

Industrial Hemp / Cannabinoid Split Memo



How industrial uses and cannabinoid products can be treated differently without preserving federal contradictions.

Hemp and Cannabinoid Policy • Audience: Public / Staff / Partner • Draft v2.1 • whole-plant framework

What this resource does: *Explains how federal law can differentiate industrial uses from cannabinoid-product regulation while still advancing a comprehensive whole-plant legal framework.*

Working principle

WRCL supports different downstream rules for various hemp uses. What WRCL rejects is using downstream differences as the basis for maintaining contradictory plant-level legality. The split should occur at the product lane, not based on whether the plant is called hemp or marijuana.

Proposed lane logic

Category	Examples	Best-fit rule lane
Industrial hemp	Fiber, hull, textiles, grain, seed, feed, building materials, and biomaterials.	Agriculture/manufacturing lane following USDA and relevant food/feed or industrial regulations.
Seed-derived food ingredients	Hulled hemp seed, hemp seed oil, and hemp seed protein powder.	Food lane consistent with existing lawful seed-ingredient treatment and food-safety regulations.
Non-intoxicating cannabinoid consumer products	Products that do not make drug claims but contain cannabinoids.	Dedicated cannabinoid product lane with safety, labeling, and manufacturing standards.
Intoxicating cannabinoid products	Products capable of causing impairment, whether derived from hemp or marijuana.	Adult-use lane with age restrictions, serving limits, testing, packaging, and trade regulations.
Medical cannabinoid products	Products marketed for therapeutic use or clinician-directed care.	Medical lane is governed by stricter quality, evidence, and coverage standards.

What this solves

- Industrial hemp is no longer entangled in every dispute over intoxicating products.
- Finished products are regulated based on actual risk rather than false perceptions.
- States gain clearer federal minimum standards without losing the flexibility to go beyond them.
- The federal government stops sending mixed signals to growers, processors, and consumers.

What this does not solve by itself

- A split memo does not eliminate the need for whole-plant descheduling.
- A product split alone does not establish banking, trading, or medical coverage pathways.
- A domestic product framework still requires treaty alignment for non-medical adult-use markets.

Selected source basis

FDA regulation of Cannabis and cannabis-derived products — Current FDA baseline for THC/CBD in foods, supplements, cosmetics, and approved drugs. <https://www.fda.gov/news-events/public-health-focus/fda-regulation-cannabis-and-cannabis-derived-products-including-cannabidiol-cbd>

USDA hemp program overview — Current USDA cultivation, sampling, testing, and licensing baseline. <https://www.usda.gov/farming-and-ranching/plants-and-crops/plant-breeding/hemp>

CANNRA: Considerations for federal hemp regulation — State-regulator view on hemp-derived cannabinoid gaps and needed federal floor standards. <https://www.cann-ra.org/s/Considerations-for-Federal-Hemp-Regulation-April-2023.pdf>

CANNRA: September 2023 hemp policy recommendations — Useful on federal floors, state flexibility, total THC, and finished-product limits. <https://www.cann-ra.org/s/CANNRA-Letter-Farm-Bill-Sept2023-FINAL-s4jr.pdf>

NIHC Fit for Purpose hemp framework — Industrial-hemp policy framework organized around use and purpose. <https://nihcoa.com/fit-for-purpose/>

Reason Foundation: A Framework for Federal and State Hemp-Derived Cannabinoid Regulation — Detailed framework for cannabinoid-hemp federal and state regulation. <https://reason.org/wp-content/uploads/framework-federal-state-hemp-derived-cannabinoid-regulation.pdf>