



FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES
COMMISSIONER NICOLE “NIKKI” FRIED
THE CAPITOL

September 1, 2021

The Honorable Charles Schumer
U.S. Senate Majority Leader
S-221, The Capitol
Washington, DC 20510

The Honorable Ron Wyden
United States Senator
221 Dirksen Senate Office Building
Washington, DC, 20510

The Honorable Cory Booker
United States Senator
717 Hart Senate Office Building
Washington, DC 20510

Leader Schumer, Senator Wyden, and Senator Booker:

Thank you for your leadership in the fight to end federal cannabis prohibition and for the opportunity to provide comments on the draft *Cannabis Administration and Opportunity Act*, speaking to the urgent need for federal action on comprehensive cannabis reform.

As Florida's Commissioner of Agriculture, and in my previous work as an advocate for cannabis and medical marijuana, I have always sought ways to innovate our state's economy. The nation's agriculture industry and economy at large need our federal officials to seek similar innovation when enacting federal policies and regulations to support the entrepreneurial growth of cannabis and the hemp industry taking place across America.

Following the passage of the 2018 Farm Bill and the reclassification of hemp as an agricultural commodity, the state of Florida enacted legislation giving the Florida Department of Agriculture and Consumer Services (FDACS), which I oversee, the authority to establish a state hemp program. Since our department began accepting applications to grow industrial hemp in April 2020, Florida has approved more than 800 hemp cultivation permits for farmers in 65 of Florida's 67 counties, with more than 30,000 acres approved for planting – creating an estimated economic impact of \$370 million in the first year alone. While the burgeoning growth of the hemp industry is promising, it has also revealed the need for federal action to resolve the conflicts arising from the federal prohibition of marijuana.

As you know, the 2018 Farm Bill removed hemp from Schedule I of the federal Controlled Substances Act, however, another classification of cannabis – marijuana – remains unchanged. As a result, we have an arbitrary line defining when a product is deemed hemp and legal versus marijuana and illegal. This discrepancy is impacting the legal hemp industry, hindering access to capital, federal research funding, insurance protections and disaster relief, trade promotion through USDA and U.S. Department of Commerce programs, developing markets, and employment protections. If left unresolved, these unnecessary hurdles could suppress the growth

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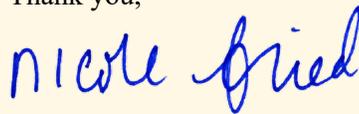
of the hemp industry that is projected to increase at 32 percent annually through 2027 as our nation moves toward more environmental and health conscious products.

Additionally, full legalization would help resolve conflicts between federal and state laws as it pertains to medical and adult use cannabis. The \$13.6 billion state-legal marijuana industry in the U.S. currently supports more than a quarter-million jobs, with the global legal marijuana economy expected to reach nearly \$74 billion in the next several years. Additionally, continued marijuana criminalization demands billions in social, economic, and criminal justice costs, while forgoing billions in potential tax revenue. That is why I have called for federally legalizing marijuana for adult use following nearly a century of unnecessary prohibition, having strongly supported federal cannabis reform legislation including the *Marijuana Opportunity Reinvestment and Expungement (MORE) Act* and the *Secure and Fair Enforcement (SAFE) Banking Act* that were passed by the U.S. House of Representatives. I am hopeful that with your leadership, we will see the Senate also take action to address cannabis reform.

Please find enclosed below technical comments from FDACS Director of Cannabis Holly Bell and FDACS Director of Food Safety Dr. Matthew Curran related to the *Cannabis Administration and Opportunity Act* discussion draft and its potential impact on our state's hemp industry. In particular, we want to bring your attention to the importance of hemp being classified as a food additive by the U.S. Food and Drug Administration.

Know that we at FDACS stand ready to provide any assistance as you move forward on long overdue and urgently needed cannabis reform legislation.

Thank you,



Nicole Fried
Commissioner of Agriculture

The Florida Department of Agriculture & Consumer Services (FDACS) supports classifying hemp as a food additive for the following reasons:

- Cannabinoids, such as Cannabidiol (CBD), have not yet entered the food or supplement market. Traditionally, when an ingredient is first introduced into the human consumption market it is either introduced as a supplemental ingredient or a food ingredient. If it enters the market as a supplemental ingredient it is not typically permitted to be used as a food ingredient. However, if it first enters the market as a food ingredient, it can be used as a supplemental ingredient. Supplement manufacturing standards are different and more stringent than food manufacturing standards. As a result, if cannabinoids, such as CBD, first enter the market as a supplemental ingredient those currently manufacturing food products containing cannabinoids would have to change their processes to conform to supplement manufacturing standards. This would be a costly burden on the existing industry and could likely place many out of business.
- Florida's current legal and regulatory structures are built on the understanding that hemp is a food additive. Modifying that understanding would require a new regulatory program to be written and implemented, resulting in extensive financial impact and creating market uncertainty at the state and national level.
- The standards for manufacturing at a supplement level would be cost prohibitive for the industry in the state and nationwide. It would be especially devastating for the small business owner and farmer.
 - The added cost and burden to manufacture at a supplement level verses food, brings no notable safety to the consumer.