

HB445 ENROLLED



1 HB445
2 HG9MZ33-2
3 By Representative Whitt
4 RFD: Health
5 First Read: 18-Mar-25



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1 Enrolled, An Act,

2

3 Relating to consumable hemp products; to add Chapter 12
4 to Title 28, Code of Alabama 1975; to impose testing and
5 labeling requirements on all consumable hemp products sold in
6 this state; to authorize the Alcoholic Beverage Control Board
7 to license retailers of these products; to establish
8 restrictions on retail establishments; to prohibit the sale of
9 consumable hemp products to minors; to prohibit the sale of
10 smokable hemp products; to prohibit online sales and direct
11 delivery of consumable hemp products; to impose an excise tax
12 on consumable hemp products and provide for the distribution
13 of tax proceeds; to establish the Consumable Hemp Product
14 Compliance Fund and provide for expenditures of the fund; to
15 authorize the board to seize unlawful consumable hemp
16 products; to provide for civil and criminal penalties for
17 violations; and to repeal Section 13A-12-214.4, Code of
18 Alabama 1975, relating to the sale of psychoactive
19 cannabinoids.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

21 Section 1. Chapter 12 is added to Title 28, Code of
22 Alabama 1975, to read as follows:

23 Article 1. General Provisions

24 §28-12-1 Purpose

25 (a) The purpose of this chapter is to protect the
26 health and safety of Alabama residents from consumable
27 products, often marketed toward children, that purportedly
28 contain hemp-derived compounds. Many of these products have



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29 not been tested nor do they meet quality and safety standards.
30 It is the intent of the Legislature to subject all consumable
31 hemp products available for sale in this state to be tested
32 and labeled in accordance with strict standards and to
33 prohibit the sale of these products to individuals under 21
34 years of age.

35 (b) Nothing contained in this chapter relates to
36 medical cannabis regulated under Chapter 2A of Title 20.

37 (c) Nothing in this chapter shall be construed in a
38 manner that affects or impedes any activity relating to hemp
39 which is regulated by the Department of Agriculture and
40 Industries.

41 (d) Any federal law enacted after July 1, 2025, that
42 conflicts with a provision this chapter shall supersede the
43 conflicting provision of this chapter.

44 §28-12-2 Definitions

45 As used in this chapter, the following terms have the
46 following meanings:

47 (1) BATCH. A specific quantity of a specific product
48 containing cannabinoids that: (i) is manufactured at the same
49 time and using the same methods, equipment, and ingredients
50 that are uniform and intended to meet specifications for
51 identity, strength, purity, and composition; and (ii) is
52 manufactured, packaged, and labeled according to a single
53 batch production record executed and documented.

54 (2) CANNABINOIDS. Includes cannabidiol (CBD) and any
55 tetrahydrocannabinol (THC) derived from hemp.

56 (3) CARTON. The package or container or containers in



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57 which consumable hemp products are originally packaged for
58 shipment to market by the processor.

59 (4) CERTIFICATE OF ANALYSIS. A document issued by an
60 independent testing laboratory that provides information about
61 the chemical composition of a particular batch of consumable
62 hemp product.

63 (5) CONSUMABLE HEMP PRODUCT. a. A finished product that
64 is intended for human or animal consumption and that contains
65 any part of the hemp plant or any compound, concentrate,
66 extract, isolate, or resin derived from hemp. The term
67 includes, but is not limited to, products that contain
68 cannabinoids. The term does not include seeds or seed-derived
69 ingredients that are generally recognized as safe by the
70 United States Food and Drug Administration.

71 b. The term excludes both of the following, which are
72 strictly prohibited in the state:

73 1. Any smokable hemp product. Smokable hemp products
74 include, but are not limited to, any plant product or raw hemp
75 material that is marketed to consumers as hemp cigarettes,
76 hemp cigars, hemp joints, hemp buds, hemp flowers, hemp
77 leaves, ground hemp flowers, or any variation of these terms
78 to include any product that contains a cannabinoid, whether
79 psychoactive or not.

80 2. Any product that contains psychoactive cannabinoids
81 that are created by a chemical synthesis, modification, or
82 chemical conversion from another cannabinoid, utilizing
83 non-cannabis materials. This does not include a cannabinoid
84 produced via decarboxylation of naturally occurring acidic



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85 forms of cannabinoids, such as tetrahydrocannabinolic acid,
86 into the corresponding neutral cannabinoid, through the use of
87 heat or light, without the use of chemical reagents or
88 catalysts, and that results in no other chemical change.

89 (6) CONSUMPTION. Ingesting or topically applying to
90 skin or hair.

91 (7) CONTAINER. The bottle, can, bag, or other
92 receptacle, excluding cartons, in which consumable hemp
93 products are originally packaged for the market by the
94 producer and from which the consumable hemp product is
95 consumed by the public.

96 (8) CONTAMINANT. A foreign substance or compound that,
97 if ingested, inhaled, or absorbed, may have an adverse effect
98 on the health of a human or animal. The term includes, but is
99 not limited to, heavy metals, pesticide residuals, residual
100 solvents, or processing chemicals, and any other substance or
101 compound that the Alabama Department of Public Health
102 determines, if ingested, inhaled, or absorbed, could have an
103 adverse effect on the health of a human or animal.

104 (9) DISQUALIFYING OFFENSE. Any crime against children,
105 cruelty to animals, human trafficking, any crime involving
106 controlled substances, sex offenses, or any crime of violence.

107 (10) DISTRIBUTOR. A person that distributes consumable
108 hemp products to retailers.

109 (11) HEMP. The term as defined in Section 2-8-381.

110 (12) INDEPENDENT TESTING LABORATORY. A laboratory that
111 meets the requirements of Section 28-12-21.

112 (13) PRODUCER. An entity that produces and packages a



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113 consumable hemp product that is distributed within or into the
114 state or sold to retailers in this state.

115 (14) RETAILER. A person located in this state and
116 licensed by the board which sells consumable hemp products at
117 retail in this state.

118 (15) THC. Any tetrahydrocannabinol derived from hemp,
119 including, but not limited to, delta-8-tetrahydrocannabinol,
120 delta-9-tetrahydrocannabinol, or
121 delta-10-tetrahydrocannabinol.

122 (16) UNLAWFUL HEMP PRODUCT. Any product that is:

123 a. Specifically excluded from the definition of
124 consumable hemp product;

125 b. Distributed or sold at retail in violation of
126 Section 28-12-20;

127 c. Sold or offered for sale to a consumer in this state
128 at an unlicensed location; or

129 d. Shipped or distributed directly to a consumer in
130 violation of Section 28-12-60.

131 §28-12-3

132 (a) Effective January 1, 2026, consumable hemp products
133 distributed into or within the state and offered for sale and
134 sold to consumers in this state shall be governed by this
135 chapter. The Alcoholic Beverage Control Board shall administer
136 and enforce this chapter and shall adopt rules as necessary to
137 implement this chapter.

138 (b) Any consumable hemp product distributed, sold, or
139 offered for sale to consumers in this state in violation of
140 this chapter shall be considered contraband and may be seized



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141 by the board or its agents or any law enforcement officer of
142 the state without a warrant.

143 §28-12-4 Fund

144 (a) The Consumable Hemp Product Compliance Fund is
145 created within the State Treasury and shall be administered by
146 the board. All filing fees, annual license fees, and label
147 approval fees collected under this chapter shall be deposited
148 into the fund. Amounts deposited into the fund shall be
149 budgeted and allotted in accordance with Sections 41-4-80
150 through 41-4-96 and Sections 41-19-1 through 41-19-12.

151 (b) The board may expend monies in the Consumable Hemp
152 Product Compliance Fund only for the following purposes:

153 (1) Training, education, and administrative and
154 operating costs for the administration and enforcement of this
155 chapter.

156 (2) Pursuant to an agreement between the board and the
157 Alabama State Law Enforcement Agency, operating and staffing
158 costs incurred by the Alabama State Law Enforcement Agency to
159 conduct underage purchase compliance checks pursuant to this
160 chapter.

161 (3) Random purchases by the board of consumable hemp
162 products and testing of products to ensure compliance with
163 this chapter.

164 (c) Any remaining funds on September 30 shall be
165 distributed to the State General Fund.

166 §28-12-5 Tax

167 (a) An excise tax at the rate of 10 percent is levied
168 on the retail sales price of consumable hemp products. The tax



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169 is in addition to any other tax imposed by federal, state, or
170 local law.

171 (b) The tax levied by this section is intended to be
172 passed on to and borne by the purchaser of the consumable hemp
173 product. The tax is a debt from the purchaser to the retailer
174 until paid. The retailer is considered to act as a trustee on
175 behalf of the board when the retailer collects the tax from
176 the purchaser on a taxable transaction. The tax must be stated
177 and charged separately on any documentation provided to the
178 purchaser by the retailer at the time of the transaction.

179 (c) The tax levied during the preceding month is due
180 and payable monthly to the board on the first day of each
181 month, and for the purpose of ascertaining the amount of tax
182 payable under this section, all retailers making taxable sales
183 on or before the twentieth day of each month shall transmit to
184 the board, upon forms prescribed by the board, returns showing
185 gross sales during the preceding month.

186 (d) The revenue generated from the tax shall be
187 distributed as follows:

188 (1) Ninety percent to the State General Fund.

189 (2) Ten percent to the treasury of the municipality in
190 which the consumable hemp products were sold within its
191 corporate limits, or, where sold outside the corporate limits
192 of any municipality, to the treasury of the county in which
193 the consumable hemp products were sold for the purposes of
194 enforcement.

195 (e) The taxes levied pursuant to this section are
196 exclusive and shall be in lieu of all other and additional



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197 taxes and licenses of the state, county, or municipality
198 imposed on the sale of consumable hemp products; provided,
199 that nothing herein contained shall be construed to exempt the
200 retail sale of consumable hemp products from the levy of tax
201 on general retail sales by the state, county, or municipality
202 in the nature of, or in lieu of, a general sales tax.

203 (f) If the board or any authorized agent of the board
204 finds any unlawful hemp product sold at a retailer
205 establishment, the product shall be confiscated and, in
206 addition to all other penalties authorized by law, the board
207 shall assess taxes based on an excise tax at the rate of 10
208 percent of the retail value of the illegal product.

209 Article 2. Consumable Hemp Products

210 §28-12-20 Generally

211 (a) On and after January 1, 2026, no consumable hemp
212 product may be distributed into or within the state, nor
213 offered for sale or sold at retail within the state unless the
214 product:

215 (1) Has a corresponding certificate of analysis
216 described in Section 28-12-22 issued by an independent testing
217 laboratory that tests the batch from which the product was
218 produced;

219 (2) Is in the original sealed container as packaged by
220 the producer and meets the packaging restrictions in Section
221 28-12-24;

222 (3) Meets the serving size and product content
223 requirements, including total THC, described in Section
224 28-12-23; and



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225 (4) Meets the labeling requirements described in
226 Section 28-12-25.

227 (b) Every distributor and retailer shall maintain and
228 make immediately available for inspection to any law
229 enforcement officer or authorized agent of the board a copy of
230 the certificate of analysis of each consumable hemp product
231 being distributed by a distributor or offered for sale by a
232 retailer.

233 (c) Any person, including any servant, agent, or
234 employee of the person, who distributes, sells, or offers for
235 sale any consumable hemp product in violation of this section
236 shall be subject to the following penalties:

237 (1) For a first offense within a four-year period, a
238 fine of one thousand dollars (\$1,000) earmarked for the State
239 General Fund.

240 (2) For a second offense within a four-year period, a
241 fine of two thousand five hundred dollars (\$2,500) earmarked
242 for the State General Fund.

243 (3) For a third offense within a four-year period, a
244 fine of five thousand dollars (\$5,000) earmarked for the State
245 General Fund, and if the violator is a retailer, the board may
246 revoke the retailer license.

247 §28-12-21 Independent Testing Laboratories

248 In order to protect the health, safety, and welfare of
249 the residents of this state from dangerous foreign products,
250 an independent testing laboratory must meet all of the
251 following requirements:

252 (1) Is accredited by a third-party accrediting body as



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253 a competent testing laboratory pursuant to ISO (International
254 Organization for Standardization)/IEC (International
255 Electrotechnical Commission) 17025:2017 of the International
256 Organization for Standardization;

257 (2) Does not have a direct or indirect interest in the
258 producer whose product is being tested; and

259 (3) Does not have a direct or indirect interest in a
260 facility that cultivates, processes, distributes, or sells
261 hemp or consumable hemp products in this state or in another
262 jurisdiction.

263 §28-12-22 Testing and Certificate of Analysis

264 (a) The protocols for testing a consumable hemp product
265 by an independent testing laboratory shall include the
266 following, as well as a determination of corresponding
267 tolerance limits:

268 (1) Cannabinoid content and potency, including, but not
269 limited to, all of the following:

270 a. Total THC (THC+THCA).

271 b. Total CBD (CBD+CBDA).

272 c. THC/CBD ratio, if applicable.

273 d. Percent of THC relative to original plant material
274 (w/w).

275 (2) Terpene profiles.

276 (3) Heavy metals.

277 (4) Chemical contamination, such as residual solvents
278 remaining after extraction and concentration.

279 (5) Microbials, including pathogenic microbials.

280 (6) Mycotoxins.



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281 (7) Residual insecticides, fungicides, herbicides, and
282 growth regulators used during cultivation.

283 (b) The certificate of analysis shall include, at a
284 minimum:

285 (1) The batch number or lot number of the product;

286 (2) The date the certificate of analysis is issued;

287 (3) The method of analysis for each test conducted;

288 (4) The product name;

289 (5) A scannable barcode or quick response code linked
290 to the label on the consumable hemp product container;

291 (6) The cannabinoid profile by the percentage in dry
292 weight of CBD and total THC content, and verification that the
293 product contains an amount of total THC not exceeding that
294 which is stated on the label of the product; and

295 (7) A listing of all ingredients for each product,
296 including, if present, solvents, pesticides, microbial
297 contaminants, and heavy metals.

298 §28-12-23 Consumable Hemp Product Contents

299 (a) (1) For a beverage or any edible product, one
300 serving size of a consumable hemp product may not contain more
301 than 10 milligrams of total THC.

302 (2) For any topical, sublingual, or other consumable
303 hemp product not addressed in subdivision (1), one container
304 of a consumable hemp product may not contain more than 40
305 milligrams of total THC.

306 (3) All edible consumable hemp products shall be
307 individually wrapped in single serve packaging. One carton may
308 not contain more than 40 milligrams of total THC.



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309 (4) A beverage serving size may not exceed 12 fluid
310 ounces or 355 milliliters. One carton may not contain more
311 than four 12-ounce containers.

312 (b) A consumable hemp product may not contain alcohol,
313 other than as a flavoring agent, or any other intoxicating
314 compound other than cannabinoids.

315 §28-12-24 Packaging

316 The packaging of consumable hemp products:

317 (1) May not bear the likeness or contain cartoon-like
318 characteristics of a real or fictional person, animal, or
319 fruit that appeals to children;

320 (2) May not be modeled after a brand of products
321 primarily consumed by or marketed to children;

322 (3) May not include a statement, artwork, or design
323 that could reasonably mislead an individual to believe that
324 the package contains anything other than a consumable hemp
325 product; and

326 (4) Must be child-resistant.

327 §28-12-25

328 Each container of a consumable hemp product must be
329 labeled to include, at a minimum:

330 (1) A list of all ingredients in descending order of
331 predominance;

332 (2) A scannable barcode or quick response code linked
333 to the certificate of analysis;

334 (3) The manufacture date and expiration date;

335 (4) The batch number which corresponds to the
336 certificate of analysis;



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337 (5) The total number of milligrams of THCs found in the
338 container;

339 (6) The serving size;

340 (7) The total number of milligrams of THCs per serving;
341 and

342 (8) The following warnings:

343 a. To keep the product out of reach of children;

344 b. That consumption of the product may cause the person
345 to fail a drug test due to THC being present;

346 c. That the product is not safe nor intended for any
347 person under 21 years of age;

348 d. That the product is not safe for any person who is
349 pregnant or breastfeeding; and

350 e. That the product may impair a person's ability to
351 drive and operate machinery.

352 Article 3. Retailers and Retailer Licenses

353 §28-12-40 Retailer Licenses

354 (a) Effective January 1, 2026, consumable hemp products
355 may only be sold in this state by retailers licensed by the
356 board in accordance with this article to adults 21 years of
357 age or older.

358 (b) The board may not issue a license under this
359 article unless the local governing body of the county or
360 municipality in which the licensee's facility will be located
361 has approved the application for licensure.

362 (c) Every applicant for an original retailer license
363 shall file a written application with the board in such form
364 and containing such information as the board may prescribe, by



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365 rule, which shall be accompanied by a nonrefundable initial
366 filing fee of fifty dollars (\$50).

367 (d) (1) For purposes of this subsection, the term
368 "applicant" includes every individual that has any proprietary
369 or financial interest of 10 percent or more in the business
370 seeking a license but shall not include any public corporation
371 whose shares are traded on a recognized stock exchange.

372 (2) Each applicant must be legally present in the
373 United States and shall provide to the board a valid driver
374 license issued in the United States, a valid military
375 identification card, or other valid identification card, as
376 determined by the board.

377 (3) In addition to all other requirements, an applicant
378 shall submit to the board a form, sworn to by the applicant,
379 providing written consent from the applicant for the release
380 of criminal history background information. The form shall
381 also require the applicant's name, date of birth, and Social
382 Security number for completion of a criminal history
383 background check.

384 (4) An applicant shall provide the board with two
385 complete functional sets of fingerprints, either physical or
386 electronic, properly executed by a criminal justice agency or
387 an individual properly trained in fingerprinting techniques.
388 The fingerprints and form shall be submitted by the board to
389 the State Bureau of Investigation for the purposes of
390 furnishing criminal background checks. The State Bureau of
391 Investigation shall forward a copy of the applicant's prints
392 to the Federal Bureau of Investigation for a national criminal



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393 background check. The applicant shall pay all costs associated
394 with the background checks required by this section.

395 (5) The board shall keep information received pursuant
396 to this subsection confidential, except that information
397 received and relied upon in denying the issuance of a license
398 in this state may be disclosed as may be necessary to support
399 the denial or when subpoenaed by a court.

400 (e) The board shall not issue a license to any
401 applicant that has been convicted of a disqualifying offense
402 within 10 years of the date of the application.

403 (f) (1) Any person applying for an initial license under
404 this chapter shall be required to purchase and maintain a
405 surety bond, payable to the board, for each licensed location,
406 executed by the applicant as principal, and by a corporate
407 surety company qualified to do business in this state as
408 surety, in the amount of twenty-five thousand dollars
409 (\$25,000).

410 (2) The board may file a claim against the surety bond
411 of any licensee that fails to timely collect and remit taxes
412 under this chapter or fails to timely pay any outstanding
413 penalty imposed by the board.

414 (g) If the board finds the applicant meets the
415 qualifications of this section and any applicable rules
416 adopted by the board, upon payment to the board of an annual
417 license fee of one thousand dollars (\$1,000), the board shall
418 issue a retailer license.

419 (h) Unless revoked or suspended by the board, retailer
420 licenses shall be valid for the license year which shall begin



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421 on October 1 of each year. Licenses may be issued at any time
422 during the year, but annual license fees shall not be
423 prorated.

424 §28-12-41 License Renewal

425 (a) A retailer license issued shall be renewed annually
426 upon the filing of an application and payment of the
427 applicable license fee. A licensee must file a renewal
428 application, as prescribed by the board, by rule, by August 1
429 annually.

430 (b) A license may be renewed without penalty during the
431 following fiscal year between October 1 and October 20 and may
432 continue to be renewed after October 20 of that license year
433 by payment of appropriate state and county licensing and
434 filing fees and a penalty of 50 percent of the annual license
435 fee. If a license is not renewed before midnight September 30
436 of the succeeding license year, the license shall terminate
437 with no privilege of renewal. Thereafter, a new application
438 must be made and a new license issued before continuation of
439 the business.

440 (c) A retailer may not purchase, receive, store, ship,
441 sell, or give away any consumable hemp product or enjoy any of
442 the rights and privileges of the license after the expiration
443 of a license.

444 (d) Unless the licensee is notified by the board of
445 objections to the renewal of the license, the board shall
446 renew the license of any licensee who has submitted the
447 renewal application and license fee.

448 §28-12-42 License Revocation



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449 The board may suspend or revoke a license in accordance
450 with Section 28-3A-24 or 28-3A-26; provided, however, the
451 board may suspend a license without a hearing in situations of
452 imminent danger to the public or for purposes of protecting
453 the public welfare, peace, safety, and health of the residents
454 of the state.

455 §28-12-43 Recordkeeping

456 (a) A licensee shall keep and preserve all records,
457 including invoices, canceled checks, and other documentation
458 relating to the purchase, sale, exchange, or receipt of all
459 consumable hemp products for a period of three years. This
460 includes the applicable certificates of analysis as otherwise
461 required under this chapter.

462 (b) The board and its authorized agents may enter upon
463 the premises of any licensee at any time of the day or night
464 as they deem necessary, for the detection of violations of
465 this chapter, any law, or the rules of the board, or for the
466 purpose of ascertaining the correctness of the records
467 required to be kept by a licensee, including any record to
468 verify the proper filing and to determine the accuracy of any
469 state tax return required to be filed by a licensee, and to
470 determine the payment of all state taxes when and where due
471 with respect to any state tax levied on consumable hemp
472 products by law. This section imposes no duty upon the board
473 to inspect, examine, and audit with respect to local taxes on
474 consumable hemp products.

475 (c) Any person who fails or refuses to keep and
476 preserve the records as required by this section or who, upon



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477 request by an authorized agent of the board, fails or refuses
478 to allow an audit or inspection of records as provided in this
479 section shall be guilty of a Class C misdemeanor.

480 §28-12-44 Penalties for Selling without a License

481 (a) Effective January 1, 2026, any person who sells,
482 attempts to sell, furnishes, provides, or gives away a
483 consumable hemp product without a license or otherwise
484 violates this section shall be subject to the following
485 penalties:

486 (1) For a first offense, the board shall levy a civil
487 penalty of five thousand dollars (\$5,000).

488 (2) For a second offense, the board shall levy a civil
489 penalty of seven thousand five hundred dollars (\$7,500).

490 (3) For a third offense, the board shall levy a civil
491 penalty of ten thousand dollars (\$10,000), the person shall be
492 guilty of a Class C felony, and the court shall order any
493 business licenses of the person to be revoked.

494 (b) All consumable hemp products in that person's
495 possession shall be considered contraband and may be seized by
496 the board or its agents or any law enforcement officer of the
497 state without a warrant.

498 §28-12-45 Guidelines on Retail Establishments

499 (a) Other than pharmacies selling topical or sublingual
500 consumable hemp products pursuant to subsection (b) and retail
501 food stores selling beverage consumable hemp products pursuant
502 to subsection (c), all retailer establishments must be
503 restricted so that only those individuals 21 years of age or
504 older are permitted to enter and the establishment has its own



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505 dedicated public entrance. Except as provided in subsection
506 (b), the board shall only issue retailer licenses to persons:

507 (1) That have a valid retail liquor license from the
508 board that authorizes off-premises consumption only; or

509 (2) That only sell consumable hemp products.

510 (b) Topical and sublingual consumable hemp products may
511 be sold in a pharmacy licensed by the Alabama State Board of
512 Pharmacy, provided the pharmacy obtains a consumable hemp
513 product retailer license from the Alcoholic Beverage Control
514 Board and complies with this chapter and rules of the board.

515 Any topical consumable hemp product sold in a pharmacy must be
516 sold by a licensed pharmacist or by a pharmacy technician or
517 employee who is under the direct supervision and control of a
518 licensed pharmacist. This subsection does not prohibit a
519 retailer described in subsection (a) from selling topical or
520 sublingual consumable hemp products in that retailer's
521 licensed premises.

522 (c) (1) Consumable hemp products that are beverages may
523 be sold in a retail food store, provided the retail food store
524 obtains a consumable hemp product retailer license from the
525 board and complies with this chapter and rules of the board.

526 Consumable hemp product beverages sold in a retail food store
527 must be kept in an area that is: (i) separated from
528 nonalcoholic beverages or beverages intended for children;
529 (ii) behind glass; and (iii) demarcated by a sign indicating
530 that the beverages contain hemp-derived compounds. This
531 subsection does not prohibit a retailer described in
532 subsection (a) from selling consumable hemp product beverages



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533 in that retailer's licensed premises.

534 (2) For purposes of this subsection, "retail food
535 store" means any store commonly known as a supermarket, food
536 store, or grocery store, primarily engaged in the retail sale
537 of a variety of canned goods, frozen foods, nonalcoholic
538 beverages, dry goods, either packaged or in bulk, and fresh
539 produce or meats, and the store dedicates: (i) a minimum of 75
540 percent of the store's selling area to the sale of food items
541 listed in this subdivision; and (ii) at least 14,000 square
542 feet of the store's footprint to the sale of food items listed
543 in this subdivision.

544 (d) (1) A retailer described in subsection (a) shall
545 maintain at its licensed premises a minimum of 500 square feet
546 of sales and service area. A retailer may not include in the
547 calculation of sales and service area any areas that are not
548 open to customers or not used for sales or displaying
549 consumable hemp products, such as office space or storage.

550 (2) A retailer must have an employee present in the
551 sales and service area of the licensed premises at all times
552 the premises is open to customers.

553 (3) The purchase of all consumable hemp products must
554 take place in the licensed premises.

555 (e) A retailer shall display the retailer license in
556 the licensed premises in a conspicuous manner.

557 §28-12-46 Retailer Operations

558 (a) A retailer may not sell any consumable hemp product
559 for consumption on the licensed premises or conduct any
560 tastings for customers.



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561 (b) Consumable hemp products may not be sold using a
562 vending machine or other self-service display and payment
563 system.

564 (c) An individual under 21 years of age may be employed
565 by a retailer licensee to the same extent and under the same
566 conditions as set forth for employees of alcoholic beverage
567 establishments in Section 28-1-5(c).

568 §28-12-47 Reporting

569 A retailer shall submit to the board, on the last day
570 of the month following the month of receipt or sale, a
571 consolidated report of all receipts and sales of all
572 consumable hemp products made to customers during the
573 preceding month and any other information relevant to the
574 retail sale of consumable hemp products as determined by the
575 board, by rule. The reports shall be in the form and
576 containing information as the board may prescribe.

577 §28-12-48 Selling to Minors; Penalties

578 (a) Prior to initiating a sale or otherwise providing
579 consumable hemp products to a customer, an employee of a
580 retailer must verify that the customer is at least 21 years of
581 age. Proof of age may be established only by one of the
582 following:

583 (1) A valid driver license of any state.

584 (2) A valid United States Uniformed Service
585 Identification card.

586 (3) A valid passport.

587 (4) A valid identification card issued by any agency of
588 a state for the purpose of identification, bearing a



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589 photograph and date of birth of the individual in question.

590 (b) The board shall levy a penalty against any person,
591 retailer licensee, or servant, agent, or employee of the
592 retailer who sells, attempts to sell, delivers, furnishes, or
593 gives away a consumable hemp product to an individual under 21
594 years of age as follows:

595 (1) For a first offense within a four-year period,
596 suspension of the license for 90 days and a fine of five
597 thousand dollars (\$5,000) earmarked for the State General
598 Fund.

599 (2) For a second offense within a four-year period,
600 suspension of the license for 180 days and a fine of ten
601 thousand dollars (\$10,000) earmarked for the State General
602 Fund.

603 (3) For a third offense within a four-year period,
604 revocation of the license and any other license issued by the
605 board under this title and a fine of twenty thousand dollars
606 (\$20,000) earmarked for the State General Fund. In addition,
607 the board may impose a fine of up to twenty thousand dollars
608 (\$20,000) against any officer or any individual who has any
609 proprietary or financial interest of 10 percent or more in the
610 licensed retailer, and the board may not issue any license
611 authorized under this title to the retailer or any affiliate
612 of the retailer at any location in the state for a period of
613 36 months. In addition, the board shall not issue any license
614 or permit under this title until the expiration of one year
615 from the date the license or licenses are revoked at the
616 location where the violation occurred.



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617 §28-12-49

618 Except as authorized under Section 28-12-46(c) for
619 retailer employees, any individual under 21 years of age who
620 attempts to purchase, purchases, consumes, possesses, or
621 transports consumable hemp products within this state, or who
622 knowingly uses or attempts to use a false, forged, deceptive,
623 or otherwise nongenuine driver license to obtain or attempt to
624 obtain a consumable hemp product in this state, shall be
625 subject to the same penalties as provided in Section 28-3A-25
626 for underage drinking.

627 Article 4. Violations and Enforcement

628 §28-12-60 Direct Shipment Prohibited; Penalties

629 (a) Online sales, direct delivery, drive-through sales,
630 and direct shipments of consumable hemp products within or
631 into this state are strictly prohibited. For purposes of this
632 section, "direct shipment" means the shipment of any
633 consumable hemp product from any producer or retailer of
634 consumable hemp products directly to an Alabama resident.

635 (b) A first violation of subsection (a) is a Class A
636 misdemeanor.

637 (c) A second or subsequent violation of subsection (a)
638 is a Class C felony.

639 §28-12-61 Sale or Possession of Unlawful Hemp Products;
640 Penalties

641 (a) The sale or possession of a hemp product
642 specifically excluded from the definition of a consumable hemp
643 product is strictly prohibited.

644 (b) A violation of subsection (a) is a Class C felony.



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645 §28-12-62 Seizure and Forfeiture

646 (a) Unlawful hemp products shall be considered
647 contraband and may be seized by the board or its agents or by
648 any law enforcement officer of the state without a warrant.

649 (b) Any consumable hemp products or unlawful hemp
650 products which are kept, stored, or deposited in any place in
651 this state for the purpose of unlawful sale or unlawful
652 disposition or unlawful furnishing or distribution, and the
653 vessels and receptacles in which the products are contained,
654 are declared to be contraband, shall be seized and forfeited
655 to the state, and may be condemned for destruction pursuant to
656 the procedures set out in Article 11 of Chapter 4 concerning
657 alcoholic beverages.

658 (c) In any criminal prosecutions against a person for a
659 violation of this chapter, upon conviction, the court may
660 order the destruction of any consumable hemp products or
661 unlawful hemp products which were: (i) sold, offered for sale,
662 possessed, or otherwise disposed of by the defendant; (ii)
663 possessed or used in conducting the business of a dealer; or
664 (iii) used as evidence in the case.

665 (d) All proceeds, property obtained by proceeds,
666 equipment, materials, and personal property used in
667 substantial connection with the sale or possession of
668 consumable hemp products or hemp products involved in a
669 violation of this chapter shall be subject to forfeiture
670 pursuant to the procedures set forth in Section 20-2-93.

671 (e) Any person from whom an unlawful product is seized
672 and destroyed pursuant to this section shall be subject to a



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673 fee, to be determined based on the cost of the destruction and
674 disposal of the product as hazardous waste.

675 Section 2. Section 13A-12-214.4, Code of Alabama 1975,
676 relating to the sale of psychoactive cannabinoids, is
677 repealed.

678 Section 3. This act shall become effective on July 1,
679 2025.



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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 10-Apr-25, as amended.

John Treadwell
Clerk

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Senate	06-May-25	Amended and Passed
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House	06-May-25	Concurred in Senate Amendment