DIGEST

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HB 605 Engrossed

2023 Regular Session

Schexnayder

Abstract: Provides for the regulation of consumable hemp products.

Present law provides for definitions relative to consumable hemp products.

Proposed law adds a definition for "synthetically-derived cannabinoid".

<u>Present law</u> prohibits any person from processing, selling, or offer for sale any alcoholic beverage containing cannabidiol.

<u>Proposed law</u> expands the prohibition to prohibit any person from processing, selling, or offering for sale any alcoholic beverage containing any cannabinoid.

<u>Present law</u> provides that Louisiana's consumable hemp law shall be preempted by any federal statute, federal regulation, or guidance from a federal government agency that is less restrictive than Louisiana's law.

Proposed law repeals present law.

<u>Present law</u> requires the La. Dept. of Health (LDH) to register consumable hemp products approves labels of consumable hemp products, and permit consumable hemp processors.

Proposed law adds specific responsibilities of LDH relative to the regulatory role.

Present law authorizes LDH to collect a registration fee of \$50 per consumable hemp product.

Proposed law reduces the fee from \$50 to \$25.

<u>Present law</u> adds provisions that all consumable hemp products shall meet in order to receive approval from LDH:

- (1) Must be contained in tamper-evident packaging.
- (2) Not be labeled, marketed, or intended for inhalation.
- (3) Not be marketed to children.

- (4) Not contain any type of cannabinoid that does not naturally occur in hemp.
- (5) Not contain any synthetically-derived cannabinoid.

<u>Present law</u> provides that consumable hemp products, including floral hemp material, cannot exceed a delta-9 THC concentration of more than 0.3% or a total THC concentration of more than 1%. <u>Present law</u> further restricts all consumable hemp products except for floral hemp material from exceeding 8mg of THC per serving.

<u>Proposed law</u> removes the exemption for floral hemp material and applies the 8mg of THC per serving limit on all consumable hemp products.

<u>Proposed law</u> provides the following restrictions on serving sizes:

- (1) For tinctures, extracts, concentrates, and other liquid-type products: the package shall include a measuring device capable of administering a single serving.
- (2) For beverages: a single can, bottle, or other container shall contain a maximum of a single serving.
- (3) For floral hemp material: a package shall contain a maximum of a single serving.
- (4) For all other products:
 - (a) An individual unit shall constitute a single serving and shall be separate and unattached to other units within a package.
 - (b) Multiple servings shall not be combined into one unit.
 - (c) A unit shall not be scored or separated in order to produce a single serving.
 - (d) A package shall contain a maximum of 20 servings.

<u>Present law</u> requires applications for consumable hemp product registration to include a certificate of analysis.

<u>Proposed law</u> requires the test included on the certificate of analysis to take place after any modifications to floral hemp material have been completed.

<u>Proposed law</u> authorizes LDH to require any applicant seeking registration of a consumable hemp product to submit photographs or renderings of the product. <u>Proposed law</u> further authorizes LDH to also require submission of a specimen of the actual product and all included accessories if determined necessary by LDH and allows LDH to have the product lab tested by an independent lab.

Proposed law authorizes LDH to conduct randomized sampling, analyzing, and testing of approved

consumable hemp products.

<u>Present law</u> outlines provisions that are required to be included in LDH's administrative rules.

Proposed law retains present law and adds additional provisions.

<u>Present law</u> provides regulatory authority the office of alcohol and tobacco control (ATC) for wholesaler, retailer, and special event permits.

Proposed law adds specific responsibilities of ATC relative to the office's regulatory role.

Present law authorizes ATC to collect an annual retail permit fee of \$175.

Proposed law increases the fee from \$175 to \$250.

<u>Proposed law</u> requires LDH to submit certain information regarding consumable hemp products to the House and Senate health and welfare committees on a quarterly basis from July 1, 2023 to July 1, 2025.

<u>Proposed law</u> adds the following additional penalties in addition to LDH's authority to revoke registrations of consumable hemp products:

- (1) Includes a fine of \$250 per offense of a provision of this Section where each day a violation occurs will constitute a separate offense.
- (2) Revocation or refusal to issue or renew a consumable hemp processor permit for cause.
- (3) These penalties shall apply to juridical entities that share common ownership as provided in rule by the department.

<u>Present law</u> contains penalties for any person who alters, forges, or counterfeits, or operates without a permit or otherwise not compliant with existing law. The penalty is based on offense.

- (1) For a first offense, not more than three hundred dollars.
- (2) For a second offense that occurs within two years of the first offense, not more than one thousand dollars.
- (3) For a third or subsequent offense that occurs within two years of the first offense, not less than five hundred dollars but not more than three thousand dollars.

<u>Proposed law</u> contains penalties for any person who alters, forges, or counterfeits, or operates without a permit or otherwise not compliant with existing law. The penalty is based on a separate offense, as follows:

(1) For a first offense, a fine of not more than five hundred dollars for each act of violation and

each day of violation.

- (2) For a second offense that occurs within two years of the first offense, a fine of not more than one thousand dollars for each act of violation and each day of violation.
- (3) For a third or subsequent offense that occurs within two years of the first offense, a fine of not less than five hundred dollars but not more than three thousand dollars for each act of violation and each day of violation.

(Amends R.S. 3:1481(13) and (14), 1482(B)(1), 1483(A)(1)(intro. para.), (B)(intro. para.), (2), and (4) through (7), (C)(intro. para.), (D), (E)(intro. para.), (F)(intro. para.), (G)(intro. para.), (1), and (2), and (H) through (L), and 1484(A)(1), (B)(1)(a), (3), and (4), and (C) through (H); Adds R.S. 3:1481(15), 1483(F)(4) and (M) through (Q), and 1484(I); Repeals R.S. 3:1482(E))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Health and Welfare</u> to the original bill:

- 1. Revise the definition of "synthetically-derived tetrahyrdrocannabinol".
- 2. Insert a provision that prohibits producers of consumable products from marketing those products to children.
- 3. Add provisions to clarify what is an acceptable measuring device to be used with certain consumable hemp products.
- 4. Provide that tinctures are not considered beverages and will not be limited to a single serving.
- 5. Specify that LDH may contract with a third-party laboratory to test products to ensure compliance with respect to registration.
- 6. Add administrative penalties to those processing consumable hemp products without a license.
- 7. Provide for the revocation of registrations and administrative penalties.
- 8. Make technical corrections.