



FACT SHEET: GOVERNOR CUOMO'S PLAN TO JUMPSTART NEW YORK'S INDUSTRIAL HEMP INDUSTRY

Industrial hemp is emerging as a potentially significant agricultural commodity. The industry is already generating nearly \$600 million per year nationally and has the potential to grow several times over in the years to come.

Governor Cuomo is committed to making New York a global leader in industrial hemp. In 2015, the State launched its Industrial Hemp Agricultural Research Pilot Program, permitting a limited number of educational institutions to grow and research industrial hemp. Earlier this year, the State eliminated the cap on the number of sites authorized to grow and research the plant and expanded the program to include farmers and businesses. New York State also held its first-ever Industrial Hemp Summit for industry stakeholders in April. In June, Governor Cuomo introduced new legislation to establish industrial hemp as an agricultural commodity under the State's Agricultural and Markets Law. In addition, the legislation creates an industrial hemp seed certification program, establishes an industrial hemp working group, and creates a One-Stop Shop for industrial hemp processors and farmers.

The Governor also announced measures to implement this legislation and additional innovative actions to increase opportunities for farms and businesses to participate in the industrial hemp industry:

- **\$5 Million Research Grant Program for Research Institutions and Farmers.** A centerpiece of Governor Cuomo's agenda is a multi-year \$5 million commitment to support research into the production of industrial hemp in New York State. Key elements of this agenda include:
 - ✓ Nearly \$1 million in research grants to expand industrial hemp production in New York from 30 acres to 2,000 acres.
 - Empire State Development (ESD) and the NYS Department of Agriculture and Markets (Department) have formed a partnership with Cornell University's College of Agriculture and Life Sciences to advance research into industrial hemp in New York.
 - Cornell has imported 51,000 pounds of industrial hemp seed from Canada under its DEA import permit to support the research program. Combined with the 300 acres of industrial hemp already being planted this season, New York's industrial hemp production is expected to reach 2,000 acres in 2017.
 - The research grants support the study of the agronomic characteristics of industrial hemp, which will be grown by New York farms serving as research partners. The research partners will receive \$400 per acre less the cost of seed, which will be provided by Cornell. These funds will offset the costs of planting



- and harvesting as well as the indirect costs of complying with Cornell's protocols and reporting requirements. The program will also reimburse Cornell for costs associated with the administration and production of research reports.
- Selection criteria for participants in Cornell University's 2017 Industrial Hemp Research Trial is available [here](#).
 - In addition to the partnership with Cornell, ESD and the Department are also forming a partnership with SUNY Morrisville to support industrial hemp research involving 2,000 pounds of seed and an anticipated 85 acres.
- ✓ An industrial hemp seed breeding program. The cornerstone of a robust industrial hemp industry in New York will be the development of local hemp cultivars that are well adapted for New York State's climate and farm management practices. As part of his \$5 million, multi-year commitment to industrial hemp research, Governor Cuomo will support the development of local, high-quality seed by seeking additional opportunities to partner with research institutions to develop domestic seed resources and germplasm repositories in New York. In addition, the Department will establish high-quality industrial hemp seed certification standards for New York State in cooperation with the New York Seed Improvement Project.
 - ✓ Continued investment in successful industrial hemp research. While the building blocks of a solid industrial hemp research program have been set, New York State will continue to advance new opportunities in basic agronomic, market and manufacturing research to ensure New York's leadership in the hemp production and manufacturing industry.
- **\$5 Million Capital Grant Program for Hemp Processors.** New York State has allocated up to \$5 million for the New York State Industrial Hemp Processors Grant Fund. Administered by ESD, in consultation with the Department, the program will provide funding for buildings, machinery, equipment, and other capital costs related to the processing of industrial hemp. Grants of up to \$500,000 will be available to cover up to 50% of total project costs. Program guidelines and an application will be available at <https://esd.ny.gov/industrial-hemp> on July 27, 2017. To express interest in participating in the program or ask questions about program administration, businesses can contact the One-Stop Shop for Industrial Hemp by e-mailing IndustrialHempNYS@agriculture.ny.gov or calling toll-free at 877-249-6841.
 - **Secure Industrial Hemp Import Permit for New York State.** The Department submitted an application to the U.S. DEA to become a registered importer of industrial hemp. Once DEA approves the application, the NYS Department of Agriculture and Markets will become the third entity in New York that is legally permitted to import industrial hemp seed into New York and will be able to provide interested growers across the State with seed.



- **Establish the Industrial Hemp Workgroup.** Governor Cuomo has also established an Industrial Hemp Workgroup composed of researchers, producers, processors, and manufacturers, serving two-year terms. Modeled after Governor Cuomo’s successful Craft Brewers and Industry working group, the Industrial Hemp Workgroup will make recommendations on research topics for the industrial hemp research pilot program, state and federal policies and policy initiatives, and opportunities for the promotion and marketing of industrial hemp as consistent with federal and state laws, rules and regulations. Members of the Industrial Hemp Workgroup include:
 - ✓ Richard A. Ball, Commissioner, NYS Department of Agriculture and Markets (Chair)
 - ✓ Senator Thomas O’Mara
 - ✓ Assemblywoman Donna Lupardo
 - ✓ Mike Barnhart, Plant Science Laboratories
 - ✓ Susie Cody, NYS Hemp Industries Association
 - ✓ Benjamin Banks-Dobson, Old Mud Creek Farm LLC
 - ✓ Dan Dolgin, JD Farms
 - ✓ Ira Fair, 21st Century Hemp
 - ✓ Liisa Fiedelholz, formerly of Ann, Inc.
 - ✓ Jennifer Gilbert Jenkins, SUNY Morrisville
 - ✓ David Grusenmeyer, New York Farm Viability Institute
 - ✓ Marc Privitera, PreProcess, Inc.
 - ✓ Larry Smart, Cornell University College of Agriculture and Life Sciences
 - ✓ Julie Suarez, Cornell University College of Agriculture and Life Sciences
 - ✓ Steven Wood, SUNY Research Foundation
 - ✓ Jeff Williams, New York Farm Bureau
 - ✓ Nicholas Vita, CEO, Columbia Care

- **One-Stop Shop and Website for Hemp Producers and Processors.** Industrial hemp presents an enormous opportunity, but businesses interested in the industrial hemp industry must navigate a complex set of overlapping state and federal regulatory requirements. The One-Stop Shop for industrial hemp businesses in New York provides a single point of government contact for assistance with the research program, as well as regulations, licensing, and any other questions or issues facing the industry. Farmers and businesses are encouraged to visit <https://esd.ny.gov/industrial-hemp> or contact the One-Stop Shop by e-mailing IndustrialHempNYS@agriculture.ny.gov or calling 877-249-6841.

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