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This document was prepared by TDCANN Institute with the collaboration of the experienced legislation and policy hemp experts at Grow Hemp Colorado in the best interest of Ohio public health and safety.

Ohio State Ag Research and Development Lecture by Cornell University Professor leading Hemp Reseach in NY.

https://presenter.cfaes.ohio-state.edu/HCS7890_4_3_2019_W_-20190403_125815_25.html

Ohio Senate Bill 57 Decriminalize Hemp and Hemp Cultivation

To amend sections 3719.01 and 3719.41, to enact sections 928.01, 928.02, 928.03, 928.04, 928.05, 928.06, and 928.99 of the Revised Code, and to amend the versions of sections 3719.01 and 3719.41 of the Revised Code that are scheduled to take effect on March 22, 2020, to decriminalize hemp and hemp products and to establish a hemp cultivation licensing program.

Mission: Provide Common Sense legislation and policy recommendations for SB 57. Provide assistance in bringing a value added commodity crop, manufacturing and products, in the best interest of public health and safety, to the Ohio marketplace. In alignment with the Senate's mission to reduce regulations by 30%, the Cannabis sativa L plant can be implemented by using the already existing, proven agriculture legislation and administrative codes in Ohio.

Mission: Fund program similar to other Agricultural commodity crops.

Proposed SB 57 - Recommended Amendments

Hemp for human consumption/cosmetics requires additional amendments to SB 57 for ORC Section **3715**, Pure Food and Drug Law. ***See additional information below***; ORC **3717** - Retail Food Establishments; Food Service Operations

Section 924.212

(B)**Problem**: With a newly formed eighteen member committee, only the 4 appointed by the Dept of Ag will vote on spending moneies from a marketing program.

Solution: Review the critera for voting members of the committee.

Section 928.01

(A) "Cannabidiol" means the cannabidiol compound, containing a delta-9 tetrahydrocannabinoiol concentration of not more than three-tenths per cent, derived from hemp.

Fact: Cannabidiol can come from the cannabis plant (both hemp and marijuana) as well as other sources. Attempting to define it this way may result in the legal limit access to this cannabinoid from any other source then Hemp.

Additionally, if one cannabinoid which can be found in the cannabis plant is defined, then they should all be define. (Currently, there are over 130 defined cannabinoids) Finally, a restricted definition for cannabidiol is not necessary, is harmful, incorrect and will have unforeseen consequences for Ohio's MJ medical program.

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Solution: Leave the definition of Cannabidiol out of the hemp bill. Work with the The Ohio State University Agricultural School to develop clear definitions of cannabinoids. Other national academia resources are available. Cannabidiol can be defined with the chemical composition, if necessary; Add other cannabinoids to the defination.

Problem: Only Cannabidiol is definded. Other cannabinoids are now being extrated and sold on the commerical market for human and animal consumption. Other cannabinoids are not definded in this bill and can be processed with dogs and pigs in a barn due to the lack of clarity and not specifing that any commerical production of a value added commodity for human/animal consumption must follow Ohio's pure food and drug laws.

Solution: Require all extracts and products for human/animal consumption to follow ORC 3715, 3717

Section 928.01

(D) "Hemp processing license" means a license to process hemp to produce cannabinoidal issued under section 928.02 of the Revised Code

Problem: Cannabinoidol is already in the hemp plant, it is not being produced by processing.

Solution: Use the words "Extract Cannabindiol"

- **(E)**"Hemp product" means any product, containing a delta=9 tetrahydrocannabinol concentration of not more that three-tenths per cent, that is made with hemp. "Hemp Product" includes cosmetics, personal care products, dietary supplements for food intended for animal or human consumption, cloth, cordage, fiber, fuel, paint, paper, particleboard, and any product containing one or more cannabinoids derived from hemp, including cannabidiol.
- **1- Problem:** Federal laws and regulations must change before we can add hemp to our animal feed supply chain.

Recommendation: Remove animal consumption; create law(rule) for animals that do not go into the food supply chain. (Domestic Pets)

2- Problem: FDA regulates dietary supplements for food intended for animal or human consumption. Hemp has not been defined as a dietary supplement.

Recommendation: Remove dietary supplement wording, as **hemp as foods** does not meet the requirement of defined dietary supplement.

3- Problem: Industrial uses of hemp and ingestion of hemp are defined under one definition. Due to different public health and safety policy/regulations, licencing and taxation, these two aspects of the industry should be separated out in legislation.

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Recommendation: Section 3715 of the ORC Pure Food And Drug Act; Food Drug and Cosmetics Law must be followed when adding <u>Hemp as foods/cosmetics for human consumption and use</u>: Industrial "Hemp products" are products such as rope, clothing, fiber, paper, paint, fuel, particleboard and any other products manufactured **not for human and animal consumption and cosmetics/lotions**.

Colorado definition: "INDUSTRIAL HEMP PRODUCT" MEANS A FINISHED PRODUCT CONTAINING INDUSTRIAL HEMP THAT:

- (I) IS A COSMETIC, FOOD, FOOD ADDITIVE, OR HERB;
- (II) IS FOR HUMAN USE OR CONSUMPTION;
- (III) CONTAINS ANY PART OF THE HEMP PLANT, INCLUDING NATURALLY OCCURRING CANNABINOIDS, COMPOUNDS, CONCENTRATES, EXTRACTS, ISOLATES, RESINS, OR DERIVATIVES; AND
- (IV) CONTAINS A DELTA-9 TETRAHYDROCANNABINOL CONCENTRATION OF NO MORE THAN THREE-TENTHS OF ONE PERCENT.
- (V) (4) (d) INDUSTRIAL HEMP PRODUCTS PRODUCED BY WHOLESALE FOOD MANUFACTURING FACILITIES REGISTERED IN ACCORDANCE WITH THIS SUBSECTION (4) SHALL NOT BE DEEMED ADULTERATED, AS DEFINED IN SECTIONS 25-5-410 AND 25-5-416, UNLESS THE PRODUCTS MEET ONE OR MORE OF THE CRITERIA SET FORTH IN SECTION 25-5-410 OR 25-5-416

Section 928.02

(B) Except as authorized under division (A)(2) of this section, any person that wishes to cultivate hemp shall apply for and obtain a hemp cultivation license from the director in accord with rules adopted under section 928.03 of the Revised Code and any person that wishes to process hemp to produce cannabidiol shall apply for and obtain a hemp processing license from the director in accordance with those rules. Such licences are valid for **THREE YEARS** unless earlier suspended or revoked by the director...

Problem/solution: Based upon the cost of the licecense, is this financially viable to keep the program running? Licences should be issued every 12 months for fiscal responsibility.

- **(C)**The department, a university, or any person may, without a hemp cultivation license or hemp processing licence, do any of the following: (A WORD SEEMS TO BE MISSING, CAN OR CAN'T)
- (1) Possess, buy, or sell hemp or a hemp product;
- (2) Except for the processing hemp to produce cannabidiol, process hemp into a hemp product, including by the addition of one or more cannabinoids derived from hemp, including cannabidiol, to a product to produce a hemp product.

Problem: Public Health and Safety Issues.

Solution: For **commercial distribution** for human and domestic animal consumption, licencing must be obtained. *No licencing is necessary for one's personal use, research and development, or the industrial uses of hemp products.* Testing shall be required for commercial distribution of hemp products intended for human/animal consumption; Ohio Pure Food and Drug Act.

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Section 928.02

(D) Notwithstanding any other provision of the Revised Code to the contrary, the addition of hemp or cannabinoids derived from hemp, including cannabidiol, **to any product does not adulterate that product.**

Problem: Public Health and Safety Issue; Misbranding/Mislabeling under State law Requirement

Solution: Notwithstanding any other provision of the Revised Code to the contrary, the addition of hemp or cannabinoids derived from hemp, including cannabidiol, **to any product intended for human consumption and use, is not an adulterated or misbranded product:** Again, require ORC 3715, 3717 be followed.

Section 928.03

(B) The amount of the application fee that must be submitted with each hemp cultivation license and hemp processing license application.

Problem: What will be the application fees?

Solution: Set Application fees in the legislation to avoid excessive application fees resulting in a limited licening program. This is to protect the Ohio farmer.

(F) A requirment that the director shall not issue a hemp cultiavation license or hemp processing license to any person whohas pleaded guilty to or been convited of a felony relating to a contrrolled substance in the ten years immediately prior to the sumission of the application for a license.

<u>Problem:</u> Those who served their sentence and punishment for their crime are continuing to be punished by this law. It is against what our legal system has created, and is very problematic.

Solution: Remove

(J)A procedure for testing, using post-decarboxylation or other similarly reliable methods, delta-9 tetrahydrocannabinol concentration levles of hemp and hemp products;

Problem/Solution: "All finished products must be tested by a state approved lab, per product batch and free from any adulterated ingredients, before being sold on the commercial market."

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This section was added under Colorado Criminal Code to protect the existing and future hemp industry, jobs, tax revenue, products and consumers.

b) HOUSE BILL 18-1295 ENACTED IN 2018, DOES NOT ALLOW AN ENTITY WITH FEDERAL DRUG ADMINISTRATION APPROVAL OR ITS AGENT TO INITIATE CRIMINAL, CIVIL, OR ADMINISTRATIVE PROCEEDINGS TO PREVENT THE NONPHARMACEUTICAL PRODUCTION, SALE, OR DISTRIBUTION OF NATURALLY **OCCURRING CANNABINOID OR CANNABINOID** EXTRACTS OR RESTRICT THE NONPHARMACEUTICAL PRODUCTION, SALE, OR DISTRIBUTION OF NATURALLY OCCURRING CANNABINOID OR CANNABINOID EXTRACTS.

ADDITIONAL INFO/SUGGESTIONS FOR TO SB57

Suggestion: Hemp as Foods

Amend Sections 3715, 3717 for Public Health and Safety

Hemp Product, Hemp Product Manufacturing, Storage

All hemp product manufacture and hemp product producers, retail food establishment using hemp shall be required to be register and or licensed with the Dept of Ag; adhere to the Ohio Uniform food safety code – Section 3717 (retail food law), Section 911 (Bakery Law), 913 (Cannery, Bottled Bev & Beg Extract law), 915(Cold Storage/Freezing Food), 901:3-6, 901:3-4 – further rules and relegations pertaining to Hemp Products and Hemp Manufacture can be defined in rule under the rule making authority granted. (928.07)

Similar tax and licensing

Colorado Hemp as Foods Bill

Suggested Additional Definitions for 928.01:

- (E)Industrial Hemp Extractors Registered/licensed companies and/or individuals which exclusively process industrial hemp into cannabinoid based extractions including but not limited to crude oil, distillates, resins and isolates, both solvent and non-solvent based which are *unfinished products not for sale on the commercial/retail market.
- (F) Definition of industrial hemp unfinished products: Including but not limited to hemp extracts, concentrates, isolates which are over 0.3% the delta 9 concentration total, not for consumer use or sale, and is used by a Registered/Licensed Industrial Hemp Product Manufacture in formulations for a finished Hemp as food product.
- (G) Industrial Hemp Product Manufactures/Product Producers registered/licensed companies and individuals which create a finished product(s) for commercial sale of human use and consumption product which are 0.3% thc (thc-a & Thc delta 9) concentrate or below. These Industrial Hemp Product Manufacturers and Hemp product producers do not perform any extractions.

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Basic rules for Hemp extractors: (could be in law or rule)

- Additional rules and regulations will be determined through dept rule under the power granted to them under section (AG Dept)
- All raw industrial hemp materials coming into to processing facility must be compliant hemp, 0.3% THC concentrate or below.(Legislation)
- No more than 7 oz of 99% pure THC isolate can be on site at one time. (Legislation;
 Rulemaking groups to review for recommendations)
- Every batch of extracts, concentrates, isolates, crude oil, resins, etc must be tested by a state approved MJ/Hemp lab before removed from extraction facility. (**Legislation**)

Isolated THC cannot be consumed, sold or transferred to any 3rdparty and must be destroyed. (Legislation)

- THC can be destroyed with heat, conversion into another cannabinoid and/or mixed with soil into compost.
- · Report of THC destruction and or conversion which must be done per month and reported
- No registrant will be subject to criminal or civil penalty unless out of compliance for finished a hemp product (over 0.3% THC delta 9 concentration and or with in the legal % allowance), which remain under the jurisdiction of local and state LE as marijuana.

Rule or Law

- All finished products must be tested by a state approved mmj/hemp lab, per product batch and free from any adulterated ingredients before being sold on the commercial market. (Legislation)
- Adulterated ingredients would include but are not limited to THC delta 9 over 0.3%, THC-A over 0.3%, heavy metals, pesticides, mold, mildew, residual solvents above the legally allowable limits for human consumption and use. **(Rule)**
- Must follow labeling requirements in accordance with ODA Ohio Pure Food and Drug Act and rule making(Legislation)

Fact:

The Canadian Hemp program for industrial uses is a robust commodity crop program that has had limited difficulties implementing. Ohio policymakers should review.

HB 581 - Proposed New Mexico Hemp Bill

Taxation: Similar to grain(Levy), Licence fees similar to other value added product to the marketplace the Dept of Ag oversees and maintains compliance.

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Hemp Seed/Clone**

**Please see attached statement form Ohio Seed Improvement Association

In order to protect the Ohio farmer from predatory behavior within the industry, the suggestion of an approved cultivar list should be implemented. (Important to protect Ohio farmers)

Recommendation: Designate the Ohio Seed Improvement Association to oversee this program with appropriate allotted funding for this important project.

This aspect of the industry should be addressed in stakeholder working groups.

Recommendations: Both certified and non-certified seed should be allowed to be cultivated in Ohio.

- 1 -By default all AOSCA certified seed added to approved cultivar list
- 2 Non-certified seed: Compliant seed label, must provide a state approved lab tests showing stability, viability(germination) of seed, consistent 0.3% Delta 9 THC concentrate or below. Follow the Ohio State Seed Act. (Must Review)

Clones: Additional Information is needed; experts being consulted.

Montana requirements

Hemp Seed Info:

https://www.fda.gov/downloads/Food/IngredientsPackagingLabeling/GRAS/NoticeInventory/UCM625546.pdf