DEPARTMENT OF AGRICULTURE

2025 Hemp Program Annual Report

Plant Protection Division

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Contents

Executive Summary

The Minnesota Hemp Program saw fewer applicants, fewer acres of hemp grown for cannabinoid production, reduced regulatory samples taken, and a lower failure rate in 2025. The program experienced an increase in planted acres with a renewed focus on the industrial purposes of grain and fiber production, placing Minnesota in the top 10 hemp producing states nationally.

The Minnesota State Hemp Plan was revised in late 2025 to consolidate two license types into one comprehensive hemp license. The revised plan was approved by the U.S. Department of Agriculture (USDA) on November 17, 2025.

Image 1: Photo of hemp field

Minnesota Hemp Program

History

The 2014 Farm Bill contained a provision allowing state departments of agriculture to administer pilot programs to study the growth, cultivation, and marketing of hemp. In 2015, the Minnesota Industrial Hemp Development Act (IHDA) (MINN. STAT. § 18K) became law, allowing the Minnesota Department of Agriculture (MDA) to create a hemp pilot program in accordance with the Farm Bill. The Minnesota Hemp Pilot Program operated from 2016 through 2020.

The 2018 Farm Bill officially legalized hemp cultivation for commercial purposes by amending the Agricultural Marketing Act of 1946 to include a section on Hemp Production (7 USC § 1690*o* et. Seq.) and by removing hemp from the Controlled Substances Act (21 USC § 812). On October 31, 2019, the USDA released the Interim Final Rule (84 FR 58522), which formed the regulatory framework for all hemp cultivation nationwide. Under the rule, states and Tribes were required to submit hemp production plans to the USDA for approval to retain regulatory authority within their jurisdictions. The Minnesota State Hemp Plan was approved in July 2020 and became effective January 1, 2021.

On January 15, 2021, the USDA released the Final Rule (7 CFR 990), which contained key changes from the Interim Final Rule based on comments from states, growers, and others in the hemp industry. The revised Minnesota State Hemp Plan, updated to incorporate the federal Final Rule for commercial hemp regulation, was approved by the USDA and went into effect on May 6, 2021.

Following approval of the revised State Hemp Plan, the MDA published rules for Chapter 18K (Minnesota Rule § 1565) in the fall of 2021. These rules mirror the regulatory requirements outlined in the State Hemp Plan and provide the MDA full enforcement authority under state law for hemp production and raw hemp processing in the state.

The Minnesota State Plan was revised again in late 2023 to include the codification of Minnesota's administrative rules and minor statutory changes. The revised Minnesota State Hemp Plan was approved by the USDA and went into effect on December 12, 2023. In 2024, the Minnesota Legislature amended MINN. STAT. 18.06 to allow the MDA to use exempt rulemaking to efficiently implement federal law and rule modifications.

On November 17, 2025, another revision of the Minnesota State Plan was approved by the USDA. This revision consolidated grower and processor license types into one hemp license. The current Minnesota plan is available on the USDA Domestic Hemp Program website.

This report covers only the activities included under the MDA Hemp Program. Hemp plans for Tribal entities in Minnesota are available on the USDA website.

Background

Hemp Program applicants must register their specific growing and raw hemp processing locations and pay annual program fees. Table 1 provides an overview of the Minnesota Hemp Program since it began in 2016. Some licensees hold both grower and processor license categories; and therefore, are double counted.

Table 1: Minnesota Licensing and Planted Acreage/Square Footage Statistics, 2016-2025

Statistic	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Applicants	7	47	65	505	586	459	299	312	183	84
Licensed Growers	6	33	43	353	461	348	240	230	132	62
Licensed Processors	0	5	21	214	232	247	151	158	96	35
Outdoor Acreage Planted	38	1,202	711	7,353	4,690	2,830	375	834	2,070	2,489
Indoor Square Footage Planted	0	0	54,618	403,304	1,353,489	318,713	122,040	68,771	32,876	7,293

THC Testing

Hemp is defined under state and federal law as the plant *Cannabis sativa* L., and any part of the plant, whether growing or not, including the plant's seeds, and all the plant's derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, with a delta-9 tetrahydrocannabinol (THC) concentration of no more than 0.3% by dry weight. Federal hemp law requires states and Tribes to include testing protocols in their plans that utilize post-decarboxylation methods for pre-harvest cultivation tests to certify lots grown as hemp. Post-decarboxylation converts tetrahydroncannabinolic acid (THCA) in the plant to delta-9 and provides the Total THC measurement. Compliance of a hemp lot is based on whether the % Total THC result, determined on a dry weight basis, includes 0.3% within a range of values specified by plus or minus the measurement of uncertainty.

The measurement of uncertainty adopted by the MDA Hemp Program is based on the laboratory measurement of uncertainty plus sampling variability. The measurement of uncertainty for 2025 was approximately 24% of the value of the % Total THC test results.

Growers are required by law to report the location of each variety or lot that they plant to the MDA for regulatory sampling by a trained inspector no more than 30 days prior to harvest. To sample a hemp lot, the inspector takes a cutting from 30 different plants randomly selected throughout the population. The top 5 inches of the female flower are cut from each of the 30 plants and placed in a single paper bag. The plant material is dried and homogenized by grinding prior to the laboratory analysis for Total THC. Lots with fewer than 30 plants are sampled proportionally. All planted varieties are sampled and tested separately.

The pilot program and original state plan under the interim federal hemp rule required the MDA to sample and test every hemp lot produced in Minnesota. However, the Final Hemp Rule and current state hemp plan, allow the MDA to establish random sampling of hemp lots based on risk-based factors, if the sampling plan ensures 95% confidence that hemp entering the marketplace meets the legal threshold for THC.

In 2025, one lot was deemed to be low risk based on the parameters laid out in the state hemp plan. The low-risk lot was sampled by the grower according to a sampling protocol supplied by the MDA and sent to the state approved, accredited laboratory that processes all regulatory samples produced in Minnesota. The grower sampled lot passed.

In 2025, the MDA collected 68 samples from hemp lots produced by licensees. Of those, six tested above the 0.3% THC threshold. The initial failure rate was 6%, the lowest since 2020. The range of THC concentrations for the 2025 failed samples is provided in the table below (Table 2). The largest number of failures fell in the range of 0.40-0.69%.

Growers with hemp lots that tested above the acceptable THC level were required to destroy their lot, unless remediation was an option. Hemp remediation can only occur for failed lots testing above 0.3% and below 1%. All lots that test above 1% must be destroyed. In 2025, four Minnesota hemp growers had lots that tested above the acceptable THC level resulting in the destruction of approximately one acre of hemp. One grower had two separate lots that tested above the allowable threshold, and another grower was unsuccessful in a remediation attempt accounting for all six failed lots.

Table 2: Range of THC Concentration Test Results for 2025 Failed Hemp Samples (Total Delta-9 THC post-decarboxylation)

THC Results Range	0.40-0.49	0.50-0.59	0.60-0.69	0.70-0.79	0.80-0.89	0.90-0.99	1.0+
Sample Count	2	0	2	0	1	0	1

A negligent violation was issued to growers that grew cannabis that tested above 1% Total THC. Growers who receive a negligent violation must submit a corrective action plan to the MDA that demonstrates how the violation was corrected and list procedures that will be incorporated in future grows to demonstrate compliance. One negligent violation was issued in 2025. A grower can receive only one negligent violation per year. Under the state plan and the federal final rule, if a grower receives three negligent violations within a five-year period the grower cannot participate in the hemp program for five years. To date, no licensed hemp grower in Minnesota has exceeded two negligent violations within a three-year period.

High-cannabidiol (CBD) varieties accounted for 66% of the total failed samples in 2025. A Chinese fiber variety that had never been grown in the state accounted for the other failure. Newer varieties continue to be a source of concern and growers must use caution when sourcing genetics. Despite assurances from the vendor claiming that a variety is guaranteed to be low in THC, there is always the possibility of the plants testing above the THC threshold. Factors affecting THC production include nutrients, light regime, genetics, and crucially, length of time under cultivation. Correct timing, testing, and harvesting are essential. Improved plant breeding for stable genetics acclimated to specific climates and environments may help to significantly lower the number of failed sampled lots in the future.

Remediation

Remediation is the process of rendering non-compliant cannabis compliant. This was the fifth-year remediation was available to growers that had lots that tested between 0.3% and 1% Total THC. The grower can choose from two different remediation options. Remediation can occur by removing and destroying floral material, while retaining stalk, stems, leaf material, and seeds. Remediation can also occur by shredding the entire plant into a biomass like material. The material must be retested by the MDA and meet the definition of hemp before being allowed into manufacturing and commerce. Remediated lots that are compliant receive a Fit for Commerce Certificate.

In 2025, remediation was attempted on one non-compliant lot grown for fiber. Unfortunately, after the remediation attempt, the lot still failed and tested above the allowable threshold and was ultimately destroyed. Remediation is not a viable option for all non-compliant lots but does provide the grower with another option instead of destruction resulting in total crop loss.

Hemp Planted

The program saw a decrease in the number of applicants in 2025 totaling 84, the lowest number in the past six years. Despite fewer applicants, the acreage of hemp planted increased from 2024. There were 2,489 acres of hemp planted in 2025. The largest amount of acreage was planted for grain production at 74% (Table 3). Fiber production followed at 24%. Cannabinoid production totaled 2%.

Of the 2,489 acres planted this year, 2,231 acres were harvested, with approximately 256 acres lost to natural causes. The natural causes ranged from weeds, poor germination, drought, other weather-related events, and pest or animal damage. Growers continue to report that pest management is challenging and can significantly impact harvest yields. Increased pressure from insects like hemp borers and a variety of common agricultural weeds were noted this year.

Image 2: Photo displaying hemp borer damage

Table 3: Percentage of Acreage Grown Per Crop Type by Year

Statistic	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
% of Acres Planted for Grain	94.7%	99.3%	89.5%	25.2%	48%	39%	35%	12%	52%	74%
% of Acres Planted for CBD	0.0%	0.4%	9.6%	74.4%	38.6%	52%	60%	5%	18%	2%
% of Acres Planted for CBG					4.7%	3%	1%	1%	1%	0%
% of Acres Planted for Fiber	5.3%	0.3%	0.9%	0.4%	8.7%	6%	4%	82%	29%	24%

National Statistics

The USDA Farm Service Agency (FSA) collects data on the number of acres of hemp planted. According to the USDA FSA December 2025 report, 43,675 acres of hemp were planted nationally. Texas had the most acres of hemp planted with 6,621 acres, followed by Kentucky with 4,749 acres planted. While nationally, states and Tribes saw an increase in the number of acres planted for grain and fiber production, Kentucky saw increased acreage specifically for cannabinoid production. Minnesota ranked sixth in the nation for hemp acres planted.

Every year, the USDA National Agricultural Statistics Service (NASS) publishes a report that details the acreage, yield, price, and value of hemp. The 2025 results will not be available until April 2026; however, the NASS report is a great resource and should be reviewed by anyone interested in the hemp industry.

Processors

There were 35 hemp processors licensed in Minnesota in 2025. A processor is defined as any person or business that converts raw hemp into a product. An MDA Hemp Program license is not required for hemp product manufacturing after it is processed out of its raw form, nor is it required for retail sales. There is still a bottle neck when it comes to processing as many licensed processors do not purchase and process raw hemp on a large scale.

The authority to regulate the sale of hemp extracts and edible cannabinoid products for human consumption in Minnesota falls under the Office of Cannabis Management (OCM). The MDA Hemp Program will continue to license and have authority over industrial hemp processors in 2026, while OCM will license those that extract, manufacture, market, and sell edible hemp-derived products.

Summary

Hemp has dramatically increased in popularity, public awareness, and acceptance since the start of the program in 2016. More investment in processing infrastructure, product demand, and new innovations continue to improve each year and offer hemp a bright future. Despite seeing a decrease in the number of applicants, the number of acres planted increased. The program is experiencing a shift back to the industrial purposes of hemp from the "cannabinoid boom" of 2018 -2021. The number of acres planted for grain was 74%, followed by 24% of the acres planted for fiber.

To build a sustaining industry, it is important to continue to put in place regulations that benefit farmers and processors while creating a level playing field. With the changing landscape of cannabis laws in Minnesota and nationally, anyone considering becoming a licensed hemp grower or processor in Minnesota must carefully examine and understand current regulations, legal gray areas, newly proposed laws, and potential impacts to the hemp industry.

Looking ahead to 2026, the hemp industry in Minnesota is expected to continue to move towards grain and increased fiber production. Those interested in cannabinoid production will shift to the adult-use cannabis market resulting in less applicants to the hemp program. The change in focus from primarily cannabinoid production to grain and fiber production should result in more acreage of hemp grown in the state and more investments towards the industrial purposes of hemp.

For More Information

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Minnesota Industrial Hemp Plan
www.ams.usda.gov/sites/default/files/media/MinnesotaIndustrialHempPlan.pdf

USDA Hemp Information
www.ams.usda.gov/rules-regulations/hemp/information-state-departments-agriculture-and-tribal-governments

Frequently Asked Questions – MDA Hemp Program
www.mda.state.mn.us/plants/hemp/industhempquestions