

Hip with Hemp: Illinois Governor Signs Bill Lifting Restrictions on Industrial Hemp Production

Amundsen Davis Medical Cannabis Alert
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In the same week that Illinois Governor Bruce Rauner signed into law the Alternative to Opioids Act ("AOA"), which allows patients with conditions traditionally treated with opioids to obtain medical cannabis, he signed the Industrial Hemp Act ("IHA") into law. The IHA allows for the cultivation of hemp, which is a specific cannabis variety that can be used to make a myriad of products including fabric, food products, building products (blocks, insulation, etc.), paper, and even bioplastic and biofuels. Hemp also has agricultural uses, like water and soil purification and the control of unwanted invasive plant species.

Illinois farmers will still need a license from the State before they can grow hemp and join counterparts in sixteen other states that have approved hemp production in some capacity. These other states, including Illinois, have approved the cultivation of hemp for commercial use, which helps them avoid a long-standing federal ban on the cultivation of hemp. Despite having much lower THC levels (the component that produces a "high") and elevated CBD levels (a cannabinoid that *does not* have an intoxicating effect), hemp remains a Schedule I drug as defined by the DEA (along with heroin, LSD, ecstasy and others). As part of the state licensing process, farmers will need to allow their plants to be tested for THC levels.

The IHA, which only received three votes opposing it in the Illinois General Assembly, paves the way for Illinois farmers to enter into a rapidly-expanding industry and cultivate a plant that is in high demand because of its versatility of potential uses. Forbes estimated that the cannabis market, which would include the production of CBD products that can be derived from industrial hemp, could reach in excess of two billion dollars by 2020, with nearly a quarter of that from hemp alone. Along with the AOA, the IHA is a clear sign that Illinois legislators acknowledge that cannabis may just become a permanent and significant part of Illinois' agricultural, medical, and financial landscape. It remains to be seen how the IHA will be implemented and how the licensing and testing processes will be applied, but with this new legislation, hemp is well-positioned to be a new "cash crop" for Illinoisans.

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