Farm Bill Removes THC found in Hemp from the Controlled Substances Act - Could Medical Marijuana Be Next?

Cannabis Business Legal News

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On December 12, 2018, with strong bipartisan support, Congress quietly passed the Agricultural Improvements Act of 2018 (H.R. 2), affectionately known as the Farm Bill. The President's signature is expected.

Buried within the Farm Bill are explicit protections for hemp production from the Cannabis sativa L. plant, including all parts of the plant as well as any "and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a [THC] concentration of not more than 0.3 percent on a dry weight basis." And, this is huge, the final sentence of the 529 page Farm Bill removed THC found in hemp from the Controlled Substances Act entirely. This means that for the first time in over 45 years, THC from hemp is no longer deemed to have "no currently accepted medical use." To be clear – this is not legalization of marijuana or its derivatives (see our prior post for differences between THC and CBD).

Nonetheless, the impacts on the medical and recreational/adult use markets are substantial. While hemp grown from the sativa plant tends to be very low in THC, it is a viable source for CBD extracts. CBD is promising for its medicinal properties without producing the euphoric "highs" resulting from THC. The question remains: once hemp and CBD derivatives are legal, can medical marijuana (or recreational use) be far behind?

While we have been optimistic in this field, now is the time for businesses that have been exploring the field to finally plant the seeds of change. Though full legalization of medical marijuana is not yet a reality, CBD lawfully sourced from hemp is a means to begin growing a business that can by hybridized to include THC products when it is also made lawful (albeit still highly regulated). Speak with legal counsel to establish business essentials.

