

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1271

(Reference to Senate engrossed bill)

1 Page 1, line 34, after "INCLUDE" insert "HEMP-DERIVED PRODUCTS,"; strike the
2 comma insert "OR"

3 Line 35, after "CONSUMPTION" insert ", INHALATION OR TOPICAL APPLICATION"

4 Line 43, strike "TOTAL"

5 Page 2, line 24, strike "or" insert a comma; after "seed" insert "OR INDUSTRIAL
6 HEMP PRODUCTS"

7 Between lines 24 and 25, insert:

8 "13. "REGULATED HEMP CANNABINOIDS":

9 (a) MEANS:

10 (i) A CANNABINOID OTHER THAN DELTA-9 TETRAHYDROCANNABINOL, OR AN
11 ISOMER DERIVED FROM SUCH CANNABINOID, THAT IS DERIVED FROM HEMP IN A
12 CONCENTRATION OF MORE THAN ONE-TENTH OF ONE PERCENT.

13 (ii) DELTA-9 TETRAHYDROCANNABINOL IN A CONCENTRATION OF THREE-TENTHS
14 OF ONE PERCENT OR LESS ON A DRY WEIGHT BASIS:

15 (b) INCLUDES, BUT IS NOT LIMITED TO:

16 (i) DELTA-8 TETRAHYDROCANNABINOL.

17 (ii) DELTA-10 TETRAHYDROCANNABINOL.

18 (iii) HEXAHYDROCANNABINOL (HHC).

19 (iv) TETRAHYDROCANNABINOL ACETATE ESTER (THCo).

20 (v) TETRAHYDROCANNABIPHOROL (THCp).

21 (vi) TETRAHYDROCANNABIVARIN (THCv).

22 (c) DOES NOT INCLUDE:

23 (i) CANNABICHRMENE (CBC/CBCa/CBCv).

24 (ii) CANNABICITRAN (CBT/CBTa).

25 (iii) CANNABICYCLOL (CBL/CBLa).

26 (iv) CANNABIDIOL (CBD/CBDa/CBDv/CBDp).

27 (v) CANNABIELSOIN (CBE/CBEa).

28 (vi) CANNABIGEROL (CBG/CBGa/CBGv/CBGm).

1 (vii) CANNABINOL (CBN/CBna).

2 (viii) CANNABIVARIN (CBV/CBVa)."

3 Renumber to conform

4 Page 2, strike lines 27 through 33

5 Renumber to conform

6 Page 3, line 43, after "FOR" insert "MANUFACTURING,"

7 Line 44, after the period insert "AT A MINIMUM, RULES ADOPTED PURSUANT TO THIS
8 SUBSECTION SHALL REQUIRE THAT HEMP-DERIVED PRODUCTS:

9 (a) BE SOLD ONLY TO INDIVIDUALS WHO ARE AT LEAST TWENTY-ONE YEARS OF
10 AGE.

11 (b) BE MARKETED TO INDIVIDUALS WHO ARE AT LEAST TWENTY-ONE YEARS OF
12 AGE, INCLUDING PROHIBITING HEMP-DERIVED PRODUCTS FROM RESEMBLING THE FORM
13 OF A HUMAN, ANIMAL, INSECT, FRUIT, TOY OR CARTOON AND PROHIBITING HEMP-
14 DERIVED PRODUCTS FROM BEING SOLD IN PACKAGING THAT RESEMBLES OR IMITATES
15 FOOD OR DRINK BRANDS MARKETED TO CHILDREN.

16 (c) BE SECURELY STORED IN A MANNER THAT MAKES THE HEMP-DERIVED
17 PRODUCTS NOT ACCESSIBLE TO INDIVIDUALS WHO ARE UNDER TWENTY-ONE YEARS OF
18 AGE.

19 (d) BE LABELED WITH A WEBSITE LINK TO OR QUICK RESPONSE CODE
20 ASSOCIATED WITH THE HEMP-DERIVED PRODUCT MANUFACTURER'S WEBSITE ON THE
21 HEMP-DERIVED PRODUCT'S PACKAGING THAT LINKS TO A FULL PANEL CERTIFICATE OF
22 ANALYSIS PROVIDED BY AN INDEPENDENT THIRD-PARTY LABORATORY. THE
23 CERTIFICATE OF ANALYSIS MUST INCLUDE:

24 (i) ANALYTICAL RESULTS THAT INCLUDE TESTS FOR PESTICIDES,
25 MICROBIALS, RESIDUAL SOLVENTS, HEAVY METALS AND POTENCY.

26 (ii) THE MANUFACTURER'S NAME, PHYSICAL ADDRESS, TELEPHONE NUMBER AND
27 EMAIL ADDRESS.

28 (iii) THE MANUFACTURING DATE AND BATCH NUMBER.

29 (iv) ANY OTHER INFORMATION DEEMED NECESSARY BY THE DIRECTOR."

30 Page 4, line 5 after "CONSUMERS" insert ", EMPLOYEES AND THE PUBLIC"

1 Page 4, between lines 5 and 6, insert:

2 "6. CONDUCT NECESSARY INVESTIGATIONS, WHETHER ON ITS OWN MOTION OR
3 ON ANY COMPLAINT RECEIVED BY THE DEPARTMENT, TO DETERMINE WHETHER A
4 VIOLATION OF THIS CHAPTER OR ANY RULE ADOPTED PURSUANT TO THIS CHAPTER HAS
5 OCCURRED BY A LICENSEE, OFFICER OR AGENT.

6 7. ENFORCE THIS CHAPTER INCLUDING VIOLATIONS THAT CONSTITUTE A
7 THREAT TO THE HEALTH, WELFARE OR SAFETY OF A CONSUMER, EMPLOYEE OF A
8 LICENSEE OR THE PUBLIC. IN ENFORCING THIS CHAPTER, THE DIRECTOR MAY:

9 (a) DENY, SUSPEND OR REVOKE, IN WHOLE OR IN PART, ANY LICENSE ISSUED
10 UNDER THIS CHAPTER IF THE LICENSEE, OFFICER OR AGENT IS NOT IN COMPLIANCE
11 WITH THE PROVISIONS OF THIS CHAPTER OR ANY RULE.

12 (b) ASSESS A CIVIL PENALTY FOR VIOLATIONS OF THIS CHAPTER OR ANY
13 RULE ADOPTED PURSUANT TO THIS CHAPTER IN AN AMOUNT NOT TO EXCEED \$50,000
14 FOR EACH VIOLATION. EACH DAY A VIOLATION OCCURS CONSTITUTES A SEPARATE
15 VIOLATION.

16 (c) DETERMINE THE AMOUNT OF A CIVIL PENALTY ASSESSED AGAINST A
17 PERSON UNDER SUBSECTION 8 OF THIS SECTION AND ISSUE A NOTICE OF ASSESSMENT.
18 IN DETERMINING THE CIVIL PENALTY, THE DEPARTMENT SHALL CONSIDER ALL OF THE
19 FOLLOWING:

- 20 (i) REPEATED VIOLATIONS OF STATUTES AND RULES.
- 21 (ii) PATTERNS OF NONCOMPLIANCE.
- 22 (iii) THE TYPES OF VIOLATIONS.
- 23 (iv) THE SEVERITY OF THE VIOLATIONS.
- 24 (v) THE POTENTIAL FOR AND OCCURRENCES OF ACTUAL HARM.
- 25 (vi) THREATS TO HEALTH AND SAFETY.
- 26 (vii) THE NUMBER OF VIOLATIONS.
- 27 (viii) THE NUMBER OF PERSONS AFFECTED BY THE VIOLATIONS.
- 28 (ix) THE LENGTH OF TIME THE VIOLATIONS HAVE BEEN OCCURRING."

29 Page 6, between lines 11 and 12, insert:

30 "G. DURING ANY PHYSICAL INSPECTION OF A MANUFACTURER OR RETAILER,
31 THE DIRECTOR OR THE DIRECTOR'S DESIGNEE MAY COLLECT SAMPLES OF HEMP-DERIVED
32 PRODUCTS FOR ANALYSIS BY THE STATE AGRICULTURAL LABORATORY OR A LABORATORY

1 CERTIFIED BY THE DEPARTMENT TO DETERMINE COMPLIANCE WITH THIS ARTICLE AND
2 ANY DEPARTMENT RULE AND ORDER."

3 Page 6, between lines 37 and 38, insert:

4 "Sec. 7. Section 3-318, Arizona Revised Statutes, is amended to
5 read:

6 3-318. Industrial hemp advisory council; members; duties

7 A. The director shall establish by rule or order an industrial hemp
8 advisory council to assist and make recommendations to the director
9 regarding the administration and implementation of this article. The
10 director shall appoint five members to the council, including one public
11 member.

12 B. The industrial hemp advisory council shall:

13 1. Advise the director regarding expenditures from the industrial
14 hemp trust fund.

15 2. REVIEW ALL RULES AND ORDERS ADOPTED BY THE DIRECTOR FOR THE
16 PURPOSES OF THIS ARTICLE AT LEAST ANNUALLY TO DETERMINE IF THE RULES AND
17 ORDERS CONFORM TO FEDERAL LAW AND REGULATIONS.

18 3. MAKE RECOMMENDATIONS TO THE DIRECTOR TO MAINTAIN CONFORMITY WITH
19 FEDERAL LAWS AND REGULATIONS.

20 4. Provide additional assistance as the director deems necessary."

21 Renumber to conform

22 Line 42, strike "or" insert a comma; after "cultivation" insert ", PRODUCTION,
23 MANUFACTURE, SALE, TRANSPORTATION OR DISTRIBUTION"

24 Page 7, line 3, after "hemp" insert "OR THAT IS AN INDUSTRIAL HEMP PRODUCT THAT
25 DOES NOT COMPLY WITH THIS ARTICLE"

26 Amend title to conform

LUPE DIAZ

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