Federal THC Ban Buried in Spending Bill Triggers Backlash: Hemp Industry Warns of Nationwide Job Losses

A hidden provision in the shutdown bill could cripple the U.S. hemp market and trigger legal battles across multiple states.



Los Angeles, California Nov 17, 2025 (<u>Issuewire.com</u>**)** - A fast-moving coalition of attorneys, business leaders, and hemp industry advocates is sounding the alarm after Congress buried a sweeping federal THC ban inside the emergency spending bill used to reopen the government. Legal experts warn that the measure risks collapsing a <u>\$28 billion</u> industry, devastating over 300,000

American jobs, and stripping states of their constitutional right to regulate hemp.

"This was a stealth prohibition slipped into a crisis bill. That is not policymaking. It is coercion," said Bridgett G. Brumbaugh, Esq., a former prosecutor and advocate for small businesses, privacy, and regulated markets.

Brumbaugh, who advises clients across the hemp, cannabis, and CPG sectors, said the sudden prohibition has already triggered legal review teams nationwide.

BURIED POLICY, MASSIVE CONSEQUENCES

The law bans nearly all hemp-derived cannabinoids, <u>delta-8</u>, THCA, HHC, and other intoxicating variants, despite being legal under the 2018 Farm Bill in many states.

Key national impacts include:

- Economic Shock: More than \$28B in revenue and 300,000 jobs placed at immediate risk.
- **State Override:** <u>Texas</u>, Kentucky, Tennessee, Florida, Colorado and others now face federal preemption despite clear state-level regulatory frameworks.
- **Zero Transparency:** No hearings, scientific review, or stakeholder testimony took place.
- Industry Collapse: Analysts warn the ban is an "extinction-levelevent" for thousands of small-to-mid-sized companies.

"Cannabis policy should not be dictated through midnight amendments to emergency spending. Americans deserve open debate, scientific data, and economic impact analysis, not political shortcuts," Brumbaugh said.

LEGAL & INDUSTRY RESPONSE UNDERWAY

Attorneys across multiple states are preparing challenges based on:

- Federal overreach into state-regulated commerce
- Improper legislative process
- Economic damage to small businesses and farmers
- Potential Fifth Amendment takings issues
- Lack of scientific or regulatory justification

Business associations and state legislators are already coordinating responses to restore state autonomy.

"We are prepared to defend the entrepreneurs, farmers, processors, and retailers who built this

industry lawfully. This is not about THC. This is about government transparency, economic freedom, and basic fairness," Brumbaugh said.

CALL TO ACTION

Brumbaugh urges impacted businesses, trade groups, and state officials to join a national coalition focused on:

- Urgent federal litigation
- Legislative amendments
- Economic impact documentation
- Unified industry advocacy
- Protecting state-based hemp programs

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