

H.R. 8179

THE HEMP AND HEMP-DERIVED CBD CONSUMER PROTECTION MARKET STABILIZATION ACT

QUICK SUMMARY

The Hemp and Hemp-Derived CBD Consumer Protection and Market Stabilization Act of 2020 creates enormous opportunity **for U.S. farmers and small businesses, and provides critical protection for consumers by regulating CBD** and allowing it to be marketed as a dietary supplement.

Get the facts on this important bill and what passage would mean for the industry and CBD consumers.



Q: WHAT IS THE HEMP AND HEMP-DERIVED CBD CONSUMER PROTECTION AND MARKET STABILIZATION ACT OF 2020?

FACT: This act states that “cannabidiol derived from hemp, and any other ingredient derived from hemp shall be lawful under the Federal Food, Drug and Cosmetic Act (21 U.S.C. 301 et seq.) as a dietary ingredient in a dietary supplement.”

Simply put, this allows for hemp extracts to be marketed and used as a dietary supplement. Hemp-derived CBD products – currently unregulated – would be required to comply with all federal requirements for the safe manufacturing and transparent labeling of dietary supplements.

Q: WHAT EXACTLY WOULD THIS BILL MANDATE?

FACT: The Hemp and Hemp-Derived CBD Consumer Protection and Market Stabilization Act of 2020 would ensure that hemp-derived CBD, and other non-intoxicating hemp ingredients, could be lawfully marketed as dietary supplements, providing consumers greater access to safe, quality CBD products and supplements, and creating new economic opportunity throughout the industry – from farm to retail.

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Q: WHY DOES THIS BILL MATTER FOR CONSUMERS?

FACT: For consumers, this bill is especially important because it means greater safety and confidence in CBD products. Without a clear regulatory framework, bad actors are selling products without appropriate safeguards and are misleading consumers with false label claims. Passage of this bill would also create greater access to quality CBD products, as many retailers have been hesitant to sell CBD due to the unclear regulations.

Q: HOW DOES THIS BILL IMPACT FARMERS?

FACT: The Hemp and Hemp-Derived CBD Consumer Protection and Market Stabilization Act of 2020 would help stabilize the hemp markets, open up a promising economic opportunity for U.S. agriculture and honor the commitment made to growers in the 2018 Farm Bill. According to one economic study by Brightfield, hemp grown for CBD could potentially generate substantially more revenue per acre than corn.

Following the passage of the 2018 Farm Bill, many farmers invested heavily in hemp crops. However, due to a failure by the FDA to legally recognize and regulate CBD products, a lack of regulatory clarity has caused extreme financial hardship for farmers. Clear laws and regulations would empower farmers to get out of the court system and into the hemp fields, with more secure access to banking, merchant services, and marketing opportunities.



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Q: WHAT WOULD FAILURE OF THIS BILL MEAN FOR THE HEMP INDUSTRY?

FACT: Failing to establish a regulatory pathway for legalizing hemp-derived CBD will continue to reduce economic opportunity for the U.S. and deny consumers access to safe and quality products. This is happening at the same time as a surge in farm bankruptcies. Failure of this bill would mean that the regulatory uncertainty regarding the legality of hemp extracts would continue to dismantle the up-and-coming market, limiting demand from the manufacturing sector, and resulting in a sharp decline in hemp prices and overall economic hardship for hemp farmers.

Q: WHAT IS THE POTENTIAL ECONOMIC IMPACT OF THIS BILL?

FACT: According to the annual U.S. hemp-derived CBD retail sales estimates for 2019-2024, Hemp Industry Daily projects sales to grow from approximately \$1.2 billion in 2019 to \$10.3 billion by 2024, a five-year compound annual growth rate of 54%. Once FDA does recognize and regulate CBD products, the hemp industry has the potential to provide a financial jolt to the nation with no need for taxpayer dollars.

Q: HOW DOES THIS BILL IMPACT EVERYDAY CITIZENS AND HOW WILL IT BENEFIT THEM?

FACT: Given the well-established benefits and safety profile of hemp extracts, additional regulatory pathways for hemp-derived CBD would both improve public health and encourage additional scientific research, increasing options in safe and quality CBD supplements.

Q: HOW CAN I SUPPORT THE PASSAGE OF THIS IMPORTANT BILL?

Click [here](#) to urge your congressperson to co-sponsor H.R. 8179, The Hemp and Hemp-Derived CBD Consumer Protection and Market Stabilization Act of 2020.