

SECOND REGULAR SESSION

HOUSE BILL NO. 2768

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE OVERCAST.

4217H.01I

JOSEPH ENGLER, Chief Clerk

AN ACT

To amend chapters 144 and 195, RSMo, by adding thereto twenty-five new sections relating to industrial hemp-derived consumable products, with penalty provisions.

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

Section A. Chapters 144 and 195, RSMo, are amended by adding thereto twenty-five new sections, to be known as sections 144.028, 195.2550, 195.2555, 195.2557, 195.2558, 195.2560, 195.2563, 195.2564, 195.2565, 195.2570, 195.2575, 195.2580, 195.2585, 195.2590, 195.2595, 195.2600, 195.2605, 195.2607, 195.2610, 195.2615, 195.2617, 195.2620, 195.2625, 195.2630, and 195.2635, to read as follows:

144.028. 1. As used in this section, the term "industrial hemp-derived consumable product" shall have the same meaning given to the term in section 195.2550.

2. For all tax years beginning on or after January 1, 2027, an excise tax is hereby levied and imposed upon the retail sale of industrial hemp-derived consumable products to consumers within this state. The rate of tax shall be two percent of the retail purchase price paid or charged and shall be in addition to any tax imposed under any other provision of federal, state, or local law.

3. The revenue derived from the two percent rate levied under this section shall be deposited by the department of revenue into the hemp business fund established under section 195.2563.

4. The tax imposed under this section is intended to be passed on to and borne by the purchaser of the industrial hemp-derived consumable product. The tax is a debt from the purchaser to the retailer until paid and is recoverable at law by the retailer in the same manner as other debts. A retailer is considered to act as a trustee on behalf of

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.

15 the state when it collects tax from the purchaser on a taxable transaction. The tax shall
16 be stated and charged separately on any documentation provided to the purchaser by
17 the retailer at the time of the transaction.

195.2550. As used in sections 195.2550 to 195.2635, unless the context otherwise
2 requires, the following terms mean:

3 (1) "Batch", a specific quantity of industrial hemp-derived consumable product
4 that is manufactured at the same time and using the same methods, equipment, and
5 ingredients; that is uniform and intended to meet specifications for identity, strength,
6 purity, and composition; and that is manufactured, packaged, and labeled according to
7 a single batch production record executed and documented;

8 (2) "Batch number", a unique numeric or alphanumeric identifier assigned to a
9 batch of industrial hemp-derived consumable products;

10 (3) "Business", any of the following licensed under sections 195.2550 to
11 195.2635:

12 (a) A distributor;

13 (b) A retailer; or

14 (c) A manufacturer;

15 (4) "Consumer", a person twenty-one years of age or older who purchases or
16 possesses an industrial hemp-derived consumable product for personal use;

17 (5) "Counter", the point of purchase at a retail establishment;

18 (6) "Distributor", a person or entity that purchases industrial hemp-derived
19 consumable products from manufacturers and sells them to retailers;

20 (7) "Division", the division of alcohol and tobacco control of the department of
21 public safety;

22 (8) "Food service establishment", an establishment where food is prepared and
23 served on the premises;

24 (9) "Franchise", a written or oral arrangement for a definite or indefinite
25 period, in which a person grants to another person a license to use a trade name,
26 trademark, service mark, or related characteristic, and in which there is a community of
27 interest in the marketing of goods or services at wholesale, at retail, by lease, by
28 agreement, or otherwise including, but not limited to, a commercial relationship of
29 definite duration or continuing indefinite duration between a manufacturer and a
30 distributor wherein a distributor is granted the right to offer, sell, and distribute within
31 this state or any designated area thereof some or all of the manufacturer's industrial
32 hemp-derived consumable products to retailers;

33 (10) "Hemp", the plant *Cannabis sativa L.* and any part of that plant, including
34 the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and

35 salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol
36 concentration of not more than three-tenths of one percent on a dry-weight basis;

37 (11) "Hemp product", any product that contains an industrial hemp-derived
38 cannabinoid. The term "hemp product" shall not include:

39 (a) Any industrial hemp-derived product intended for topical application;

40 (b) Any industrial hemp-derived animal feed product;

41 (c) Any hemp seeds or hemp-seed-derived ingredients that are generally
42 recognized as safe by the United States Food and Drug Administration; or

43 (d) Any product that contains a cannabinoid that is not an industrial hemp-
44 derived cannabinoid;

45 (12) "Independent testing laboratory", a laboratory that meets all of the
46 following conditions:

47 (a) Holds an International Organization for Standardization (ISO) 17025
48 accreditation or is registered with the Drug Enforcement Administration in accordance
49 with 21 CFR 1301.13;

50 (b) Does not have a direct or indirect interest in the entity whose product is being
51 tested;

52 (c) Does not have a direct or indirect interest in a facility that cultivates,
53 processes, distributes, dispenses, or sells industrial hemp-derived consumable products
54 in this state or any other jurisdiction; and

55 (d) Performs tetrahydrocannabinol concentration sampling and testing using the
56 high-performance liquid chromatography (HPLC) method or, when appropriate, gas
57 chromatography;

58 (13) "Industrial hemp-derived cannabinoid", any cannabinoid naturally
59 occurring in, and originating from, the hemp plant including, but not limited to,
60 delta-9 tetrahydrocannabinol (delta-9 THC), tetrahydrocannabinolic acid (THCA),
61 cannabidiol (CBD), cannabidiolic acid (CBDA), cannabinol (CBN), cannabigerol
62 (CBG), cannabichromene (CBC), cannabicyclol (CBL), cannabivarin (CBV),
63 tetrahydrocannabivarin (THCV), cannabidivarin (CBDV), cannabicitran (CBT), and
64 delta-8 tetrahydrocannabinol (delta-8 THC). The term "industrial hemp-derived
65 cannabinoid" also includes any synthetic cannabinoid or semi-synthetic cannabinoid
66 with the same molecular structure as a cannabinoid naturally occurring in the hemp
67 plant as long as such cannabinoid was derived from the hemp plant;

68 (14) "Industrial hemp-derived consumable beverage product", an industrial
69 hemp-derived consumable product that is a liquid intended for ingestion and that is not
70 a tincture;

- 71 **(15) "Industrial hemp-derived consumable product", a hemp product that is a**
72 **finished good intended for human ingestion or inhalation and that does not contain a**
73 **total delta-9 THC concentration of more than three-tenths of one percent on a dry-**
74 **weight basis;**
- 75 **(16) "Ingestion", the process of consuming an industrial hemp-derived**
76 **consumable product through the mouth by swallowing into the gastrointestinal**
77 **system or through tissue absorption;**
- 78 **(17) "Inhalation", the process of consuming an industrial hemp-derived**
79 **consumable product through the respiratory system through the mouth or nasal**
80 **passageway;**
- 81 **(18) "License", a license issued in accordance with sections 195.2550 to**
82 **195.2635;**
- 83 **(19) "Manufacture", to compound, blend, extract, infuse, cook, bake, or**
84 **otherwise make or prepare products containing an industrial hemp-derived**
85 **cannabinoid, including the processes of extraction, infusion, packaging, repackaging,**
86 **labeling, and relabeling of products containing an industrial hemp-derived**
87 **cannabinoid;**
- 88 **(20) "Manufacturer":**
- 89 **(a) Any person who engages in the process of manufacturing, preparing, or**
90 **packaging industrial hemp-derived consumable products; or**
- 91 **(b) Any supplier of industrial hemp-derived consumable products who contracts**
92 **with a third party described in paragraph (a) of this subdivision for the production of**
93 **the supplier's industrial hemp-derived consumable products;**
- 94 **(21) "On-premises retailer", a retailer that sells industrial hemp-derived**
95 **consumable products for on-site consumption;**
- 96 **(22) "Proof of age", a valid driver's license or other government-issued**
97 **identification card that contains a photograph of the person and confirms the person's**
98 **age as twenty-one years of age or older;**
- 99 **(23) "Retail establishment", a place of business open to the general public for**
100 **the sale of goods or services;**
- 101 **(24) "Retailer", a person or entity that sells industrial hemp-derived consumable**
102 **products for consumption and not for resale. The term "retailer" shall include on-**
103 **premises retailers and any food service establishments engaged in such sales;**
- 104 **(25) "Serving", the amount of an industrial hemp-derived consumable product**
105 **the manufacturer suggests be consumed at a single time;**

106 (26) "Tincture", an industrial hemp-derived consumable product that is a
107 hemp-infused liquid or oil administered orally in small amounts using a dropper that
108 indicates the serving size.

 195.2555. 1. A person shall not:

2 (1) Knowingly sell or distribute an industrial hemp-derived consumable product
3 to a person who is under twenty-one years of age;

4 (2) Knowingly purchase an industrial hemp-derived consumable product on
5 behalf of a person who is under twenty-one years of age;

6 (3) Knowingly persuade, entice, send, or assist a person who is under twenty-one
7 years of age to purchase, acquire, receive, or attempt to purchase an industrial hemp-
8 derived consumable product;

9 (4) Knowingly distribute free samples of an industrial hemp-derived consumable
10 product in or on a public street, sidewalk, or park without first obtaining a temporary
11 event permit from the division;

12 (5) Knowingly sell industrial hemp-derived consumable products in or on a
13 public street, sidewalk, or park without first obtaining a temporary event permit from
14 the division; or

15 (6) Knowingly sell or distribute an industrial hemp-derived consumable product
16 without having first obtained proof of age from the prospective purchaser or recipient
17 unless an ordinary person would conclude on the basis of appearance that the
18 prospective purchaser or recipient is not under twenty-one years of age.

19 2. (1) A person under twenty-one years of age shall not:

20 (a) Knowingly purchase, possess, or accept receipt of an industrial hemp-derived
21 consumable product; or

22 (b) Knowingly present purported proof of age that is false or fraudulent or that
23 does not actually identify the person for the purpose of purchasing or receiving an
24 industrial hemp-derived consumable product.

25 (2) Notwithstanding the provisions of subdivision (1) of this subsection to the
26 contrary, it shall be lawful, and shall not constitute a violation of sections 195.2550 to
27 195.2635, for a person under twenty-one years of age to consume industrial hemp-
28 derived consumable products under the supervision of the person's parent or legal
29 guardian or in accordance with the provisions of section 195.2635. Nothing in this
30 subdivision shall be construed to alter the prohibition on persons under twenty-one
31 years of age possessing industrial hemp-derived consumable products.

32 3. A retailer or retail establishment shall maintain any industrial hemp-derived
33 consumable product other than industrial hemp-derived consumable beverage products
34 on or behind the counter, in an area or retail establishment restricted to adults twenty-

35 one years of age or older, or in a locked cabinet. Any industrial hemp-derived
36 consumable beverage product, including those in cases or boxes, offered for retail sale
37 shall be merchandised in such a manner, which may include, but shall not be limited to,
38 signage, shelf-talkers, and stickers on cooler doors, so as to clearly indicate to consumers
39 the products contain industrial hemp-derived cannabinoids and are for sale only to
40 persons twenty-one years of age or older.

41 4. Any person who violates any provision of this section shall be subject to a fine
42 not to exceed two hundred fifty dollars for a first violation to be paid into the state
43 school moneys fund established under section 166.051 as provided by law for other fines
44 and penalties. The penalty for any second or subsequent violation shall be a class D
45 misdemeanor.

46 5. The division shall enforce sections 195.2550 to 195.2635 in a manner that may
47 be required or mandated to reduce the extent to which industrial hemp-derived
48 consumable products are sold or distributed to persons under twenty-one years of age
49 and shall conduct inspections at locations where such products are sold or distributed to
50 ensure compliance with sections 195.2550 to 195.2635.

51 6. Nothing in this section shall prohibit law enforcement from using the
52 following persons to enforce the provisions of this section:

53 (1) Any minor under eighteen years of age if the minor's parent or legal
54 guardian has consented to the minor's involvement in the enforcement effort; and

55 (2) Any person eighteen years of age or older and under twenty-one years of age
56 if the person has consented to his or her involvement in the enforcement effort.

195.2557. 1. Notwithstanding the provisions of this chapter or chapter 579 or
2 any other provision of law to the contrary, any person who manufactures, processes,
3 packages, distributes, transports, or sells industrial hemp-derived consumable products
4 in accordance with sections 195.2550 to 195.2635 and rules promulgated thereunder
5 shall not be subject to criminal prosecution, civil penalty, administrative sanction, or
6 professional discipline under the laws of this state.

7 2. Except as specifically provided in sections 195.2550 to 195.2635, any consumer
8 who purchases, possesses, or uses an industrial hemp-derived consumable product
9 lawful under sections 195.2550 to 195.2635 shall not be subject to arrest, criminal
10 prosecution, civil penalty, forfeiture, or any other adverse action under state law.

11 3. Possession of an industrial hemp-derived consumable product lawful under
12 sections 195.2550 to 195.2635 shall not constitute probable cause or reasonable suspicion
13 for a stop, search, seizure, or arrest by any state or local law enforcement officer.

14 4. Except as specifically provided in sections 195.2550 to 195.2635, the possession
15 or use of lawful industrial hemp-derived consumable products shall not be grounds for:

- 16 (1) Denial of employment;
- 17 (2) Denial of education or public accommodations;
- 18 (3) Loss of child custody or visitation;
- 19 (4) Denial of state benefits; or
- 20 (5) The initiation of civil or criminal proceedings under state law.

195.2558. 1. No state agency, political subdivision, state or local law enforcement officer, state or local prosecutor, or state employee shall expend public funds, use personnel, share information, or otherwise assist in the investigation, detention, arrest, or prosecution of any manufacturer, distributor, retailer, or consumer for conduct involving industrial hemp-derived consumable products that is lawful under sections 195.2550 to 195.2635.

2. This section shall not prohibit compliance with a valid federal court order or the sharing of information required under federal grant conditions unrelated to enforcement of federal drug laws.

3. A violation of this section shall constitute unauthorized use of public resources and may result in disciplinary action under state law.

195.2560. 1. A person or entity that is in the business of industrial hemp-derived consumable products in this state, including any manufacturer, distributor, or retailer, shall obtain a license from the division authorizing the person or entity to engage in that business prior to the commencement of the business or, for a business operating before the effective date of the rules promulgated under sections 195.2550 to 195.2635, within a time period specified by the division by rule.

2. Any person or entity engaging in the business of manufacturing or selling industrial hemp-derived consumable products in this state without a valid license required under sections 195.2550 to 195.2635 shall be subject to a fine not to exceed one thousand dollars.

3. (1) Any license granted to a retailer shall be location specific. The division shall require a retailer to obtain a separate license for each location at which the retailer sells industrial hemp-derived consumable products for consumption.

(2) Any license granted to a manufacturer or distributor shall be location specific. The division shall require a manufacturer or distributor to obtain a separate license for each location at which the manufacturer or distributor operates.

4. To obtain and maintain a manufacturer, distributor, or retailer license under this section, a person or entity shall:

(1) Submit to the division information the division prescribes as necessary for the efficient enforcement of sections 195.2550 to 195.2635;

(2) For initial licensing, pay to the division a fee of:

22 (a) For manufacturers and distributors, five hundred dollars per location; and

23 (b) For retailers, two hundred fifty dollars per location; and

24 (3) Consent to inspection and sampling by the division of the person's or entity's
25 inventory of industrial hemp-derived consumable products.

26 5. A license issued under this section shall be valid for a period of one year and
27 may be renewed annually. The division shall charge an annual renewal fee of:

28 (1) For manufacturers and distributors, two hundred fifty dollars per location;
29 and

30 (2) For retailers, one hundred dollars per location.

31 6. The division may warn or place on probation the holder of a license, or
32 suspend, deny, or revoke a license, for any violation of sections 195.2550 to 195.2635 or
33 the rules promulgated under sections 195.2550 to 195.2635.

34 7. No more than ninety days after the promulgation of rules under sections
35 195.2550 to 195.2635, the division shall issue licenses for the manufacture, distribution,
36 and sale of industrial hemp-derived consumable products in this state.

37 8. Notwithstanding any other provision of this section, any applicant that meets
38 the requirements set forth in sections 195.2550 to 195.2635 shall be issued a license by
39 the division. Beginning July 1, 2027, a license application shall be automatically deemed
40 approved, and a license shall be issued, if the division fails to approve or deny the
41 application within forty-five days of the date of the submission of the application.

42 9. All fees payable under this section shall be collected by the division and
43 transmitted to the department of revenue for deposit in the state treasury to the credit of
44 the hemp business fund established under section 195.2563.

45 10. (1) Beginning on the effective date of this section and continuing thereafter,
46 no new retail establishments offering industrial hemp-derived consumable products
47 shall be located within one thousand feet of any educational institution, public or
48 private, providing elementary or secondary education to children at any level from
49 kindergarten through grade twelve or at any equivalent level if the institution does not
50 use grade divisions.

51 (2) Notwithstanding the provisions of subdivision (1) of this subsection, a retail
52 establishment that was operating within one thousand feet of any educational institution
53 described in subdivision (1) of this subsection before the effective date of this section
54 that changes ownership on or after the effective date of this section shall be permitted to
55 operate in the same location.

195.2563. 1. There is hereby created in the state treasury the "Hemp Business
2 Fund", which shall consist of all fees authorized to be charged by the division under
3 section 195.2560 as well as the excise tax revenue collected under sections 144.028 and

4 195.2617 designated for deposit into the fund. The state treasurer shall be custodian of
5 the fund. In accordance with sections 30.170 and 30.180, the state treasurer may
6 approve disbursements. The fund shall be a dedicated fund and, upon appropriation,
7 moneys in this fund shall be used solely for the administration of sections 195.2550 to
8 195.2635.

9 2. Notwithstanding the provisions of section 33.080 to the contrary, any moneys
10 remaining in the fund at the end of the biennium shall revert to the credit of the hemp
11 industry grant fund established under section 195.2564.

12 3. The state treasurer shall invest moneys in the fund in the same manner as
13 other funds are invested. Any interest and moneys earned on such investments shall be
14 credited to the hemp industry grant fund established under section 195.2564.

195.2564. 1. The department of agriculture shall establish a grant program to
2 support the state's hemp industry. The department shall award grants, in amounts to be
3 determined by the department, to eligible individuals and entities.

4 2. The department of agriculture shall establish and post on its website eligibility
5 criteria, criteria for determining the amount and duration of grants, the contents of the
6 grant application, and the procedures and timelines by which individuals and entities
7 may apply for grants.

8 3. As a condition of awarding a grant, the department of agriculture shall
9 require the individual or entity to use the grant moneys to engage in activities that
10 advance the growth and sustainability of the state's hemp industry including, but not
11 limited to, cultivation, processing, research, market development, and workforce
12 training.

13 4. (1) There is hereby created in the state treasury the "Hemp Industry Grant
14 Fund", which shall consist of any moneys credited to the fund in accordance with
15 section 195.2563. The state treasurer shall be custodian of the fund. In accordance with
16 sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund
17 shall be a dedicated fund and, upon appropriation, moneys in this fund shall be used
18 solely to award grants as provided in this section.

19 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys
20 remaining in the fund at the end of the biennium shall not revert to the credit of the
21 general revenue fund.

22 (3) The state treasurer shall invest moneys in the fund in the same manner as
23 other funds are invested. Any interest and moneys earned on such investments shall be
24 credited to the fund.

195.2565. 1. Before April 1, 2027, the division shall promulgate rules on the licensure of industrial hemp-derived consumable product businesses to implement the provisions of sections 195.2550 to 195.2635. The rules shall, at a minimum:

(1) Set forth application forms and guidelines for obtaining a license as an industrial hemp-derived consumable product business;

(2) Specify the date by which industrial hemp-derived consumable product businesses operating before the effective date of the rules promulgated under this section shall obtain a license to continue operating; and

(3) Set forth requirements for business operations in accordance with sections 195.2550 to 195.2635.

2. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the effective date of this section shall be invalid and void.

195.2570. 1. Industrial hemp-derived consumable products shall be tested in accordance with the requirements of this section. The division shall oversee all testing of industrial hemp-derived consumable products.

2. (1) The division shall maintain and post on its website a registry of independent testing laboratories, located both in this state and outside this state, that are qualified to test intermediate manufactured material and finished products containing an industrial hemp-derived cannabinoid.

(2) The division shall develop an application and process by which qualifying laboratories, located both in this state and outside this state, are listed on its website. An application submitted by a potentially qualifying laboratory shall include a sample certificate of analysis issued by the applying laboratory.

(3) Notwithstanding the provisions of subdivisions (1) and (2) of this subsection, independent testing laboratories wishing to test industrial hemp-derived consumable products subject to the requirements of sections 195.2550 to 195.2635 shall register immediately with the division.

(4) The division shall not have cause to examine, inspect, or regulate any registered independent testing laboratory for compliance with the requirements of sections 195.2550 to 195.2635 so long as the laboratory demonstrates current and valid:

19 (a) Accreditation in accordance with standard ISO/IEC 17025 of the
20 International Organization for Standardization (ISO); or

21 (b) Registration with the federal Drug Enforcement Administration.

22 3. (1) A manufacturer shall ensure its industrial hemp-derived consumable
23 product is tested prior to distribution to a distributor or prior to distribution to a
24 retailer and shall be responsible for the cost of the testing.

25 (2) A distributor shall not be required to test the industrial hemp-derived
26 consumable product, excluding hemp flower or products containing hemp flower, if the
27 industrial hemp-derived consumable product is packaged in a manner that may be sold
28 to the ultimate consumer of the product when delivered to the distributor and the
29 distributor does not open such package. A distributor shall be required to test the
30 industrial hemp-derived consumable product prior to distribution if the industrial
31 hemp-derived consumable product is not packaged in a manner that may be sold to the
32 ultimate consumer of the product when delivered to the distributor or if the distributor
33 opens any package. A distributor required to test the industrial hemp-derived
34 consumable product shall be responsible for the cost of the testing.

35 (3) A retailer shall not sell at retail hemp flower or a product containing hemp
36 flower that is not accompanied by a certificate of analysis issued from an independent
37 testing laboratory within the previous one-year period demonstrating that the hemp
38 flower or product containing hemp flower has a concentration of delta-9 THC of not
39 more than three-tenths of one percent on a dry-weight basis at the time of packaging.

40 (4) The testing required under this subsection shall determine the presence and
41 amounts of any of the substances listed in subsection 4 of this section. No product that
42 contains more than the maximum amount indicated for any substance in subsection 4 of
43 this section shall be distributed or sold in this state.

44 4. (1) The division shall promulgate regulations specifying pass or fail action
45 levels for safety and toxicity for industrial hemp-derived consumable products with
46 respect to the testing required by this section. All industrial hemp-derived consumable
47 products offered for sale or distribution in this state shall be tested for the presence of
48 and amounts of the following substances:

49 (a) Heavy metals;

50 (b) Pesticides;

51 (c) Mycotoxins;

52 (d) Solvents; and

53 (e) Microbials.

54 (2) Any rule or portion of a rule, as that term is defined in section 536.010, that is
55 created under the authority delegated in this section shall become effective only if it

56 complies with and is subject to all of the provisions of chapter 536 and, if applicable,
57 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
58 vested with the general assembly pursuant to chapter 536 to review, to delay the
59 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,
60 then the grant of rulemaking authority and any rule proposed or adopted after the
61 effective date of this section shall be invalid and void.

62 (3) The rules promulgated by the division under this subsection on testing
63 requirements for industrial hemp-derived consumable products shall be the same as the
64 testing requirements for marijuana set forth in 19 CSR 100-1.110(7).

65 5. A manufacturer or distributor shall contract with an independent testing
66 laboratory to provide the testing required under subsection 3 of this section.

67 6. An independent testing laboratory providing testing required under
68 subsection 3 of this section shall use high-performance liquid chromatography
69 (HPLC) or, when appropriate, gas chromatography, for potency testing.

70 7. Each industrial hemp-derived consumable product tested in accordance with
71 this section shall be accompanied by a validly issued certificate of analysis from an
72 independent testing laboratory that demonstrates:

73 (1) The batch number;

74 (2) The date received;

75 (3) The date of completion;

76 (4) The method of analysis for each test conducted; and

77 (5) Proof that the certificate of analysis is connected to the product.

78 8. Each batch manufactured shall undergo testing and obtain a certificate of
79 analysis by a state-registered independent testing laboratory.

80 9. An industrial hemp-derived consumable product shall have a best-by date on
81 the label that conforms with any applicable federal law and that shall be no more than
82 two years from the date of publication of the product's laboratory testing report
83 required by subsection 3 of this section.

195.2575. 1. The label of an industrial hemp-derived consumable product
2 offered for distribution or sale in this state shall contain the following information, in
3 not less than three-point font:

4 (1) Product name or common name, on the front of the label;

5 (2) Brand name, on the front of the label;

6 (3) Size of the container or net count of individual items, on the front of the
7 label;

8 (4) Net weight or volume;

9 **(5) Suggested product use, including serving sizes if the product is intended for**
10 **ingestion or inhalation;**

11 **(6) List of ingredients, including:**

12 **(a) The amount of any advertised cannabinoid, in milligrams; and**

13 **(b) The amount of any primary cannabinoid, in milligrams;**

14 **(7) List of allergens if any of the major allergens identified by the United States**
15 **Food and Drug Administration (FDA) could be present or if the product is**
16 **manufactured in a lab that uses any of those major allergens identified by the FDA**
17 **in the Food Allergen Labeling and Consumer Protection Act of 2004;**

18 **(8) The name and address of the manufacturer or distributor;**

19 **(9) Batch number;**

20 **(10) A statement that use while pregnant or breast-feeding may be harmful;**

21 **(11) A statement that the product contains industrial hemp-derived**
22 **cannabinoids and that consumption of certain cannabinoids may impair the**
23 **consumer's ability to drive or operate heavy machinery;**

24 **(12) A statement to keep out of the reach of children;**

25 **(13) A statement that the product is only for persons twenty-one years of age or**
26 **older;**

27 **(14) A statement to consult a physician before use;**

28 **(15) A statement that consuming industrial hemp-derived consumable products**
29 **may result in a failed drug test; and**

30 **(16) A best-by date in accordance with section 195.2570.**

31 **2. The label of each industrial hemp-derived consumable product shall include**
32 **the following text: "This product has not been evaluated by the Food and Drug**
33 **Administration. This product is not intended to diagnose, treat, cure, mitigate, or**
34 **prevent any disease."**

35 **3. Industrial hemp-derived consumable product labels shall not:**

36 **(1) Bear any likeness or reasonable resemblance to a cartoon or fictional**
37 **character in a manner designed or reasonably likely to appeal to children;**

38 **(2) Appear to imitate a food, candy, or other commonly available snack product**
39 **that is typically marketed toward or appealing to children; or**

40 **(3) Infringe upon any trademarks protected by the United States Patent and**
41 **Trademark Office or the Missouri office of the secretary of state.**

195.2580. 1. An industrial hemp-derived consumable product that is sold in this
2 **state shall be labeled in accordance with section 195.2575 and include a quick response**
3 **code that directs consumers to all label information required by section 195.2575 and all**
4 **information required by section 195.2570.**

5 2. All industrial hemp-derived consumable products offered for sale in this state
6 other than industrial hemp-derived consumable beverage products shall satisfy the
7 child-resistant effectiveness standards under 16 CFR 1700.15(b)(1) when tested in
8 accordance with the requirements set forth in 16 CFR 1700.20.

9 3. (1) An industrial hemp-derived consumable product that is sold in this state
10 shall be manufactured in the United States under all applicable laws governing the
11 manufacture of industrial hemp-derived products in its jurisdiction of origin including,
12 but not limited to, abiding by Current Good Manufacturing Practices (CGMP) and
13 Generally Recognized as Safe (GRAS) standards.

14 (2) Notwithstanding the provisions of subdivision (1) of this subsection,
15 cannabinoids are allowed in an industrial hemp-derived consumable product despite not
16 having GRAS status. All ingredients other than cannabinoids in the final industrial
17 hemp-derived consumable product shall have GRAS status.

18 4. Any industrial hemp-derived consumable product that is sold in this state
19 shall not be sold without a validly issued certificate of analysis issued by an independent
20 testing laboratory within the previous twenty-four months.

21 5. Any industrial hemp-derived consumable product that is sold in this state and
22 that is intended for ingestion and that is not intended for inhalation, other than an
23 industrial hemp-derived consumable beverage product, shall not:

24 (1) Be sold in a serving that contains more than twenty-five milligrams, in the
25 aggregate, of delta-8 THC and delta-9 THC;

26 (2) Be formed in the shape of an animal or cartoon character;

27 (3) Be sold in such a manner that a single serving is less than one piece unless
28 serving sizes are clearly marked and easily divided without the use of a knife or tool; or

29 (4) Be sold in a container or package containing more than five hundred
30 milligrams, in the aggregate, of delta-8 THC and delta-9 THC.

31 6. Any industrial hemp-derived consumable beverage product intended for
32 ingestion that is sold in this state shall not:

33 (1) Be sold in a serving that contains more than ten milligrams, in the aggregate,
34 of delta-8 THC and delta-9 THC;

35 (2) Be sold in a single-use package with more than ten milligrams, in the
36 aggregate, of delta-8 THC and delta-9 THC unless:

37 (a) The package is resealable with a child-resistant cap;

38 (b) The package contains serving sizes of not more than ten milligrams, in the
39 aggregate, of delta-8 THC and delta-9 THC and clearly indicates so on the package; and

40 (c) The volume of the final product for the package is a minimum of seven
41 hundred fifty milliliters in total; or

42 (3) Be sold in a container or package containing more than one hundred
43 milligrams, in the aggregate, of delta-8 THC and delta-9 THC.

44 7. (1) Any industrial hemp-derived tincture containing delta-9 THC intended
45 for ingestion that is sold in this state shall not:

46 (a) Be sold in a one-ounce package containing more than eighty-five milligrams
47 of delta-9 THC; or

48 (b) Be sold in a two-ounce package containing more than one hundred seventy
49 milligrams of delta-9 THC.

50 (2) Any industrial hemp-derived tincture containing delta-8 THC or any other
51 psychoactive cannabinoid intended for ingestion that is sold in this state shall not:

52 (a) Be sold in a one-ounce package containing more than one hundred fifty
53 milligrams, in the aggregate, of delta-8 THC and any other psychoactive cannabinoid;
54 or

55 (b) Be sold in a two-ounce package containing more than three hundred
56 milligrams, in the aggregate, of delta-8 THC and any other psychoactive cannabinoid.

57 (3) Any industrial hemp-derived tincture that is sold in this state shall not be
58 sold in a package of more than two ounces.

59 8. Any industrial hemp-derived consumable product intended for inhalation that
60 is a concentrate sold in this state shall not:

61 (1) Be sold in a container that contains more than five milliliters or five grams of
62 industrial hemp-derived cannabinoids, in the aggregate, of delta-8 THC and delta-9
63 THC; or

64 (2) Contain any amount of vitamin E acetate oil in any quantity.

65 9. An industrial hemp-derived consumable product that is sold or offered for
66 sale in violation of sections 195.2550 to 195.2635 shall be subject to seizure and
67 forfeiture.

195.2585. 1. A retailer or manufacturer of an industrial hemp-derived
2 consumable product shall not advertise, market, or offer for sale an industrial hemp-
3 derived consumable product by using any trade dress, trademark, branding, or related
4 imagery or scenery that is prohibited under this section in the labeling or design of the
5 product or product packaging or in advertising or marketing materials for the product.

6 2. Any trade dress, trademark, branding, or related imagery or scenery shall be
7 prohibited under this section if the trade dress, trademark, branding, or related
8 imagery or scenery depicts or signifies characters or symbols known to appeal primarily
9 to persons under twenty-one years of age or mimics commonly available candy or snack
10 products.

11 **3. Nothing in this section prohibits the use of drawings, illustrations, or artwork**
12 **depicting nonmythical creatures, inanimate objects, scenery, humanoid characters,**
13 **fruit- or flavor-focused images, or any other items not known to appeal primarily to**
14 **persons under twenty-one years of age.**

195.2590. 1. Sections 195.2550 to 195.2635 shall not be construed to permit a
2 **person to undertake any task while impaired by the use of an industrial hemp-derived**
3 **consumable product if doing so would constitute negligence or professional malpractice.**

4 **2. (1) A person shall not operate, navigate, or be in actual physical control of a**
5 **motor vehicle, aircraft, motorized watercraft, or any other vehicle while impaired by the**
6 **use of an industrial hemp-derived consumable product.**

7 **(2) Conduct while intoxicated from the use of an industrial hemp-derived**
8 **consumable product shall be subject to the penalties for driving while intoxicated under**
9 **section 577.010 in the same manner that conduct while intoxicated from the use of any**
10 **other drug is subject to such penalties.**

11 **3. (1) A person shall not drive a motor vehicle on a public road while consuming**
12 **an industrial hemp-derived consumable beverage product.**

13 **(2) A person shall not possess an open container of an industrial hemp-derived**
14 **consumable beverage product while driving a motor vehicle on a public road.**

15 **(3) A violation of subdivision (1) or (2) of this subsection is an infraction for**
16 **which four points shall be assessed to the person's driving record.**

17 **4. Sections 195.2550 to 195.2635 shall not require an employer to accommodate**
18 **the use of an industrial hemp-derived consumable product in the workplace or an**
19 **employee working while impaired by the use of an industrial hemp-derived consumable**
20 **product.**

21 **5. Sections 195.2550 to 195.2635 shall not exempt a person from prosecution for**
22 **a criminal offense related to impairment or intoxication resulting from the use of an**
23 **industrial hemp-derived consumable product or relieve a person from any requirement**
24 **under the law to submit to a breath, blood, urine, or other test to detect the presence of a**
25 **controlled substance.**

195.2595. 1. Nothing in sections 195.2550 to 195.2635 shall prohibit industrial
2 **hemp-derived consumable beverage product manufacturers from assigning exclusive**
3 **territories for distribution of industrial hemp-derived consumable beverage products.**

4 **2. (1) An industrial hemp-derived consumable beverage product manufacturer**
5 **shall not directly solicit, sell, or otherwise convey industrial hemp-derived consumable**
6 **beverage products to retailers. Industrial hemp-derived consumable beverage product**
7 **manufacturers are authorized to solicit and sell industrial hemp-derived consumable**
8 **beverage products to industrial hemp-derived consumable beverage product**

9 distributors. Industrial hemp-derived consumable beverage product distributors are
10 authorized to solicit and sell industrial hemp-derived consumable beverage products to
11 industrial hemp-derived consumable beverage product retailers.

12 (2) The prohibitions of this subsection shall not apply to any industrial hemp-
13 derived consumable beverage product manufacturer who sells less than four thousand
14 five hundred gallons of the product each year within this state.

15 (3) The prohibitions of this subsection shall not apply to any industrial hemp-
16 derived consumable beverage product manufacturer before August 28, 2028.

195.2600. 1. Each industrial hemp-derived consumable product distributed or
2 available for distribution in this state shall be officially registered with the division and
3 shall comply with the requirements of this section.

4 2. Application for registration shall be made to the division on a form provided
5 by the division and shall include the following information:

6 (1) The name and address of the applicant;

7 (2) The name and address of the person whose name will appear on the label if
8 such person is not the applicant;

9 (3) The name of the product;

10 (4) The type and use of the product;

11 (5) A complete copy of the label as it will appear on the product in a legible
12 format;

13 (6) If the product has been assigned a National Drug Code in accordance with 21
14 CFR 207.33, the National Drug Code number; and

15 (7) The applicant's proof of using Current Good Manufacturing Practices
16 (CGMP) and Generally Recognized as Safe (GRAS) standards as required under
17 sections 195.2550 to 195.2635.

18 3. The application for registration shall include a certificate of analysis for the
19 industrial hemp-derived consumable product that is from an independent testing
20 laboratory and that meets the requirements set forth in rules promulgated by the
21 division.

22 4. The division may deny registration for an incomplete application.

23 5. A new registration is required for any of the following:

24 (1) Any change in an industrial hemp-derived consumable product's ingredients;

25 (2) Any change to the directions for use; and

26 (3) Any change of name for the product.

27 6. Any change not described in subsection 5 of this section shall not require a
28 new registration, but the registrant shall submit copies of each label change to the
29 division as soon as the change is effective.

30 7. The registrant is responsible for the accuracy and completeness of the
31 information submitted.

32 8. An industrial hemp-derived consumable product that has been discontinued
33 shall continue to be registered in the state until the product is no longer available for
34 distribution.

 195.2605. 1. Testing of any industrial hemp-derived consumable product for
2 purposes of sections 195.2550 to 195.2635 shall be conducted on the industrial hemp-
3 derived consumable product in its final form in accordance with the requirements set
4 forth in section 195.2570.

5 2. The certificate of analysis for an industrial hemp-derived consumable product
6 shall report the test results required in section 195.2570 in specified units of measure
7 and in accordance with the requirements for an industrial hemp-derived consumable
8 product in section 195.2580.

 195.2607. 1. The division shall conduct randomized inspections of industrial
2 hemp-derived consumable products distributed or available for distribution in this state
3 for compliance with the requirements of sections 195.2550 to 195.2635.

4 2. The division shall periodically sample, analyze, and test industrial hemp-
5 derived consumable products distributed within this state for compliance with
6 registration and labeling requirements and the certificate of analysis.

7 3. The division may conduct inspections of industrial hemp-derived consumable
8 products distributed or available for distribution for any reason the division deems
9 necessary.

 195.2610. 1. All retail establishments and food service establishments offering
2 industrial hemp-derived consumable products shall be licensed by the division in
3 accordance with sections 195.2550 to 195.2635.

4 2. An industrial hemp-derived consumable product may be sold by on-premises
5 retailers or in food service establishments if the industrial hemp-derived consumable
6 product has been registered in accordance with section 195.2600. Any other industrial
7 hemp-derived consumable product or class of products shall not be sold by on-premises
8 retailers or in food service establishments.

9 3. A retail establishment, on-premises retailer, or food service establishment
10 shall not offer industrial hemp-derived consumable products at a temporary event or
11 festival unless the retail establishment, on-premises retailer, or food service
12 establishment is licensed by the division in accordance with sections 195.2550 to
13 195.2635 and obtains a temporary event permit from the division. To obtain the
14 temporary event permit, the retail establishment, on-premises retailer, or food service
15 establishment shall pay to the division a fee of twenty-five dollars.

16 4. A business that distributes, sells, or serves industrial hemp-derived
17 consumable products shall not permit any person who is under twenty-one years of
18 age to serve industrial hemp-derived consumable products unless the person is an
19 employee of the business who is eighteen years of age or older and under the direct
20 supervision of a person twenty-one years of age or older.

21 5. An industrial hemp-derived consumable product shall not be sold for on-site
22 consumption unless the prospective purchaser or recipient has presented proof of age or
23 an ordinary person would conclude on the basis of appearance that the prospective
24 purchaser or recipient is not under twenty-one years of age.

25 6. Except as set forth in this section, only prepackaged registered industrial
26 hemp-derived consumable products shall be offered for direct consumption at on-
27 premises retailers or food service establishments.

28 7. Industrial hemp-derived consumable products may be combined with
29 nonalcoholic ingestible beverage products at an on-premises retailer or food service
30 establishment.

31 8. On-premises retailers and food service establishments serving industrial
32 hemp-derived consumable products shall not provide industrial hemp-derived
33 consumable products to individuals who are believed to be intoxicated.

34 9. An on-premises retailer or food service establishment offering any industrial
35 hemp-derived consumable product shall provide to consumers upon request:

36 (1) The common name of the product; and

37 (2) The distributor or manufacturer of the product.

38 10. On-site sampling of industrial hemp-derived consumable products provided
39 by a manufacturer at the manufacturer's place of business is permitted, provided that
40 the persons sampling are twenty-one years of age or older and the sampling is conducted
41 in a manner that reflects responsible serving practices.

 195.2615. The division may regulate the advertising and promotion of industrial
2 hemp-derived consumable product sales, but any such regulation shall be no more
3 stringent than comparable state regulations on the advertising and promotion of alcohol
4 sales.

 195.2617. For all tax years beginning on or after January 1, 2027, an excise tax is
2 levied and imposed upon the retail sale of industrial hemp-derived consumable products
3 to consumers within this state at the rate and in the manner set forth in section 144.028.

 195.2620. 1. As used in this section, the following terms mean:

2 (1) "Good cause":

3 (a) Failure by the industrial hemp-derived consumable beverage product
4 distributor to comply substantially with the provisions of an agreement or

5 understanding with the industrial hemp-derived consumable beverage product
6 manufacturer if the provisions are both essential and reasonable;

7 (b) Use of bad faith or failure to observe reasonable commercial standards of
8 fair dealing in the trade; or

9 (c) Revocation or suspension for more than thirty days of the industrial hemp-
10 derived consumable beverage product distributor's state or local license required for the
11 normal operations of its business;

12 (2) "Good faith", the duty of each party to any franchise and all officers,
13 employees, or agents thereof to act in a fair and equitable manner toward each other.

14 2. If more than one franchise for the same brand or brands of industrial hemp-
15 derived consumable beverage products is granted to different industrial hemp-derived
16 consumable beverage product distributors in this state, it shall be unlawful for any
17 industrial hemp-derived consumable beverage product manufacturer to discriminate
18 between the distributors with respect to any of the terms, provisions, and conditions of
19 these franchises.

20 3. Notwithstanding the terms, provisions, and conditions of any franchise, no
21 industrial hemp-derived consumable beverage product manufacturer shall unilaterally
22 terminate or refuse to continue or change substantially the condition of any franchise
23 with the industrial hemp-derived consumable beverage product distributor unless the
24 manufacturer has first established good cause for such termination, noncontinuance, or
25 change.

26 4. Any industrial hemp-derived consumable beverage product distributor may
27 bring an action in a court of competent jurisdiction against an industrial hemp-derived
28 consumable beverage product manufacturer for violation of any of the provisions of this
29 section and may recover damages sustained by such distributor together with the costs
30 of the action and reasonable attorney's fees.

31 5. In any action brought by an industrial hemp-derived consumable beverage
32 product distributor against an industrial hemp-derived consumable beverage product
33 manufacturer for termination, noncontinuance, or substantial change in violation of the
34 provisions of this section, it is a complete defense for the industrial hemp-derived
35 consumable beverage product manufacturer to prove that the termination,
36 noncontinuance, or substantial change was done in good faith and for good cause.

195.2625. 1. Any manufacturer licensed under sections 195.2550 to 195.2635,
2 including its affiliates, officers, directors, employees, and agents, shall be indemnified
3 from any and all claims, losses, liabilities, damages, costs, and expenses, including
4 reasonable attorney's fees and litigation costs, arising out of any:

5 **(1) Untrue representation, breach of warranty, or nonfulfillment by any retailer**
6 **or distributor of any obligation under sections 195.2550 to 195.2635;**

7 **(2) Negligent act or omission, or willful misconduct, of a retailer or distributor**
8 **licensed under sections 195.2550 to 195.2635, including its employees, agents, or**
9 **representatives, in connection with industrial hemp-derived consumable products; or**

10 **(3) Bodily injury or property damage to third parties arising from any conduct**
11 **by a retailer or distributor licensed under sections 195.2550 to 195.2635 in connection**
12 **with:**

13 **(a) Any marketing, distribution, or sale of industrial hemp-derived consumable**
14 **products under sections 195.2550 to 195.2635, including the storage, transportation, and**
15 **delivery of the products; or**

16 **(b) Any actual or alleged defect in an industrial hemp-derived consumable**
17 **product or in the labeling or packaging of the product.**

18 **2. Any distributor licensed under sections 195.2550 to 195.2635, including its**
19 **affiliates, officers, directors, employees, and agents, shall be indemnified from any and**
20 **all claims, losses, liabilities, damages, costs, and expenses, including reasonable**
21 **attorney's fees and litigation costs, arising out of any:**

22 **(1) Untrue representation, breach of warranty, or nonfulfillment by any**
23 **manufacturer or retailer of any obligation under sections 195.2550 to 195.2635;**

24 **(2) Negligent act or omission, or willful misconduct, of a manufacturer or**
25 **retailer licensed under sections 195.2550 to 195.2635, including its employees, agents, or**
26 **representatives, in connection with industrial hemp-derived consumable products; or**

27 **(3) Bodily injury or property damage to third parties arising from any conduct**
28 **by a manufacturer or retailer licensed under sections 195.2550 to 195.2635 in connection**
29 **with:**

30 **(a) Any marketing, distribution, or sale of industrial hemp-derived consumable**
31 **products under sections 195.2550 to 195.2635, including the storage, transportation, and**
32 **delivery of the products; or**

33 **(b) Any actual or alleged defect in an industrial hemp-derived consumable**
34 **product or in the labeling or packaging of the product.**

35 **3. Any retailer licensed under sections 195.2550 to 195.2635, including its**
36 **affiliates, officers, directors, employees, and agents, shall be indemnified from any and**
37 **all claims, losses, liabilities, damages, costs, and expenses, including reasonable**
38 **attorney's fees and litigation costs, arising out of any:**

39 **(1) Untrue representation, breach of warranty, or nonfulfillment by any**
40 **manufacturer or distributor of any obligation under sections 195.2550 to 195.2635;**

41 (2) Negligent act or omission, or willful misconduct, of a manufacturer or
42 distributor licensed under sections 195.2550 to 195.2635, including its employees, agents,
43 or representatives, in connection with industrial hemp-derived consumable products; or

44 (3) Bodily injury or property damage to third parties arising from any conduct
45 by a manufacturer or distributor licensed under sections 195.2550 to 195.2635 in
46 connection with:

47 (a) Any marketing, distribution, or sale of industrial hemp-derived consumable
48 products under sections 195.2550 to 195.2635, including the storage, transportation, and
49 delivery of the products; or

50 (b) Any actual or alleged defect in an industrial hemp-derived consumable
51 product or in the labeling or packaging of the product.

195.2630. 1. As used in this section, the following terms mean:

2 (1) "Safe harbor hemp product", an industrial hemp-derived compound or
3 industrial hemp-derived cannabinoid, whether a finished product or in the process of
4 being produced, that is manufactured for distribution, produced for distribution,
5 packaged for distribution, processed for distribution, prepared for distribution, treated
6 for distribution, transported for distribution, or held for distribution in this state for
7 export from this state for distribution or resale but that is not sold or distributed in this
8 state;

9 (2) "Safe harbor manufacturer or storage facility", a facility that manufactures
10 for distribution, produces for distribution, packages for distribution, processes for
11 distribution, prepares for distribution, treats for distribution, transports for
12 distribution, or holds for distribution a safe harbor hemp product.

13 2. Sections 195.2550 to 195.2635 shall not apply to any:

14 (1) Safe harbor hemp product; or

15 (2) Safe harbor manufacturer or storage facility.

195.2635. 1. Before July 1, 2027, each school district in this state shall adopt and
2 enforce a written policy prohibiting at all times the use of any industrial hemp-derived
3 consumable product by any person in school buildings, in school facilities, on school
4 campuses, and in or on any other school property owned or operated by the school
5 district. The policy shall also prohibit the use of any industrial hemp-derived
6 consumable product by persons attending a school-sponsored event at a location not
7 listed in this subsection if in the presence of students or school personnel or in an area
8 where smoking or other use of an industrial hemp-derived consumable product is
9 otherwise prohibited by law.

10 2. Notwithstanding the provisions of subsection 1 of this section or any other
11 provision of sections 195.2550 to 195.2635 to the contrary, a licensed health care

12 professional may administer an industrial hemp-derived consumable product to a
13 student at a school under the following conditions:

14 (1) The student has a recommendation from a licensed health care professional
15 specifying the reason for the administration, the suggested product, and the suggested
16 dosage;

17 (2) The parent or legal guardian of the student has provided a letter giving
18 express permission to administer the product to the student in accordance with the
19 recommendation of the licensed health care professional;

20 (3) For each industrial hemp-derived consumable product to be administered,
21 the student's parent or legal guardian has submitted a validly issued certificate of
22 analysis from an independent testing laboratory with testing results that meet the
23 requirements of section 195.2570; and

24 (4) For each industrial hemp-derived consumable product to be administered,
25 no more than a three-month supply of the product is provided to the school at any given
26 time.

27 3. Any industrial hemp-derived consumable product provided to a school under
28 this section shall be kept in an area that is inaccessible to other students, teachers, staff,
29 and administrators.

✓