Texas Department of State Health Services

# DSHS Consumable Hemp Program Overview

May 2024

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### Background on Hemp Regulation in Texas

#### **Legislative History**

- 2018: Federal Farm Bill de-coupled definition of hemp from marijuana, allowing for more widespread production.
- 2019: Texas HB 1325 (86-R) granted DSHS authority to regulate the manufacture, distribution, and sale of consumable hemp products (CHP).
- 2020: Consumable Hemp Program rules created by DSHS.



# Regulatory Limit for Consumable Hemp

- Delta-9 THC may not exceed 0.3% for hemp and hemp products.
- No other THC variation including Delta-8 THC is addressed in state or federal statute.
- CHPs are regulated as food if they comply with definition of hemp.
- All other hemp products (including Delta-9 THC > 0.3%) are considered controlled substances under Texas Controlled Substances Act (Health and Safety Code Chapter 481).



# DSHS Consumable Hemp Program Operations

#### **License and Registration**

- CHP License
  - Manufacturing/processing of CHP in Texas
- Retail Hemp Registration
  - Retail sale of finished-product CHP manufactured by other businesses
- Wholesale distributors
  - Obtain a DSHS Food Wholesaler License or DSHS Drug Wholesaler License



#### **Inspect and Test**

- Inspect: Random inspection of retail registrants began in early 2021
  - Inspectors collected product samples
- Test: Performed by a contract laboratory
  - Samples tested for Delta-9 THC and randomly tested for pesticides, heavy metals, bacteria, and other analytes



#### **CHP Licensees by the Numbers**

CHP Manufacturers (CH Product License)	Retail Hemp Registrations	Retail Locations
642	3,633	7,082*

<sup>\*</sup>Registrants can have more than one location under their registration.

#### **Consumable Hemp Program Staff**

- 2 licensing specialists and 4 sanitarians
  - Supported by revenue from CHP licensing fees
- DSHS Rider 32 (88R) allows up to 6 additional staff commensurate with revenue growth
  - DSHS hiring the following new program staff:
    - Manager
    - Licensing specialist
    - 4 sanitarians



#### **Inspection Frequency**

- Currently every 5 years
  - Additional sanitarians may reduce time between inspections
- Factors impacting inspection frequency:
  - Number of DSHS sanitarians available for inspections
  - Increasing number of retail locations
  - Size of manufacturing firms
  - Number and severity of deficiencies found during inspections

Consumable Hemp Product Manufacturer License Fee	Retail Hemp Registration Fee
\$250 per facility	\$150 per location (there can be multiple locations per Registration)



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## Questions?

Thank You!