SENATE FLOOR AMENDMENTS

2024 Regular Session

Amendments proposed by Senator Coussan to Reengrossed House Bill No. 952 by Representative Miller

1 AMENDMENT NO. 1

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

4 "R.S. 3:1481, 1482(A) through (C) and (E), 1483(A), (B)(3) and (6), (C), (E)(1) and 5 (2), (F), and (G)(1), 1484, and 1493(B)(9), to enact R.S. 3:1483(G)(6) and 1485, and to 6 repeal R.S. 3:1483(B)(7), (D), and (E)(3), relative to industrial"

7 AMENDMENT NO. 2

8 On page 1, delete lines 11 through 13 in their entirety and insert the following:

9 "Section 1. R.S. 3:1481, 1482(A) through (C) and (E), 1483(A), (B)(3) and (6), (C),
10 (E)(1) and (2), (F), and (G)(1), 1484, and 1493(B)(9) are hereby amended and reneacted and
11 R.S. 3:1483(G)(6) and 1485 are hereby enacted"

12 AMENDMENT NO. 3

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13 On page 1, delete lines 17 through 20 in their entirety and insert the following:

"(1) "Adult-use consumable hemp product" means any consumable hemp product
 that contains more than 0.5 milligrams of total THC per package.

(2) "Commissioner" means the commissioner of the office of alcohol and tobacco
 control.

(3) (2) "Consumable hemp processor" means any individual, partnership,
 corporation, cooperative association, or other business entity that receives industrial hemp
 for the permitted for manufacturing or processing of industrial hemp into a consumable
 hemp product. Processing shall not include extraction of cannabinoids from industrial hemp,
 the product of which is utilized to manufacture or process a consumable hemp product.

(4)(a) (3)(a) "Consumable hemp product" means any product derived from industrial
 hemp that contains any cannabinoid, including cannabidiol or THC, and is intended for
 consumption or topical use.

(b) "Consumable hemp product" shall include commercial feed, and pet products, and
 hemp floral material.

(c) "Consumable hemp product" shall not include any product manufactured or
 processed utilizing hemp fiber for commercial or industrial use, including textiles, building
 materials, clothing, paper, bioplastics, biofuel, insulation, or other similar products not
 intended for human consumption.

(5) (4) "Department" means the Louisiana Department of Health.

(6) (5) "Industrial hemp" or "hemp" means the plant Cannabis sativa L. and 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.

37 (7) (6) "Package" means a group of individual servings offered together as a single
 38 unit container or wrapping in which any consumer commodity is enclosed for the purpose
 39 of delivery or display of that commodity to retail purchasers and contains one or more
 40 servings.

41 (8) (7) "Remote retailer" means a person or entity who offers any consumable hemp
 42 product for sale at retail, or for any transaction of products in lieu of a sale, through a digital
 43 application, catalog, or the internet, that can be purchased and delivered directly to a
 44 consumer in Louisiana.

SFAHB952 AUCOINM 4257 1 (9) (8) "Retail sale" or "sale at retail" means the sale or any transaction in lieu of a 2 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. 3 4 (10) (9) "Retailer" means a person or entity who offers permitted to sell any 5 consumable hemp product for sale at retail. 6 (11) (10) "Serving" means the total amount of a distinct, individual unit of a 7 consumable hemp product measured in grams, ounces, pieces, or numbers that may 8 individual units or amount of liquid of a product recommended by the manufacturer to be 9 consumed at a single time that does not contain an amount greater than the allowable total 10 THC. 11 (12) (11) "State plan" means a plan required for approval by the United States 12 Secretary of Agriculture to monitor and regulate the production of hemp. (13) (12) "THC" means a any combination of tetrahydrocannabinol, and 13 14 tetrahydrocannabinolic acid, THC component, or any derivative thereof. (13) "THC component" means any naturally occurring cannabinoid component of 15 16 industrial hemp or hemp. THC" (14) "Total 17 means any combination of tetrahydrocannabinol, tetrahydrocannabinolic acid, THC component, or any derivative thereof. 18 19 (14) (15) "Wholesaler" means a wholesale seller, distributor, or packer of permitted 20 to distribute consumable hemp products to retailers." 21 AMENDMENT NO. 4 22 Delete page 2 in its entirety and insert the following: 23 "§1482. Consumable hemp products; prohibitions 24 A. (1) No person shall process, distribute, sell, or offer for sale any 25 consumable hemp product without a permit required by this Part. No person shall sell 26 or offer for sale any part of hemp for inhalation, except for hemp rolling papers. 27 (2) No person shall sell or offer for sale at retail any consumable hemp 28 product to any person under the age of twenty-one. A retailer shall verify the age of 29 any person attempting to purchase or receive a consumable hemp product prior to the 30 sales transaction of the product. A retailer shall require a purchaser to produce a 31 valid federal or state issued photo identification card or a digitized identification card 32 as defined in R.S. 51:3211. 33 (3) No person shall offer for sale any consumable hemp product at any retail 34 location that is also authorized to sell gasoline or motorfuel to the ultimate consumer 35 as provided for in R.S. 47:712(3), provided that any facility licensed under R.S. 36 27:417 shall be exempt from this Subsection. 37 B. No person shall process, distribute, sell, or offer for sale: 38 (1) Any alcoholic beverage containing cannabidiol any consumable hemp 39 product. 40 (2) Any consumable hemp product for inhalation without a license or permit 41 required pursuant to this Part. 42 (3) Any floral hemp material for retail use.

(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.

51 E. The provisions of this Part shall be preempted by any federal statute, 52 federal regulation, or guidance from a federal government agency that is less more 53 restrictive than the provisions of this Part."

54 <u>AMENDMENT NO. 5</u>

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55 On page 3, delete lines 1 through 11

1 AMENDMENT NO. 6

2 On page 3, delete line 14 and insert the following:

3	"A.(1) Each consumable hemp processor shall obtain an annual consumable
4	hemp processor permit issued by the department. The department shall charge and
5	collect an annual consumable hemp processor permit fee. The fee shall be for each
6	separate processing facility and shall be based on the annual sales of such facility
7	according to the following schedule:
8	Annual Sales Annual Fee
9	Under \$500,000 \$175.00
10	\$500,001 - \$1,000,000 \$475.00
11	\$1,000,001 - \$2,500,000 \$775.00
12	\$2,500,001 - \$5,000,000 \$1,075.00
13	Over \$5,000,000 \$1,375.00
14	(2) In addition to the qualifications required in R.S. 3:1485, an applicant for
15	a consumable hemp processor permit shall meet any additional requirements for the
16	physical consumable hemp processing facility and equipment as required by rules
17	and regulations promulgated by the department.
18	(3) A consumable hemp processor shall test the distillate or concentrate used
19	to produce a consumable hemp product. The test shall detect the presence and
20	concentration of THC components, solvents, pesticides, microbial, and heavy metals.
21	(4) A consumable hemp processor shall conduct a potency text on each batch
22	of consumable hemp product that shall indicate all of the following:
23	(a) Disaggregated THC components by percentage of the total THC
24	contained in the product.
25	(b) The serving size of an individual unit of the product.
26	(c) The total THC milligrams per serving.
27	(d) The presence and concentration of any solvents, pesticides, microbials,
28	and heavy metals.
29	(5) a consumable hemp processor shall retain the records of each test for a
30	minimum of three years.
31	(6) A consumable hemp processor shall adhere to any sanitary regulations
32	promulgated by the department.
33	(7) The department may approve a permitted consumable hemp processor to
34	produce consumable hemp products that exceed the allowable total THC per serving
35	and package size required for product approval in Paragraph (6) of Subsection B of
36	this Section if all of the following are met:
37	(a) The permit holder provides a sworn statement containing the following:
38	(i) The product will be delivered or transported beyond the borders of the
39	state.
40	(ii) The product meets any statutory requirements of the receiving state or
41	territory for product and label approval, THC concentration, THC per serving, and
42	serving per package.
43	(b) The permit holder conducts the same tests required on distillates and
44	concentrates utilized in processing for the presence and concentration of solvents,
45	pesticides, microbials, and heavy metals.
46	(c) The permit holder agrees to maintain distribution records of each product
47	delivered or transported beyond the boundaries of the state distinct from those
48	delivered or transported within the state, including the batch identification number
49 50	and name of the product, the receiving state or territory, for a minimum of three
50	years."
51	AMENDMENT NO. 7
52	On page 3, delete lines 18 through 27 and insert the following:
53 54	"(3) Receive product and label approval from the department.
54 55	(6) (a) For consumable hemp products, a product shall not exceed a total
55 56	delta-9 THC concentration of more than 0.3 percent or a total THC concentration of

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more that	n one percent. The	e total THC in	a product	shall not ex	ceed eight i	nilligrams
per servi	ng. The provision	ns of this Sul	oparagrapl	h shall not .	apply to fl	oral hemp
material.	the total THC s	hall not excee	ed five m	illigrams pe	r serving.	Individual
servings	and packages of	<u>consumable</u>	hemp pro	oducts 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 and separate 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."

21 AMENDMENT NO. 8

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- 22 On page 4, at the beginning of line 1, change "C.(1)" to "C.(1)"
- 23 AMENDMENT NO. 9
- On page 4, at the beginning of line 3, change "(a)(1)" to "(a)"
- 25 AMENDMENT NO. 10
- 26 On page 4, at the beginning of line 4, change "(b)(2)" to "(b)"
- 27 AMENDMENT NO. 11
- On page 4, at the beginning of line 7, change "(c)(3)" to "(c)"
- 29 AMENDMENT NO. 12
- 30 On page 4, between lines 8 and 9 insert the following:
- 31 "(d) Provide a warning that consumption of products with THC may result
 32 in the failure of drug test."
- 33 AMENDMENT NO. 13
- 34 On page 4, delete lines 9 and 10 and insert the following:

35	"(2) Any adult-use consumable hemp product shall be identified as such on
36	the label. The department shall not approve any of the following:
37	(a) Any floral hemp material for retail sale.
38	(b) Any inhalable consumable hemp product, including but not limited to
39	vapes. Placement of "not for inhalation", "do not inhale", or similar language on the
40	label, packaging or display area shall not prohibit a determination by the department
41	that the product is designed or intended for inhalation.
42	(c) Any alcoholic beverage regulated by the office of alcohol and tobacco
43	control that contains consumable hemp.
44	(d) Any other consumable hemp product packaged in a manner that makes
45	the product more appealing to children, including the name of the product or any
46	logo or mascot of the product that appear similar to that of nonconsumable hemp
47	candy or beverage product.

(e) Any other consumable hemp product that does not comply with 1 2 Subsection (B) of this Section."

- 3 AMENDMENT NO. 14
- 4 On page 4, between line 15 and 16 insert the following:
- 5 "(5) The department shall extend existing approval of the label of products 6 that are prohibited by this Act through December 31, 2024, provided that no additional fee shall apply. 7
- 8 AMENDMENT NO. 15
- 9 On page 4, delete lines 17 through 20 and insert the following:
- "E.(1) The application for <u>approval and</u> registration of a consumable hemp 10 product shall include a certificate of analysis containing certifying the following 11 12 information: 13 (a) The batch identification number, name of the product, date received, date 14 of completion, and the method of analysis for each test conducted. (b) Test results identifying: 15 (i) Solvents, pesticides, microbials, and heavy metals. 16 17 (ii) The cannabinoid profile by percentage of weight. (c) A potency test of the final product indicating the serving size, total THC 18 19 per serving, total number of servings, and total THC per package, identified as 20 milligrams per grams. (2) The application for registration shall include a sworn verification that the 21 22 product was produced from hemp in compliance with this Part. Acceptable forms of 23 verification shall be determined by the department and may include a copy of the hemp grower or processor's license and a copy of the independent laboratory's 24 license and certificate of accreditation."
- 26 AMENDMENT NO. 16

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- 27 On page 4, line 22, after "F." insert "(1)"
- 28 AMENDMENT NO. 17
- 29 On page 4, between lines 26 and 27 insert the following:

30 "(2) Notwithstanding any provision of this Part to the contrary, the testing laboratory affiliated with the University of Louisiana at Monroe (ULM) shall be the 31 32 preferred laboratory for completing the certificates of analysis required by this 33 Section once it meets all applicable requirements of this Section and of any rules promulgated thereunder, and commences operations for such testing. Processors may 34 utilize any other testing laboratory meeting all applicable requirements of this 35 36 Section and of any rules promulgated thereunder."

- 37 AMENDMENT NO. 18
- 38 On page 4, at the end of line 26 insert the following:
- 39 "The department shall not approve a laboratory that has a direct or indirect 40 interest in a grower, processor, wholesaler, or retailer of hemp or hemp products."
- 41 AMENDMENT NO. 19
- On page 4, between lines 28 and 29, insert the following: 42

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

10 AMENDMENT NO. 20

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11 On page 5, delete lines 11 through 29 in their entirety and insert the following:

"A.(1) Each wholesaler of consumable hemp products shall apply for and obtain a permit from the office of alcohol and tobacco control.

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

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

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

(b)(i) A remote retailer shall be eligible to apply for a retail permit to sell consumable hemp products at retail in this state.

(ii) An applicant to be remote retailer of consumable hemp products in this state shall meet the same qualifications as permitted retailers with a physical presence in the state and shall be registered to do business in the state with the Louisiana Secretary of State.

(iii) A remote retailer shall offer for retail sale only consumable hemp products approved by the department and obtained from a wholesaler permitted in accordance with this Part. The remote retailer shall be required to identify on its 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.

54(b) No adult-use consumable hemp product shall be sold to any person under55the age of twenty-one years. A retailer permitted pursuant to this Subsection shall56obtain consumable hemp products to sell at retail only from a wholesaler permitted57pursuant to Subsection A of this Section.

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.

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(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.

<u>§1485. Permit holders; qualifications</u>

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.

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

1 2	(5) Does not owe the state or the local governmental subdivisions in which the application is made any delinquent sales taxes, penalties, or interest excluding
3 4	items under formal appeal. * * * *''
5	AMENDMENT NO. 21
6	Delete pages 6 though 7 in their entirety

- 7 <u>AMENDMENT NO. 22</u>
- 8 On page 8, delete lines 9 and 10 and insert the following:
- 9 "Section 2. R.S. 3:1483(B)(7), (D), and (E)(3) are hereby repealed in their entirety."