

November 4, 2025

Wisconsin Assembly Committee on State Affairs Wisconsin State Capitol 2 East Main Street Madison, WI 53702

Re: Principles to Consider When Regulating Intoxicating Hemp Products

Dear Wisconsin Assembly Committee on State Affairs:

On behalf of the Beer Institute, the nation's oldest trade association representing the interests of brewers, beer importers, suppliers and the 2.42 million employees who have found a career in the \$471 billion beer industry, I write to you regarding the regulation of intoxicating hemp products. We ask that you consider the following industry principles as you consider Assembly Bill 606.

Intoxicating hemp products have proliferated since the passage of the Agricultural Improvement Act of 2018¹ (2018 Farm Bill), with sales growing from \$200 million in 2020 to \$3.5 billion in 2024, according to the Brightfield Group.² While the intent of the language included in the 2018 Farm Bill regarding industrial hemp as an agricultural commodity seemed clear, it created an unintended loophole that is being exploited to develop unregulated intoxicating products with little or no oversight at the federal or state level.

On October 24, 2025, a bipartisan group of thirty-nine state and territorial attorneys general wrote³ the Chairs and Ranking Members of the Senate and House Committees on Agriculture and Appropriations to warn that "intoxicating hemp-derived THC products have inundated communities throughout [their] states due to a grievously mistaken interpretation of the 2018 Farm Bill's definition of hemp." The letter further explained that companies are using hemp to manufacture "Frankenstein THC products that get adults high and harm and even kill children," which are "sold nationwide without consistent age restrictions, labeling standards, or safety requirements." The attorneys general urged Congress to clarify "that these harmful products are illegal and that their sale and manufacture are criminal acts."

The Beer Institute supports efforts from state attorneys general and Congress to bring much-needed clarity, consumer awareness, and oversight to the production and retail sale of intoxicating hemp products. We urge the legislature to consider the following principles as you begin deliberations:

- 1. **Revenue:** We support the establishment of a state excise tax rate on intoxicating hemp products that is higher than the highest rate for any beverage alcohol product.
- 2. Regulation: We support a robust regulatory framework implemented by the appropriate federal and state government agencies for intoxicating hemp products designed to promote public safety and consumer awareness. Any burden placed on a regulatory agency must be fully resourced and appropriately staffed to ensure proper oversight and enforcement of the law. Regulators at the federal, state, and local levels should prohibit co-location of the sale of alcohol beverages in the same retail venues as intoxicating hemp and cannabis products, if legalized, and further, to avoid consumer confusion, intoxicating hemp and cannabis products, if legalized, should only be sold in dispensaries.

¹ Public Law No: 115-334 (12/20/2018)

 $^{^2\} https://content.brightfieldgroup.com/an-overview-of-the-hemp-thc-consumer-market$

³ Attorneys general letter to Congress re: Intoxicating Hemp Loophole (October 24, 2025)

- 3. **Responsibility**: We support a minimum age requirement (absent a prescription) of 21 years of age with a valid ID to purchase, possess, and consume intoxicating hemp products.
 - We support a "zero tolerance approach" for THC-impaired driving until proper field measurement technology and protocol are widely available and guidance on safe levels of consumption is established.
 - We call on the intoxicating hemp industry to dedicate resources to develop the use of roadside testing equipment by local and state law enforcement to detect the presence of intoxicating hemp in drivers.
 - We support prohibitions on public consumption of intoxicating hemp that mirror those presently in place for tobacco.
 - We support potency testing and warning label requirements for intoxicating hemp products.
 - We support ensuring that packaging and advertising for intoxicating hemp do not primarily appeal to those under 21 years of age.
 - We support continuing the federal prohibition against combining intoxicating hemp with alcohol.
- 4. **Research:** We support immediate and sustained medical and safety research on intoxicating hemp products, including beverages, to help ensure consumer safety.
 - We call on the intoxicating hemp industry to cease making health claims that are not substantiated by science or data.

Beer has been part of American culture for hundreds of years. Brewers and beer importers dedicate significant resources and attention to responsibility efforts and have long been committed to responsible advertising, community well-being and working with state and local governments, law enforcement and third parties to promote public safety.

We are proud of our longstanding commitment and investment to empower adult consumers to make responsible decisions about the consumption of our products and urge you to utilize the beer industry as a resource as you seek to address the proliferation of intoxicating hemp products across the country.

Thank you for your consideration on this matter.

Sincerely,

Brian Crawford
President & CEO

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