

1 §1462. Definitions

2 As used in this Part, the following terms shall have the following meanings:

3 (1) "Applicant" means a natural person or any individual; who applies on
 4 behalf of a partnership, corporation, cooperative association, limited liability
 5 company, joint stock association, sole proprietorship, joint venture, business
 6 association, professional corporation, or any other legal entity or organization
 7 through which business is conducted ~~or other business entity applying~~ for a grower,
 8 processor, contract carrier, or industrial hemp seed producer license. ~~For purposes~~
 9 ~~of a business entity, "applicant" shall mean the person designated by the business as~~
 10 ~~being responsible for daily business operations.~~

11 * * *

12 (10) "Industrial hemp" means the plant Cannabis sativa L. and any part of
 13 ~~that~~ such plant, including the seeds thereof and all derivatives, extracts,
 14 cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not,
 15 ~~with a delta-9 tetrahydrocannabinol (THC) concentration of not more than 0.3 percent on~~
 16 ~~a dry weight basis~~ with no more than the federally defined THC level for hemp.

17 * * *

18 (16) "Federally defined THC level for hemp" means the greater of the
 19 following:

20 (a) A delta-9-THC concentration of not more than three-tenths of a percent
 21 (0.3%) on a dry weight basis.

22 (b) The THC concentration for hemp defined in 7 U.S.C. 1639o.

23 (17) "Key participant" means a sole proprietor, a partner in a partnership, or
 24 a person with executive managerial control in a corporation. A person with
 25 executive managerial control includes persons such as a chief executive officer, chief
 26 operating officer, and chief financial officer. "Key participant" does not include non-
 27 executive managers such as farm, field, or shift managers.

28 (18) "Licensure" means any license that the department is authorized to issue
 29 to a grower, seed producer, contract carrier, and processor of industrial hemp.

1 simultaneous request of the Federal Bureau of Investigation for like information
2 from other jurisdictions. The bureau may charge the applicant a reasonable
3 processing fee for conducting and reporting on any such search.

4 (4) Any and all state or national criminal history record information obtained
5 by the department from the bureau or FBI which is not already a matter of public
6 record shall be deemed nonpublic and confidential information restricted to the
7 exclusive use by the department in evaluating the applicant's eligibility or
8 disqualification for licensure. No such information or records related thereto shall,
9 except with the written consent of the applicant or by order of a court of competent
10 jurisdiction, be released or otherwise disclosed by the department to any other person
11 or agency.

12 (5) No person shall be eligible to obtain a license if convicted under state or
13 federal law of any of the following:

14 (a) A felony within the ten years immediately preceding the date of
15 application.

16 (b) A drug-related misdemeanor within the two years immediately preceding
17 the date of application.

18 * * *

19 F. The provisions of this Section shall not apply to the Louisiana State
20 University Agricultural Center, ~~and~~ the Southern University Agricultural Center, and
21 the University of Louisiana at Monroe College of Pharmacy when performing
22 research and development as provided for in R.S. 3:1469.

23 * * *

24 §1467. Fees; disposition of funds

25 A. The commissioner may establish annual application, license, and testing
26 fees to be paid to the department. The amount of the fees shall be based on the cost
27 of the regulatory functions performed and services provided. The combined total of
28 the annual application fee and license fee shall not exceed five hundred dollars, and
29 the testing fee shall not exceed two hundred fifty dollars.

30 * * *

1 §1468. Testing; inspections

2 A.(1) The department shall collect samples to test all industrial hemp crops
3 prior to harvest to ensure the THC concentration does not exceed ~~0.3 percent~~ the
4 federally defined THC level for hemp. The grower shall harvest his approved
5 industrial hemp plants not more than fifteen days following the date of sample
6 collection by the department, unless specifically authorized in writing by the
7 department.

8 (2) The department may enter into contracts, cooperative endeavor
9 agreements, memoranda of understanding, or other agreements with any public
10 postsecondary education institution for the testing of THC levels in industrial hemp
11 crops or industrial hemp products deemed necessary by the commissioner.

12 B. In addition to any scheduled testing, the department may randomly
13 inspect any industrial hemp crop or industrial hemp product in the possession of any
14 person or entity with a grower, processor, contract carrier, or industrial hemp seed
15 producer license and take a representative composite sample for field analysis if the
16 department has reason to believe a violation of this Part has occurred. ~~If a crop of~~
17 an industrial hemp crop or industrial hemp product contains a THC concentration
18 that exceeds ~~0.3 percent~~ the federally defined THC level for hemp, the department
19 may detain, seize, destroy, or embargo ~~an~~ the industrial hemp crop or industrial hemp
20 product.

21 * * *

22 §1469. Industrial hemp research

23 A.(1) The Louisiana State University Agricultural Center and the Southern
24 University Agricultural Center are authorized to cultivate, handle, and process
25 industrial hemp and industrial hemp seeds for research and development of new
26 varieties.

27 ~~B. Each university~~ (2) The universities in Paragraph (1) of this Subsection
28 may contract with licensed hemp seed producers for development of seed for
29 distribution through a process as determined by the department.

1 B. The University of Louisiana at Monroe College of Pharmacy is authorized
2 to handle and process industrial hemp for medicinal research and development.

3 * * *

4 §1471. Criminal penalties

5 A. It shall be unlawful for any person or entity to cultivate, handle, process,
6 or transport industrial hemp in any of the following circumstances:

7 * * *

8 (4) If the Cannabis sativa L. plant or any part of that plant would otherwise
9 be industrial hemp as defined by this Part except that it has a ~~delta-9~~
10 tetrahydrocannabinol (THC) THC concentration that exceeds ~~0.3 percent~~ the
11 federally defined THC level for hemp. This shall not include handling the plant for
12 destruction as required by the department pursuant to this Part.

13 * * *

14 C. The provisions of this Section shall not apply to the Louisiana State
15 University Agricultural Center, ~~and the Southern University Agricultural Center, and~~
16 the University of Louisiana at Monroe College of Pharmacy when performing
17 research and development as provided for in R.S. 3:1469.

18 * * *

19 §1472. Stop order

20 A stop order issued by the department shall prohibit further sale, exchange,
21 movement, processing, or distribution of all Cannabis plants or plant parts included
22 in the order until the commissioner is satisfied that this Part and rules and regulations
23 of the commissioner and commission have been complied with and the
24 commissioner has issued a written release to the person with such material. After a
25 stop order is issued, the person receiving the stop order shall have thirty days within
26 which to comply and to obtain a written release of the order or be subject to the
27 penalties provided by this Part. This Section does not prevent the commissioner
28 from otherwise proceeding in accordance with this Part.

29 * * *

1 §1481. Definitions

2 As used in this Part:

3 * * *

4 (4) "Federally defined THC level for hemp" means the greater of the
5 following:

6 (a) A delta-9-THC concentration of not more than three-tenths of a percent
7 (0.3%) on a dry weight basis.

8 (b) The THC concentration for hemp defined in 7 U.S.C. 1639o.

9 ~~(4)~~ (5) "Industrial hemp" or "hemp" means the plant Cannabis sativa L. and
10 any part of that plant, including the seeds thereof and all derivatives, extracts,
11 cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not,
12 with a delta-9 tetrahydrocannabinol (THC) concentration of not more than 0.3 percent on
13 a dry weight basis with no more than the federally defined THC level for hemp.

14 ~~(5)~~ (6) "Industrial hemp-derived CBD product" means any industrial hemp-
15 derived product or hemp-derived product that contains CBD intended for
16 consumption or topical use.

17 (7) "Remote retailer" means a person or entity who offers any industrial
18 hemp-derived CBD product for sale at retail, or for any transaction of products in
19 lieu of a sale, through a digital application, catalog, or the internet, that can be
20 purchased and delivered directly to a consumer in Louisiana.

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

24 ~~(6)~~ (9) "State plan" means a plan required for approval by the United States
25 Secretary of Agriculture to monitor and regulate the production of hemp.

26 §1482. CBD products; prohibitions; ~~Louisiana Department of Health~~

27 A. No person shall process or sell:

28 (1) Any part of hemp for inhalation, except for hemp rolling papers.

29 (2) Any alcoholic beverage containing CBD.

1 (3) Any food product or beverage containing CBD unless the United States
2 Food and Drug Administration approves CBD as a food additive.

3 B. ~~Any CBD product that is manufactured, distributed, imported, or sold for~~
4 ~~use in Louisiana shall:~~

5 ~~(1) Be produced from hemp grown by a licensee authorized to grow hemp~~
6 ~~by the United States Department of Agriculture or under an approved state plan~~
7 ~~pursuant to the Agriculture Improvement Act of 2018, P.L. 115-334, or under an~~
8 ~~authorized state pilot program pursuant to the Agriculture Act of 2014, P.L. 113-79.~~

9 ~~(2) Be registered with the department in accordance with the State Food,~~
10 ~~Drug, and Cosmetic Law, R.S. 40:601 et seq.~~

11 ~~(3) Be labeled in accordance with the State Food, Drug, and Cosmetic Law,~~
12 ~~R.S. 40:601 et seq.~~

13 ~~(4) Not be marketed as a dietary supplement.~~

14 It shall be unlawful for any person to knowingly, willfully, or intentionally
15 violate the provisions of this Section. Whoever knowingly, willfully, or intentionally
16 violates the provisions of this Section shall be penalized as follows:

17 (1) On a first conviction, the offender shall be fined not more than three
18 hundred dollars.

19 (2) On a second conviction, the offender shall be fined not more than one
20 thousand dollars.

21 (3) On a third or subsequent conviction, the offender shall be fined not more
22 than five thousand dollars.

23 C. ~~All labels shall meet the following criteria in order to receive approval~~
24 ~~from the department:~~

25 ~~(1) Have the following words printed clearly on the label: "This product has~~
26 ~~not been evaluated by the Food and Drug Administration and is not intended to~~
27 ~~diagnose, treat, cure, or prevent any disease."~~

28 ~~(2) Contain no medical claims.~~

1 ~~(3) Have a scannable bar code, QR code, or web address linked to a~~
2 ~~document or website that contains a certificate of analysis as provided in Subsection~~
3 ~~D of this Section.~~

4 ~~D. In addition to the registration requirements established by the department,~~
5 ~~the application for registration shall include a certificate of analysis containing the~~
6 ~~following information:~~

7 ~~(1) The batch identification number, date received, date of completion, and~~
8 ~~the method of analysis for each test conducted.~~

9 ~~(2) Test results identifying the cannabinoid profile by percentage of dry~~
10 ~~weight, solvents, pesticides, microbials, and heavy metals.~~

11 ~~E. The certificate of analysis required by Subsection D of this Section shall~~
12 ~~be completed by an independent laboratory that meets the following criteria:~~

13 ~~(1) Is accredited as a testing laboratory approved by the department.~~

14 ~~(2) Has no direct or indirect interest in a grower, processor, or distributor of~~
15 ~~hemp or hemp products.~~

16 ~~F. The department shall provide a list of registered products to the office of~~
17 ~~alcohol and tobacco control, law enforcement, and other necessary entities as~~
18 ~~determined by the department.~~

19 ~~G. The provisions of this Section do not authorize any person to~~
20 ~~manufacture, distribute, import, or sell any CBD product derived from any source~~
21 ~~that is not hemp.~~

22 ~~H. The provisions of this Part shall not apply to any CBD product approved~~
23 ~~by the United States Food and Drug Administration or produced in accordance with~~
24 ~~R.S. 40:1046.~~

25 ~~I. The department shall charge and collect from the manufacturers or packers~~
26 ~~of industrial hemp-derived CBD products an annual examination and investigation~~
27 ~~charge of not more than fifty dollars for any one separate and distinct product~~
28 ~~registered. This charge shall be in lieu of the charge pursuant to R.S. 40:628.~~

1 ~~J. The department shall promulgate rules and regulations in accordance with~~
 2 ~~the Administrative Procedure Act to implement the provisions of this Section by~~
 3 ~~November 1, 2019.~~

4 §1483. ~~Permit to sell; office of alcohol and tobacco control~~ Product approval;
 5 Louisiana Department of Health

6 ~~A.(1) Each person who sells or is about to engage in the business of selling~~
 7 ~~at retail, any industrial hemp-derived CBD product shall first apply for and obtain~~
 8 ~~a permit for each place of business from the office of alcohol and tobacco control.~~

9 ~~(2) The permit shall not authorize the permittee to sell or offer for sale any~~
 10 ~~CBD product derived from any source that is not hemp.~~

11 ~~B. The commissioner may establish and collect an annual permit fee. The~~
 12 ~~amount of the permit fee shall be based on the cost of the regulatory functions~~
 13 ~~performed and shall not exceed one hundred seventy-five dollars per year.~~

14 ~~C. The commissioner shall adopt rules and regulations in accordance with~~
 15 ~~the Administrative Procedure Act to implement the provisions of this Section by~~
 16 ~~November 1, 2019.~~

17 A. Any CBD product that is manufactured, distributed, imported, or sold for
 18 use in Louisiana shall:

19 (1) Be produced from hemp grown by a licensee authorized to grow hemp
 20 by the United States Department of Agriculture or under an approved state plan
 21 pursuant to the Agriculture Improvement Act of 2018, P.L. 115-334, or under an
 22 authorized state pilot program pursuant to the Agriculture Act of 2014, P.L. 113-79.

23 (2) Be registered with the department in accordance with the State Food,
 24 Drug, and Cosmetic Law.

25 (3) Receive label approval from the department.

26 (4) Not be marketed as dietary.

27 (5) Not contain any active pharmaceutical ingredient (API) recognized by
 28 the United States Food and Drug Administration other than cannabidiol.

29 B. All labels shall meet the following criteria in order to receive approval
 30 from the department:

1 (1) Contain no medical claims.

2 (2) Have a scannable bar code, QR code, or web address linked to a
3 document or website that contains a certificate of analysis as provided in Subsection
4 C of this Section.

5 C. In addition to the registration requirements established by the department,
6 the application for registration shall include a certificate of analysis containing the
7 following information:

8 (1) The batch identification number, date received, date of completion, and
9 the method of analysis for each test conducted.

10 (2) Test results identifying the cannabinoid profile by percentage of dry
11 weight, solvents, pesticides, microbials, and heavy metals.

12 D. The certificate of analysis required by Subsection C of this Section shall
13 be completed by an independent laboratory that meets the following criteria:

14 (1) Is accredited as a testing laboratory approved by the department.

15 (2) Has no direct or indirect interest in a grower, processor, or distributor of
16 hemp or hemp products.

17 E. The department shall provide a list of registered products to the office of
18 alcohol and tobacco control, law enforcement, and other necessary entities as
19 determined by the department.

20 F. The provisions of this Section do not authorize any person to manufacture,
21 distribute, import, or sell any CBD product derived from any source other than hemp.

22 G. The provisions of this Part shall not apply to any CBD product approved
23 by the United States Food and Drug Administration or produced in accordance with
24 R.S. 40:1046.

25 H. The department shall charge and collect from the manufacturers or
26 packers of industrial hemp-derived CBD products an annual examination and
27 investigation charge of not more than fifty dollars for any one separate and distinct
28 product registered. This charge shall be in lieu of the charge pursuant to R.S.
29 40:628.

1 I. Any wholesale seller, manufacturer, distributor, or packer of industrial
 2 hemp-derived CBD products shall be regulated by the department in accordance with
 3 the State Food, Drug, and Cosmetic Law.

4 J. The department shall promulgate rules and regulations in accordance with
 5 the Administrative Procedure Act to implement the provisions of this Section. The
 6 rules shall specify standards for product labels, procedures for label approval,
 7 requirements for accreditation for laboratories, and any prohibited dosage vehicles
 8 as determined by the department.

9 ~~§1484. Criminal penalties~~ Permit to sell; office of alcohol and tobacco control
 10 ~~Whoever violates the provisions of this Part shall be penalized as follows:~~

11 ~~(1) On a first conviction, the offender shall be fined not more than three~~
 12 ~~hundred dollars.~~

13 ~~(2) On a second conviction, the offender shall be fined not more than one~~
 14 ~~thousand dollars.~~

15 ~~(3) On a third or subsequent conviction, the offender shall be sentenced to~~
 16 ~~imprisonment, with or without hard labor, for not more than two years and shall be~~
 17 ~~fined not more than five thousand dollars.~~

18 A.(1) Each person who sells or is about to engage in the business of selling
 19 at retail any industrial hemp-derived CBD product shall first apply for and obtain a
 20 permit for each place of business from the office of alcohol and tobacco control.

21 (a) For purposes of this Section, each individually registered domain name
 22 owned or leased by or on behalf of a remote retailer shall be considered a place of
 23 business. No person or entity shall be required to have a physical place of business
 24 in the state of Louisiana in order to sell industrial hemp-derived CBD products at
 25 retail.

26 (b) The office of alcohol and tobacco control has no authority to permit or
 27 otherwise regulate any wholesale seller, manufacturer, distributor, or packer of
 28 industrial hemp-derived CBD products.

29 (2) Prior to selling industrial hemp-derived CBD products at a special event,
 30 the retailer shall request and promptly receive an annual special event permit from

1 the commissioner. For purposes of this Section, a special event shall be defined as
2 any event held at any location, other than a permitted place of business, where
3 industrial hemp-derived CBD products are sold. The permittee shall notify the
4 commissioner in writing of any special event the permittee will be attending prior to
5 the event. Failure to notify the commissioner shall be grounds for revocation of the
6 permit.

7 (3) No permit issued pursuant to this Section shall authorize the permittee
8 to sell or offer for sale any CBD product derived from any source other than hemp.

9 (4) No industrial hemp-derived CBD product shall be sold to any person
10 under the age of eighteen years.

11 B. The commissioner may establish and collect an annual retail permit fee
12 and an annual special event permit fee. The amount of each permit fee shall be
13 based on the cost of the regulatory functions performed and shall not exceed one
14 hundred seventy-five dollars per year.

15 C. The commissioner may, in addition to revocation or suspension of a
16 permit issued under the authority of this Section, impose the following fines for
17 selling at retail hemp-derived CBD products without a permit:

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

19 (2) For a second offense, not more than one thousand dollars.

20 (3) For a third or subsequent offense, not less than five hundred dollars but
21 not more than three thousand dollars.

22 D. Any fine imposed pursuant to this Part or the revocation or suspension of
23 a permit is in addition to and is not in lieu of or a limitation on the imposition of any
24 other penalty provided by law.

25 E. In addition to the commissioner's authority to revoke or suspend a permit
26 pursuant to this Section, the secretary of the Department of Revenue shall order the
27 commissioner to immediately suspend the retailer's permit if the secretary determines
28 that an industrial hemp-derived CBD retailer has failed to timely file returns or pay
29 taxes as required by R.S. 47:1693. The secretary shall order the commissioner to
30 suspend the retailer's permit until the returns have been filed and the taxes are paid.

1 No permit shall be suspended for taxes which have been properly protested or
2 appealed by the retailer pursuant to R.S. 47:1565 or 1567.

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

9 §1485. Industrial Hemp Advisory Committee

10 A. The Industrial Hemp Advisory Committee is hereby created and
11 established and for the purposes of this Section shall be referred to as the committee.

12 B. The committee is hereby authorized to receive and review information
13 and requests and make recommendations for future legislation relative to the
14 regulation of industrial hemp, industrial hemp products, and industrial hemp-derived
15 CBD products.

16 C. The committee shall be composed of the following members:

17 (1) The speaker of the House of Representatives or his designee.

18 (2) The president of the Senate or his designee.

19 (3) The chairman of the House Committee on Agriculture, Forestry,
20 Aquaculture, and Rural Development or his designee.

21 (4) The chairman of the Senate Committee on Agriculture, Forestry,
22 Aquaculture and Rural Development or his designee.

23 (5) The chairman of the House Committee on Health and Welfare or his
24 designee.

25 (6) The chairman of the Senate Committee on Health and Welfare or his
26 designee.

27 (7) The chairman of the House Committee on Judiciary or his designee.

28 (8) The chairman of the Senate Committee on Judiciary B or his designee.

29 (9) The chairman of the House Committee on Commerce or his designee.

1 (10) The chairman of the Senate Committee on Commerce, Consumer
 2 Protection and Internal Affairs or his designee.

3 (11) The chairman of the House Committee on Administration of Criminal
 4 Justice or his designee.

5 (12) The chairman of the Senate Committee on Judiciary C or his designee.

6 D. The chairman of the House Committee on Agriculture, Forestry,
 7 Aquaculture, and Rural Development and the chairman of the Senate Committee on
 8 Agriculture, Forestry, Aquaculture, and Rural Development or their designees shall
 9 serve as co-chairmen of the committee and shall fix a time and place for its regular
 10 meeting.

11 E. The committee shall receive staff support from the committee staff of the
 12 House Committee on Agriculture, Forestry, Aquaculture, and Rural Development
 13 and the Senate Committee on Agriculture, Forestry, Aquaculture and Rural
 14 Development.

15 F. The committee may call upon the staff of any department, agency, or
 16 official of the state, particularly the Department of Agriculture and Forestry, the
 17 office of alcohol and tobacco control, and the Department of Health for data and
 18 assistance, and all such departments, agencies, and officials shall cooperate with the
 19 advisory committee.

20 G. The committee may call upon and utilize the assistance and
 21 recommendations of those market participants directly involved with the industrial
 22 hemp industry including but not limited to seed distributors, growers, processors,
 23 manufacturers, wholesalers, and retailers of industrial hemp, industrial hemp
 24 products, and industrial hemp-derived CBD products, and any other private sources
 25 as deemed necessary by the committee.

26 H. The committee shall have the power to hold hearings, require the
 27 production of books and records, and do all other things necessary to discharge its
 28 duties.

29 I. The committee shall regularly conduct meetings to fulfill its functions and
 30 duties and, no later than January thirty-first of every year, shall report all of its

1 activities and recommendations to the presiding officer of each house, the governor,
 2 the standing committees of each house represented on the committee, the
 3 commissioner of the Department of Agriculture and Forestry, the commissioner of
 4 the office of alcohol and tobacco control, and the secretary of the Department of
 5 Health.

6 J. The Department of Agriculture and Forestry, the office of alcohol and
 7 tobacco control, and the Department of Health are hereby directed to make reports
 8 and to provide assistance as requested by the committee.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____