Could industrial hemp farming mean billion-dollar green for Central Valley ag?

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Can San Joaquin Valley farmers and entrepreneurs make industrial hemp agriculture's next big commodity?

Tom Pires and many others hope so. The Riverdale farmer and cotton cooperative manager is among those who see huge potential in the multi-use crop, now that the state is in the process of establishing the regulations for growing industrial hemp.

"It's high value and we need something like this," Pires said. "It's another option for farmers when the conditions and the pricing are right."

Among those working to make industrial hemp happen is Wayne Richman, who heads the newly formed <u>California Hemp Association</u>.

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Richman said that the U.S. imports about \$800 million worth of hemp to be used for its fiber, seed and oil. Among the biggest foreign growers are Canada and China.

"We really have the capacity to be the number one producer of hemp in the world because of the Central Valley and our deep water ports," Richman said. "This is potentially a billion-dollar market."

Richman has been holding workshops with farmers, land owners and entrepreneurs around the state to get a better idea of what industrial hemp is and how to profit from it. His next event will be held in the Harris Ranch Ballroom on Dec. 6.

Unlike it's potent cousin, marijuana, industrial hemp has a very low level of the chemical compound that makes you high, tetrahydrocannabinol, or THC. By law, the THC level of industrial hemp must be at or below .3 percent of THC. By comparison, some strains of marijuana can vary from 10 percent to 20 percent.

Farmers aren't the only ones getting excited about hemp.

Entrepreneurs like Alicia Porras of Fresno are using a chemical compound from the hemp plant, called cannabinoid or CBD, to produce a cream and oil for pain relief, anti-anxiety and inflammation. Although her small company, Humble Hemp Products, has only been in business for several months, she has already sold about \$10,000 worth of product.

"I've sold out of product three times because of the demand," said Porras, a Fresno State student.

Porras said that while CBD products made from hemp are an emerging market, there's still some reluctance from people who think it's just like marijuana.

"It's very hard to get past the image of cannabis when you are talking about hemp CBD and I am hoping to educate people about that," Porras said. "I still get people who think I am just trying to get them high."

Porras is among those eager to see California ramp up its production. Currently, her products are made by companies in Colorado and Connecticut, since California's hemp industry has not been fully given the green light.

But that's in the works.

California voters approved the growing of industrial hemp as part of the 2016 landmark ballot measure making recreational marijuana legal.

But rolling out the registration process and regulations for growing industrial hemp has taken some time. Recently, the California Department of Food and Agriculture issued draft regulations along with some cleanup language that will allow for the growing of industrial hemp. The public has until Dec. 24 to <u>submit written comments</u>.

Up to now, only established research institutions, as defined by CDFA, were allowed to grow industrial hemp. That restriction is gone under the new rules.

Once the public comment period is complete, CDFA expects to finalize the regulations and begin accepting applications and licenses for commercial production in early 2019.

The state's county agricultural commissioners will be responsible for receiving the applications and issuing the first licenses.

As a member of the state's Industrial Hemp Advisory Board, Pires is pushing for quick adoption of the regulations.

"There are farmers out there who want to grow it, but they also want to follow the law," Pires said.

If everything falls into place, Pires plans to plant his first crop of hemp by the spring of 2019. He estimates that about 15 percent of the 65 farmers in the cotton cooperative he manages are also interested in planting.

Industry experts predict that California will play a major role in growing hemp, processing it manufacturing it into different products.

"The number of products that can be made from hemp is unbelievable," said Brian Webster, a hemp business consultant in San Francisco. "The three biggest companies that are using hemp are buying from out of the state or out of the country."

Hemp manufacturer Lawrence Serbin, who also sits on the state's hemp advisory board, is also eager for California's hemp production to bear fruit. His company makes particle board out of hemp and he's exploring the possibility of building a factory in Riverdale or the Imperial Valley.

Other countries are already using industrial hemp to make a variety of products, including insulation, "hempcrete" (a building material), particle board, plaster, roofing and flooring.

Serbin said using hemp is more environmentally friendly because hemp is an annual plant.

Serbin estimates he would need at last 4,000 acres of hemp to supply his particle board factory. And he doesn't think he will have a problem finding people to grow it.

"It seems like I get calls every week from farmers interested in growing industrial hemp," Serbin said.



Fresno State student Alicia Porras has launched her own company Humble Healing & Wellness Hemp Products, selling oil and cream with CBD. Photographed Wednesday, Nov. 21, 2018 in Fresno. ERIC PAUL ZAMORA ezamora@fresnobee.com