

Date: March 10, 2016

Written Testifying in support of HB 22634

I want to thank the chairman and the committee for allowing me to submit this testimony today. I am Eric Steenstra, President of Vote Hemp. Vote Hemp, is the nation's leading hemp grassroots advocacy organization working to revitalize industrial hemp production in the U.S. according to Federal Law Our mission is to advocate for legislation and policies at the state and federal level that allow American farmers to once again grow industrial hemp commercially. I am submitting this in support of HB2634. HB2634 would allow industrial hemp research and pilot programs as authorized in the Federal Farm Bill of 2014.

Vote Hemp has a full time presence in Washington and works with members of Congress and state legislators to educate and advocate for industrial hemp legislation. Vote Hemp has assisted dozens of states to pass pro-hemp legislation over the past 16 years. Currently 27 states including Virginia, Kentucky and Tennessee allow hemp pilot programs or farming under state law.

You may hear from others about the amazing array of products that can be made from industrial hemp or details about its long history in American agriculture dating back to the founding fathers. What I would like to talk about today is the economic benefits and potential of hemp to create jobs in farming and manufacturing.

American companies have been importing hemp raw materials and finished products already for decades. Thousands of products made from hemp can be found at stores such as Costco, Target, CVS and Whole Foods. The market has been growing each year. The Hemp Industries Association estimates that retail sales of hemp products reached \$620 million in 2014 and retail sales tracking data from SPINS indicates that the sales of hemp food and body care products grew by 21.2% to \$200 million in 2014.

Hemp commerce is already having a positive economic benefit in this country. Wouldn't it make sense to allow that benefit to source their hemp from a Kansas farmer? HB2634 would allow research and pilot programs so that a hemp industry could ultimately be developed in Kansas, creating the business life-cycle of Industrial Hemp. Not just farming but processing, manufacturing and production of Hemp based products. The market is already thriving in Europe.

Kansas has a climate that is perfect for Industrial Hemp! Industrial Hemp is a sustainable crop that will, when you pass HB2634, will create economic benefits as well as secure jobs, new businesses and help current business be more environmental friendly. Please support the passage of HB2634! Please feel free to contact me with any questions or visit our website at VOTEHEMP.COM, for more information about Industrial Hemp!



VH

Vote HempTM



2016 Hemp Update



Congressional Update



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NEW Industrial Hemp Farming Act cosponsors

New Senate Cosponsors

Sen. Gardner (R-CO), Sen. Daines (R-MT), Sen. Franken (D-MN), Sen. Bennet (D-CO), Sen. Tester (D-MT) & Sen. Baldwin (D-WI)

New House Cosponsors

Rep. Titus (D-NV), Rep. Huffman (D-CA), Rep. Swalwell (D-CA), Rep. Sanford (R-SC), Rep. Whitfield (R-KY), Rep. Benishek (R-MI), Rep. Connolly (D-VA), Rep. Perlmutter (D-CO), Rep. Speier (D-CA), Rep. Walden (R-OR), Rep. Courtney (D-CT), Rep. Lowey (D-NY), Rep. Coffman (R-CO), Rep. Ellmers (R-NC), Rep. Tipton (R-CO), Rep. Davis (R-IL), Rep. Hurt (R-VA) & Rep. Scott (D-VA)



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H.R. 525 Bipartisan Cosponsors

House Cosponsors

H.R. 525 introduced by Rep. Thomas Massie (R-KY)

- 40 Democrats
- 25 Republicans



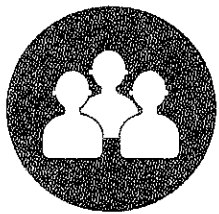
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S. 134 Bipartisan Cosponsors

Senate Cosponsors

S. 134 introduced by Sen. Ron Wyden (D-OR) & Sen. Mitch McConnell (R-KY)

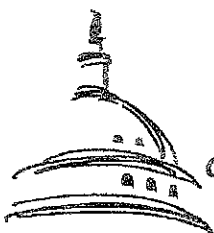
- 5 Democrats
- 4 Republicans
- 1 Independent



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House members support hemp research

By way of the Massie hemp amendment to the FY 16 CJS Appropriations Act, this is a benchmark number of House members who support hemp's progress in the next year.



Congressional Research Service

Hemp as an Agricultural Commodity

Renée Johnson, Specialist in Agricultural Policy

CRS RL32725

February 2, 2015

Summary: Industrial hemp is an agricultural commodity that is cultivated for use in the production of a wide range of products, including foods and beverages, cosmetics and personal care products, and nutritional supplements, as well as fabrics and textiles, yarns and spun fibers, paper, construction and insulation materials, and other manufactured goods. Hemp can be grown as a fiber, seed, or other dual-purpose crop. Some estimate that the global market for hemp consists of more than 25,000 products. Precise data are not available on the size of the U.S. market for hemp-based products, but current industry estimates report annual sales at more than \$580 million annually.

Hemp Amendments included in FY2016 Omnibus Appropriations Bill

McConnell Amendment to Omnibus

SEC. 739.

None of the funds made available by this Act or any other Act may be used—(1) in contravention of section 7606 of the Agricultural Act of 2014 (7 U.S.C. 5940); or (2) to prohibit the transportation, processing, sale, or use of industrial hemp that is grown or cultivated in accordance with subsection section 7606 of the Agricultural Act of 2014, within or outside the State in which the industrial hemp is grown or cultivated.

Massie Amendment to the CJS Appropriations Act

SEC. 541.

None of the funds made available under this Act may be used in contravention of section 7606 ("Legitimacy of Industrial Hemp Research") of the Agricultural Act of 2014 (Public Law 113-79) by the Department of Justice or the Drug Enforcement Administration.

USDA Hemp Research Clarification Letter

Congress of the United States
Washington, DC 20515

November 20, 2015

Tom Vilsack
Secretary
United States Department of Agriculture
1400 Independence Ave., S.W.
Washington, D.C. 20250

Dear Secretary Vilsack:

As you know, industrial hemp research pilot programs were authorized under the Agricultural Act of 2014 (P.L. 113-79) when certain conditions are met. Twenty-six states have laws authorizing industrial hemp pilot studies and/or production as made legal by the Agricultural Act of 2014. However, it is our understanding that researchers participating in the industrial hemp pilot programs have received conflicting information from the U.S. Department of Agriculture (USDA) on whether these programs are eligible for federal grant awards from existing USDA funds. Therefore, we are writing to request that you clarify your agency's authority to award federal funds to eligible industrial hemp research programs.

Hemp is prized throughout the world for its array of industrial uses. Currently, 30 countries grow hemp and the U.S. alone imported millions of dollars of hemp products last year. This presents a real opportunity for farmers and researchers throughout the United States. A 2014 report done by the Congressional Research Service documents the growing market for hemp products and its potential to be an economic driver for our country. Our universities and state departments of agriculture are ready to grow and cultivate this agricultural product, according to current federal and state laws.

Since the 1930s, your agency has supported research on industrial uses of commodities. The Critical Agricultural Materials Act of 1964 and various funding bills have supported funding for the research and development of alternative crops in state laboratories and at your agency. Furthermore, the Agricultural Research, Extension and Teaching Policy Act of 1977 (NARETPA; 7 U.S.C. §3194(e)) authorizes the USDA to award competitive grants for the development of new commercial products derived from natural plant material for industrial, medical, and agricultural applications.

It appears that USDA has the authority to award competitive grants for the development of industrial hemp. Nevertheless, it seems the USDA has provided conflicting information regarding whether the agency is willing to exercise its authority to award existing federal grant dollars for the research of industrial hemp. It is our understanding that some seeking clarity from the USDA on this issue have been told by USDA officials "it is not worth it to apply," while on the other hand, an internal USDA memo dated December 23, 2014 seems to indicate that the USDA is supportive of industrial hemp research and therefore may be willing to award funds for that purpose. The memo from National Institute of Food and Agriculture (NIFA) Director Sonny Ramaswamy to Southern Association of Agriculture Experiment Station Directors Executive

Director Eric Young states: "NIFA supports research on the cultivation of industrial hemp and on cultivated hemp provided such cultivation complies with Section 7606 [of the Agricultural Act]."

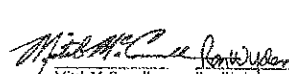
Due to this lack of consistency, researchers are reluctant to apply for federal funds because of the large amount of time, effort, and cost that goes into any grant application.

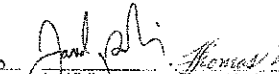
To help provide our constituents with information, we would appreciate answers to the following questions:


1. Does USDA interpret current law as providing the agency with the authority to award existing and competitive federal funds for the research of industrial hemp?
2. If the answer is yes, what steps is USDA taking to disseminate that information and work with interested parties in the competitive grant process?

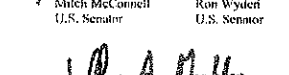
We look forward to expedient responses to our questions. Thank you in advance for your review of this inquiry.

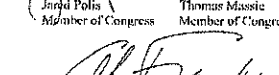
Sincerely,

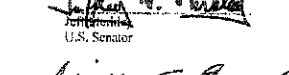

Mitch McConnell
U.S. Senator

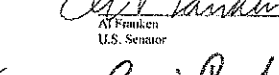

Ron Wyden
U.S. Senator

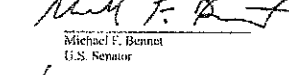

Tom Vilsack
Secretary



Al Franken
U.S. Senator


Cory Gardner
U.S. Senator


Michael F. Bennet
U.S. Senator


Rand Paul
U.S. Senator


Lamar Alexander
U.S. Senator

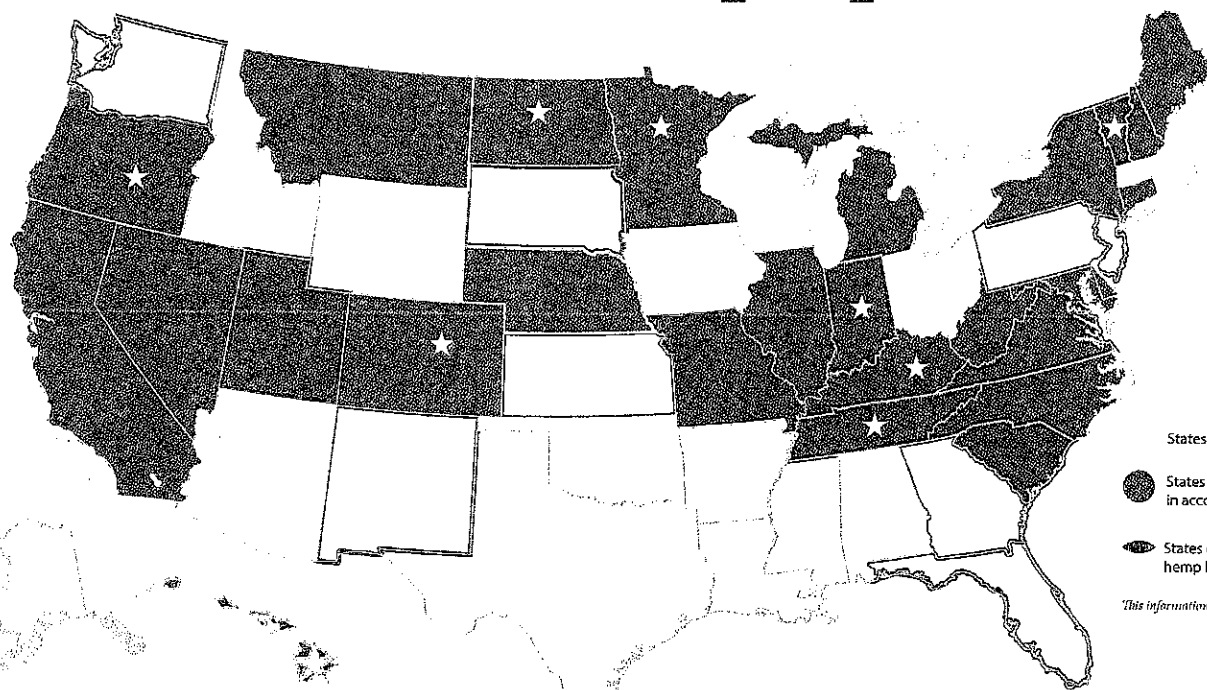

Mark R. Warner
U.S. Senator

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Complete list of Signatories: Sen. Ron Wyden (D-OR), Sen. Mitch McConnell (R-KY), Sen. Lamar Alexander (R-TN), Sen. Michael Bennet (D-CO), Sen. Steve Daines (R-MT), Sen. Al Franken (D-MN), Sen. Cory Gardner (R-CO), Sen. Kirsten Gillibrand (D-NY), Sen. Jeff Merkley (D-OR), Sen. Rand Paul (R-KY), Sen. Brian Schatz (D-HI), Sen. Mark Warner (D-VA), and Reps. Jared Polis (D-CO), Thomas Massie (R-KY), Andy Barr (R-KY), Rod Blum (R-IA), Earl Blumenauer (D-OR), Suzanne Bonamici (D-OR), Steve Cohen (D-TN), Kevin Cramer (R-ND), Rodney Davis (R-IL), Peter DeFazio (D-OR), Diana DeGette (D-CO), Suzan DelBene (D-WA), Sam Farr (D-CA), Morgan Griffith (R-VA), Raúl Grijalva (D-AZ), Brett Guthrie (R-KY), Barbara Lee (D-CA), Ted Lieu (D-CA), Tom McClintock (R-CA), Eleanor Holmes Norton (D-DC), Beto O'Rourke (D-TX), Ed Perlmutter (D-CO), Chellie Pingree (D-ME), Mark Pocan (D-WI), Dana Rohrabacher (R-CA), Tim Ryan (D-OH), Kurt Schrader (D-OR), Marlin Stutzman (R-IN), Eric Swalwell (D-CA), Mark Takai (D-HI), Chris Van Hollen (D-MD), Peter Welch (D-VT), Ed Whitfield (R-KY), John Yarmuth (D-KY), and Ryan Zinke (R-MT).

National Hemp Update



Increased Support in Congress for Industrial Hemp

The 2014 Farm Bill included Sec. 7606, *The Legitimacy of Industrial Hemp Research*, defining industrial hemp and allowing for licensed pilot programs; now underway in nine (9) states. Since then, Congress has doubled-down with strong bipartisan support for industrial hemp farming in the U.S., passing FY 16 CJS appropriations amendments 289-132 and 282-146 in the House and by a voice vote in the Senate Appropriations Committee to stop the DEA and Dept. of Justice from using funds in the contravention of Sec. 7606 hemp programs. Sen. McConnell (R-KY) added language to FY 16 Omnibus Appropriations bill which expands protection for transportation, processing, sale and use of hemp produced in legal hemp states in accordance with Sec. 7606. McConnell's language was included in the FY 16 Omnibus Appropriations bill, which passed on 12/22/15 and prohibits the use of funds by any agency including the DEA in contravention of Sec. 7606.

States Rights Around the Country

Since the passage of *The Legitimacy of Industrial Hemp Research* in the Farm Bill, many new states have passed hemp legislation. But because of current federal laws, these states must operate in a legal grey area of uncertainty, where importing viable hemp seed still carries risk of interference from the Drug Enforcement Administration (DEA) & U.S. Customs. In June 2014, the DEA seized over 280 pounds of hemp seed purchased by the Kentucky Department of Agriculture. Further federal action, such as the passage of the Industrial Hemp Farming Act (H.R. 525 & S. 134), is still needed to provide certainty to American farmers and businesses, and for investment in this re-emerging industry.

2015 Crop Report

Colorado - State Licensed & Academic Research

166 Registrants
3,657 acres approved
2,300 acres harvested (estimate by CO Dept. of Ag)
570,980 sf. of licensed indoor cultivation (some was replanted outdoors)
Participating Universities: Colorado State University

Hawaii - Academic Research Only

Participating Universities: University of Hawaii

Kentucky - Pilot Programs & Academic Research

127 Registrants
1,742 acres approved
922.31 acres planted
Participating Universities: University of Kentucky, Murray State, Eastern Kentucky University, Western Kentucky University, St. Catharine's College, University of Pikeville

Indiana - Academic Research Only

4 acres approved
4 acres planted
Participating Universities: Purdue

Oregon - State Licensed & Academic Research

11 Registrants
50 acres or less planted
Participating Universities: Oregon State University

Tennessee - Pilot Programs & Academic Research

41 Registrants
1,400 acres approved
700 acres planted
Participating Universities: Middle Tennessee State University, University of Tennessee

Vermont - State Registration & Academic Research

23 Registrants
20 acres approved
Participating Universities: University of Vermont

State Hemp Legislation

ALASKA

SB 8

Introduced:

Summary:

Status:

HEMP LEGISLATION IN 2015

1/21/15 by Sen. Ellis

In accordance with Sec. 7606

Judiciary Committee

ARIZONA

SB 1225

Introduced:

Summary:

Status:

HEMP LEGISLATION IN 2015

1/27/15 by Sen. Pancrazi

Creates study committee

Passed Senate 3/5/15

CALIFORNIA

HEMP RESEARCH IS LEGAL



HAWAII

HB 508 SD2

Introduced:

Summary:

HEMP RESEARCH IS LEGAL

1/26/15 by Rep. Onishi

In accordance with Sec. 7606

ILLINOIS

HEMP RESEARCH & PILOT PROGRAM IS LEGAL



COLORADO

HEMP RESEARCH & PILOT PROGRAM IS LEGAL

CONNECTICUT HEMP STUDY IS LEGAL

HR 5780

Introduced:

Summary:

Status:

1/12/15 by Rep. Ziobron & Rep. Carter

In accordance with Sec. 7606

Governor signed 7/2/15

DELAWARE

HEMP RESEARCH & PILOT PROGRAM IS LEGAL

FLORIDA

SB 554

Introduced:

Summary:

HEMP LEGISLATION PENDING

10/23/15 by Sen. Clemens

In accordance with Sec. 7606

SB 1608 | HB 1257

Introduced:

Summary:

1/8/16 by Sen. Montford & Rep. Dudley

Authorizes FAMU to develop
Hemp Research Compliance Program & Rulemaking

GEORGIA

HB704

Introduced:

Summary:

HEMP LEGISLATION PENDING

4/2/15 by Rep. Pezold

In accordance with Sec. 7606

INDIANA

HB 1181

Introduced:

Summary:

Status:

HEMP RESEARCH IS LEGAL

1/12/15 by Rep. Lehe

Refines policies & creates study
committee for hemp extract.Governor signed 5/4/15

IOWA

SSB 1260

Introduced:

Summary:

Status:

HEMP LEGISLATION IN 2015

3/4/15 by Sen. Seng

Study legislation

No Action

HJF 470

Introduced:

Summary:

Status:

3/4/15 by Rep. Forbes

Hemp production

No Action

KANSAS

Note:

HEMP LEGISLATION PENDING
Rep. Dove expected to introduce bill

**KENTUCKY**

**HEMP RESEARCH &
PILOT PROGRAM IS LEGAL**

MAINE
LD 4Introduced:
Summary:**HEMP RESEARCH IS LEGAL**

1/7/15 by Rep. Sanderson
Amends MRSA §2231 to
promote industrial hemp
Senate overrides Governor's
veto 6/16/15. Became Law 6/16/15

MARYLAND

**HEMP IS ILLEGAL UNTIL
INDUSTRIAL HEMP FARMING ACT
PASSES**

HB 803

Introduced:
Summary:
Status:

2/13/15
Hemp production
Governor signed 5/12/15

MICHIGAN**HEMP RESEARCH IS LEGAL****MINNESOTA**

**HEMP RESEARCH &
PILOT PROGRAM IS LEGAL**

Omnibus Agriculture, Environment
& Natural Resources Appropriations Bill

Introduced: 6/12/15 by Sen. Tomassoni;
Representatives McNamara, Hamilton
and Davids

Summary: In accordance with Sec. 7606
Status: Governor signed 6/13/15

HF 14

Introduced: 6/12/15 by Rep. Hamilton
Summary: Amends for policy & changes
Status: Introduced for 2016

MISSOURI

HJR 57

Introduced: 12/1/15 by Rep. Ellington
Summary: Constitutional Amendment to enact hemp legislation
regarding the cultivation, processing & sale of
industrial hemp by 7/1/19

HB 2038

Introduced: 1/7/16 by Rep. Curtman
Summary: Allows Dept. of Ag to license hemp growers
& criminalizes unlicensed hemp growers

MONTANA

**HEMP RESEARCH &
PILOT PROGRAM IS LEGAL**

NEBRASKA

**HEMP RESEARCH &
PILOT PROGRAM IS LEGAL**

NEVADA

**HEMP RESEARCH &
PILOT PROGRAM IS LEGAL**

SB 305

Introduced: 3/16/15 by Segerblom
Summary: In accordance with Sec. 7606
Status: Governor signed 6/4/15

NEW HAMPSHIRE**HEMP STUDY IS LEGAL****NEW JERSEY**

Note:

HEMP LEGISLATION PENDING
Assemblyman Gusciara expected to
introduce hemp bill.

NEW MEXICO

SB 3 | HB 148

Introduced: 12/15/15 by Sen. McSorley & Rep. Gomez
Summary: Authorizes hemp research within
the scope of the Farm Bill

NEW YORK

A 8334

Introduced: 1/6/16 by Rep. Lupardo
Summary: Amends law to allow for hemp cultivation
to be within the scope of the Farm Bill

NORTH CAROLINA

**HEMP RESEARCH &
PILOT PROGRAM IS LEGAL**

SB 313

Introduced: 3/17/15 by Senator's Bingham; Hise & Waddell
Summary: Creates Hemp Commission to establish &
oversee a growers licensing program, which
must be funded & also decriminalizes the
production and use of industrial hemp upon the
completion of rulemaking by the Board of Ag.
Status: Became law without signature 10/31/15



NORTH DAKOTA

HEMP RESEARCH & PILOT PROGRAM IS LEGAL

SB 2145
Introduced: 1/8/15 by Senator's Davison; Luick; Oban & Poolman
Summary: Background check for licensing
Status: Governor signed 4/1/15

OREGON

HEMP RESEARCH & PILOT PROGRAM IS LEGAL

PENNSYLVANIA

HEMP LEGISLATION PENDING

SB 50
Introduced: 2/12/15 by Sen. Schwank & Sen. Folmer
Summary: Est. a board to act in accordance with SEC 7606
Status: Referred to Appropriations

RHODE ISLAND

HEMP LEGISLATION IN 2015

HB 6177 | SB 990
Introduced: 5/7/15 by Rep. Keable & Sosnowski
Summary: Provides a definition for "CBD-Rich Hemp Oil" to legalize cannabidiol and industrial hemp
Status: Passed House 6/18/15

SOUTH CAROLINA

HEMP RESEARCH & PILOT PROGRAM IS LEGAL

H 4340
Introduced: 6/4/15 by Rep. Home & Rep. King
Summary: Amends Chp. 55, Title 46
Status: Referred to Medical, Military, Public & Municipal Affairs committee

SOUTH DAKOTA

HEMP LEGISLATION PENDING

HB 1054
Introduced: 1/15/16 by Rep. Verchio
Summary: Authorizes the production & sale of hemp
Status: Passed House Ag & Natural Resources Committee

TENNESSEE

HEMP RESEARCH & PILOT PROGRAM IS LEGAL

SB 1611
Introduced: 1/13/16 by Sen. Niceley
Summary: Designates that the Dept. of Ag license processing facilities & any state 4-year university/college to develop foundation hemp seed for Federal Seed Act Certification

TEXAS

HEMP LEGISLATION IN 2015

HB 557
Introduced: 12/19/14 by Rep. Farias
Summary: Allows academic institutions to participate in accordance with Sec. 7606
Status: Place on General Calendar - No Action

UTAH

HEMP RESEARCH & PILOT PROGRAM IS LEGAL

VERMONT

HEMP RESEARCH & PILOT PROGRAM IS LEGAL

VIRGINIA

HEMP RESEARCH IS LEGAL

HB 1277
Introduced: 7/21/14 by Del. Yost
Summary: Academic pilot program
Status: Governor signed 3/17/15

HB 699

Introduced: 1/11/16 by Rep. Patron & Rep. Pogge
Summary: Authorizes hemp research within the scope of the Farm Bill

WASHINGTON

HEMP LEGISLATION PENDING

SB 6206
Introduced: 1/12/16 by Sen. Hasegawa
Summary: Designates Washington State University as the research institution authorized to conduct a full feasibility study

SB 5012

Introduced: 12/15/14 by Sen. Hatfield & Sen. Honeyfield
Summary: Authorizes the growing of industrial hemp in the state by adding to Title 15 RCW 69.50.204
Status: By resolution, reintroduced & retained in present status, 6/28/15

WEST VIRGINIA

HEMP RESEARCH & PILOT PROGRAM IS LEGAL

WISCONSIN

HEMP LEGISLATION IN 2015

AB 215
Introduced: 5/14/15 by Rep. Cosdine
Summary: In accordance with Sec. 7606
Status: Referred to State Affairs & Government Operations Committee



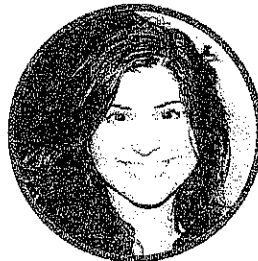
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