



New Mexico and Industrial Hemp: Economic Opportunity for Our Future

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Is industrial hemp right for New Mexico?

Could it represent a perfect fit for the unique attributes of our state?

Could it become a “growth industry” at a time when we are badly in need of jobs? Could it offer a way forward so that we could put our agricultural skills and traditions to work and our plentiful sun and land would be real assets? Could it be an answer for our rural communities that are looking for new sources of jobs and income? Could it give us a way to diversify our economy by branching into multiple kinds of small manufacturing?

In answer to those questions, the state legislature in 2015 passed Senate Bill 94, a measure sponsored by State Senator Cisco McSorley, long a champion of industrial hemp, authorizing the New Mexico Department of Agriculture to adopt rules for research on industrial hemp. Senate Bill 94 also called for the establishment of the New Mexico Industrial Hemp Research and Development Fund to cover the research costs. Importantly, the measure passed with overwhelming bi-partisan support in both the House and the Senate: 33-8 in the Senate, 54-12 in the House.

It passed with the full and active support of the Department of Agriculture and of New Mexico State University, whose representatives testified that the bill's language complied with and conformed to all relevant federal laws.

The bill would have added New Mexico to the list of 22 states that have already enacted legislation to enable the growth of industrial hemp, operating under a provision of the 2014 federal Farm Bill. The legislation would have benefited New Mexico in clear, direct and immediate ways. Industrial hemp is a crop with a high dollar value that requires lots of sun and little water. It can be put to hundreds—even thousands—of uses and is already in products that we take for granted, from food to clothing to paper to construction materials.

The bill would have cost the state virtually nothing to implement. It would not have exposed the state to any legal risks, because the measure was drafted by taking language directly from federal law.

It would have provided a boost to the New Mexico agri-business economy and helped farmers, small business men and women and entrepreneurs across the state.

When Senate Bill 94 came to her desk, Governor Martinez vetoed it.

The opportunity represented by industrial hemp and the Governor's veto prompts this look into the history of hemp, the legal status of hemp and the changing climate and emerging opportunities for hemp in New Mexico.

The Story of a Bill

Having a good idea, talking it through with others, refining it, turning it into a potential piece of legislation, finding a sponsor in the House and one in the Senate, having it drafted into a bill, building support for it both within the legislature and without, getting the bill introduced, securing a hearing for it, bringing supporters and testimony to the hearing, assessing amendments, winning a favorable vote from the committee, getting the bill scheduled for a vote from the body as a whole—and then repeating the same process in the other body—watching the bill as amended, adopted and passed make it to the Governor's desk where it is poised to become a law . . .

In New Mexico, it is exceedingly difficult to take an idea and see it become a law. That's true for any idea: an idea can seem to offer obvious benefits; it can create the potential for new employment and real income at a time when the state is thirsting for both; it can impose no costs and generate new revenue; it can support New Mexico's history and way of life in a way that reinforces elements unique to our state; it can capitalize on abundant sunshine and even benefit from minimal water; it can tap into individual initiative and encourage an entrepreneurial spirit.

But still, even such a clearly beneficial idea must make the long and difficult journey to become a law. It will likely endure a series of legislative sessions where the individuals in key elected positions may change; it will have to pass muster with critics and questioners, well meaning and otherwise; it will have to withstand those who are skeptics and those who simply have higher or different priorities.

After all of that, an idea—if it has gone through the many stages of rigorous review and careful consideration—may end up on the Governor's desk, awaiting the final signature that will make it law.

This is the story of one idea that did go through all those stages of review, an idea that seems to be exactly the kind of initiative New Mexico needs at a time when the economy is stalled and many parts of the state—in particular, rural communities—are looking for new opportunities and new ways forward.

This is the story of Senate Bill 94, a bill to allow New Mexico to explore the potential for growing industrial hemp, in accordance with the Farm Bill passed in 2014 by the United States Congress and signed into law by the President.

It's a story that gives us a chance to learn about hemp—and to answer important questions about the hemp plant and its commercial and industrial uses. Some of the questions worth answering are:

What is hemp--and what isn't? What is it used for—and who uses it?

What's the history of hemp—why was it once considered so valuable that governments *required* farmers to grow it and Presidents of the United States cultivated it as a cash crop?

How is the law surrounding hemp changing—and what opportunities do those changes open up for agriculture in New Mexico?

How did the idea of industrial hemp move from a notion to a memorial asking for a study to a bill

that would enable research into growing industrial hemp—and then what happened when it reached the Governor’s desk for that all-important signature?

And what happens next with industrial hemp in New Mexico?

The Case For Industrial Hemp in New Mexico

We’ll answer all of those fascinating and important questions about industrial hemp.

But first, let’s ask the core question: Is industrial hemp right for New Mexico.

Here’s the short answer: **Industrial hemp makes enormous sense for New Mexico.**

The opportunity is too good to pass up. Industrial hemp is one example of the kind of economic development initiatives that are perfect for our state.

Here is the logic behind New Mexico embracing industrial hemp as a job creator, income producer and economic development opportunity.

First, New Mexico badly needs new jobs. As the recently published book “New Mexico 2050” points out, “Indeed, there has been little nonfarm payroll employment growth in New Mexico since the onset of the Great Recession in December 2007. . . . While national employment will probably regain its prerecession levels in 2014, New Mexico appears to be several years away from doing so. From June 2009, when the National Bureau of Economic Research declared the national recession to be over, to December 2013, New Mexico was the only state without employment gains. New Mexico’s neighboring states have all outperformed New Mexico since the end of the Great Recession.”

Second, New Mexico suffers from extreme income inequality—in fact, our state has one of the largest gaps between the rich and the rest of any state in the nation. The opportunity afforded by industrial hemp cuts across all parts of our state and all segments of our population: It is good for farmers, small manufacturers, retailers, and more. Industrial hemp is a crop that has so many possible applications, it opens up opportunities for a large number of entrepreneurial applications.

Third, New Mexico has huge income and employment disparities between urban, rural and frontier parts of the state. One of New Mexico’s greatest assets—the vast amount of open land that makes the state so “enchanting”—also poses formidable economic challenges. What kinds of jobs and economic opportunities can be located in virtually any part of the state with an equal shot at success? Industrial hemp happens to be a unique “equal opportunity” industry.

Fourth, New Mexico has historically been an agricultural state—and done so with distinction. According to the book “New Mexico: A History”, World War II and its aftermath helped stimulate a revival of New Mexico’s agricultural and ranching industries: “Local farmers’ and ranchers’ willingness to veer from standard practices and become more innovative in the cause of national patriotism transformed an unstable agrarian economy before World War II into a consistent pacesetter during peacetime.” Growing industrial hemp isn’t a new departure for New Mexico; it is a timely application of skills and capabilities that are deeply entrenched in New Mexico’s people, history, land and culture.

Fifth, New Mexico has a surplus of exactly the right natural endowments needed for growing industrial hemp—and lacks the one that hemp happens not to need: We have vast resources in land and sun, and lack water, the right endowments for industrial hemp. If we pursue this opportunity aggressively,

we can become the leading provider of industrial hemp in the United States, supplanting imports from Canada and China.

Sixth, New Mexico is looking for opportunities to explore small manufacturing as a source of economic growth—and industrial hemp opens up that field of activity. There are some 25,000 different uses for industrial hemp, many if not most of which are perfectly suited for small and medium sized manufacturing development. By pursuing the value-added chain created by hemp, we not only foster jobs in agriculture, we also promote jobs in manufacturing.

Seventh, industrial hemp is coming—the question is whether New Mexico will get busy seizing the opportunity or stand by while other states move to the front. Currently 22 states have taken advantage of a provision in the 2014 federal Farm Bill to begin cultivating industrial hemp under programs established by universities and state departments of agriculture. Thirteen states have passed statutes that establish commercial industrial hemp programs. In 2014 1831 acres of hemp were licensed in Kentucky, Colorado and Vermont; a 1998 Kentucky study estimated a potential for almost 800 jobs and earnings of more than \$17.5 million from industrial hemp. In 2012 the value of the United States hemp industry was estimated at \$500 million in annual retail sales for all hemp products. Today, the two largest retailers of hemp-based products are Whole Foods Markets and Wal-Mart.

Hemp is happening. The question is, will it happen for New Mexico?

Eighth, industrial hemp has already been shown to be a valuable crop. There are examples in Colorado of farmers growing hemp and receiving more than ten times per acre than for any other legal crop. The potential for economic returns for New Mexico's farmers and for New Mexico in general are significant.

Ninth, industrial hemp is a perfect case study for the right way to think about a larger economic strategy for New Mexico. For too long, we've been encouraged to think about "the New Mexico economy"—when the strategic way to think about it is "the New Mexico economies."

Our state has a number of different economies, a series of large and small opportunity areas, each of which needs to be nurtured and pursued independently, all of which can be leveraged into multiple applied opportunities, just as industrial hemp can support agriculture, small manufacturing, specialty retail and even sustainable energy production.

Using industrial hemp as a case study for designing and implementing a New Mexico Business Strategy will point the way forward to an approach that leverages our state's unique advantages, our history, culture, climate, people and natural resources.

We can create jobs, income and opportunity by being the best New Mexico we can be, rather than by trying to copy the failed approaches of other states.

Now let's take up that list of interesting questions about hemp.

What Is—and Isn't—Hemp?

Hemp is not marijuana.

While it is a strain of the Cannabis sativa plant, hemp specifically lacks the potency of delta-tetrahydrocannabinol (THC) that marijuana delivers either for medical or recreational purposes. That is a

matter of fundamental definition, of medical science, and of agricultural fact.

The distinction between hemp and marijuana traces back to 1971. Ernest Small, a Canadian researcher, published a study in which he proposed “an arbitrary line on the continuum of cannabis types”: a 0.3% delta-9-tetrahydrocannabinol (THC) in a sifted batch of cannabis plants was the difference between marijuana and hemp. In “The Illustrated History of Cannabis in Canada,” researcher Dana Larsen writes, “Small’s arbitrary 0.3% THC limit has become standard around the world as the official limit for legal hemp.”

This scientific description of hemp is used in both federal and state laws in the United States to distinguish hemp—an agricultural product that is used in clothing, construction, textiles, food, personal care products, automobiles, energy production and many other areas—from marijuana. In fact, cultivators of marijuana for medical or recreational uses are careful not to plant hemp nearby, simply because the hemp plants will inevitably erode the potency of marijuana plants through cross-cultivation.

What About Growing Hemp?

Hemp is easy to grow, thrives in most types of soil, is resistant to pests and disease and can yield multiple crops in a single year. It thrives in a variety of climates and grows in a tightly spaced pattern that allows it to outcompete most weeds.

According to Dan Sutton of Tantalus Labs, a Vancouver, B.C.-based cannabis company, hemp plants are “primarily male, without representing flowering buds at any stage in their life cycle.” Rather, Sutton says, centuries of selective breeding have resulted in “relatively low concentrations of THC and tall, fast-growing hemp plants optimized for higher stalk harvests.”

On the growing potential for hemp in New Mexico, a 2012 report of the Industrial Hemp Task Force under the New Mexico Department of Agriculture concluded, “With the exception of northern mountainous regions, in theory, industrial hemp production for fiber would be permissible in most New Mexico agroclimatic zones with access to irrigation.”

What Is the History of Hemp?

People have cultivated hemp as a crop for more than 12,000 years. Its earliest traces go back to Chinese pottery shards dating from the 5th millennium B.C.

In Great Britain hemp cultivation dates back to 800 A.D. Hemp was considered so useful and valuable in the 16th century that in 1553 King Henry VIII threatened to fine farmers who did not grow at least one-quarter acre of hemp for every 60 acres of arable land under their control.

The paintings of Rembrandt, Van Gogh and Gainsborough were painted primarily on hemp-based canvases, often using hemp oil-based paint.

Many historians believe that Spanish explorers brought hemp to Chile in 1545.

Archeologists excavating in Native American villages in Virginia believe that Powhatan Indians grew hemp as early as 1607.

In 1619 the First Virginia House of Burgesses required all planters in Virginia to “sow both English

and Indian hemp on their plantations.” Both Massachusetts and Connecticut followed suit, ordering all farmers to grow Indian hemp, which, at the time, was considered legal tender. In fact, for more than 200 years in colonial America, hemp was considered currency and could be used to pay taxes.

Hemp was used for the ropes on Columbus’ ships and on 19th century clipper ships; hemp served as the covers of covered wagons—the word “canvas” comes from “cannabis.” The Declaration of Independence was drafted on hemp paper; the finest pages of today’s Bibles are hemp-based.

A number of U.S. Presidents were hemp-growers: George Washington, Thomas Jefferson, James Madison, James Monroe, Andrew Jackson, Zachary Taylor and Franklin Pierce all grew hemp.

The 1850 United States census documented approximately 8,400 hemp plantations with at least 2,000 acres under cultivation.

Today 30 countries in Europe, Asia, North and South America permit farmers to grow hemp.

In short, hemp has been an important crop throughout history. It is easy to grow and its multiple uses—from serving as money to acting as fuel—offer ample testimony to its value as an industrial crop.

Why and When Did Hemp Become Illegal?

The literature concerning hemp is filled with conspiracy theories explaining why it became illegal despite being deemed so important to the country that “patriotic Americans farmers” were encouraged to grow it in 1942 to support the war effort.

Some historians trace hemp’s re-classification to the power of the DuPont company and its purported concerns that hemp was a competitor to its growing business in synthetics, in particular nylon. These observers note that Andrew Mellon, Treasury Secretary under three presidents, from Harding to Hoover, was heavily invested in DuPont stock. Some assert that the use of hemp as an inexpensive substitute for paper pulp in the newspaper industry threatened William Randolph Hearst’s timber holdings.

Regardless of these conspiracy theories, the fact is that in 1937, Representative Robert L. Doughton of North Carolina introduced a measure that came to be known as “The Marihuana Tax Stamp Act of 1937.” As enacted by the Congress, this legislation levied a tax on anyone who dealt commercially in cannabis—regardless of its potency.

On October 2, 1937, the day the law was enacted, the Federal Bureau of Narcotics and the Denver City police raided the Lexington Hotel and arrested Samuel R. Caldwell and Moses Baca. Caldwell was arrested for selling marijuana, Baca for possession. The two were sentenced to four years in Leavenworth, making them the first Americans ever convicted and sentenced to prison for marijuana sale and possession.

World War II brought another change to the government’s attitude toward hemp. As part of the war effort, both the U.S. Department of Agriculture and the U.S. Army urged farmers to grow fiber hemp to use in making uniforms for the armed forces. Accordingly, the government issued tax stamps for the cultivation of fiber hemp without any change to the Tax Stamp Act of 1937. An estimated 400,000 acres of hemp were cultivated between 1942 and 1945. The last commercial hemp fields were planted in Wisconsin in 1952.

In 1969 the Congress repealed the Tax Stamp Act after it was ruled unconstitutional in the case “Leary v. United States.” In its place the Congress passed the Comprehensive Drug Abuse Prevention and Control Act of 1970 that continued the ban on hemp by including all cannabis in Title II of that legislation.

All cannabis, regardless of its potency or potential for industrial use, has since been considered a controlled substance; the U.S. Drug Enforcement Agency controls production and enforces standards.

Is the Federal Government Changing Course on Hemp?

The short answer is “yes.” And for good reason, largely having to do with the intersection of economic opportunity and informed science.

According to the Congressional Research Service, in 2013 hemp products represented a \$580 million market in the United States. There are more than 25,000 products produced from commercial hemp in categories that include paper, food, cosmetics and body care, consumer textiles, industrial textiles, industrial products, building materials, energy and more. However, the United States currently imports all of the hemp used in these products: the fiber from hemp plants comes from China and the seed and oils come from Canada.

With that in mind, there is a growing awareness at both the federal and state levels that permitting the cultivation of industrial hemp would reduce or eliminate the need for these imports and provide jobs in a wide variety of sectors for American farmers, entrepreneurs, manufacturers and retailers. Hemp and its many value-added products could become a sustainable and growing sector of the economy.

As a result, in 2014 the Congress authorized pilot programs to study the potential economic impact of growing hemp. Section 7606 of the Farm Bill defines industrial hemp as distinct from marijuana and authorizes institutions of higher learning or state departments of agriculture to grow hemp for research or agricultural pilot programs, provided that growing hemp is legal under state law.

The legislation defines industrial hemp as “the plant *Cannabis sativa* L. and any part of such plant, whether growing or not, with the delta-9 tetrahydrocannabinol concentration (THC) of not more than 0.3 percent on a dry weight basis.” Under the program a state legislature must authorize participation in a pilot program and the potential farmers must be certified by the state’s Department of Agriculture. Under these conditions and with these authorizations, a DEA license is not required.

Federal legislation introduced in 2015 seeks to go even farther toward permitting hemp cultivation. In January 2015 Senators Ron Wyden and Jeff Merkley of Oregon and Senator Rand Paul of Kentucky introduced “The Industrial Hemp Farming Act of 2015.” This measure would remove federal restrictions on the domestic cultivation of industrial hemp and remove hemp from the Schedule 1 controlled substance list as long as it contained less than 0.3% THC.

In explaining his sponsorship of the bill Senator Wyden said, “The U.S. is the world’s largest consumer of hemp products but is the only industrialized country that outlaws hemp production. Hemp-based products contributed more than \$620 million to the U.S. economy in 2014 but hemp has to be imported.”

Senator Paul commented, “My vision for the farmers and manufacturers of Kentucky is to see us start growing hemp, creating jobs and leading the nation in this industry again. . . . (A)llowing farmers throughout our nation to cultivate industrial hemp and benefit from its many uses will boost our economy and bring much-needed jobs to the agriculture industry.”

One month after the introduction of “The Industrial Hemp Farming Act of 2015” Senate Majority Leader Mitch McConnell signed on as a co-sponsor of the measure, marking the bi-partisan nature of the bill.

How Have States Responded to the New Federal Openness?

According to the National Conference of State Legislators (NCSL) 22 states have enacted state laws relating to industrial hemp, taking advantage of the provisions of the 2014 Farm Bill. In general, the states have taken three approaches: establishing commercial industrial hemp programs; establishing industrial hemp research programs; or enacting studies of industrial hemp or the industrial hemp industry.

Thirteen states have statutes establishing commercial industrial hemp programs: California, Colorado, Indiana, Kentucky, Maine, Montana, North Dakota, Oregon, South Carolina, Tennessee, Vermont, Virginia and West Virginia.

Seven states have passed laws establishing industrial hemp programs that are limited to agriculture or academic research purposes: Delaware, Hawaii, Illinois, Michigan, Nebraska, New York and Utah.

What About New Mexico?

As far back as 2007 a group of citizen activists working closely with state legislators sought to open New Mexico to the economic opportunities represented by industrial hemp.

A brief history of measures that passed in the New Mexico legislature begins in 2007 when Representative Ray Begaye introduced House Memorial 49, requesting the New Mexico Department of Agriculture to study the viability of a legal hemp industry and urging the Congress to recognize industrial hemp as a valuable agricultural commodity.

The 2009 session of the State Legislature passed Representative Begaye's House Memorial 47, which was largely the same as the 2007 memorial.

Senate Memorial 30, introduced by State Senator Cisco McSorley passed in 2009, calling on the New Mexico Department of Agriculture to investigate the feasibility of state incentives for the commercialization of industrial hemp.

The sustained effort on behalf of investigating the potential value of industrial hemp to New Mexico culminated in the creation of the Industrial Hemp Task Force. Charged with researching "the potential utility and economic practicality of legalizing the use of industrial hemp in New Mexico and the consequences of doing so," the Task Force was commissioned by New Mexico Department of Agriculture Secretary Jeff M. Witte.

The Task Force report concluded: "New Mexico is uniquely poised to capture the industrial hemp market because of its rural underpinnings, its decentralized production and its many cultures that can add unique products via alternative approaches. There is a cultural history of industrial hemp use for hundreds of years in our State. New Mexicans still recognize that agriculture underpins its state's economy and we should be continually investigating crops and products to add to our agricultural base. It is estimated that the national demand for raw industrial hemp exceeds \$400 million annually in the United States. In addition, by selecting water thrifty genetics from industrial hemp cultivars, we should be able to get maximum economic value from this crop while better utilizing New Mexico's water resources."

The report recommended a four-point course of action going forward to take advantage of the opportunities represented by industrial hemp:

“The Task Force recommends the following course of action:

1. New Mexico’s Secretary of Agriculture forward the report to the Congressional delegation and request their support to work with and allow industrial hemp production in the United States;
2. Enlist the help of the Dean of the College of Agriculture, Consumer and Environmental Services at New Mexico State University (NMSU), thus enlisting research and extension resources;
3. Enlist the help of the Dean of the College of Business at NMSU, thus enlisting economic analysis resources and non-agricultural faction awareness; and
4. Meet with interested legislators and other parties.”

Armed with that set of recommendations and widespread support, State Senator Cisco McSorley introduced SB 94, “The Industrial Hemp Farming Act,” and State Representative Moe Maestas introduced HB 357, “The Agricultural Hemp Act” in the 2015 regular session of the State Legislature.

Senator McSorley’s bill, as originally introduced, articulated a number of reasons why the legislation would be good for New Mexico. Among the reasons listed were:

1. That industrial hemp is a suitable crop for New Mexico (it is drought-tolerant, fast growing and resistant to both pests and disease);
2. That industrial hemp would provide farmers an opportunity to sell their products to a marketplace paying a reasonable rate of return for their labor and investments;
3. That the infrastructure necessary to process industrial hemp would lead to increased business opportunities and new jobs; and
4. That industrial hemp could be used in food products, manufacture of products, fuel and the agronomic role in farmland management.

The bill provided a major role for the State Department of Agriculture in monitoring the initial phase of research and development necessary to ensure a viable and legal industrial hemp industry. It laid out a fee structure to make the oversight financially sustainable, and provided that the State Department of Public Safety would conduct background checks on applicants requesting licenses to grow hemp and inspect growing fields and processing facilities.

The bill underwent significant amendment and revision as it made its way through the legislative process. The Department of Agriculture, the Department of Public Safety, different legislative committees and various stakeholders all weighed in on the measure. In the House, the bill benefitted from the support of Representative Candy Ezzell, a Chaves County farmer and rancher. Representative Ezzell made sure that both the Department of Agriculture and New Mexico State University testified to the bill’s soundness; the bill passed out of her committee with a unanimous vote of support.

Ultimately, after careful scrutiny Senate Bill 94 passed the Senate by a vote of 33-8 and the House by a vote of 54-12.

In a legislative session marked by deep partisan divides and few examples of cross-aisle collaboration, Senate Bill 94 represented a rare and noteworthy accomplishment. Both sides recognized the painstaking efforts that had been made to respond to concerns over hemp, to work assiduously with federal and state law, to move carefully toward the development of an industrial hemp industry, and to take advantage of New Mexico’s natural and historical attributes to create new jobs and economic opportunities.

From the legislature the bill went to the Governor's desk.

On April 10, 2015, Governor Susana Martinez delivered her message vetoing Senate Bill 94.

In her veto message, the Governor said, "Senate Bill 94 poses a number of problems as a result of the contradictions it would create between state and federal law. As just one example, federal law classifies tetrahydrocannabinol as a controlled substance where hemp products designed for human ingestion are concerned. Senate Bill 94 does not recognize this distinction. This and other conflicts between state and federal law would unnecessarily complicate the task of law enforcement and the state Department of Agriculture of regulating the production of hemp. And, given the similarities between growing hemp and marijuana, this legislation could also create serious challenges for law enforcement in investigating drug crimes."

"Additionally, I am concerned by the inconsistent language used throughout this bill to describe the purposes for which industrial hemp may be cultivated. Some descriptions appear limited to research and development whereas others broadly include commercial production. Any permission to cultivate hemp for commercial purposes under this legislation would, of course, also be contrary to federal law."

With the Governor's veto, Senate Bill 94's long, arduous journey from idea to study to alliance building to introduction to amendment to overwhelming support in both the Senate and the House came to an abrupt end.

At least for the short-term, the door to New Mexico's exploration of industrial hemp as a source of jobs, income and economic opportunity has been closed. What the Industrial Hemp Task Force Report of 2012 called a "unique opportunity in New Mexico" has been lost.

Left unanswered are two final questions: Why did the Governor veto Senate Bill 94? And what happens next?

Why Did the Governor Veto Senate Bill 94?

There is no way to know with any certainty why Governor Martinez decided to veto a bill that had undergone a gestation period of more than 8 years, that had enjoyed the overwhelming support of both Republicans and Democrats in both houses of the legislature and that could dramatically improve economic conditions for so many people in so many different parts of the state in so many different ways.

It is hard to think of another economic development measure that fits New Mexico's strengths and responds to New Mexico's needs any better than the promise of industrial hemp.

So why did the Governor veto this bill?

The Governor's supporters would say that her reasons are spelled out in her veto message: contradictions between state and federal law; drug law issues caused by the similarity between growing hemp and marijuana; and inconsistent language in the bill to describe the purposes for which industrial hemp may be cultivated.

But there are serious problems with her message and the explanations offered in it. First, the language in the bill used to define industrial hemp and to distinguish it from marijuana came directly from federal law. There is no difference; there is no contradiction. Second, no grower of marijuana would want industrial hemp anywhere near the more potent crop; realistically, there is no issue with drug law

enforcement and confusion between the two crops. Third, language addressing the “purpose” of cultivating industrial hemp that had been in the original draft of the bill had been amended out of the bill before the measure got to the Governor’s desk. Fourth, if there were these problems in the bill, the Governor had ample opportunity to point them out and seek changes as the bill made its way through the legislature. In fact, as the bill was nearing final passage, Senator McSorley’s office sent a letter to the Governor requesting her input on the measure. She never responded to the letter.

Very simply, on the merits, her arguments against the bill don’t measure up.

Another explanation is that, as a long time opponent of all things related to cannabis, the Governor simply decided that industrial hemp should not be distinguished from the more potent form of the plant, and that to permit industrial hemp to be cultivated would be to invite more marijuana to be grown.

The problem here is that the two plants are not the same; industrial hemp cannot be used as medical or recreational marijuana—a fact amply recognized in the 2014 Farm Bill. This hypothetical explanation would require the Governor to be ignorant of the facts.

A third possible explanation is one that was suggested in the Roundhouse and falls into the category of “political gossip.” According to some political observers, the Governor vetoed the measure because it had “sponsorship problems”—political-speak for the Governor refusing to sign into law any bill sponsored by Senator Cisco McSorley as a matter of personal and political animus. Under this explanation, the merits of the measure were of no consequence; all that mattered was that Senator McSorley’s name was on it.

There are several problems with this explanation, not the least of which is that is impossible to evaluate it objectively.

The other problem is that it presupposes that Governor Martinez would put personal political pique ahead of the interests of thousands or tens of thousands of New Mexicans who could benefit directly and indirectly from the economic opportunity afforded by the cultivation of industrial hemp and the application of the crop to hundreds of uses. Would the Governor put her political differences with one State Senator ahead of a bi-partisan measure that could improve the lives of so many people in our state?

Until and unless Governor Martinez answers more fully the question as to why she vetoed the legislation—and why, if she thought there were language or legal issues clouding the measure as it made its way through the session, she did nothing to remedy those problems before the bill reached her desk—we may never know with any clarity her real reasons for putting an end to the progress of the industrial hemp movement in New Mexico.

What Happens Next?

Much like the question as to why the Governor vetoed Senate Bill 94, it is difficult to answer the question of what happens next.

We can sketch out some possibilities.

First, at the federal level, the Congress could pass and the President could sign “The Industrial Hemp Farming Act of 2015.” If that were to happen, it would make moot any action by the New Mexico legislature. However, to date the bill has not yet received a hearing in committee.

Second, the Governor could put a revised version of Senate Bill 94 on her call for the 2016 legislative

session. Presumably the legislature that overwhelmingly approved Senate Bill 94 would also pass a measure that eliminated the problems the Governor found with that bill. If adopted and signed into law, a new measure would allow New Mexico to begin to explore the “unique opportunity” presented by industrial hemp without the loss of more time.

Third, without action by the state government, Native American communities could begin to explore industrial hemp as a crop. As noted in the report of the Industrial Hemp Task Force, the Navajo Nation has already begun to consider this opportunity for economic development.

The report notes, “In the 1990’s, the Navajo Nation leaders approved the production of hemp in hopes of helping economic development on Navajo lands. The Navajo people cultivate crops for their livelihoods; leaders intended the hemp product for textile use in their traditional Navajo rugs. Industrial hemp production is an opportunity for the Navajo people. With available agricultural lands to cultivate and extend the market to produce textiles, fabric, building materials, and natural food and feed products; the opportunity is significant. The executives at Navajo Agricultural Products Industry, or NAPI, are interested and have the resources available for large scale trials once a community consensus is established.”

In the wake of the Governor’s veto of Senate Bill 94, some supporters of that measure are now talking with representatives of the Navajo Nation about a summit meeting and a planning session to explore in detail the opportunity for cultivating hemp and a way forward to turn such a plan into a reality.

Such a move would be entirely legal; as a sovereign nation, the Navajo Nation would not need the approval of the New Mexico state legislature or the Governor to move into industrial hemp cultivation and the light manufacture of derivative products as an economic opportunity. The same opportunity applies to any pueblo in New Mexico that might want to explore it.

This much we do know. Industrial hemp makes too much sense for New Mexico to ignore the opportunity. It does appear to be a unique fit for the state’s attributes and an immediate solution for at least some of the state’s economic needs. The evidence suggests that industrial hemp could represent an important opportunity for both the Department of Agriculture and New Mexico State University: by developing a strain of hemp suited to New Mexico’s weather and soil conditions, they could potentially replicate the financial returns that early chile development previously provided.

Industrial hemp is going to emerge as an industry in the United States.

The question for New Mexico is, why not here?

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