

FOR OFFICE USE ONLY	

HOUSE FLOOR AMENDMENTS

2024 Regular Session

Amendments proposed by Representative Villio to Engrossed Senate Bill No. 237 by Senator Pressly

1 AMENDMENT NO. 1

2 On page 1, line 2, after "amend and reenact" delete the remainder of the line, delete lines 3
3 and 4 in their entirety and insert the following:

4 "R.S. 3:1481, 1482(A), (B), (C), and (E), 1483(A), (B)(3) and (6), (C)(2), (E)(1) and
5 (2), (F)(introductory paragraph), and (G)(1), and 1484, to enact R.S. 3:1483(C)(1)(d)
6 and (G)(6) and 1485, and to repeal R.S. 3:1482(E) and 1483(C)(3) and (D), relative
7 to industrial"

8 AMENDMENT NO. 2

9 On page 1, line 10 after "Section 1." delete the remainder of the line and delete lines 11 and
10 12 in their entirety and insert the following:

11 "R.S. 3:1481, 1482(A), (B), (C), and (E), 1483(A), (B)(3) and (6), (C)(2), (E)(1) and
12 (2), (F)(introductory paragraph), and (G)(1), and 1484 are hereby amended and
13 reenacted and R.S. 3:1483(C)(1)(d) and (G)(6) and 1485 are hereby enacted to read
14 as follows:"

15 AMENDMENT NO. 3

16 On page 1, delete lines 13 through 17 in their entirety and delete pages 2 through 4 in their
17 entirety and insert the following:

18 "§1481. Definitions
19 As used in this Part:
20 (1) ~~"Adult-use consumable hemp product" means any consumable hemp~~
21 ~~product that contains more than 0.5 milligrams of total THC per package.~~
22 (2) "Commissioner" means the commissioner of the office of alcohol and
23 tobacco control.
24 (3) (2) "Consumable hemp processor" means any individual, partnership,
25 corporation, cooperative association, or other business entity that receives industrial
26 hemp for the manufacturing or processing of in a consumable hemp product.
27 (4) (3)(a) "Consumable hemp product" means any product derived from
28 industrial hemp that contains any cannabinoid, including cannabidiol **or THC**, and
29 is intended for consumption or topical use.
30 (b) "Consumable hemp product" shall include commercial feed; **and** pet
31 products; ~~and hemp floral material.~~
32 (c) **"Consumable hemp product" shall not include any non-intoxicating**
33 **product derived from industrial hemp that is free of all THC or any product**
34 **manufactured or processed utilizing hemp fiber for commercial or industrial**
35 **use, including textiles, building materials, clothing, paper, bioplastics, biofuel,**
36 **insulation, or other similar products not intended for human consumption.**
37 (5) (4) "Department" means the Louisiana Department of Health.
38 (6) (5) "Industrial hemp" or "hemp" means the plant Cannabis sativa L. and
39 any part of that plant, including the seeds thereof and all derivatives, extracts,

cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a total ~~delta-9~~ THC concentration of not more than 0.3 percent on a dry weight basis.

~~(7)~~ (6) "Package" means a ~~container or wrapping in which any consumer commodity is enclosed for the purpose of delivery or display of that commodity to retail purchasers and contains one or more servings~~ **group of individual servings offered together as a single unit.**

~~(8)~~ (7) "Remote retailer" means a person or entity who offers any consumable hemp product for sale at retail, ~~or for any transaction of products in lieu of a sale,~~ through a digital application, catalog, or the internet, that can be purchased and delivered directly to a consumer in Louisiana.

~~(9)~~ (8) "Retail sale" or "sale at retail" means the sale ~~or any transaction in lieu of a sale~~ of products to the public for use or consumption but does not include the ~~sale or any transaction in lieu of a sale~~ of products for resale.

~~(10)~~ (9) "Retailer" means a person or entity ~~who offers~~ **permitted to sell** any consumable hemp product for sale at retail.

~~(11)~~ (10) "Serving" means the total amount ~~of individual units or amount of liquid of a product recommended by the manufacturer to~~ **of a consumable hemp product measured in grams, ounces, pieces, or numbers that may** be consumed at a single time **that does not contain an amount greater than the allowable total THC.**

~~(12)~~ (11) "State plan" means a plan required for approval by the United States Secretary of Agriculture to monitor and regulate the production of hemp.

~~(13)~~ (12) "THC" means a ~~any combination of tetrahydrocannabinol, and tetrahydrocannabinolic acid,~~ **THC component, or any derivative thereof.**

(13) **"THC component" means any naturally occurring cannabinoid component of industrial hemp or hemp.**

(14) **"Total THC" means any combination of tetrahydrocannabinol, tetrahydrocannabinolic acid, THC component, or any derivative thereof.**

~~(14)~~ (15) "Wholesaler" means a wholesale seller, ~~distributor, or packer of~~ **permitted to distribute** consumable hemp products **to retailers.**

§1482. Consumable hemp products; prohibitions

A. (1) **No person shall process, distribute, sell, or offer for sale any consumable hemp product without a permit required by this Part.**

(2) No person shall sell or offer for sale ~~at retail~~ any part of hemp ~~for inhalation, except for hemp rolling papers~~ **consumable hemp product over-the-counter in a retail establishment or for on-premises consumption.**

(3) **No person shall sell or offer for sale at retail any consumable hemp product to any person under the age of twenty-one. A retailer shall verify the age of any person attempting to purchase or receive a consumable hemp product prior to the sales transaction of the product. A retailer shall require a purchaser to produce a valid federal or state issued photo identification card or a digitized identification card as defined in R.S. 51:3211.**

B. No person shall process, ~~distribute,~~ sell, or offer for sale:

(1) Any alcoholic beverage containing ~~cannabidiol~~ **any consumable hemp product.**

(2) Any consumable hemp product ~~without a license or permit required pursuant to this Part~~ **for inhalation.**

(3) **Any floral hemp material.**

(4) **Any product that has not received approval from the Louisiana Department of Health in accordance with R.S. 3:1483.**

C. (1) No retailer shall add any consumable hemp product to any food or beverage sold at retail to a consumer.

(2) **No consumable hemp processor shall use any distillate or concentrate containing any derivative of a THC component that is not a naturally occurring cannabinoid to produce a consumable hemp product.**

* * *

1 E. The provisions of this Part shall be preempted by any federal statute,
 2 federal regulation, or guidance from a federal government agency that is ~~less~~ more
 3 restrictive than the provisions of this Part.

4 §1483. Product approval; consumable hemp processors; Louisiana Department of
 5 Health

6 A.(1) Each consumable hemp processor shall obtain an annual consumable
 7 hemp processor permit issued by the department. The department shall charge and
 8 collect an annual consumable hemp processor permit fee. The fee shall be for each
 9 separate processing facility and shall be based on the annual sales of such facility,
 10 including sales delivered or transported beyond the border of this state
 11 according to the following schedule:

12 Annual Sales	Annual Fee
13 Under \$500,000	\$175.00
14 \$500,001 - \$1,000,000	\$475.00
15 \$1,000,001 - \$2,500,000	\$775.00
16 \$2,500,001 - \$5,000,000	\$1,075.00
17 Over \$5,000,000	\$1,375.00

18 (2) In addition to the qualifications required in R.S. 3:1485, an applicant
 19 for a consumable hemp processor permit shall meet any additional
 20 requirements for the physical consumable hemp processing facility and
 21 equipment as required by rules and regulations promulgated by the
 22 department.

23 (3) A consumable hemp processor shall test the distillate or concentrate
 24 used to produce a consumable hemp product. The test shall detect the presence
 25 and concentration of THC components, solvents, pesticides, microbial, and
 26 heavy metals.

27 (4) A consumable hemp processor shall conduct a potency test on each
 28 batch of consumable hemp product that shall indicate all of the following:

29 (a) Disaggregated THC components by percentage of the total THC
 30 contained in the product.

31 (b) The serving size of an individual unit of the product.

32 (c) The total THC milligrams per serving.

33 (5) A consumable hemp processor shall retain the records of each test for
 34 a minimum of three years.

35 (6) A consumable hemp processor who obtains a processor permit
 36 pursuant to this Section shall be prohibited from obtaining a wholesale or retail
 37 permit issued by the Office of Alcohol and Tobacco Control pursuant to R.S.
 38 3:1484.

39 (7) A consumable hemp processor shall adhere to any sanitary regulations
 40 promulgated by the department.

41 (8) The department may approve a permitted consumable hemp
 42 processor to produce consumable hemp products that exceed the allowable total
 43 THC per serving and package size required for product approval in Paragraph
 44 (6) of the Subsection if all of the following are met:

45 (a) The permit holder provides a sworn statement containing the
 46 following:

47 (i) The product will be delivered or transported beyond the borders of
 48 this state.

49 (ii) The product meets any statutory requirements of the receiving state
 50 or territory for product and label approval, THC concentration, THC per
 51 serving, and serving per package.

52 (b) The permit holder conducts the same tests required on distillates and
 53 concentrates utilized in processing for the presence and concentration of
 54 solvents, pesticides, microbial, and heavy metals.

55 (c) The permit holder agrees to maintain records of each product
 56 delivered or transported beyond the boundaries of the state distinct from those
 57 delivered or transported within the state, including the batch identification

number and name of the product, the receiving state or territory, for a minimum of three years.

B. Any consumable hemp product that is manufactured, distributed, imported, or sold for use in Louisiana shall meet the following criteria:

* * *

(3) Receive product and label approval from the department.

* * *

(6)(a) For consumable hemp products, ~~a product shall not exceed a total delta-9 THC concentration of more than 0.3 percent or a total THC concentration of more than one percent. The total THC in a product shall not exceed eight milligrams per serving. The provisions of this Subparagraph shall not apply to floral hemp material~~ the total THC shall not exceed five milligrams per serving. Individual servings and packages of consumable hemp product shall meet the following criteria:

(b) ~~(a)~~ For floral hemp material, a product shall not exceed a total delta-9 THC concentration of more than 0.3 percent on a dry weight basis or a total THC concentration of more than one percent on a dry weight basis. For products other than beverages, each serving shall be distinct from other servings contained in the same package. A package for products other than beverages shall be child-resistant and shall not contain more than eight servings.

(c) ~~(b)~~ Any consumable hemp product that exceeds the THC limits provided in this Paragraph that was registered with the department prior to June 16, 2022 may be sold in Louisiana until January 1, 2023. A single serving of a consumable hemp beverage shall not be less than twelve ounces. Each serving shall be in an individual, tamper-evident container and distinct from other servings contained in the same package. A package of beverages shall not contain more than four individual containers.

(c) Nonedible consumable hemp products shall not be subject to the individual serving and package requirements of this Paragraph.

* * *

C.(1) All labels shall meet the following criteria in order to receive approval from the department.

* * *

(d) Provide a warning that consumption of products with THC may result in failure of a drug test.

(2) Any adult-use consumable hemp product shall be identified as such on the label. The department shall not approve any of the following:

(a) Any floral hemp material.

(b) Any consumable hemp product for inhalation including vapes, cartridges, extract, concentrate, oil or any other products that may reasonably be used for inhalation. Placement of "not for inhalation", "do not inhale", or similar language on the label, packaging or display area shall not prohibit a determination by the department that the product is designed or intended for inhalation.

(c) Any alcohol beverage regulated by the Office of Alcohol and Tobacco Control that contains consumable hemp.

(d) Any other consumable hemp product packaged in a manner that makes the product more appealing to children, including the name of the product or any logo or mascot of the product that appears similar to that of commercially available candy or beverage products.

(e) Any other consumable hemp product that does not comply with the provisions of Subsection B of this Section.

* * *

"E.(1) The application for approval and registration of a consumable hemp product shall include a certificate of analysis containing certifying the following information:

(a) The batch identification number, name of the product, date received, date of completion, and the method of analysis for each test conducted.

(b) Test results identifying:

- 1 (i) Solvents, pesticides, microbials, and heavy metals.
- 2 (ii) The cannabinoid profile by percentage of weight.
- 3 (c) A potency test of the final product indicating **each THC component in**
- 4 **the final product**, the serving size, total THC per serving, total number of servings,
- 5 and total THC per package, identified as milligrams per grams.

6 (2) The application for registration shall include **a sworn** verification that the
 7 product was produced from hemp **in compliance with this Part**. Acceptable forms
 8 of verification shall be determined by the department, ~~and may~~ **but shall** include a
 9 copy of the hemp grower or processor's license **and a copy of the independent**
 10 **laboratory's license and certificate of accreditation**.

11 * * *

12 F. The certificate of analysis required by Subsection E of this Section shall
 13 be completed by an independent laboratory ~~that meets the following criteria:~~
 14 **accredited by the International Organization for Standardization or other**
 15 **laboratory accrediting entity approved by the department. A laboratory testing**
 16 **consumable hemp products shall be approved by the department. The**
 17 **department shall not approve a laboratory that has a direct or indirect interest**
 18 **in a grower, processor, wholesaler, or retailer of hemp or hemp products.**

19 * * *

20 G. The department shall:

21 (1) Conduct an initial review of any product submitted pursuant to this
 22 Section and notify the submitting party of any deficiencies existing which prevent
 23 the approval of the product within fifteen business days of the date of submission.
 24 If the department fails to notify the submitting party within ~~fifteen~~ **sixty** business
 25 days of the date of submission, the product may be sold by a wholesaler or retailer
 26 permitted pursuant to R.S. 3:1484 from the day following the ~~fifteenth~~
 27 **sixtieth** business day until the submitting party receives final approval or denial from
 28 the department for the product.

29 * * *

30 **(6) Promulgate rules in accordance with the Administrative Procedure**
 31 **Act establishing the requirements for independent laboratories that prepare**
 32 **certificates of analysis in accordance with Subsection F of this Section. The rules**
 33 **may address aspects of testing including but not limited to all of the following:**

- 34 **(a) The preference for laboratories in this state.**
- 35 **(b) The procedure for an on-site facility inspection.**
- 36 **(c) The requirements and prerequisites for third-party entities that audit**
 37 **independent laboratories for compliance with ISO Standard 17025 or any other**
 38 **equivalent standard of an accredited entity approved by the department.**

39 * * *

40 §1484. Permit to sell; office of alcohol and tobacco control

41 A.(1) Each wholesaler of consumable hemp products shall apply for and
 42 obtain a permit from the office of alcohol and tobacco control. **Wholesale permits**
 43 **issued pursuant to this Subsection shall be issued only to an applicant that also**
 44 **holds a valid wholesale permit issued pursuant to R.S. 26:82 or a valid wholesale**
 45 **dealer permit issued pursuant to R.S. 26:902(5).**

46 (2) The commissioner may establish and collect an annual wholesaler permit
 47 fee. The amount of the wholesaler permit fee shall be based on the cost of the
 48 regulatory functions performed and shall not exceed five hundred dollars per year.

49 **(3) A wholesaler permitted pursuant to this Subsection shall obtain and**
 50 **distribute only approved consumable hemp products from a consumable hemp**
 51 **processor permitted in accordance with R.S. 3:1483(A)(1). A wholesaler shall**
 52 **not offer any consumable hemp product for resale except to a retailer that holds**
 53 **a valid consumable hemp product retail permit.**

54 B.(1)(a) Each person who sells or is about to engage in the business of selling
 55 at retail, **including remote retailers**, any consumable hemp product shall first apply
 56 for and obtain a permit for each place of business from the office of alcohol and
 57 tobacco control.

58 **(b) A permit to sell at retail consumable hemp products shall be issued**
 59 **only to retailers holding a valid retail dealers permit issued pursuant to the**

1 provisions of R.S. 26:902, a valid Class B permit issued pursuant to R.S.
 2 26:71(A)(3)(b) or 271(A)(1)(b) with at least 17,500 square feet of dedicated retail
 3 space, or a valid Class C permit issued pursuant to R.S. 26:71.2 or 271.3. No
 4 retail permit authorized under the provisions of this Subsection shall be issued
 5 to an applicant that also holds any other retail permit to sell alcoholic
 6 beverages.

7 (c)(i) Notwithstanding the provisions of Subparagraph (b) of this
 8 Paragraph, a remote retailer shall be eligible to apply for a retail permit to sell
 9 consumable hemp products at retail in this state.

10 (ii) An applicant to be remote retailer of consumable hemp products in
 11 this state shall meet the same qualifications as permitted retailers with a
 12 physical presence in the state and shall be registered to do business in the state
 13 with the Louisiana Secretary of State, except that a remote retailer shall not be
 14 required to hold a valid retail dealers permit issued pursuant to the provisions
 15 of R.S. 26:902, a valid Class B permit issued pursuant to R.S. 26:71(A)(3)(b) or
 16 271(A)(1)(b) with at least five thousand square feet of dedicated retail space, or
 17 a valid Class C permit issued pursuant to R.S. 26:71.2 or 271.3.

18 (iii) A remote retailer shall offer for retail sale only consumable hemp
 19 products approved by the department and obtained from a wholesaler
 20 permitted in accordance with this Part. The remote retailer shall be required
 21 to identify on its website the Louisiana permitted wholesaler from which the
 22 consumable hemp products offered for retail sale in the state of Louisiana by
 23 the remote retailer have been obtained.

24 ~~(b) (iv)~~ For purposes of this Section, each individually registered domain
 25 name owned or leased by or on behalf of a remote retailer shall be considered a place
 26 of business. No person or entity shall be required to have a physical place of business
 27 in the state of Louisiana in order to sell consumable hemp products at retail.

28 (2) ~~Prior to selling consumable hemp products at a special event, the retailer~~
 29 ~~shall request and promptly receive an annual special event permit from the~~
 30 ~~commissioner. For purposes of this Section, a special event shall be defined as any~~
 31 ~~event held at any location, other than a permitted place of business, where~~
 32 ~~consumable hemp products are sold. The permitted shall notify the commissioner in~~
 33 ~~writing of any special event the permitted will be attending prior to the event. Failure~~
 34 ~~to notify the commissioner shall be grounds for revocation of the permit. **No special**~~
 35 ~~**event permit shall be issued for the retail sale of any consumable hemp product.**~~

36 (3) No permit issued pursuant to this Section shall authorize the permitted to
 37 sell or offer for sale any cannabinoid product derived from any source other than
 38 hemp **in accordance with this Part.**

39 ~~(4)(a) No consumable hemp product shall be sold to any person under the age~~
 40 ~~of eighteen years.~~

41 ~~(b) No adult-use consumable hemp product shall be sold to any person under~~
 42 ~~the age of twenty-one years. **A retailer permitted pursuant to this Section shall**~~
 43 ~~**obtain consumable hemp products to sell at retail only from a wholesaler**~~
 44 ~~**permitted pursuant to Subsection A of this Section.**~~

45 C. ~~(1)~~ The commissioner may establish and collect an annual retail permit fee
 46 and an annual special event permit fee. The amount of each permit fee provided for
 47 in this Subsection shall be based on the cost of the regulatory functions performed
 48 and shall not exceed one hundred seventy-five dollars per year.

49 ~~(2)~~ **The commissioner may adopt rules and regulations to require permit**
 50 **and consumable hemp product signage at retail locations and marketing criteria**
 51 **for consumable hemp products.**

52 D. Any person who violates any of the provisions of this Part or rules adopted
 53 pursuant to this Part who alters, forges, or counterfeits, or uses without authority any
 54 permit or other document provided for in this Part; who operates without a permit;
 55 or who fails to collect or to timely pay the assessments, fees, and penalties due or
 56 assessed pursuant to this Part shall be subject, in addition to any unpaid assessments,
 57 late fees, or collection costs, to the civil penalties provided in this Section. Each day
 58 on which a violation occurs shall constitute a separate offense.

59 (1) For a first offense, not more than three hundred dollars.

1 (2) For a second offense that occurs within two years of the first offense, not
 2 more than one thousand dollars.

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

5 E.**(1)** In addition to the penalties provided in Subsection D of this Section,
 6 any permitted who violates any provisions of this Part shall be subject to having his
 7 permit suspended or revoked. Any fine imposed pursuant to this Part or the
 8 revocation or suspension of a permit is in addition to and is not in lieu of or a
 9 limitation on the imposition of any other penalty provided by law.

10 **(2) Any permit holder found to be in violation of an provision of this Part**
 11 **for a third offense that occurs within two years of the first offense shall have his**
 12 **permit revoked and shall be deemed ineligible to apply for or receive any**
 13 **permit authorized to be issued by this Part for a period of five years from the**
 14 **date of revocation.**

15 F. In addition to the commissioner's authority to revoke or suspend a permit
 16 pursuant to this Section, the secretary of the Department of Revenue shall order the
 17 commissioner to immediately suspend the retailer's permit if the secretary determines
 18 that a consumable hemp product retailer has failed to timely file returns or pay taxes
 19 as required by R.S. 47:1693. The secretary shall order the commissioner to suspend
 20 the retailer's permit until the returns have been filed and the taxes are paid. No permit
 21 shall be suspended for taxes which have been properly protested or appealed by the
 22 retailer pursuant to R.S. 47:1565 or 1567.

23 G. The office of alcohol and tobacco control shall investigate any report of
 24 a violation of a provision of this Part and report any criminal violation to the
 25 appropriate law enforcement agency.

26 H. The commissioner shall adopt rules and regulations in accordance with the
 27 Administrative Procedure Act to implement the provisions of this Section. The rules
 28 shall not include any fees or penalties for any permit not provided for in this Section,
 29 or any requirements for proof of Louisiana residency, criminal background checks,
 30 diagrams of retail premises, or proof of lease or ownership of any retail
 31 establishment.

32 **§1485. Permit holders; qualifications**

33 **An applicant for any permit issued pursuant to this Part shall**
 34 **demonstrate that he meets all of the following requirements:**

35 **(1) Be a person of good character and reputation and over the age of**
 36 **twenty-one.**

37 **(2) Has not been convicted of distributing or possessing with the intent**
 38 **to distribute any controlled dangerous substance classified in Schedule I of R.S.**
 39 **40:964, on any premises permitted pursuant to this Part, where the applicant**
 40 **held or holds an interest in the permitted business.**

41 **(3) Has not been convicted of a felony under the laws of the United**
 42 **States, the state of Louisiana, or any other state or country.**

43 **(4) Has not been convicted in this or in any other state or by the United**
 44 **States of soliciting for prostitution, pandering, letting premises for prostitution,**
 45 **contributing to the delinquency of juveniles, keeping a disorderly place, letting**
 46 **a disorderly place, or illegally dealing in controlled dangerous substances.**

47 **(5) Does not owe the state or the local governmental subdivisions in**
 48 **which the application is made any delinquent sales taxes, penalties, or interest**
 49 **excluding items under formal appeal.**

50 Section 2. R.S. 3:1482(E), 1483(C)(3) and (D) are hereby repealed in their
 51 entirety.

52 Section 3. This Act shall become effective on October 1, 2024; if vetoed by
 53 the governor and subsequently approved by the legislature, this Act shall become
 54 effective on the day following such approval by the legislature or October 1, 2024
 55 whichever is later."