

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



- 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 (Diacyl).
- 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.

## 35 **PART VI. ADD KRATOM AS A SCHEDULE VI CONTROLLED SUBSTANCE**

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

37          **"§ 90-94. Schedule VI controlled substances.**

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

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

46               (1) Marijuana.

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

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.