

2019 Regular Session

HOUSE BILL NO. 564

BY REPRESENTATIVES JORDAN AND JAMES

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

DRUGS: Provides relative to the regulation of cannabis

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AN ACT

To enact Chapter 32 of Title 3 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 3:4761 through 4771, and Chapter 9 of Title 26 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 26:940 though 945, relative to cannabis; to provide for definitions; to provide relative to the cultivation, processing, and manufacturing of cannabis and cannabis products; to provide for licensing; to provide for the authority of the Department of Agriculture and Forestry; to provide for criminal history checks and suitability requirements; to provide for license fees; to provide for transportation restrictions; to provide for civil penalties; to provide for personal cultivation permits and fees; to provide relative to the retail sale of cannabis and cannabis products; to provide for retailer permits and fees; to provide for age restrictions regarding the purchase of cannabis and cannabis products; to provide for other restrictions; to provide relative to the suspension or revocation of permits; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 32 of Title 3 of the Louisiana Revised Statutes of 1950, comprised of R.S. 3:4761 through 4771, is hereby enacted to read as follows:

CHAPTER 32. CANNABIS

§4761. Purpose

1 The Department of Agriculture and Forestry is hereby authorized to exercise
2 regulatory authority over the cultivation, processing, and manufacturing of cannabis
3 and cannabis products in Louisiana.

4 §4762. Definitions

5 As used in this Chapter, the following terms shall have the following
6 meanings:

7 (1) "Applicant" means a natural person, a corporation, limited liability
8 company, partnership, joint stock association, sole proprietorship, joint venture,
9 business association, cooperative association, professional corporation, or any other
10 legal entity or organization through which business is conducted who has applied to
11 the Department of Agriculture and Forestry for a license to produce cannabis and
12 cannabis products.

13 (2) "Bureau" means the Louisiana Bureau of Criminal Identification and
14 Information of the office of state police within the Department of Public Safety and
15 Corrections.

16 (3) "Cannabis" means all parts of plants of the genus Cannabis, whether
17 growing or not; the seeds thereof; the resin extracted from any part of such plant, and
18 every compound, manufacture, salt, derivative, mixture, or preparation of such plant,
19 its seeds or resin, but shall not include the mature stalks of such plant, fiber produced
20 from such stalks, oil or cake made from the seeds of such plant, any other compound,
21 manufacture, salt, derivative, mixture, or preparation of such mature stalks (except
22 the resin extracted therefrom), fiber, oil, or cake or the sterilized seed of such plant
23 which is incapable of germination.

24 (4) "Cannabis-infused products" means products that contain cannabis or
25 cannabis extracts, are intended for human use, and are derived from cannabis as
26 defined in this Section. The term "cannabis-infused products" shall not include
27 either useable cannabis or cannabis concentrates.

28 (5) "Cannabis products" means useable cannabis and cannabis-infused
29 products as defined in this Section.

1 (6) "Commissioner" means the commissioner of the Department of
2 Agriculture and Forestry.

3 (7) "Criminal history record information" means information collected by
4 state and federal criminal justice agencies on individuals consisting of identifiable
5 descriptions and notations of arrests, detentions, indictments, bills of information,
6 or any formal criminal charges, and any disposition arising therefrom, including
7 sentencing, criminal correctional supervision, and release. It shall not include
8 intelligence information gathered for investigatory purposes or any identification
9 information which does not indicate involvement of the individual in the criminal
10 justice system.

11 (8) "Cultivate" or "cultivating" means planting, growing, and harvesting
12 cannabis.

13 (9) "Department" means the Department of Agriculture and Forestry.

14 (10) "FBI" means the Federal Bureau of Investigation of the United States
15 Department of Justice.

16 (11) "Housing unit" means a house, apartment, or mobile home, or a group
17 of rooms or a single room that is occupied as separate living quarters, in which the
18 occupants live and eat separately from any other persons in the building and that has
19 direct access from the outside of the building or through a common hall.

20 (12) "Licensee" means a natural person, a corporation, limited liability
21 company, partnership, joint stock association, sole proprietorship, joint venture,
22 business association, cooperative association, professional corporation, or any other
23 legal entity or organization through which business is conducted who has been issued
24 a license by the Department of Agriculture and Forestry to produce cannabis and
25 cannabis products.

26 (13) "Licensure" means any license or permit that the department is
27 authorized to issue for the production of cannabis and cannabis products and the
28 facility producing cannabis and cannabis products.

1 (14) "Production facility" means a facility operating pursuant to a license
2 issued by Department of Agriculture and Forestry to cultivate and process cannabis,
3 manufacture cannabis products, package and label cannabis products, and sell
4 cannabis to licensed retailers. A production facility shall not sell cannabis directly
5 to consumers.

6 (15) "Retailer" means an entity licensed by the office of alcohol and tobacco
7 control pursuant to R.S. 26:940 to purchase cannabis products from licensed
8 production facilities and sell cannabis products to a consumer.

9 (16) "Useable cannabis" means the dried leaves and flowers of the cannabis
10 plant, and any mixture or preparation thereof, but shall not include the seeds, stalks,
11 and roots of the plant.

12 §4763. General requirements; prohibitions; testing; tracking

13 A. No person or entity shall cultivate, process, and manufacture cannabis or
14 cannabis products without a license issued by the department pursuant to this
15 Chapter.

16 B. The department shall test the cannabis products in a facility approved by
17 the department prior to the products being transported from a production facility to
18 a licensed retailer.

19 C. The department shall establish a seed-to-sale tracking system that tracks
20 the cannabis from either the seed or immature plant stage until the product is sold to
21 a consumer by a licensed retailer.

22 §4764. Powers and duties of the commissioner

23 A. In addition to the powers, duties, and responsibilities otherwise vested in
24 the commissioner by law, the commissioner shall:

25 (1) Adopt rules and regulations as are necessary to implement the provisions
26 of this Chapter. The rules and regulations shall include but not be limited to:

27 (a) Criteria for licensure and procedures for the issuance, renewal,
28 suspension, and revocation of licenses.

29 (b) Application, license, and testing fees.

1 (c) Security requirements for cultivation and product manufacturing
2 facilities.

3 (d) Labeling and packaging requirements, including requirements for child
4 resistant packaging, health and safety warnings, potency, and activation time.

5 (e) Health and safety regulations and standards for the cultivation of
6 cannabis and the manufacturing of cannabis products, including pesticide use and
7 allowable extraction methods.

8 (2) Collect, administer, and disburse the proceeds of all fees, interest,
9 penalties, and other monies collected pursuant to this Chapter.

10 (3) Administer and enforce the provisions of this Chapter and the rules and
11 regulations adopted pursuant to this Chapter.

12 (4) Develop sampling and testing procedures to ensure safety and verify the
13 potency of cannabis cultivated and cannabis products manufactured pursuant to this
14 Chapter.

15 (5) Enter facilities for the purpose of conducting inspections, collecting
16 samples, testing, and examining and copying records.

17 (6) Hold hearings on alleged violations of the provisions of this Chapter or
18 of the rules and regulations adopted pursuant to this Chapter.

19 (7) Impose civil penalties for violations of the orders issued pursuant to the
20 provisions of this Chapter or of the rules and regulations adopted pursuant to this
21 Chapter.

22 (8) Seek and obtain injunctive or other civil relief to restrain and prevent
23 violations of this Chapter, rules and regulations adopted pursuant to this Chapter, or
24 orders and rulings issued pursuant to this Chapter.

25 (9) Institute civil proceedings to enforce his orders or rulings, collect any
26 fees, fines, penalties, or costs due under this Chapter or to otherwise enforce the
27 provisions of this Chapter or rules and regulations adopted pursuant to this Chapter.

28 (10) Appoint and employ all personnel necessary for the efficient and proper
29 administration of this Chapter.

1 §4765. Licensure requirements; authorization to obtain criminal history record
2 information

3 A.(1) The Department of Agriculture and Forestry shall develop an annual,
4 nontransferable production facility license for the cultivation, processing, and
5 manufacturing of cannabis and cannabis products.

6 (a) The department shall limit the number of such licenses granted in the
7 state to no more than fifteen licenses.

8 (b) Each license shall be limited to one production facility in one geographic
9 location.

10 (c) No production facility shall be located in a "drug free zone" as defined
11 in R.S. 17:405(A).

12 (2) The Department of Agriculture and Forestry shall grant the licenses
13 pursuant to contracts awarded through a competitive sealed bid or a competitive
14 sealed proposal as provided for in R.S. 39:1594 and 1595. The contracts for the
15 licenses shall be subject to the Louisiana Procurement Code. The contract shall not
16 be awarded under the sole source procurement provisions provided for in R.S.
17 39:1597.

18 (3) Any contract for any license awarded pursuant to this Section shall not
19 exceed five years.

20 B. As a condition of eligibility, the department shall require an applicant to
21 do the following:

22 (1) Submit a full set of fingerprints, in a form and manner prescribed by the
23 department.

24 (2) Permit the department to request and obtain state and national criminal
25 history record information on the applicant.

26 (3) Pay the reasonable costs to be incurred by the department in requesting
27 and obtaining state and national criminal history record information on the applicant.

28 C. Prior to entering into any contract, memorandum of understanding, or
29 cooperative endeavor agreement with a licensee, a subcontractor shall also comply

1 with the provisions in Subsection B of this Section in order to receive contract
2 approval from the department.

3 D. In accordance with the provisions and procedure prescribed by this
4 Section, the department shall request and obtain state and national criminal history
5 record information from the bureau and the FBI relative to any applicant for
6 licensure whose fingerprints the department has obtained pursuant to this Section for
7 the purpose of determining the applicant's suitability and eligibility for licensure.

8 E. Upon request by the department and upon submission of an applicant's
9 fingerprints, and such other identifying information as may be required, the bureau
10 shall survey its criminal history records and identification files and make a
11 simultaneous request of the FBI for similar or related information from other
12 jurisdictions. The bureau may charge the department a reasonable processing fee for
13 conducting and reporting on any such search.

14 §4766. Suitability requirements

15 A. The department shall not grant any license or issue any other contract
16 approval pursuant to the provisions of this Chapter if the applicant or subcontractor
17 or any officer, director, or any person having a five percent or more economic
18 interest in the entity seeking licensure or contract approval has been disqualified on
19 the basis of the following criteria:

20 (1) Has been convicted or entered a plea of guilty or nolo contendere for any
21 of the following:

22 (a) Any offense punishable by imprisonment of more than one year,
23 provided the offense was marijuana related.

24 (b) Theft or attempted theft, illegal possession of stolen things, or any
25 offense or attempt involving the misappropriation of property or funds.

26 (c) Any offense involving fraud or attempted fraud or false statements or
27 declarations.

28 (d) A crime of violence as defined in R.S. 14:2(B).

1 (e) Any offense involving schedule I narcotics, provided the offense was not
2 marijuana related.

3 (2) There is a current prosecution or pending charge against the person in
4 any jurisdiction for any offense listed in Paragraph (1) of this Subsection.

5 (3) The applicant or any person required to be suitable pursuant to this
6 Section fails to provide information and documentation to reveal any fact material
7 to a suitability determination or supplies information which is untrue or misleading
8 as to a material fact pertaining to the suitability criteria.

9 B. No person shall obtain a license pursuant to this Section if the applicant,
10 subcontractor, or any of the service providers in the chain of subcontractors, is
11 owned wholly or in part by any state employee or member of a state employee's
12 immediate family, including but not limited to any legislator, statewide public
13 official, university or community or technical college employee, Louisiana State
14 University Agricultural Center employee, or Southern University Agricultural Center
15 employee. For the purposes of this Paragraph, "immediate family" has the same
16 meaning as provided in R.S. 42:1102.

17 C. No person licensed pursuant to this Section shall give or receive anything
18 of value in connection with any contract, memorandum of understanding, or
19 cooperative endeavor agreement executed pursuant to this Section except the value
20 that is expressed in the contract, memorandum of understanding, or cooperative
21 endeavor agreement.

22 D. Any contract, memorandum of understanding, or cooperative endeavor
23 agreement entered into with any licensee or subcontractor pursuant to this Section
24 shall be a public record subject to disclosure pursuant to the Public Records Law,
25 R.S. 44:1 et seq.

26 §4767. Fees; disposition of funds

27 A. Each licensee shall pay an annual license fee to the department.

28 (1) The annual license fee shall not exceed one hundred thousand dollars.

1 (2) The license fee shall be payable to the department upon issuance of the
2 license and annually thereafter.

3 B. All fees collected and retained by the department shall be used to fund the
4 expenses relating to the regulation and control of cannabis and cannabis products as
5 provided for in this Chapter.

6 §4768. Transportation

7 A licensee shall only be allowed to transport cannabis or cannabis products
8 to the following locations:

9 (1) From its production facility to a testing facility approved by the
10 department pursuant to this Chapter.

11 (2) From its production facility to a retailer approved by the department
12 pursuant to this Chapter.

13 (3) When a specific nonroutine transport request from the licensee is
14 approved in writing by the department.

15 §4769. Civil penalties

16 A. Any person who violates any provision of this Chapter, or any rule or
17 regulation adopted pursuant to this Chapter, shall be subject to a civil penalty of not
18 more than fifty thousand dollars for each act of violation and for each day of
19 violation. Each day on which a violation occurs shall constitute a separate offense.

20 B. Civil penalties may be assessed only by ruling of the commissioner based
21 upon an adjudicatory hearing held in accordance with the provisions of the
22 Administrative Procedure Act and this Chapter.

23 §4770. Personal cultivation permits

24 A. The department shall develop an annual personal cultivation permit for
25 individuals to cultivate and possess cannabis plants for personal use.

26 (1) The permit shall authorize the permittee to cultivate and possess up to six
27 cannabis plants for personal consumption.

28 (2) The permit shall not authorize the permittee to sell any part of the
29 cannabis plants to any other person.

1 (3) The annual permit fee shall be seventy-five dollars.

2 B. An individual shall be twenty-one years of age or older to be eligible for
3 a permit.

4 C. An individual shall apply with the commissioner on a form prescribed by
5 the commissioner that, at a minimum, shall include proof of age, residence, and a
6 description of the location and security plan for the proposed cannabis grow site.

7 D. Each housing unit shall be limited to twelve cannabis plants regardless
8 of how many persons twenty-one years of age or older reside in the housing unit.

9 E. Personal cultivation of cannabis shall only occur in an enclosure that is
10 screened from public view and is secure so that access is limited to the cultivator and
11 persons twenty-one years of age or older who have permission from the cultivator.

12 §4771. Therapeutic marijuana

13 Nothing in this Chapter shall be construed to limit any privileges or rights of
14 a medical marijuana patient or production facility as provided for in R.S. 40:966(F)
15 and 1046.

16 Section 2. Chapter 9 of Title 26 of the Louisiana Revised Statutes of 1950,
17 comprised of R.S. 26:940 though 945, is hereby enacted to read as follows:

18 CHAPTER 9. CANNABIS AND CANNABIS PRODUCTS

19 §940. Definitions

20 (1) "Cannabis" means all parts of plants of the genus Cannabis, whether
21 growing or not; the seeds thereof; the resin extracted from any part of such plant, and
22 every compound, manufacture, salt, derivative, mixture, or preparation of such plant,
23 its seeds or resin, but shall not include the mature stalks of such plant, fiber produced
24 from such stalks, oil or cake made from the seeds of such plant, any other compound,
25 manufacture, salt, derivative, mixture, or preparation of such mature stalks (except
26 the resin extracted therefrom), fiber, oil, or cake or the sterilized seed of such plant
27 which is incapable of germination.

28 (2) "Cannabis-infused products" means products that contain cannabis or
29 cannabis extracts, are intended for human use. and are derived from cannabis as

1 defined in this Section. The term "cannabis-infused products" shall not include
2 either useable cannabis or cannabis concentrates.

3 (3) "Cannabis products" means usable cannabis and cannabis-infused
4 products as defined in this Section.

5 (4) "Cannabis retailer" means any person, other than a wholesaler, who sells,
6 offers for sale, exposes for sale, or has in his possession for sale or distribution any
7 cannabis in any quantity.

8 (5) "Commissioner" means the commissioner of alcohol or tobacco control
9 who shall be the assistant secretary of the office of alcohol and tobacco control in the
10 Department of Revenue.

11 (6) "Production facility" means person who sells cannabis and cannabis
12 products to a licensed cannabis retailer exclusively, within the state, who conducts
13 a bona fide wholesale business and maintains a warehouse or warehouses for the
14 storage and warehousing of cannabis and cannabis products in the area where
15 domiciled and licensed by the state, and conducts and maintains systematic and
16 regular solicitations, distribution, deliveries, and sales of cannabis and cannabis
17 products to licensed retail dealers located within the boundary of this state.

18 (7) "Usable cannabis" means the dried leaves and flowers of the cannabis
19 plant, and any mixture or preparation thereof, but shall not include the seeds, stalks,
20 and roots of the plant.

21 §941. Permits

22 A. The commissioner shall issue, as authorized by this Chapter, a cannabis
23 retailer permit and shall adopt rules and regulations that specify the identifying
24 information that is required to appear on the face of each of permit. Prior to selling,
25 offering for sale, exposing for sale, or possessing for sale or distribution cannabis in
26 any quantity, a person shall obtain a permit in accordance with the provisions of this
27 Section.

28 B.(1) The commissioner shall issue permits that are valid for a period of two
29 years unless suspended or revoked pursuant to R.S. 26:946.

1 (2) Applicants shall contact the commissioner regarding the renewal of all
2 permits prior to the end of the term of the permit in accordance with the provisions
3 of this Chapter.

4 C. The fee for each retailer permit shall be established by rules promulgated
5 pursuant to the provisions of the Administrative Procedure Act, but shall not exceed
6 one thousand dollars per year.

7 §942. General requirements; qualifications; location; ratios; and tracking

8 A. An applicant for a retailer permit shall meet the following qualifications:

9 (1) Be twenty-one years of age or older.

10 (2) Provide proof of valid lease or ownership of premises in which the
11 business will be located.

12 (3) Shall not be convicted of any offense involving a narcotic listed in
13 Schedule I of the Uniform Controlled Dangerous Substances Law, provided the
14 offense was not marijuana related.

15 B. No retail location shall be located in a "drug free zone" as defined in R.S.
16 17:405(A).

17 C. Retail locations shall contain a restricted area where cannabis and
18 cannabis products are stored and sold. The restricted areas shall have the following
19 provisions:

20 (1) The restricted areas must be supervised by a retailer employee at all
21 times when customers are present to ensure only persons who are twenty-one years
22 of age and older are permitted to enter.

23 (2) Retailer employees shall make reasonable efforts to limit the number of
24 customers in relation to the number of employees present in the restricted area at any
25 time.

26 D. Retailers shall implement a system of tracking the sale of all products to
27 customers. Records shall include the name and date of birth of all customers.
28 Retailers are required to keep records of all sales on file for at least two years.

1 E. The commissioner shall promulgate rules pursuant to the provisions of the
2 Administrative Procedure Act regarding any additional requirements.

3 §943. Age requirements

4 No person under twenty-one years of age shall enter the premises of, or be
5 employed in, a cannabis retail establishment.

6 §944. Cannabis retailer restrictions

7 Cannabis retailers are prohibited from all of the following activities:

8 (1) The sale of more than one ounce of cannabis or cannabis related products
9 to any individual per calendar day.

10 (2) The sale of cannabis or cannabis products over the internet. All sales of
11 cannabis and cannabis products must take place within a cannabis retail location.

12 (3) The sale or giving away any consumable that is not cannabis or cannabis
13 product, including but not limited to cigarettes or tobacco products, alcohol
14 beverages, food products, and non-alcohol beverages.

15 §945. Suspension or revocations of retailer permits

16 A. No person holding a permit and no agent, associate, employee,
17 representative, or servant agent of any person, shall do or permit any of the following
18 acts to be done on or about the licenced premises:

19 (1)(a) Sell or serve cannabis or cannabis products to any person under
20 twenty-one years of age. To determine the age of the consumer, each person shall
21 submit any one of the following:

22 (i) A valid, current Louisiana driver's license which contains a photograph
23 of the person presenting the driver's license.

24 (ii) A valid, current driver's license of another state which contains a
25 photograph of the person and birth date of the person submitting the driver's license.

26 (iii) A valid, current special identification card issued by the state of
27 Louisiana pursuant to R.S. 40:1321 containing a photograph of the person submitting
28 the identification card.

1 (iv) A valid, current passport or visa issued by the federal government or
2 another country or nation, that contains a permanently attached photograph of the
3 person and the date of birth of the person submitting the passport or visa.

4 (v) A valid, current military or federal identification card issued by the
5 federal government containing a photograph of the person and date of birth of the
6 person submitting the identification card.

7 (vi) A valid, current special identification card of another state which
8 contains a photograph of the person and birth date of the person submitting the
9 identification card.

10 (b) Each form of identification listed above shall on its face establish the age
11 of the person as twenty-one years of age or older, and there must be no reason to
12 doubt the authenticity or correctness of the identification. No form of identification
13 mentioned above shall be accepted as proof of age if it is expired, defaced, mutilated,
14 or altered. If the state identification card or lawful identification submitted is a
15 duplicate, the person shall submit additional identification which contains the name,
16 date of birth, and photograph of the person. A duplicate driver's license shall be
17 considered lawful identification for the purposes of this Paragraph, and a person shall
18 not be required to submit additional information containing the name, date of birth,
19 and picture of the person. In addition, an educational institution identification card,
20 check cashing identification card, or employee identification card shall not be
21 considered as lawful identification for the purposes of this Paragraph.

22 (2)(a) Intentionally entice, aid, or permit any person under the age of twenty-
23 one to visit or loiter in or about any place where cannabis or cannabis products are
24 the principal commodities sold, handled, or given away. The provisions of this
25 Section shall in no way prohibit the presence of any person under the age of twenty-
26 one years of age on or about licensed premises for any function sponsored by a
27 religious or charitable organization with tax exempt status under Section 501(3) of
28 the Internal Revenue Code of the United States, or by a fraternal beneficiary society
29 with tax exempt status under 501(8) of the Internal Revenue Code of the United

1 States, and no cannabis or cannabis products are sold, handled, given away, or
2 accessible during the presence of any such person.

3 (b) Permit any person under eighteen years of age to work in any capacity
4 unless that person is a musician performing in a band on the premises under written
5 contract for a specified period of time by the permittee, and the musician is under
6 direct supervision of his parent or legal guardian.

7 (3) Permit any prostitution activities on the licensed premises.

8 (4) Sell, offer for sale, possess, or permit the consumption on or about the
9 licensed premises of any kind or type of cannabis or cannabis products.

10 (5) Intentionally conduct illegal gambling, as defined by law, on the
11 premises described in the application for the permit.

12 (6) Fail to keep the premises clean and sanitary.

13 (7) Illegally sell, offer for sale, possess, or permit the consumption on or
14 about the licensed premises of any kind or type of controlled dangerous substances
15 or other illegal substances.

16 (8) Permit any disturbance of the peace or obscenity, or any lewd, immoral,
17 or improper entertainment, conduct, or practices on the licensed premises.

18 B. A violation of the provisions of this Section by a retail dealer's agent,
19 associate, employee, representative, or servant shall be considered an act of the
20 retailer for purposes of suspension or revocation of a permit.

21 C. A violation of the provisions of this Section or any rule or regulation of
22 the commissioner, where no other penalty is provided for in this Section, shall be
23 fined not less than one hundred dollars nor more than five hundred dollars,
24 imprisoned for not less than thirty days nor more than six months, or both. It is also
25 sufficient cause for the suspension or revocation of a permit.

26 D. Notwithstanding the issuance of a permit by way of renewal, the
27 commissioner may revoke or suspend such permit, as prescribed by this Chapter, for
28 violations of this Section occurring during the permit period immediately preceding
29 the issuance of such permit.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 564 Original

2019 Regular Session

Jordan

Abstract: Provides for the regulation of the cultivation, manufacturing, and retail sale of cannabis and cannabis products.

Proposed law authorizes the Dept. of Agriculture and Forestry (LDAF) to create and issue up to 15 cannabis production facility licenses.

Proposed law defines "applicant", "bureau", "cannabis", "cannabis-infused products", "cannabis products", "commissioner", "criminal history record information", "cultivate", or "cultivating", "department", "FBI", "housing unit", "licensee", "licensure", "production facility", "retailer", and useable cannabis".

Proposed law requires applicants and subcontractors to undergo a state and national criminal background check and prohibits the department from issuing a license or approving a contract if the applicant, subcontractor, or any officer, director, or person with a 5% or more economic interest in the license has been convicted of or entered a guilty or nolo contendere plea for certain criminal offenses.

Proposed law requires each licensee to pay LDAF an annual license fee not to exceed \$100,000.

Proposed law allows for the transportation of cannabis and cannabis products in limited situations between licensees.

Proposed law provides for civil penalties up to \$50,000 per violation per day based upon ruling of the commissioner of agriculture.

Proposed law authorizes LDAF to issue annual personal cultivation permits to individuals to cultivate and possess cannabis plants for personal use.

Proposed law provides for a \$75 annual permit fee.

Proposed law prohibits selling cannabis plants grown under a personal cultivation permit.

Proposed law limits one permit per household and limits personal cultivation to areas that are screened from public view and have restricted access to minors.

Proposed law clarifies that proposed law does not interfere with the rights of medical marijuana patients or licensed medical marijuana production facilities.

Proposed law requires the commissioner of the office of alcohol and tobacco control to issue cannabis retailer permits and requires such a permit prior to selling cannabis or cannabis products. Specifies that the retailer permit is valid for a two-year period, and the retailer permit fee shall not exceed one thousand dollars per year, subject to administrative rule.

Proposed law requires applicants for a retailer permit to be at least 21 years of age or older, and prohibits them from being convicted of any offense involving a schedule I narcotic, provided the offense was not marijuana related.

Proposed law restricts retail locations from being located in a "drug free zone."

Proposed law requires retailer to implement a tracking system for the sale of cannabis and cannabis products to all retail customers.

Proposed law includes additional restrictions, including the following prohibitions:

- (1) Selling more than one ounce of cannabis or cannabis products to any individual per calendar day.
- (2) Selling cannabis or cannabis products to persons under the age of 21. Requires certain forms of identification to be presented to the retailer.
- (3) Selling cannabis or cannabis products on the internet.
- (4) Giving away or selling any consumable that is not cannabis or cannabis products, including but not limited to, tobacco and alcohol products.

(Adds R.S. 3:4761-4771 and R.S. 26:940-945)