



# Proposal for Industrial Hemp Grain and Fiber Exemption

Cannabinoid Hemp Framework Maintained  
[www.HempExemption.com](http://www.HempExemption.com)

## Why are the current regulations problematic for grain and fiber industrial hemp?

- 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, discourages investment in critical infrastructure
- End-use products hold long-standing exemption under Controlled Substances Act

## 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 - Exemption 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, documented verification required (i.e. seed/variety receipts, sales contract, planting report), and the Department of Agriculture reserves the right to require harvest inspection.
- Intentional violations: crop destruction, fine/civil penalty, restricted from program participation for 5 years

## 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

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