HG9MZ33-1 05/06/2025 PMG (L)PMG 2025-399 Sub HB445 MELSON SUBSTITUTE TO HB445 OFFERED BY SENATOR MELSON



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5	A BILL
6	TO BE ENTITLED
7	AN ACT
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9	Relating to consumable hemp products; to add Chapter 12
10	to Title 28, Code of Alabama 1975; to impose testing and
11	labeling requirements on all consumable hemp products sold in
12	this state; to authorize the Alcoholic Beverage Control Board
13	to license retailers of these products; to establish
14	restrictions on retail establishments; to prohibit the sale of
15	consumable hemp products to minors; to prohibit the sale of
16	smokable hemp products; to prohibit online sales and direct
17	delivery of consumable hemp products; to impose an excise tax
18	on consumable hemp products and provide for the distribution
19	of tax proceeds; to establish the Consumable Hemp Product
20	Compliance Fund and provide for expenditures of the fund; to
21	authorize the board to seize unlawful consumable hemp
22	products; to provide for civil and criminal penalties for
23	violations; and to repeal Section 13A-12-214.4, Code of
24	Alabama 1975, relating to the sale of psychoactive
25	cannabinoids.
26	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
27	Section 1. Chapter 12 is added to Title 28, Code of
28	Alabama 1975, to read as follows:



- 29 Article 1. General Provisions
- 30 §28-12-1 Purpose
- 31 (a) The purpose of this chapter is to protect the
- 32 health and safety of Alabama residents from consumable
- products, often marketed toward children, that purportedly
- 34 contain hemp-derived compounds. Many of these products have
- 35 not been tested nor do they meet quality and safety standards.
- 36 It is the intent of the Legislature to subject all consumable
- 37 hemp products available for sale in this state to be tested
- 38 and labeled in accordance with strict standards and to
- 39 prohibit the sale of these products to individuals under 21
- 40 years of age.
- 41 (b) Nothing contained in this chapter relates to
- 42 medical cannabis regulated under Chapter 2A of Title 20.
- 43 (c) Nothing in this chapter shall be construed in a
- 44 manner that affects or impedes any activity relating to hemp
- 45 which is regulated by the Department of Agriculture and
- 46 Industries.
- 47 (d) Any federal law enacted after July 1, 2025, that
- 48 conflicts with a provision this chapter shall supersede the
- 49 conflicting provision of this chapter.
- \$28-12-2 Definitions
- As used in this chapter, the following terms have the
- 52 following meanings:
- 53 (1) BATCH. A specific quantity of a specific product
- 54 containing cannabinoids that: (i) is manufactured at the same
- time and using the same methods, equipment, and ingredients
- that are uniform and intended to meet specifications for



- 57 identity, strength, purity, and composition; and (ii) is
- 58 manufactured, packaged, and labeled according to a single
- 59 batch production record executed and documented.
- 60 (2) CANNABINOIDS. Includes cannabidiol (CBD) and any
- 61 tetrahydrocannabinol (THC) derived from hemp.
- 62 (3) CARTON. The package or container or containers in
- 63 which consumable hemp products are originally packaged for
- shipment to market by the processor.
- 65 (4) CERTIFICATE OF ANALYSIS. A document issued by an
- 66 independent testing laboratory that provides information about
- 67 the chemical composition of a particular batch of consumable
- 68 hemp product.
- (5) CONSUMABLE HEMP PRODUCT. a. A finished product that
- 70 is intended for human or animal consumption and that contains
- any part of the hemp plant or any compound, concentrate,
- 72 extract, isolate, or resin derived from hemp. The term
- 73 includes, but is not limited to, products that contain
- 74 cannabinoids. The term does not include seeds or seed-derived
- 75 ingredients that are generally recognized as safe by the
- 76 United States Food and Drug Administration.
- 77 b. The term excludes both of the following, which are
- 78 strictly prohibited in the state:
- 79 1. Any smokable hemp product. Smokable hemp products
- 80 include, but are not limited to, any plant product or raw hemp
- 81 material that is marketed to consumers as hemp cigarettes,
- 82 hemp cigars, hemp joints, hemp buds, hemp flowers, hemp
- leaves, ground hemp flowers, or any variation of these terms
- 84 to include any product that contains a cannabinoid, whether



85 psychoactive or not.

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- 86 2. Any product that contains psychoactive cannabinoids 87 that are created by a chemical synthesis, modification, or 88 chemical conversion from another cannabinoid, utilizing 89 non-cannabis materials. This does not include a cannabinoid 90 produced via decarboxylation of naturally occurring acidic 91 forms of cannabinoids, such as tetrahydrocannabinolic acid, 92 into the corresponding neutral cannabinoid, through the use of 93 heat or light, without the use of chemical reagents or catalysts, and that results in no other chemical change. 94
- 95 (6) CONSUMPTION. Ingesting or topically applying to 96 skin or hair.
- 97 (7) CONTAINER. The bottle, can, bag, or other
 98 receptacle, excluding cartons, in which consumable hemp
 99 products are originally packaged for the market by the
 100 producer and from which the consumable hemp product is
 101 consumed by the public.
 - (8) CONTAMINANT. A foreign substance or compound that, if ingested, inhaled, or absorbed, may have an adverse effect on the health of a human or animal. The term includes, but is not limited to, heavy metals, pesticide residuals, residual solvents, or processing chemicals, and any other substance or compound that the Alabama Department of Public Health determines, if ingested, inhaled, or absorbed, could have an adverse effect on the health of a human or animal.
- 110 (9) DISQUALIFYING OFFENSE. Any crime against children,
 111 cruelty to animals, human trafficking, any crime involving
 112 controlled substances, sex offenses, or any crime of violence.



- 113 (10) DISTRIBUTOR. A person that distributes consumable
- 114 hemp products to retailers.
- 115 (11) HEMP. The term as defined in Section 2-8-381.
- 116 (12) INDEPENDENT TESTING LABORATORY. A laboratory that
- meets the requirements of Section 28-12-21.
- 118 (13) PRODUCER. An entity that produces and packages a
- 119 consumable hemp product that is distributed within or into the
- 120 state or sold to retailers in this state.
- 121 (14) RETAILER. A person located in this state and
- licensed by the board which sells consumable hemp products at
- 123 retail in this state.
- 124 (15) THC. Any tetrahydrocannabinol derived from hemp,
- including, but not limited to, delta-8-tetrahydrocannabinol,
- 126 delta-9-tetrahydrocannabinol, or
- delta-10-tetrahydrocannabinol.
- 128 (16) UNLAWFUL HEMP PRODUCT. Any product that is:
- a. Specifically excluded from the definition of
- 130 consumable hemp product;
- 131 b. Distributed or sold at retail in violation of
- 132 Section 28-12-20;
- 133 c. Sold or offered for sale to a consumer in this state
- 134 at an unlicensed location; or
- d. Shipped or distributed directly to a consumer in
- 136 violation of Section 28-12-60.
- 137 \$28-12-3
- 138 (a) Effective January 1, 2026, consumable hemp products
- 139 distributed into or within the state and offered for sale and
- 140 sold to consumers in this state shall be governed by this



- chapter. The Alcoholic Beverage Control Board shall administer and enforce this chapter and shall adopt rules as necessary to implement this chapter.
 - (b) Any consumable hemp product distributed, sold, or offered for sale to consumers in this state in violation of this chapter shall be considered contraband and may be seized by the board or its agents or any law enforcement officer of the state without a warrant.

\$28-12-4 Fund

- (a) The Consumable Hemp Product Compliance Fund is created within the State Treasury and shall be administered by the board. All filing fees, annual license fees, and label approval fees collected under this chapter shall be deposited into the fund. Amounts deposited into the fund shall be budgeted and allotted in accordance with Sections 41-4-80 through 41-4-96 and Sections 41-19-1 through 41-19-12.
- 157 (b) The board may expend monies in the Consumable Hemp 158 Product Compliance Fund only for the following purposes:
 - (1) Training, education, and administrative and operating costs for the administration and enforcement of this chapter.
 - (2) Pursuant to an agreement between the board and the Alabama State Law Enforcement Agency, operating and staffing costs incurred by the Alabama State Law Enforcement Agency to conduct underage purchase compliance checks pursuant to this chapter.
- 167 (3) Random purchases by the board of consumable hemp 168 products and testing of products to ensure compliance with



169 this chapter.

- 170 (c) Any remaining funds on September 30 shall be
 171 distributed to the State General Fund.
- 172 \$28-12-5 Tax
- 173 (a) An excise tax at the rate of 10 percent is levied
 174 on the retail sales price of consumable hemp products. The tax
 175 is in addition to any other tax imposed by federal, state, or
 176 local law.
 - (b) The tax levied by this section is intended to be passed on to and borne by the purchaser of the consumable hemp product. The tax is a debt from the purchaser to the retailer until paid. The retailer is considered to act as a trustee on behalf of the board when the retailer collects the tax from the purchaser on a taxable transaction. The tax must be stated and charged separately on any documentation provided to the purchaser by the retailer at the time of the transaction.
 - (c) The tax levied during the preceding month is due and payable monthly to the board on the first day of each month, and for the purpose of ascertaining the amount of tax payable under this section, all retailers making taxable sales on or before the twentieth day of each month shall transmit to the board, upon forms prescribed by the board, returns showing gross sales during the preceding month.
- 192 (d) The revenue generated from the tax shall be
 193 distributed as follows:
 - (1) Ninety percent to the State General Fund.
- 195 (2) Ten percent to the treasury of the municipality in
 196 which the consumable hemp products were sold within its



- corporate limits, or, where sold outside the corporate limits
 of any municipality, to the treasury of the county in which
 the consumable hemp products were sold for the purposes of
 enforcement.
- 201 (e) The taxes levied pursuant to this section are 202 exclusive and shall be in lieu of all other and additional 203 taxes and licenses of the state, county, or municipality 204 imposed on the sale of consumable hemp products; provided, 205 that nothing herein contained shall be construed to exempt the 206 retail sale of consumable hemp products from the levy of tax 207 on general retail sales by the state, county, or municipality in the nature of, or in lieu of, a general sales tax. 208
- (f) If the board or any authorized agent of the board finds any unlawful hemp product sold at a retailer establishment, the product shall be confiscated and, in addition to all other penalties authorized by law, the board shall assess taxes based on an excise tax at the rate of 10 percent of the retail value of the illegal product.
- 215 Article 2. Consumable Hemp Products
- 216 §28-12-20 Generally
- 217 (a) On and after January 1, 2026, no consumable hemp 218 product may be distributed into or within the state, nor 219 offered for sale or sold at retail within the state unless the 220 product:
- (1) Has a corresponding certificate of analysis

 described in Section 28-12-22 issued by an independent testing

 laboratory that tests the batch from which the product was

 produced;



- (2) Is in the original sealed container as packaged by
 the producer and meets the packaging restrictions in Section
- 227 28-12-24;
- 228 (3) Meets the serving size and product content
- 229 requirements, including total THC, described in Section
- $230 \quad 28-12-23; \text{ and}$
- 231 (4) Meets the labeling requirements described in
- 232 Section 28-12-25.
- 233 (b) Every distributor and retailer shall maintain and
- 234 make immediately available for inspection to any law
- 235 enforcement officer or authorized agent of the board a copy of
- the certificate of analysis of each consumable hemp product
- 237 being distributed by a distributor or offered for sale by a
- 238 retailer.
- (c) Any person, including any servant, agent, or
- 240 employee of the person, who distributes, sells, or offers for
- 241 sale any consumable hemp product in violation of this section
- 242 shall be subject to the following penalties:
- 243 (1) For a first offense within a four-year period, a
- fine of one thousand dollars (\$1,000) earmarked for the State
- 245 General Fund.
- 246 (2) For a second offense within a four-year period, a
- fine of two thousand five hundred dollars (\$2,500) earmarked
- 248 for the State General Fund.
- 249 (3) For a third offense within a four-year period, a
- 250 fine of five thousand dollars (\$5,000) earmarked for the State
- 251 General Fund, and if the violator is a retailer, the board may
- 252 revoke the retailer license.



- 253 §28-12-21 Independent Testing Laboratories
- In order to protect the health, safety, and welfare of
- 255 the residents of this state from dangerous foreign products,
- 256 an independent testing laboratory must meet all of the
- 257 following requirements:
- 258 (1) Is accredited by a third-party accrediting body as
- a competent testing laboratory pursuant to ISO (International
- 260 Organization for Standardization)/IEC (International
- 261 Electrotechnical Commission) 17025:2017 of the International
- 262 Organization for Standardization;
- 263 (2) Does not have a direct or indirect interest in the
- 264 producer whose product is being tested; and
- 265 (3) Does not have a direct or indirect interest in a
- 266 facility that cultivates, processes, distributes, or sells
- hemp or consumable hemp products in this state or in another
- 268 jurisdiction.
- 269 §28-12-22 Testing and Certificate of Analysis
- 270 (a) The protocols for testing a consumable hemp product
- 271 by an independent testing laboratory shall include the
- following, as well as a determination of corresponding
- 273 tolerance limits:
- 274 (1) Cannabinoid content and potency, including, but not
- 275 limited to, all of the following:
- a. Total THC (THC+THCA).
- b. Total CBD (CBD+CBDA).
- 278 c. THC/CBD ratio, if applicable.
- d. Percent of THC relative to original plant material
- 280 (w/w).



- 281 (2) Terpene profiles.
- 282 (3) Heavy metals.
- 283 (4) Chemical contamination, such as residual solvents
- 284 remaining after extraction and concentration.
- 285 (5) Microbials, including pathogenic microbials.
- 286 (6) Mycotoxins.
- 287 (7) Residual insecticides, fungicides, herbicides, and growth regulators used during cultivation.
- 289 (b) The certificate of analysis shall include, at a 290 minimum:
- 291 (1) The batch number or lot number of the product;
- 292 (2) The date the certificate of analysis is issued;
- 293 (3) The method of analysis for each test conducted;
- 294 (4) The product name;
- 295 (5) A scannable barcode or quick response code linked 296 to the label on the consumable hemp product container;
- 297 (6) The cannabinoid profile by the percentage in dry
 298 weight of CBD and total THC content, and verification that the
 299 product contains an amount of total THC not exceeding that
- 300 which is stated on the label of the product; and
- 301 (7) A listing of all ingredients for each product, 302 including, if present, solvents, pesticides, microbial 303 contaminants, and heavy metals.
- 304 §28-12-23 Consumable Hemp Product Contents
- 305 (a) (1) For a beverage or any edible product, one
 306 serving size of a consumable hemp product may not contain more
 307 than 10 milligrams of total THC.
- 308 (2) For any topical, sublingual, or other consumable



- hemp product not addressed in subdivision (1), one container of a consumable hemp product may not contain more than 40 milligrams of total THC.
- 312 (3) All edible consumable hemp products shall be
 313 individually wrapped in single serve packaging. One carton may
 314 not contain more than 40 milligrams of total THC.
- 315 (4) A beverage serving size may not exceed 12 fluid 316 ounces or 355 milliliters. One carton may not contain more 317 than four 12-ounce containers.
- 318 (b) A consumable hemp product may not contain alcohol, 319 other than as a flavoring agent, or any other intoxicating 320 compound other than cannabinoids.
- 321 §28-12-24 Packaging
- The packaging of consumable hemp products:
- 323 (1) May not bear the likeness or contain cartoon-like 324 characteristics of a real or fictional person, animal, or 325 fruit that appeals to children;
- 326 (2) May not be modeled after a brand of products 327 primarily consumed by or marketed to children;
- 328 (3) May not include a statement, artwork, or design
 329 that could reasonably mislead an individual to believe that
 330 the package contains anything other than a consumable hemp
 331 product; and
- 332 (4) Must be child-resistant.
- 333 \$28-12-25
- Each container of a consumable hemp product must be labeled to include, at a minimum:
- 336 (1) A list of all ingredients in descending order of



- 337 predominance;
- 338 (2) A scannable barcode or quick response code linked
- 339 to the certificate of analysis;
- 340 (3) The manufacture date and expiration date;
- 341 (4) The batch number which corresponds to the
- 342 certificate of analysis;
- 343 (5) The total number of milligrams of THCs found in the
- 344 container;
- 345 (6) The serving size;
- 346 (7) The total number of milligrams of THCs per serving;
- 347 and
- 348 (8) The following warnings:
- 349 a. To keep the product out of reach of children;
- 350 b. That consumption of the product may cause the person
- 351 to fail a drug test due to THC being present;
- 352 c. That the product is not safe nor intended for any
- 353 person under 21 years of age;
- d. That the product is not safe for any person who is
- 355 pregnant or breastfeeding; and
- e. That the product may impair a person's ability to
- 357 drive and operate machinery.
- 358 Article 3. Retailers and Retailer Licenses
- 359 §28-12-40 Retailer Licenses
- 360 (a) Effective January 1, 2026, consumable hemp products
- 361 may only be sold in this state by retailers licensed by the
- 362 board in accordance with this article to adults 21 years of
- 363 age or older.
- 364 (b) The board may not issue a license under this



article unless the local governing body of the county or
municipality in which the licensee's facility will be located
has approved the application for licensure.

- (c) Every applicant for an original retailer license shall file a written application with the board in such form and containing such information as the board may prescribe, by rule, which shall be accompanied by a nonrefundable initial filing fee of fifty dollars (\$50).
- (d)(1) For purposes of this subsection, the term
 "applicant" includes every individual that has any proprietary
 or financial interest of 10 percent or more in the business
 seeking a license but shall not include any public corporation
 whose shares are traded on a recognized stock exchange.
- (2) Each applicant must be legally present in the United States and shall provide to the board a valid driver license issued in the United States, a valid military identification card, or other valid identification card, as determined by the board.
- (3) In addition to all other requirements, an applicant shall submit to the board a form, sworn to by the applicant, providing written consent from the applicant for the release of criminal history background information. The form shall also require the applicant's name, date of birth, and Social Security number for completion of a criminal history background check.
- (4) An applicant shall provide the board with two complete functional sets of fingerprints, either physical or electronic, properly executed by a criminal justice agency or



- 393 an individual properly trained in fingerprinting techniques.
- 394 The fingerprints and form shall be submitted by the board to
- 395 the State Bureau of Investigation for the purposes of
- 396 furnishing criminal background checks. The State Bureau of
- 397 Investigation shall forward a copy of the applicant's prints
- 398 to the Federal Bureau of Investigation for a national criminal
- 399 background check. The applicant shall pay all costs associated
- 400 with the background checks required by this section.
- 401 (5) The board shall keep information received pursuant
- 402 to this subsection confidential, except that information
- 403 received and relied upon in denying the issuance of a license
- 404 in this state may be disclosed as may be necessary to support
- 405 the denial or when subpoenaed by a court.
- 406 (e) The board shall not issue a license to any
- 407 applicant that has been convicted of a disqualifying offense
- 408 within 10 years of the date of the application.
- 409 (f) (1) Any person applying for an initial license under
- 410 this chapter shall be required to purchase and maintain a
- 411 surety bond, payable to the board, for each licensed location,
- 412 executed by the applicant as principal, and by a corporate
- 413 surety company qualified to do business in this state as
- 414 surety, in the amount of twenty-five thousand dollars
- 415 (\$25,000).

- 416 (2) The board may file a claim against the surety bond
- 417 of any licensee that fails to timely collect and remit taxes
- 418 under this chapter or fails to timely pay any outstanding
- 419 penalty imposed by the board.
 - (g) If the board finds the applicant meets the



- 421 qualifications of this section and any applicable rules
- adopted by the board, upon payment to the board of an annual
- license fee of one thousand dollars (\$1,000), the board shall
- 424 issue a retailer license.
- 425 (h) Unless revoked or suspended by the board, retailer
- 426 licenses shall be valid for the license year which shall begin
- 427 on October 1 of each year. Licenses may be issued at any time
- 428 during the year, but annual license fees shall not be
- 429 prorated.
- 430 \$28-12-41 License Renewal
- 431 (a) A retailer license issued shall be renewed annually
- 432 upon the filing of an application and payment of the
- 433 applicable license fee. A licensee must file a renewal
- 434 application, as prescribed by the board, by rule, by August 1
- 435 annually.
- 436 (b) A license may be renewed without penalty during the
- following fiscal year between October 1 and October 20 and may
- 438 continue to be renewed after October 20 of that license year
- 439 by payment of appropriate state and county licensing and
- 440 filing fees and a penalty of 50 percent of the annual license
- fee. If a license is not renewed before midnight September 30
- 442 of the succeeding license year, the license shall terminate
- 443 with no privilege of renewal. Thereafter, a new application
- 444 must be made and a new license issued before continuation of
- 445 the business.
- (c) A retailer may not purchase, receive, store, ship,
- 447 sell, or give away any consumable hemp product or enjoy any of
- 448 the rights and privileges of the license after the expiration



449 of a license.

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- 450 (d) Unless the licensee is notified by the board of
 451 objections to the renewal of the license, the board shall
 452 renew the license of any licensee who has submitted the
 453 renewal application and license fee.
- 454 \$28-12-42 License Revocation

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

461 \$28-12-43 Recordkeeping

- (a) A licensee shall keep and preserve all records, including invoices, canceled checks, and other documentation relating to the purchase, sale, exchange, or receipt of all consumable hemp products for a period of three years. This includes the applicable certificates of analysis as otherwise required under this chapter.
- 468 (b) The board and its authorized agents may enter upon 469 the premises of any licensee at any time of the day or night 470 as they deem necessary, for the detection of violations of this chapter, any law, or the rules of the board, or for the 471 472 purpose of ascertaining the correctness of the records 473 required to be kept by a licensee, including any record to 474 verify the proper filing and to determine the accuracy of any state tax return required to be filed by a licensee, and to 475 476 determine the payment of all state taxes when and where due



with respect to any state tax levied on consumable hemp products by law. This section imposes no duty upon the board to inspect, examine, and audit with respect to local taxes on consumable hemp products.

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(c) Any person who fails or refuses to keep and preserve the records as required by this section or who, upon request by an authorized agent of the board, fails or refuses to allow an audit or inspection of records as provided in this section shall be guilty of a Class C misdemeanor.

\$28-12-44 Penalties for Selling without a License

- (a) Effective January 1, 2026, any person who sells, attempts to sell, furnishes, provides, or gives away a consumable hemp product without a license or otherwise violates this section shall be subject to the following penalties:
- 492 (1) For a first offense, the board shall levy a civil 493 penalty of five thousand dollars (\$5,000).
- 494 (2) For a second offense, the board shall levy a civil penalty of seven thousand five hundred dollars (\$7,500).
- 496 (3) For a third offense, the board shall levy a civil
 497 penalty of ten thousand dollars (\$10,000), the person shall be
 498 guilty of a Class C felony, and the court shall order any
 499 business licenses of the person to be revoked.
- 500 (b) All consumable hemp products in that person's
 501 possession shall be considered contraband and may be seized by
 502 the board or its agents or any law enforcement officer of the
 503 state without a warrant.
- 504 §28-12-45 Guidelines on Retail Establishments



- (a) Other than pharmacies selling topical or sublingual consumable hemp products pursuant to subsection (b), all retailer establishments must be restricted so that only those individuals 21 years of age or older are permitted to enter and the establishment has its own dedicated public entrance. Except as provided in subsection (b), the board shall only issue retailer licenses to persons:
 - (1) That have a valid retail liquor license from the board that authorizes off-premises consumption only; or

- (2) That only sell consumable hemp products.
- (b) Topical and sublingual consumable hemp products may be sold in a pharmacy licensed by the Alabama State Board of Pharmacy, provided the pharmacy obtains a consumable hemp product retailer license from the Alcoholic Beverage Control Board and complies with this chapter and rules of the board. Any topical consumable hemp product sold in a pharmacy must be sold by a licensed pharmacist or by a pharmacy technician or employee who is under the direct supervision and control of a licensed pharmacist. This subsection does not prohibit a retailer described in subsection (a) from selling topical or sublingual consumable hemp products in that retailer's licensed premises.
- (c) (1) A retailer described in subsection (a) shall maintain at its licensed premises a minimum of 500 square feet of sales and service area. A retailer may not include in the calculation of sales and service area any areas that are not open to customers or not used for sales or displaying consumable hemp products, such as office space or storage.



- 533 (2) A retailer must have an employee present in the 534 sales and service area of the licensed premises at all times 535 the premises is open to customers.
- 536 (3) The purchase of all consumable hemp products must take place in the licensed premises.
- 538 (d) A retailer shall display the retailer license in 539 the licensed premises in a conspicuous manner.
- \$28-12-46 Retailer Operations
- 541 (a) A retailer may not sell any consumable hemp product 542 for consumption on the licensed premises or conduct any 543 tastings for customers.
- 544 (b) Consumable hemp products may not be sold using a 545 vending machine or other self-service display and payment 546 system.
- 547 (c) An individual under 21 years of age may be employed 548 by a retailer licensee to the same extent and under the same 549 conditions as set forth for employees of alcoholic beverage 550 establishments in Section 28-1-5(c).
- \$28-12-47 Reporting

552 A retailer shall submit to the board, on the last day 553 of the month following the month of receipt or sale, a 554 consolidated report of all receipts and sales of all 555 consumable hemp products made to customers during the 556 preceding month and any other information relevant to the 557 retail sale of consumable hemp products as determined by the 558 board, by rule. The reports shall be in the form and containing information as the board may prescribe. 559

\$28-12-48 Selling to Minors; Penalties



- (a) Prior to initiating a sale or otherwise providing

 consumable hemp products to a customer, an employee of a

 retailer must verify that the customer is at least 21 years of

 age. Proof of age may be established only by one of the

 following:
- 566 (1) A valid driver license of any state.
- 567 (2) A valid United States Uniformed Service
 568 Identification card.
- 569 (3) A valid passport.
- 570 (4) A valid identification card issued by any agency of 571 a state for the purpose of identification, bearing a 572 photograph and date of birth of the individual in question.
- 573 (b) The board shall levy a penalty against any person,
 574 retailer licensee, or servant, agent, or employee of the
 575 retailer who sells, attempts to sell, delivers, furnishes, or
 576 gives away a consumable hemp product to an individual under 21
 577 years of age as follows:
- 578 (1) For a first offense within a four-year period, 579 suspension of the license for 90 days and a fine of five 580 thousand dollars (\$5,000) earmarked for the State General 581 Fund.
- 582 (2) For a second offense within a four-year period, 583 suspension of the license for 180 days and a fine of ten 584 thousand dollars (\$10,000) earmarked for the State General 585 Fund.
- 586 (3) For a third offense within a four-year period,
 587 revocation of the license and any other license issued by the
 588 board under this title and a fine of twenty thousand dollars



(\$20,000) earmarked for the State General Fund. In addition, the board may impose a fine of up to twenty thousand dollars (\$20,000) against any officer or any individual who has any proprietary or financial interest of 10 percent or more in the licensed retailer, and the board may not issue any license authorized under this title to the retailer or any affiliate of the retailer at any location in the state for a period of 36 months. In addition, the board shall not issue any license or permit under this title until the expiration of one year from the date the license or licenses are revoked at the location where the violation occurred.

\$28-12-49

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

Article 4. Violations and Enforcement

§28-12-60 Direct Shipment Prohibited; Penalties

(a) Online sales, direct delivery, drive-through sales, and direct shipments of consumable hemp products within or into this state are strictly prohibited. For purposes of this section, "direct shipment" means the shipment of any

consumable hemp product from any producer or retailer of



- 617 consumable hemp products directly to an Alabama resident.
- (b) A first violation of subsection (a) is a Class A
- 619 misdemeanor.
- 620 (c) A second or subsequent violation of subsection (a)
- 621 is a Class C felony.
- §28-12-61 Sale or Possession of Unlawful Hemp Products;
- 623 Penalties
- 624 (a) The sale or possession of a hemp product
- specifically excluded from the definition of a consumable hemp
- 626 product is strictly prohibited.
- (b) A violation of subsection (a) is a Class C felony.
- \$28-12-62 Seizure and Forfeiture
- (a) Unlawful hemp products shall be considered
 contraband and may be seized by the board or its agents or by
 any law enforcement officer of the state without a warrant.
- (b) Any consumable hemp products or unlawful hemp
- 633 products which are kept, stored, or deposited in any place in
- this state for the purpose of unlawful sale or unlawful
- disposition or unlawful furnishing or distribution, and the
- ose of the vessels and receptacles in which the products are contained,
- are declared to be contraband, shall be seized and forfeited
- 638 to the state, and may be condemned for destruction pursuant to
- the procedures set out in Article 11 of Chapter 4 concerning
- 640 alcoholic beverages.
- (c) In any criminal prosecutions against a person for a
- of this chapter, upon conviction, the court may
- order the destruction of any consumable hemp products or
- unlawful hemp products which were: (i) sold, offered for sale,



- possessed, or otherwise disposed of by the defendant; (ii)
 possessed or used in conducting the business of a dealer; or
 (iii) used as evidence in the case.
- 648 (d) All proceeds, property obtained by proceeds,
 649 equipment, materials, and personal property used in
 650 substantial connection with the sale or possession of
 651 consumable hemp products or hemp products involved in a
 652 violation of this chapter shall be subject to forfeiture
 653 pursuant to the procedures set forth in Section 20-2-93.
- 654 (e) Any person from whom an unlawful product is seized 655 and destroyed pursuant to this section shall be subject to a 656 fee, to be determined based on the cost of the destruction and 657 disposal of the product as hazardous waste.
- Section 2. Section 13A-12-214.4, Code of Alabama 1975, relating to the sale of psychoactive cannabinoids, is repealed.
- Section 3. This act shall become effective on July 1, 662 2025.