

2022 Arizona Industrial Hemp Program

2022 will usher in some new, positive changes to the industrial hemp program with the modifications to the administrative rules for regulating industrial hemp and the USDA approval of the State plan for domestic hemp production (State Hemp Plan). The changes to the administrative rules will help align with federal hemp regulations (7 CFR Part 990), will reduce the overall regulatory burden, and will provide clearer guidance for program compliance. Additionally, the rule change permanently institutes the reduction of hemp program licensing fees that were initially reduced by emergency rulemaking at the end of 2020. With the USDA approval of the State Hemp Plan at the end of 2021, and meeting their deadline of December 31st, hemp producers in Arizona will now be eligible for many federally backed programs, including:

- Whole-Farm Revenue Protection (WFRP)
- Non-insured Crop Disaster Assistance Program (NAP)
- NRCS-administered conservation programs, including the Environmental Quality Incentives Program, Conservation Stewardship Program, Regional Conservation Partnership Program, and Agricultural Conservation
- Easement Program Farm loans, including operating, ownership, beginning farmer, and farm storage facility



Hemp crop prior to harvest. Yuma County - AZDA



Seedling from a licensed hemp nursery facility. AZDA

The new year will also bring in the ability for growers to produce hemp micro-green crops and other leafy green hemp products. Hemp nursery materials (seedlings, clones, etc.) for domestic export are now an option for hemp nursery license holders (provided they also meet state phytosanitary export requirements). Previously, hemp nursery materials could only be sold and transported within the state.

Anyone growing hemp must have a license issued by the Department, and the Department currently offers five types of hemp licenses, grower, nursery, harvester, transporter, and processor. These can be applied for by completing and submitting an application, with payment, and supporting documentation. Our applications are available on our website and plans are in the works to offer the ability to apply and renew online. To be eligible for a hemp license, an applicant must have a valid fingerprint clearance card that was issued by AZDPS, must show proof of lawful presence, and be 18 years of age or older at the time of application.

<https://agriculture.az.gov/plantsproduce/industrial-hemp-program>

To ensure only compliant hemp crops enter the stream of commerce, hemp inspectors ensure that licensees are in compliance with state

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and federal regulations by conducting site-audits and will sample hemp crops prior to harvest to determine compliance with the Total THC concentration requirement. Hemp crops that are sampled and tested must have a Total THC concentration of not greater than 0.3%.

The EPSD database system provides real-time information to aid hemp staff in ensuring that licensing and reporting activities are prompt and consistent to ensure customer satisfaction. This system also validates and tracks regulatory compliance activities. It is an important side note to mention that the industrial hemp program is self-funded and solely supported by the licensing, inspection, and processor assessment fees. No general fund dollars are allocated to support the program.



Left picture above: Hemp Compliance Inspectors, Richard Dragomir (Left) and Noah Redwood (Right)

