

Tennessee Fined \$735K for Wrongful Hemp Seizure

Tennessee Businesses Secure \$735,000 Settlement After Police Wrongfully Seize Legal Hemp Products

In a precedent-setting legal victory, two Tennessee businesses have reached a \$735,000 settlement with the State of Tennessee and the City of Spring Hill after law enforcement unlawfully seized their hemp inventory earlier this year. The case underscores the legal distinction between hemp and marijuana and highlights the critical need for law enforcement to adhere to established cannabis regulations.

The Incident: A Costly Misunderstanding of Cannabis Laws

On May 9, 2024, the Spring Hill Police Department confiscated 231 pounds of hemp from two Columbia-based businesses, Old School Vapor and SAK Wholesale. The seizure was justified in part by District Attorney Brent Cooper's statement that hemp and cannabis are "the same damn thing."

However, this perspective disregarded federal and state laws defining hemp as a legal agricultural product with less than 0.3% delta-9 THC. This regulatory oversight proved financially and legally costly for Spring Hill authorities.

Legal Vindication: Settlement and Its Implications

After months of legal proceedings, the businesses have secured a \$735,000 settlement, with funds provided by the State of Tennessee and the City of Spring Hill.

The lawsuit served as a reminder that:

Hemp is not marijuana. Under federal law, hemp is distinguished by its low THC content and is legal for production and sale in the U.S.

Law enforcement must be well-versed in cannabis regulations. Arbitrary enforcement of the law threatens the viability of legitimate businesses.

Businesses deserve protection from regulatory overreach. The settlement validates the businesses' claims and compensates them for their losses.

Broader Implications for the Hemp Industry

This case highlights a pervasive issue in the hemp industry: regulatory confusion and its impact on businesses. Despite hemp's legalization under the 2018 Farm Bill, many businesses continue to face challenges arising from misinformed enforcement actions.

The lawsuit and its resolution may pave the way for greater legal clarity and protections for hemp businesses across the United States.

Hemp Law Group Advocates for Industry Protection

The lawsuit was spearheaded by Litson PLLC, a boutique law firm specializing in high-stakes litigation and white-collar criminal defense. The firm is part of the Hemp Law Group, which offers regulatory advice to hemp businesses in Tennessee and beyond.

“This settlement sends a powerful message to law enforcement agencies nationwide,” said Little. “Ignorance of the law is not an excuse, and businesses have a right to operate without fear of baseless seizures.”

Precedent-Setting Outcome

The \$735,000 settlement sets a significant precedent for the hemp industry, reinforcing the legal distinction between hemp and marijuana and holding authorities accountable for regulatory overreach.

While the Spring Hill Police Department and local officials did not admit wrongdoing as part of the settlement, the financial compensation reflects the strength of the businesses’ claims and their right to restitution.

Looking Ahead: A Call for Regulatory Clarity

The case is a wake-up call for law enforcement agencies and policymakers to prioritize education on cannabis laws. By ensuring that officers and officials fully understand the distinction between hemp and marijuana, such costly legal battles can be avoided in the future.

For the hemp industry, this settlement is not just a financial victory but a step toward ensuring that legitimate businesses are protected from the devastating consequences of regulatory missteps.

Email: info@cannabisriskmanager.com | Phone: +415-226-4060

© Copyright 2025 Cannabis Risk Manager. All Rights Reserved