

HOUSE BILL NO. 463

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HOVIS.

0718H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 312, RSMo, by adding thereto nine new sections relating to hemp businesses, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 312, RSMo, is amended by adding thereto nine new sections, to
2 be known as sections 312.1000, 312.1005, 312.1010, 312.1015, 312.1020, 312.1025,
3 312.1030, 312.1035, and 312.1040, to read as follows:

**312.1000. As used in sections 312.1000 to 312.1040, the following words and
2 terms mean:**

3 **(1) "Department" means the department of health and senior services;**

4 **(2) "Division" means the division of alcohol and tobacco control;**

5 **(3) "Hemp beverage" or "hemp beverage product" means a beverage intended
6 for human consumption, which does not include cannabis flower or cannabis
7 concentrate; and:**

8 **(a) Contains or consists of hemp plant parts; or**

9 **(b) Contains hemp concentrate or artificially derived cannabinoids in
10 combination with other ingredients;**

11 **(4) "Hemp business" means one of the following licensed under sections
12 312.1000 to 312.1040:**

13 **(a) Hemp beverage manufacturer;**

14 **(b) Hemp beverage wholesaler; or**

15 **(c) Hemp beverage retailer.**

16

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 **Hemp business does not include a person or entity licensed to grow industrial hemp for**
18 **commercial or research purposes or to process industrial hemp for commercial**
19 **purposes;**

20 **(5) "Hemp concentrate" means:**

21 **(a) The extracts and resins of a hemp plant or hemp plant parts;**

22 **(b) The extracts or resins of a hemp plant or hemp plant parts that are refined to**
23 **increase the presence of targeted cannabinoids; or**

24 **(c) A product that is produced by refining extracts or resins of a hemp plant or**
25 **hemp plant parts and is intended to be consumed by combustion or vaporization of the**
26 **product and inhalation of smoke, aerosol, or vapor from the product.**

27

28 **Hemp concentrate does not include artificially derived cannabinoids, hemp beverages,**
29 **hemp-derived consumer products, or hemp-derived topical products;**

30 **(6) "Hemp plant" means all parts of the plant of the genus Cannabis that is**
31 **growing or has not been harvested and has a delta-9 tetrahydrocannabinol**
32 **concentration of no more than 0.3 percent on a dry weight basis;**

33 **(7) "Hemp plant parts" means any part of the harvested hemp plant, including**
34 **the flower, bud, leaves, stems, and stalk, but does not include derivatives, extracts,**
35 **cannabinoids, isomers, acids, salts, and salts of isomers that are separated from the**
36 **plant. Hemp plant parts do not include hemp fiber products, hemp grain, or hemp seed;**

37 **(8) "Hemp seed" means the viable seed of the plant of the genus Cannabis that is**
38 **intended to be planted and is reasonably expected to grow into a hemp plant. Hemp**
39 **seed does not include cannabis seed or hemp grain;**

40 **(9) "Industrial hemp" means the plant Cannabis sativa L. and any part of the**
41 **plant, whether growing or not, including the plant's seeds, and all the plant's**
42 **derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether**
43 **growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3**
44 **percent on a dry weight basis. Industrial hemp is not marijuana, as defined under**
45 **Article XIV of the Missouri Constitution.**

312.1005. 1. The division shall issue the following types of hemp business
2 **licenses:**

3 **(1) Hemp beverage manufacturer;**

4 **(2) Hemp beverage wholesaler; and**

5 **(3) Hemp beverage retailer.**

6 **2. Notwithstanding any provisions of sections 312.1000 to 312.1040 or chapter**
7 **311, there shall be no interpretations that prohibit liquor licensees from manufacturing,**

8 **distributing, or selling hemp beverage products that comply with the provisions of**
9 **sections 312.1000 to 312.1040 and any other rules adopted by the division.**

10 **3. A person, cooperative, or business may hold both a hemp beverage**
11 **manufacturer and hemp beverage retailer license, but may only operate hemp beverage**
12 **retail operations on site at the premises in which the hemp beverage product is**
13 **manufactured.**

14 **4. Except as otherwise provided in this section, no person, cooperative, or**
15 **business holding any one of the three types of hemp beverage licenses may hold either of**
16 **the other two types of hemp beverage licenses and may not have a financial interest,**
17 **either direct or indirect, in a person, cooperative or business holding any of the other**
18 **two types of hemp beverage licenses.**

19 **5. Except as otherwise provided in this section, no hemp beverage manufacturer**
20 **shall sell or otherwise convey hemp beverage products to retailers. Hemp beverage**
21 **manufacturers are authorized to solicit and sell hemp beverage products to hemp**
22 **beverage wholesalers. Hemp beverage wholesalers are authorized to solicit and sell**
23 **hemp beverage products to hemp beverage retailers.**

24 **6. A person, cooperative, or business holding a hemp beverage manufacturer**
25 **license, hemp beverage wholesaler license, or a hemp beverage retailer license, or any**
26 **combination of the three, may not hold a cannabis business license.**

27 **7. No license shall be issued to a hemp beverage retailer unless the hemp**
28 **beverage retailer also has an active license issued by the division allowing it to sell**
29 **alcoholic beverages. This restriction shall not apply to hemp beverage manufacturers or**
30 **hemp beverage wholesalers, unless they are seeking a hemp beverage retailer license.**

31 **8. No hemp beverage wholesaler or hemp beverage retailer may distribute or sell**
32 **any hemp beverage products that they know or reasonably should know were**
33 **manufactured outside of the United States of America.**

312.1010. 1. The division, by rule, shall establish forms and procedures for the
2 **processing of hemp licenses issued under sections 312.1000 to 312.1040. At a minimum,**
3 **any application to obtain or renew a hemp business license shall include the following**
4 **information, if applicable:**

- 5 **(1) The name, address, and date of birth of the applicant;**
- 6 **(2) The address and legal property description of the business;**
- 7 **(3) Proof of business name registration;**
- 8 **(4) Certification that the applicant will comply with the requirements of sections**
9 **312.1000 to 312.1040 relating to the ownership and operation of a hemp business;**
- 10 **(5) Identification of one or more controlling persons or managerial employees as**
11 **agents who shall be responsible for dealing with the division on all matters; and**

12 **(6) A statement that the applicant agrees to respond to the division's**
13 **supplemental requests for information.**

14 **2. An application on behalf of a corporation, limited liability company,**
15 **partnership, or association shall be signed by at least two officers or managing agents of**
16 **that entity.**

17 **3. The division may issue a hemp business license to an applicant who:**

18 **(1) Is, or is owned and managed by persons, at least twenty-one years of age who**
19 **have not been convicted of a felony related to controlled substances within ten years in**
20 **any state or federal jurisdiction and who are current in filing all applicable tax returns**
21 **to the department of revenue and in payment of all taxes, interest, and penalties assessed**
22 **by the department of revenue;**

23 **(2) Has completed an application for licensure or application for renewal and**
24 **has fully and truthfully complied with all information requests relating to license**
25 **application and renewal;**

26 **(3) Has paid the applicable application and license fees. For hemp beverage**
27 **manufacturers, the license fee shall be one thousand dollars (\$1000). For hemp**
28 **beverage wholesalers, the license fee shall be five hundred dollars (\$500). For hemp**
29 **beverage retailers, the license fee shall be two hundred fifty dollars (\$250) per location;**
30 **and not to exceed five thousand dollars (\$5000) for an entity with multi locations;**

31 **(4) Is not employed by the division, department, or any other state agency with**
32 **regulatory authority over sections 312.1000 to 312.1040; and**

33 **(5) Does not hold any cannabis business license.**

34 **4. Licenses must be renewed annually.**

35 **5. License may not be transferred.**

36 **6. The division shall promulgate such regulations related to hemp business**
37 **licensees for the administration of sections 314.1000 to 314.1040 and shall design all**
38 **necessary forms. No rule, regulation, or portion of a rule or regulation promulgated**
39 **pursuant to the authority of this section shall become effective unless it has been**
40 **promulgated pursuant to chapter 536.**

41 **7. Whenever it shall be determined that a hemp business licensee has violated**
42 **any of the provisions of sections 312.1000 to 312.1040, the supervisor of the division may**
43 **warn, place on probation on such terms and conditions as the Supervisor deems**
44 **appropriate for a period not to exceed twelve months, fine in an amount not to exceed**
45 **five thousand dollars (\$5,000) per violation, suspend for a period not to exceed twelve**
46 **months, or revoke the license of the licensee. The licensee shall have thirty days' notice**
47 **of the imposition of discipline and may seek a determination thereon by the**
48 **administrative hearing commission pursuant to the provisions of section 621.045.**

312.1015. 1. A hemp beverage manufacturer license entitles the license holder
2 to:

3 (1) Purchase hemp plant parts, hemp concentrate, and artificially derived
4 cannabinoids from cannabis manufacturers, cannabis wholesalers, and hemp beverage
5 manufacturers;

6 (2) Purchase hemp plant parts and propagules from industrial hemp growers;

7 (3) Purchase hemp concentrate from an industrial hemp processors;

8 (4) Make hemp concentrate;

9 (5) Manufacture artificially derived cannabinoids;

10 (6) Manufacture hemp beverages for public consumption;

11 (7) Package and label hemp beverages for sale to customers;

12 (8) Sell hemp concentrate to cannabis businesses and other hemp businesses;

13 (9) Sell hemp beverage products to hemp beverage wholesalers; and

14 (10) Perform any other actions approved by the department and division.

15 2. All hemp beverage manufacturing must take place in a facility and on
16 equipment that meets the applicable health and safety requirements established by the
17 department, including requirements for cleaning and testing machinery between
18 production of different products.

19 3. A hemp beverage manufacturer must comply with all applicable packaging,
20 labeling, and testing requirements established by the department. Labels and
21 packaging for the hemp beverage products shall not consist of images or designs that
22 suggest that the products are intended for consumption by children.

23 4. All hemp beverage products shall be registered by the manufacturer with the
24 department prior to sale.

25 5. A hemp beverage manufacturer that creates hemp concentrate or artificially
26 derived cannabinoids must obtain an endorsement from the department.

27 6. A hemp beverage manufacturer seeking an endorsement to create hemp
28 concentrate must inform the department of all methods of extraction and concentration
29 that the manufacturer intends to use and identify the volatile chemicals, if any, that will
30 be involved in the creation of hemp concentrate. A hemp beverage manufacturer may
31 not use a method of extraction and concentration or a volatile chemical without
32 approval by the department.

33 7. A hemp beverage manufacturer seeking an endorsement to create artificially
34 derived cannabinoids must inform the department of all methods of conversion that the
35 manufacturer will use, including any specific catalysts that the manufacturer will
36 employ, to create artificially derived cannabinoids and the molecular nomenclature of
37 all cannabinoids or other chemical compounds that the manufacturer will create. A

38 **business licensed or authorized to manufacture hemp beverages may not use a method**
39 **of conversion or a catalyst without approval by the department.**

40 **8. A hemp beverage manufacturer must obtain a certification from an**
41 **independent third-party industrial hygienist or professional engineer approving:**

42 **(1) All electrical, gas, fire suppression, and exhaust systems; and**

43 **(2) The plan for safe storage and disposal of hazardous substances, including but**
44 **not limited to any volatile chemicals.**

45 **9. Upon the sale of hemp concentrate or artificially derived cannabinoids to any**
46 **person, cooperative, or business, a hemp beverage manufacturer must provide a**
47 **statement to the buyer that discloses the method of extraction and concentration or**
48 **conversion used and any solvents, gases, or catalysts, including but not limited to any**
49 **volatile chemicals involved in that method.**

50 **10. All areas within the premises of a hemp beverage manufacturer used for**
51 **producing hemp beverages must meet the sanitary standards specified in rules adopted**
52 **by the department.**

53 **11. A hemp beverage manufacturer may only add chemicals or compounds**
54 **approved by the department to hemp concentrate or artificially derived cannabinoids.**

55 **12. Upon the sale of any hemp beverage, a hemp beverage manufacturer must**
56 **provide a statement to the buyer that discloses the product's ingredients, including but**
57 **not limited to any chemicals or compounds and any major food allergens declared by**
58 **name.**

59 **13. A hemp beverage manufacturer shall not add any artificially derived**
60 **cannabinoid, hemp plant part, or hemp concentrate to a product if the manufacturer of**
61 **the product holds a trademark to the product's name, except that a hemp beverage**
62 **manufacturer may use a trademarked food product if the manufacturer uses the**
63 **product as a component or as part of a recipe and if the hemp beverage manufacturer**
64 **does not state or advertise to the customer that the final retail hemp beverage product**
65 **contains a trademarked food product.**

66 **14. A hemp beverage manufacturer shall not add any cannabis flower, cannabis**
67 **concentrate, or cannabinoid derived from cannabis flower or cannabis concentrate to a**
68 **product.**

69 **15. The hemp beverage manufacturer shall have a hemp beverage product tested**
70 **prior to distribution to confirm compliance with all statutory and regulatory**
71 **requirements. The testing shall be performed by a laboratory holding an ISO 17025**
72 **accreditation or that is registered with the Drug Enforcement Administration in**
73 **accordance with 21 CFR 1301.13, and which does not have a direct or indirect interest**
74 **in the entity whose product is being tested.**

75 **16. No hemp beverage manufacturer who designates a specific geographic area**
76 **for which a hemp beverage wholesaler shall be responsible, shall enter into any**
77 **agreement with any other person for the purpose of establishing an additional**
78 **wholesaler for the same brands of hemp beverage products in such designated area.**

79 **17. Any hemp beverage manufacturer or wholesaler who shall violate the**
80 **provisions of this section, or permit its employees, officers, or agents to do so, shall be**
81 **guilty of a misdemeanor, and upon conviction thereof shall be punished only as follows:**

82 **(1) For the first offense, by a fine of one thousand dollars;**

83 **(2) For a second offense, by a fine of five thousand dollars; and**

84 **(3) For a third offense, by a fine of twenty-five thousand dollars.**

312.1020. 1. A hemp beverage wholesaler may transport hemp beverages on
2 **public roadways provided:**

3 **(1) The hemp beverages are in a safe and secured storage compartment that is**
4 **part of the motor vehicle or in a locked storage container that has a separate key or**
5 **combination pad;**

6 **(2) The hemp beverages are packaged in tamper-evident containers that are not**
7 **visible or recognizable from outside the transporting vehicle;**

8 **(3) The hemp beverage wholesaler has a shipping manifest in the hemp beverage**
9 **wholesaler's possession that describes the contents of all tamper-evident containers;**

10 **(4) All departures, arrivals, and stops are appropriately documented; and**

11 **(5) No person other than a designated employee enters a vehicle at any time that**
12 **the vehicle is transporting hemp beverages.**

13 **2. A hemp beverage wholesaler may sell hemp beverage products that:**

14 **(1) Are obtained from a licensed Missouri hemp beverage manufacturer;**

15 **(2) Meet all applicable packaging and labeling requirements established by the**
16 **department; and**

17 **(3) The hemp beverage wholesaler complies with any other rules adopted by the**
18 **department.**

19 **3. Any vehicle assigned for the purposes of hemp beverages is subject to**
20 **inspection by the division at any time.**

21 **4. Any hemp beverage products stored by a hemp beverage wholesaler shall be**
22 **stored in a secure climate-controlled location that is locked and inaccessible to the**
23 **general public.**

24 **5. All hemp beverage wholesalers shall be resident businesses. A "resident**
25 **business" shall be a business created under the laws of Missouri, in which at least sixty**
26 **percent of all of the financial interest in the business is owned by bona fide Missouri**
27 **residents who have resided in Missouri for a period of at least three years continuously**

28 immediately prior to the date of filing of application for a license, and in which at least
29 sixty percent of all directors, officers, or managers of the business are bona fide
30 Missouri residents who have resided in Missouri for a period of at least three years
31 continuously immediately prior to the date of filing of application for a license.

312.1025. 1. A hemp beverage retailer may only sell hemp beverages to
2 individuals who are at least twenty-one years of age. No person under twenty-one years
3 of age shall sell or assist in the sale or dispensing of the hemp beverages.

4 2. A hemp beverage retailer may not sell any product it knows, or has reason to
5 know, contains more than .3% THC content.

6 3. A hemp beverage retailer may sell hemp beverage products that:

7 (1) Are obtained from a licensed Missouri hemp beverage wholesaler or is
8 manufactured by the hemp beverage retailer as a licensed hemp beverage manufacturer
9 on the premises it is sold; and

10 (2) Meet all applicable packaging and labeling requirements established by the
11 department.

12 4. A hemp beverage retailer may not ship or deliver hemp beverages to
13 consumers, and all sales of hemp beverage products will be made on the licensed
14 premise of the hemp beverage retailer.

15 5. A hemp beverage retailer may sell other products or items for which the hemp
16 beverage retailer has a license or authorization or that do not require a license or
17 authorization.

18 6. It is unlawful for a hemp beverage retailer or any other person to sell or
19 provide hemp beverage products to a person under twenty-one years of age. A violation
20 of this provision shall constitute a Class B misdemeanor. It is further unlawful for a
21 person under twenty-one years of age to knowingly acquire, possess, or consume a hemp
22 beverage product. A violation of this provision shall constitute a Class B misdemeanor.
23 Notwithstanding the other provisions of this section, law enforcement efforts utilizing a
24 person under twenty-one years of age but at least eighteen years of age, wherein the
25 person does not consume the hemp beverage product, are not precluded. The division
26 may enforce compliance with this section by conducting random, unannounced
27 inspections at locations where such products are sold or distributed to ensure
28 compliance with sections 312.1000 to 312.1040. The division shall submit an annual
29 publicly accessible report to the general assembly describing in detail the division's
30 enforcement efforts.

31 7. A hemp beverage retailer shall ensure that all hemp beverages offered for sale
32 comply with the limits on the amount and types of cannabinoids that a hemp beverage
33 product can contain, including but not limited to the requirement that hemp beverages:

34 **(1) Consist of servings that contain no more than 10 milligrams of delta-9**
35 **tetrahydrocannabinol, no more than 25 milligrams of cannabidiol, no more than 25**
36 **milligrams of cannabigerol, or any combination of those cannabinoids that does not**
37 **exceed the identified amounts;**

38 **(2) Do not contain more than a combined total of 0.5 milligrams of all other**
39 **cannabinoids per serving; and**

40 **(3) Do not contain an artificially derived cannabinoid other than delta-9**
41 **tetrahydrocannabinol.**

42 **8. If a hemp beverage is packaged in a manner that includes more than a single**
43 **servicing, the hemp beverage label must indicate each serving by scoring, wrapping, or**
44 **other indicators that appear on the hemp beverage label designating the individual**
45 **serving size. If it is not possible to indicate a single serving by an indicator that appears**
46 **on the product, the hemp beverage may not be packaged in a manner that includes more**
47 **than a single serving in each container. The hemp beverage container may not contain**
48 **more than two servings per container. No hemp beverage container may contain more**
49 **than 10 milligrams of delta-9 tetrahydrocannabinol total.**

50 **9. A hemp beverage retailer may not:**

51 **(1) Sell a hemp beverage to a person who is visibly intoxicated;**

52 **(2) Sell cannabis flower or cannabis products; or**

53 **(3) Allow for the dispensing of hemp beverage products in vending machines.**

54 **10. A hemp beverage retailer may permit on-site consumption of hemp beverage**
55 **products on a portion of its premises if the hemp beverage retailer sells other non-hemp**
56 **beverage products that are consumed by consumers on-site at the retail premises and**
57 **earns at least seventy-five percent of its revenue from the sale of non-hemp beverage**
58 **products that are consumed by consumers on-site.**

59 **11. A hemp beverage retailer must ensure that hemp beverage products sold for**
60 **on-site consumption comply with sections 312.1000 to 312.1040 and rules adopted**
61 **pursuant to sections 312.1000 to 312.1040 regarding testing.**

62 **12. Hemp beverage products may be served outside of their packaging provided**
63 **that the information that is required to be contained on the label of a hemp beverage is**
64 **posted or otherwise prominently displayed by the hemp beverage retailer.**

65 **13. Food and beverages not otherwise prohibited by this section may be**
66 **prepared and sold on site provided that the hemp beverage retailer complies with all**
67 **relevant state and local laws, ordinances, licensing requirements, and zoning**
68 **requirements.**

69 **14. A hemp beverage retailer with an on-site consumption endorsement may not:**

70 **(1) Sell hemp beverage products to a customer who the hemp beverage retailer**
71 **knows or reasonably should know is intoxicated, either from consumption of alcohol,**
72 **other hemp beverages, or any other drug;**

73 **(2) Sell hemp beverage products that are designed or reasonably expected to be**
74 **mixed with an alcoholic beverage; or**

75 **(3) Permit hemp beverage products that have been removed from the products'**
76 **packaging to be removed from the premises of the hemp beverage retailer.**

77 **15. A hemp beverage retailer shall maintain compliance with state and local**
78 **building, fire, and zoning codes, requirements, or regulations.**

79 **16. A hemp beverage retailer shall ensure that the licensed premises is**
80 **maintained in a clean and sanitary condition, free from infestation by insects, rodents,**
81 **or other pests.**

82 **17. No hemp beverage manufacturer or wholesaler may pay to a hemp beverage**
83 **retailer, nor shall any hemp beverage retailer accept, any payment, credit, or any other**
84 **consideration to induce the hemp beverage retailer to advertise or display a hemp**
85 **beverage product in a certain manner on the hemp beverage product's licensed**
86 **premises. Further, no hemp beverage manufacturer or wholesaler may pay to a hemp**
87 **beverage retailer, any fee rental or other consideration for the use of any part of the**
88 **licensed retail premises for advertising any brand name for the purpose of advertising**
89 **the same.**

90 **18. A hemp beverage retailer is subject to inspection by the division at any time.**

91 **19. The division shall not issue a hemp beverage license to any retail**
92 **establishment located within three hundred feet of any educational institution providing**
93 **education to children at any level between preschool and twelfth grade, or the**
94 **equivalent, nor to any retail establishment located within three hundred feet of any**
95 **church or place of worship.**

312.1030. 1. As used in this section, "franchise" means a written or oral
2 **arrangement for a definite or indefinite period, in which a person grants to another**
3 **person a license to use a trade name, trademark, service mark, or related characteristic,**
4 **and in which there is a community of interest in the marketing of goods or services at**
5 **wholesale, retail, by lease, agreement, or otherwise, including but not limited to a**
6 **commercial relationship of definite duration or continuing indefinite duration, between**
7 **a hemp beverage wholesaler, to hemp beverage retailers, duly licensed in this state, and**
8 **a hemp beverage manufacturer, and wherein a hemp beverage wholesaler is granted the**
9 **right to offer, sell, and distribute within this state or any designated area thereof some or**
10 **all of the hemp beverage manufacturer's hemp beverage products to hemp beverage**
11 **retailers.**

12 **2. If more than one franchise for the same brand or brands of hemp beverage**
13 **products is granted to different hemp beverage wholesalers in Missouri, it is a violation**
14 **for any hemp beverage manufacturers to discriminate between the wholesalers with**
15 **respect to any of the terms, provisions, and conditions of these franchises.**

16 **3. Notwithstanding the terms, provisions and conditions of any franchise, no**
17 **hemp beverage manufacturer shall unilaterally terminate or refuse to continue or**
18 **change substantially the condition of any franchise with the hemp beverage wholesaler**
19 **unless the manufacturer has first established good cause for such termination,**
20 **noncontinuance or change.**

21 **4. Any hemp beverage wholesaler may bring an action in a court of competent**
22 **jurisdiction against a hemp beverage manufacturer for violation of any of the provisions**
23 **of this section and may recover damages sustained by such wholesaler together with the**
24 **costs of the action and reasonable attorney's fees.**

25 **5. In any action brought by a hemp beverage wholesaler against a hemp**
26 **beverage manufacturer for termination, noncontinuance or substantial change in**
27 **violation of the provisions of this section, it is a complete defense for the hemp beverage**
28 **manufacturer to prove that the termination, noncontinuance or change was done in**
29 **good faith and for good cause.**

30 **6. As used in this section, "good faith" is the duty of each party to any franchise**
31 **and all officers, employees or agents thereof to act in a fair and equitable manner**
32 **towards each other, and "good cause" means the following:**

33 **(1) Failure by the hemp beverage wholesaler to comply substantially with the**
34 **provisions of an agreement or understanding with the hemp beverage manufacturer,**
35 **which provisions are both essential and reasonable;**

36 **(2) Use of bad faith or failure to observe reasonable commercial standards of**
37 **fair dealing in the trade; or**

38 **(3) Revocation or suspension for more than thirty days of the hemp beverage**
39 **wholesaler's state or local license required for normal operations of its business.**

312.1035. 1. A hemp beverage product that is sold in this state shall be labeled
2 **with consumer protection warnings in the form of statements that cover all of the**
3 **following:**

4 **(1) A list of ingredients and possible allergens and a nutritional fact panel or**
5 **have a code that can be scanned that directs consumers to a website containing the list of**
6 **ingredients and possible allergens and a nutritional fact panel;**

7 **(2) A statement that use while pregnant or breastfeeding may be harmful;**

8 **(3) A statement that consumption of certain cannabinoids may impair your**
9 **ability to drive and operate heavy machinery;**

10 (4) A statement that the product is not approved by the United States Food and
11 Drug Administration;

12 (5) A statement to keep out of reach of children;

13 (6) A statement to consult your physician before use;

14 (7) The amount of hemp-derived cannabinoid in each serving of the product,
15 measured in milligrams;

16 (8) The total amount of hemp-derived cannabinoid in the entire package,
17 measured in milligrams;

18 (9) The net weight of the product; and

19 (10) An expiration date in accordance with applicable law.

20 2. A manufacturer, wholesaler, or retailer of a hemp beverage product shall not
21 advertise, market, or offer for sale the product by using, in the labeling or design of the
22 product or product packaging or in advertising or marketing materials for the product
23 trade dress, trademarks, branding, or other related materials, any imagery or scenery
24 that depicts or signifies characters or symbols known to appeal primarily to persons
25 under twenty-one years of age, including, but not limited to, superheroes, comic book
26 characters, video game characters, television show characters, movie characters, and
27 mythical creatures.

 312.1040. 1. An excise tax at the rate of not less than six percent (6%) and not
2 more than eight percent (8%) is imposed on the retail sale of a hemp beverage product.
3 The division in its regulations shall promulgate the exact excise tax rate. The tax is in
4 addition to any tax imposed under any other provision of federal, state, or local law.

5 2. The tax imposed by this section is intended to be passed on to and borne by
6 the purchaser of the hemp-derived consumable product. The tax is a debt from the
7 purchaser to the retailer until paid. A retailer is considered to act as a trustee on behalf
8 of the state when it collects tax from the purchaser on a taxable transaction. The tax
9 must be stated and charged separately on any documentation provided to the purchaser
10 by the retailer at the time of the transaction.

✓