

SENATE BILL No. 59

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3-18.5; IC 15-15-13; IC 16-42-2-2; IC 24-4; IC 35-31.5-2; IC 35-46-1; IC 35-48-1; IC 35-52-24.

Synopsis: Craft hemp flower products. Establishes certain regulatory testing and packaging requirements for the distribution and sale of craft hemp flower products and specifies penalties applicable to the unlawful possession or distribution of craft hemp flower products. Prohibits the possession of craft hemp flower unless it is being used by a licensee to manufacture a legal hemp product, including a craft hemp flower product. Provides that a food is not considered adulterated for containing low THC hemp extract or craft hemp flower. Provides that craft hemp flower product is not included in the definition of "controlled substance analog", "hashish", "low THC hemp extract", or "marijuana". Prohibits the sale of low THC hemp extract to a person less than 21 years of age, if it contains certain elements. Adds craft hemp flower products to a statute imposing an infraction that applies with regard to persons less than 21 years of age involving the sale, distribution, purchase, and possession of craft hemp flower product. Defines terms. Makes conforming changes. Makes technical corrections.

Effective: July 1, 2024.

Holdman

January 8, 2024, read first time and referred to Committee on Commerce and Technology.



Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

SENATE BILL No. 59

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

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

1 SECTION 1. IC 7.1-3-18.5-5, AS AMENDED BY P.L.49-2020,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2024]: Sec. 5. (a) Subject to subsection (b), the commission
4 may suspend the certificate of a person who fails to pay a civil penalty
5 imposed for violating IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11,
6 IC 35-46-1-11.2, IC 35-46-1-11.4, IC 35-46-1-11.5, IC 35-46-1-11.7,
7 or IC 35-46-1-11.8.

8 (b) Before enforcing the imposition of a civil penalty or suspending
9 or revoking a certificate under this chapter, the commission shall
10 provide written notice of the alleged violation to the certificate holder
11 and conduct a hearing. The commission shall provide written notice of
12 the civil penalty or suspension or revocation of a certificate to the
13 certificate holder.

14 (c) Subject to subsection (b), the commission shall revoke the
15 certificate of a person upon a finding by a preponderance of the
16 evidence that the person:

17 (1) has violated IC 35-45-5-3, IC 35-45-5-3.5, IC 35-45-5-4,



1 IC 35-46-1-11, IC 35-46-1-11.2, IC 35-46-1-11.4, or
 2 IC 35-46-1-11.8;
 3 (2) has committed habitual illegal ~~sale of tobacco sales~~ as
 4 established under IC 35-46-1-10.2(j); or
 5 (3) has committed habitual illegal entrance by a minor as
 6 established under IC 35-46-1-11.7(f).

7 SECTION 2. IC 7.1-3-18.5-9, AS AMENDED BY P.L.49-2020,
 8 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2024]: Sec. 9. A certificate holder shall exercise due diligence
 10 in the supervision and training of the certificate holder's employees or
 11 agents in the handling and sale of tobacco products and electronic
 12 cigarettes on the holder's retail premises. Proof that employees or
 13 agents of the certificate holder, while in the scope of their employment,
 14 committed at least six (6) violations relating to ~~IC 35-46-1-10.2(b)~~
 15 **IC 35-46-1-10.2(c)** in any one (1) year period shall be prima facie
 16 evidence of a lack of due diligence by the certificate holder in the
 17 supervision and training of the certificate holder's employees or agents.

18 SECTION 3. IC 15-15-13-6.7 IS ADDED TO THE INDIANA
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2024]: **Sec. 6.7. As used in this chapter,**
 21 **"work in progress hemp extract" means a compound:**
 22 **(1) derived from hemp;**
 23 **(2) intended to be processed into a hemp product;**
 24 **(3) in a partially processed state;**
 25 **(4) having a concentration of delta-9 THC that exceeds**
 26 **three-tenths of one percent (0.3%) by dry weight; and**
 27 **(5) not marketed for consumer use or consumption.**

28 SECTION 4. IC 15-15-13-11, AS AMENDED BY P.L.190-2019,
 29 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2024]: Sec. 11. Only a hemp licensee, the licensee's designee,
 31 or the licensee's agents may be permitted to transport hemp **or work in**
 32 **progress hemp extract** off a production site. When transporting hemp
 33 **or work in progress hemp extract** off the production site, the hemp
 34 licensee, designee, or agent shall have in the licensee's, designee's, or
 35 agent's possession the licensing documents from the state seed
 36 commissioner evidencing that the hemp **or work in progress hemp**
 37 **extract** is from certified seed produced by a licensed grower.

38 SECTION 5. IC 15-15-13-11.5 IS ADDED TO THE INDIANA
 39 CODE AS A NEW SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE JULY 1, 2024]: **Sec. 11.5. (a) Subject to subsection (b),**
 41 **a handler holding a valid license under this chapter may possess,**
 42 **manufacture, store, transport, or sell work in progress hemp**



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extract.

(b) Work in progress hemp extract may be sold only to a:

(1) handler holding a valid license under this chapter; or

(2) person holding a valid hemp or cannabis license in another jurisdiction.

SECTION 6. IC 15-15-13-19, AS ADDED BY P.L.190-2019, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 19. (a) ~~Hemp bud (as defined in IC 35-48-1-17.2) and hemp flower (as defined in IC 35-48-1-17.3)~~ **Craft hemp flower (as defined by IC 35-31.5-2-68.8)** may be **transported or sold intrastate** only to a processor licensed under this chapter **for processing or manufacturing into a legal hemp product, including a craft hemp flower product (as defined by IC 35-31.5-2-68.9).**

(b) Craft hemp flower may be sold and transported interstate in accordance with section 11 of this chapter.

~~(b)~~ **(c)** The state seed commissioner may impose a civil penalty under section 13 of this chapter for a violation of subsection (a).

SECTION 7. IC 16-42-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 2. (a) A food is considered adulterated under any of the following conditions:

(1) If the food bears or contains any poisonous or deleterious substance that may make the food injurious to health. However, if the substance is not an added substance, the food is not to be considered adulterated under this subdivision if the quantity of the substance in the food does not ordinarily make the food injurious to health.

(2) If:

(A) the food bears or contains any added poison or added deleterious substance (other than a poison or a deleterious substance that is a pesticide chemical in or on a raw agricultural commodity, a food additive, or a color additive) that is unsafe within the meaning of section 5 of this chapter;

(B) the food is a raw agricultural commodity and the food bears or contains a pesticide chemical that is unsafe under section 5 of this chapter; or

(C) the food is or contains a food additive that is unsafe under section 5 of this chapter.

However, when a pesticide chemical is used in or on a raw agricultural commodity in conformity with an exemption granted or tolerance prescribed under section 5 of this chapter and the raw agricultural commodity has been subjected to processing such as canning, cooking, freezing, dehydrating, or milling, the residue of



- 1 the pesticide chemical remaining in or on the processed food,
 2 notwithstanding section 5 of this chapter and clause (C) is not
 3 considered unsafe if the residue in or on the raw agricultural
 4 commodity has been removed to the extent possible in good
 5 manufacturing practice, and the concentration of the residues in
 6 the processed food, when ready to eat, is not greater than the
 7 tolerance prescribed for the raw agricultural commodity.
- 8 (3) If the food consists in whole or in part of a diseased,
 9 contaminated, filthy, putrid, or decomposed substance or if the
 10 food is otherwise unfit for food.
- 11 (4) If the food has been produced, transported, handled, prepared,
 12 packed, or held under unsanitary conditions or in unsanitary
 13 containers as the result of which the food may have become
 14 contaminated with filth or made diseased, unwholesome, or
 15 injurious to health.
- 16 (5) If the food is, in whole or in part, the product of:
- 17 (A) a diseased animal;
 18 (B) an animal that has died otherwise than by slaughter; or
 19 (C) an animal that has been fed upon the uncooked offal from
 20 a slaughterhouse.
- 21 (6) If the food's container is composed in whole or in part of any
 22 poisonous or deleterious substance that may make the contents
 23 injurious to health.
- 24 (7) If the food has been intentionally subjected to radiation, unless
 25 the use of the radiation was in conformity with a rule or an
 26 exemption in effect under section 5 of this chapter.
- 27 (8) If any valuable constituent has been in whole or in part
 28 omitted or abstracted from the food.
- 29 (9) If any substance has been substituted wholly or in part.
- 30 (10) If damage or inferiority has been concealed in any manner.
- 31 (11) If any substance has been added to the food or mixed or
 32 packed with the food to:
- 33 (A) increase the food's bulk or weight;
 34 (B) reduce the food's quality or strength;
 35 (C) make the food appear better or of greater value than the
 36 food is; or
 37 (D) create a deceptive appearance.
- 38 (12) If the food bears or contains a coal-tar color other than one
 39 from a batch that has been certified by the federal Food and Drug
 40 Administrator, as provided by regulations promulgated under
 41 authority of the Federal Act.
- 42 (13) If the food is a confectionery and has partially or completely



1 ~~imbedded~~ **embedded** in the food any nonnutritive object.
 2 However, this subdivision does not apply in the case of any
 3 nonnutritive object if, in the judgment of the state department as
 4 provided by rules, the nonnutritive object is of practical,
 5 functional value to the confectionery product and would not make
 6 the product injurious or hazardous to health.

7 (14) If the food is a confectionery and bears or contains any
 8 alcohol other than alcohol not in excess of one-half of one percent
 9 (0.5%) by volume derived solely from the use of flavoring
 10 extracts.

11 (15) If the food is a confectionery and bears or contains any
 12 nonnutritive substance. However, this subdivision does not apply
 13 to a safe, nonnutritive substance if:

14 (A) the nonnutritive substance is in or on a confectionery for
 15 a practical, functional purpose in the manufacture, packaging,
 16 or storing of the confectionery; and

17 (B) the use of the substance does not promote deception of the
 18 consumer or otherwise result in adulteration or misbranding in
 19 violation of any provision of IC 16-42-1 through IC 16-42-4.

20 In addition, the state department may, for the purpose of
 21 avoiding or resolving uncertainty as to the application of this
 22 subdivision, adopt rules allowing or prohibiting the use of
 23 particular nonnutritive substances.

24 (16) If the food falls below the standard of purity, quality, or
 25 strength that the food purports or is represented to possess.

26 (17) If the food is or bears or contains any color additive that is
 27 unsafe under section 5 of this chapter.

28 (b) Subsection (a)(8) and (a)(9) do not prohibit:

29 (1) the removal of butterfat from; or

30 (2) the addition of skim milk to;

31 dairy products that comply with the definitions and standards for dairy
 32 products adopted by the state department.

33 **(c) A food is not considered adulterated for containing low THC**
 34 **hemp extract (as defined in IC 35-48-1-17.5) or craft hemp flower**
 35 **(as defined in IC 35-31.5-2-68.8).**

36 SECTION 8. IC 24-4-21-4, AS ADDED BY P.L.153-2018,
 37 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2024]: Sec. 4. (a) Except as provided in subsection (b), low
 39 THC hemp extract must be distributed in packaging that contains the
 40 following information:

41 (1) A scannable bar code or QR code linked to a document that
 42 contains information with respect to the manufacture of the low



- 1 THC hemp extract, including the:
- 2 (A) batch identification number;
- 3 (B) product name;
- 4 (C) batch date;
- 5 (D) expiration date, which must be not more than two (2) years
- 6 from the date of manufacture;
- 7 (E) batch size;
- 8 (F) total quantity produced; **and**
- 9 ~~(G) ingredients used, including the:~~
- 10 ~~(i) ingredient name;~~
- 11 ~~(ii) name of the company that manufactured the ingredient;~~
- 12 ~~(iii) company or product identification number or code, if~~
- 13 ~~applicable; and~~
- 14 ~~(iv) ingredient lot number; and~~
- 15 ~~(H) (G) download link for a certificate of analysis for the low~~
- 16 ~~THC hemp extract.~~
- 17 (2) The batch number.
- 18 (3) The Internet address of a ~~web site~~ **website** to obtain batch
- 19 information.
- 20 (4) The expiration date.
- 21 (5) The number of milligrams of low THC hemp extract.
- 22 (6) The manufacturer.
- 23 (7) The fact that the product contains not more than three-tenths
- 24 percent (0.3%) total delta-9-tetrahydrocannabinol (THC),
- 25 including precursors, by weight.
- 26 ~~(b) Before July 1, 2018, low THC hemp extract may be distributed~~
- 27 ~~in Indiana without having met the requirements described in subsection~~
- 28 ~~(a):~~
- 29 **(b) After June 30, 2024, the packaging of low THC hemp extract**
- 30 **may not:**
- 31 **(1) contain any statement, artwork, or design that could**
- 32 **reasonably mislead any person to believe that the package**
- 33 **contains anything other than low THC hemp extract;**
- 34 **(2) bear the likeness or contain a cartoon-like characteristic**
- 35 **of a real or fictional person, animal, or fruit that appeals to**
- 36 **children; or**
- 37 **(3) bear an unauthorized trademark, trade name, famous**
- 38 **mark, or other identifying mark, imprint, or device, or any**
- 39 **likeness thereof.**
- 40 SECTION 9. IC 24-4-22-3, AS ADDED BY P.L.153-2018,
- 41 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 42 JULY 1, 2024]: Sec. 3. (a) ~~Except as provided in subsection (b); A~~



1 person may sell low THC hemp extract at retail only if the packaging
2 complies with the requirements of IC 24-4-21-4.

3 (b) Before July 1, 2018, a person may sell low THC hemp extract at
4 retail even if the packaging does not comply with the requirements of
5 ~~IC 24-4-21-4.~~

6 (b) Beginning July 1, 2024, no low THC hemp extract
7 containing:

- 8 (1) Delta-8 THC;
- 9 (2) Delta-10 THC;
- 10 (3) Hexahydrocannabinol (HHC);
- 11 (4) Tetrahydrocannabinol acetate ester (THCo);
- 12 (5) Tetrahydrocannabiporol (THCp); or
- 13 (6) Tetrahydrocannabivarin (THCv);

14 may be distributed, sold, or offered for sale at retail or online to a
15 person who is less than twenty-one (21) years of age.

16 (c) Any website owned, managed, or operated by a person who
17 distributes or sells a product containing:

- 18 (1) Delta-8 THC;
- 19 (2) Delta-10 THC;
- 20 (3) Hexahydrocannabinol (HHC);
- 21 (4) Tetrahydrocannabinol acetate ester (THCo);
- 22 (5) Tetrahydrocannabiporol (THCp); or
- 23 (6) Tetrahydrocannabivarin (THCv);

24 directly to consumers must verify a consumer's age by either using
25 a reliable online age verification service, or by obtaining and
26 examining a copy of a government issued identification, prior to
27 completing a purchase.

28 (d) A person who violates this section is subject to a civil penalty
29 not to exceed the following:

- 30 (1) One thousand dollars (\$1,000) for a first violation.
- 31 (2) Five thousand dollars (\$5,000) for a second violation that
32 occurs within two (2) years after a first violation, and
33 suspension of the retail dealer's certificate for up to six (6)
34 months.
- 35 (3) Ten thousand dollars (\$10,000) for each subsequent
36 violation that occurs within two (2) years of the preceding
37 violation, and revocation of the retail dealer's certificate, with
38 a one (1) year waiting period for reapplication.

39 (e) It is a defense to a violation under this section that the
40 distributor or seller examined the purchaser's or recipient's
41 driver's license, or other valid government issued identification,
42 that positively identified the purchaser or recipient as being at least



- 1 **twenty-one (21) years of age.**
 2 SECTION 10. IC 24-4-23 IS ADDED TO THE INDIANA CODE
 3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2024]:
 5 **Chapter 23. Distribution of Craft Hemp Flower Products**
 6 **Sec. 1. As used in this chapter, "certificate of analysis" means**
 7 **a certificate from an independent testing laboratory describing the**
 8 **results of the laboratory's testing of a sample.**
 9 **Sec. 2. As used in this chapter, "craft hemp flower product" has**
 10 **the meaning set forth in IC 35-31.5-2-68.9.**
 11 **Sec. 3. As used in this chapter, "independent testing laboratory"**
 12 **means a laboratory:**
 13 **(1) with respect to which no person having a direct or indirect**
 14 **interest in the laboratory also has a direct or indirect interest**
 15 **in a facility that:**
 16 **(A) processes, distributes, or sells a craft hemp flower**
 17 **product, or a substantially similar substance in another**
 18 **jurisdiction;**
 19 **(B) cultivates, processes, distributes, dispenses, or sells**
 20 **marijuana;**
 21 **(C) cultivates, processes, or distributes hemp; or**
 22 **(D) processes, distributes, or sells low THC hemp extract**
 23 **(as defined in IC 35-48-1-17.5); and**
 24 **(2) that is accredited as a testing laboratory under**
 25 **International Organization for Standardization (ISO) 17025**
 26 **by a third party accrediting body such as the American**
 27 **Association for Laboratory Accreditation (A2LA) or Assured**
 28 **Calibration and Laboratory Accreditation Select Services**
 29 **(ACLASS).**
 30 **Sec. 4. As used in this chapter, "tamper evident packaging"**
 31 **means a package having at least one (1) indicator or a barrier to**
 32 **entry that, if breached or missing, can reasonably be expected to**
 33 **provide visible evidence to consumers that tampering has occurred.**
 34 **Sec. 5. (a) Before a person may distribute a craft hemp flower**
 35 **product, the distributor must have a certificate of analysis**
 36 **prepared by an independent testing laboratory showing the**
 37 **following:**
 38 **(1) That the craft hemp flower product is the product of a**
 39 **batch tested by the independent testing laboratory.**
 40 **(2) That the independent testing laboratory determined that**
 41 **the batch contained not more than three-tenths percent**
 42 **(0.3%) delta-9-tetrahydrocannabinol (THC), including**



1 precursors, by weight, based on the testing of a random
2 sample of the batch.

3 **(3) That the batch has been tested for and does not exceed the**
4 **acceptable levels set forth under section 7 of this chapter for**
5 **the following contaminants:**

6 **(A) Heavy metals, including cadmium, lead, arsenic, and**
7 **mercury.**

8 **(B) Pesticides.**

9 **(C) Herbicides.**

10 **(D) Mycotoxins.**

11 **(E) Bacterial toxins.**

12 **(F) Chemical solvent residues.**

13 **(4) The potency of the craft hemp flower product, including**
14 **the projected percentage of:**

15 **(A) THC;**

16 **(B) cannabidiol; and**

17 **(C) other cannabinoids in the craft hemp flower product;**
18 **by weight or volume.**

19 **(b) Each batch of a craft hemp flower product submitted to an**
20 **independent testing laboratory under this section must have been**
21 **harvested at the same time and cultivated in a contiguous area in**
22 **the same field or facility.**

23 **Sec. 6. A craft hemp flower product must be distributed in**
24 **tamper evident packaging that contains the following information:**

25 **(1) A scannable bar code or QR code linked to a document**
26 **that contains information with respect to the craft hemp**
27 **flower product, including the:**

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

29 **(B) product name;**

30 **(C) batch date;**

31 **(D) expiration date, which must be not more than two (2)**
32 **years from the date of harvest;**

33 **(E) batch size;**

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

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

36 **(i) ingredient name;**

37 **(ii) name of the company that manufactured the**
38 **ingredient;**

39 **(iii) company or product identification number or code,**
40 **if applicable; and**

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

42 **(H) download link for a certificate of analysis for the craft**



- 1 **hemp flower product.**
 2 **(2) The batch identification number.**
 3 **(3) The address of a website to obtain batch information.**
 4 **(4) The expiration date, which must be not more than two (2)**
 5 **years from the date of harvest.**
 6 **(5) The number of grams of craft hemp flower (as defined by**
 7 **IC 35-31.5-2-68.8) contained in the craft hemp flower product.**
 8 **(6) The facility that produced the craft hemp flower product.**
 9 **(7) The fact that the product contains not more than**
 10 **three-tenths percent (0.3%) delta-9-tetrahydrocannabinol**
 11 **(THC), including precursors, by weight.**

12 **Sec. 7. A craft hemp flower product may not be distributed if a**
 13 **certificate of analysis prepared by an independent testing**
 14 **laboratory shows any of the following:**

- 15 **(1) A concentration of metals that is more than any of the**
 16 **following:**
 17 **(A) Four-tenths (0.4) part per million of cadmium.**
 18 **(B) Five-tenths (0.5) part per million of lead.**
 19 **(C) Four-tenths (0.4) part per million of arsenic.**
 20 **(D) Two-tenths (0.2) part per million of mercury.**
 21 **(2) A concentration of microbiological units that is more than**
 22 **any of the following:**
 23 **(A) One (1) colony forming unit per gram of Shiga-Toxin**
 24 **Escherichia coli.**
 25 **(B) One (1) colony forming unit per gram of Salmonella**
 26 **spp.**
 27 **(C) Ten thousand (10,000) colony forming units of**
 28 **culturable mold.**
 29 **(3) A concentration of residual solvents and chemicals that is**
 30 **not more than any of the following:**
 31 **(A) Five thousand (5,000) parts per million of butane.**
 32 **(B) Two (2) parts per million of benzene.**
 33 **(C) Five thousand (5,000) parts per million of heptane.**
 34 **(D) Two hundred ninety (290) parts per million of hexane.**
 35 **(E) Eight hundred ninety (890) parts per million of toluene.**
 36 **(F) One (1) part per million of total xylenes, including**
 37 **ortho-xylene, meta-xylene, and para-xylene.**

38 **Sec. 8. (a) A person in a motor vehicle who, while the motor**
 39 **vehicle is in operation or the motor vehicle is located on the**
 40 **right-of-way of a public highway (as defined in IC 9-25-2-4),**
 41 **knowingly or intentionally possesses a container that contains a**
 42 **craft hemp flower product, and:**



1 (1) the container does not have tamper evident packaging; or
2 (2) the tamper evident packaging has a broken seal;
3 commits a Class C misdemeanor.

4 (b) A violation of this section is not considered a moving traffic
5 violation:

6 (1) for purposes of IC 9-14-12-3; and
7 (2) for which points are assessed by the bureau of motor
8 vehicles under the point system.

9 Sec. 9. (a) A person who knowingly or intentionally distributes
10 or sells a craft hemp flower product in violation of this chapter
11 commits a Class B misdemeanor. However, the offense is a Class
12 A misdemeanor if the person has a prior unrelated conviction for
13 a violation of this chapter.

14 (b) The penalties in this section are in addition to any criminal
15 penalties that may be imposed for unlawful possession or
16 distribution of a controlled substance.

17 SECTION 11. IC 35-31.5-2-68.8 IS ADDED TO THE INDIANA
18 CODE AS A NEW SECTION TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2024]: Sec. 68.8. (a) "Craft hemp flower"
20 means the harvested reproductive organ, whether immature or
21 mature, of the female Cannabis sativa L. plant containing not more
22 than three-tenths percent (0.3%) delta-9-tetrahydrocannabinol
23 (THC), including precursors of THC, in a form that is intended to
24 allow THC to be introduced into the human body by inhalation of
25 smoke.

26 (b) The term does not include agricultural hemp seed (as defined
27 in IC 15-15-13-2).

28 SECTION 12. IC 35-31.5-2-68.9 IS ADDED TO THE INDIANA
29 CODE AS A NEW SECTION TO READ AS FOLLOWS
30 [EFFECTIVE JULY 1, 2024]: Sec. 68.9. "Craft hemp flower
31 product" means a substance or product for sale to consumers that:

- 32 (1) is derived from or contains any part of craft hemp flower;
33 and
34 (2) is in the form of:
35 (A) a gummy;
36 (B) an edible;
37 (C) a tincture; or
38 (D) an e-liquid in a tamper evident container.

39 The term does not include smokable hemp.

40 SECTION 13. IC 35-31.5-2-100, AS AMENDED BY P.L.49-2020,
41 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2024]: Sec. 100. (a) "Distribute", for purposes of



- 1 IC 35-45-4-8, has the meaning set forth in IC 35-45-4-8.
- 2 (b) "Distribute", for purposes of IC 35-46-1-10, has the meaning set
3 forth in ~~IC 35-46-1-10(f)~~: **IC 35-46-1-10(a)**.
- 4 (c) "Distribute", for purposes of IC 35-46-1-10.2, has the meaning
5 set forth in ~~IC 35-46-1-10.2(g)~~: **IC 35-46-1-10.2(a)**.
- 6 (d) "Distribute", for purposes of IC 35-47.5, has the meaning set
7 forth in IC 35-47.5-2-6.
- 8 (e) "Distribute", for purposes of IC 35-48, has the meaning set forth
9 in IC 35-48-1-14.
- 10 (f) "Distribute", for purposes of IC 35-49, has the meaning set forth
11 in IC 35-49-1-2.
- 12 SECTION 14. IC 35-46-1-10, AS AMENDED BY P.L.32-2021,
13 SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2024]: Sec. 10. (a) **As used in this section, "distribute"**
15 **means to give tobacco, a craft hemp flower product, an e-liquid, or**
16 **an electronic cigarette to another person as a means of promoting,**
17 **advertising, or marketing the tobacco, craft hemp flower product,**
18 **e-liquid, or electronic cigarette to the general public.**
- 19 (a) ~~(b)~~ A person may not be charged with a violation under this
20 section and a violation under IC 7.1-7-6-5.
- 21 ~~(b)~~ (c) A person who knowingly:
- 22 (1) sells or distributes tobacco, **a craft hemp flower product**, an
23 e-liquid, or an electronic cigarette to a person less than
24 twenty-one (21) years of age; or
- 25 (2) purchases tobacco, **a craft hemp flower product**, an e-liquid,
26 or an electronic cigarette for delivery to another person who is
27 less than twenty-one (21) years of age;
- 28 commits a Class C infraction. For a sale to take place under this
29 section, the buyer must pay the seller for the tobacco, **craft hemp**
30 **flower product**, e-liquid, or electronic cigarette.
- 31 ~~(c)~~ (d) It is not a defense that the person to whom the tobacco, **craft**
32 **hemp flower product**, e-liquid, or electronic cigarette was sold or
33 distributed did not smoke, chew, inhale, or otherwise consume the
34 tobacco, **craft hemp flower product**, e-liquid, or electronic cigarette.
- 35 ~~(d)~~ (e) The following defenses are available to a person accused of
36 selling or distributing tobacco, **a craft hemp flower product**, an
37 e-liquid, or an electronic cigarette to a person who is less than
38 twenty-one (21) years of age:
- 39 (1) The buyer or recipient produced a driver's license bearing the
40 purchaser's or recipient's photograph, showing that the purchaser
41 or recipient was of legal age to make the purchase.
- 42 (2) The buyer or recipient produced a photographic identification



1 card issued under IC 9-24-16-1, or a similar card issued under the
 2 laws of another state or the federal government, showing that the
 3 purchaser or recipient was of legal age to make the purchase.

4 (3) The appearance of the purchaser or recipient was such that an
 5 ordinary prudent person would believe that the purchaser or
 6 recipient was not less than thirty (30) years of age.

7 ~~(e)~~ (f) It is a defense that the accused person sold or delivered the
 8 tobacco, **craft hemp flower product**, e-liquid, or electronic cigarette
 9 to a person who acted in the ordinary course of employment or a
 10 business concerning tobacco, **a craft hemp flower product**, an
 11 e-liquid, or electronic cigarettes including the following activities:

- 12 (1) Agriculture.
- 13 (2) Processing.
- 14 (3) Transporting.
- 15 (4) Wholesaling.
- 16 (5) Retailing.

17 ~~(f)~~ As used in this section, "distribute" means to give tobacco, an
 18 e-liquid, or an electronic cigarette to another person as a means of
 19 promoting, advertising, or marketing the tobacco, e-liquid, or electronic
 20 cigarette to the general public.

21 (g) Unless the person buys or receives tobacco, **a craft hemp**
 22 **flower product**, an e-liquid, or an electronic cigarette under the
 23 direction of a law enforcement officer as part of an enforcement action,
 24 a person who sells or distributes tobacco, **a craft hemp flower**
 25 **product**, an e-liquid, or an electronic cigarette is not liable for a
 26 violation of this section unless the person less than twenty-one (21)
 27 years of age who bought or received the tobacco, **craft hemp flower**
 28 **product**, e-liquid, or electronic cigarette is issued a citation or
 29 summons under section 10.5 of this chapter.

30 (h) Notwithstanding IC 34-28-5-5(c), civil penalties collected under
 31 this section must be deposited in the Richard D. Doyle youth tobacco
 32 education and enforcement fund (IC 7.1-6-2-6).

33 SECTION 15. IC 35-46-1-10.2, AS AMENDED BY P.L.32-2021,
 34 SECTION 98, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2024]: Sec. 10.2. (a) As used in this section, "distribute"
 36 means to give tobacco, a craft hemp flower product, an e-liquid, or
 37 an electronic cigarette to another person as a means of promoting,
 38 advertising, or marketing the tobacco, craft hemp flower product,
 39 e-liquid, or electronic cigarette to the general public.

40 ~~(a)~~ (b) A person may not be charged with a violation under this
 41 section and a violation under IC 7.1-7-6-5.

42 ~~(b)~~ (c) A retail establishment that sells or distributes tobacco, a



1 **craft hemp flower product**, an e-liquid, or an electronic cigarette to
2 a person less than twenty-one (21) years of age commits a Class C
3 infraction. For a sale to take place under this section, the buyer must
4 pay the retail establishment for the tobacco, **craft hemp flower**
5 **product**, e-liquid, or electronic cigarette.

6 ~~(c)~~ **(d)** Notwithstanding IC 34-28-5-4(c), a civil judgment for an
7 infraction committed under this section must be imposed as follows:

8 (1) If the retail establishment at that specific business location has
9 not been issued a citation or summons for a violation of this
10 section in the previous one (1) year, a civil penalty of up to four
11 hundred dollars (\$400).

12 (2) If the retail establishment at that specific business location has
13 had one (1) citation or summons issued for a violation of this
14 section in the previous one (1) year, a civil penalty of up to eight
15 hundred dollars (\$800).

16 (3) If the retail establishment at that specific business location has
17 had two (2) citations or summonses issued for a violation of this
18 section in the previous one (1) year, a civil penalty of up to one
19 thousand four hundred dollars (\$1,400).

20 (4) If the retail establishment at that specific business location has
21 had three (3) or more citations or summonses issued for a
22 violation of this section in the previous one (1) year, a civil
23 penalty of up to two thousand dollars (\$2,000).

24 A retail establishment may not be issued a citation or summons for a
25 violation of this section more than once every twenty-four (24) hours
26 for each specific business location.

27 ~~(d)~~ **(e)** It is not a defense that the person to whom the tobacco, **craft**
28 **hemp flower product**, e-liquid, or electronic cigarette was sold or
29 distributed did not smoke, chew, inhale, or otherwise consume the
30 tobacco, **craft hemp flower product**, e-liquid, or electronic cigarette.

31 ~~(e)~~ **(f)** The following defenses are available to a retail establishment
32 accused of selling or distributing tobacco, **a craft hemp flower**
33 **product**, an e-liquid, or an electronic cigarette to a person who is less
34 than twenty-one (21) years of age:

35 (1) The buyer or recipient produced a driver's license bearing the
36 purchaser's or recipient's photograph showing that the purchaser
37 or recipient was of legal age to make the purchase.

38 (2) The buyer or recipient produced a photographic identification
39 card issued under IC 9-24-16-1 or a similar card issued under the
40 laws of another state or the federal government showing that the
41 purchaser or recipient was of legal age to make the purchase.

42 (3) The appearance of the purchaser or recipient was such that an



1 ordinary prudent person would believe that the purchaser or
2 recipient was not less than thirty (30) years of age.

3 ~~(f)~~ (g) It is a defense that the accused retail establishment sold or
4 delivered the tobacco, **craft hemp flower product**, e-liquid, or
5 electronic cigarette to a person who acted in the ordinary course of
6 employment or a business concerning tobacco, **a craft hemp flower**
7 **product**, an e-liquid, or electronic cigarettes for the following
8 activities:

- 9 (1) Agriculture.
10 (2) Processing.
11 (3) Transporting.
12 (4) Wholesaling.
13 (5) Retailing.

14 ~~(g) As used in this section, "distribute" means to give tobacco; an~~
15 ~~e-liquid; or an electronic cigarette to another person as a means of~~
16 ~~promoting, advertising, or marketing the tobacco or electronic cigarette~~
17 ~~to the general public.~~

18 (h) Unless a person buys or receives tobacco, **a craft hemp flower**
19 **product**, an e-liquid, or an electronic cigarette under the direction of
20 a law enforcement officer as part of an enforcement action, a retail
21 establishment that sells or distributes tobacco, **a craft hemp flower**
22 **product**, an e-liquid, or an electronic cigarette is not liable for a
23 violation of this section unless the person less than twenty-one (21)
24 years of age who bought or received the tobacco, **craft hemp flower**
25 **product**, e-liquid, or electronic cigarette is issued a citation or
26 summons under section 10.5 of this chapter.

27 (i) Notwithstanding IC 34-28-5-5(c), civil penalties collected under
28 this section must be deposited in the Richard D. Doyle youth tobacco
29 education and enforcement fund (IC 7.1-6-2-6).

30 (j) A person who violates subsection ~~(b)~~ (c) at least six (6) times in
31 any one (1) year commits habitual illegal ~~sale of tobacco; sales~~, a Class
32 B infraction.

33 SECTION 16. IC 35-46-1-10.5, AS AMENDED BY P.L.49-2020,
34 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2024]: Sec. 10.5. (a) A person less than twenty-one (21) years
36 of age who:

- 37 (1) purchases tobacco, **a craft hemp flower product**, an e-liquid,
38 or an electronic cigarette;
39 (2) accepts tobacco, **a craft hemp flower product**, an e-liquid,
40 or an electronic cigarette for personal use; or
41 (3) possesses tobacco, **a craft hemp flower product**, an e-liquid,
42 or an electronic cigarette on the person's person;



1 commits a Class C infraction.

2 (b) It is a defense under subsection (a) that the accused person acted
3 in the ordinary course of employment in a business concerning tobacco,
4 **a craft hemp flower product**, an e-liquid, or an electronic cigarette for
5 the following activities:

- 6 (1) Agriculture.
- 7 (2) Processing.
- 8 (3) Transporting.
- 9 (4) Wholesaling.
- 10 (5) Retailing.

11 SECTION 17. IC 35-48-1-9, AS AMENDED BY P.L.153-2018,
12 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2024]: Sec. 9. "Controlled substance" means a drug,
14 substance, or immediate precursor in schedule I, II, III, IV, or V under:

- 15 (1) IC 35-48-2-4, IC 35-48-2-6, IC 35-48-2-8, IC 35-48-2-10, or
16 IC 35-48-2-12, if IC 35-48-2-14 does not apply; or
- 17 (2) a rule adopted by the board, if IC 35-48-2-14 applies.

18 The term does not include low THC hemp extract **or a craft hemp**
19 **flower product**.

20 SECTION 18. IC 35-48-1-9.3, AS AMENDED BY P.L.80-2019,
21 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2024]: Sec. 9.3. (a) "Controlled substance analog" means a
23 substance that, due to its chemical structure and potential for abuse or
24 misuse, meets the following criteria:

- 25 (1) The substance is substantially similar to a controlled substance
26 classified under IC 35-48-2.
- 27 (2) The substance has a narcotic, stimulant, depressant, or
28 hallucinogenic effect on the central nervous system or is
29 represented or intended to have a narcotic, stimulant, depressant,
30 or hallucinogenic effect on the central nervous system
31 substantially similar to or greater than that of a controlled
32 substance classified under IC 35-48-2.

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

- 34 (1) a controlled substance;
- 35 (2) a legend drug;
- 36 (3) a substance for which there is an approved new drug
37 application;
- 38 (4) any compound, mixture, or preparation that contains any
39 controlled substance, that is not for administration to a human
40 being or an animal, and that is packaged in a form or
41 concentration, or with adulterants or denaturants, such that as
42 packaged it does not present any significant potential for abuse;



1 or

2 (5) a substance to which an investigational exemption applies

3 under Section 505 of the federal Food, Drug and Cosmetic Act

4 (chapter 675, 52 Stat. 1052 (21 U.S.C. 355)), but only to the

5 extent that conduct with respect to the substance is pursuant to the

6 exemption; or

7 (6) low THC hemp extract; or

8 **(7) a craft hemp flower product.**

9 (c) For purposes of subsection (a), "substantially similar", as it

10 applies to the chemical structure of a substance, means that the

11 chemical structure of the substance, when compared to the structure of

12 a controlled substance, has a single difference in the structural formula

13 that substitutes one (1) atom or functional group for another, including:

14 (1) one (1) halogen for another halogen;

15 (2) one (1) hydrogen for a halogen;

16 (3) one (1) halogen for a hydrogen; or

17 (4) an alkyl group added or deleted:

18 (A) as a side chain to or from a molecule; or

19 (B) from a side chain of a molecule.

20 SECTION 19. IC 35-48-1-10.5 IS ADDED TO THE INDIANA

21 CODE AS A **NEW** SECTION TO READ AS FOLLOWS

22 [EFFECTIVE JULY 1, 2024]: **Sec. 10.5. "Craft hemp flower**

23 **product" has the meaning set forth in IC 35-31.5-2-68.9.**

24 SECTION 20. IC 35-48-1-16.8, AS ADDED BY P.L.153-2018,

25 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

26 JULY 1, 2024]: Sec. 16.8. "Hashish" does not include:

27 **(1) low THC hemp extract; or**

28 **(2) a craft hemp flower product.**

29 SECTION 21. IC 35-48-1-17.2 IS REPEALED [EFFECTIVE JULY

30 1, 2024]. Sec. 17.2: (a) "Hemp bud" means the harvested immature

31 reproductive organ of the female hemp plant.

32 (b) The term does not include agricultural hemp seed.

33 SECTION 22. IC 35-48-1-17.3 IS REPEALED [EFFECTIVE JULY

34 1, 2024]. Sec. 17.3: (a) "Hemp flower" means the harvested

35 reproductive organ, whether immature or mature, of the female hemp

36 plant.

37 (b) The term does not include agricultural hemp seed.

38 SECTION 23. IC 35-48-1-17.5, AS AMENDED BY P.L.190-2019,

39 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

40 JULY 1, 2024]: Sec. 17.5. (a) "Low THC hemp extract" means a

41 substance or compound that:

42 (1) is derived from or contains any part of the plant Cannabis



- 1 sativa L. that meets the definition of hemp under IC 15-15-13-6;
- 2 (2) contains not more than three-tenths percent (0.3%) total
- 3 delta-9-tetrahydrocannabinol (THC), including precursors, by
- 4 weight; and
- 5 (3) contains no other controlled substances.

6 (b) The term does not include:

- 7 (1) the harvested reproductive organ, whether immature or
- 8 mature, of the female hemp plant; ~~or~~
- 9 (2) ~~smokable hemp~~; **a craft hemp flower product; or**
- 10 **(3) smokable hemp.**

11 SECTION 24. IC 35-48-1-19, AS AMENDED BY P.L.190-2019,
12 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2024]: Sec. 19. (a) "Marijuana" means any part of the plant
14 genus Cannabis whether growing or not; the seeds thereof; the resin
15 extracted from any part of the plant, including hashish and hash oil; any
16 compound, manufacture, salt, derivative, mixture, or preparation of the
17 plant, its seeds or resin.

18 (b) The term does not include:

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

31 SECTION 25. IC 35-48-1-26.6, AS ADDED BY P.L.190-2019,
32 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2024]: Sec. 26.6. (a) Except as provided in subsection (b),
34 "smokable hemp" means a ~~product~~ **plant or a part of a plant**
35 containing not more than three-tenths percent (0.3%)
36 delta-9-tetrahydrocannabinol (THC), including precursors and
37 derivatives of THC, in a form that allows THC to be introduced into the
38 human body by inhalation of smoke. **Except as provided in subsection**
39 **(b), the term includes craft hemp flower.**

- 40 (+) ~~hemp bud~~; and
- 41 (-) ~~hemp flower~~.

42 (b) The term does not include **a craft hemp flower product (as**



1 **defined by IC 35-31.5-2-68.9), or:**
2 (1) a hemp plant that is; ~~or~~
3 (2) parts of a hemp plant that are; **or**
4 **(3) craft hemp flower that is;**
5 grown or handled by a licensee for processing or manufacturing into a
6 legal hemp product, **including a craft hemp flower product.**
7 SECTION 26. IC 35-52-24-20.3 IS ADDED TO THE INDIANA
8 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2024]: **Sec. 20.3. IC 24-4-23-8 defines a crime**
10 **concerning possession of craft hemp flower products.**
11 SECTION 27. IC 35-52-24-20.4 IS ADDED TO THE INDIANA
12 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
13 [EFFECTIVE JULY 1, 2024]: **Sec. 20.4. IC 24-4-23-9 defines a crime**
14 **concerning distribution or sale of craft hemp flower products.**

