

TENNESSEE RESPONSIBLE HEMP COMMERCE ACT

Restoring a Proven Regulatory Model with Targeted Improvements | July 2026

THE PROBLEM: Public Chapter 526 transferred regulation from the Tennessee Department of Agriculture (TDA) to the TABC, imposed a strict Total THC

post-decarboxylation test that bans most THCA flower, replaced reasonable retail taxation with heavy upstream excise taxes, and created a chaotic new licensing

system. The result: widespread business closures, major state revenue loss, and the elimination of legal access to products that were successfully regulated

under the previous TDA framework.

OUR GOAL: Return to the successful regulatory model that existed under the Tennessee Department of Agriculture prior to Public Chapter 526 — the system

that allowed legal THCA flower and other hemp-derived cannabinoid products to be sold responsibly under clear licensing, testing, and age restrictions — while

adding stronger individual accountability, better revenue mechanisms, and improved enforcement tools.

THE THREE PILLARS — BUILDING ON THE PROVEN TDA MODEL

1. Mandatory Hemp Handlers Permit (Individual Accountability)

Every person who handles or sells hemp-derived cannabinoid products must hold a state-registered permit with training in age verification, ID checking, and

product compliance. This builds directly on the old TDA system by adding individual-level accountability (similar to alcohol server permits) while generating

recurring revenue for enforcement — something the previous TDA framework lacked.

2. Specialty Class Market Licensing (Protecting the Old Model's Success)

High-potency inhalable products remain available through dedicated Specialty Hemp & Vapor Shops with strict 21+ entry verification. This preserves the

successful retail model that existed under TDA while preventing the all-ages proliferation that created political backlash. Traditional retailers can continue

selling finished ingestible products, maintaining broad access without the chaos of the new TABC system.

3. Laboratory Reciprocity (Fixing What Was Working)

Tennessee recognizes trusted ISO 17025 labs and establishes reciprocity so compliant products can flow without redundant testing costs. This fixes one of the

biggest practical problems businesses faced under the old system while maintaining the strong testing standards that were already in place under TDA rules.

WHY THIS RESTORES WHAT WORKED: The old TDA system successfully regulated a thriving hemp market with licensing, testing, age restrictions, and

reasonable taxation. Public Chapter 526 destroyed that market. Our framework keeps the core elements that made the TDA system work (clear rules, licensed

businesses, product testing, 21+ sales) while adding the missing pieces: individual accountability, better revenue collection, and practical enforcement tools that

don't require shutting down the entire industry.

THE LEGISLATIVE ASK

We respectfully request that the General Assembly restore the successful regulatory framework that existed under the Tennessee Department of Agriculture prior

to Public Chapter 526, with the targeted improvements outlined above. This approach returns Tennessee to a proven model that supported small businesses,

generated revenue, and provided legal access for adults — while adding stronger protections and accountability that address legitimate policy concerns without

destroying the market.

Sources: Public Chapter 423 (2023 TDA framework); Public Chapter 526 (2025 TABC framework); TABC licensing data (June–July 2026); Tennessee Dept. of Finance & Administration revenue

revisions; Whitney Economics; contemporaneous news reporting. This document summarizes the full Tennessee Responsible Hemp Commerce Act legislative blueprint.

Prepared for legislative consideration | July 2026