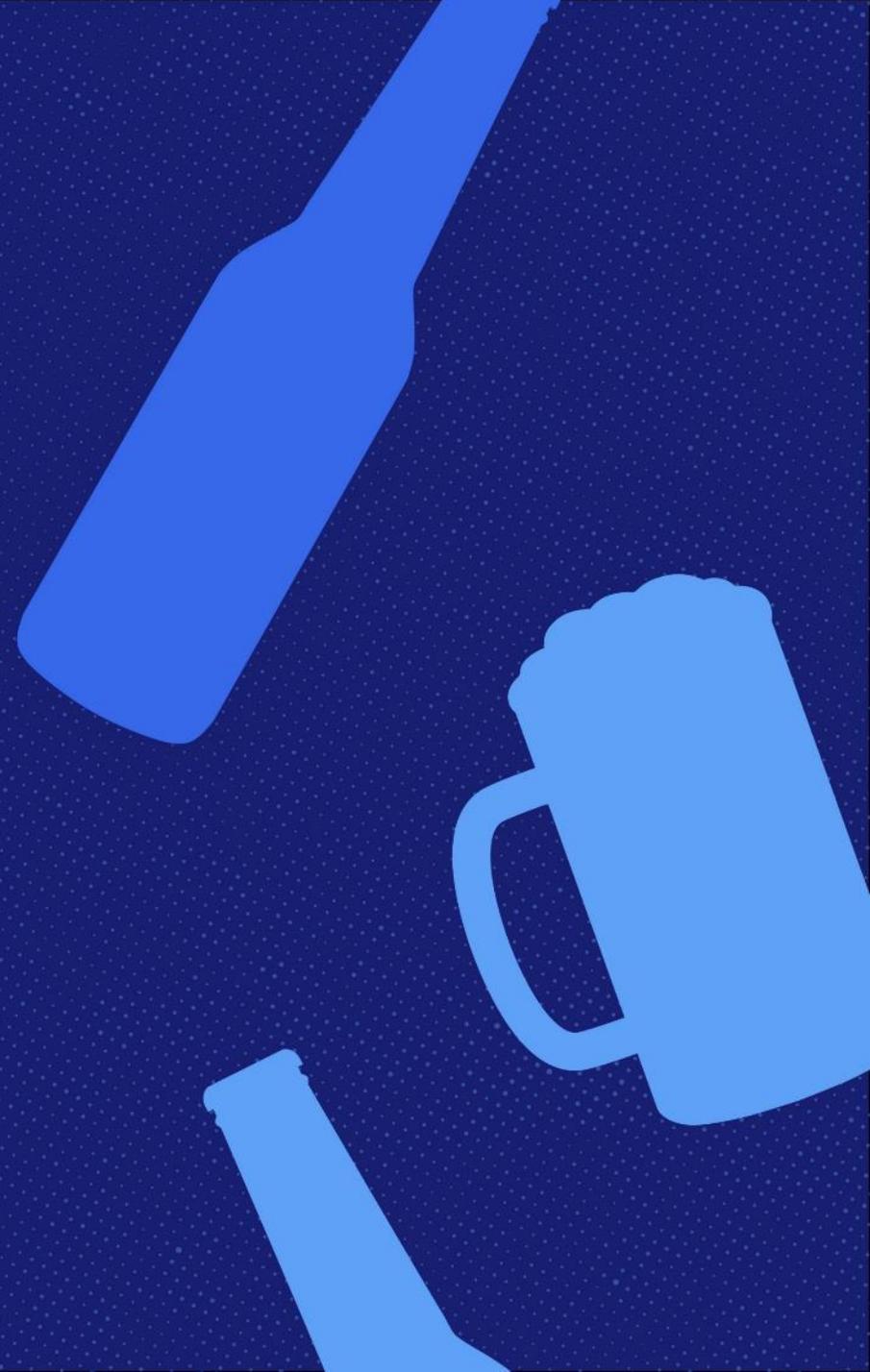


NBWA

AMERICA'S BEER & BEVERAGE DISTRIBUTORS

Industry Update

Dave Christman



Hemp-Derived THC Beverages



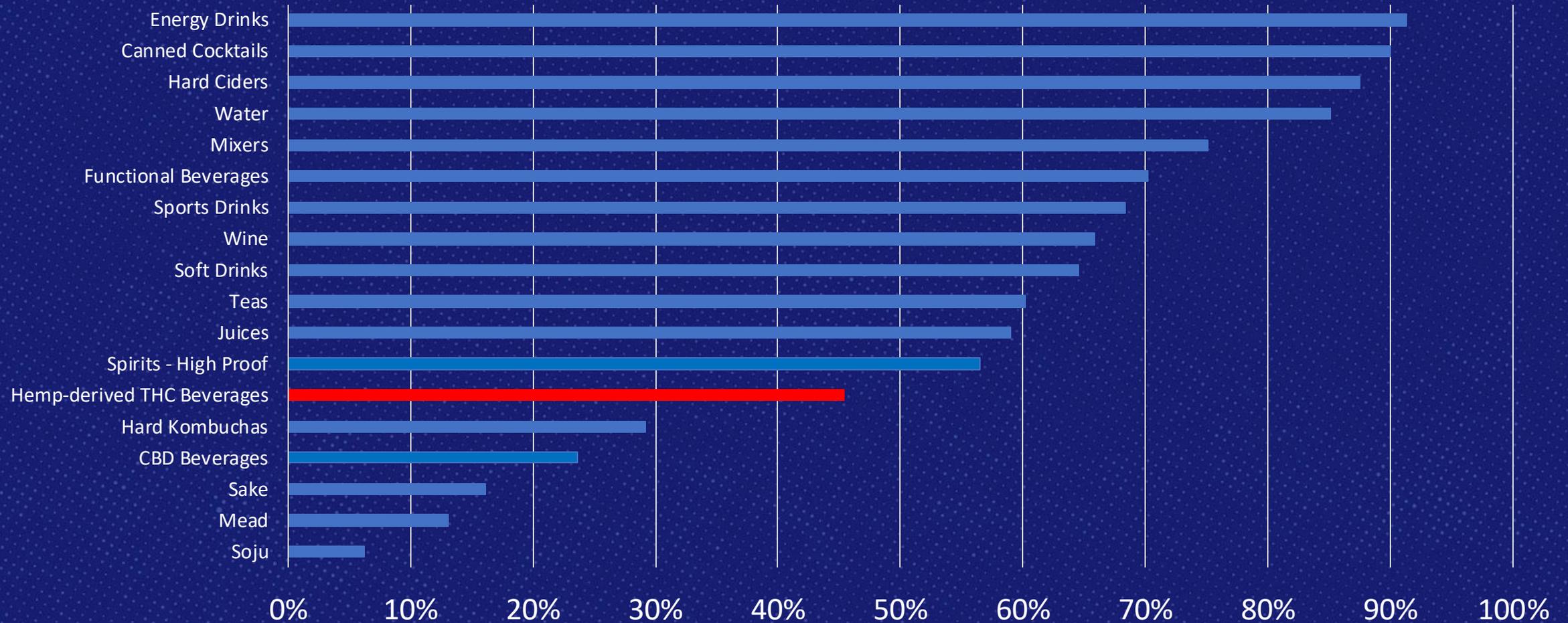
NBWA Position on Hemp-Derived THC

- 2013 – "Don't let the debate on legal cannabis harm alcohol regulation"
- Repeatedly asked Congress and executive branch for federal clarity
- If sold in alcohol channels, regulate it like alcohol
- Statement: *"NBWA has long called for clear and consistent federal cannabis policy. If states allow the sale of intoxicating hemp-based THC beverages, NBWA urges policymakers to look to the alcohol regulatory structure as a model for their regulation. If companies want to sell intoxicating hemp beverages in traditional alcohol channels, those products should be subject to the same standards, safeguards, and oversights that govern the alcohol industry."*

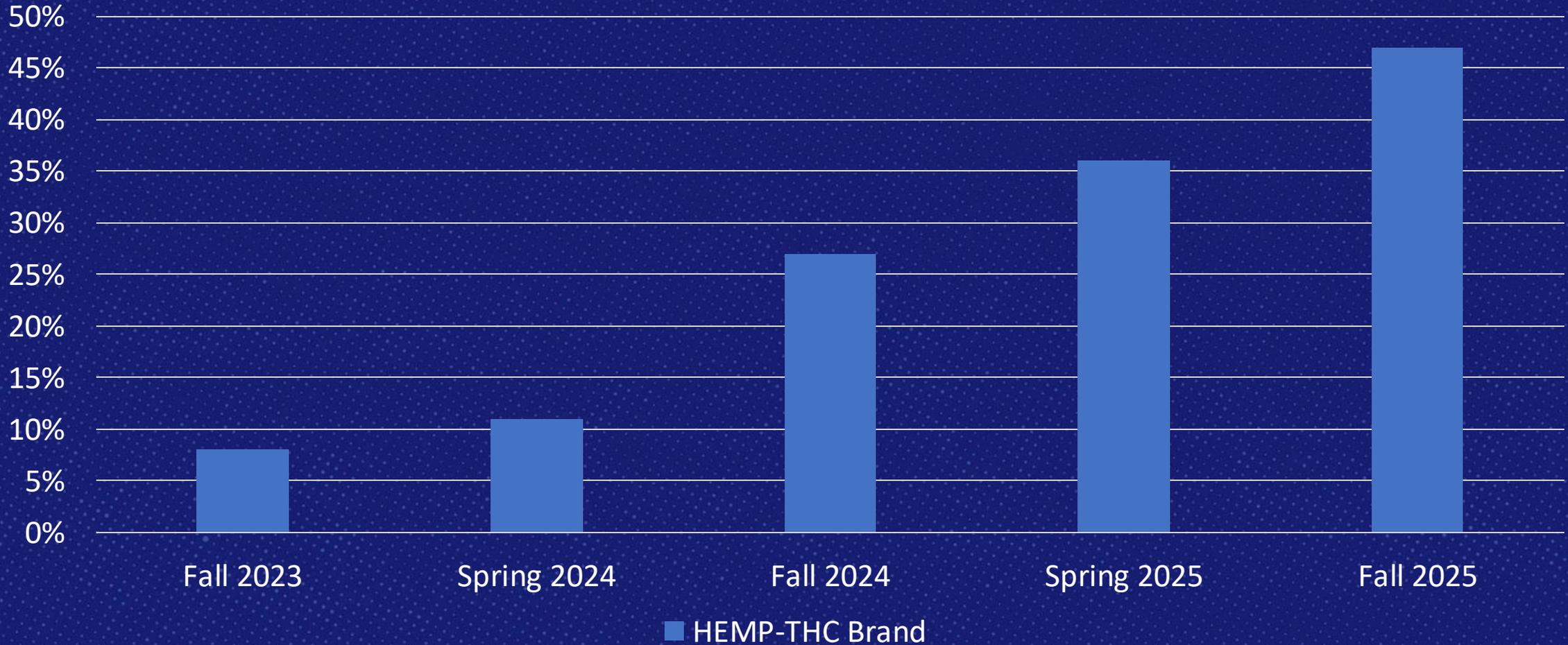
**What are You
Telling us?**



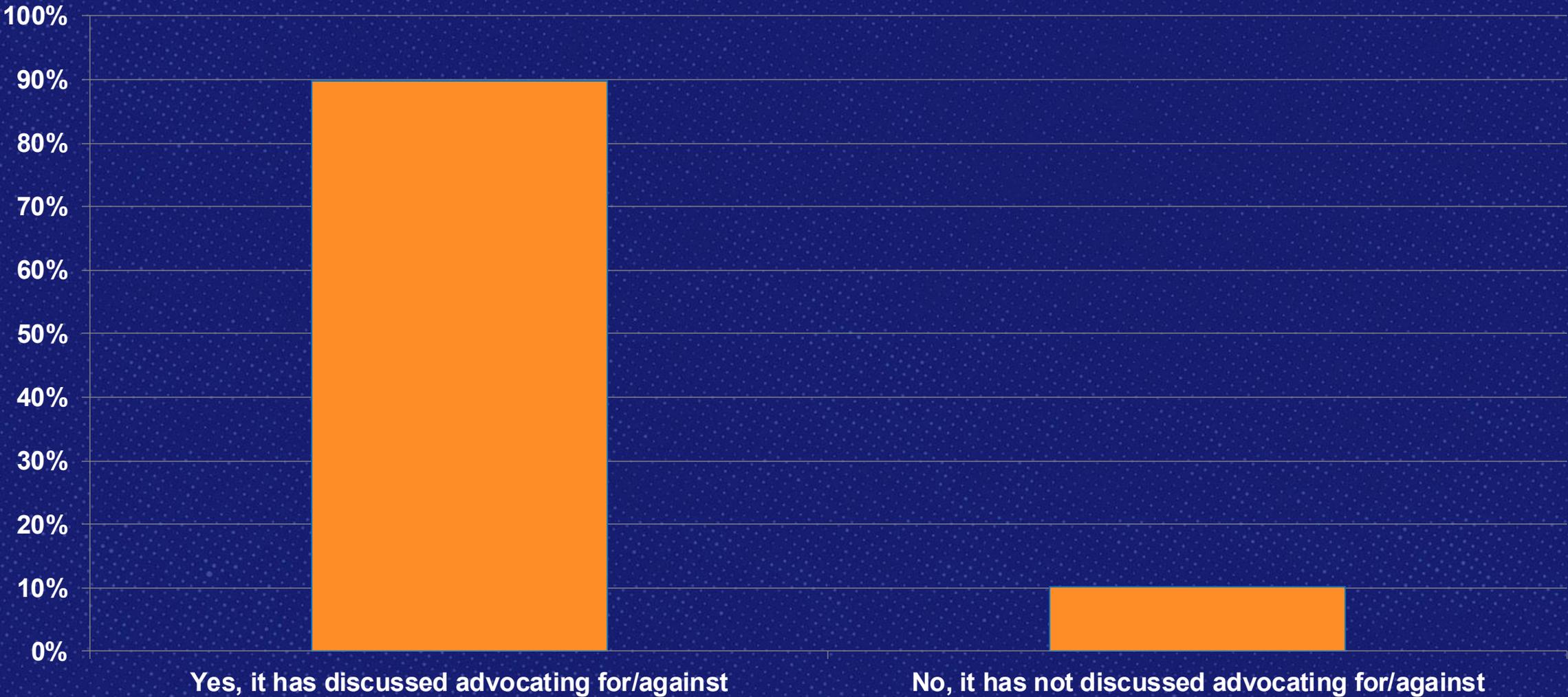
What Beyond Beverages Do You Carry? Fall 2025 Survey



Added a Hemp-THC Beverage in Past 12 months?

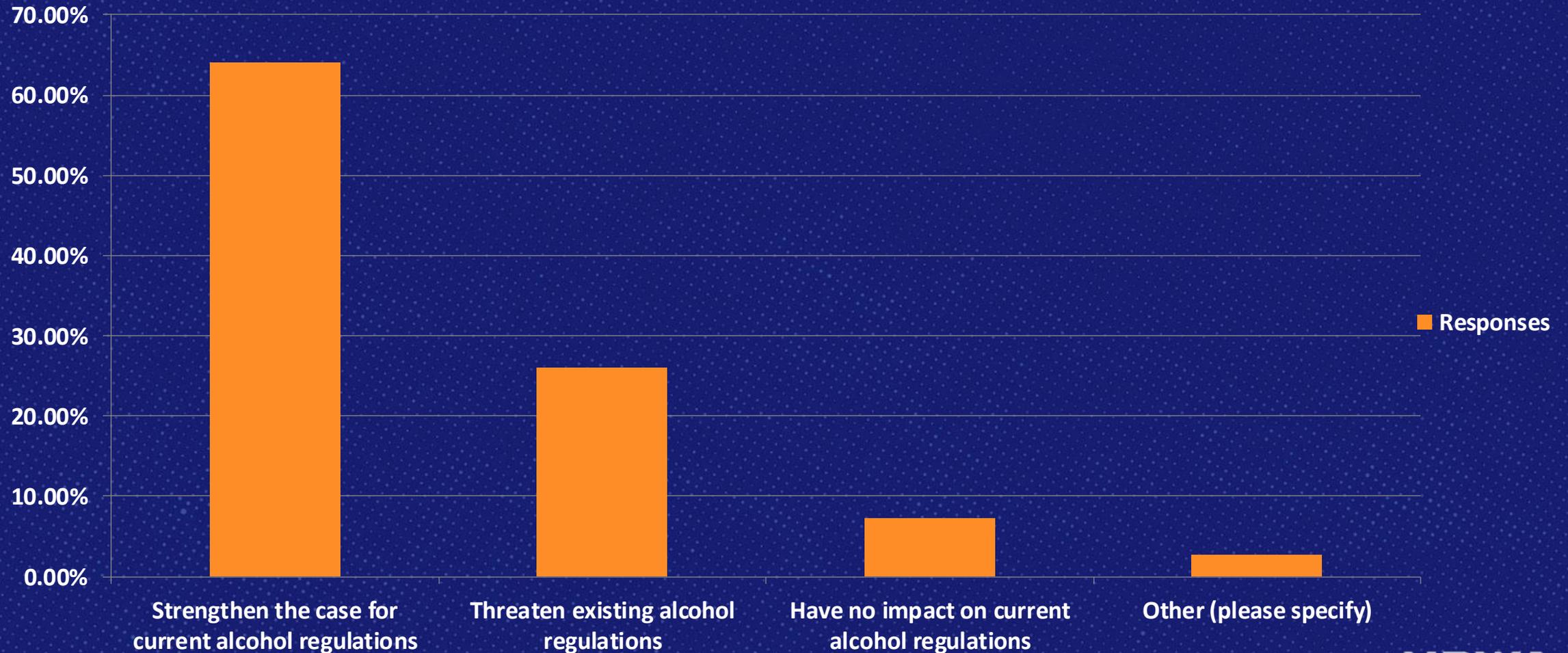


Has your state association discussed advocating for/against the regulation of hemp-derived THC beverages?



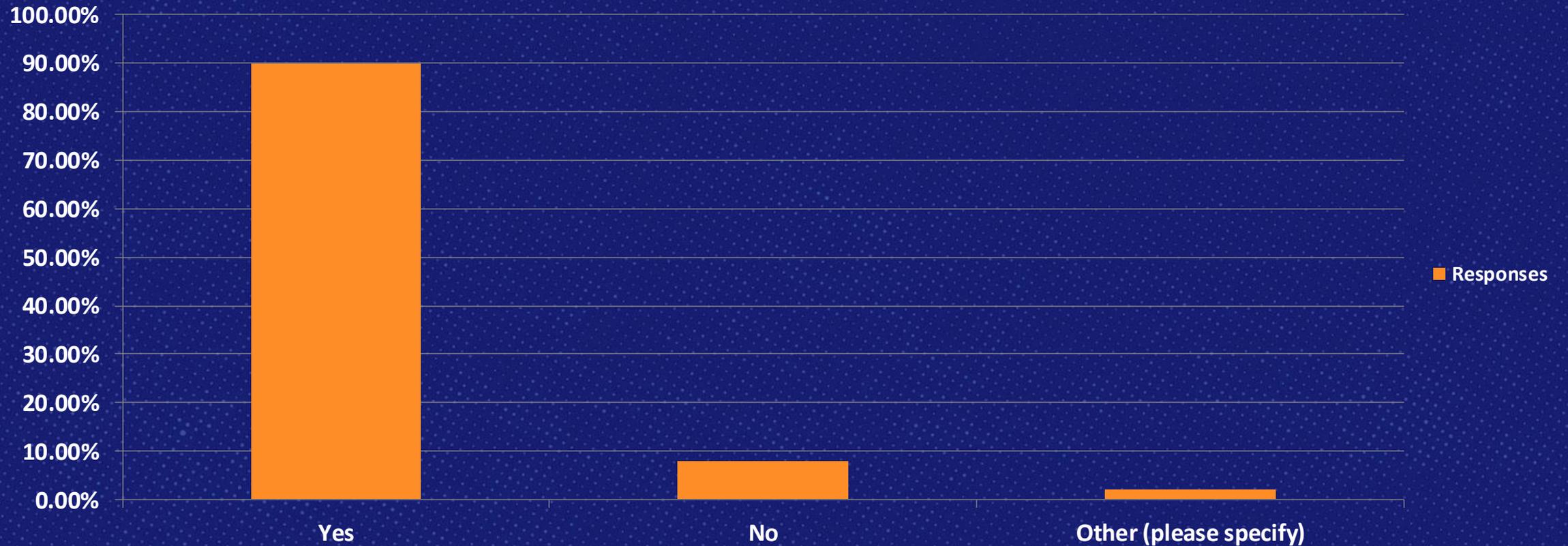
Hemp-derived THC Beverage Survey Results

Do you think state policy debates around hemp-derived THC beverages:

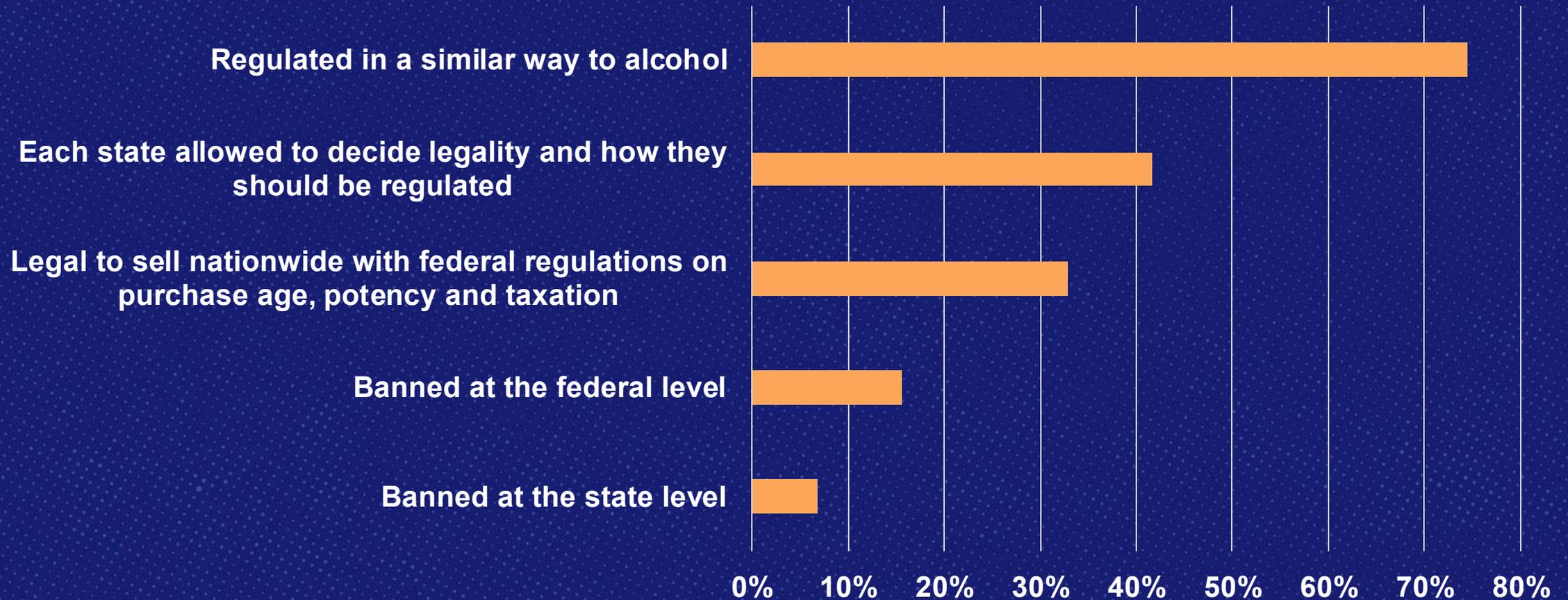


Hemp-derived THC Beverage Survey Results

Are you concerned about hemp-derived THC beverages being sold to alcohol accounts under different laws than beer? (e.g., no three-tier, franchise or trade practice laws)



In your opinion, how should hemp-derived THC beverages be treated? (Check all that apply)

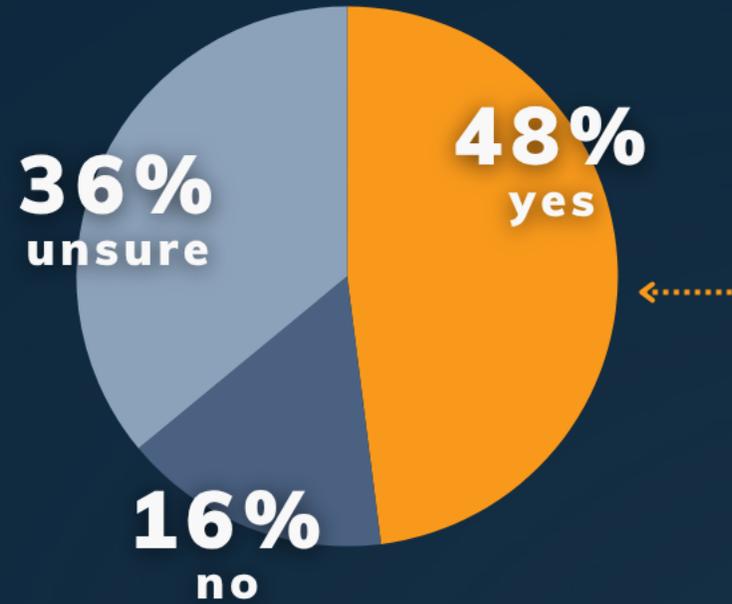


What is the Public Telling us?



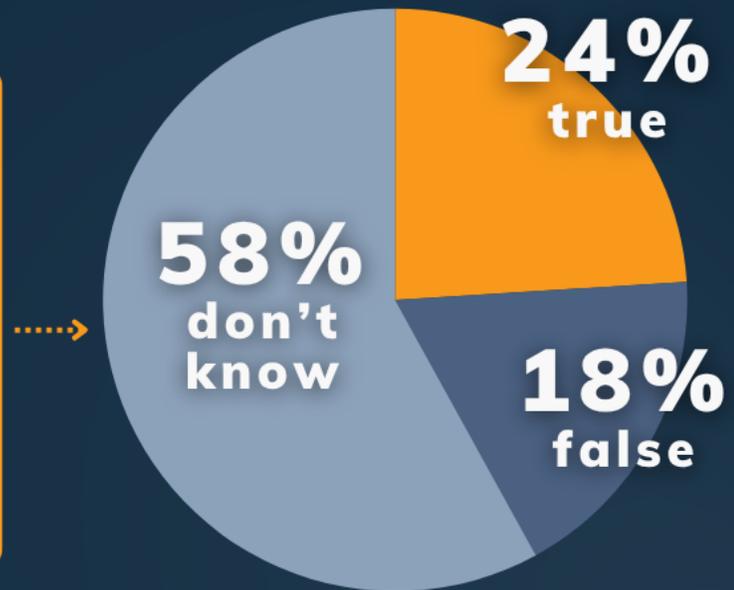
HEMP DERIVED THC BEVERAGES

Baseline lack of understanding surrounds hemp beverages



“Hemp-derived Delta 9 THC is intoxicating.”

“Beverages containing hemp THC are available in states that have not legalized recreational marijuana.”



BACKGROUND PROVIDED

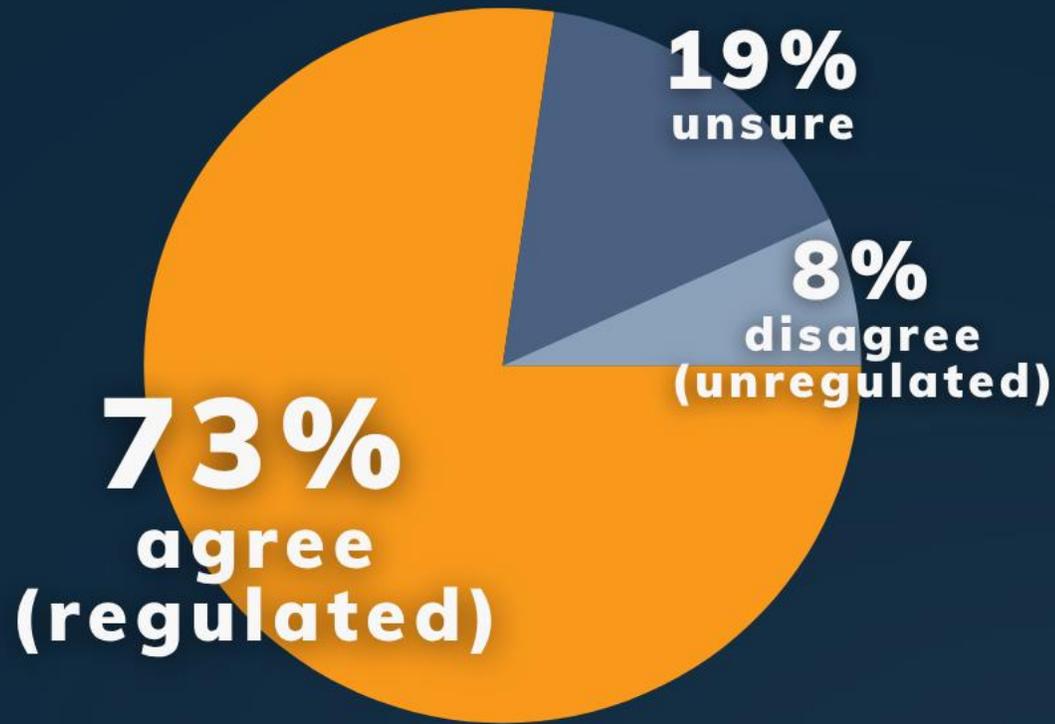
“

Hemp is a type of plant that has been used commercially for centuries across a variety of sectors, including building materials, rope and clothing. In 2018, Congress legalized hemp to ensure production of those products.

However, hemp contains a small amount of THC, which is the chemical in marijuana that produces a “high.” As a result of this change in the law and new technology, some companies are taking the THC derived from hemp and using it to produce intoxicating beverages.

”

WITH THIS INFORMATION IN MIND...



Hemp derived THC beverages should be regulated

The public **supports regulation** and looks to **alcohol** as an effective model

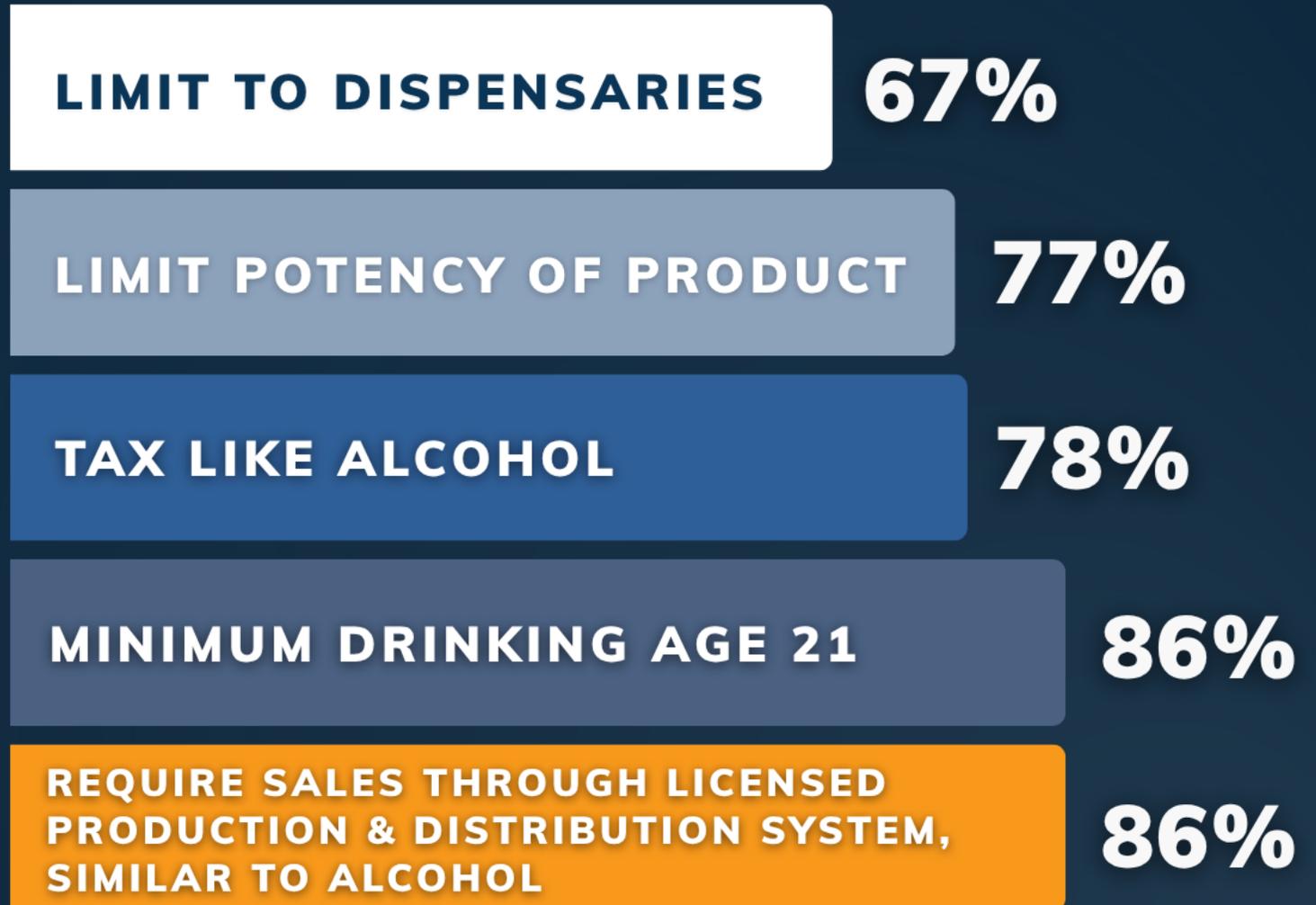


These beverages should be regulated the same as or more strictly than alcohol

ALCOHOL'S TRACK RECORD MAY PROVIDE GUIDANCE

Lessons from 90+
years of success and
safety

SUPPORT FOR HEMP THC BEVERAGE REGULATION



Recent Federal Action



Ag Approps Language “Closes the Loophole”

- Amends definition of industrial hemp. Among other changes it sets new threshold of .4 mg per serving. FDA to define a serving
- 12-month delay in implementation (11/12/2026) to allow hemp farmers to sell through inventory and adjust crops (stated reason by advocates)
- Attempt to strip language in Senate lost floor vote 76-24
- Various hemp, cannabis and alcohol groups are drafting language, lobbying up and preparing legislative strategies for 2026

How are Things Playing out in the States?



Five Buckets of 2025 State Legislative Activity

- Ban it (MT)
- Attempt to regulate it exactly like beer (MS, MI)
- Seek to create a similar regulatory model (TN, KY, AL, FL)
- Treat it like legal cannabis (CA)
- Push it to next year (many states)



Hemp/Cannabis Stakeholders

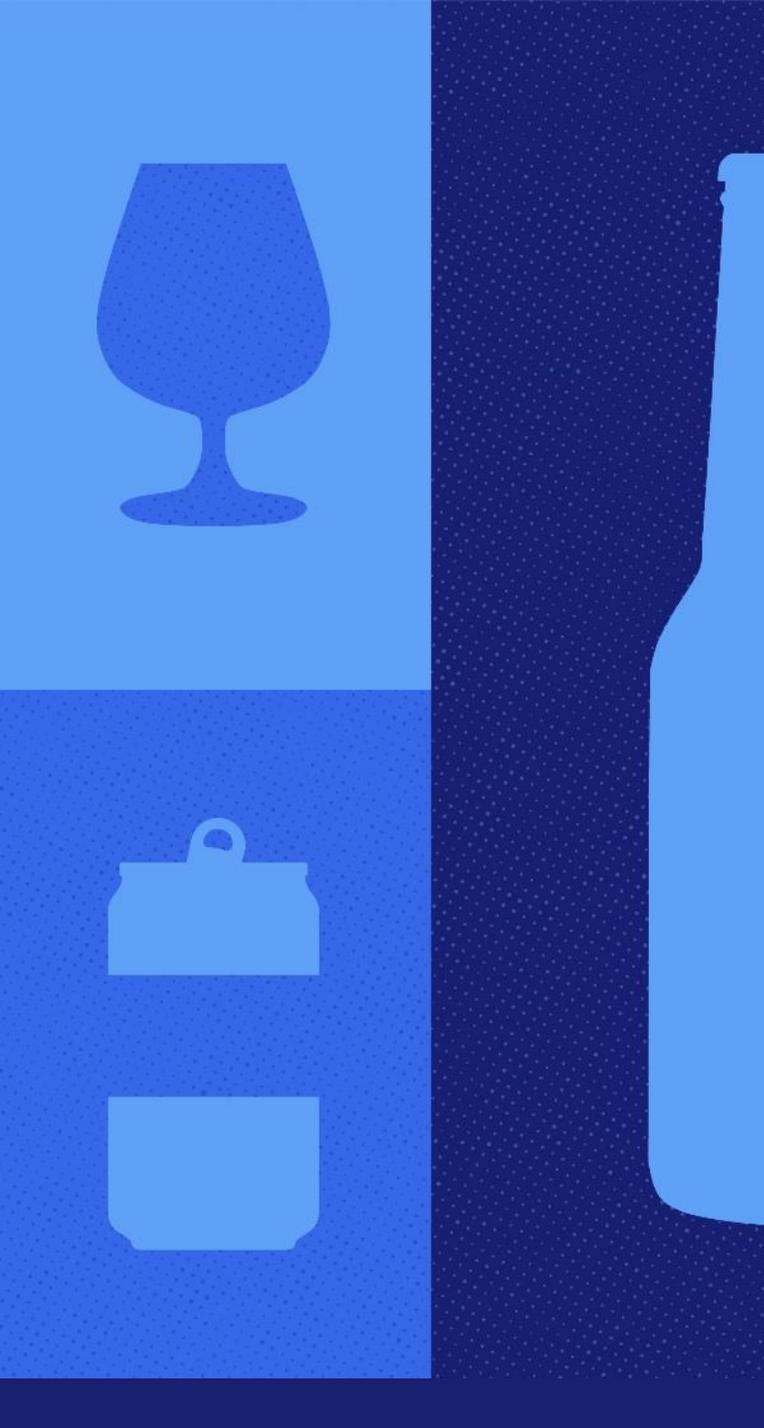


COALITION FOR
ADULT BEVERAGE
ALTERNATIVES



U.S. Hemp
Roundtable



The background features a vertical strip on the left with a dark blue, dotted texture. This strip contains three light blue icons: a snifter glass at the top, a can in the middle, and a bottle at the bottom. The rest of the background is a solid light blue.

Getting the Regulation Right

Regulation is more than age-gating and placing a tax on a product

Legalize or ban the products

If legalizing/regulating:

- Where can it be sold at retail?
- 21-year-old age restriction
- Product labeling guidelines
- THC concentration/serving sizes
- Product testing requirements
- At what rate is it taxed and how it is administered?

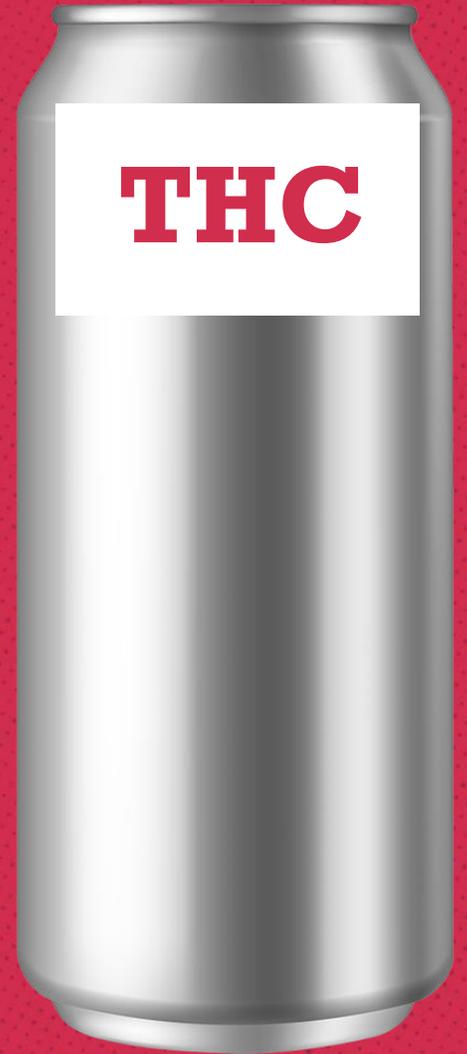
Is there a 3-tier system?

- How will licenses be granted?
- Prohibitions on cross-tier ownership
- Physical presence requirements for wholesale and retail
- Defined exclusive distribution territories
- Franchise or fair dealing laws
- Credit restrictions/prohibitions
- Pricing laws
- Apply alcohol trade practice laws
- DTC/DTR Prohibitions?



Intoxicant
 3-Tier Mandate
 Trade Practice
 Franchise Laws
 Exclusive territories
 State ABC
 Federal TTB
 Federal FDA
 No DTC
 .08 BAC/Breath Test
 21 Year Age Limit
 Pricing Regs.
 Cash / Credit Law
 State, Federal
 Excise Taxes
 Advertising
 Restrictions
 No health claims
 No vertical
 integration
 No cross-tier
 ownership

Intoxicant
 No 3-Tier mandate
 No Franchise
 No Trade Practice
 Regulations
 Make Health
 Claims
 Cross Ownership
 Unlimited Credit
 No BAC Test
 No State ABC
 No Taxes
 No Advertising
 Restrictions
 No Pricing
 Regulation
 US Postal Shipping
 No territories
 No Drinking Age
 Unregulated DTC



Hemp Suppliers already challenging state regulatory models

- Challenging newly-created three-tier mandate for hemp beverages
- Challenging state's ban on Direct-to-Consumer and Direct-to-Retailer shipping
- First amendment challenge against prohibition on ability to make health claims



What happens when hemp regulation does not follow alcohol?



*Hemp and hemp-based products, including cannabidiol (CBD) with the tetrahydrocannabinol (THC) concentration of such hemp (or its derivatives) not exceeding a .03 percent limit **are permitted to be mailed in domestic mail only** when:*

- a. The mailer complies with all applicable federal, state, and local laws, and plans approved by the USDA under 7 CFR Part 990 pertaining to hemp production, processing, distribution, and sales; and*
- b. The mailer retains records establishing compliance with such laws and plans, including laboratory test results, licenses, or compliance reports, for no less than 3 years after the date of mailing.*

What happens when hemp regulation does not follow alcohol?

- Exclusive Sponsorships & Pouring Rights

WYNK™ Announces Riot Fest Partnership, Making it the First THC Beverage Sponsorship in Festival History

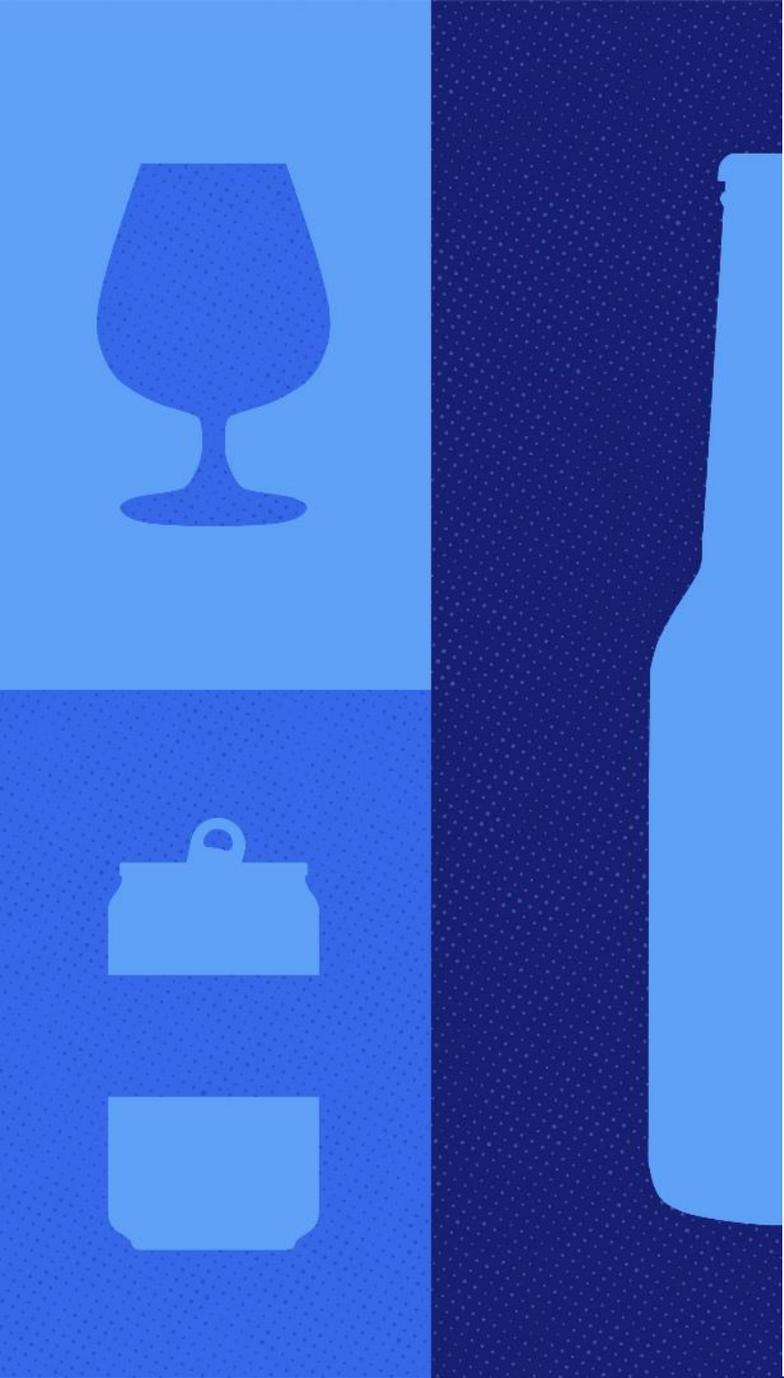


Festival Concession Integration: WYNK will be included on all concession area menu boards across various sections of the festival, such as General Admission, VIP, Deluxe, and Guest & Press areas.



Takeaways & Suggestions

- It has taken 92 years to get the alcohol regulatory system where it is today and we still have hundreds of law changes every year. Hemp beverage regulation is in its' infancy. If you start with a weakened regulatory model chances are it will only get weaker with time.
- Like we've seen from craft brewers, some hemp beverage companies are going to seek law changes and litigation to exempt themselves from having to comply with laws they don't like. Prepare for that inevitability today.
- The hemp beverage industry is fragmented. Find partners and allies in the industry who share your support of a strong regulatory model.
- Keep meeting with your state association to determine the right path forward. Don't let this issue divide your membership



Other Policy Issues

U.S. Dietary Guidelines

- Guidelines have historically defined moderate consumption as 2 drinks/day for men and 1 drink/day for women
- Canada (2 drinks/week) and WHO (No Safe Level of Drinking) have impacted debate
- All-industry coalition formed to ensure a reliance on established research, with a goal of achieving an unbiased review process & maintaining the current definition of moderate consumption
- Two competing reports have been released to try and influence the guidelines
- Recent Ag approps language assured only NASEM report be considered when drafting guidelines
- Guidelines now being released in early 2026



2025 Tax Reform

- Final bill included extension of 2017 tax cuts:
 - 20% 199A tax deduction for pass-through businesses
 - Bonus depreciation and interest deductibility permanency
 - Estate tax relief permanency
 - State and local tax deduction (SALT) permanency



Mark Your Calendars!

April 19-22, 2026
Washington, DC

NBWA Legislative Conference

Oct. 11-14, 2026
Orlando, FL

NBWA 89th Annual Convention

Nov. 9-11, 2026
San Diego, CA

**14th Annual Next Generation Success in
Leadership Conference**

NBWA

AMERICA'S BEER & BEVERAGE DISTRIBUTORS