

THCA Seizures Cost Tennessee \$735K in Hemp Settlement

Tennessee Authorities Settle Lawsuit with Hemp Businesses Over Seized THCA Flower

Authorities in Tennessee have agreed to pay \$735,000 to two hemp businesses, Old School Vapor and Sak Wholesale, after a controversial raid led to the seizure of hundreds of pounds of what an attorney described as “THCA flower.” The settlement comes as part of a federal lawsuit filed in May, though the state still needs to approve the agreement.

Background of the Seizure: Confusion Over Warrants and Products

The case stems from a raid conducted in May, during which Spring Hill Police confiscated “hundreds of pounds” of hemp products valued at \$1.35 million from a warehouse operated by Sak Wholesale. According to the lawsuit, the search warrants were issued to investigate alleged mushroom products, not hemp or cannabis derivatives.

Despite the warrants, police seized the hemp flower, which led to a legal battle over the nature and legality of the products taken.

In one instance noted in the lawsuit, deputies from the Williamson County Sheriff’s Department declined to confiscate flower at an Old School Vapor store because it was not specified in their warrant.

No Charges Filed, but Police Fail to Return Seized Hemp Flower

While no criminal charges were filed against the businesses, the authorities’ failure to return the seized hemp products sparked the federal lawsuit. The plaintiffs sought damages exceeding \$1.3 million, along with coverage for attorney fees.

The businesses argued that the confiscated flower was legal under the 2018 U.S. Farm Bill, which allows for the sale of hemp products containing no more than 0.3% delta-9 THC on a dry weight basis.

THCA: The Legal Loophole in Question

At the center of the controversy is tetrahydrocannabinolic acid (THCA), a non-intoxicating compound found in raw cannabis. When exposed to heat, THCA converts into delta-9 THC, the psychoactive component of marijuana.

Many smoke and vapor shops nationwide have been selling products with high levels of THCA, arguing that they are compliant with federal law as the raw product falls under the definition of hemp in the Farm Bill. This legal loophole has prompted concerns and legislative actions in multiple states.

Tennessee's Response to the Farm Bill Loophole

Tennessee, like other states, has taken steps to tighten its regulations and redefine hemp to address THCA and other cannabinoids that can become intoxicating. However, these new rules have yet to be implemented.

Advocacy groups representing Tennessee's hemp merchants have filed lawsuits seeking to block these proposed restrictions, arguing that they could harm the state's growing hemp industry.

Settlement Highlights Tensions in Cannabis Regulation

The \$735,000 settlement between Tennessee authorities and the two hemp businesses underscores the challenges faced by law enforcement and regulators in navigating the complexities of cannabis laws.

Robert Vaughn, an attorney for Old School Vapor and Sak Wholesale, emphasized that the seized products were lawful and criticized the authorities' actions.

Implications for Hemp Businesses Nationwide

This case has broader implications for hemp businesses across the United States, many of which are operating in a legal gray zone.

The 2018 Farm Bill has allowed for the proliferation of products derived from hemp, including delta-8 THC, THCA, and other compounds that can potentially be intoxicating. While federal law provides a framework, enforcement and interpretation vary widely by state.

Regulatory Clarity Needed

As the legal cannabis and hemp industries continue to evolve, clearer regulatory definitions and frameworks will be essential to resolving disputes like the one in Tennessee.

Businesses, consumers, and law enforcement all stand to benefit from consistent policies that address the nuances of cannabinoids like THCA, ensuring that laws keep pace with advancements in cannabis science and industry practices.

For now, Tennessee's settlement marks a victory for the hemp businesses involved, but it also signals the ongoing challenges in regulating this rapidly changing industry.

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