

Proposed Hemp Regulations (Missouri)

CHAPTER XXX

REGULATION OF HEMP-DERIVED CONSUMABLE PRODUCTS

Section XXX. The purpose of this Chapter is to regulate the sale and distribution of hemp-derived consumable products.

Section XXX. As used in this Chapter, unless the context otherwise requires:

1. "Lot" means
 - a. A specific quantity of hemp plants that are cultivated from the same seed or plant stock, are cultivated together, are intended to be harvested together, and receive an identical propagation and cultivation treatment;
 - b. A specific quantity of hemp flower that is harvested together; is uniform and is intended to meet specifications for identify, strength, purity, and composition; and receives identical sorting, drying, curing, and storage treatment.
2. "Batch" means
 - a. A specific quantity of hemp-derived consumable product as defined by the manufacturer that is manufactured at the same time and using the same methods, equipment, and ingredients that is uniform and intended to meet specifications for identity, strength, purity, and composition, and that is manufactured packaged, and labeled according to a single batch production record executed and documented.
3. "Batch Number" means a unique numeric or alphanumeric identifier assigned to a batch of hemp plants or hemp-derived consumable products,
4. "Business" means any of the following licensed under this Chapter:
 - a. Hemp-derived consumable product Distributor;
 - b. Hemp-derived consumable product Retailer;
 - c. Hemp-derived consumable product Manufacturer;
5. "Counter" means the point of purchase at a retail establishment.
6. "Certificate of Analysis (COA)" means a document from an Independent Testing Laboratory that provides detailed results of hemp product testing, including batch number, date received, and method of analysis, ensuring that the product complies with the state's safety and potency standards.
7. "DHSS" means the Missouri Department of Health and Senior Services.
8. "Distributor" means a person or entity that purchases hemp-derived consumable products from Manufacturers and sells them to Retailers.
9. "Division" means the Missouri Division of Alcohol and Tobacco Control (ATC).
10. "Franchise" means a written or oral arrangement for a definite or indefinite period, in which a person grants to another person a license to use a trade name, trademark, service mark, or related characteristic, and in which there is a community of interest in the marketing of goods or services at wholesale, retail, by lease, agreement, or otherwise, including but not limited to a commercial relationship of definite duration or continuing indefinite duration, between a hemp-derived

Proposed Hemp Regulations (Missouri)

consumable beverage product Manufacturer and a hemp-derived consumable product Distributor, and wherein a hemp-derived consumable product Distributor is granted the right to offer, sell, and distribute within this state or any designated area thereof some or all of the hemp-derived consumable product Manufacturer's hemp-derived consumable products to hemp-derived consumable product Retailers.

11. "Food Service Establishment" means an establishment where food is prepared and served on premise.
12. "Hemp" means: the plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.
11. "Hemp-derived cannabinoid" means: any cannabinoid derived from a compound found in hemp, including, but not limited to, delta-9 tetrahydrocannabinol (delta-9 THC), tetrahydrocannabinolic acid (THCA), cannabidiol (CBD), cannabidiolic acid (CBDA), cannabinol (CBN), cannabigerol (CBG), cannabichromene (CBC) cannabicycol (CBL), cannabivarin (CBV), tetrahydrocannabivarin (THCV), cannabidivarin (CBDV), cannabicitran (CBT), delta-7 tetrahydrocannabinol (delta-7 THC), delta-8 tetrahydrocannabinol (delta-8 THC), delta-10 tetrahydrocannabinol (delta-10 THC), or hexahydrocannabinol (HHC). This term does not include synthetic cannabinoid. (ref missouri code) RSMO 195.010(44)
12. "Hemp-derived consumable product" means: a hemp product that is a finished good intended for human ingestion or inhalation that contains a delta-9 THC concentration of not more than three-tenths of one percent (0.3%) on a dry weight basis but may contain concentrations of other hemp-derived cannabinoids in excess of that amount. This term does not include hemp products intended for topical application, or seeds or seed derived ingredients that are generally recognized as safe by the United States Food and Drug Administration (FDA).
13. "Hemp-derived consumable beverage product" means: a liquid (other than a tincture) that is intended for ingestion.
14. "Independent Testing laboratory" means a laboratory that meets all of the following conditions:
 - a. Holds and ISO 17025 accreditation or is registered with the Drug Enforcement Administration (DEA) in accordance with 21 C.F.R. § 1301.13;
 - b. Does not have a direct or indirect interest in the entity whose product is being tested;
 - c. Does not have a direct or indirect interest in a facility that cultivates, processes, distributes, dispenses, or sells hemp-derived consumable products in this State or any other jurisdiction
 - d. Performs tetrahydrocannabinol concentration sampling and testing using the high-performance chromatography (HPLC) method or Gas Chromatography- Mass Spectrometry (GC-MS) method, as appropriate (i.e. does not alter the chemical composition of the cannabinoids) for the product being tested.
15. "Ingestion" means the process of consuming hemp through the mouth by swallowing into the gastrointestinal system .
16. "Inhalation" means the process of consuming hemp through the respiratory system through the mouth or nasal passageway.

Proposed Hemp Regulations (Missouri)

17. "License" means a license issued in accordance with this Chapter.
18. "Manufacture" means to compound, blend, extract, infuse, cook, or otherwise make or prepare products containing a hemp-derived cannabinoid, including the processes of extraction, infusion, packaging, repackaging, labeling, and relabeling of products containing a hemp-derived cannabinoid.
19. "Manufacturer" means any person who engages in the process of manufacturing, preparing, or packaging of hemp-derived consumable products.
20. "Proof of age" means a valid driver's license or other government-issued identification card that contains a photograph of the person and confirms the person's age as twenty-one (21) years of age or older.
21. "Retailer" means a person or entity that sells products containing a hemp-derived cannabinoid for consumption and not for resale.
22. "Retail establishment" means a place of business open to the general public for the sale of goods or services.
23. "Safe Harbor Hemp Product" means a hemp-derived compound or cannabinoid, whether a finished product or in the process of being produced, that is permitted to be manufactured for distribution, produced for distribution, packaged for distribution, processed for distribution, treated for distribution, transported for distribution, or held for distribution in the State for export from the State but that is not permitted to be sold or distributed in the State.
24. "Safe Harbor Manufacturer or Storage Facility" means a facility that manufactures for distribution, produces for distribution, packages for distribution, processes for distribution, prepares for distribution, treats for distribution, transports for distribution, or holds for distribution a safe harbor hemp product
25. "Serving" means a recommended quantity of a hemp-derived consumable product as indicated on the packaging as a single piece or which is easily identified as breakable by indent or which is measurable by fluid ounce.
26. "Tincture" – means a consumable hemp product in the form of liquid, that is not a beverage or intended for drinking, that is intended for human consumption, and contains hemp suspended in a consumable base liquid.

Section XXX Sales Restrictions on Hemp-Derived Consumable Products

1. No person shall knowingly do any of the following:
 - a. sell or distribute a product containing a hemp-derived cannabinoid to a person who is under twenty-one (21) years of age or purchase a product containing a hemp-derived cannabinoid on behalf of a person who is under twenty-one (21) years of age.
 - b. persuade, entice, send, or assist a person who is under twenty-one (21) years of age to purchase, acquire, receive, or attempt to purchase a product containing a hemp-derived cannabinoid. This section does not preclude such efforts if they involve:
 - i. The use of a minor seventeen (17) years of age or younger if the minor's parent or legal guardian has consented to this action;

Proposed Hemp Regulations (Missouri)

- ii. The use of a person between the age of eighteen (18) and twenty-one (21) if the individual has consented to this action;
 - iii. The use of an individual between the age of eighteen (18) and twenty-one (21) as long as that individual is a military veteran.
 - c. Distribute products containing a hemp-derived cannabinoid in or on a public street, sidewalk, or park without obtaining a temporary event permit from the Division. Temporary event permits may be obtained for street or neighborhood festivals, concerts, markets, or other similar events.
 - d. Sell or distribute a product containing a hemp-derived cannabinoid without having first obtained proof of age from the purchaser or recipient, unless an ordinary person would conclude on the basis of appearance that such prospective purchaser or recipient is not under the age of twenty-one (21).
2. No person who is under twenty-one (21) years of age shall knowingly purchase or accept receipt of a product containing a hemp-derived cannabinoid or to knowingly present purported proof of age that is false, fraudulent, or not actually that person for the purpose of purchasing or receiving a product containing a hemp-derived cannabinoid.
 - a. A first violation of this subsection shall result in a fine not to exceed two hundred and fifty dollars (\$250). Each violation thereafter shall result in a Class D misdemeanor.
 - b. Notwithstanding the foregoing, it shall not be a violation of this Chapter for a person under the age of twenty-one (21) to consume hemp-derived cannabinoid products under the supervision of his or her parent or guardian.
3. With the exception of hemp-derived consumable beverage products not exceeding 10 milligrams per single serving of Delta-8 THC, Delta-9 THC, and Delta-10 THC, it is a violation for a retailer or retail establishment to fail to maintain any product containing hemp-derived cannabinoids on or behind the counter, in a locked cabinet, or in an area or retail establishment restricted to adults twenty-one (21) years of age or older. Any hemp-derived consumable beverage product, including those in cases or boxes, offered for retail sale shall be merchandised in a manner that clearly indicates to consumers, by way of signage, shelf-talkers, stickers, and other comparable means, that the product contains hemp-derived cannabinoids and is only for sale to persons over the age of twenty-one (21)
4. A first violation of this subsection shall result in a fine paid to the Division not to exceed two hundred and fifty dollars (\$250), each violation thereafter shall result in a Class D misdemeanor.
5. The Division shall enforce this Chapter in a manner that may reasonably be expected to reduce the extent to which hemp-derived consumable products are sold or distributed to persons under twenty-one years of age and shall conduct inspections at locations where such products are sold or distributed to ensure compliance with this Chapter.

Section XXX **Licensing Requirements**

1. A person or entity that is in the business of hemp-derived consumable products in this State, including a Distributor, Manufacturer, and Retailer, must obtain a license from the Division authorizing the person or entity to engage in that business prior to the commencement of business or ninety (90) days after the effective date of this law.

Proposed Hemp Regulations (Missouri)

2. In order to obtain and maintain a Distributor, Manufacturer, or Retailer License under this section, a person must:
 - a. Submit to the Division an application that includes:
 - The name and address of the applicant
 - If the applicant is a retailer, the legal description of the location to be used; and
 - If federal law requires a research purpose for the cultivation or manufacture of industrial hemp, a description of one or more research purposes planned, but not to be construed to limit the commercial sale of hemp-derived consumable products.
 - b. Pay to the Division license fees determined by the Division, not to exceed \$250.00 for Manufacturing or Distribution and not to exceed \$100.00 for Retailer.
 - c. Consent to reasonable inspection and sampling by the Division of the applicant's inventory of hemp-derived consumable products, as discussed in Section XXX below.
3. A License issued pursuant to this section is valid for a period of one year and may be renewed annually. The Division shall charge an annual renewal fee equal to the initial licensing fee.
4. The Division is authorized to:
 - a. Determine requirements for and issue Licenses for the manufacture and sale of hemp-derived consumable products in this State;
 - b. Establish guidelines for small-scale producers to promote the development of local hemp manufacturers focused on the production of edibles, inhalables, and beverages.
 - The cap on annual raw material processing for small-scale producers may be adjusted based on market demand and agricultural conditions, subject to periodic review by the Division.
 - c. Promulgate rules for denying or revoking Licenses for each violation of this Chapter, and will include guidelines for administrative appeals by licensees.
 - d. Promulgate regulations to effectuate the purposes of this section.
 - e. Any Applicant that meets the requirements set forth in this Chapter shall be issued a License by the Division. If the Division fails to decline or issue a license within thirty (30) days of the application to an applicant that meets the requirements, the applicant shall be deemed automatically approved.
5. The revenue collected from fees established under this section must be deposited in the state general fund and used exclusively for the administration of this Chapter.
6. After the effective date of this act, no new retail establishments offering hemp-derived consumable products shall be located within 100 feet of any educational institution, public or private, providing elementary or secondary education to children at any level, kindergarten through twelfth grade, or the equivalent thereof if grade divisions are not used by such institution. Notwithstanding the foregoing, a retail establishment operating within 100 feet of any educational institution, public or private, providing elementary or secondary education to children at any level, kindergarten through twelfth grade, or the equivalent thereof if grade divisions are not used by such institution that changes ownership after the adoption of this act shall be permitted to operate in the same location.

Proposed Hemp Regulations (Missouri)

1. Within ninety days after the Effective Date of this Chapter, the Division shall promulgate rules surrounding the licensing of hemp-derived consumable product businesses in accordance with this Chapter. The Rules shall, at a minimum:
 - a. Set forth application forms and guidelines for registering as a hemp-derived consumable product business;
 - b. Provide a time period for which businesses must be licensed in accordance with this Chapter;
 - c. Provide that if an application is submitted and the applicant has not received approval or denial within thirty (30) days of submitting the application, the application shall automatically be approved, and a license shall be issued; and
 - d. Set forth requirements for business operations in accordance with this Chapter.
2. It is an offense for a person or entity to engage in the business of manufacturing or selling products containing a hemp-derived cannabinoid in this State without a valid license required by this Chapter. Such offense will be punishable by a fine not to exceed \$250.00.
3. A product containing a hemp-derived cannabinoid that is sold or offered for sale in violation of this section is subject to seizure and forfeiture.

Section XXX Testing Requirements

1. Testing by the DHSS
 - a. Testing for hemp-derived consumable products as defined in this Chapter shall be subject to the requirements set forth above in this Section. Further, testing shall be overseen by the DHSS.
 - b. The DHSS shall:
 - maintain and post on its website a registry of Independent Testing Laboratories, both in Missouri and out of state, that are qualified to test intermediate manufactured material and finished products containing a hemp-derived cannabinoid; and
 - develop an application and process by which qualifying laboratories, both in Missouri and out of state, are listed on its website. The application submitted by a potentially qualifying laboratory must include a sample certificate of analysis issued by the applying laboratory;
 - The DHSS has ninety (90) days in which to approve an application submitted by a potential qualifying laboratory.
 - c. Notwithstanding the foregoing, Independent Testing Laboratories wishing to test hemp-derived consumable products subject to this Chapter shall register immediately with the DHSS.
7. Testing Requirements Prior to Distribution or Retail Sale
 - c. The Manufacturer shall ensure that the hemp used in the manufacturing of hemp derived consumable products undergoes full-panel testing. The hemp derived consumable products must undergo potency testing only.
 - d. Requirement. The Manufacturer shall have a hemp-derived consumable product tested prior to distribution to a Distributor or before distributing the product to a Retailer

Proposed Hemp Regulations (Missouri)

- If the hemp-derived consumable product is packaged in a manner that may be sold to the ultimate consumer of the product when delivered to the Distributor and the Distributor does not open such package, the Distributor is not required to test the hemp-derived consumable product.
 - If the hemp-derived consumable product is not packaged in a manner that may be sold to the ultimate consumer of the product when delivered to the Distributor or the Distributor does open such package, the Distributor shall have the hemp-derived consumable product tested prior to distribution.
 - If the hemp-derived consumable produce must be tested by the Distributor pursuant to subsection (a)(ii) above, the Distributor must conduct the testing pursuant to the requirements set forth in subsections (b) through (g) of this section. No product that contains more than the maximum amount indicated for any substance in subsection (b) of this section shall be distributed or sold in this State.
 - The test results will be documented and maintained by the Distributor.
- b. Substances Tested; Limitations. – The DHSS shall promulgate regulations specifying pass/fail action levels for safety and toxicity for hemp-derived consumable products with respect to the testing required by this subsection (a). All hemp-derived consumable products offered for sale or distribution in this state shall be tested for the presence of and amount of the following substances:
- Heavy metals;
 - Pesticides;
 - Mycotoxins;
 - Solvents;
 - Microbials;
- c. Laboratory Qualifications. – A Manufacturer or Distributor shall contract with an Independent Testing Laboratory to provide the testing required under subsection (a) of this section.
- d. Testing Method. – An Independent Testing Laboratory providing testing required under subsection (a) of this section shall use high-performance liquid chromatography (HPLC) or Gas Chromatography- Mass Spectrometry (GC-MS) method, as appropriate (i.e. does not alter the chemical composition of the cannabinoids) for the product being tested. for full-panel or potency testing in accordance with this Section.
- e. Certificate of Analysis..Each hemp-derived consumable product tested in accordance with this Section shall be accompanied by a validly issued Certificate of Analysis (COA) from an Independent Testing Laboratory to demonstrate:
- The batch identification number;
 - The date received;
 - The date of completion;
 - The method of analysis for each test conducted; and
 - Proof that the certificate of analysis is connected to the product.
- f. The Manufacturer shall provide these COAs to inspectors upon request. Retailers must maintain Certificates of Analysis (COAs) for each batch of Hemp Derived Consumable Products they sell and provide them to inspectors upon request for a period of three (3) years from date of manufacturing.

Proposed Hemp Regulations (Missouri)

- g. Batch Testing. – Each batch manufactured must undergo testing and obtain a certificate of analysis by an Independent Testing Laboratory.
- h. In the event that a Hemp Derived Consumable Product does not have a full panel COA for its hemp constituent ingredients, a full panel COA for the Hemp Derived Consumable Product shall be sufficient.
- i. Hemp flower or a product containing hemp flower need only be accompanied by a certificate of analysis issued within the previous twelve month period demonstrating that the hemp flower or product containing hemp flower has a concentration of no more than three-tenths of one percent (0.3%) on a dry weight basis of delta-9 tetrahydrocannabinol.
- j. “Best By” Date. – A hemp-derived consumable product shall have a “Best by” Date on the label that conforms with applicable federal law and shall be no more than two (2) years from the date of publication of the product’s laboratory testing report required by subsection (a).

SECTION XXX: Label Requirements

1. The label of a hemp-derived consumable product offered for distribution or sale in this state shall contain the following information, in no less than three (3) point font:
 - a. Product name or common name, on the front of the label;
 - b. Brand name, on the front of the label;
 - c. Front label must clearly indicate package contains Hemp Derived Cannabinoids;
 - d. Net weight or volume or net count of individual items, on the front of the label;
 - e. Suggested product use, including serving sizes if the product is intended for ingestion or inhalation;
 - f. List of ingredients, including:
 - i. Milligrams of any cannabinoid over one (1) mg per serving.
 - ii. Milligrams of any measurable amount of THC per serving.
 - g. List of allergens if any of the major allergens identified by the FDA could be present or if the product is manufactured in a lab that uses any of those major allergens identified by the FDA in the Food Allergen Labeling and Consumer Protection Act of 2004 (FALCPA);
 - h. Manufacturer or Distributor name and form of address;
 - i. Batch number;
 - j. “Best By” Date. – A hemp-derived consumable product shall have a “Best by” Date on the label that conforms with applicable federal law and shall be no more than two (2) years from the date of publication of the product’s CoA testing report required by subsection (a).
 - k. A statement that use while pregnant or breastfeeding may be harmful;
 - l. A statement that the product contains hemp-derived cannabinoids and that consumption of certain cannabinoids may impair your ability to drive or operate heavy machinery;
 - m. A statement to keep out of the reach of children;
 - n. A statement that the product is only for persons over the age of twenty-one (21);
 - o. A statement to consult your physician before use;
2. The label of each hemp-derived consumable product intended for ingestion or inhalation shall include the following text: “This product has not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure, mitigate, or prevent any disease.”
3. Hemp-derived consumable product labels shall not:

Proposed Hemp Regulations (Missouri)

- a. Have any likeness or bear any reasonable resemblance to a human, animal, cartoon character or fictional character; or
- b. Infringe upon any trademarks protected by the Federal Trade Commission (FTC) or the Missouri Secretary of State's Office.

Section XXX: **Product Requirements and Restrictions**

1. A hemp-derived consumable product that is sold in this state shall meet the following requirements:
 - a. Be labeled in accordance with Section XXX Label Requirements and include a quick response code that directs consumers to all label information required by Section XXX Label Requirements and all information required by Section XXX Testing Requirements.
 - b. Be manufactured in the United States with hemp derived from the United States under all applicable law governing the manufacture of hemp-derived products in its jurisdiction of origin.
 - c. Ingestible Product Restrictions (excluding hemp-derived consumable beverage products). Any hemp-derived consumable product intended for ingestion, (other than hemp-derived consumable beverage products), not intended for inhalation shall not:
 - i. Be sold in a container in which a single serving contains more than 100 milligrams of one or more of the following hemp-derived cannabinoids:
 1. Delta-8 THC;
 2. Delta-9 THC;
 3. Delta-10 THC;
 - ii. Be formed in the shape of an animal or cartoon character.
 - iii. Be sold in such a manner that a single serving is less than one piece unless serving sizes are clearly marked and easily divided without the use of a knife or tool.
 - iv. Be sold in child-resistant packaging in accordance with accepted federal standards.
 - d. Hemp-derived Consumable Beverage and Tincture Product Restrictions. Any hemp-derived consumable beverage product or tincture intended for ingestions shall not:
 - i. Be sold in a container in which a single serving contains more than 100 milligrams of one or more of the following hemp-derived cannabinoids:
 1. Delta-8 THC;
 2. Delta-9 THC;
 3. Delta-10 THC.
 - e. Inhalable Product Restrictions. Any hemp-derived consumable product intended for inhalation shall not:
 - i. Be sold in a container that contains more than six (6) milliliters or six (6) grams of hemp-derived cannabinoids, in the aggregate, of one or more of the following hemp-derived cannabinoids:
 1. Delta-8 THC;
 2. Delta-9 THC;
 3. Delta-10 THC.
 - ii. Be sold without a validly issued Certificate of Analysis issued by an Independent Testing Laboratory within the previous twenty-four (24) months.
 - iii. Contain any amounts of Vitamin E oil or Vitamin E Acetate oil in any quantity.

Proposed Hemp Regulations (Missouri)

Section XXX – Advertising and Packaging Restrictions

A Retailer or Manufacturer of a product containing a hemp-derived cannabinoid shall not advertise, market, or offer for sale a product containing a hemp-derived cannabinoid by using, in the labeling or design of the product or product packaging or in advertising or marketing materials for the product trade dress, trademarks, branding, or other related imagery or scenery that depicts or signifies characters or symbols known to appeal primarily to minors, and it should not infringe upon any trademarks protected by the Federal Trade Commission (FTC) or the Missouri Secretary of State's office. This does not prevent the use of drawings, illustrations, or artwork depicting non-mythical creatures, inanimate objects, scenery, humanoid characters, fruit or flavor focused images, or any other items not known to appeal primarily to minors.

Section XXX Penalties and Prosecution for Impairment

1. Impairment for purposes of this Section is defined by the Office of the Missouri Secretary of State and the Missouri Department of Transportation.
2. No individual is permitted to:
 - a. Undertake any task while impaired by a hemp-derived cannabinoid when doing so would constitute negligence or professional malpractice; or
 - b. Operate, navigate, or be in actual physical control of a motor vehicle, aircraft, motorized watercraft, or any other vehicle while impaired by a hemp-derived cannabinoid.
3. No employer is required to accommodate the use of a hemp-derived cannabinoid in a workplace or an employee working while under the influence of a hemp-derived cannabinoid.
4. This Section does not exempt a person from prosecution for a criminal offense related to impairment or intoxication resulting from use of a hemp-derived cannabinoid or relieve a person from any requirement under law to submit to a breath, blood, urine, or other test to detect the presence of a controlled substance.

Section XXX License Restrictions for Manufacturers, Distributors, and Retailers of Hemp-Derived Consumable Beverages

1. Nothing in this Chapter shall prevent hemp-derived consumable beverage manufacturers from assigning exclusive territories for distribution of hemp-derived consumable beverage products.

Section XXX: Product Registration Requirements.

Each manufacturer of hemp-derived consumable product distributed or available for distribution in Missouri shall be officially registered annually with the Division and shall comply with the following requirements:

1. Application for registration shall be made to the Division on a form provided by the Division including the following information:
 - a. The name and address of the applicant and the name and address of the person whose name will appear on the product labels, if other than the applicant's;
 - b. The ingredients used in the products to be distributed; and
 - c. The types and uses of the products to be distributed.

Proposed Hemp Regulations (Missouri)

2. The Division may conduct random audits to ensure that the registrant is complying with the Division's registration requirements.
3. A new or updated is required for any of the following:
 - a. Any change in the hemp-derived consumable product ingredients;
 - b. Any change in the types of products to be distributed; and
 - c. Any change to the directions for use.
4. For changes that do not require a new registration, the registrant shall submit copies of each label change to the Division as soon as they are effective.
5. The registrant is responsible for the accuracy and completeness of information submitted.
6. A hemp-derived consumable product that has been discontinued shall continue to be registered in the state until the product is no longer available for distribution.

XXX Certificate of Analysis

1. Testing shall be conducted on the hemp-derived consumable product in its final form in accordance with the requirements set forth in Section XXX: Testing Requirements.
2. The test results required in Subsection XXX: Testing Requirements shall be reported in specified units of measure and in accordance with the requirements for a hemp-derived consumable product in Section XXX Product Requirements and Restrictions.

XXX Inspection and Testing.

1. Testing pursuant to this section is limited to inspection of hemp-derived consumable products distributed or available for distribution in the state for compliance with this rule.
2. The Division shall conduct randomized high-performance liquid chromatography (HPLC) or by Gas Chromatography- Mass Spectrometry (GC-MS) method, as appropriate (i.e. does not alter the chemical composition of the cannabinoids) for the product being tested for full-panel or potency testing in accordance with this Section.
3. The Division shall periodically sample, analyze, and test hemp-derived consumable products distributed within the state for compliance with registration and labeling requirements and the certificate of analysis.
4. The Division (or DHSS) shall be responsible for procuring the hemp-derived consumable products to be sampled. Firms shall not be required to release goods for testing without appropriate compensation.
5. The Division may conduct HPLC inspection of hemp-derived consumable products distributed or available for distribution for any reason the Division deems necessary.
6. The sample taken by the Division shall be the official sample.

Proposed Hemp Regulations (Missouri)

Section XXX On-Site Consumption

1. Registration Requirements
 - a. All retail establishments and food service establishments offering hemp-derived consumable products shall be licensed by the Division in accordance with this Chapter.
 - b. Hemp-derived consumable products or class of products may be sold in retail and food service establishments if they have been registered in accordance with Section XXX Registration Requirements of this Chapter. All other hemp-derived consumables product or class of products shall be prohibited.
2. A Retail establishment or food service establishment offering hemp-derived consumable products at a temporary event or festival shall register as a Retailer with the Division.
3. After the effective date of this act, no new retail establishments offering hemp-derived consumable products shall be located within 100 feet of any educational institution, public or private, providing elementary or secondary education to children at any level, kindergarten through twelfth grade, or the equivalent thereof if grade divisions are not used by such institution. Notwithstanding the foregoing, a retail establishment operating within 100 feet of any educational institution, public or private, providing elementary or secondary education to children at any level, kindergarten through twelfth grade, or the equivalent thereof if grade divisions are not used by such institution that changes ownership after the adoption of this act shall be permitted to operate in the same location.
4. A business that distributes, sells, or serves hemp-derived consumable products shall not permit any person who is under twenty-one (21) years of age, (unless the person employed is at least eighteen (18) years of age and under the direct supervision of a person twenty-one (21) years of age or older) to serve or handle hemp-derived consumable products. Individuals under eighteen (18) years of age may work in hemp fields or participate in the processing of raw hemp flower as part of agricultural operations, provided they are supervised by a person over twenty-one (21) years of age.
5. The sale of any hemp-derived consumable product for on-site consumption shall not be conducted unless the age of the purchaser has been verified to be at least twenty-one (21) years of age or older, unless an ordinary person would conclude on the basis of appearance that such prospective purchaser or recipient is not under the age of twenty-one (21).
6. On-Site Consumption of Hemp-Derived Consumable Products
 - a. Except as set forth in this Section, only pre-packaged registered hemp-derived consumable products may be offered as ready-to-consume or for direct consumption at food service establishments;
 - b. Hemp-derived consumable products shall not be added to an ingestible food product at a food service establishment;
 - c. Hemp-derived consumable beverage products may be added to a non-alcoholic ingestible beverage product at a food service establishment, provided the food service establishment can provide the consumer with copy of the hemp-derived consumable product's registration issued with the Division in conjunction with incorporating the hemp-derived consumable beverage;

Proposed Hemp Regulations (Missouri)

- d. The food service establishment shall obtain a copy of the Division’s registration for each hemp-derived consumable product and provide copy upon inspection;
- e. A food service establishment offering hemp-derived consumable products shall provide to consumers upon request:
 - i. The common name of the product;
 - ii. The Distributor or Manufacturer of the product;
 - iii. A copy of the Division’s registration for the hemp-derived consumable product;
- f. The food service establishment shall notify the Division within twenty-four (24) hours of becoming aware or within twenty-four (24) hours of when the food service establishment should have been aware of any serious adverse event to a hemp-derived consumable product sold by the establishment.
- g. On site sampling by Manufacturers at their place of business is permitted provided those sampling are at least twenty-one (21) years of age or older.

Section XXX Slotting Fees

No hemp-derived consumable product Manufacturer or Distributor may pay to a hemp-derived consumable hemp Retailer, nor shall any hemp-derived consumable product Retailer accept, any payment, credit, or any other consideration to induce the hemp-derived product Retailer to advertise or display a hemp-derived consumable product in a certain manner or the hemp-derived consumable product Retailer’s licensed premises.

Section XXX Excise Taxes

1. **Levy and Rates.** An excise tax at the rate of two percent (2%) is imposed on the retail sale of an intoxicating hemp product. The tax is in addition to any tax imposed under any other provision of federal, state, or local law. For purposes of this article, the term “hemp-derived consumable product” is as defined in Section XXX. The excise tax collected pursuant to this Chapter shall be used exclusively for the funding of the following:
 - a. Missouri Veteran’s Assistance Programs, including the pilot program established by the Veterans Commission under Section 42.019 of the Revised Statutes of Missouri, which assesses the effectiveness of hemp-derived cannabinoid therapies in treating veterans diagnosed with chronic pain, post-traumatic stress disorder, and traumatic brain injury.
 - b. Drug abuse prevention and education programs, such as [Program Example Placeholder], that focus on community-based education, rehabilitation, and prevention strategies for substance abuse.
 - c. First responder programs, including training and mental health support programs for law enforcement, EMTs, and firefighters in Missouri.
2. **Trust Tax.** The tax imposed by this Article is intended to be passed on to and borne by the purchaser of the 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 the State when it collects tax from the purchaser on a taxable transaction. The tax must be stated and charged separately on any documentation provided to the purchaser by the Retailer at the time of the transaction.

Proposed Hemp Regulations (Missouri)

3. Online Sales and Out-of-State Orders: The excise tax applies only to sales made to purchasers within the state of Missouri. Sales made to purchasers outside Missouri are not subject to the state excise tax unless otherwise mandated by interstate commerce laws or agreements.

Section XXX Franchises for Distributors of Hemp-Derived Consumable Beverages

1. If more than one franchise for the same brand or brands of hemp-derived consumable beverage products is granted to different hemp-derived consumable beverage product Distributors in Missouri, it is a violation for any hemp-derived consumable beverage product Manufacturers to discriminate between the Distributors with respect to any of the terms, provisions, and conditions of these franchises.
2. Notwithstanding the terms, provisions and conditions of any franchise, no hemp-derived consumable beverage product Manufacturer shall unilaterally terminate or refuse to continue or change substantially the condition of any franchise with the hemp-derived consumable beverage product Distributor unless the Manufacturer has first established good cause for such termination, non continuance, or change.
3. Any hemp-derived consumable beverage product Distributor may bring an action in a court of competent jurisdiction against a consumable product Manufacturer for violation of any of the provisions of this section and may recover damages sustained by such Distributor together with the costs of the action and reasonable attorney's fees.
4. In any action brought by a hemp-derived consumable product Distributor against a hemp-derived consumable product Manufacturer for termination, non continuance or substantial change in violation of the provisions of this section, it is a complete defense for the hemp-derived consumable product Manufacturer to prove that the termination, non continuance or change was done in good faith and for good cause. The same defense applies to Distributors in any similar action brought by a Manufacturer.
5. As used in this section, "good faith" is the duty of each party to any franchise and all officers, employees or agents thereof to act in a fair and equitable manner towards each other, and "good cause" means the following:
 - (a) Failure by the hemp-derived consumable product Distributors to comply substantially with the provisions of an agreement or understanding with the hemp-derived consumable product Manufacturer, which provisions are both essential and reasonable;
 - (b) Use of bad faith or failure to observe reasonable commercial standards of fair dealing in the trade; or,
 - (c) Failure by the Manufacturer to provide consistent product supply, pricing, or promotional support as outlined in the franchise agreement; or
 - (d) Revocation or suspension for more than thirty days of the hemp-derived consumable product Distributor's state and/or local license required for normal operations of its business.

Section XXX Safe Harbor Protection

Proposed Hemp Regulations (Missouri)

1. This Article shall not apply to the following:
 - a. A Safe Harbor Hemp Product
 - b. A Safe Harbor Manufacturer or Storage Facility.
2. For the purposes of this section, a “Safe Harbor Hemp Product” means a hemp-derived compound or cannabinoid, whether a finished product or in the process of being produced, that is permitted to be manufactured for distribution, produced for distribution, packaged for distribution, processed for distribution, prepared for distribution, treated for distribution, transported for distribution, or held for distribution in Missouri for export or resale outside the state of Missouri but that is not permitted to be sold or distributed in Missouri This includes products distributed for e-commerce B2C warehouses and resale to consumers outside of Missouri.
3. For the purposes of this Section, a “Safe Harbor Manufacturer or Storage Facility” means a facility that Manufacturers for distribution, produces for distribution, packages for distribution, packages for distribution, processes for distribution, processes for distribution, prepares for distribution, treats for distribution, transports for distribution, or holds for distribution a Safe Harbor Hemp Product.
4. Products intended for distribution or resale outside of Missouri are exempt from Missouri DHSS requirements and permitting, as they are not intended for sale or distribution within the state. These products are subject only to the regulations of the destination state or country.

Section XXX Prohibition on School Grounds

1. It shall not be an offense under this Chapter for a registered nurse or nurse practitioner at a school to administer hemp-derived consumable products to students under the following conditions:
 - a. The student’s parent or guardian submits, in writing, a letter specifying the reason for the administration and the amount to be administered to the student.
 - b. For each hemp-derived consumable product, no more than a three (3) months’ supply of the product is to be provided to the school at any given time.
 - c. Any hemp-derived consumable product provided to a school under this Section shall be kept in an area that is inaccessible to other students, faculty, staff and administrators.
2. Use at Events on School Grounds: It shall not be an offense under this Chapter for intoxicating hemp-derived products to be sold or consumed at festivals or events held on school grounds where alcohol is otherwise permitted.
3. Full force and effect: This section takes effect upon approval by the Governor and applies beginning with the XXX School Year.

SECTION XXX. This act takes effect upon approval by the Governor.