

Maine State Hemp Program

Annual Report Fiscal Year 2025

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INTRODUCTION

The Maine Department of Agriculture, Conservation and Forestry's Division of Animal and Plant Health is pleased to submit this annual report on the State's hemp licensing program to the Joint Standing Committee on Agriculture, Conservation and Forestry (ACF Committee) pursuant to 7 MRSA § 2231 (11).

The 2025 season was troublesome for most growers. The number of growers remained flat at twelve. Sixteen licenses were issued, 13 outdoor and three indoor. The 13 outdoor licensees applied for 12 acres but planted only 4.45 acres, and the three indoor licensees applied for 830 square feet but planted none.

The hemp market in Maine has improved marginally with the onset of numerous hemp beverage bottlers in the state. However, the 2025 Congressional appropriations bill that ended the federal government shutdown effectively outlawed hemp tetrahydrocannabinol (THC) beverages. It also limited the amount of THC in any hemp product to no more than 0.5 milligrams. Maine growers primarily manufacture "full-spectrum" cannabidiol (CBD) products that contain more than 0.5 milligrams of THC. When the appropriations bill becomes effective in November of 2026, it will remove the hemp beverage market and the primary market that Maine's growers have relied upon. This significant change in the federal law will likely impact the number of growers licensed in Maine.

The lack of processing equipment continues to make it unlikely that growers will switch to fiber or grain production. We have only had a single grain grower in Maine and no fiber growers. The grain grower did not license in 2025.

The median licensed grow site area remained less than an acre in 2025, and less than 300 pounds of dried flowers were harvested. The most successful business strategy we continue to see is vertically integrated, smaller, floral hemp grower businesses making cannabinoid products for niche markets. Some growers may be selling biomass to beverage makers.

In the absence of investment in infrastructure to support other hemp crops, such as grain and fiber, and given the impacts of the 2025 appropriations bill, the Program anticipates that the number of licensed hemp growers will remain very low. The revised licensing rules adopted by the Department in February 2023, which reduced licensing fees for growers who chose to produce grain or fiber, have not led to additional licenses being issued.

Approximately 150-200 licensed growers would generate enough revenue for the program to be self-funding. It remains an option under federal law to disband Maine's program and transfer hemp licensing to USDA-AMS. If the number of 2026 licenses remains below 50, the Department will need to continue to weigh that option. In 2025, the number of states that no longer licensed hemp growers remained at eleven.

ANNUAL REPORTING REQUIREMENT

Under 7 MRSA § 2231 (11), the Department is to submit an annual report regarding the Hemp Program that provides:

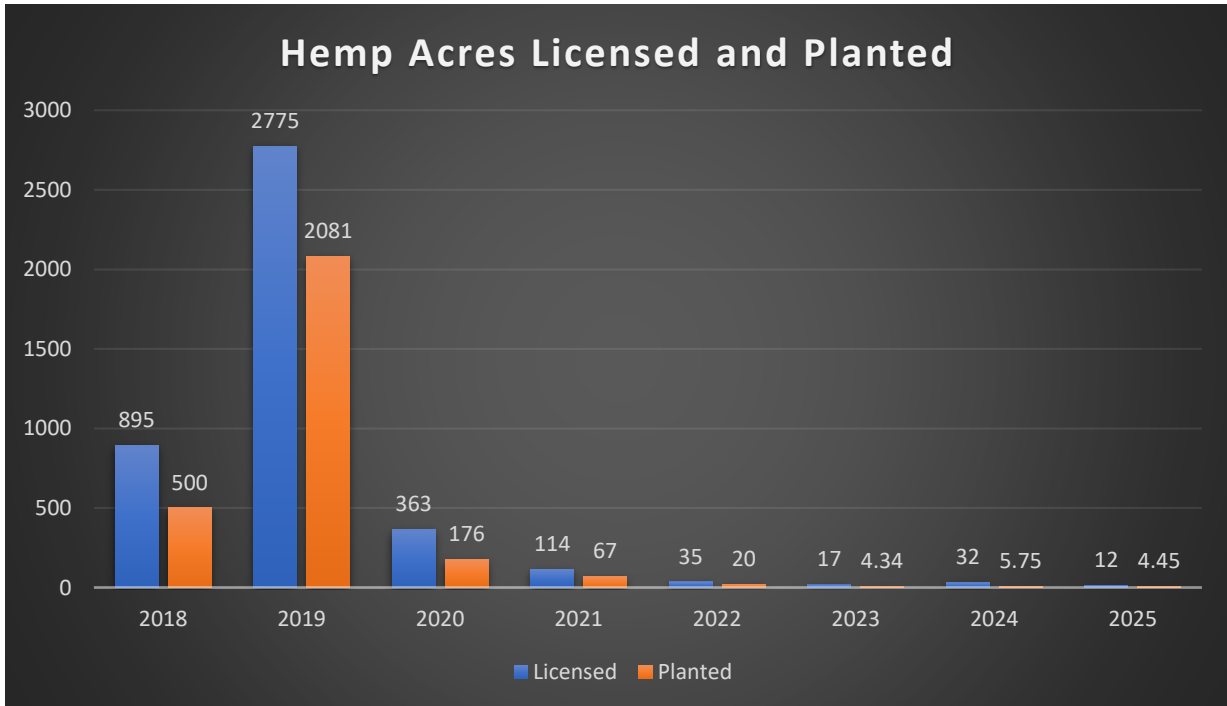
- A. The number of licenses issued;
- B. The number of acres of all land areas licensed for the cultivation of hemp and the square

- footage of indoor facilities licensed for the cultivation of hemp;
- C. The total amount of harvested hemp, in pounds;
- D. The types of commodities or products derived from hemp manufactured or sold within the State; and
- E. The types of commodities or products derived from hemp exported outside the State.

- A. The number of licenses issued in 2025; and,
- B. The number of acres of all land areas licensed for hemp cultivation.

2025 was the hemp licensing program’s tenth year of operation. We received 17 applications and issued 16 final hemp license agreements for outdoor cultivation on 12 acres and indoor cultivation of 830 square feet. By summertime, 12 license holders had planted the crop on approximately 4.45 acres. The three indoor licensees and one outdoor grower did not plant¹.

| Licenses Issued | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------|------|------|------|------|------|------|------|------|
| Outdoor | 82 | 181 | 111 | 49 | 17 | 11 | 11 | 16 |
| Indoor | | 10 | 8 | 0 | 1 | 1 | 1 | 3 |



¹ Not everyone who applied for a license completed the process, and not everyone who was issued a license grew a crop. One outdoor grower and the three licensed indoor hemp growers never planted a crop.

C. Total amount of harvested hemp in pounds

The Hemp Program collects grower data through an online harvest report survey. Twelve of 12 growers responded to the survey. Less than five acres (2,195 plants) were reported as harvested; one farmer reported total crop failure. Total dry weights for the major categories of hemp products are presented below:

- 915 pounds of whole plant/biomass
- 300 pounds of flower bud for cannabinoids
- 500 pounds for research purposes
- 0 pounds of seed for plant breeding
- 225 hemp seedlings sold
- 0 pounds of grain
- 0 pounds of fiber

D. The types of commodities or products derived from hemp manufactured or sold within the State; and, E. The types of commodities or products derived from hemp exported outside the State.

The same harvest survey was used to collect data from growers about the commodities that their hemp would be used to make for in-state and out-of-state markets. Survey takers could select multiple products.

The profile of products sold in-state and out-of-state are very similar. In Maine, the top products were CBD and cannabigerol (CBG) extracts, tinctures, full-spectrum oil, gummies, smokable bud, rolled spliffs, topicals, biomass for terpene extraction, pet treats, pet supplements, beverages, and capsules.

The top products sold to out-of-state markets were tinctures, CBD and CBG extract, full-spectrum oil, topicals, smokable buds, rolled spliffs, gummies, pet treats, and pet supplements.

CROPS EXCEEDING THE 0.3% TOTAL THC LIMIT

Two growers had to destroy their crops due to THC levels above the 0.3% total THC allowance. One grower was conducting research to measure PFAS uptake from soil in collaboration with the Yale Center for Carbon Capture. That grower had to destroy 500 pounds of biomass. The other licensee was a first-time grower who planted two varieties known to yield THC concentrations close to the allowable limit. Because she decided to harvest quite late, they accumulated too much THC. Both growers complied with the destruction order without hesitation.

CROP FAILURE COMMENTS

- About 3/4 of our crop failed, we believe due to drought and lack of irrigation. The plants that did grow were severely stunted, reaching between 1 and 4 feet in height, as opposed to the expected 20 feet.
- We germinated two rounds of seed, but none of them germinated, so we did not plant.
- I probably lost two pounds to mold and animals.
- My plants tested high in THC, so they were destroyed.
- About 70 plants were not harvested due to damage from deer, which could have amounted to

about 40 pounds of biomass loss. The whole crop was small from drought and deer pressure all season.

UNEDITED GROWER COMMENTS ON THE 2025 GROWING SEASON INCLUDED:

- Our entire crop was grown for research purposes in collaboration with the Yale Center for Natural Carbon Capture as part of an ongoing research project investigating PFAS uptake and soil health. 100% of plants harvested were destroyed and turned into biochar.
- I did a sample grow this year in very poor soil so the plants only grew to about 1 - 2 feet. The drought was also likely a reason for their small size. I am a medical cannabis caregiver and have patients who do not like the effects of higher THC cannabis products but who find benefits from full-spectrum hemp oil. I have had issues with sourcing clean full-spectrum hemp oil in the past, so I've decided to start growing my own so I can control the inputs.
- I harvest and dry whole plants and then thresh them to biomass; my final product is just flower and leaf material (no stalk or stems). Most of the crop is sold to a single lab in Maine, which manufactures and sells CBD and CBG products nationally. I also sell biomass to a few small, local producers.
- It is an easy plant to grow, and I really enjoyed growing them this past year.
- We need to raise the THC limit on hemp from 0.3% to 1%+ total THC.
- Growing hemp and processing it into CBD is a great thing. CBD helps people with so many health problems.

UNEDITED COMMENTS ABOUT THE HEMP PROGRAM AND ITS RULES INCLUDED:

- Easy process, thanks for all your guidance throughout.
- I found this program to be quite easy to follow, and working with Gary Fish was pleasant. I think the number of hemp growers will start ticking up again now that the initial CBD boom is over, and I think it could be a valuable industry in Maine if there were a little more organization in the form of a trade group or public-private partnership. I don't have the farmland to do industrial-style farming, but I am interested to learn more about growing hemp for its fiber aspects, especially related to textiles and construction materials. It still seems like a very underutilized crop with lots of potential, but I also recognize that Maine's growing season and conditions are not the best in the country for hemp production.
- Program is great, ultimately did not grow hemp this year, but am looking forward to 2026.
- I'm concerned about how new rules around THC regulation in hemp might affect the full-spectrum, low-THC oil that is made using my hemp. In order to make an oil void of any THC would require further processing and would compromise the effectiveness of the products being made by the people and labs I work with.
- I feel that hemp growers have more rules and regulations than growing cannabis plants. I also feel that it is not right that the state does not police hemp/CBD that are coming into Maine to be sold. This is a big reason why Maine is having a hard time growing hemp and selling products.

DISCUSSION

As mentioned previously, the Department is concerned that the number of licensed hemp growers cannot sustain the licensing program. The 2023 rules did not include provisions for licensing hemp processors to increase revenue collected. At the request of the ACF Committee, the Department convened a stakeholder group in Summer and Fall of 2024 to develop recommendations for regulating intoxicating hemp products. During the first session of the 132nd Legislature, LD 1920, an emergency bill, became Public Law 2025, Chapter 416. That law defined non-intoxicating and potentially intoxicating cannabinoids and prohibited the sale of potentially intoxicating hemp products to a person who has not attained the age of 21 years. Later in 2025, the federal government enacted an appropriations bill that will further prohibit the sale of potentially intoxicating hemp products that contain more than 0.5 milligrams of THC. Both of these laws are likely to impact Maine growers' ability to sustain their current business models.