HEMP PROGRAM- Processor Registration

Registering to Process Hemp in Vermont

A person must register with the Hemp program if the intent is to grow, cultivate, or process hemp in the state of Vermont. A person registered to grow, process, or grow and process hemp for floral material production, viable seed, or cannabinoids shall not grow more acres of hemp per year than the amount identified in the issued registration without first notifying the Agency and paying an additional registration fee if necessary. The Agency does not limit the number of registrations it issues in a year.

Frequently Asked Questions

Is a person who is registered to grow for personal use also required to register to process their hemp crops for personal use?

 No, personal use registrants are not required to get a processor registration to process their own crops.

What is a processor?

- A processor is a person who is registered with the Agency to process hemp crops, including the transport, handling (storing and drying), or packaging of hemp from a single grower or multiple growers, when the person takes possession of the crops.
- Processing includes trimming hemp crops or other value-adding steps to sell as a finished product.
- Processing does not include manufacturing a product from a hemp product that satisfies the required tetrahydrocannabinol concentration level for hemp.
- Processing does not include performing agricultural services such as harvesting or bucking if a person is not taking possession of a hemp crop.

Does a retail establishment need to register to sell hemp products or hemp-infused products?

 No, a retail establishment selling hemp products or hemp-infused products is not required to register with the hemp program.

Can a person register as both a commercial hemp grower and a processor? How are fees calculated?

- Yes, a person can register as both a commercial grower and a processor on the same application form. There is a <u>calculator</u> to help you figure out the fees. There are three categories of commercial production:
 - 1. Grain/fiber flat fee
 - Floral, viable seed, or cannabinoid production – tiered fee based on whichever is greater, the number of acres planted or the weight of hemp or viable seed processed
 - Indoor cultivation and processing of floral, viable seed, or cannabinoids – tiered fee based on size of cultivation area

Does a person need to register with the Vermont hemp program if still in possession of last year's crop, but does not intend to grow in the coming year?

- Yes, a person who is in possession of a crop they grew in a prior year but is not growing in a current year must register with the Vermont Hemp Program for storage of the crop.
- The fee is based on how many pounds in dry weight the person has in their possession.

Is a registration required to possess hemp concentrates to manufacture into hemp or hemp-infused products?

 Yes, a person must be registered as a processor to possess hemp concentrate and to manufacture hemp products and hemp-infused products from that hemp concentrate. A hemp concentrate is a process intermediate obtained by separating cannabinoids from a hemp crop using a mechanical, chemical, or other process. Hemp concentrate is not a hemp product or hemp-infused product.

Who should register as a processor when a person uses a third-party manufacturer to formulate products from a hemp concentrate?

- The registrant is the person who purchases the services of the thirdparty manufacturer for the resulting hemp or hemp-infused product, not the third-party manufacturer.
- A commercial kitchen or shared use kitchen used to formulate products from hemp concentrate is not required to register as a processor.

If a person formulates products using a hemp concentrate/process intermediate, how is the registration fee calculated?

 The fee for using a process intermediate rather than a hemp crop must be converted to flower mass.
The Agency takes a conservative approach and assumes that 10 lbs. of dry weight flower = 1 lb. of hemp concentrate. Estimate the number of lbs. of concentrate you will use in a year and multiple by 10; this will give you the dry weight basis of flower processed.

Is a processor registration required to harvest, buck, or provide a fee for service at a location covered by an existing registration or to transport hemp crops for a registrant?

- No. If a person is providing a fee for service covered by another's registration, such as transporting hemp crops or harvesting, bucking, or trimming at a registered location, the business providing the service does not need to register.
- Registration is required when the service being provided is not at a registered location, for instance, when the fee for service offered is storage or drying of hemp crops off the site of the registrant.
- If a service provider is paid in any quantity of hemp crops for provision of services, and the service provider then processes that crop for commercial market, the service provider must register as a processor.