

Lobbyists Fight to Restrain, Maintain \$28 Billion Hemp Industry

By Skye Witley | September 26, 2024 5:00AM ET

Groups opposing and supporting a congressional effort to wipe out a section of the hemp products industry more than doubled their lobbying spending on Capitol Hill in the first six months of this year, according to a Bloomberg Government analysis of public disclosures.

Organizations whose top policy concerns include the legal definition of intoxicating hemp products spent \$1.5 million in the first two quarters of the year, up from \$685,000 over the same period during 2023, Lobbying Disclosure Act filings show.

The spending rise comes as lawmakers dispute measures included in current versions of the 2024 farm bill and the FY25 Agriculture-FDA appropriations bill that would effectively ban the sale of intoxicating products derived from the hemp flower, including Delta-8 vapes. A provision in the 2018 farm bill relaxed prior restrictions on hemp production and marketing that opened up new markets.

Lobbying filings don't break down the exact amount spent on individual legislation or issues though hemp and marijuana groups say much of their focus has been on the farm and appropriations measures.

Spending by hemp and cannabis groups focused on changing hemp's legal definition comes at a critical time for competing parts of the industry. Two federal appellate courts [have now rejected](#) the Drug Enforcement Administration's [stance](#) that hemp-derived products are federally illegal under the 2018 farm bill, while states including California [consider banning](#) them altogether. At the same time, Nov. 5 elections bring ballot measures to legalize recreational cannabis in a number of states where, in the drug's absence, hemp businesses have thrived.

Some lawmakers oppose an amendment included in the five-year farm bill and annual farm and nutrition funding measure, championed by Rep. Mary Miller (R-Ill.), that would ban synthetic, intoxicating hemp-derived cannabinoids. Industry groups such as the U.S. Hemp Roundtable oppose the provision, while organizations including U.S. Cannabis Council support such a policy.

Divided Industry

Smart Approaches to Marijuana Action Inc. spent \$120,000 supporting an amendment banning the sale of intoxicating hemp products in the first half of 2024 according to lobbying [disclosure filings](#). Jordan Davidson, the group's lead lobbyist, said he was working to include it in the farm bill with several lawmakers who suddenly got "cold feet" days before the markup, so he turned his attentions to Miller's office.

“We went in this meeting and educated her on this and literally came out of that meeting with her being like ‘I’m your champion, I’m your guy,’” Davidson said.

U.S. Cannabis Council spent \$100,000 so far this year to lobby the issue, and sent an April [letter](#) calling on congressional leadership to “close the loophole created by the current definition of hemp established by the 2018 Farm Bill and create a regulatory pathway for non-intoxicating products.”

Meanwhile hemp’s highest-spending defender—U.S. Hemp Roundtable—hails from Kentucky. The state is a top grower of the agricultural commodity, according to [USDA data](#).

U.S. Hemp Roundtable has paid law firm Frost Brown Todd LLP \$160,000 to advocate on a variety of hemp-related legislation, including the farm bill.

The hemp industry has a powerful ally in the Senate where Minority leader [Mitch McConnell](#) (R-Ky) worked with Sen. [Ron Wyden](#) (D-Ore.) to get language inserted in the 2018 law that legalized the hemp industry. McConnell even signed the final version of that legislation [with a hemp pen](#).

Wyden announced [legislation](#) to tighten regulation of the industry and raise the purchasing age of such intoxicating products to 21 on Wednesday.

The organization received personal guarantees from Thompson and his staff that “they wouldn’t support efforts to kill the hemp industry” over dozens of conversations, U.S. Hemp Roundtable general counsel Jonathan Miller said in an email to Bloomberg Government.

“They have assured us that the Mary Miller language was just a starting point, and they want to work with us on a solution that doesn’t kill the industry,” Miller said.

Other top spenders this year include Sunflora Inc., a CBD company based in Florida, and the American Trade Association for Cannabis & Hemp, which have paid \$100,000 and \$90,000 respectively to lobbyists working on the farm bill hemp provisions this year.

Florida could well soon [become a battleground](#) for hemp businesses with polls showing strong support for a recreational marijuana referendum on the ballot in November. Republican presidential contender Donald Trump is also backing that referendum.

Quarterly lobbying filings for the period between July and September, the longest period since the farm and spending bills progressed containing the hemp-targeted language, are due at the end of October.

Amendment Uncertainty

“My observation was there are members who felt that the Agriculture Committee was taken advantage of,” House Agriculture Chair [GT Thompson](#) (R-Pa.) said in an interview, “Depending on how this bill goes, how the Senate feels about it—yeah, it is one of the more controversial parts, so I don’t know how this ends up in the final farm bill.”

The agriculture panel adopted an en bloc amendment—considering several bill changes collectively—to the House farm bill [H.R. 8467](#) during a May 23 markup hearing that included language redefining the legal limits of hemp based on “total tetrahydrocannabinol” and prohibiting products with quantifiable amounts of total THC as determined by the USDA, [according to](#) the Congressional Research Service.

Miller offered the amendment language, pointing out the 2018 farm bill ([Public Law 118-22](#)) legalized hemp by excluding it from the statutory definition of marijuana, which is regulated by the Controlled Substances Act. A group of state attorneys general [urged Congress](#) in a March letter to address a looming public health crisis they attributed to the multi-billion dollar market opened by the legislation.

“There was some unintentional consequences from the 2018 farm bill that resulted in providing what was unintended license for mind-altering products,” Thompson said.

Three members including Rep. Derrick Van Orden (Wis.) opposed the amendment’s impact on the hemp industry during the markup hearing, while Rep. [Abigail Spanberger](#) (D-Va.) supported the clarity she said it could bring Virginian farmers around farming the plant. Van Orden represents Wisconsin’s third congressional district, which hosts a number of Carbon Cannabis brick and mortar stores advertising “potent CBD and THC hemp products.”

Rep. [Nancy Mace](#) (R-S.C.) has also [warned](#) that the language could deal a “fatal blow” to the hemp industry.

“It’s the marijuana businesses and the MSOs that would benefit the most if this goes through,” said Courtney Moran, the chief legislative strategist at Agricultural Hemp Solutions LLC, referring to multi-state operators of cannabis dispensaries. “It restricts the products from the marketplace, potentially, depending on what rulemaking happens with the secretary” of the US Agriculture Department.

Moran’s firm received \$80,000 from industrial hemp company IND Hemp LLC in 2023 to co-author and lobby on behalf of [H.R. 3755](#), designed to create a new sub-definition for industrial hemp fibers and grains that would lower regulatory barriers to produce it.

Both the farm bill and the Ag-FDA spending bill [H.R. 9027](#) await votes on the House floor, which are unlikely to occur until at least the lame-duck session of Congress later this year.

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