



January 11, 2018

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## SENATE BILL No. 52

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DIGEST OF SB 52 (Updated January 10, 2018 3:03 pm - DI mo)

**Citations Affected:** IC 16-42; IC 24-4; IC 35-31.5; IC 35-48.

**Synopsis:** Zero THC hemp extract. Defines "zero THC hemp extract" as a product derived from the cannabis plant that contains no tetrahydrocannabinol and no other controlled substances. Specifies requirements permitting the manufacture and sale of zero THC hemp extract. Makes conforming amendments.

**Effective:** July 1, 2018.

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January 3, 2018, read first time and referred to Committee on Rules and Legislative Procedure.  
January 11, 2018, amended; reassigned to Committee on Corrections and Criminal Law.

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SB 52—LS 6077/DI 13





January 11, 2018

Second Regular Session 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

## SENATE BILL No. 52

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 16-42-28.6-5, AS ADDED BY P.L.188-2017,  
2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2018]: Sec. 5. As used in this chapter, "substance containing  
4 cannabidiol" means a product that contains:

- 5 (1) not more than three-tenths percent (0.3%) total  
6 tetrahydrocannabinol (THC) by weight, including its precursors  
7 and derivatives;  
8 (2) at least five percent (5%) cannabidiol by weight; and  
9 (3) no other controlled substances.

10 **The term does not include zero THC hemp extract (as defined in**  
11 **IC 35-48-1-28).**

12 SECTION 2. IC 24-4-21 IS ADDED TO THE INDIANA CODE AS  
13 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
14 1, 2018]:

15 **Chapter 21. Zero THC Hemp Extract Production**

16 **Sec. 1. The following definitions apply throughout this chapter:**

- 17 (1) "Certificate of analysis" means a certificate from an

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1 independent testing laboratory describing the results of the  
2 laboratory's testing of a sample.

3 (2) "Independent testing laboratory" means a laboratory:

4 (A) with respect to which no person having a direct or  
5 indirect interest in the laboratory also has a direct or  
6 indirect interest in a facility that:

7 (i) processes, distributes, or sells zero THC hemp  
8 extract;

9 (ii) processes, distributes, or sells a substance containing  
10 cannabidiol (as defined in IC 35-48-1-26.7), or a  
11 substantially similar substance in another jurisdiction;

12 (iii) cultivates, processes, distributes, dispenses, or sells  
13 marijuana; or

14 (iv) cultivates, processes, or distributes industrial hemp;  
15 and

16 (B) is accredited:

17 (i) to International Organization for Standardization  
18 (ISO) 17025 by a third party accrediting body such as  
19 the American Association for Laboratory Accreditation  
20 (A2LA) or Assured Calibration and Laboratory  
21 Accreditation Select Services (ACLASS); or

22 (ii) by the state department of health;

23 as a testing laboratory.

24 (3) "Zero THC hemp extract" has the meaning set forth in  
25 IC 35-48-1-28.

26 Sec. 2. A person may:

27 (1) manufacture zero THC hemp extract; and

28 (2) distribute zero THC hemp extract to a retailer or an  
29 independent testing laboratory;

30 if the person meets the requirements of this chapter.

31 Sec. 3. A manufacturer shall submit a random sample of each  
32 batch of product to an independent testing laboratory for testing  
33 before the batch may be distributed. The manufacturer shall select  
34 and submit the sample in a manner determined by the independent  
35 testing laboratory. A manufacturer may not distribute a batch  
36 until the manufacturer has obtained a certificate of analysis from  
37 the independent testing laboratory showing that the sample  
38 contains no tetrahydrocannabinol.

39 Sec. 4. If testing by the independent testing laboratory  
40 demonstrates that a sample contains tetrahydrocannabinol, the  
41 manufacturer shall:

42 (1) destroy; or



1           **(2) reprocess;**  
 2 **the batch. A manufacturer shall treat a reprocessed batch as a new**  
 3 **batch for all purposes, and shall submit a new sample from the**  
 4 **batch to the independent testing laboratory for testing.**

5           **Sec. 5. After receiving a certificate of analysis showing that the**  
 6 **product contains no tetrahydrocannabinol, the manufacture shall**  
 7 **package the zero THC hemp extract in packaging that contains the**  
 8 **following information:**

9           **(1) A scannable bar code or QR code linked to a document**  
 10 **that contains information with respect to the manufacture of**  
 11 **the zero THC hemp extract, including the:**

12           **(A) batch identification number;**

13           **(B) product name;**

14           **(C) batch date;**

15           **(D) expiration date, which must be not more than two (2)**  
 16 **years from the date of manufacture;**

17           **(E) batch size;**

18           **(F) total quantity produced;**

19           **(G) ingredients used, including the:**

20           **(i) ingredient name;**

21           **(ii) name of the company that manufactured the**  
 22 **ingredient;**

23           **(iii) company or product identification number or code,**  
 24 **if applicable; and**

25           **(iv) ingredient lot number; and**

26           **(H) download link for a certificate of analysis for the zero**  
 27 **THC hemp extract.**

28           **(2) The batch number.**

29           **(3) The Internet address of a web site to obtain batch**  
 30 **information.**

31           **(4) The expiration date.**

32           **(5) The number of milligrams of zero THC hemp extract.**

33           **(6) The manufacturer.**

34           **(7) The fact that the product contains no**  
 35 **tetrahydrocannabinol.**

36           **Sec. 6. A person who violates sections 3 through 5 of this chapter**  
 37 **commits a Class B infraction. However, the offense is a Class A**  
 38 **infraction if the person has a prior unrelated judgment for a**  
 39 **violation of this chapter.**

40           **SECTION 3. IC 24-4-22 IS ADDED TO THE INDIANA CODE AS**  
 41 **A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY**  
 42 **1, 2018]:**



1 **Chapter 22. Zero THC Hemp Extract Sales**

2 **Sec. 1. The following definitions apply throughout this chapter:**

3 (1) "Certificate of analysis" has the meaning set forth in  
4 IC 24-4-21-1.

5 (2) "Zero THC hemp extract" has the meaning set forth in  
6 IC 35-48-1-28.

7 **Sec. 2. A person may sell zero THC hemp extract at retail if the**  
8 **packaging complies with the requirements of IC 24-4-21-5.**

9 **Sec. 3. A person who violates section 2 of this chapter commits**  
10 **a Class C infraction. However, the violation is a Class B infraction**  
11 **if the person has one (1) prior unrelated judgment for a violation**  
12 **of section 2 of this chapter, and a Class A infraction if the person**  
13 **has two (2) or more prior unrelated judgements for a violation of**  
14 **section 2 of this chapter.**

15 SECTION 4. IC 35-31.5-2-150.5 IS ADDED TO THE INDIANA  
16 CODE AS A NEW SECTION TO READ AS FOLLOWS  
17 [EFFECTIVE JULY 1, 2018]: **Sec. 150.5. "Hashish", for purposes of**  
18 **IC 35-48, has the meaning set forth in IC 35-48-1-16.8.**

19 SECTION 5. IC 35-31.5-2-150.6 IS ADDED TO THE INDIANA  
20 CODE AS A NEW SECTION TO READ AS FOLLOWS  
21 [EFFECTIVE JULY 1, 2018]: **Sec. 150.6. "Hash oil", for purposes**  
22 **of IC 35-48, has the meaning set forth in IC 35-48-1-16.9.**

23 SECTION 6. IC 35-31.5-2-358 IS ADDED TO THE INDIANA  
24 CODE AS A NEW SECTION TO READ AS FOLLOWS  
25 [EFFECTIVE JULY 1, 2018]: **Sec. 358. "Zero THC hemp extract",**  
26 **for purposes of IC 35-48, has the meaning set forth in**  
27 **IC 35-48-1-28.**

28 SECTION 7. IC 35-48-3.5 IS ADDED TO THE INDIANA CODE  
29 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
30 JULY 1, 2018]:

31 **Chapter 3.5. Defenses Relating to Controlled Substances**

32 **Sec. 1. (a) This section does not apply to a person who sells**  
33 **marijuana, hashish, hash oil, or tetrahydrocannabinol:**

34 (1) without having obtained a certificate of analysis (as  
35 defined in IC 24-4-21-1) showing that the controlled substance  
36 contains no tetrahydrocannabinol; or

37 (2) after having obtained a certificate of analysis showing that  
38 the controlled substance contains cannabiniol.

39 (b) It is a defense to a prosecution under IC 35-48-4-2 (dealing  
40 in a schedule I-III controlled substance), IC 35-48-4-7 (possession  
41 of a controlled substance), IC 35-48-4-10 (dealing in marijuana,  
42 hash oil, or hashish), or IC 35-48-4-11 (possession of marijuana,



1 hash oil, or hashish) that all of the following apply:

2 (1) The person is:

3 (A) a manufacturer of zero THC hemp extract as described  
4 in IC 24-4-21; or

5 (B) an independent testing laboratory (as defined in  
6 IC 24-4-21-1).

7 (2) The person is charged with an offense relating to  
8 marijuana, hashish, hash oil, or tetrahydrocannabinol.

9 (3) The person possessed, delivered, or manufactured the  
10 marijuana, hashish, hash oil, or tetrahydrocannabinol while  
11 manufacturing or testing zero THC hemp extract under  
12 IC 24-4-21.

13 (4) The person substantially complied with the requirements  
14 of IC 24-4-21.

15 SECTION 8. IC 35-48-1-9 IS AMENDED TO READ AS  
16 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 9. "Controlled  
17 substance" means a drug, substance, or immediate precursor in  
18 schedule I, II, III, IV, or V under:

19 (1) IC 35-48-2-4, IC 35-48-2-6, IC 35-48-2-8, IC 35-48-2-10, or  
20 IC 35-48-2-12, if IC 35-48-2-14 does not apply; or

21 (2) a rule adopted by the board, if IC 35-48-2-14 applies.

22 **The term does not include zero THC hemp extract.**

23 SECTION 9. IC 35-48-1-9.3 IS AMENDED TO READ AS  
24 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 9.3. (a) "Controlled  
25 substance analog" means a substance:

26 (1) the chemical structure of which is substantially similar to that  
27 of a controlled substance included in schedule I or II and that has;  
28 or

29 (2) that a person represents or intends to have;

30 a narcotic, stimulant, depressant, or hallucinogenic effect on the central  
31 nervous system substantially similar to or greater than the narcotic,  
32 stimulant, depressant, or hallucinogenic effect on the central nervous  
33 system of a controlled substance included in schedule I or II.

34 (b) The definition set forth in subsection (a) does not include:

35 (1) a controlled substance;

36 (2) a substance for which there is an approved new drug  
37 application;

38 (3) a substance for which an exemption is in effect for  
39 investigational use by a person under Section 505 of the federal  
40 Food, Drug and Cosmetic Act (chapter 675, 52 Stat. 1052 (21  
41 U.S.C. 355)), to the extent that conduct with respect to the  
42 substance is permitted under the exemption; or



1 (4) a substance to the extent not intended for human consumption  
 2 before an exemption takes effect regarding the substance; **or**

3 **(5) Zero THC hemp extract.**

4 SECTION 10. IC 35-48-1-16.8 IS ADDED TO THE INDIANA  
 5 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2018]: **Sec. 16.8. "Hashish" does not include**  
 7 **zero THC hemp extract.**

8 SECTION 11. IC 35-48-1-16.9 IS ADDED TO THE INDIANA  
 9 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 2018]: **Sec. 16.9. "Hash oil" does not include**  
 11 **zero THC hemp extract.**

12 SECTION 12. IC 35-48-1-19, AS AMENDED BY P.L.165-2014,  
 13 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2018]: Sec. 19. (a) "Marijuana" means any part of the plant  
 15 genus *Cannabis* whether growing or not; the seeds thereof; the resin  
 16 extracted from any part of the plant, including hashish and hash oil; any  
 17 compound, manufacture, salt, derivative, mixture, or preparation of the  
 18 plant, its seeds or resin.

19 (b) The term does not include:

- 20 (1) the mature stalks of the plant;  
 21 (2) fiber produced from the stalks;  
 22 (3) oil or cake made from the seeds of the plant;  
 23 (4) any other compound, manufacture, salt, derivative, mixture,  
 24 or preparation of the mature stalks (except the resin extracted  
 25 therefrom);  
 26 (5) the sterilized seed of the plant which is incapable of  
 27 germination; **or**  
 28 (6) industrial hemp (as defined by IC 15-15-13-6); **or**  
 29 **(7) zero THC hemp extract.**

30 SECTION 13. IC 35-48-1-28 IS ADDED TO THE INDIANA  
 31 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 32 [EFFECTIVE JULY 1, 2018]: **Sec. 28. "Zero THC hemp extract"**  
 33 **means a substance or compound that:**

- 34 **(1) is derived from or contains any part of the plant genus**  
 35 ***Cannabis*;**  
 36 **(2) contains no tetrahydrocannabinol; and**  
 37 **(3) contains no other controlled substances.**





COMMITTEE REPORT

Madam President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 52, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill be reassigned to the Senate Committee on Corrections and Criminal Law.

(Reference is to 52 as introduced.)

LONG, Chairperson

