

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 7117
BILL NUMBER: SB 250

NOTE PREPARED: Jan 6, 2026
BILL AMENDED:

SUBJECT: Hemp.

FIRST AUTHOR: Sen. Freeman
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Pending

Summary of Legislation: Defines "THC" for purposes of alcohol and tobacco law. Changes certain crimes concerning alcohol to include products containing THC. Allows certain law enforcement officers to engage certain minors to purchase a THC product as part of a law enforcement action. Creates: (1) manufacturer permits; (2) distributor permits; (3) retail permits; and (4) carrier permits; for hemp derived cannabinoid products. Requires the alcohol and tobacco commission (commission) to enforce and administer the hemp derived cannabinoid products law. Creates the hemp derived cannabinoid products fund to provide funding for: (1) the commission; (2) state police department tools and programs; (3) local law enforcement agencies for roadside cannabis and hemp testing; and (4) prosecuting attorneys for training programs and certain court costs. Prohibits the sale of hemp derived cannabinoid products online. Provides that a person who knowingly or intentionally sells a hemp derived cannabinoid product to a person less than 21 years of age commits a Class A misdemeanor. Provides advertising restrictions for hemp derived cannabinoid products. Requires testing of hemp derived cannabinoid products. Creates a crime regarding transporting of hemp derived cannabinoid products. Creates a crime concerning counterfeit permits. Creates a process to deposit an unused permit. Removes references to "delta-9-tetrahydrocannabinol" in certain crimes. Modifies definitions of "hemp". Modifies the definitions of "marijuana" and "smokable hemp" for purposes of the criminal law code. Repeals the: (1) distribution of low THC hemp extract chapters; and (2) low THC hemp extract sales chapter. Provides that for purposes of Title 9, "schedule I drug" includes marijuana, hemp, and tetrahydrocannabinol. Defines "intoxicated" to include being under the influence of tetrahydrocannabinol. Requires the state seed commissioner (commissioner) to develop a portal and make certain reports. Provides that state industrial hemp programs may not operate above federal restrictions or limitations. Provides that the commissioner may issue a hemp grower's license and a hemp handler's license. Provides that nothing in IC 7.1 and IC 15 may be construed under the "inclusio unius, extenion alterius" canon of construction that marijuana has been legalized. Provides that a retail establishment in which tobacco and products containing THC account for 85% of the establishment's gross sales may not allow an individual under 21 years of age to enter the establishment (current law is limited to tobacco products). Specifies details of the licensure requirements and duties of the licensees. Adds federal definitions of certain hemp terms to Title 35. Makes an appropriation.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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