



REGARDING THE ESTABLISHMENT OF AN INTERSTATE COMPACT TO ALLOW TRANSPORTATION OF HEMP AMONG THE STATES

BACKGROUND

When the United States Congress passed the Agriculture Act of 2014, also known as the 2014 Farm Bill, it created a framework by which universities and state departments of agriculture could begin cultivating industrial hemp for research purposes, pursuant to state law. Industrial hemp, which federal code defines as the plant *Cannabis sativa* L. and any part of such plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis, could be used in a wide range of products if its permitted use is expanded. Congress recognized that although industrial hemp comes from the cannabis plant, it is cultivated differently and does not contain a high concentration of delta-9 tetrahydrocannabinol as is found in marijuana. Rather, industrial hemp could be cultivated to create fibers, textiles, paper, construction and insulation materials, cosmetic products, animal feed, food, beverages, and other products.

Despite the recognition by Congress that industrial hemp is a potentially useful crop that does not have elements sought after by marijuana growers and users, hemp still is regulated under the federal Controlled Substances Act. Accordingly, hemp products that are the result of lawful research may not be transferred across state lines. A majority of the states within the United States, and 11 of the 15 states comprising the Southern Legislative Conference of The Council of State Governments, have adopted legislation to permit the research of industrial hemp consistent with federal law. However, the continued restrictions in federal law make it difficult for the research of industrial hemp and the creation of products using industrial hemp to flourish. For example, West Virginia and Kentucky each operate pilot projects for the cultivation of industrial hemp, but the transportation of hemp seeds or finished products between the two states remains illegal under federal law.

In order for the Southern region of United States to lead the world in the manufacture of industrial hemp and hemp products, the uncertainty governing the legal transport of industrial hemp must be resolved. If Congress is unable to resolve the matter, one available option for the states is to enter into an interstate compact, pursuant to Article I, Section 10, Clause 3 of the United States Constitution. Through an interstate compact, drafted and adopted by two or more states of the Southern Legislative Conference of The Council of State Governments and consented to by Congress, participating states could create a framework for allowing the legal transport of industrial hemp and hemp products, thus supporting a viable market and the potential for the creation of new jobs and economic opportunity.

RECOMMENDATIONS

The Southern Legislative Conference of The Council of State Governments supports allowing its member states to transport hemp across state lines, either through a change to federal law or through the mechanism of an interstate compact agreement consented to by Congress, pursuant to the United States Constitution. Therefore, the Southern Legislative Conference of The Council of State Governments supports the development of a bipartisan interstate compact governing the legal transport of industrial hemp and hemp products and calls on the National Center for Interstate Compacts to determine the feasibility of developing a

REGARDING THE ESTABLISHMENT OF AN INTERSTATE COMPACT TO ALLOW TRANSPORTATION OF HEMP AMONG THE STATES

Page 2 of 2

compact for such purposes. Doing so will provide certainty to the states with respect to the cultivation, research, and transportation of industrial hemp and allow the Southern region of the United States to lead the world in the development of industrial hemp products.

The Southern Legislative Conference of The Council of State Governments encourages its member states to work together, with support from The Council of State Governments and the Southern Legislative Conference, in drafting an interstate compact, adopting it with no material changes in their respective legislatures and submitting the proposed compact to the United States Congress for consent.

The Southern Legislative Conference of the Council of State Governments requests that a copy of this policy position be forwarded to the executive director/CEO of The Council of State Governments; the Southern Congressional delegation; chairs and ranking members of the U.S. Senate Committee on Agriculture, Nutrition, and Forestry, and the U.S. House of Representatives' Committee on Agriculture; Southern state Commissioners of Agriculture; and made available to the majority and minority leadership of each chamber of the legislatures comprising the Southern Legislative Conference.