

Marijuana in Texas: Five Things You Should Know

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Marijuana laws are pretty strict in Texas, which is a conservative state when it comes to the drug. This year, the Texas legislature passed a [bill](#) that legalized the production of hemp and hemp-derived products, such as CBD (cannabidiol) oil. However, the passing of this legislation created confusion among law enforcement officials. Questions started arising as to whether the state had accidentally decriminalized marijuana. The people of Texas still wonder whether weed is legal in the state.

Texas and marijuana are a tough deal

Texas treats marijuana like any other drug. Any marijuana-related offenses are treated in the same way. Therefore, possession of [even a tiny amount of weed](#) can land you in jail in the state. Penalties can get severe too. A [Cato Institute report](#) in August mentioned that in 2017, Texas made 62,057 arrests related to marijuana possession. This number accounted for 44% of all drug-related arrests and 8% of total arrests.

Current marijuana laws in Texas

The [US farm bill](#) legalized hemp in the US. There's a very small difference between hemp and marijuana. It's based on the THC (tetrahydrocannabinol) level contained in the plant. THC is the psychoactive ingredient of the cannabis plant that causes the "high." If the THC level is 0.3% or more, it's marijuana. On the other hand, if the THC level is less than 0.3%, it's hemp.

In June, Texas passed legislation that legalized hemp and hemp-based products. However, due to such a minute difference and the lack of equipment for testing, it's not possible to determine whether a person is consuming and has possession of hemp or cannabis.

Republican leadership in Texas

Republicans have time and again opposed cannabis legalization. I discussed earlier that [most Republican leaders](#) in both chambers in [Pennsylvania](#) opposed the governor's stance on legalizing cannabis in the state. The Republican leadership in Texas explained the issue in [a letter to the Texas district and county attorneys](#), stressing the fact that marijuana has not been decriminalized in Texas.

Hemp has gained popularity in the US. Many states and cannabis companies have expanded to profit from the hemp market. [Currently, around 47 states have passed some kind of hemp legislation.](#)

Even cannabis players such as Canopy Growth (CGC) (WEED) have stepped up and made plans to open a New York hemp-growing facility that could boost the US CBD market. CGC also acquired AgriNext USA to advance its hemp business. Canopy also disappointed with its fiscal 2020 first-quarter results. It's scheduled to report its fiscal 2020 second-quarter results next month. At that time, we should find out more about how the company is planning to grow its hemp and edibles business line. The stock is down 4.4% in October.

Aurora Cannabis (ACB) is also developing hemp-based products. ACB has acquired Hempco Food and Fiber's outstanding common shares. Aurora Cannabis is also now focusing on growing cannabis outdoors. However, the company's rising debt is a major concern for investors. To learn more, read Aurora Cannabis: Why Investors Must Watch Its Debt. The stock is down 13.4% in October.

Texas hemp legislation issue needs funding

The new legislation that declared hemp a legal substance also accidentally decriminalized weed in the state. At this time, the state doesn't have the equipment to test whether a product is marijuana or hemp. There's a very small difference between the two, and the equipment that can make such a distinction is expensive.

The Dallas Observer reported in August that the Texas Forensic Science Commission and the federal Drug Enforcement Agency were working hard to develop a method to test the difference between hemp and weed. However, it wouldn't be ready to implement before 2020. It would also require additional funding. A lack of testing equipment has forced the state to ask the Texas Highway Patrol Division not to make arrests. Instead, they're asked to hand out citations to drivers caught with cannabis.

Could legalization see the light of day in Texas?

Considering at the current situation in Texas, with its strict cannabis laws and Republican-controlled leadership, I highly doubt that the state will step up to legalize cannabis. However, voters can sometimes take things into their own hands. For example, voters in states such as Florida, Pennsylvania, and South Dakota have come together to gather signatures to get marijuana legalized.

In Florida, voters have launched a campaign called "Regulate Florida" to put legalization on Florida's 2020 ballot. Another such campaign, a 2020 ballot initiative called "Make it Legal Florida," has been launched by cannabis company MedMen (MMNFF) in the state. MedMen already has licenses to open around 35 retail stores in Florida. To learn more about Florida's legalization stance, read Marijuana Legalization: 'Make It Legal Florida!'

Cannabis legalization can generate tax revenue and create employment opportunities. Leafly's Special Report: Cannabis Job Count stresses that the cannabis industry is "America's hidden job boom." The data states that cannabis job growth could pick up by 110% within three years. In Florida alone, job growth rose 703% in 2018.

Moreover, since cannabis hasn't been legalized federally yet, the tax revenues are going to the states. All these factors should be enough to push Texas to take a step toward legalization. We can't be sure of anything, but if more US states step up, chances are Texas could too. Amid the current confusion in the state about decriminalizing cannabis, it appears as though Texas has come closer to legalization.

Other states and legalization

Recently, the governors of four states—New York, Connecticut, [New Jersey](#), and [Pennsylvania](#)—[met to discuss and agree on basic guidelines for legalizing marijuana](#).

In other series we've published, we've also discussed where other states such as [Wisconsin](#), [Ohio](#), [South Dakota](#), [Florida](#), [Minnesota](#), [California](#), [Oklahoma](#), and Washington stand with respect to cannabis laws.

In other news, HEXO Corporation ([HEXO](#)) will be reporting its fourth-quarter earnings results on October 28. On October 25, it announced a cut in its workforce. Read [HEXO Trims Workforce, Stock Falls More than 6%](#) to know more. Stay with us to find out how HEXO's results affect its stock and whether it will be good news or bad news for the cannabis sector.