

2023 Michigan Industrial Hemp Report: Program Summary

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This document contains summary information from the third year of managing hemp cultivation under Michigan's Hemp Production Plan and discusses grower registration, acreage data, inspection, and sampling activities. [Michigan's Hemp Production Plan](#) is administered by the Michigan Department of Agriculture and Rural Development's (MDARD) Pesticide and Plant Pest Management Division (PPPM) located within the Bureau of Environment and Sustainability.

2023 Accomplishments

The third year of the state's comprehensive hemp cultivation regulatory program was completed by continuing MDARD's successful processes for inspector training and collection of samples, testing via MDARD's Geagley Laboratory, web-based data collection and reporting, grower education, compliance assistance and enforcement, management of noncompliant lots via disposal observation or remediation, and investigation of complaints in coordination with Michigan State Police.

Accomplishments from 2023 included:

- 100% of sampling requests were collected in a timely manner according to procedure.
- A new processing method of hemp package delivery was created in coordination with U.S. Postal Service (USPS) resulting in a more efficient process for inspectors and USPS alike.
- 100% of the inspector-collected samples shipped via USPS (65% of the total) arrived at the MDARD Geagley Laboratory through careful coordination with USPS post offices. Inspectors personally delivered 35% of the samples to the MDARD Geagley Laboratory. Additional coordination with the U.S. Postal Inspection Service prevented packages from being confiscated by post offices in all instances.
- 14 policies, procedures, and forms were updated.
- Data from registration, lab analyses, cultivation, disposals, and remediations were uploaded monthly to U.S. Department of Agriculture's (USDA) online hemp reporting system.
- Performance-based sampling was fully established, allowing hemp researchers and commercial growers with certain types of crops such as fiber or grain grown from certified seed, to participate in a reduced or modified sampling and testing process.
- A cloud-based reporting system was updated to include hemp sampling, reporting, and enforcement. A total of 10 warning letters, one Notice of Violation with Corrective Action Plan, and two Notices of Administrative Fines were issued for 2023, along with cease-and-desist orders for minor, first-time violations.

Registration and Sampling Numbers

Program Alignment	Year	Registered Growers	% Grower Change from Prior Year	Samples Collected	% Sample Change from Prior Year
2014 Farm Bill	2019	572	NA	847	NA
2014 Farm Bill	2020	631	10.3%	916	8.2%
2018 Farm Bill	2021	175	-72.3%	274	-70.1%
2018 Farm Bill	2022	92	-47.4%	112	-59.1%
2018 Farm Bill	2023	49	-46.7%	71	-36.6%

As seen with most state cultivation programs, the number of hemp growers nationwide continued to drop significantly in 2023 as the market for cannabinoids became saturated starting in the spring of 2019. Michigan's numbers mirrored this trend. The fiber and grain sector has been slow to advance with no significant 2023 changes to hemp or cannabinoids in animal feed, no legislative changes to allow for CBD in human food, and limited processors.

Planned Growing Locations

Year	Permitted Indoor Locations	Permitted Indoor Sq Footage	% Change Permitted Indoor Sq Footage from Prior Year	Permitted Outdoor Locations	Permitted Outdoor Acreage	% Change Permitted Outdoor Acreage from Prior Year	Total Permitted Area in Acres
2019	130	3,814,877	NA	367	6,730	NA	6,818
2020	425	11,765,220	208.0%	967	15,008	123.0%	15,278
2021	158	1,413,833	-88.0%	262	3,905	-74.0%	3,938
2022	64	1,609,920	13.9%	152	2,481	-36.5%	2,518
2023	60	302,171	-81.2%	91	1518	-38.9%	1,525

The table above shows the breakdown of the acres/square footage applied for and permitted during the registration process. Michigan has no end-date to receive applications each year but does charge renewing applicants a late fee of \$250 if renewing after January 31. The permitted acreage applied for is often much higher than the actual acreage planted. Note: The table above does not contain data of one grower who was permitted 2,297 acres, only planted 746 acres, and did not harvest anything.

National Data Reporting

Hemp production data is collected via several methods. Michigan's Public Act 220 mirrors the United State's Department of Agriculture's (USDA) final rule by requiring hemp growers to submit annual reporting data to MDARD by November 30 each year detailing indoor vs. outdoor plantings, intended use, and acreage or square footage planted, harvested, and disposed of due to THC non-compliance. Growers are also required to report planting and agronomic data to USDA's Farm Service Agency (FSA). In addition, 2021 was the first-year hemp growers were asked to voluntarily report hemp cultivation and economic value data for hemp flower, grain for human consumption, fiber, seed, and transplant production to USDA's National Agricultural Statistics Service (NASS).

National Hemp Reports are available from February 17, 2022, April 19, 2023, and April 17, 2024, and can provide perspective of where Michigan ranks in hemp production nationwide. NASS raw data on hemp is pulled from several sources including the voluntary grower survey and therefore does not always align with state-collected data.

In addition, FSA provides reported data for all crops.

- In 2021, 1,188 acres of hemp were planted in Michigan.
- In 2022, 255 acres of hemp were planted in Michigan.
- In 2023, 96 acres of hemp were planted in Michigan.

Michigan Annual Reporting and Inspector-Collected Data

Hemp growers are required to report planting and harvest data directly to MDARD by November 30 of each year. This requirement is independent of data reporting directly to FSA and NASS. MDARD must then provide the data to USDA in accordance with its state plan. For the second year, in 2023, PPPM inspectors collected data from all registered hemp growers, whether they planted hemp or not.

Total Acreage of Hemp Planted, Harvested, and Disposed:

Year	Planted Acres Reported to MDARD	Harvested Acres Reported to MDARD	Acres Disposed of Reported to MDARD
2019	3,689	Not available	Not available
2020	2,340	1,924	358 (all causes)
2021	2,284	1,005	19 (due to THC only)
2022	225	207	0.3 (due to THC only)
2023	848	68	2.6 (due to THC only)

Data about the reason for disposal if not related to THC was also collected. Common causes for disposal in 2019 and 2020 included labor shortage, pandemic-related issues, crop failure, and low return on investment. In 2021, growers reported cost vs. return and crop failure due to disease or drought as significant issues. In 2023, growers reported crop failure due to disease, weed pressure, and low vigor as significant issues.

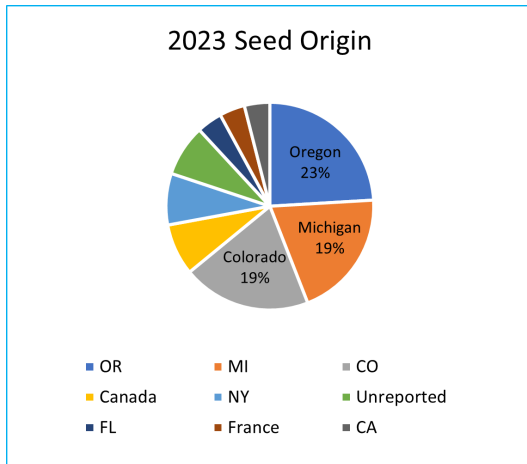
Intended Use of Crops

The table to the right shows trends in growers' intended use of their crops. Empty cells are categories of data not collected in the respective year. Data from the Ag Pilot Program was self-reported, while data from 2021-2023 was collected by inspectors during preharvest sampling.

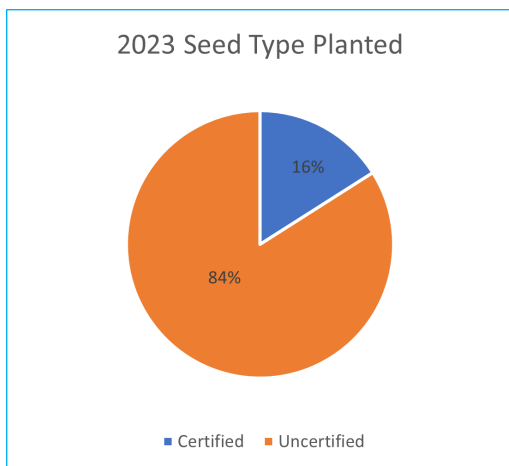
Despite market declines, hemp cultivation for CBD or other cannabinoids via extraction continued to dominate in Michigan; 52% of growers in 2023 grew hemp for this purpose (as derived from pre-harvest sampled hemp lots).

Intended Use	2019	2020	2021	2022	2023
Cannabinoids- Extraction	—	70	62	54	38
Cannabinoids- Smokable Flower	—	3	18	11	9.5
Both Extraction and Smokable Flower	45	0	9	15	14
Fiber	6	6	2	4	19
Grain	7	4	4	3	9.5
Both Fiber and Grain	—	—	0	13	5
Microgreens	—	—	0.4	0	0
Seed (for propagation)	11	6	3	0	5
Clones/Transplants	0	1	0	0	0
Other/Unreported/R&D	31	10	1	0	0

Sources of Propagation Material



In 2023, sources of propagation material were collected by inspectors during preharvest sampling inspections. Seed remained the top source of propagative material. Each grower who participated in a pre-harvest inspection utilized seed propagation material, and one firm also used clones. Growers obtained propagative material from 16 suppliers located in Colorado, Oregon, Michigan, New York, California, Florida, Canada, and France. Most growers sourced propagative material from Oregon (23%), Colorado (19%), and Michigan (19%). In 2023, MDARD collected information on seed certification; 16% of growers confirmed certified seed was planted. Michigan's seed certification program, which is administered by the Michigan Crop Improvement Association, does not currently offer hemp seed certification.



Sampling for THC Compliance

In accordance with Michigan’s state plan, sampling agents (MDARD inspectors) are required to sample hemp lots prior to harvest. Samples are hand-delivered or sent via USPS (after providing advance notice to USPS) to MDARD’s Geagley Laboratory for testing. The lab tests the samples for total THC and CBD and reports the results directly to the grower through email.

In 2023, 24 of 71 inspector-collected samples were noncompliant with respect to THC level. This represents a decrease of 23.6% in compliance from 2022. 2023 numbers reflect all samples taken by inspectors, whether during a pre-harvest, grower, or monitoring/investigative inspection.

Program Alignment	Year	Fee	THC Compliance Rate	% Samples Noncompliant	Noncompliant Lot Disposition
2014 Farm Bill; Grower Sampling	2019	\$125/sample	84.4%	15.6% > 0.3% 10.7% > 0.5%	Disposal Only
2014 Farm Bill; Grower Sampling	2020	\$125/sample	80.5%	19.2% > 0.3% 9.1% > 0.5%	Disposal Only
2018 Farm Bill; MDARD Sampling	2021	\$150/site visit; \$125/sample	91.3%	8.7% > 0.3% 3.3 > 0.5%	22 Disposals 1 Remediation
2018 Farm Bill; MDARD Sampling	2022	\$150/site visit; \$125/sample	89.7%	0.10% > 0.3% 0.02% > 0.5%	5 Disposals 6 Remediations
2018 Farm Bill; MDARD Sampling	2023	\$150/site visit; \$125/sample	66.1%	1.4% > 0.3% 32.3% > 0.5%	6 Disposals 2 Remediations

In 2023, 59 varieties were sampled from 20 growers. 24 lots from were found to be noncompliant from 7 firms, and 22 of those lots were grown for cannabinoids. The two remediations consisted of two lots total. [Sample Results](#) are posted on the Hemp Sample Testing page on [MDARD’s website](#).

100% Success With Remediation

When the THC level of an intended hemp lot is noncompliant, the grower must choose to dispose of or remediate the lot within 30 days of receipt of the test results. Growers have chosen disposal due to costs, labor, or time to remediate, and often with smaller lots. In all instances where remediation has been attempted, the resampled material has been compliant, regardless of whether remediation was accomplished via creation of biomass of the entire lot on site (a viable choice for cannabinoid extraction material) or following field retting for fiber lots, where floral material and leaf matter decomposes prior to resampling.

Inspections

In 2023, MDARD staff conducted detailed inspections with registered firm to ensure growers understand and comply with PA 220 requirements:

- Inspectors completed 16 grower inspections, covering requirements such as registration, noncompliant lot options, posting, and recordkeeping.
- Inspectors completed 14 monitoring inspections, which also encompass investigative purposes. Firms were monitored more closely this year for compliance.
- There were 23 preharvest inspections completed, where inspectors took samples for THC compliance.
- Four disposal inspections were completed to verify disposal of noncompliant hemp.
- Two remediation inspections were completed to verify successful remediation of previously noncompliant hemp.
- Inspectors completed 45 post-harvest Inspections which assisted growers with the state and federal required year-end cultivation data reporting while following up to ensure crops were harvested within the 30-day window following compliant sampling as required by PA 220. Inspectors collected information on area planted, harvested, and disposed of due to non-compliant THC, along with intended uses and indoor/outdoor locations in postharvest inspection reports.

Looking Forward

Like many states, MDARD continues to evaluate the feasibility of maintaining the program in house or modifying how the program is implemented, along with sampling and testing fees and inspection frequency. To date, MDARD is proud that sampling and testing fees have not increased since the beginning of such activities under USDA's final rule for hemp production.

MDARD-PPPM thanks you for participating in the hemp program. Please do not hesitate to contact us with questions or concerns at 800-292-3939 or MDARD-IndustrialHemp@Michigan.gov.