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North Carolina Hemp Industry Faces Federal THC Ban Challenges

North Carolina Hemp Businesses Brace for Federal THC Ban as Full-Spectrum Products Face Near-Total Prohibition

For Hannah DeLange, managing Redhead Hemp's Durham location has been about more than selling products—it's been about creating a welcoming, inclusive space where customers feel comfortable and confident. With a layout resembling a coffee shop or bar, the store features plush seating, vibrant art, and a "Canna Cafe" where patrons can enjoy hemp-infused teas and coffee while browsing shelves stocked with CBD gummies, Delta-9 sangrias, THC caramels, and other cannabinoid products designed to support sleep, relaxation, and wellness.

"It's just kind of a space for all," DeLange said. "It should be accessible, and it should personify what we want hemp to mean for people."

Now, the future of such spaces—and the products they sell—is uncertain. Federal law, under a spending bill signed in 2025, will make most hemp-derived cannabinoid products illegal starting November 2026, forcing North Carolina operators and others across the U.S. to navigate a dramatic shift in regulatory reality.

Industry Leaders Express Frustration Over Sudden Federal Action, Warn of Looming Disruption

Redhead Hemp co-owner Emma MacAdam recalled the shock of learning about the ban: "We found out the morning of the Senate vote that this was occurring. It felt like a really sleazy way to slide an agenda into a bill that was otherwise very important."

The legislation drastically lowers the allowable THC content in hemp products, effectively banning "full-spectrum" CBD products—those containing trace amounts of THC that contribute to therapeutic effects. DeLange and MacAdam estimate 99.5% of their inventory will be rendered illegal under the new federal rules.

"Basically, they're saying we can only use the parts of the plant that are not intoxicating," DeLange said. "For a lot of people, that small amount of THC is critical for pain relief, anxiety, sleep, and more."

The shop's offerings, which some customers have used as alternatives to opioids or alcohol, could disappear entirely under the new restrictions.

Federal Lawmakers Argue the Ban Protects Children While Preserving Hemp Farming

The federal ban comes after years of lobbying by marijuana industry stakeholders and state law enforcement, who argued that some hemp businesses exploited a loophole to sell intoxicating products without regulatory

oversight. Senators including Mitch McConnell framed the legislation as necessary to prevent children from accessing THC-laced products marketed like candy or drinks.

“Unfortunately, companies have exploited a loophole in the 2018 legislation by taking legal amounts of THC from hemp and turning it into intoxicating substances…selling it in easily accessible places like gas stations and convenience stores,” McConnell said.

MacAdam and DeLange push back against this characterization. Their shop enforces strict over-21 policies, and they argue that fear-based messaging about children distracts from adult consumer choice. “It’s very easy to use the ‘save the children’ banner,” MacAdam said. “There’s a lot of fearmongering surrounding cannabis.”

North Carolina Operators Face Unregulated Market Conditions and Legislative Challenges

The rapid move to prohibition comes in a state that has lacked robust hemp regulations for years, leaving the industry largely unmonitored. North Carolina legislators failed to enact regulations such as age limits, licensing, or childproof packaging for intoxicating hemp products, despite support from Gov. Josh Stein, Attorney General Jeff Jackson, and bipartisan Senate backing.

State reports indicate a 600% increase in emergency room visits for minors related to cannabis use since 2019, prompting some officials to call the current environment “the wild west.” Attorney General Jackson joined 38 other states’ attorneys general in urging Congress for clear federal hemp definitions, warning that a patchwork of state rules would fail to prevent illegal sales and interstate THC shipments.

Attempts to advance regulatory bills at the state level—including bans on sales to minors, childproof packaging, and licensing—failed in the House Rules Committee, now chaired by Rep. John Bell, a former hemp company executive.

Local Business Owners Highlight Economic and Social Impact of Federal Ban

For operators like MacAdam and DeLange, the ban threatens livelihoods and the ability to provide accessible wellness alternatives. “It’s really cool to see what an industry can do when there’s no barrier to entry,” MacAdam said, reflecting on the entrepreneurial opportunities that hemp provided for nontraditional business owners.

Farmers are equally concerned. Dana Rider, co-owner of Otherside Farm in rural Buncombe County, emphasized that full-spectrum hemp cultivation supports both farm viability and customer wellness. “We started this crop to revive old tobacco and dairy farms. For our customers, it’s not about getting hig. It’s about managing pain, insomnia, or anxiety,” Rider said.

With the ban approaching, Rider and MacAdam say they are coordinating advocacy efforts to push back against the prohibition and encourage legislative solutions before 2026.

Full-Spectrum Hemp Alternatives Face Uncertain Future as Isolates Become the Only Legal Option

Products processed to remove THC entirely—CBD isolates—will remain legal, but for many businesses, including Otherside Farm, pivoting is not feasible. “We sell full-spectrum products only. Our entire inventory would be wiped out,” Rider said. “We can’t really pivot, and without that, we wouldn’t be in business anymore.”

The upcoming ban raises critical questions about the future of North Carolina's hemp industry, the livelihoods of operators and farmers, and the availability of full-spectrum cannabinoid products for consumers seeking alternatives to traditional pharmaceuticals.

Advocacy and Industry Efforts Seek to Preserve Market Access Before Federal Ban Takes Effect

Operators are urging customers and legislators to engage in the political process over the next year. "We have a year to either figure it out or fight for the plant and hope we can change this with legislation," Rider said.

Meanwhile, many shops plan to continue selling products until the ban officially takes effect, while exploring limited CBD isolate offerings. For businesses, the focus is maintaining operations, supporting communities, and advocating for fair regulations.

As DeLange summarized, "Until they tell us we can't sell our products anymore, we're going to keep growing, producing, and serving our customers. This is part of our livelihood, our community, and our purpose."

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