

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 328
Committee Substitute Favorable 3/25/25
Committee Substitute #2 Favorable 4/8/25
Senate Health Care Committee Substitute Adopted 6/17/25

Short Title: Regulate Hemp-Derived Consumables. (Public)

Sponsors:

Referred to:

March 10, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO REGULATE THE SALE, DISTRIBUTION, AND POSSESSION OF
3 HEMP-DERIVED CONSUMABLE PRODUCTS AND TO ADD KRATOM AS A
4 SCHEDULE VI CONTROLLED SUBSTANCE.

5 The General Assembly of North Carolina enacts:

6
7 **PART I. REGULATE HEMP-DERIVED CONSUMABLE PRODUCTS**

8 **SECTION 1.(a)** The General Statutes are amended by adding a new Chapter to read:

9 **"Chapter 18D.**

10 **"Regulation of Hemp-Derived Consumable Products.**

11 **"Article 1.**

12 **"Regulation of Hemp-Derived Consumable Products.**

13 **"§ 18D-100. Definitions.**

14 Unless the context requires otherwise, the following definitions apply in this Chapter:

- 15 (1) ALE Division. – The Alcohol Law Enforcement Division of the Department
16 of Public Safety.
- 17 (2) Batch. – The hemp-derived consumable product produced during a period of
18 time under similar conditions and identified by a specific code that allows
19 traceability.
- 20 (3) Distributor. – A person or entity that delivers or sells hemp-derived
21 consumable products for the purpose of distribution in commerce.
- 22 (4) Exit package. – An opaque bag or other similar opaque covering provided at
23 the point of sale that satisfies the child-resistant effectiveness standards under
24 16 C.F.R. § 1700.15(b)(1) when tested in accordance with the requirements
25 of 16 C.F.R. § 1700.20 in which hemp-derived consumable products are
26 placed by a seller after being sold to the ultimate consumer of the product.
- 27 (5) Hemp. – As defined in G.S. 90-87.
- 28 (6) Hemp-derived cannabinoid. – Any phytocannabinoid found in hemp,
29 including delta-9 tetrahydrocannabinol (delta-9 THC), tetrahydrocannabinolic
30 acid (THCA), cannabidiol (CBD), cannabidiolic acid (CBDA), cannabinol
31 (CBN), cannabigerol (CBG), cannabichromene (CBC), cannabicyclol (CBL),
32 cannabivarin (CBV), tetrahydrocannabivarin (THCV), cannabidivarin
33 (CBDV), cannabicitran (CBT), delta-7 tetrahydrocannabinol (delta-7 THC),
34 delta-8 tetrahydrocannabinol (delta-8 THC), or delta-10 tetrahydrocannabinol



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- 1 (delta-10 THC). This term also includes any synthetic cannabinoid derived
2 from hemp and contained in a hemp-derived consumable product.
- 3 (7) Hemp-derived consumable product. – A hemp product that is a finished good
4 intended for human ingestion or inhalation that at the time of sale to the
5 ultimate consumer contains a delta-9 THC concentration of not more than
6 three-tenths of one percent (0.3%) on a dry weight basis. This term does not
7 include hemp products intended for topical application, or seeds or
8 seed-derived ingredients that are generally recognized as safe by the United
9 States Food and Drug Administration (FDA).
- 10 (8) Hemp product. – As defined in G.S. 90-87.
- 11 (9) Independent testing laboratory. – A laboratory that meets all of the following
12 conditions:
- 13 a. Holds an ISO 17025 accreditation or is registered with the Drug
14 Enforcement Administration (DEA) in accordance with 21 C.F.R. §
15 1301.13.
- 16 b. Does not have a direct or indirect interest in the entity whose product
17 is being tested.
- 18 c. Does not have a direct or indirect interest in a facility that cultivates,
19 processes, distributes, dispenses, or sells hemp-derived consumable
20 products, or prohibited hemp-derived consumable products in this
21 State or any other jurisdiction.
- 22 d. Has entered into a compliance agreement with the ALE Division to
23 conduct tetrahydrocannabinol concentration sampling and testing
24 using the high-performance chromatography (HPLC) testing method.
- 25 (10) Ingestion. – The process of consuming hemp through the mouth, by
26 swallowing into the gastrointestinal system or through tissue absorption.
- 27 (11) Inhalation. – The process of consuming hemp into the respiratory system
28 through the mouth or nasal passages.
- 29 (12) License. – A license issued in accordance with this Chapter.
- 30 (13) Licensee. – A person who has been issued a license in accordance with this
31 Chapter.
- 32 (14) Manufacture. – To compound, blend, extract, infuse, cook, or otherwise
33 manipulate hemp or a hemp-derived cannabinoid to make, prepare, or package
34 hemp-derived consumable products.
- 35 (15) Manufacturer. – Any person or entity that engages in the process of
36 manufacturing, preparing, or packaging of hemp-derived consumable
37 products.
- 38 (16) Producer. – Any person or entity licensed to grow hemp by the United States
39 Department of Agriculture that engages in the process of farming and
40 harvesting hemp that is intended to be used in the manufacture of a
41 hemp-derived consumable product.
- 42 (17) Prohibited hemp-derived consumable product. – A hemp product that is a
43 finished good intended for human ingestion or inhalation that contains
44 concentrations of hemp-derived cannabinoids other than delta-9 THC. This
45 term does not include hemp products intended for topical application or seeds
46 or seed-derived ingredients that are generally recognized as safe by the United
47 States Food and Drug Administration (FDA).
- 48 (18) Retail dealer. – Any person who sells a hemp-derived consumable product to
49 the ultimate consumer of the product, including a remote seller.
- 50 (19) Serving. – A quantity of a hemp-derived consumable product reasonably
51 suitable for a person's use in a single day.

"§ 18D-101. Sales restrictions on hemp-derived consumable products.

(a) Restrictions. – No person shall do any of the following:

- (1) Sell a hemp-derived consumable product to a person who is under 21 years of age. Any retail dealer of hemp-derived consumable products shall demand proof of age from a prospective purchaser of hemp-derived consumable products before the hemp-derived consumable products are released to the purchaser if the retail dealer has reasonable grounds to believe that the prospective purchaser is under 30 years of age. Any retail dealer that sells a hemp-derived consumable product on an internet website shall verify the age of any prospective purchaser and shall use a method of delivery that requires the signature of a person at least 21 years of age before the hemp-derived consumable product is released.
- (2) Knowingly, or having reason to know, distribute samples of hemp-derived consumable products in or on a public street, sidewalk, park, or public building.
- (3) Engage in the business of selling a hemp-derived consumable product without a valid license issued in accordance with this Chapter.
- (4) Knowingly, or having reason to know, sell a hemp-derived consumable product that has a concentration of more than three-tenths of one percent (0.3%) on a dry weight basis of delta-9 tetrahydrocannabinol.
- (5) Knowingly, or having reason to know, sell a hemp-derived consumable product that is not contained in an exit package or a child proof package.
- (6) Knowingly, or having reason to know, sell at retail or on an internet website offering delivery in this State, a hemp-derived consumable product that is not in compliance with G.S. 18D-105.
- (7) Knowingly, or having reason to know, sell at retail hemp flower or a product containing hemp flower that is not accompanied by a certificate of analysis issued within the previous six-month period demonstrating that the hemp flower or product containing hemp flower has a concentration of no more than three-tenths of one percent (0.3%) on a dry weight basis of delta-9 tetrahydrocannabinol.
- (8) Knowingly, or having reason to know, sell or distribute a prohibited hemp-derived consumable product.

(b) Civil Penalties. – Violation of this section shall have the following penalties:

- (1) For the first violation, the ALE Division may impose a civil penalty of no more than five hundred dollars (\$500.00).
- (2) For the second violation within three years, the ALE Division may impose a civil penalty of no more than seven hundred fifty dollars (\$750.00).
- (3) For the third violation within three years of the first violation, the ALE Division shall impose a civil penalty of no more than one thousand dollars (\$1,000) and suspend the retail dealer's license for one year.
- (4) For a fourth or subsequent violation within three years of the first violation, the ALE Division shall impose a civil penalty of no more than two thousand dollars (\$2,000) and revoke the retail dealer's license.

(c) Testing Fee. – In any case in which the ALE Division imposes a penalty pursuant to subsection (b) of this section, for a violation of subdivision (4) of subsection (a) of this section, the retail dealer shall also pay to the ALE Division the actual costs paid by the ALE Division for testing of the samples resulting in the violation. Any fee collected pursuant to this subsection shall be remitted to the ALE Division.

(d) Defenses. – It is a defense to a violation of subdivision (1) of subsection (a) of this section if the retail dealer does any of the following:

- 1 (1) Shows that the purchaser produced a drivers license, a special identification
2 card issued under G.S. 20-37.7 or issued by the state agency of any other state
3 authorized to issue similar official state special identification cards for that
4 state, a tribal enrollment card issued by a State or federally recognized Indian
5 Tribe, a military identification card, or a passport showing the purchaser's age
6 to be at least the required age for purchase and bearing a physical description
7 of the person named on the card reasonably describing the purchaser.
8 (2) Produces evidence of other facts that reasonably indicated at the time of sale
9 that the purchaser was at least the required age.
10 (3) Shows that at the time of purchase, the purchaser utilized a biometric
11 identification system that demonstrated (i) the purchaser's age to be at least
12 the required age for the purchase and (ii) the purchaser had previously
13 registered with the retail dealer or retail dealer's agent a drivers license, a
14 special identification card issued under G.S. 20-37.7 or issued by the state
15 agency of any other state authorized to issue similar official state special
16 identification cards for that state, a military identification card, or a passport
17 showing the purchaser's date of birth and bearing a physical description of the
18 person named on the document.

19 (e) Proceeds of Civil Penalty. – The clear proceeds of any civil penalty imposed under
20 this section, shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with
21 G.S. 115C-457.2.

22 (f) Criminal Penalty. – Any person against whom a civil penalty has been imposed for
23 violation of subdivision (3) of subsection (a) of this section who commits a second violation of
24 subdivision (3) of subsection (a) of this section is guilty of a Class A1 misdemeanor. Any person
25 who commits a third or subsequent violation of subdivision (3) of subsection (a) of this section
26 is guilty of a Class H felony. Unless another provision of the law providing for greater
27 punishment applies, any person who commits a violation of subdivision (4) of subsection (a) of
28 this section is guilty of a Class H felony. Any person who commits a violation of subdivision (8)
29 of subsection (a) of this section is guilty of a Class G felony.

30 **§ 18D-101A. Sales and transfer restrictions on a producer.**

31 (a) Restriction. – A producer shall not knowingly sell or in any way transfer hemp that
32 has been processed or prepared with the intent to be used in a hemp-derived consumable product
33 to any person or entity other than a manufacturer licensed pursuant to this Chapter.

34 (b) Prohibition. – A producer shall not knowingly sell or in any way transfer hemp that
35 has been processed or prepared with the intent to be used in a prohibited hemp-derived
36 consumable product to any person or entity.

37 (c) Civil Penalties. – Violation of this section shall have the following penalties:

- 38 (1) For the first violation, the ALE Division may impose a civil penalty of no
39 more than five hundred dollars (\$500.00).
40 (2) For the second violation within three years, the ALE Division may impose a
41 civil penalty of no more than seven hundred fifty dollars (\$750.00).
42 (3) For the third violation within three years of the first violation, the ALE
43 Division shall impose a civil penalty of no more than one thousand dollars
44 (\$1,000).
45 (4) For a fourth or subsequent violation within three years of the first violation,
46 the ALE Division shall impose a civil penalty of no more than two thousand
47 dollars (\$2,000).

48 (d) Proceeds of Civil Penalty. – The clear proceeds of any civil penalty imposed under
49 this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with
50 G.S. 115C-457.2.

1 (e) Criminal Penalty. – Any person against whom a civil penalty has been imposed for
2 violation of subsection (a) of this section who commits a second violation of this section is guilty
3 of a Class A1 misdemeanor. Any person who commits a third or subsequent violation of
4 subsection (a) of this section is guilty of a Class H felony. Any person who commits a violation
5 of subsection (b) of this section is guilty of a Class G felony.

6 (f) Applicability of this Section. – Nothing in this section shall be construed as
7 prohibiting a producer from selling or transferring hemp that is intended to be used in any lawful
8 product other than those regulated by this Chapter.

9 **"§ 18D-102. Offenses involving the purchase, attempted purchase, or possession of**
10 **hemp-derived consumable products by a person under 21 years of age.**

11 (a) It is unlawful for any person to give a hemp-derived consumable product to anyone
12 less than 21 years old.

13 (b) It is unlawful for a person less than 21 years old to possess, purchase, or attempt to
14 purchase a hemp-derived consumable product.

15 (c) It is unlawful for any person to enter or attempt to enter a place where hemp-derived
16 consumable products are sold or consumed, or to obtain or attempt to obtain hemp-derived
17 consumable products, or to obtain or attempt to obtain permission to purchase hemp-derived
18 consumable products, in violation of subsection (b) of this section, by using or attempting to use
19 any of the following:

20 (1) A fraudulent or altered drivers license.

21 (2) A fraudulent or altered identification document other than a drivers license.

22 (3) A drivers license issued to another person.

23 (4) An identification document other than a drivers license issued to another
24 person.

25 (5) Any other form or means of identification that indicates or symbolizes that the
26 person is not prohibited from purchasing or possessing a hemp-derived
27 consumable product under this section.

28 (d) It is unlawful for any person to permit the use of the person's drivers license or any
29 other form of identification of any kind issued or given to the person by any other person who
30 violates or attempts to violate subsection (b) of this section.

31 (e) Penalties. –

32 (1) Any person less than 21 years old who violates this section is guilty of a Class
33 2 misdemeanor.

34 (2) Any person at least 21 years old who violates this section is guilty of a Class
35 1 misdemeanor.

36 (3) Aiding or abetting a violation of this section shall be punished as provided in
37 subdivisions (1) and (2) of this subsection, and all other provisions of this
38 section shall apply to that offense.

39 (f) Nothing in this section prohibits an underage person from selling, transporting, or
40 possessing hemp-derived consumable products in the course of employment, if the employment
41 of the person for that purpose is lawful under applicable youth employment statutes.

42 **"§ 18D-102.5. Offense for possessing prohibited hemp-derived consumable product.**

43 Any person who possesses a prohibited hemp-derived consumable product is guilty of a Class
44 A1 misdemeanor.

45 **"§ 18D-103. Offenses involving the manufacture and distribution of hemp-derived**
46 **consumable products.**

47 (a) Offenses. – It is unlawful for a manufacturer or distributor to do any of the following:

48 (1) Knowingly, or having reason to know, distribute samples of a hemp-derived
49 consumable product in or on a public street, sidewalk, park, or public building.

- 1 (2) Engage in the business of manufacturing or distributing a hemp-derived
2 consumable product without a valid license issued in accordance with this
3 Chapter.
- 4 (3) Knowingly, or having reason to know, manufacture or distribute a
5 hemp-derived consumable product that has a concentration of more than
6 three-tenths of one percent (0.3%) on a dry weight basis of delta-9
7 tetrahydrocannabinol.
- 8 (4) Knowingly, or having reason to know, manufacture or distribute a prohibited
9 hemp-derived consumable product.
- 10 (b) Criminal Penalties. – A violation of subdivision (a)(1), (a)(2), or (a)(3) of this section
11 is a Class A1 misdemeanor. A violation of subdivision (a)(4) of this section is a Class G felony.
- 12 (c) Civil Penalties. – In addition to any criminal punishment authorized by this section,
13 for any violation of this section the ALE Division shall take one or more of the following actions
14 against the licensee:
- 15 (1) Suspend the licensee's license for a specified period of time not longer than
16 three years.
- 17 (2) Revoke the licensee's license.
- 18 (3) Impose conditions on the operating hours of the licensee's business.
- 19 (4) Impose civil penalties as follows:
- 20 a. For a first violation, impose a civil penalty of no more than one
21 thousand dollars (\$1,000).
- 22 b. For a second violation within three years, impose a civil penalty of no
23 more than five thousand dollars (\$5,000).
- 24 c. For a third violation within three years of the first violation, impose a
25 civil penalty of no more than seven thousand five hundred dollars
26 (\$7,500).
- 27 (d) Testing Fee. – In any case in which the ALE Division imposes a penalty pursuant to
28 subsection (b) of this section, for a violation of subdivision (3) of subsection (a) of this section,
29 the manufacturer or distributor shall also pay to the ALE Division the actual costs paid by the
30 ALE Division for testing of the samples resulting in the violation. Any fee collected pursuant to
31 this subsection shall be remitted to the ALE Division.
- 32 (e) Proceeds of Civil Penalty. – The clear proceeds of any civil penalty imposed under
33 this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with
34 G.S. 115C-457.2.
- 35 (f) Defense. – It is a defense to a violation of subdivision (3) of subsection (a) of this
36 section if the manufacturer does all of the following:
- 37 (1) Recalls all hemp-derived consumable products from the same batch as the
38 product on which the violation is based.
- 39 (2) Has samples of the batch tested by an independent testing laboratory. The
40 sample size required for testing pursuant to this subdivision shall be five times
41 the number of units required pursuant to G.S. 18D-104(e) based on the size of
42 the batch at production, regardless of the number of units that are able to be
43 recalled.
- 44 (3) Provides certified results from the independent testing laboratory indicating
45 that the sample tested does not contain a concentration of more than
46 three-tenths of one percent (0.3%) on a dry weight basis total combined of
47 delta-9 tetrahydrocannabinol.
- 48 (g) Forfeiture. – Any product sold in violation of subdivision (3) or (4) of subsection (a)
49 of this section shall be subject to forfeiture pursuant to the procedures set forth in G.S. 18D-301.
50 "§ 18D-104. Testing prior to distribution.

1 (a) Requirement. – The manufacturer shall have a hemp-derived consumable product
2 tested prior to distribution to a distributor or before distributing the product to a retail dealer. If
3 the hemp-derived consumable product is packaged in a manner that may be sold to the ultimate
4 consumer of the product when delivered to the distributor and the distributor does not open such
5 package, the distributor is not required to test the hemp-derived consumable product. If the
6 hemp-derived consumable product is not packaged in a manner that may be sold to the ultimate
7 consumer of the product when delivered to the distributor or the distributor does open such
8 package, the distributor shall have the hemp-derived consumable product tested prior to
9 distribution. The testing shall determine the presence and amounts of any of the substances listed
10 in subsection (b) of this section. No product that contains more than the maximum amount
11 indicated for any substance in subsection (b) of this section shall be distributed or sold in this
12 State.

13 (b) Substances Tested; Limitations. – Hemp-derived consumable products shall be tested
14 for the presence of and amount of the following substances and shall not exceed the amounts
15 indicated:

- 16 (1) A concentration of three-tenths of one percent (0.3%) of delta-9
17 tetrahydrocannabinol, and no hemp-derived cannabinoid other than delta-9
18 tetrahydrocannabinol.
- 19 (2) 2,3-butanedione (Diacetyl).
- 20 (3) Abamectin, not to exceed 300 parts per billion for ingestion or 100 parts per
21 billion for inhalation.
- 22 (4) Acephate, not to exceed 3,000 parts per billion for ingestion or 100 parts per
23 billion for inhalation.
- 24 (5) Acequinocyl, not to exceed 2,000 parts per billion for ingestion or 100 parts
25 per billion for inhalation.
- 26 (6) Acetamiprid, not to exceed 3,000 parts per billion for ingestion or 100 parts
27 per billion for inhalation.
- 28 (7) Aldicarb, not to exceed 100 parts per billion for ingestion or inhalation.
- 29 (8) Azoxystrobin, not to exceed 3,000 parts per billion for ingestion or 100 parts
30 per billion for inhalation.
- 31 (9) Bifenazate, not to exceed 3,000 parts per billion for ingestion or 100 parts per
32 billion for inhalation.
- 33 (10) Bifenthrin, not to exceed 500 parts per billion for ingestion or 100 parts per
34 billion for inhalation.
- 35 (11) Boscalid, not to exceed 3,000 parts per billion for ingestion or 100 parts per
36 billion for inhalation.
- 37 (12) Captan, not to exceed 3,000 parts per billion for ingestion or 700 parts per
38 billion for inhalation.
- 39 (13) Carbaryl, not to exceed 500 parts per billion for ingestion or 500 parts per
40 billion for inhalation.
- 41 (14) Carbofuran, not to exceed 100 parts per billion for ingestion or inhalation.
- 42 (15) Chlorantraniliprole, not to exceed 3,000 parts per billion for ingestion or 1,000
43 parts per billion for inhalation.
- 44 (16) Chlordane, not to exceed 100 parts per billion for ingestion or inhalation.
- 45 (17) Chlorfenapyr, not to exceed 100 parts per billion for ingestion or inhalation.
- 46 (18) Chlormequat chloride, not to exceed 3,000 parts per billion for ingestion or
47 1,000 parts per billion for inhalation.
- 48 (19) Chlorpyrifos, not to exceed 100 parts per billion for ingestion or inhalation.
- 49 (20) Clofentezine, not to exceed 500 parts per billion for ingestion or 200 parts per
50 billion for inhalation.
- 51 (21) Coumaphos, not to exceed 100 parts per billion for ingestion or inhalation.

- 1 (22) Cyfluthrin, not to exceed 1,000 parts per billion for ingestion or 500 parts per
2 billion for inhalation.
- 3 (23) Cypermethrin, not to exceed 1,000 parts per billion for ingestion or 500 parts
4 per billion for inhalation.
- 5 (24) Daminozide, not to exceed 100 parts per billion for ingestion or inhalation.
- 6 (25) DDVP (Dichlorvos), not to exceed 100 parts per billion for ingestion or
7 inhalation.
- 8 (26) Diazinon, not to exceed 200 parts per billion for ingestion or 100 parts per
9 billion for inhalation.
- 10 (27) Dimethoate, not to exceed 100 parts per billion for ingestion or inhalation.
- 11 (28) Dimethomorph, not to exceed 3,000 parts per billion for ingestion or 200 parts
12 per billion for inhalation.
- 13 (29) Ethoprop(hos), not to exceed 100 parts per billion for ingestion or inhalation.
- 14 (30) Etofenprox, not to exceed 100 parts per billion for ingestion or inhalation.
- 15 (31) Etoxazole, not to exceed 1,500 parts per billion for ingestion or 100 parts per
16 billion for inhalation.
- 17 (32) Fenhexamid, not to exceed 3,000 parts per billion for ingestion or 100 parts
18 per billion for inhalation.
- 19 (33) Fenoxycarb, not to exceed 100 parts per billion for ingestion or inhalation.
- 20 (34) Fenpyroximate, not to exceed 2,000 parts per billion for ingestion or 100 parts
21 per billion for inhalation.
- 22 (35) Fipronil, not to exceed 100 parts per billion for ingestion or inhalation.
- 23 (36) Flonicamid, not to exceed 2,000 parts per billion for ingestion or 100 parts per
24 billion for inhalation.
- 25 (37) Fludioxonil, not to exceed 3,000 parts per billion for ingestion or 100 parts
26 per billion for inhalation.
- 27 (38) Hexythiazox, not to exceed 2,000 parts per billion for ingestion or 100 parts
28 per billion for inhalation.
- 29 (39) Imazalil, not to exceed 100 parts per billion for ingestion or inhalation.
- 30 (40) Imidacloprid, not to exceed 3,000 parts per billion for ingestion or 400 parts
31 per billion for inhalation.
- 32 (41) Kresoxim-methyl, not to exceed 1,000 parts per billion for ingestion or 100
33 parts per billion for inhalation.
- 34 (42) Malathion, not to exceed 2,000 parts per billion for ingestion or 200 parts per
35 billion for inhalation.
- 36 (43) Metalaxyl, not to exceed 3,000 parts per billion for ingestion or 100 parts per
37 billion for inhalation.
- 38 (44) Methiocarb, not to exceed 100 parts per billion for ingestion or inhalation.
- 39 (45) Methomyl, not to exceed 100 parts per billion for ingestion or inhalation.
- 40 (46) Methyl parathion, not to exceed 100 parts per billion for ingestion or
41 inhalation.
- 42 (47) Mevinphos, not to exceed 100 parts per billion for ingestion or inhalation.
- 43 (48) Myclobutanil, not to exceed 3,000 parts per billion for ingestion; prohibited at
44 any concentration for inhalation.
- 45 (49) Naled, not to exceed 500 parts per billion for ingestion or 250 parts per billion
46 for inhalation.
- 47 (50) Oxamyl, not to exceed 500 parts per billion for ingestion or inhalation.
- 48 (51) Paclobutrazol, not to exceed 100 parts per billion for ingestion or inhalation.
- 49 (52) Pentachloronitrobenzene, not to exceed 200 parts per billion for ingestion or
50 150 parts per billion for inhalation.

- 1 (53) Permethrin, not to exceed 1,000 parts per billion for ingestion or 100 parts per
2 billion for inhalation.
- 3 (54) Phosmet, not to exceed 200 parts per billion for ingestion or 100 parts per
4 billion for inhalation.
- 5 (55) Piperonyl butoxide, not to exceed 3,000 parts per billion for ingestion or
6 inhalation.
- 7 (56) Prallethrin, not to exceed 400 parts per billion for ingestion or 100 parts per
8 billion for inhalation.
- 9 (57) Propiconazole, not to exceed 1,000 parts per billion for ingestion or 100 parts
10 per billion for inhalation.
- 11 (58) Propoxur, not to exceed 100 parts per billion for ingestion or inhalation.
- 12 (59) Pyrethrins, not to exceed 1,000 parts per billion for ingestion or 500 parts per
13 billion for inhalation.
- 14 (60) Pyridaben, not to exceed 3,000 parts per billion for ingestion or 200 parts per
15 billion for inhalation.
- 16 (61) Spinetoram, not to exceed 3,000 parts per billion for ingestion or 200 parts per
17 billion for inhalation.
- 18 (62) Spinosad A & D, not to exceed 3,000 parts per billion for ingestion or 100
19 parts per billion for inhalation.
- 20 (63) Spiromesifen, not to exceed 3,000 parts per billion for ingestion or 100 parts
21 per billion for inhalation.
- 22 (64) Spirotetramat, not to exceed 3,000 parts per billion for ingestion or 100 parts
23 per billion for inhalation.
- 24 (65) Spiroxamine, not to exceed 100 parts per billion for ingestion or inhalation.
- 25 (66) Tebuconazole, not to exceed 1,000 parts per billion for ingestion or 100 parts
26 per billion for inhalation.
- 27 (67) Thiacloprid, not to exceed 100 parts per billion for ingestion or 100 parts per
28 billion for inhalation.
- 29 (68) Thiamethoxam, not to exceed 1,000 parts per billion for ingestion or 500 parts
30 per billion for inhalation.
- 31 (69) Trifloxystrobin, not to exceed 3,000 parts per billion for ingestion or 100 parts
32 per billion for inhalation.
- 33 (70) 1,2-Dichloroethane, not to exceed 2 parts per million.
- 34 (71) 1,1-Dichloroethene, not to exceed 8 parts per million.
- 35 (72) Acetone, not to exceed 750 parts per million.
- 36 (73) Acetonitrile, not to exceed 60 parts per million.
- 37 (74) Benzene, not to exceed 1 part per million.
- 38 (75) Butane, not to exceed 5,000 parts per million.
- 39 (76) Chloroform, not to exceed 2 parts per million.
- 40 (77) Ethanol, not to exceed 5,000 parts per million.
- 41 (78) Ethyl Acetate, not to exceed 400 parts per million.
- 42 (79) Ethyl Ether, not to exceed 500 parts per million.
- 43 (80) Ethylene Oxide, not to exceed 5 parts per million.
- 44 (81) Heptane, not to exceed 5,000 parts per million.
- 45 (82) Hexane, not to exceed 250 parts per million.
- 46 (83) Isopropyl Alcohol, not to exceed 500 parts per million.
- 47 (84) Methanol, not to exceed 250 parts per million.
- 48 (85) Methylene Chloride, not to exceed 125 parts per million.
- 49 (86) Pentane, not to exceed 750 parts per million.
- 50 (87) Propane, not to exceed 5,000 parts per million.
- 51 (88) Toluene, not to exceed 150 parts per million.

- 1 (89) Trichloroethylene, not to exceed 25 parts per million.
2 (90) Xylenes, Total (ortho-, meta-, para-), not to exceed 150 parts per million.
3 (91) Cadmium, not to exceed 500 parts per billion for ingestion or 200 parts per
4 billion for inhalation.
5 (92) Lead, not to exceed 500 parts per billion for ingestion or inhalation.
6 (93) Arsenic, not to exceed 1,500 parts per billion for ingestion or 200 parts per
7 billion for inhalation.
8 (94) Mercury, not to exceed 3,000 parts per billion for ingestion or 200 parts per
9 billion for inhalation.
10 (95) Shiga toxin-producing Escherichia coli (STEC E. coli) and other pathogenic
11 E. coli, not to exceed 1 CFU per gram.
12 (96) Salmonella, not to exceed 1 CFU per gram.
13 (97) Aspergillus niger, Aspergillus fumigatus, Aspergillus flavus, Aspergillus
14 terreus, not to exceed 1 CFU per gram.
15 (98) Total Aflatoxin (B1, B2, G1, G2), not to exceed 20 parts per billion for
16 ingestion or inhalation.
17 (99) Ochratoxin, not to exceed 20 parts per billion for ingestion or inhalation.
18 (100) Total combined Yeast and Mold, not to exceed 100,000 CFU per gram for
19 ingestion and inhalation.
20 (c) Laboratory Qualifications. – A manufacturer or distributor shall contract with an
21 independent testing laboratory to provide the testing required under subsection (a) of this section.
22 (d) Testing Method. – A laboratory providing testing required under subsection (a) of this
23 section shall use high-performance liquid chromatography for any separation and measurement
24 required in the testing.
25 (e) Batch Testing. – A sample of each batch manufactured shall undergo the testing
26 required by subsection (a) of this section and shall obtain a certificate of analysis by an
27 independent testing laboratory. The size of sample required to be tested shall be determined by
28 the size of the batch as follows:
29 (1) For a batch containing 1 to 999 units, the required sample size is 1 unit.
30 (2) For a batch containing 1,000 to 4,999 units, the required sample size is 2 units.
31 (3) For a batch containing 5,000 to 9,999 units, the required sample size is 3 units.
32 (4) For a batch containing 10,000 or more units, the required sample size is 5
33 units.
34 (f) Expiration Date. – A hemp-derived consumable product shall have an expiration date
35 on the label that conforms with applicable federal law.
36 (g) Civil Penalties. – A violation of this section shall result in the ALE Division taking
37 one or more of the following actions against the licensee:
38 (1) Suspend the licensee's license for a specified period of time not longer than
39 three years.
40 (2) Revoke the licensee's license.
41 (3) Impose conditions on the operating hours of the licensee's business.
42 (4) Impose civil penalties as follows:
43 a. For a first violation, impose a civil penalty of no more than one
44 thousand dollars (\$1,000).
45 b. For a second violation within three years, impose a civil penalty of no
46 more than five thousand dollars (\$5,000).
47 c. For a third violation within three years of the first violation, impose a
48 civil penalty of no more than seven thousand five hundred dollars
49 (\$7,500).

1 (h) Proceeds of Civil Penalty. – The clear proceeds of any civil penalty imposed under
2 this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with
3 G.S. 115C-457.2.

4 (i) ALE Division Duties. – The ALE Division shall do all of the following:

5 (1) Maintain and post on its website a list of independent testing laboratories that
6 meet the qualifications to test intermediate manufactured material and finished
7 hemp-derived consumable products.

8 (2) Develop an application and process to determine qualifying independent
9 testing laboratories to be listed on the ALE Division's website. The application
10 shall require a potentially qualifying laboratory to submit a sample certificate
11 of analysis issued by the applying laboratory indicating that the laboratory is
12 capable of detecting the chemicals provided in subsection (b) of this section.

13 **§ 18D-105. Additional requirements and restrictions for hemp-derived consumable**
14 **products.**

15 (a) Packaging Requirements. – A hemp-derived consumable product that is sold in this
16 State shall meet both of the following requirements:

17 (1) The product shall satisfy the child-resistant effectiveness standards under 16
18 C.F.R. § 1700.15(b)(1) when tested in accordance with the requirements of 16
19 C.F.R. § 1700.20.

20 (2) The product shall be labeled with consumer protection warnings in the form
21 of statements that cover all of the following:

22 a. A list of ingredients and possible allergens and a nutritional fact panel
23 or have a quick response code that can be scanned that directs
24 consumers to a website containing the list of ingredients and possible
25 allergens and a nutritional fact panel.

26 b. A statement that use while pregnant or breastfeeding may be harmful.

27 c. A statement that consumption of certain cannabinoids may impair
28 your ability to drive and operate heavy machinery.

29 d. A statement that the product is not approved by the United States Food
30 and Drug Administration.

31 e. A statement to keep out of reach of children.

32 f. A statement to consult your physician before use.

33 g. If the product is ingestible, the amount of hemp-derived cannabinoid
34 in each serving of the product, measured in milligrams.

35 h. The total amount of hemp-derived cannabinoid in the entire package,
36 measured in milligrams.

37 i. The net weight of the product.

38 j. A quick response code that can be scanned to access a website
39 providing the product's batch number, date received, date of
40 completion, and method of analysis for the testing required under
41 G.S. 18D-106.

42 k. An expiration date in accordance with applicable federal law.

43 (b) Advertising Restrictions. – A manufacturer, distributor, or retail dealer of a
44 hemp-derived consumable product shall not advertise, market, or offer for sale the product by
45 using, in the labeling or design of the product or product packaging or in advertising or marketing
46 materials for the product trade dress, trademarks, branding, or other related materials, any
47 imagery or scenery that depicts or signifies characters or symbols known to appeal primarily to
48 persons under 21 years of age, including, but not limited to, superheroes, comic book characters,
49 video game characters, television show characters, movie characters, mythical creatures,
50 unicorns, animals, cartoon characters, or any imitation of the packaging or labeling of candy,

1 cereals, sweets, chips, or other food products typically marketed to persons under 21 years of
2 age.

3 (c) Non-Liquid Ingestible Product Restrictions. – Any hemp-derived consumable
4 product intended for ingestion that is not a liquid and not intended for inhalation shall not do any
5 of the following:

6 (1) Be sold in a serving that contains more than 10 milligrams, in the aggregate,
7 of delta-9 tetrahydrocannabinol.

8 (2) Be formed in a shape that would violate subsection (b) of this section.

9 (c1) Liquid Ingestible Product Restrictions. – Any hemp-derived consumable product
10 intended for ingestion that is a liquid and not intended for inhalation shall not be sold in a
11 container that contains more than 10 milligrams in the aggregate of delta-9 tetrahydrocannabinol.

12 (c2) Inhalable Product for Vaporization Restrictions. – Any hemp-derived consumable
13 product intended for inhalation by vaporization shall not be sold in a container that contains more
14 than 3 milliliters in the aggregate of delta-9 tetrahydrocannabinol. For the purposes of this
15 subsection, "vaporization" includes the heating of hemp-derived oil to release aerosolized
16 hemp-derived cannabinoids.

17 (d) Civil Penalties. – A violation of this section shall result in the ALE Division taking
18 one or more of the following actions against the licensee:

19 (1) Suspend the licensee's license for a specified period of time not longer than
20 three years.

21 (2) Revoke the licensee's license.

22 (3) Impose conditions on the operating hours of the licensee's business.

23 (4) Impose civil penalties as follows:

24 a. For a first violation, impose a civil penalty of no more than one
25 thousand dollars (\$1,000).

26 b. For a second violation within three years, impose a civil penalty of no
27 more than five thousand dollars (\$5,000).

28 c. For a third violation within three years of the first violation, impose a
29 civil penalty of no more than seven thousand five hundred dollars
30 (\$7,500).

31 (e) Proceeds of Civil Penalty. – The clear proceeds of any civil penalty imposed under
32 this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with
33 G.S. 115C-457.2.

34 **"§ 18D-105.1. Conduct on licensed premises.**

35 (a) Certain Conduct. – It shall be unlawful for a licensee or the licensee's agent or
36 employee to knowingly allow any of the following kinds of conduct to occur on the licensed
37 premises:

38 (1) Any violation of this Chapter.

39 (2) Any violation of the controlled substances, gambling, or any other unlawful
40 acts.

41 (b) Supervision. – It shall be unlawful for a permittee to fail to superintend in person or
42 through a manager the business for which a license is issued.

43 **"§ 18D-106. Construction of Chapter.**

44 Nothing in this Chapter shall be construed to do any of the following:

45 (1) Permit a person to undertake any task under the influence of a hemp-derived
46 consumable product when doing so would constitute negligence or
47 professional malpractice.

48 (2) Permit a person to operate, navigate, or be in actual physical control of a motor
49 vehicle, aircraft, motorized watercraft, or any other vehicle while under the
50 influence of a hemp-derived consumable product.

- 1 (3) Require an employer to accommodate the use of a hemp-derived consumable
2 product in a workplace or an employee working while under the influence of
3 a hemp-derived consumable product.
- 4 (4) Require an individual or establishment in lawful possession of property to
5 admit a guest, client, customer, or other visitor who is impaired as a result of
6 the person's use of a hemp-derived consumable product.
- 7 (5) Exempt a person from prosecution for a criminal offense related to impairment
8 or intoxication resulting from the use of a hemp-derived consumable product
9 or relieve a person from any requirement under law to submit to a breath,
10 blood, urine, or other test to detect the presence of a controlled substance.
- 11 (6) Limit the ability of an employer to establish, continue, or enforce a drug-free
12 workplace program or policy.
- 13 (7) Create a cause of action against an employer for wrongful discharge or
14 discrimination.
- 15 (8) Allow the possession, sale, manufacture, or distribution of any substance that
16 is otherwise prohibited by Article 5 of Chapter 90 of the General Statutes.

17 "Article 2.

18 "Licensing.

19 **"§ 18D-200. Definitions.**

20 The definitions contained in Article 1 of this Chapter apply to this Article as appropriate.

21 **"§ 18D-201. Licensing requirements; qualifications; duration.**

22 (a) Requirement. – Prior to the commencement of business or by July 1, 2026, whichever
23 is later, a person or entity engaged in this State in any business regulated by this Chapter and
24 listed in this subsection shall obtain a license to engage in that business from the ALE Division.
25 Businesses engaging in one or more of the following are required to obtain a license pursuant to
26 this section:

27 (1) Manufacturing hemp-derived consumable products.

28 (2) Distributing hemp-derived consumable products.

29 (3) Selling hemp-derived consumable products.

30 (b) Qualifications. – In order to obtain and maintain a license under subsection (a) of this
31 section, a person shall meet all of the following criteria:

32 (1) Be at least 21 years old.

33 (2) Submit to the ALE Division any information determined by the ALE Division
34 to be necessary for the efficient enforcement of this Chapter.

35 (3) Have not been convicted of a felony relating to a controlled substance within
36 10 years in any state or federal jurisdiction.

37 (4) Consent to reasonable inspection by the ALE Division of the inventory of
38 products regulated by this Chapter to ensure compliance with this Chapter and
39 the taking of samples found to not be in compliance with the packaging,
40 labeling, and testing requirements of this section.

41 (5) Be current in filing all applicable tax returns to the State and in payment of all
42 taxes, interest, and penalties collectable pursuant to G.S. 105-241.22.

43 (c) Licenses Required. – A person or entity engaged in more than one of the businesses
44 listed in subsection (a) of this section shall be required to obtain a separate license for each
45 business. Upon application for a license, the person or entity engaged in more than one type of
46 business regulated by this Chapter must indicate on the license application all of the businesses
47 listed in subsection (a) of this section in which the business engages or intends to engage.

48 (d) Duration. – A license issued pursuant to this Article is valid for a period of one year
49 and shall be renewed annually.

50 **"§ 18D-202. Fees.**

1 (a) Application Fee. – The application fee for a license required pursuant to this Article
2 shall be as follows:

3 (1) For a license to manufacture hemp-derived consumable products, a fee of
4 twenty-five thousand dollars (\$25,000).

5 (2) For a license to distribute hemp-derived consumable products, a fee of five
6 thousand dollars (\$5,000).

7 (3) For a license to sell hemp-derived consumable products at a retail location, or
8 online for delivery to a person within this State, a fee of five hundred dollars
9 (\$500.00) for each location or each internet website offering delivery in this
10 State.

11 (b) Renewal Fee. – The renewal fee for a license issued pursuant to this Article shall be
12 as follows:

13 (1) For a license to manufacture hemp-derived consumable products, a renewal
14 fee of ten thousand dollars (\$10,000).

15 (2) For a license to distribute hemp-derived consumable products, a renewal fee
16 of one thousand five hundred dollars (\$1,500).

17 (3) For a license to sell hemp-derived consumable products at a retail location or
18 online for delivery to a person within this State, a renewal fee in the same
19 amount as the initial licensing fees established under subsection (a) of this
20 section.

21 **"§ 18D-203. ALE Division authority to deny or revoke.**

22 The ALE Division may revoke or refuse to issue any license for any of the following:

23 (1) Failure to comply with or meet any of the qualifications required by
24 G.S. 18D-201(b).

25 (2) Submission of false or misleading information in an application for licensure
26 or renewal.

27 (3) Submission of false or misleading information in any report or information
28 required by this Chapter to be submitted to the ALE Division.

29 (4) Failure to comply with civil penalties authorized by this Chapter.

30 **"§ 18D-204. Civil penalties; procedure.**

31 Proceedings for the assessment of civil penalties authorized in Article 1 of this Chapter shall
32 be governed by Chapter 150B of the General Statutes. If the person or entity assessed a civil
33 penalty fails to pay the penalty to the ALE Division, the ALE Division may institute an action in
34 the superior court of the county in which the person resides or has their principal place of business
35 to recover the unpaid amount of the penalty. An action to recover a civil penalty under this
36 Chapter shall not relieve any party from any other penalty prescribed by law.

37 **"§ 18D-205. ALE Division to develop application, adopt rules, remit revenue.**

38 (a) License Application. – The ALE Division shall develop and make available online an
39 application for the license required by this Article.

40 (b) Tracking System. – The ALE Division shall establish, maintain, and control a
41 computer software tracking system that traces hemp from seed to sale as a hemp-derived
42 consumable product and allows real-time, 24-hour access by the ALE Division and any State or
43 local law enforcement agency in North Carolina to data from all production facilities and testing
44 laboratories. The tracking system must allow for integration of other seed-to-sale systems and, at
45 a minimum, include notification of when hemp seeds are planted, when hemp plants are harvested
46 and destroyed, and when hemp is transported, sold, stolen, diverted, or lost. Each manufacturer
47 and distributor shall use the seed-to-sale tracking system established by the ALE Division or
48 integrate its own seed-to-sale tracking system with the seed-to-sale tracking system established
49 by the ALE Division. The ALE Division shall establish minimum requirements for the
50 seed-to-sale tracking system used by a supplier. The ALE Division may contract with a vendor

1 to establish the seed-to-sale tracking system. The vendor may not have a direct or indirect
2 financial interest in a manufacturer, distributor, or testing laboratory.

3 (c) Rules. – The ALE Division shall have authority to adopt, amend, and repeal rules to
4 carry out the provisions of this Chapter.

5 (d) Distribution of Revenue. – The revenue collected from fees established under this
6 Chapter shall be remitted to the ALE Division, on a monthly basis, to be used to cover costs
7 incurred by the ALE Division in enforcing the provisions of this Chapter. To the extent the funds
8 described in this subsection are deemed unappropriated, the funds are hereby appropriated for
9 the purpose set forth in this subsection.

10 "Article 3.

11 "Enforcement.

12 "**§ 18D-300. ALE Division.**

13 (a) Authority. – The ALE Division shall enforce the provisions of this Chapter in a
14 manner that is reasonable to reduce the extent to which hemp-derived consumable products are
15 sold or distributed to persons under 21 years of age and shall conduct random, unannounced
16 inspections at locations where hemp-derived consumable products are sold or distributed to
17 ensure compliance with the provisions of this Chapter. If, upon reasonable inspection, the ALE
18 Division determines a licensee's inventory may consist of products not in compliance with the
19 packaging, labeling, and testing requirements of this Chapter, the ALE Division is authorized to
20 only take samples of a licensee's inventory of hemp-derived consumable products considered
21 noncompliant to be submitted for testing in order to determine compliance with the provisions of
22 this Chapter. To procure evidence of violations of this Chapter, ALE Division agents shall have
23 authority to investigate the operation of each licensee under this Chapter and each licensed
24 premises for which a license has been issued under this Chapter, to make inspections that include
25 viewing the entire premises, including the examination of records, equipment, and proceeds
26 related to the manufacture or distribution of hemp-derived consumable products. The inspection
27 authorized by this section may be made at any time it reasonably appears that someone is on the
28 premises.

29 (b) Interference with Inspection. – Refusal by a licensee or by any employee of a licensee
30 to permit ALE Division agents to enter the premises to make an inspection authorized by
31 subsection (a) of this section shall be cause for suspension, revocation, or other action against the
32 licensee. It shall be a Class 2 misdemeanor for any person to resist or obstruct an agent attempting
33 to make a lawful inspection under this section.

34 (c) Report. – Beginning January 1, 2027, the ALE Division shall submit an annual report
35 to the General Assembly describing in detail the ALE Division's enforcement efforts under this
36 Chapter. The ALE Division shall also make the report required under this subsection available
37 on the ALE Division's website.

38 "**§ 18D-301. Forfeiture of property.**

39 (a) Seizure of Product. – For any hemp-derived consumable product subject to forfeiture,
40 a law enforcement officer is hereby authorized and empowered to seize and take possession of
41 such products.

42 (b) Custody until Trial. – A law enforcement officer seizing a product subject to forfeiture
43 shall provide for its safe storage until trial.

44 (c) Disposition after Criminal Trial. – The presiding judge in a criminal proceeding for
45 violation of G.S. 18D-103(a)(3) or G.S. 18D-103(a)(4) may take the following actions after
46 resolution of a charge against the owner or possessor of products subject to forfeiture under this
47 section:

- 48 (1) If the owner or possessor of the product is found guilty of a violation of
49 G.S. 18D-103(a)(3) or G.S. 18D-103(a)(4), the judge shall order the product
50 forfeited.

1 (2) If the owner or possessor of the product is found not guilty, or if the charge is
2 dismissed or otherwise resolved in favor of the owner or possessor, the judge
3 shall order the product returned to the owner or possessor.

4 (3) If the product is also needed as evidence at an administrative hearing, the
5 judge shall provide that the order does not go into effect until the ALE
6 Division determines that the product is no longer needed for the administrative
7 proceeding.

8 (d) Return of Property. – Any owner of products seized for forfeiture may apply to a
9 judge to have the products returned to the owner if no criminal charge has been made in
10 connection with that product within a reasonable time after seizure. The judge may not order the
11 return of the product if possession by the owner would be unlawful."

12 **SECTION 1.(b)** G.S. 18B-500(b) reads as rewritten:

13 (b) Subject Matter Jurisdiction. – After taking the oath prescribed for a peace officer, an
14 alcohol law-enforcement agent shall have authority to arrest and take other investigatory and
15 enforcement actions for any criminal offense:

16 (1) Occurring, encountered, or otherwise discovered on the premises of, or
17 elsewhere when the conduct relates to, a location under application for or
18 holding a permit issued by the North Carolina Alcoholic Beverage Control
19 Commission or the North Carolina Education Lottery Commission.

20 (1a) Occurring, encountered, or otherwise discovered on the premises of, or
21 elsewhere when the conduct relates to, a location holding a license issued
22 pursuant to Chapter 18D of the General Statutes.

23 (2) Encountered or otherwise discovered while investigating or enforcing matters
24 for the North Carolina Alcoholic Beverage Control Commission or the North
25 Carolina Education Lottery Commission or encountered or otherwise
26 discovered while investigating or enforcing the provisions of this Chapter,
27 Chapter 18C of the General Statutes, Chapter 18D of the General Statutes,
28 G.S. 14-313, or Parts 1 and 2 of Article 37 of Chapter 14 of the General
29 Statutes.

30 (3) Encountered or otherwise discovered while carrying out any duty or function
31 assigned to the Division by law.

32 (4) Occurring in an agent's presence.

33 (5) When assisting another law enforcement agency."

34 **SECTION 1.(c)** G.S. 7A-304(a) reads as rewritten:

35 (a) In every criminal case in the superior or district court, wherein the defendant is
36 convicted, or enters a plea of guilty or nolo contendere, or when costs are assessed against the
37 prosecuting witness, the following costs shall be assessed and collected. No costs may be
38 assessed when a case is dismissed. Only upon entry of a written order, supported by findings of
39 fact and conclusions of law, determining that there is just cause, the court may (i) waive costs
40 assessed under this section or (ii) waive or reduce costs assessed under subdivision (7), (8), (8a),
41 (11), (12), or (13) of this section. No court may waive or remit all or part of any court fines or
42 costs without providing notice and opportunity to be heard by all government entities directly
43 affected. The court shall provide notice to the government entities directly affected of (i) the date
44 and time of the hearing and (ii) the right to be heard and make an objection to the remission or
45 waiver of all or part of the order of court costs at least 15 days prior to hearing. Notice shall be
46 made to the government entities affected by first-class mail to the address provided for receipt of
47 court costs paid pursuant to the order. The costs referenced in this subsection are listed below:

48 ...

49 (14) For the services of any laboratory facility, the district or superior court judge
50 shall, upon conviction, order payment of the sum of six hundred dollars
51 (\$600.00) to be remitted to the Alcohol Law Enforcement Division of the

1 Department of Public Safety (ALE Division) or agency that paid for the
2 laboratory services. The cost shall be assessed only in cases in which (i) the
3 defendant is convicted of a violation of G.S. 18D-103(a)(3) or
4 G.S. 18D-103(a)(4) and (ii) as part of the investigation leading to the
5 defendant's conviction, testing was conducted at a laboratory on products
6 regulated under Chapter 18D of the General Statutes."

7 **SECTION 1.(d)** This section becomes effective July 1, 2026, and applies to all
8 hemp-derived consumable products possessed, sold, distributed, or manufactured on or after that
9 date, and to all offenses committed on or after that date.

10 **PART II. TECHNICAL CORRECTION**

11 **SECTION 2.(a)** G.S. 90-94.1 is repealed.

12 **SECTION 2.(b)** This section becomes effective December 1, 2025, and applies to
13 offenses committed on or after that date.

14 **PART III. BAN HEMP-DERIVED CONSUMABLE PRODUCTS ON EDUCATIONAL** 15 **PROPERTY**

16 **SECTION 3.(a)** Article 29A of Chapter 115C of the General Statutes reads as
17 rewritten:

18 "Article 29A.

19 "Policy Prohibiting Use Of Tobacco Products and Hemp-Derived Consumable Products.

20 **"§ 115C-407. Policy prohibiting tobacco product and hemp-derived consumable product**
21 **use in school buildings, grounds, and at school-sponsored events.**

22 (a) ~~Not later than August 1, 2008, local boards of education~~ Governing bodies of public
23 school units shall adopt, implement, and enforce ~~adopt~~ a written policy prohibiting at all times
24 the use of any tobacco product or hemp-derived consumable product by any person in school
25 buildings, in school facilities, on school campuses, and in or on any other school property owned
26 or operated by the ~~local school administrative public school~~ unit. The policy shall further prohibit
27 the use of all tobacco products and hemp-derived consumable products by persons attending a
28 school-sponsored event at a location not listed in this subsection when in the presence of students
29 or school personnel or in an area where smoking is otherwise prohibited by law.

30 (b) The policy shall include at least all of the following elements:

31 (1) Adequate notice to students, parents, the public, and school personnel of the
32 policy.

33 (2) Posting of signs prohibiting at all times the use of tobacco products and
34 hemp-derived consumable products by any person in and on school property.

35 (3) Requirements that school personnel enforce the policy.

36 (c) The policy may permit tobacco products to be included in instructional or research
37 activities in public school buildings if the activity is conducted or supervised by the faculty
38 member overseeing the instruction or research and the activity does not include smoking,
39 chewing, or otherwise ingesting the tobacco product.

40 (d) ~~The North Carolina Health and Wellness Trust Fund Commission Tobacco~~
41 Prevention and Control Branch shall work with local boards of education governing bodies of
42 public school units to provide assistance with the implementation of this policy including
43 providing information regarding smoking cessation and prevention resources. Nothing in this
44 section, G.S. 143-595 through G.S. 143-601, or any other section prohibits a local board of
45 education governing body of a public school unit from adopting and enforcing a more restrictive
46 policy on the use of tobacco products or hemp-derived consumable products in school buildings,
47 in school facilities, on school campuses, or at school-related or school-sponsored events, and in
48 or on other school property.

49 (e) For the purposes of this section, the following definitions apply:

1 (1) Hemp-derived consumable product. – As defined in G.S. 18D-100.
2 (2) Tobacco product. – As defined in G.S. 14-313, including vapor products.
3 (3) Vapor product. – As defined in G.S. 14-313."
4 **SECTION 3.(b)** G.S. 115C-150.12C is amended by adding a new subdivision to
5 read:

6 "(15a) The board of trustees shall adopt a policy prohibiting tobacco products and
7 hemp-derived consumable products in accordance with Article 29A of this
8 Chapter."

9 **SECTION 3.(c)** G.S. 115C-218.75 is amended by adding a new subsection to read:

10 "(a1) Policy Prohibiting Tobacco Product and Hemp-Derived Consumable Product. – A
11 charter school shall adopt a policy prohibiting tobacco products or hemp-derived consumable
12 products in accordance with Article 29A of this Chapter."

13 **SECTION 3.(d)** G.S. 115C-238.66 is amended by adding a new subdivision to read:

14 "(23) Policy prohibiting tobacco product and hemp-derived consumable product. –
15 A regional school shall adopt a policy prohibiting tobacco products and
16 hemp-derived consumable products in accordance with Article 29A of this
17 Chapter."

18 **SECTION 3.(e)** G.S. 116-235 is amended by adding a new subsection to read:

19 "(k) Prohibition of Tobacco Product and Hemp-Derived Consumable Product. – The
20 Board of Trustees shall adopt a policy prohibiting tobacco products and hemp-derived
21 consumable products in accordance with Article 29A of Chapter 115C of the General Statutes."

22 **SECTION 3.(f)** G.S. 116-239.8(b) is amended by adding a new subdivision to read:

23 "(26) Prohibition of tobacco product and hemp-derived consumable product. – The
24 laboratory school shall adopt a policy prohibiting tobacco products and
25 hemp-derived consumable products in accordance with Article 29A of
26 Chapter 115C of the General Statutes."

27 **SECTION 3.(g)** G.S. 115C-562.5(a) is amended by adding a new subdivision to

28 read:

29 "(7a) For any school facility in which students attend in-person classes, the school
30 shall adopt a policy that is consistent with the requirements of Article 29A of
31 this Chapter to prohibit the use of tobacco products or hemp-derived
32 consumable products on school grounds."

33 **SECTION 3.(h)** This section is effective when it becomes law and applies beginning
34 with the 2025-2026 school year.

36 **PART VI. ADD KRATOM AS A SCHEDULE VI CONTROLLED SUBSTANCE**

37 **SECTION 4.(a)** G.S. 90-94 reads as rewritten:

38 **"§ 90-94. Schedule VI controlled substances.**

39 (a) This schedule includes the controlled substances listed or to be listed by whatever
40 official name, common or usual name, chemical name, or trade name designated. In determining
41 that such substance comes within this schedule, the Commission shall find: no currently accepted
42 medical use in the United States, or a relatively low potential for abuse in terms of risk to public
43 health and potential to produce psychic or physiological dependence liability based upon present
44 medical knowledge, or a need for further and continuing study to develop scientific evidence of
45 its pharmacological effects.

46 (b) The following controlled substances are included in this schedule:

47 (1) Marijuana.

48 (2) Tetrahydrocannabinols, except for tetrahydrocannabinols found in a product
49 with a delta-9 tetrahydrocannabinol concentration of not more than
50 three-tenths of one percent (0.3%) on a dry weight basis.

1 (3) Repealed by Session Laws 2017-115, s. 8, effective December 1, 2017, and
2 applicable to offenses committed on or after that date.

3 (4) Kratom. For the purposes of this subdivision, "Kratom" includes any quantity
4 of mitragynine or 7 hydroxymytragynine or both, extracted from the leaf of
5 the plant Mitragyna speciosa.

6 (c) Notwithstanding the provisions of this section, any prescription drug approved by the
7 federal Food and Drug Administration under Section 505 of the federal Food, Drug, and
8 Cosmetic Act that is designated, rescheduled, or deleted as a controlled substance under federal
9 law by the United States Drug Enforcement Administration shall be excluded from Schedule VI
10 and may be prescribed, distributed, dispensed, and used in accordance with federal law upon the
11 issuance of a notice, final rule, or interim final rule by the United States Drug Enforcement
12 Administration that designates, reschedules, or deletes such prescription drug as a controlled
13 substance under federal law, unless the Commission objects to such action as provided under
14 G.S. 90-88(d). If the Commission does not object as provided under G.S. 90-88(d), the
15 prescription drug shall be deemed to be designated, rescheduled, or deleted as a controlled
16 substance in accordance with federal law and in compliance with this Chapter."

17 **SECTION 4.(b)** This section becomes effective December 1, 2025, and applies to
18 offenses committed on or after that date.

19

20 **PART V. EFFECTIVE DATE**

21 **SECTION 5.** Except as otherwise provided, this act is effective when it becomes
22 law.