

## Industrial Hemp in Nevada

The 2014 Farm bill in section 7606 authorizes institutions of higher education or state departments of agriculture in states that have legalized hemp cultivation to conduct research and pilot programs. The 2015 Nevada legislature legalized the cultivation of hemp for research and pilot projects. A copy of the federal law is attached.

Industrial hemp includes the non-psychoactive, low –THC, oilseed and fiber varieties of the plant *Cannabis sativa*. Hemp has absolutely no use as a recreational drug. The Farm Bill defines hemp as “The plant *Cannabis sativa L.*” with a THC content of not more than 0.3 percent on a dry weight basis.

The Nevada Department of Agriculture (NDA) has proposed the regulations required in the federal law and will be certifying and registering industrial hemp research projects conducted under the authorization of a Nevada institution of higher education or the NDA. To receive authorization, the proposed project must have a stated research goal and comply with the state regulations. Very basic research goals can be acceptable as we explore the economic viability of hemp in Nevada. A copy of the regulations is attached.

The NDA has applied to the DEA to obtain an importation permit so certified industrial hemp seed can be imported for use in Nevada. The NDA will work with those authorized to conduct a research project, to combine their seed requirements and place a single order to minimize the brokerage fees and freight costs. It may also be possible for a grower to use the NDA permit to import seed. To cover the cost of the requirements imposed by the DEA, the Department will add a charge of \$1.00 per pound to the cost seed imported using the NDA permit.

Based on our contact with a Canadian hemp seed supplier, seed costs could range from \$2.75 to \$3.75 per pound FOB the U.S. After adding the NDA surcharge, growers should figure that seed will cost \$5.00 a lb. for planning purposes. Actual cost will be provided prior to placing the order with a seed supplier. We are told that a typical planting rate is around 25 lbs. per acre.

It is illegal under federal law to possess viable hemp seed in Nevada unless it is for use in an authorized research trial. If a research project proposes to grow hemp for seed, the grower will have the following options:

1. The seed can be pressed for oil; or
2. The seed can be rendered inert by cooking or irradiation; or
3. The seed can be stored in a secure facility inspected and approved by the DEA. The NDA may be able to provide limited storage if a project includes utilizing Nevada grown viable seed as a part of the authorized research project.

We are working to have multiple projects during the 2016 growing season.