**ACT No. 752** 

HOUSE BILL NO. 952

1

## BY REPRESENTATIVES MILLER AND MANDIE LANDRY

2	To amend and reenact R.S. 3:1481, 1482(A) through (C) and (E), 1483(A), (B)(3) and (6),
3	(C), (E)(1) and (2), (F), and (G)(1), 1484, and 1493(B)(9), to enact R.S. 3:1483(G)(6)
4	and 1485, and to repeal R.S. 3:1483(B)(7), (D), and (E)(3), relative to industrial
5	consumable hemp products; to provide for the regulation of consumable hemp
6	products; to provide for definitions; to provide for product requirements; to provide
7	for limits on servings; to prohibit the sale of products to minors; to repeal certain
8	definitions; and to provide for related matters.
9	Be it enacted by the Legislature of Louisiana:
10	Section 1. R.S. 3:1481, 1482(A) through (C) and (E), 1483(A), (B)(3) and (6), (C),
11	(E)(1) and (2), (F), and (G)(1), 1484, and 1493(B)(9) are hereby amended and reneacted and
12	R.S. 3:1483(G)(6) and 1485 are hereby enacted to read as follows:
13	§1481. Definitions
14	As used in this Part:
15	* * *
16	(1) "Adult-use consumable hemp product" means any consumable hemp
17	product that contains more than 0.5 milligrams of total THC per package.
18	(2) "Commissioner" means the commissioner of the office of alcohol and
19	tobacco control.
20	(3) (2) "Consumable hemp processor" means any individual, partnership,
21	corporation, cooperative association, or other business entity that receives industrial
22	hemp for the permitted for manufacturing or processing of industrial hemp into a

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1 consumable hemp product. Processing shall not include extraction of cannabinoids 2 from industrial hemp, the product of which is utilized to manufacture or process a 3 consumable hemp product. 4 (4)(a) (3)(a) "Consumable hemp product" means any product derived from 5 industrial hemp that contains any cannabinoid, including cannabidiol or THC, and 6 is intended for consumption or topical use. 7 (b) "Consumable hemp product" shall include commercial feed, and pet 8 products, and hemp floral material. 9 (c) "Consumable hemp product" shall not include any product manufactured 10 or processed utilizing hemp fiber for commercial or industrial use, including textiles, 11 building materials, clothing, paper, bioplastics, biofuel, insulation, or other similar 12 products not intended for human consumption. 13 (5) (4) "Department" means the Louisiana Department of Health. 14 (6) (5) "Industrial hemp" or "hemp" means the plant Cannabis sativa L. and 15 any part of that plant, including the seeds thereof and all derivatives, extracts, 16 cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, 17 with a total delta-9 THC concentration of not more than 0.3 percent on a dry weight 18 basis. 19 (7) (6) "Package" means a group of individual servings offered together as 20 a single unit container or wrapping in which any consumer commodity is enclosed 21 for the purpose of delivery or display of that commodity to retail purchasers and 22 contains one or more servings. 23 (8) (7) "Remote retailer" means a person or entity who offers any 24 consumable hemp product for sale at retail, or for any transaction of products in lieu 25 of a sale, through a digital application, catalog, or the internet, that can be purchased 26 and delivered directly to a consumer in Louisiana. 27 (9) (8) "Retail sale" or "sale at retail" means the sale or any transaction in 28 lieu of a sale of products to the public for use or consumption but does not include 29 the sale or any transaction in lieu of a sale of products for resale.

1	(10) (9) "Retailer" means a person or entity who offers permitted to sell any
2	consumable hemp product for sale at retail.
3	(11) (10) "Serving" means the total amount of a distinct, individual unit of
4	a consumable hemp product measured in grams, ounces, pieces, or numbers that may
5	individual units or amount of liquid of a product recommended by the manufacturer
6	to be consumed at a single time that does not contain an amount greater than the
7	allowable total THC.
8	(12) (11) "State plan" means a plan required for approval by the United
9	States Secretary of Agriculture to monitor and regulate the production of hemp.
10	(13) (12) "THC" means a any combination of tetrahydrocannabinol, and
11	tetrahydrocannabinolic acid, THC component, or any derivative thereof.
12	(13) "THC component" means any naturally occurring cannabinoid
13	component of industrial hemp or hemp.
14	(14) "Total THC" means any combination of tetrahydrocannabinol,
15	tetrahydrocannabinolic acid, THC component, or any derivative thereof.
16	(14) (15) "Wholesaler" means a wholesale seller, distributor, or packer of
17	permitted to distribute consumable hemp products to retailers.
18	§1482. Consumable hemp products; prohibitions
19	A.(1) No person shall process, distribute, sell, or offer for sale any
20	consumable hemp product without a permit required by this Part. No person shall sell
21	or offer for sale any part of hemp for inhalation, except for hemp rolling papers.
22	(2) No person shall sell or offer for sale at retail any consumable hemp
23	product to any person under the age of twenty-one. A retailer shall verify the age of
24	any person attempting to purchase or receive a consumable hemp product prior to the
25	sales transaction of the product. A retailer shall require a purchaser to produce a
26	valid federal or state issued photo identification card or a digitized identification card
27	as defined in R.S. 51:3211. A retailer shall maintain all consumable hemp products
28	except for consumable hemp beverages in a location that is inaccessible to the public
29	without the assistance of an employee of the retailer.

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1	(3) No person shall offer for sale any consumable hemp product at any retail
2	location that is also authorized to sell gasoline or motorfuel to the ultimate consumer
3	as provided for in R.S. 47:712(3), provided that any facility licensed under R.S.
4	27:417 shall be exempt from this Subsection.
5	B. No person shall process, distribute, sell, or offer for sale:
6	(1) Any alcoholic beverage containing cannabidiol any consumable hemp
7	product.
8	(2) Any consumable hemp product for inhalation without a license or permit
9	required pursuant to this Part.
10	(3) Any floral hemp material for retail use.
11	(4) Any product that has not received approval from the Louisiana
12	Department of Health in accordance with R.S. 3:1483.
13	C.(1) No retailer shall add any consumable hemp product to any food or
14	beverage sold at retail to a consumer.
15	(2) No consumable hemp processor shall use any distillate or concentrate
16	containing any derivative of a THC component that is not a naturally occurring
17	cannabinoid to produce a consumable hemp product.
18	* * *
19	E. The provisions of this Part shall be preempted by any federal statute,
20	federal regulation, or guidance from a federal government agency that is less more
21	restrictive than the provisions of this Part.
22	§1483. Product approval; consumable hemp processors; Louisiana Department of
23	Health
24	A.(1) Each consumable hemp processor shall obtain an annual consumable
25	hemp processor permit issued by the department. The department shall charge and
26	collect an annual consumable hemp processor permit fee. The fee shall be for each
27	separate processing facility and shall be based on the annual sales of such facility
28	according to the following schedule:
29	Annual Sales Annual Fee
30	Under \$500,000 \$175.00

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1	\$500,001 - \$1,000,000	\$475.00
2	\$1,000,001 - \$2,500,000	\$775.00
3	\$2,500,001 - \$5,000,000	\$1,075.00
4	Over \$5,000,000	\$1,375.00
5	(2) <u>In addition to the qualifications required</u>	in R.S. 3:1485, an applicant for
6	a consumable hemp processor permit shall meet any	additional requirements for the
7	physical consumable hemp processing facility and e	equipment as required by rules
8	and regulations promulgated by the department.	
9	(3) A consumable hemp processor shall of	conduct a potency test of the
10	distillate or concentrate used to produce a consumab	ole hemp product.
1	(4) A consumable hemp processor shall co	onduct a test on each batch of
12	consumable hemp product that shall indicate all of t	he following:
13	(a) Disaggregated THC components by	percentage of the total THC
14	contained in the product.	
15	(b) The serving size of an individual unit of	the product.
16	(c) The total THC milligrams per serving.	
17	(d) The presence and concentration of any se	olvents, pesticides, microbials,
18	and heavy metals.	
19	(5) A consumable hemp processor shall reta	in the records of each test for a
20	minimum of three years.	
21	(6) A consumable hemp processor shall adh	ere to any sanitary regulations
22	promulgated by the department.	
23	(7) A permitted consumable hemp processor	may produce consumable hemp
24	products that exceed the allowable total THC per ser	ving and package size required
25	for product approval in Paragraph (6) of Subsection	B of this Section if all of the
26	following are met:	
27	(a) The permit holder completes a sworn st	atement in writing attesting to
28	both of the following:	
29	(i) The product will be delivered or transpo	rted beyond the borders of the
30	state.	

1	(ii) The product meets any statutory requirements of the receiving state or
2	territory for product and label approval, THC concentration, THC per serving, and
3	serving per package.
4	(b) The permit holder conducts the same tests required on distillates and
5	concentrates as provided for in this Subsection.
6	(c) The permit holder agrees to maintain a copy of the sworn statement and
7	the distribution records of each product delivered or transported beyond the
8	boundaries of the state, distinct from those delivered or transported within the state,
9	including the batch identification number, name of the product, and the receiving
10	state or territory, for a minimum of three years.
11	B. Any consumable hemp product that is manufactured, distributed,
12	imported, or sold for use in Louisiana shall meet the following criteria:
13	* * *
14	(3) Receive <u>product and</u> label approval from the department.
15	* * *
16	(6)(a) For consumable hemp products, a product shall not exceed a total
17	delta-9 THC concentration of more than 0.3 percent or a total THC concentration of
18	more than one percent. The total THC in a product shall not exceed eight milligrams
19	per serving. The provisions of this Subparagraph shall not apply to floral hemp
20	material. Individual servings and packages of consumable hemp products shall meet
21	the following criteria:
22	(b) (a)(i) For floral hemp material, a product shall not exceed a total delta-9
23	THC concentration of more than 0.3 percent on a dry weight basis or a total THC
24	concentration of more than one percent on a dry weight basis. For products other
25	than beverages and tinctures for human consumption, each serving shall not exceed
26	five milligrams and shall be distinct and separate from other servings contained in
27	the same package. A package shall not contain more than forty milligrams of total
28	THC per package.
29	(ii) A package for products other than beverages shall be child-resistant.

(c) (b)(i) Any consumable hemp product that exceeds the THC limits

2	provided in this Paragraph that was registered with the department prior to June 16,
3	2022 may be sold in Louisiana until January 1, 2023. A single serving of a
4	consumable hemp beverage shall not exceed five milligrams and shall not be less
5	than twelve ounces.
6	(ii) Each serving shall be in an individual, tamper-evident container and
7	distinct from other servings contained in the same package.
8	(iii) A package of beverages shall not contain more than four individual
9	containers.
10	(c)(i) For tinctures for human consumption, a package shall contain no more
11	than one ounce of an oil-based consumable hemp liquid.
12	(ii) A serving shall be one milliliter and shall not exceed one milligram of
13	total THC per serving.
14	(iii) Each package shall have a dispensing dropper that is capable of
15	dispensing not more than one serving of the oil-based consumable hemp liquid.
16	(iv) A tincture for human consumption shall not include any concentrated
17	water-soluble liquid containing consumable hemp that can be consumed directly or
18	added to any food or beverage.
19	(d) Nonedible consumable hemp products shall not be subject to the
20	individual serving and package requirements of this Paragraph.
21	* * *
22	C.(1) All labels shall meet the following criteria in order to receive approval
23	from the department:
24	(a) Contain no medical claims.
25	(b) Have a scannable bar code, QR code, or web address linked to a
26	document or website that contains a certificate of analysis as provided in Subsection
27	E of this Section.
28	(c) Clearly state the amount of total THC per serving, serving size, and
29	servings per package.

1	(d) Provide a warning that consumption of products with THC may result in
2	a failed drug test.
3	(e) Accurately reflect the contents of the packaging with a variance of no
4	greater than fifteen percent.
5	(2) Any adult-use consumable hemp product shall be identified as such on
6	the label. The department shall not approve any of the following:
7	(a) Any floral hemp material for retail sale.
8	(b) Any inhalable consumable hemp product, including but not limited to
9	vapes. Placement of "not for inhalation", "do not inhale", or similar language on the
10	label, packaging, or display area shall not prohibit a determination by the department
11	that the product is designed or intended for inhalation.
12	(c) Any alcoholic beverage regulated by the office of alcohol and tobacco
13	control that contains consumable hemp.
14	(d) Any other consumable hemp product packaged in a manner that makes
15	the product more appealing to children, including the name of the product or any
16	logo or mascot of the product that appears similar to that of a nonconsumable hemp
17	candy or beverage product.
18	(e) Any other consumable hemp product that does not comply with
19	Subsection B of this Section.
20	(3) Any label that does not meet the criteria provided in this Subsection that
21	was approved by the department prior to June 16, 2022, may be used in Louisiana
22	until July 1, 2023. The department shall extend existing approval of the label of
23	products that are prohibited by this Part through December 31, 2024, provided that
24	no additional fee shall apply.
25	* * *
26	E.(1) The application for <u>approval and</u> registration <u>of a consumable hemp</u>
27	product shall include a certificate of analysis containing certifying the following
28	information:
29	(a) The batch identification number, <u>name of the product</u> , date received, date
30	of completion, and the method of analysis for each test conducted.

1	(b) Test results identifying:
2	(i) Solvents, pesticides, microbials, and heavy metals.
3	(ii) The cannabinoid profile by percentage of weight.
4	(c) A potency test of the final product indicating the serving size, total THC
5	per serving, total number of servings, and total THC per package, identified as
6	milligrams per grams.
7	(2) The application for registration shall include <u>a sworn</u> verification that the
8	product was produced from hemp in compliance with this Part. Acceptable forms of
9	verification shall be determined by the department and may include a copy of the
10	hemp grower or processor's license and a copy of the independent laboratory's
11	license and certificate of accreditation.
12	* * *
13	F. The certificate of analysis required by Subsection E of this Section shall
14	be completed by an independent laboratory that meets the following criteria:
15	(1)(a) If the laboratory is located outside of Louisiana, it is accredited by the
16	International Organization for Standardization or other accrediting entity approved
17	by the department.
18	(b) If the laboratory is located in Louisiana, it shall:
19	(i) Pass an on-site facility inspection conducted by the department.
20	(ii) Provide documentation that the owner has operated a state-approved,
21	active medical marijuana or hemp laboratory in another state for at least the past
22	twelve months.
23	(iii) Be accredited by the International Organization for Standardization or
24	other accrediting entity approved by the department or have an application pending
25	for International Organization for Standardization accreditation. If the accreditation
26	is not achieved within nine months of the department's inspection, the department
27	shall not accept any additional certificates of analysis from the laboratory until such
28	accreditation is received.
29	(2) Has no direct or indirect interest in a grower, processor, or distributor of
30	hemp or hemp products.

1	(1) The certificate of analysis required by this Section shall be completed by
2	an independent laboratory accredited by the International Organization for
3	Standardization or other accrediting entity approved by the department. A laboratory
4	testing consumable hemp products shall be approved by the department. The
5	department shall not approve a laboratory that has a direct or indirect interest in a
6	grower, processor, wholesaler, or retailer of hemp or hemp products.
7	(2) Notwithstanding any provision of this Part to the contrary, the testing
8	laboratory affiliated with the University of Louisiana at Monroe shall be the
9	preferred laboratory for completing the certificates of analysis required by this
10	Section once it meets all applicable requirements of this Section and of any rules
11	promulgated thereunder, and commences operations for such testing. Processors may
12	utilize any other testing laboratory meeting all applicable requirements of this
13	Section and of any rules promulgated thereunder.
14	* * *
15	G. The department shall:
16	(1) Conduct an initial review of any product submitted pursuant to this
17	Section and notify the submitting party of any deficiencies existing which prevent
18	the approval of the product within fifteen sixty business days of the date of
19	submission. If the department fails to notify the submitting party within fifteen sixty
20	business days of the date of submission, the product may be sold by a wholesaler or
21	retailer permitted pursuant to R.S. 3:1484 from the day following the fifteenth
22	sixtieth business day until the submitting party receives final approval or denial from
23	the department for the product.
24	* * *
25	(6) Promulgate rules in accordance with the Administrative Procedure Act
26	concerning the requirements for independent laboratories that prepare certificates of
27	analysis in accordance with Subsection F of this Section. The rules may address

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aspects of testing including but not limited to all of the following:

(b) The procedure for an on-site facility inspection.

(a) The preference for laboratories in this state.

28

29

1	(c) The requirements and prerequisites for third-party entities that audit
2	independent laboratories for compliance with ISO Standard 17025 or equivalent.
3	* * *
4	§1484. Permit to sell; office of alcohol and tobacco control
5	A.(1) Each wholesaler of consumable hemp products shall apply for and
6	obtain a permit from the office of alcohol and tobacco control.
7	(2) The commissioner may establish and collect an annual wholesaler permit
8	fee. The amount of the wholesaler permit fee shall be based on the cost of the
9	regulatory functions performed and shall not exceed five hundred dollars per year.
10	(3) A wholesaler permitted pursuant to this Subsection shall obtain and
11	distribute only approved consumable hemp products from a consumable hemp
12	processor permitted in accordance with R.S. 3:1483(A)(1). A wholesaler shall not
13	offer any consumable hemp product for resale except to a retailer that holds a valid
14	consumable hemp product retail permit.
15	B.(1)(a) Each person who sells or is about to engage in the business of
16	selling at retail, including remote retailers, any consumable hemp product shall first
17	apply for and obtain a permit for each place of business from the office of alcohol
18	and tobacco control. No retail permit to sell consumable hemp products shall be
19	issued to an applicant whose primary business is marketed to or is to provide goods
20	and services for minors as determined by the commissioner.
21	(b)(i) A remote retailer shall be eligible to apply for a retail permit to sell
22	consumable hemp products at retail in this state.
23	(ii) An applicant to be a remote retailer of consumable hemp products in this
24	state shall meet the same qualifications as permitted retailers with a physical
25	presence in this state and shall be registered to do business in this state with the
26	secretary of state.
27	(iii) A remote retailer shall offer for retail sale only consumable hemp
28	products approved by the department and obtained from a wholesaler permitted in
29	accordance with this Part. The remote retailer shall be required to identify on its
30	website the Louisiana permitted wholesaler from which the consumable hemp

products offered for retail sale in the state of Louisiana by the remote retailer have been obtained.

- (b) (iv) For purposes of this Section, each individually registered domain name owned or leased by or on behalf of a remote retailer shall be considered a place of business. No person or entity shall be required to have a physical place of business in the state of Louisiana in order to sell consumable hemp products at retail.
- (2) Prior to selling consumable hemp products at a special event, the retailer shall request and promptly receive an annual special event permit from the commissioner. For purposes of this Section, a special event shall be defined as any event held at any location, other than a permitted place of business, where consumable hemp products are sold. The permittee shall notify the commissioner in writing of any special event the permittee will be attending prior to the event. Failure to notify the commissioner shall be grounds for revocation of the permit.
- (3) No permit issued pursuant to this Section shall authorize the permittee to sell or offer for sale any cannabinoid product derived from any source other than hemp <u>authorized by this Part</u>.
- (4)(a) No consumable hemp product shall be sold to any person under the age of eighteen years.
- (b) No adult-use consumable hemp product shall be sold to any person under the age of twenty-one years. A retailer permitted pursuant to this Subsection shall obtain consumable hemp products to sell at retail only from a wholesaler permitted pursuant to Subsection A of this Section.
- (5) No retail permit shall be issued pursuant to this Section to any applicant that also holds a Class A permit issued pursuant to Title 26 of the Louisiana Revised Statutes of 1950. Any restaurant or bar that holds both a Class A permit and a permit to sell consumable hemp products at retail prior to June 17, 2024, shall continue to be eligible to sell consumable hemp products at retail, and shall be eligible to renew the retail consumable hemp permit annually.
- C.(1) The commissioner may establish and collect an annual retail permit fee and an annual special event permit fee. The amount of each permit fee provided for

in this Subsection shall be based on the cost of the regulatory functions performed and shall not exceed one hundred seventy-five dollars per year.

- (2) The commissioner may adopt rules and regulations to restrict on premise outdoor advertising of consumable hemp products of permitted retailers.
- D. Any person who violates any of the provisions of this Part or rules adopted pursuant to this Part; who alters, forges, or counterfeits, or uses without authority any permit or other document provided for in this Part; who operates without a permit; or who fails to collect or to timely pay the assessments, fees, and penalties due or assessed pursuant to this Part shall be subject, in addition to any unpaid assessments, late fees, or collection costs, to the civil penalties provided in this Section. Each day on which a violation occurs shall constitute a separate 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.
- E.(1) In addition to the penalties provided in Subsection D of this Section, any permittee who violates any provisions of this Part shall be subject to having his permit suspended or revoked. Any fine imposed pursuant to this Part or the revocation or suspension of a permit is in addition to and is not in lieu of or a limitation on the imposition of any other penalty provided by law.
- (2) Any permittee found to be in violation of any provision of this Part for a third offense that occurs within two years of the first offense shall have his permit revoked and shall be deemed ineligible to apply for or receive any permit authorized to be issued by this Part for a period of five years from the date of revocation.
- F. In addition to the commissioner's authority to revoke or suspend a permit pursuant to this Section, the secretary of the Department of Revenue shall order the commissioner to immediately suspend the retailer's permit if the secretary determines that a consumable hemp product retailer has failed to timely file returns or pay taxes as required by R.S. 47:1693. The secretary shall order the commissioner to suspend

the retailer's permit until the returns have been filed and the taxes are paid. No permit shall be suspended for taxes which have been properly protested or appealed by the retailer pursuant to R.S. 47:1565 or 1567.

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

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

## §1485. Permit holders; qualifications

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

- (1) Be a person of good character and reputation and over the age of twenty-one.
- (2) Has not been convicted of distributing or possessing with the intent to distribute any controlled dangerous substance classified in Schedule I of R.S. 40:964, on any premises permitted pursuant to this Part, where the applicant held or holds an interest in the permitted business.
- (3) Has not been convicted of a felony under the laws of the United States, the state of Louisiana, or any other state or country.
- (4) Has not been convicted in this or in any other state or by the United States of soliciting for prostitution, pandering, letting premises for prostitution, contributing to the delinquency of juveniles, keeping a disorderly place, letting a disorderly place, or illegally dealing in controlled dangerous substances.

HB NO. 952 **ENROLLED** 1 (5) Does not owe the state or the local governmental subdivisions in which 2 the application is made any delinquent sales taxes, penalties, or interest excluding 3 items under formal appeal. 4 5 §1493. Louisiana Industrial Hemp Promotion and Research Advisory Board; 6 creation and organization 7 8 B. The board shall consist of fifteen members as follows: 9 10 (9) One member appointed by the commissioner who is a licensed processor 11 of industrial hemp the Hemp Association of Louisiana. 12 13 Section 2. R.S. 3:1483(B)(7), (D), and (E)(3) are hereby repealed in their entirety. 14 Section 3. The provisions of R.S. 3:1484(B)(5) as amended by Section 1 of this Act 15 shall become effective upon signature by the governor or, if not signed by the governor, 16 upon expiration of the time for bills to become law without signature by the governor, as 17 provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the 18 governor and subsequently approved by the legislature, this Act shall become effective on 19 the day following such approval. 20 Section 4. Except as provided in Section 3, this Section and Sections 1 and 2 shall 21 become effective on January 1, 2025. SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

APPROVED: