

Sen. Metzger, Town of Warwick, Orange County IDA, and Hemp Industry Leaders Announce Major Developments for Warwick's CBD Industry

JEN METZGER October 27, 2020

ISSUE: HEMP, AGRICULTURE, ORANGE COUNTY BLACK DIRT



Warwick, NY... Senator Metzger (SD-42) joined Supervisor Mike Sweeton, farmer Mark Rogowski, Orange County IDA CEO Laurie Villasuso, and hemp industry leaders at a press conference outside of Kaycha Labs in Warwick today to announce major new initiatives to advance Orange County's hemp industry. Metzger, who chairs the Senate Agriculture Committee, announced the release of draft hemp regulations from the NYS Department of

Health as required by her legislation (S6184A) passed last year. The draft regulations allow for CBD-infused beverages and food, and if finalized, would greatly expand opportunities for developing a wider range of CBD products in New York State. At the press conference, Senator Metzger also announced \$250,000 in state funding to the Town of Warwick to purchase equipment for rent by local farmers diversifying into hemp production.

Industry leaders praised the work done by Senator Metzger to advance the hemp industry and new opportunities for New York farmers during the event. The 2018 Farm Bill removed cannabidiol, known as CBD, from the Controlled Substances Act, creating new opportunities for New York farmers and businesses. The state law developed by Metzger and her counterpart in the Assembly, Agriculture Chair Donna Lupardo, establishes the necessary regulatory framework for growing hemp for CBD and processing, manufacturing, and selling CBD products in New York, creating the certainty the industry needs to invest and the standards consumers need for a safe and high-quality product.

The draft regulations based on the legislation and released last night by the NYS Department of Health allow for CBD-infused beverages and foods. At the press conference, Urban Extracts, Rogowski Farms, and Hillview Med announced a new partnership in which locally grown and processed hemp extract will be sourced for a CBD-infused seltzer, Kaló, distributed by Pepsi. "Now we have the rules of the game, and now we know what we're shooting for," said Urban Extracts CEO Eran Sherin, while discussing the opportunities associated with the local manufacturing of hemp, allowing for scale and creating Orange County jobs.

At the press conference, Senator Metzger also announced a \$250,000 state grant she secured for the Town of Warwick to purchase hemp trimming and testing equipment to rent to farmers, reducing the costs to local farms of diversifying into this high-value commodity.

The equipment will be housed at the Orange County Industrial Development Agency

Accelerator, which CEO Laurie Villasuso announced will occupy one of the historic buildings at the Warwick Tech Park to provide manufacturing and office space for CBD-related small businesses that participate in the IDA's Accelerator program.

"During this challenging economic time, it is important that we capitalize on new opportunities for our farmers and businesses, and create the conditions for the hemp industry to grow and thrive," said Senator Jen Metzger. "New York is well-positioned to be a leader in this promising new industry, and I look forward to continuing to work with our local partners to build on the successful public-private partnership that is well underway here in Warwick."

Warwick Town Supervisor Michael Sweeton said, "Our hemp initiative had stalled since the regulations were under review which forced companies to put their plans for investment on hold. I reached out to Senator Metzger for help and she delivered by working to get NYS to issue these regulations. This will now jump start our effort to redevelop the former prison and create jobs here in Warwick."

Laurie Villasuso, CEO of the Orange County IDA said, "Thanks to the dedication and leadership of our Senator, Jen Metzger, the CBD regulations this industry needs to burst forward have now been released. These regulations—and all of the hard work that went into seeing them through—mean so much for our economic growth here in Orange County, at a time when we need it most."

Mark Rogowski of Rogowski Farm said, "This latest legislation that Senator Metzger put a lot of time into is very encouraging. To be able to expand it into food and beverage gives us another avenue where we can move this product. A lot of us farmers in the Black Dirt region have a lot of faith that we'll be able to pull this off. Hopefully it sparks things on a national level where you'll see CBD demand explode like we thought it would back in 2018. Hopefully

2021 will be great and we can start growing a good quantity in New York."

Eran Sherin, CEO of Urban Extracts said, "Everything that we need to be successful is right here in our community, and it really starts with our farmers... What we've learned over the last three years is we know how to produce [hemp], we know how to extract it, we know how to productize it, but a business is only successful if you have customers and you can distribute, and this set of regulations is so important because it really now gives us the ability to scale and to distribute product."

Jen Metzger represents the 42nd Senate District, which includes all of Sullivan County and parts of Delaware, Orange, and Ulster Counties. Senator Metzger serves as Chair of the Agriculture Committee and sits on the Environmental Conservation, Education, Health, Energy and Telecommunications, Local Government, Women's Issues, Domestic Animal Welfare, and Legislative Commission on Rural Resources Committees.

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## RELATED LEGISLATION

## 2019-S6184A

- Introduced
- o In Committee Assembly
  - o In Committee Senate
- o On Floor Calendar Assembly

- o On Floor Calendar Senate
- o Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor

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Relates to the growth of industrial hemp and the regulation of hemp extract; repealer

May 21, 2019

Signed by Governor

Sponsored by Jen Metzger

Do you support this bill?