

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL 521

Short Title: Regulate Cannabinoid Products. (Public)

Sponsors: Senators Johnson and Lazzara (Primary Sponsors).

Referred to: Rules and Operations of the Senate

April 4, 2023

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DEPARTMENT OF AGRICULTURE AND CONSUMER
3 SERVICES TO ESTABLISH A VOLUNTARY LICENSING PROGRAM FOR
4 CANNABINOID-RELATED COMPOUNDS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1.(a) Subdivision (1a) of G.S. 106-121 is recodified as subdivision (1b),
7 and subdivision (1b) of G.S. 106-121 is recodified as subdivision (1c).

8 SECTION 1.(b) G.S. 106-121, as amended by subsection (a) of this section, reads
9 as rewritten:

10 "§ 106-121. Definitions and general consideration.

11 For the purpose of this Article:

12 (1) The term "advertisement" means all representations disseminated in any
13 manner or by any means, other than by labeling, for the purposes of inducing,
14 or which are likely to induce, directly or indirectly, the purchase of food,
15 drugs, devices or cosmetics.

16 (1a) The term "cannabinoid-related compounds" means any phytocannabinoid
17 found in hemp, including, but not limited to, tetrahydrocannabinol (THC),
18 tetrahydrocannabinolic acid (THCA), cannabidiol (CBD), cannabidiolic acid
19 (CBDA), cannabinol (CBN), cannabigerol (CBG), cannabichromene (CBC),
20 cannabicyclol (CBL), cannabivarin (CBV), tetrahydrocannabivarin (THCV),
21 cannabidivarin (CBDV), cannabichromevarin (CBCV), cannabigerovarin
22 (CBGV), cannabigerol monomethyl ether (CBGM), cannabielsoin (CBE), or
23 cannabicitran (CBT). Cannabinoids do not include synthetic cannabinoids
24 listed.

25 ...
26 (8b) The term "hemp" means the plant Cannabis sativa (L.), along with any part of
27 that plant, including the seeds and all naturally occurring cannabinoid-related
28 compounds, concentrates, extracts, isolates, resins, isomers, acids, salts, salts
29 of isomers, or cannabidiol derivatives, whether growing or not, with a delta-9
30 tetrahydrocannabinol concentration of not more than three-tenths of one
31 percent (0.3%) on a dry weight basis.

32 (8c) The term "hemp products" means all products made from hemp that are
33 prepared in a form available for commercial sale, excluding any product that
34 is smokeable.

35"

36 SECTION 2. G.S. 106-139 is amended by adding three new subsections to read:



1 "(f) The Board shall adopt rules to establish a voluntary certification program for good
2 manufacturing practices in manufacturing, packaging, or labeling operations for
3 cannabinoid-related compounds derived from hemp, as defined in G.S. 106-121. The Board shall
4 include the following labeling requirements in its voluntary certification rules:

5 (1) The label of products containing cannabinoid-related compounds must
6 indicate both the total marketed cannabinoid content per product unit and, for
7 products intended for human consumption, the marketed cannabinoid content
8 per serving size recommended on the product label.

9 (2) All products containing cannabinoid-related compounds shall include on the
10 label a machine-readable code that, when scanned by a cell phone or other
11 electronic device, provides access via the internet to a certificate of analysis
12 issued by an independent accredited laboratory certified under ISO Standard
13 17025 that meets all of the following requirements:

14 a. The certification is lot-specific.

15 b. The certification provides a profile of total cannabinoid potency
16 content contained in the product.

17 c. The certification includes analysis of residual solvents, heavy metals,
18 pesticides, mycotoxins, and microbials contained in the product.

19 (g) The manufacture, sale, delivery, holding, or offering for sale of any
20 cannabinoid-related compounds that are falsely certified as compliant with the certification rules
21 adopted by the Board under subsection (f) of this section shall be prohibited under this Article
22 and shall also be subject to G.S. 106-123 and G.S. 106-125.

23 (h) Application for certification of good manufacturing practices shall be made to the
24 Commissioner on forms provided by the Department. The application shall set forth the name
25 and address of the applicant, the applicant's principal place of business, and such other
26 information as the Commissioner may require. The Board shall develop a schedule of license
27 fees. Fees collected pursuant to this subsection shall be used by the Department to cover all
28 reasonable costs of administering the voluntary licensing program, including all staffing costs."

29 **SECTION 3.** Article 12 of Chapter 106 of the General Statutes is amended by adding
30 a new section to read:

31 **§ 106-139.2. Hemp not an adulterant.**

32 Notwithstanding any other provision of law, including federal laws and rules to the contrary,
33 but subject to any rules and regulations developed by the Board of Agriculture, hemp products
34 are not considered to be adulterated or misbranded based solely on the inclusion of hemp. Subject
35 to any rules and regulations developed by the Board of Agriculture, the production, marketing,
36 sale, or distribution of hemp or hemp products may not be restricted or prohibited based solely
37 on the inclusion of hemp."

38 **SECTION 4.(a)** G.S. 90-87 reads as rewritten:

39 **§ 90-87. Definitions.**

40 As used in this Article:

41 ...

42 (13a) "Hemp" means the plant *Cannabis sativa* (L.) and any part of that plant,
43 including the seeds thereof and all derivatives, extracts, cannabinoids,
44 isomers, acids, salts, and salts of isomers, whether growing or not, with a
45 ~~delta-9 tetrahydrocannabinol~~ concentration of not more than three-tenths of
46 one percent (0.3%) on a dry weight ~~basis-basis of the following:~~
47 tetrahydrocannabinol, tetrahydrocannabinolic acid, or any intoxicating
48 cannabinoid except cannabidiol.

49 "

50 **SECTION 4.(b)** G.S. 90-94(b)(2) reads as rewritten:

1 "(2) Tetrahydrocannabinols, except for tetrahydrocannabinols found in a product
2 with a delta 9 tetrahydrocannabinol concentration of not more than
3 three tenths of one percent (0.3%) on a dry weight basis hemp or hemp
4 products, as those terms are defined by G.S. 106-121."

5 **SECTION 5.** G.S. 18B-500(b) reads as rewritten:

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

9 (1) Occurring, encountered, or otherwise discovered on the premises of, or
10 elsewhere when the conduct relates to, a location under application for or
11 holding a permit issued by the North Carolina Alcoholic Beverage Control
12 Commission or the North Carolina Education Lottery
13 ~~Commission~~ Commission, or a location engaged in or marketing itself to be
14 engaged in the sale or distribution of hemp, hemp products, or cannabinoid
15 compounds as those terms are defined in G.S. 106-121.

16 "

17 **SECTION 6.** The Board of Agriculture shall adopt temporary rules to implement
18 this act no later than January 1, 2024. The temporary rules shall remain in effect until permanent
19 rules that replace the temporary rules become effective. The Board of Agriculture shall adopt
20 permanent rules no later than January 1, 2025.

21 **SECTION 7.** Section 2 of this act becomes effective January 1, 2024. Sections 3 and
22 5 of this act become effective October 1, 2023, and apply to offenses committed on or after that
23 date. The remainder of this act is effective when it becomes law.