## HOUSE BILL NO. HB0267

Regulation of hemp.

Sponsored by: Representative(s) Singh, Andrew, Provenza and Yin and Senator(s) Rothfuss

## A BILL

for

AN ACT relating to hemp products; providing for regulation 1 2 of the manufacture, distribution and sale of consumable specified; requiring licensure 3 hemp products as of 4 consumable hemp product manufacturers, distributors 5 retailers by the Wyoming liquor division; imposing 6 excise tax on the retail sale of consumable hemp products; 7 providing definitions; providing penalties; requiring 8 reports; requiring rulemaking; making conforming 9 amendments; repealing conflicting provisions; and providing 10 for effective dates.

11

12 Be It Enacted by the Legislature of the State of Wyoming:

13

14 **Section 1.** W.S. 11-51-201 through 11-51-213 are

1

15 created to read:

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1	
2	ARTICLE 2
3	CONSUMABLE HEMP PRODUCTS
4	
5	11-51-201. Purpose; limitations.
6	
7	The purpose of this article is to regulate the manufacture,
8	distribution and sale of consumable hemp products.
9	
10	11-51-202. Definitions.
11	
12	(a) As used in this article, unless the context
13	otherwise requires:
14	
15	(i) "Batch" means any one (1) or more of the
16	following:
17	
18	(A) A specific quantity of hemp plants that
19	are cultivated from the same seed or plant stock, are
20	cultivated together, are intended to be harvested together
21	and that receive an identical propagation and cultivation
22	treatment;
23	

1 (B) A specific quantity of hemp flower that 2 is harvested together, is uniform and is intended to meet 3 specifications for identity, strength, purity 4 composition and that receives identical sorting, drying, 5 curing and storage treatment; 6 7 (C) A specific quantity of hemp-derived 8 consumable product that is: 9 10 (I) Manufactured at the same time and 11 using the same methods, equipment and ingredients; 12 13 (II) Uniform and intended to meet 14 specifications for identity, strength, purity and 15 composition; 16 17 (III) Manufactured, packaged 18 labeled according to a single batch production record that 19 is executed and documented. 20 21 (ii) "Batch number" means a unique numeric or alphanumeric identifier assigned to a batch of hemp plants 22 or hemp-derived consumable products; 23

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1	
2	(iii) "Business" means any of the following
3	licensed under this article a consumable hemp product:
4	
5	(A) Distributor;
6	
7	(B) Retailer;
8	
9	(C) Manufacturer.
10	
11	(iv) "Counter" means the point of purchase in a
12	retail establishment that provides separation designed to
13	make an area of the retail establishment inaccessible to
14	the customer;
15	
16	(v) "Distributor" means a person that purchases
17	consumable hemp products from manufacturers and sells them
18	to retailers;
19	
20	(vi) "Division" means the Wyoming liquor
21	division within the department of revenue created under
22	W.S. 12-2-106;

1 (vii) "Franchise" means a written or oral 2 arrangement for a definite or indefinite period, in which a 3 person grants to another person a license to use a trade 4 name, trademark, service mark or related characteristic and 5 in which there is a commonality of interest in the 6 marketing of goods or services at wholesale, retail, by lease, agreement or otherwise, including but not limited to 7 8 a commercial relationship of definite or indefinite duration between a manufacturer and distributor where the 9 10 distributor is granted the right to offer, sell 11 distribute within this state or any designated area of the 12 state some or all of the manufacturer's consumable hemp 13 products to retailers;

14

15 (viii) "Independent testing laboratory" means a 16 laboratory that meets all of the following conditions:

17

18 (A) The laboratory holds an ISO 17025
19 accreditation, is registered with the United States drug
20 enforcement administration in accordance with 21 C.F.R. §
21 1301.13 or holds an equivalent accreditation;

5

1 (B) The laboratory does not have a direct or indirect interest in the person or entity whose product 2 3 being tested or in a facility that cultivates, 4 processes, distributes, dispenses or sells consumable hemp 5 products in this state or any other jurisdiction; 6 (C) The 7 laboratory performs tetrahydrocannabinol concentration sampling and testing 8 9 using the high-performance chromatography method or another 10 method of testing authorized by the division. 11 12 (ix) "License" license in means a issued accordance with this article; 13 14 15 (x) "Manufacture" means to compound, blend, 16 extract, infuse, cook or otherwise make or prepare 17 consumable hemp products, including the processes of extraction, infusion, packaging, repackaging, labeling and 18 19 relabeling of consumable hemp products; 20 21 (xi) "Manufacturer" person means any who 22 manufactures consumable hemp products;

23

(xii) "Producer" means any person who engages in 2 the process of farming and harvesting hemp that is intended 3 to be used in the manufacture of a hemp-derived consumable 4 product; 5 (xiii) "Proof of age" means a valid driver's 6 license or other government-issued identification card that 7 8 contains a photograph of the person and confirms the 9 person's age as twenty-one (21) years of age or older; 10 11 (xiv) "Retail establishment" means a place of 12 business open to the general public for the sale of goods or services and includes a food service establishment; 13 14 (xv) "Retailer" any person who sells 15 means 16 consumable hemp products for consumption and not for 17 resale; 18 19 (xvi) "Serving" means a quantity of a consumable 20 hemp product indicated on the packaging of the consumable 21 hemp product;

1 (xvii) "Tincture" means hemp-infused liquid or 2 oils administered orally in small amounts using a dropper 3 that indicates the serving size. 4 11-51-203. Prohibited activities; penalties. 5 6 7 shall act (a) No person as a distributor, manufacturer or retailer of consumable hemp products unless 8 the person has a license as a business issued under this 9 10 article and the consumable hemp product manufactured, 11 distributed or sold at retail by the person is registered 12 with the division as provided in this article. 13 (b) No person shall do any of the following: 14 15 16 (i) Knowingly sell or distribute a consumable 17 hemp product to a person who is under twenty-one (21) years 18 of age; 19 20 (ii) Except as provided in subsection (g) of 21 this section, knowingly purchase a consumable hemp product on behalf of a person who is under twenty-one (21) years of 22 23 age;

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2 (iii) Except as provided in subsection (h) of

3 this section, knowingly persuade, entice, send or assist a

4 person who is under twenty-one (21) years of age to

5 purchase, acquire, receive or attempt to purchase a

6 consumable hemp product;

7

8 (iv) Knowingly distribute samples of consumable

9 hemp products outside of a retail establishment unless

10 specifically authorized under this article;

11

12 (v) Knowingly sell or distribute a consumable

13 hemp product without having first obtained proof of age

14 from the purchaser or recipient, unless an ordinary person

15 would conclude on the basis of appearance that the

16 purchaser or recipient is not under the age of twenty-one

17 (21) years.

18

19 (c) Except as provided in subsection (g) of this

20 section, no person who is under twenty-one (21) years of

21 age shall knowingly purchase, possess or accept receipt of

22 a consumable hemp product or knowingly present purported

23 proof of age that is false, fraudulent or not actually that

1 person for the purpose of purchasing or receiving a

2 consumable hemp product.

violation of this section.

3

4 (d) All consumable hemp products, except beverage products that do not exceed a total of ten (10) milligrams 5 per serving of delta-8 THC, delta-9 THC, delta-10 THC or 6 any combination of those, shall be maintained behind the 7 8 counter of a retail establishment or in another area that 9 is inaccessible to a customer. Any consumable hemp product 10 beverage, including those in cases or boxes, offered for 11 retail sale shall be merchandised in a manner to clearly 12 indicate to consumers that the product contains hemp-derived cannabinoids. Failure to maintain consumable 13 hemp products in accordance with this subsection is a 14

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15

(e) No person shall deliver, ship or cause to be delivered or shipped any consumable hemp product beverage directly to any person who is not licensed under this article. It shall not be a violation of this subsection for any delivery of a consumable hemp product beverage to a customer at a retail establishment or at a location otherwise authorized under this article.

2 (f) A first violation of any provision of this 3 section shall result in a fine of not more than two hundred 4 fifty dollars (\$250.00). A second or subsequent violation 5 of any provision of this section shall be a misdemeanor 6 punishable by a fine of not more than seven hundred fifty 7 dollars (\$750.00), imprisonment for not more than six (6) 8 months, or both.

9

10 (g) It shall not be a violation of this section for a
11 person under the age of twenty-one (21) years to possess or
12 consume consumable hemp products under the supervision of
13 the person's parent or guardian if the parent or guardian
14 has a written document from a physician recommending the
15 use of consumable hemp products for the person under the
16 age of twenty-one (21) years.

17

18 (h) This section does not preclude law enforcement 19 efforts to purchase consumable hemp products from retail 20 establishments involving:

1 (i) The use of a minor seventeen (17) years of 2 age or younger if the minor's parent or legal guardian has 3 provided consent; or 4 5 (ii) The use of a person aged eighteen (18), 6 nineteen (19) or twenty (20) years if the individual provides consent. 7 8 (j) Any consumable hemp product sold or offered for 9 10 sale or consumption in violation of this section is subject to seizure and forfeiture. 11 12 (k) Nothing in this article shall: 13 14 15 (i) Permit any person to undertake any task 16 under the influence of a consumable hemp product when doing 17 so would constitute negligence or professional malpractice or would otherwise create a danger to the person or others; 18 19 20 (ii) Operate, navigate or be in actual physical 21 control of a motor vehicle, aircraft, motorized watercraft, or any other vehicle while under the influence of a 22

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hemp-derived cannabinoid;

2 (iii) Require an employer to allow the use of a

3 consumable hemp products in a workplace or allow an

4 employee to work while under the influence of a consumable

5 hemp product;

6

7 (iv) Exempt a person from prosecution for a

8 criminal offense related to impairment or intoxication

9 resulting from use of a consumable hemp product or relieve

10 a person from any requirement under law to submit to a

11 breath, blood, urine or other test to detect the presence

12 of a controlled substance.

13

14 **11-51-204.** Administration.

15

16 (a) The division shall enforce this article in a

17 manner that may reasonably be expected to reduce the extent

18 to which consumable hemp products are sold or distributed

19 to persons under twenty-one (21) years of age. The

20 department of revenue shall adopt rules necessary to

21 implement this article.

1 (b) The division shall conduct random inspections of

2 consumable hemp products distributed or available for

3 distribution in the state for compliance with this article.

4 Inspections under this subsection shall include the

5 periodic sampling, analyzing and testing of consumable hemp

6 products distributed within the state for compliance with

7 the registration, labeling and testing requirements of this

8 article. The division may conduct an inspection under this

9 subsection for any reason the division determines is

10 necessary.

11

12 (c) Not later than November 1 of each year the

13 division shall submit a report to the joint judiciary

14 interim committee describing in detail the division's

15 enforcement efforts under this article. The report shall

16 also be made available to the public on the department of

17 revenue's website.

18

19 **11-51-205.** Licensing.

20

21 (a) Each business shall obtain a license from the

22 division prior to any manufacturing, distribution or retail

23 sale of any consumable hemp product.

2 (b) The application for a license under this section

3 shall include at minimum:

4

5 (i) The name and address of the applicant;

6

7 (ii) The physical address and legal description

8 of all property where the business will operate as a

9 distributor, manufacturer or retailer;

10

11 (iii) A statement that the applicant has not

12 been convicted of or pled no contest to a controlled

13 substance felony within the past ten (10) years, or in the

14 event the applicant is not an individual person, a

15 statement that no member, principal, officer or director of

16 the applicant has been convicted of or pled no contest to a

17 controlled substance felony;

18

19 (iv) Authorization for reasonable access by the

20 department for inspections and verifications related to

21 this article;

22

retailer

has

1 (v) Verification that the applicant is 2 business entity organized under the laws of Wyoming or is a 3 Wyoming resident, as defined by rule of the department of 4 revenue; 5 (vi) Any other information required by rule of 6 7 the department of revenue. 8 9 Subject to the limitations of subsection (e) of 10 this section, the division shall issue a license, 11 renewal thereof, which is valid for one (1) year if: 12 13 (i) The requirements of subsection (b) of this section are met, including that the applicant has not been 14 15 convicted of or pled no contest to a controlled substance 16 felony within the past ten (10) years; and 17 fee 18 (ii) A of two hundred fifty dollars (\$250.00) for distributors or manufacturers and a fee of 19 20 one hundred dollars (\$100.00) for retailers per location is

16

multiple locations, the fee

paid for each annual license or renewal application. If a

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under

this

- 1 paragraph shall not exceed two thousand five hundred
- 2 dollars (\$2,500.00).

- 4 (d) All fees collected under this section shall be
- 5 deposited with the state treasurer in a separate account,
- 6 which is hereby created and is continuously appropriated to
- 7 the department of revenue for the administration of this
- 8 article by the division.

9

- 10 (e) Except in the case of a manufacturer who sells
- 11 less than one thousand (1,000) gallons of consumable hemp
- 12 product beverages per year:

13

- 14 (i) No person who is engaged in the production,
- 15 manufacturing, distribution or sale of consumable hemp
- 16 product beverages shall hold more than one (1) type of
- 17 license under this section or have any financial interest,
- 18 either direct or indirect, in a person holding any of the
- 19 other types of licenses under this section;

- 21 (ii) No consumable hemp product beverage
- 22 manufacturer shall directly solicit, sell or otherwise
- 23 convey consumable hemp product beverages to retailers.

- 1 Manufacturers of consumable hemp product beverages are
- 2 authorized to solicit and sell consumable hemp product
- 3 beverages to distributors. Distributors are authorized to
- 4 solicit and sell consumable hemp product beverages to
- 5 retailers.

- 7 (f) The division may suspend, revoke or not renew any
- 8 license issued under this article if, after notice and
- 9 opportunity for a hearing, the division finds the provider
- 10 has violated this article or any rule promulgated under
- 11 this article.

12

13 11-51-206. Testing requirements.

- 15 (a) Each manufacturer shall have all consumable hemp
- 16 products or each batch of consumable hemp products tested
- 17 prior to distribution to a distributor for distribution in
- 18 Wyoming or before distributing the product to a retailer.
- 19 If a consumable hemp product is packaged in a manner that
- 20 may be sold to the ultimate consumer after being delivered
- 21 to the distributor and the distributor does not open the
- 22 package, the distributor is not required to further test
- 23 the consumable hemp product under this section. If the

1 consumable hemp product or batch of consumable hemp 2 products is not packaged in a manner that may be sold to 3 ultimate consumer after being delivered to 4 distributor or if the distributor opens the package, the distributor shall have the consumable hemp product tested 5 prior to distribution as provided in this section. 6 testing under this section shall determine the presence and 7 8 amounts of any of the substances listed in subsection (b) 9 of this section. No product that contains more than the 10 maximum amount indicated for any substance in subsection (b) of this section shall be distributed or sold in this 11

13

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state.

14 (b) The division, through the department of revenue,
15 shall promulgate rules specifying the pass and fail levels
16 for safety and toxicity with respect to the testing
17 required by this subsection. All consumable hemp products
18 offered for sale or distribution in this state shall be
19 tested for the presence of and amount of the following
20 substances:

21

(i) Heavy metals;

1 (ii) Pesticides; 2 3 (iii) Mycotoxins; 4 5 (iv) Solvents; 6 7 (v) Microbials; 8 9 (vi) THC. 10 (c) The manufacturer and distributor shall contract 11 12 with an independent testing laboratory to provide any 13 testing required under this section. 14 15 (d) An independent testing laboratory providing 16 testing required under this section shall use high 17 performance liquid chromatography or a comparable and validated testing method for any separation and measurement 18 19 required in the testing. 20 21 (e) Each consumable hemp product or batch of consumable hemp products tested in accordance with this 22

section shall

be

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accompanied by a validly issued

1 certificate of analysis from an independent testing

2 laboratory. The certificate of analysis shall include all

3 of the following:

4

5 (i) The batch identification number;

6

7 (ii) The date the consumable hemp product or

8 batch was received for testing;

9

10 (iii) The date testing was completed;

11

12 (iv) The method of analysis for each test

13 conducted;

14

15 (v) Proof that the certificate of analysis is

16 issued for the product specified on the certificate.

17

18 (f) Each consumable hemp product or batch shall have

19 an expiration date on the label that conforms with

20 applicable federal law and shall be not more than two (2)

21 years from the date of publication of the product's

22 certificate of analysis required by this section.

1 (g) The division shall: 2 3 (i) Maintain and post on its website or the 4 website of the department of revenue a registry of testing laboratories that are qualified to test consumable hemp 5 products; 6 7 8 (ii) Develop an application and process by which qualifying laboratories are listed on the website as 9 10 provided in paragraph (i) of this subsection. 11 application submitted by a potentially qualifying 12 laboratory shall include a sample certificate of analysis 13 issued by the applying laboratory. 14 11-51-207. Label requirements. 15 16 17 (a) The label of each consumable hemp product offered for distribution or sale in this state shall contain the 18 19 following information, legibly displayed: 20 21 (i) The product name or common name for the

23

22

product, on the front of the label;

1 (ii) The brand name of the product, on the front of the label; 2 3 4 (iii) The net count of individual items in the container, if applicable, on the front of the label; 5 6 7 (iv) The net weight or volume of the product; 8 (v) Suggested product use, including serving 9 sizes if the product is intended for ingestion or 10 inhalation; 11 12 13 (vi) A list of ingredients in the product, 14 including: 15 16 (A) The amount of any cannabinoid or 17 combination of cannabinoids, in milligrams; 18 19 (B) A list of allergens; 20 21 (C) The manufacturer or distributor name 22 and address; 23

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1	(D) Batch number;
2	
3	(E) A statement that use while pregnant or
4	breastfeeding may be harmful;
5	
6	(F) A statement that the product contains
7	hemp-derived cannabinoids and that consumption of certain
8	cannabinoids may impair your ability to drive or operate
9	heavy machinery or motor vehicles;
10	
11	(G) A statement to keep out of the reach of
12	children;
13	
14	(H) A statement that it is unlawful for a
15	person less than twenty-one (21) years of age to use or
16	consume the product;
17	
18	(J) A statement to consult your physician
19	before use;
20	
21	(K) A statement that consuming consumable
22	hemp products may result in a failed drug test;
23	

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(M) The following text: "This product has

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not been evaluated by the Food and Drug Administration. 2 3 This product is not intended to diagnose, treat, cure, 4 mitigate or prevent any disease."; 5 (N) The following text: "Warning - The 6 7 safety of this product has not been determined."; and 8 9 (0) An expiration date in accordance with 10 W.S. 11-51-206(f). 11 12 (b) No consumable hemp product labels shall: 13 14 (i) Have any likeness or bear any reasonable resemblance to a human, animal, cartoon character or 15

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16

17

19 (ii) Appear to imitate a food, candy or other 20 commonly available snack product that is typically marketed 21 toward or appealing to children.

under twenty-one (21) years of age;

fictional character known to appeal primarily to persons

1 (c) The limitations of subsection (b) of this section

2 shall not prevent the use of drawings, illustrations or

3 artwork depicting nonmythical creatures, inanimate objects,

4 scenery, humanoid characters, fruit or flavor focused

5 images or any other items not known to appeal primarily to

6 persons under twenty-one (21) years of age.

7

8 11-51-208. Product requirements and restrictions.

9

10 (a) Each consumable hemp product that is sold in this

11 state shall meet the following requirements:

12

13 (i) Be labeled in accordance with W.S. 11-51-207

14 and include a quick response code that directs consumers to

15 all testing requirements specified by W.S. 11-51-206;

16

17 (ii) Satisfy the child resistant effectiveness

18 standards under 16 C.F.R. § 1700.15(b)(1) when tested in

19 accordance with the requirements set forth in 16 C.F.R. §

20 1700.20. This paragraph shall not apply to consumable hemp

21 product beverages;

1 (iii) B∈	manufactured	in the	United	States	under
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2 the applicable law governing the manufacture of consumable

3 hemp products in the jurisdiction where the product was

4 manufactured.

5

6 (b) No consumable hemp product intended for

7 ingestion, including beverage products, shall:

8

9 (i) Be sold in a serving that contains more than

10 one hundred (100) milligrams, in the aggregate, of any

11 combination of delta-8 THC, delta-9 THC and delta-10 THC;

12

13 (ii) Be formed in the shape of an animal or

14 cartoon character.

15

16 (c) No consumable hemp product intended for

17 inhalation shall:

18

19 (i) Be sold in a container that contains more

20 than six (6) milliliters or six (6) milligrams of

21 hemp-derived cannabinoids, in the aggregate, of any

22 combination of delta-8 THC, delta-9 THC and delta-10 THC;

1	(11) Have a certificate of analysis issued by an
2	independent testing laboratory that was issued more than
3	twelve (12) months before the date of the sale.
4	
5	11-51-209. Product registration.
6	
7	(a) Each consumable hemp product distributed or
8	available for sale in Wyoming shall be officially
9	registered annually with the division and shall comply with
10	the following requirements:
11	
12	(i) Application for registration shall be made
13	to the division on a form required by the division and
14	shall include the following information:
15	
16	(A) The name and address of the applicant
17	and the name and address of the person whose name will
18	appear on the label, if different than the applicant;
19	
20	(B) The name of the product;
21	
22	(C) The type and use of the product;
23	

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1	(D) A complete copy of the label as it will
2	appear on the product in a legible format;
3	
4	(E) If the product has been assigned a
5	national drug code in accordance with 21 C.F.R. § 207.33,
6	the applicant shall provide the national drug code number;
7	and
8	
9	(F) A certificate of analysis from an
10	independent testing laboratory for the consumable hemp
11	product in compliance with W.S. 11-51-206.
12	
13	(b) The division may deny registration of a
14	consumable hemp product for an incomplete application.
15	
16	(c) A new registration shall be required under this
17	section for any of the following:
18	
19	(i) Any change in the ingredients of the
20	consumable hemp product, including any change in the amount
21	or ratio of the ingredients;
22	

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29

(ii) A change to the directions for use;

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2 (iii) A change of name for the product.

3

4 (d) If there are any changes to a consumable hemp 5 product that do not require a new registration under

6 subsection (c) of this section, the registrant shall submit

7 copies of each label change to the division as soon as the

8 changes are effective.

9

10 (e) A hemp-derived consumable product that has been

11 discontinued shall continue to be registered in the state

12 until the product is no longer available for distribution

13 or sale.

14

15 (f) The registrant is responsible for the accuracy

16 and completeness of all information submitted under this

17 section.

18

19 11-51-210. Retail establishments.

20

21 (a) Each retail establishment that offers consumable

22 hemp products shall be licensed as a retailer by the

23 division in accordance with this article.

2 (b) No retailer shall sell or offer for sale any

3 consumable hemp product unless the product is registered

4 with the division as provided in W.S. 11-51-209.

5

6 (c) A retailer may offer consumable hemp products at

7 a temporary event or festival after registering the event

8 with the division and paying an event registration fee of

9 one hundred dollars (\$100.00).

10

11 (d) No retailer shall be located within one hundred

12 (100) feet of a school if children under the age of

13 eighteen (18) years attend the school.

14

15 (e) No business that distributes, sells or serves

16 consumable hemp products shall employ any person who is

17 under twenty-one (21) years of age, unless the person

18 employed is at least eighteen (18) years of age and is

19 under the direct supervision of a person twenty-one (21)

20 years of age or older.

21

22 (f) Except as otherwise provided in this subsection,

23 only pre-packaged registered consumable hemp products shall

1 be offered as ready-to-consume or for direct consumption at

2 a retailer. Consumable hemp products shall not be added to

3 an ingestible food product by a retailer, provided that

4 consumable hemp product beverages may be added to a

5 nonalcoholic ingestible beverage product at a retailer that

6 is a food service establishment. A retailer that is a food

7 service establishment shall, upon request, provide the

8 consumer with copy of the consumable hemp product's

9 registration with the division in conjunction with

10 incorporating a consumable hemp product beverage with a

11 nonalcoholic beverage under this subsection.

12

13 (g) Any retailer offering on-site consumption of

14 consumable hemp products shall provide to consumers upon

15 request:

16

17 (i) The common name of the product;

18

19 (ii) The distributor or manufacturer of the

20 product;

21

22 (iii) A copy of the division's registration of

23 the consumable hemp product.

2 (h) A retailer offering on-site consumption of

3 consumable hemp products shall notify the division not

4 later than twenty-four (24) hours after the establishment

5 knows of any serious adverse event related to a consumable

6 hemp product sold by the establishment.

7

8 (j) No manufacturer or distributor shall pay a

9 retailer, nor shall any retailer accept, any payment,

10 credit or any other consideration to induce the retailer to

11 advertise or display a consumable hemp product in a certain

12 manner or to offer the consumable hemp product on the

13 retailer's licensed premises.

14

15 **11-51-211.** Excise tax.

16

17 (a) An excise tax at the rate of two percent (2%) is

18 imposed on the retail sale of a consumable hemp product.

19 The tax under this subsection is in addition to any tax

20 imposed under any other provision of federal, state or

21 local law. Except as provided in subsection (b) of this

22 section, the tax under this subsection shall be collected

23 and paid to the department of revenue in the same manner as

- 1 the sales tax on the consumable hemp product in accordance
- 2 with W.S. 39-15-101 through 39-15-111.

- 4 (b) All taxes collected under subsection (a) of this
- 5 section shall be reported, paid and accounted for
- 6 separately. All taxes collected under subsection (a) of
- 7 this section shall be deposited in the general fund.

8

- 9 11-51-212. Franchises for distributors of consumable
- 10 hemp product beverages.

11

- 12 (a) If more than one (1) franchise for the same brand
- 13 or brands of consumable hemp product beverages is granted
- 14 to different distributors in Wyoming, it is a violation of
- 15 this section for any manufacturer to discriminate between
- 16 the distributors with respect to any of the terms,
- 17 provisions or conditions of the franchises.

- 19 (b) Notwithstanding the terms, provisions and
- 20 conditions of any franchise, no manufacturer shall
- 21 unilaterally terminate, refuse to continue or substantially
- 22 change the condition of any franchise with a distributor
- 23 unless the manufacturer has first established good cause

1 for the termination, failure to continue or substantial 2 change.

3

4 (c) Any distributor may bring an action in a court of

5 competent jurisdiction against a manufacturer for violation

6 of any of the provisions of this section and may recover

7 damages sustained by the distributor together with the

8 costs of the action and reasonable attorney fees.

9

10 (d) In any action brought under subsection (c) of

11 this section for a termination, failure to continue or

12 change in violation of this section, it is a complete

13 defense for the manufacturer to prove that the termination,

14 failure to continue or change was done in good faith and

15 for good cause.

16

17 (e) As used in this section:

18

19 (i) "Good cause" means any of the following:

20

21 (A) Failure by the distributor to comply

22 substantially with the provisions of an agreement or

1 understanding with the manufacturer, if the provisions are

2 both essential and reasonable;

3

4 (B) Bad faith by the distributor or failure

5 of the distributor to observe reasonable commercial

6 standards of fair dealing in the trade;

7

8 (C) Revocation, or suspension for more than

9 thirty (30) days, of the distributor's license.

10

11 (ii) "Good faith" is the duty of each party to

12 any franchise and all officers, employees or agents thereof

13 to act in a fair manner towards each other.

14

15 **11-51-213.** Safe harbor.

16

17 (a) The testing requirements under W.S. 11-51-206,

18 the label requirements under W.S. 11-51-207 and the product

19 registration requirements under W.S. 11-15-208 shall not

20 apply to any consumable hemp product manufactured or held

21 in Wyoming if the product will not be sold by a retailer in

22 Wyoming or will not be sold to a consumer in Wyoming.

```
1
        (b) Nothing in this section shall be deemed to
 2
    prevent the division from conducting inspections as
3
    provided in W.S. 11-51-204(b) to ensure compliance with
4
    this article.
5
        Section 2. W.S. 11-51-101(a)(iii), (iv), (vi) and by
 6
    creating new paragraphs (ix) through (xiii), 11-51-102(b),
7
8
    11-51-103(a), 11-51-104(a)(intro), (iii) and (b) through
    (d), 11-51-505(a), 11-51-106, 11-51-107, 14-3-310(a), (e)
9
10
    and (f) and 35-7-1063(a) by creating a new paragraph (iv),
11
    (b)(i), (ii), by creating a new paragraph (iii) and by
12
    renumbering (iii) as (iv) are amended to read:
13
                            ARTICLE 1
14
15
                         HEMP PRODUCTION
16
17
        11-51-101. Definitions.
18
19
        (a) As used in this chapter:
20
21
             (iii) "Hemp" or "hemp product" means all parts,
    seeds and varieties of the plant cannabis sativa 1.,
22
```

whether growing or not, or a product, derivative, extract,

1 cannabinoid, isomer, acid, salt or salt of isomer made from 2 that plant with no synthetic substance and with a delta-9 3 THC concentration of not more than three-tenths of one 4 percent (0.3%) on a dry weight basis; when using post-decarboxylation or another similarly reliable testing 5 6 method; 7 8 (iv) "Licensee" means a person licensed under this chapter article to produce, process or test hemp; 9 10 11 (vi) "Process" means converting hemp into 12 another a hemp product, excluding a consumable hemp product, that contains no synthetic substance and that 13 contains no more than three-tenths of one percent (0.3%) 14 15 THC on a dry weight basis when using post-decarboxylation 16 or another similarly reliable testing method; 17 (ix) "Consumable hemp product" means a product 18 19 produced from hemp or containing a hemp-derived cannabinoid 20 that is a finished good intended for human ingestion or 21 inhalation and that contains not more than three-tenths of 22 one percent (0.3%) concentration of delta-9 THC on a dry weight basis but that may contain concentrations of other 23

1 hemp-derived cannabinoids in excess of that amount. "Consumable hemp product" does not include products 2 3 intended for topical application, hemp seeds or products 4 derived from hemp seeds including hemp seed oil that are generally recognized as safe by the United States food and 5 6 drug administration; 7 8 (x) "Hemp-derived cannabinoid" means any cannabinoid derived from a compound found in 9 hemp, including, but not limited to, delta-9 tetrahydrocannabinol 10 (delta-9 THC), tetrahydrocannabinolic acid (THCA), 11 12 cannabidiol (CBD), cannabidiolic acid (CBDA), cannabinol (CBN), cannabigerol (CBG), cannabicrhomene (CBC) 13 cannabicycol (CBL), cannabivarin (CBV), 14 tetrahydrocannabivarin (THCV), cannabidivarin (CBDV), 15 16 cannabicitran (CBT), delta-7 tetraydrocannabinol (delta-7 17 THC), delta-8 tetrahydrocannabinol (delta-8 THC), delta-10 tetrahydrocannabinol (delta-10 THC) or hexahydrocannabinol 18 19 (HHC). This term also includes any synthetic cannabinoid 20 derived from hemp and contained in a consumable hemp

22

21

product;

```
1
                    "Hemp product" includes
                                                   animal
              (xi)
                                                             feed
 2
    products derived from hemp, fiber products, grain, products
 3
    intended for topical application and hemp seeds or products
 4
    derived from hemp seeds that are generally recognized as
    safe by the United States food and drug administration.
 5
 6
    "Hemp product" shall not include a consumable hemp product;
 7
              (xii) "Ingestion" means the process of consuming
 8
9
           through
                     the
                            mouth
                                    by
                                         swallowing
    hemp
                                                      into
                                                              the
10
    gastrointestinal system;
11
12
              (xiii) "Inhalation" means
                                              the process
                                                               of
13
    consuming hemp through the respiratory system through the
    mouth or nasal passageway.
14
15
16
         11-51-102. Hemp as agricultural crop; use of hemp.
17
18
              Notwithstanding the requirements of this chapter,
19
    the possession, purchase, sale, transportation and use of
20
    hemp and hemp products by any person is allowable. except
    The manufacture, distribution and sale of consumable hemp
21
    products is allowed and regulated as provided in W.S.
22
    \frac{11-51-103(f)}{11-51-201} and \frac{14-3-310}{11-51-201} through \frac{11-51-213}{11-51-213}.
23
```

2 11-51-103. Licensing; prohibited activities.

3

4 (a) No person shall produce hemp or process hemp or 5 hemp products unless the person has obtained a license from the department on a form provided by the department. No 6 person shall manufacture, distribute or sell consumable 7 8 hemp products except as provided in W.S. 11-51-201 through 9 11-51-213.

10

## 11 11-51-104. Enforcement; fees; penalties.

12

13 (a) The department shall perform inspections and provide chemical sampling and analysis of production or 14 processing activities by licensees to determine compliance 15 16 with this chapter article. The department may require 17 verification of effective disposal by licensees of hemp or hemp products that contain synthetic substances or that 18 19 contain in excess of three-tenths of one percent (0.3%) THC 20 on a dry weight basis. For any sample, analysis or 21 verification conducted under this subsection, the department shall assess the licensee fees as established by 22 23 rule of the department, not to exceed the following:

(iii) Two hundred fifty dollars (\$250.00) for verification of effective disposal of hemp or hemp products that contain synthetic substances or that contain in excess of three-tenths of one percent (0.3%) THC on a dry weight basis.

7

8 Except as provided in subsection (e) of this (b) section, any licensee who violates any provision of this 9 10 chapter article or any regulation promulgated pursuant to this chapter article shall be subject to a corrective 11 12 action plan. The corrective action plan may reporting requirements, additional inspections, suspension 13 of a license, steps necessary to restore a license, 14 15 requirements related to disposal of hemp or hemp products 16 that contain in excess of three-tenths of one percent 17 (0.3%) THC on a dry weight basis or providing notice of the violation to the licensee's known creditors. The plan may 18 19 require rendering THC inaccessible by using hemp or hemp 20 products as a soil amendment material or by destruction of 21 the hemp or hemp product as authorized by rule of the department. 22

1 (c) Any person who intentionally violates this 2 chapter article is guilty of a misdemeanor punishable by a 3 fine of not more than seven hundred fifty dollars 4 (\$750.00), imprisonment for not more than six (6) months, or both. 5 6 7 (d) If any person has three (3) or more violations of 8 this chapter article or any regulation promulgated pursuant 9 to this chapter article within five (5) years, the department shall revoke the license and the person shall be 10 ineligible for licensure under this chapter article for 11 12 five (5) years. 13 14 11-51-105. Rules; agreements; research activities. 15 16 (a) The department shall adopt rules necessary to 17 implement the provisions of this chapter article. 18

19 11-51-106. Disposition of fees.

20

21 All fees collected under this chapter article shall be deposited with the state treasurer in a separate account 22

- 1 which is continuously appropriated to the department for
- 2 the administration of this chapter article.

- 4 11-51-107. Exception if this article is not
- 5 implemented.

6

- 7 Nothing in this <del>chapter article</del> shall preclude any person
- 8 from applying for and receiving authorization to produce
- 9 and process hemp from another authorized entity if the
- 10 department does not receive authority to do so or is
- 11 otherwise not implementing this chapter article.

12

- 13 14-3-310. Prohibited sales or delivery of edible
- 14 products and vaping products.

15

- 16 (a) No person or retailer shall sell, permit the
- 17 sale, offer for sale, give away or deliver consumable hemp
- 18 products as defined by W.S. 11-51-101(a)(ix), edible
- 19 products or vaping products to any person under the age of
- 20 eighteen (18) twenty-one (21) years.

- 22 (e) It is an affirmative defense to a prosecution
- 23 under subsection (a) this section that, in the case of a

1 sale, the person who sold the consumable hemp products as

2 defined by W.S. 11-51-101(a)(ix), edible product or vaping

3 product was presented with, and reasonably relied upon, an

4 identification card which identified the person buying or

5 receiving the edible product or vaping product as being

6 over eighteen (18) twenty-one (21) years of age.

7

8 (f) The prohibitions in this section shall not be

9 construed to apply to the sale or dispensing of cannabidiol

10 oil that has not more than three-tenths percent (0.3%) of

11 tetrahydrocannabinol to a parent or guardian for use by the

12 parent's or guardian's child who is less than eighteen (18)

13 twenty-one (21) years of age.

14

15 **35-7-1063.** Exceptions to provisions.

16

17 (a) The provisions and penalties of this chapter

18 shall not apply to:

19

20 (iv) The manufacture, distribution, sale,

21 possession or use of consumable hemp products in accordance

22 with the provisions of W.S. 11-51-201 through 11-51-213.

```
1
         (b) As used in this section:
 2
 3
             (i) "Hemp" or "Consumable hemp product" means
 4
    all parts, seeds and varieties of the plant cannabis sativa
 5
    1. or a product made from that plant with no synthetic
 6
    substances and with a THC concentration of not more than
 7
    three-tenths of one percent (0.3%) on a dry weight basis as
8
    defined by W.S. 11-51-101(a)(ix);
9
10
             (ii) "Synthetic substance" "Hemp" means as
11
    defined by W.S. \frac{11-51-101(a)(viii)}{11-51-101(a)(iii)};
12
             (iii) "Hemp product" means as defined by W.S.
13
14
    11-51-101(a)(xi);
15
16
             (iii)(iv) "THC" means as defined by W.S.
17
    11-51-101(a)(vii).
18
19
         Section 3. W.S. 11-51-103(f)(ii) and 11-51-104(e) are
20
    repealed.
21
         Section 4. The department of revenue
22
                                                     and the
    department of agriculture shall adopt rules necessary to
23
```

1 implement the regulation of consumable hemp products, as

2 provided in sections 1 and 2 of this act, not later than

3 January 1, 2026.

4

5 Section 5.

6

7 (a) Except as provided in subsection (b) of this

8 section, this act is effective immediately upon completion

9 of all acts necessary for a bill to become law as provided

10 by Article 4, Section 8 of the Wyoming Constitution.

11

12 (b) Sections 1 through 3 of this act are effective

13 January 1, 2026.

14

15 (END)