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*Luis Lopez*

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**STATE OF NEW MEXICO  
BEFORE THE SECRETARY OF ENVIRONMENT**

**IN THE MATTER OF PROPOSED AMENDMENTS TO  
RULE 20.10.2 NMAC – Hemp Post-Harvest Processing –  
Hemp Extraction, Production, Transportation,  
Warehousing, and Testing**

**NEW MEXICO ENVIRONMENT DEPARTMENT  
ENVIRONMENTAL HEALTH DIVISION  
CANNABIS AND HEMP BUREAU,**

**Petitioner.**

**No. CHB 25-53 (R)**

**ORDER AND STATEMENT OF REASONS**

**Introduction**

This matter comes before the Secretary upon a Petition for Regulatory Change filed on September 17, 2025, by the New Mexico Environment Department Environmental Health Division Cannabis and Hemp Bureau (Bureau) to amend 20.10.2 NMAC—Hemp Extraction, Production, Transportation, Warehousing, and Testing.

A public hearing on the Petition was held on December 2, 2025 by Felicia Orth, appointed Hearing Officer, in Santa Fe, New Mexico, in accordance with 20.1.9, the Department’s Rulemaking Procedures.

**ORDER**

The Secretary hereby adopts the Bureau's proposed amendments to Rule 20.10.2 NMAC as reflected in Exhibit 1 for the reasons that follow. The Bureau shall file the rule with any necessary correction of typographical error, formatting, or citation at the New Mexico State Records Center as expeditiously as possible.

## **STATEMENT OF REASONS**

1. Since the promulgation of 20.10.2 NMAC in 2019, the hemp industry in New Mexico has evolved significantly, with new production processes and new categories of products being introduced.
2. The use of hemp to create semi-synthetic cannabinoids, such as Delta-8 THC, creates numerous hazards as some of these products are marketed to minors in products such as beverages and vapes.
3. The prevalence of synthetic and semi-synthetic cannabinoids in hemp products has become an acute public health concern nationwide over the past two years, leading the department's Cannabis and Hemp Bureau to promulgate an emergency amendment to 20.10.2 NMAC banning many of these ingredients, which became effective on August 1, 2025.
4. The creation of synthetic and semi-synthetic cannabinoids involves the use of hazardous chemicals, creating safety risks for both employees and the public.
5. The proposed amendments will make permanent the ban on certain synthetic and semi-synthetic cannabinoids in hemp products.
6. The proposed amendments will limit the amount of tetrahydrocannabinol (THC) allowed in hemp products.
7. The proposed amendments will require employees involved in the manufacture of edible hemp products to obtain New Mexico food handler certification.
8. The proposed amendments will require pesticide testing of hemp products.

9. The proposed amendments will bolster product testing requirements to ensure hemp finished products do not contain harmful substances and byproducts that would jeopardize the health of consumers.
10. The proposed amendments will improve product labeling requirements to ensure consumers are appropriately informed of the contents of hemp finished products and possible risks associated with consuming the product.
11. The proposed amendments will ensure that hemp retail producers meet the same standards for consumer protection that wholesale manufacturers must meet.
12. The proposed amendments will allow for the use of “quick response” (QR) coding on labels to assist manufacturers in meeting new labeling requirements.
13. The proposed amendments will require permitted facilities to prove hemp ingredients are hemp-derived.
14. The proposed amendments remove the hemp processing facility permit type and adds a new retail production permit type with initial permit and renewal permit fees of \$500.
15. The proposed amendments add a late fee of \$200 if a renewal application and associated fee are not received before the expiration date of a permit.
16. The proposed amendments add a variance application fee of \$300, to cover the cost of processing the application.
17. The proposed amendments allow for the recovery of administrative compliance costs.

18. The proposed amendments include the addition of a number of definitions to improve the clarity and enforceability of the regulations.
19. The Department held two public meetings to discuss the Department's proposed Rule amendments, to answer questions and to receive input, on October 7 and 8, 2025.
20. Pursuant to 20.1.9.12.A(l) NMAC, any person may petition the Secretary to adopt, amend, or repeal any regulation within the jurisdiction of the Secretary.
21. On September 17, 2025, the Hemp and Cannabis Bureau of the Environmental Health Division filed a petition with the Secretary for a public hearing in this matter. On September 18, 2025 the Secretary granted the Bureau's request for a hearing and scheduled the hearing for December 2, 2025. The Secretary appointed Felicia Orth to serve as Hearing Officer in this matter pursuant to 20.1.9.8 NMAC.
22. Pursuant to 20.1.9.12.B NMAC and Section 9-7A-6(D) of the Department of Environment Act, public notice of the hearing was published in English and Spanish in the Albuquerque Journal on September 25, 2025. (Exhibit 6).
23. Public notice complied with Section 14-4-5.2 of the State Rules Act, as incorporated into the Department's Rulemaking regulations in 20.1.9.12.B NMAC. Public notice of the hearing was also posted in English and Spanish on the Department's website (Exhibit 2); the Sunshine Portal's website; provided to the New Mexico Legislative Council Service; made available to the Department's district, field, and regional offices; and emailed and/or mailed to the appropriate parties (Exhibit 6).

24. The hearing was conducted in accordance with the Department's Rulemaking Procedures found at 20.1.9 NMAC, and Section 9-7A-6(D) of the Department of Environment Act.
25. The Bureau's implementation of the Hemp Act and existing 2020 Hemp Rule prompted the Bureau to promulgate emergency amendments, which took effect August 5, 2025, and expire on January 31, 2026, pursuant to the State Rules Act, NMSA 1978, Section 14—4-5.6.E.
26. The Secretary of Environment is authorized to promulgate and amend 20.10.2 NMAC by the Hemp Manufacturing Act (Act), Section 76-24-8(C) NMSA 1978.
27. The Act authorizes the promulgation of rules relating to hemp extraction and manufacturing in New Mexico; the Department does not have jurisdiction over the retail hemp market in New Mexico.
28. The proposed Rule amendments properly implement those provisions of the New Mexico Hemp Manufacturing Act for which the Department is responsible.

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JAMES C. KENNEY, Secretary of Environment

#### Appeal Path

A person aggrieved by a final decision may appeal the decision to District Court by filing in district court a notice of appeal within thirty (30) days of the date of filing of the final decision, pursuant to NMSA 1978, §39-3-1.1.

**CERTIFICATE OF SERVICE**

I hereby certify that on the 18th day of December 2025, a copy of the foregoing was sent to the following parties or counsel of record via electronic mail:

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By: /s/ Luis Lopez  
Luis Lopez, Hearing Clerk  
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