, 2019. Hemp acreage statistic retrieved from votehemp.com. For more on NASDA's work with hemp, visit nasda.org/hemp.

OUTREACH & TEAMWORK

HOSTED CAPITOL HILL HEMP BRIEFINGS WITH 60+ ATTENDEES IN TOTAL

SENT FOUR SETS OF COMMENTS TO FDA, USDA & EPA IN 2019

HOSTED MEETINGS WITH AGENCIES, CONGRESS, MEMBERS & PARTNERS

LETTERS SENT WITH INDUSTRY GROUPS & NASDA MEMBERS

FROM: NASDA, American Farm Bureau Federation, Drug Policy Alliance & Vote Hemp

TO: U.S. Department of Agriculture Office of the General Counsel

HEMP FELONY BAN LETTER

"We urge USDA to follow congressional intent and limit the application of the felony ban only to individuals seeking to obtain a license or authorization to produce hemp in accordance with the Agriculture Improvement Act of 2018."

Starting in 2020, NASDA will continue to support states' hemp industries by promoting the issue to an official tier one priority for the organization.

NASDA 2020 POLICY PRIORITIES

Along with hemp, NASDA's Board of Directors voted to re-adopt international trade, workforce development and food safety as top issues for 2020.



NASDA supports the production, processing and commercialization of hemp.



NASDA is committed to working with the federal government and private industry to address ag workforce challenges.



NASDA supports the development of new and modernized trade agreements to increase U.S. agricultural exports.



NASDA members continue to work closely with federal agencies to enforce our nation's system of food safety and inspection laws.



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