

# Industrial Hemp Testimony

---

Good day, Senator Millin-Young and senators. My name is Yoki K Hanley and I am the owner of itiba, LLC. My company manufactures natural vegetable based skincare and body care products on the island of St. Croix. I have been in the natural cosmetics industry for the past 15 years and I have used cannabis sativa L., aka hemp oil, in products that I have manufactured both for sale and for personal use. I am here in support of the creation of an industrial hemp industry within the US Virgin Islands. Not only will it be a benefit for my company to be able to have easy access to hempseed oil, but it will be a great boon for the Territory economically because the hemp plant has applications in other industries as well. Currently, ALL hempseed oil and hempseed by-products, though they can be purchased through the United States, are grown and processed in every OTHER country around the world EXCEPT for the United States. For us here in the USVI, this will amount to some savings for certain hemp products, such as the oil, seeds, milk and meal, that is already used here and consumed on a regular basis. For my company, it will decidedly help in being able to promote and market that the products contain locally grown and produced, US Virgin Islands hempseed oil. For the Territory on the whole, it will mean job creation and an increase in the tax base as new businesses will be created from the farmers who are now growing the hemp, to the laborers who are harvesting the hemp, and the processing plants that will be created to process the hemp plant and seeds for oil, food, clothing, etc.

“Industrial hemp is an agricultural commodity that is cultivated for use in the production of a wide range of products, including foods and beverages, cosmetics and personal care products, and nutritional supplements, as well as fabrics and textiles, yarns and spun fibers, paper, construction and insulation materials, and other manufactured goods. Hemp can be grown as a fiber, seed, or other dual-purpose crop. Some estimate that the global market for hemp consists of more than 25,000 products. Precise data are not available on the size of the U.S. market for hemp-based products, but current industry estimates report annual sales at more than \$580 million annually. Hemp is a variety of Cannabis sativa and is of the same plant species as marijuana. Although industrial hemp is genetically different and distinguished by its use and chemical makeup, and has long been cultivated for non-drug use in the production of industrial and other goods, in the United States, hemp is subject to U.S. drug laws and growing industrial hemp is restricted. Under current U.S. drug policy all cannabis varieties, including industrial hemp, are considered Schedule I controlled substances under the Controlled Substances Act (CSA, 21 U.S.C. §§801 et seq.; Title 21 C.F.R. Part 1308.11). Despite these legitimate industrial uses, hemp production and usage are controlled and regulated by the U.S. Drug Enforcement Administration (DEA). Strictly speaking, the CSA does not make growing hemp illegal; rather, it places strict controls on its production and enforces standards governing the security conditions under which the crop must be grown, making it illegal to grow without a DEA permit. In other words, a grower needs to get permission from the DEA to grow hemp or faces the possibility of federal charges or property confiscation, regardless of whether the grower has a state-issued permit. Currently, cannabis varieties may be legitimately grown for research purposes only. No known active federal licenses allow for hemp cultivation at this time. There is no large-scale commercial hemp production in the United States, and the U.S. market is largely dependent on imports, both as finished hemp containing products and as ingredients for use in further processing. More than 30 nations grow industrial hemp as an agricultural commodity, which is sold on the world market. In the early

1990s a sustained resurgence of interest in allowing commercial cultivation of industrial hemp began in the United States. Several states have conducted economic or market studies, and have initiated or passed legislation to expand state-level resources and production. The 113th Congress made significant changes to U.S. policies regarding industrial hemp during the omnibus farm bill debate. The Agricultural Act of 2014 (“farm bill,” P.L. 113-79) provided that certain research institutions and state departments of agriculture may grow industrial hemp, as part of an agricultural pilot program, if allowed under state laws where the institution or state department of agriculture is located. The farm bill also established a statutory definition of “industrial hemp” as the plant *Cannabis sativa* L. and any part of such plant with a delta-9 tetrahydrocannabinol (THC) concentration of not more than 0.3% on a dry weight basis. The enacted FY2015 appropriations (P.L. 113-235) further blocked federal law enforcement authorities from interfering with state agencies, hemp growers, and agricultural research. The Industrial Hemp Farming Act of 2015 (H.R. 525; S. 134) would amend the CSA to specify that the term “marijuana” does not include industrial hemp, thus excluding hemp from the CSA as a controlled substance subject to DEA regulation. This bill was reintroduced from bills introduced in previous Congresses dating back to the 109th Congress. The Charlotte’s Web Medical Hemp Act of 2014 (H.R. 5226, 113th Congress) would have excluded hemp and also cannabidiol from the definition of marijuana, making them not subject to CSA and DEA regulation.”<sup>1</sup>

Hemp oils are used to make body lotions, soaps, and other products that heal the skin, restoring natural health and beauty. The essential fatty acids (EFAs) that are used by the body to build and maintain healthy body cells (especially the membranes) work directly on epidermal cells, entering the lipid layers of dry skin cells to replenish their oils (Ohio Hempery, undated). The EFAs also repair skin damage, promoting healing in wounds and burns, and they are antibiotic. Research has shown that EFAs are effective treatments for atopic dermatitis, eczema, and psoriasis (Fitzpatrick, 2000). It is for this reason, why creating an industrial hemp industry, where there is the ability to process and utilize the oils directly from the plants within a reasonable time frame, will add to the benefits of the products that my company and other companies like mine offer for sale.

Hemp contains the “optimal balance” of EFA’s or essential fatty acids that are necessary to not only healthy growth, but also to healthy looking skin. Hemp oil has been used for centuries in body care and with a growing cosmetics industry occurring within the USVI, being able to have access, to quality, locally grown hemp oil will only assist in growing this industry and allowing for a specialized type of marketing where products can boast of containing USVI grown hempseed oil, rather than having to import the oil from other countries and not being sure of the quality or growing condition of the plant.

“Hemp foods and bodycare products are among the healthiest substances that humans consume. In their essential fatty acids and proteins, hemp products provide the basic building blocks that our bodies use to construct cells and tissue for healthy and efficient functioning.”<sup>2</sup>

“Because there is no commercial industrial hemp production in the United States, the U.S. market is largely dependent on imports, both as finished hemp-containing products and as ingredients for use in

---

<sup>1</sup> <https://fas.org/sgp/crs/misc/RL32725.pdf> summary

<sup>2</sup> <http://peakoil.transglobalhemp.com/ResponseFinal.pdf>

further processing. More than 30 nations grow industrial hemp as an agricultural commodity. The United States is the only industrialized nation that does not allow industrial hemp production. Current industry estimates report that U.S. retail sales of all hemp-based products may exceed \$300 million per year.”<sup>3</sup> With our ability to be able to grow many plants year round, getting into this market and even capturing 1% of the US market share will mean approximately \$3,000,000.00 into our economy annually. Of course, it would be up to the designated agencies and boards being talked about to oversee this industry, who would be better able to determine just how large a market share we wish to create or can feasibly create within the US Virgin Islands. The same way that the US is dependent on imports of this product, so are we here in the US Virgin Islands. But if we were able to grow and join the rest of the global community in growing, harvesting, processing and manufacturing the over 25,000 different products that hemp can produce, the US Virgin Islands’ economy would be able to tap into that \$300 million/yr industry in the US alone. As an example, one acre of hemp will produce roughly 8,000 seeds. Those 8,000 seeds translate into 300 gallons of hempseed oil. That translates to roughly \$30/gallon of hempseed oil for a total of \$9,000/acre from hempseed oil. These are estimations of what one acre of hemp planted, the seeds alone, can produce. And for my industry, the most utilized and important product would be the oil generated from the hemp seeds. The US Virgin Islands already has a quickly growing natural skincare industry. Allowing industrial hemp to be grown here would only help to boost and encourage that industry by providing raw materials that we would need to be able to produce products for sale locally as well as to export. No part of the plant is wasted. What is left over from the cake of the pressed seeds can be converted to flour for use in cooking. With the proper infrastructure in place, and a comprehensive and sustainable agricultural and industrial plan imposed, industrial hemp will just be another tool to helping bolster the economy of the US Virgin Islands. Thank you for your time.

---

<sup>3</sup> <http://www.kyagr.com/marketing/industrial-hemp.html>