

# Hemp Industry Braces as USDA Seeks White House Form Changes

## USDA Seeks White House Approval For Updated Hemp Forms As Industry Braces For Federal THC Ban

The U.S. Department of Agriculture (USDA) is requesting White House approval to revise seven key forms used by hemp farmers and regulators to collect data on the domestic hemp industry, as a federal ban on hemp-derived THC products looms. The agency published its notice in the Federal Register on Wednesday, outlining plans to update forms that track licensing status, remediation practices for crops exceeding THC limits, total acreage, lab test results, and other industry metrics.

“In accordance with the Paperwork Reduction Act of 1995, this notice announces the Agricultural Marketing Service’s intention to request an extension and revision to the approved forms hemp producers licensed by USDA, as well as States, Territories, and Tribes with approved hemp production plans, must complete as part of the U.S. Domestic Hemp Production Program,” USDA said. Public comment on the revisions will be accepted through March 30, with feedback encouraged on functionality, respondent burden, and opportunities to improve the data-gathering process.

## Industry Stakeholders Warn USDA May Be Undervaluing Hemp And Its Economic Impact

Since hemp’s federal legalization under the 2018 Farm Bill, USDA has annually surveyed growers. Yet, research from Whitney Economics indicates that USDA’s methodology underestimates the true value of floral hemp. By blending biomass and flower sales, the department risks creating a misperception that hemp farmers are not benefiting from the growing cannabinoid market, potentially influencing policy and regulatory decisions.

The USDA forms are intended to provide a standardized mechanism to gather data on the state of the industry, but stakeholders have noted that current regulations do not fully capture the value of specialty hemp crops such as high-THC floral varieties intended for medical and wellness use.

## Federal THC Ban Looms As Alcohol Retailers And Lawmakers Push For Delays

The push for updated forms comes amid a looming federal ban on hemp-derived THC beverages and products, following a large-scale appropriations bill signed into law by President Trump last year. The newly formed Beverage Alcohol Merchants Coalition (BAMCO), which includes Total Wine & More, BevMo!, and ABC Fine Wine & Spirits, is urging Congress to pass the Hemp Planting Predictability Act, delaying the ban by two years to allow for regulatory negotiation.

Other industry groups, including Wine & Spirits Wholesalers of America, have advocated for regulation rather than prohibition. Lawmakers across the political spectrum have expressed concerns about the sudden

restrictions, emphasizing the potential negative impact on farmers, research, and commerce.

## **Trump's Marijuana Rescheduling Order Adds Complexity To Hemp Regulations And Access**

While the hemp ban has sparked concern, President Trump's December executive order directing the Attorney General to reschedule marijuana from Schedule I to Schedule III has potential implications for hemp-derived products. The administration is considering redefining hemp and updating the legal framework for full-spectrum CBD, which could benefit patients and consumers alike.

Federal guidance may eventually allow Medicare recipients to access doctor-recommended CBD at no cost. White House officials have indicated that CMS is developing a model to make non-intoxicating CBD products available under federal health programs. Such reforms could intersect with the USDA's hemp data collection efforts, shaping future policy.

## **What The New Hemp Definition Could Mean For Farmers And Manufacturers**

Under proposed legislation, the definition of legal hemp would be narrowed to include only products with a total of 0.4 milligrams of THC per container, including delta-8 and other THC isomers. Products manufactured outside the cannabis plant or synthesized cannabinoids would be banned for direct consumer sales. Within 90 days of enactment, FDA and other agencies will publish lists of naturally occurring cannabinoids, tetrahydrocannabinols, and similar compounds.

This stricter regulatory framework has prompted concerns from hemp producers, distributors, and researchers. Critics argue that the ban may hinder commercial growth, complicate compliance, and restrict medical and wellness research.

## **Stakeholders Stress Urgency For Federal Guidance And Regulatory Clarity**

Industry participants, advocacy organizations, and state officials have stressed that timely updates to USDA forms and clear federal regulations are critical for the survival and growth of the hemp industry. Without accurate data and predictable policy, farmers risk losing market access and investment opportunities.

Public comment periods, like the one announced by USDA, are a key mechanism for stakeholders to influence the final form designs and ensure that regulatory decisions reflect market realities.

## **Executive Summary For Hemp Operators And Stakeholders**

1. USDA is revising seven forms to collect data on licensing, remediation, acreage, and lab results.
2. Public comment is open through March 30, providing an opportunity to shape the process.
3. Federal hemp THC ban could take effect this November unless Congress intervenes.
4. Industry stakeholders and alcohol retailers are advocating for delays and regulatory clarity.
5. Hemp rescheduling and CBD policy updates may influence USDA forms and compliance requirements.

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