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SENATE BILL No. 250

Proposed Changes to January 23, 2026 printing by AM025007

DIGEST OF PROPOSED AMENDMENT

SB 1130. Replaces SB 250 with HB 1130, which does the following: (1) Establishes a regulatory framework for hemp and craft hemp. (2) Prohibits the sale of specified products to a person less than 21 years of age. Makes conforming changes.

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 7. ~~1-1-3-46.5~~ 1-2-3-33, AS AMENDED BY
2 P.L.49-2020, SECTION 2, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2026]: Sec. 33. The commission is authorized
4 to:
5 (1) investigate a violation of; and
6 (2) enforce a penalty for a violation of;
7 IC 7.1-8, IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11,
8 IC 35-46-1-11.2, IC 35-46-1-11.4, IC 35-46-1-11.5, IC 35-46-1-11.7,
9 or IC 35-46-1-11.8.
10 SECTION 2. IC 7.1-5-7-18 IS ADDED TO THE INDIANA
11 CODE AS A NEW SECTION TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2026]: Sec. ~~46.5. "THC" means~~
13 ~~tetrahydrocannabinol, including hemp derived cannabinoid~~
14 ~~products, synthetic equivalents of the substances contained in the~~
15 ~~plant or in the resinous extractives of Cannabis, and synthetic~~
16 ~~substances, derivates, and their isomers with a similar chemical~~
17 ~~structure and pharmacological activity.~~
18 ~~SECTION 2. IC 7.1-3-23-2~~ 18. (a) A law enforcement officer

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vested with full police powers and duties may engage an individual who is:

- (1) at least sixteen (16) years of age; and
- (2) less than twenty-one (21) years of age;

to receive or purchase craft hemp, a product that contains low THC hemp extract, or a product that contains craft hemp, as part of an enforcement action under this article.

(b) The initial or contemporaneous receipt or purchase of craft hemp, a product that contains low THC hemp extract, or a product that contains craft hemp may only:

- (1) occur under the direction of a law enforcement officer vested with full police powers and duties; and
- (2) be a part of the enforcement action.

SECTION 3. IC 7.1-5-10-15], AS AMENDED BY P.L. 285-2019[159-2014], SECTION 45[80], IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2-(a)

~~Except as otherwise provided in IC 7.1-8 for purposes of IC 7.1-8, the commission may: (1) fine or suspend or revoke the permit or certificate of; or (2) fine and suspend or revoke the permit or certificate of; a permittee for the violation of a provision of this title or of a rule or regulation of the commission. The commission may fine a permittee for each day the violation continues if the violation is of a continuing nature.~~

~~(b) The commission shall revoke the permit of a permittee for the violation of IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4. A finding that a permittee has violated IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4 must be supported by a preponderance of the evidence.~~

~~SECTION 3. IC 7.1-4-7-4, AS AMENDED BY P.L.224-2005, SECTION 23,>~~[15. (a) A person who, knowing that another person is intoxicated, sells, barter, delivers, or gives away an alcoholic beverage or a product containing THC (tetrahydrocannabinol) to the intoxicated person commits a Class B misdemeanor.

(b) In any civil proceeding in which damages are sought from a permittee or a permittee's agent for the refusal to serve a person an alcoholic beverage or a product containing THC (tetrahydrocannabinol), it is a complete defense if the permittee or agent reasonably believed that the person was intoxicated or was otherwise not entitled to be served an alcoholic beverage or a product containing THC (tetrahydrocannabinol).

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1 (c) After charges have been filed against a person for a violation
2 of subsection (a), the prosecuting attorney shall notify the commission
3 of the charges filed.

4 SECTION 4. IC 7.1-5-10-15.5] IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. <4. (a) Except as
6 provided in subsection (b), and except as otherwise provided in
7 IC 7.1-8 for purposes of IC 7.1-8, the chairman and the department
8 shall deposit the money collected under sections 1, 2, and 3 of this
9 chapter daily with the treasurer of state, and not later than the fifth day
10 of the following month shall cover:

11 — (1) thirty-four percent (34%) of the money collected under
12 section 1 of this chapter into the enforcement and administration
13 fund established under IC 7.1-4-10-1; and (2) sixty-six percent
14 ((66%)) of the money collected under section 1 of this chapter and
15 money collected under sections 2 and 3 of this chapter into the
16 state general fund for state general fund purposes:

17 — (b) The chairman and the department shall deposit all money
18 collected under IC 7.1-2-5-3, IC 7.1-2-5-8, IC 7.1-3-17.5,
19 IC 7.1-3-17.7, IC 7.1-3-22-9, and IC 7.1-4-4.1-5 daily with the treasurer
20 of state, and not later than the fifth day of the following month shall
21 cover the money into the enforcement and administration fund
22 established under IC 7.1-4-10-1.

23 — SECTION 4. IC 7.1-5-7-7>[15.5. (a) As used in this section,
24 "furnish" includes barter, deliver, sell, exchange, provide, or give away.

25 (b) A person who furnishes an alcoholic beverage or a product
26 containing THC (tetrahydrocannabinol) to a person is not liable in
27 a civil action for damages caused by the impairment or intoxication of
28 the person who was furnished the alcoholic beverage or product
29 containing THC (tetrahydrocannabinol) unless:

- 30 (1) the person furnishing the alcoholic beverage or product
- 31 containing THC (tetrahydrocannabinol) had actual knowledge
- 32 that the person to whom the alcoholic beverage or product
- 33 containing THC (tetrahydrocannabinol) was furnished was
- 34 visibly intoxicated at the time the alcoholic beverage or product
- 35 containing THC (tetrahydrocannabinol) was furnished; and
- 36 (2) the intoxication of the person to whom the alcoholic beverage
- 37 or product containing THC (tetrahydrocannabinol) was
- 38 furnished was a proximate cause of the death, injury, or damage
- 39 alleged in the complaint.

40 (c) If a person who is at least twenty-one (21) years of age suffers
41 injury or death proximately caused by the person's voluntary
42 intoxication, the:

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(1) person;
(2) person's dependents;
(3) person's personal representative; or
(4) person's heirs;
may not assert a claim for damages for personal injury or death against
a person who furnished an alcoholic beverage or a product containing
THC (tetrahydrocannabinol) that contributed to the person's
intoxication, unless subsections (b)(1) and (b)(2) apply.

SECTION 5. IC 7.1-7-2-10], AS AMENDED BY
P.L. <159-2014>[206-2017], SECTION <49>[9], IS AMENDED TO
READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. <7>[10].

<(a) Subject to IC 7.1-5-1-6.5, it is a Class C misdemeanor for a minor
to knowingly:-

- (1) possess an alcoholic beverage or a product containing
THC;
- (2) consume an alcoholic beverage or a product containing
THC; or
- (3) transport an alcoholic beverage or a product containing
THC on a public highway when not accompanied by at least one
(1) of the minor's parents or guardians.
- (b) If a minor is found to have violated subsection (a)(2) or (a)(3)
while operating a vehicle, the court may order the minor's driving
privileges suspended for up to one (1) year. However, if the minor is
less than eighteen (18) years of age, the court shall order the minor's
driving privileges suspended for at least sixty (60) days.
- (c) The court shall deliver any order suspending a minor's driving
privileges under this section to the bureau of motor vehicles, which
shall suspend the minor's driving privileges under IC 9-24-18-12.2 for
the period ordered by the court.

— SECTION 5. IC 7.1-5-7-8, AS AMENDED BY P.L.32-2019,
SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2026]: Sec. 8. (a) It is a Class B misdemeanor for a person to
recklessly, knowingly, or intentionally sell, barter, exchange, provide,
or furnish an alcoholic beverage or a product containing THC to a
minor:

- (b) However, the offense described in subsection (a) is:-
- (1) a Class A misdemeanor if the person has a prior unrelated
conviction under this section; and (2) a Level 6 felony if the
consumption, ingestion, or use of the alcoholic beverage or
product containing THC is the proximate cause of the serious
bodily injury or death of any person.
- (c) A person who knowingly or intentionally:-

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~~— (1) rents property; or — (2) provides or arranges for the use of property; for the purpose of allowing or enabling a minor to consume an alcoholic beverage or a product containing THC on the property commits a Class C infraction. However, the violation is a Class B misdemeanor if the person has a prior unrelated adjudication or conviction for a violation of this section within the previous five (5) years:~~

~~— (d) This section shall not be construed to impose civil liability upon any postsecondary educational institution, including public and private universities and colleges, business schools, vocational schools, and schools for continuing education, or its agents for injury to any person or property sustained in consequence of a violation of this section unless the institution or its agent:~~

~~— (1) sells, barter, exchanges, provides, or furnishes an alcoholic beverage or a product containing THC to a minor; or (2) either: — (A) rents property; or (B) provides or arranges for the use of property; for the purpose of allowing or enabling a minor to consume an alcoholic beverage or a product containing THC on the property.~~

~~— SECTION 6. IC 7.1-5-7-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 15. A person twenty-one (21) years of age or older who knowingly or intentionally encourages, aids, or induces a minor to unlawfully possess an alcoholic beverage or a product containing THC commits a Class C infraction.~~

~~— SECTION 7. IC 7.1-5-7-16, AS AMENDED BY P.L.216-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16. The commission shall conduct random unannounced inspections at locations where alcoholic beverages or products containing THC are sold or distributed to ensure compliance with this title. Only the commission may conduct the random unannounced inspections. The commission may use retired or off duty law enforcement officers to conduct inspections under this section.~~

~~— SECTION 8. IC 7.1-5-7-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 18. (a) A law enforcement officer vested with full police powers and duties may engage an individual who is:~~

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~~— (1) at least sixteen (16) years of age; and (2) less than twenty-one (21) years of age; to receive or purchase a product that contains any amount of THC as part of an enforcement action under this article.~~

~~— (b) The initial or contemporaneous receipt or purchase of a product that contains any amount of THC must:~~

~~— (1) occur under the direction of a law enforcement officer vested with full police powers and duties; and (2) be a part of the enforcement action.— SECTION 9. IC 7.1-5-10-15, AS AMENDED BY P.L.159-2014, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 15. (a) A person who, knowing that another person is intoxicated, sells, barter, delivers, or gives away an alcoholic beverage **or a product containing THC** to the intoxicated person commits a Class B misdemeanor.~~

~~— (b) In any civil proceeding in which damages are sought from a permittee or a permittee's agent for the refusal to serve a person an alcoholic beverage **or a product containing THC**, it is a complete defense if the permittee or agent reasonably believed that the person was intoxicated or was otherwise not entitled to be served an alcoholic beverage **or a product containing THC**.~~

~~— (c) After charges have been filed against a person for a violation of subsection (a), the prosecuting attorney shall notify the commission of the charges filed.~~

~~— SECTION 10. IC 7.1-5-10-15.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 15.5. (a) As used in this section, "furnish" includes barter, deliver, sell, exchange, provide, or give away.~~

~~— (b) A person who furnishes an alcoholic beverage **or a product containing THC** to a person is not liable in a civil action for damages caused by the impairment or intoxication of the person who was furnished the alcoholic beverage **or product containing THC** unless:~~

~~— (1) the person furnishing the alcoholic beverage **or product containing THC** had actual knowledge that the person to whom the alcoholic beverage **or product containing THC** was furnished was visibly intoxicated at the time the alcoholic beverage **or product containing THC** was furnished; and (2) the intoxication of the person to whom the alcoholic beverage **or product containing THC** was furnished was a proximate cause of the death, injury, or damage alleged in the complaint.~~

~~— (c) If a person who is at least twenty-one (21) years of age suffers injury or death proximately caused by the person's voluntary~~

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1 ~~intoxication, the: (1) person; (2) person's dependents; (3)~~
 2 ~~person's personal representative; or (4)~~
 3 ~~person's heirs; may not assert a claim for~~
 4 ~~damages for personal injury or death against~~
 5 ~~a person who furnished an alcoholic~~
 6 ~~beverage or a product containing THC that~~
 7 ~~contributed to the person's intoxication;~~
 8 ~~unless subsections (b)(1) and (b)(2) apply.~~
 9 ~~SECTION 11. IC 7.1-7-3-4 IS ADDED TO THE INDIANA CODE~~
 10 ~~AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY~~
 11 ~~1, 2026]: Sec. 4. An e-liquid that is a hemp derived cannabinoid~~
 12 ~~product is subject to this article and IC 7.1-8.~~
 13 ~~SECTION 12 > [(a) "E-liquid" means a substance that:~~
 14 ~~(1) may or may not contain nicotine; and~~
 15 ~~(2) is intended to be vaporized and inhaled using a vapor~~
 16 ~~product.~~
 17 ~~(b) This subsection applies before July 1, 2026. The term does~~
 18 ~~not include a craft hemp flower product as defined in~~
 19 ~~IC 35-31.5-2-68.9.~~
 20 ~~(c) This subsection applies after June 30, 2026. The term does~~
 21 ~~not include:~~
 22 ~~(1) a craft hemp flower product as defined in~~
 23 ~~IC 35-31.5-2-68.9; and~~
 24 ~~(2) low THC hemp extract as defined in IC 35-48-1.1-27.~~
 25 ~~SECTION 6]. IC 7.1-8 IS ADDED TO THE INDIANA CODE AS~~
 26 ~~A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,~~
 27 ~~2026]:~~
 28 ~~ARTICLE 8. <HEMP-DERIVED-CANNABINOID~~
 29 ~~PRODUCTS Chapter 1. Applicability, Purpose, and Effective~~
 30 ~~Date Sec. 1. This article is effective October 1, 2026.~~
 31 ~~Sec. 2. (a) This article does not limit the powers or duties of the~~
 32 ~~commission under IC 7.1-2.~~
 33 ~~(b) This article may not be construed to restrict or limit any~~
 34 ~~law under IC 35-48.~~
 35 ~~Sec. 3. The purpose of this article is to promote the health and~~
 36 ~~safety of hemp derived cannabinoid products by:~~
 37 ~~(1) ensuring hemp derived cannabinoid products sold in~~
 38 ~~Indiana meet federal laws and regulations; (2) creating a~~
 39 ~~permitting scheme for hemp derived cannabinoid products~~
 40 ~~in Indiana so that hemp derived cannabinoid products may~~
 41 ~~be sold and have law enforcement oversight; and (3)~~
 42 ~~requiring persons distributing hemp derived cannabinoid~~

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1 products in Indiana to have valid permits and to submit an
 2 applicable certificate of analysis to the commission:
 3 ~~— Sec. 4. The definitions in IC 35-48-8 apply throughout this~~
 4 ~~chapter:~~
 5 ~~— Sec. 5. A product that purports to be a hemp derived~~
 6 ~~cannabinoid product, but is in violation of this article, is to be~~
 7 ~~treated as marijuana (as defined in IC 35-48-1.1-29):~~
 8 ~~— Chapter 2>~~ [CRAFT HEMP
 9 Chapter 0.5. Application
 10 Sec. 1. Notwithstanding any other law, a retailer, distributor,
 11 manufacturer, or out-of-state supplier who was in operation before
 12 January 1, 2026, may continue to operate without a permit issued
 13 under this article until December 31, 2026, if the retailer,
 14 distributor, or manufacturer applies for a permit to sell, distribute,
 15 or manufacture craft hemp by December 31, 2026.
 16 Chapter 1]. Definitions
 17 ~~Sec. 1. <The definitions in this chapter apply throughout this~~
 18 ~~article:~~
 19 ~~— Sec. 2. "Batch" means a specific quantity of a specific product~~
 20 ~~containing cannabinoids derived from hemp that is:~~
 21 ~~— (1) manufactured at the same time; (2) manufactured using~~
 22 ~~the same: — (A) methods; (B) equipment; and (C)~~
 23 ~~ingredients; that are uniform and~~
 24 ~~intended to meet specifications for~~
 25 ~~identity, strength, purity, and~~
 26 ~~composition; and (3) manufactured;~~
 27 ~~packaged, and labeled according to a~~
 28 ~~single batch production record that is:~~
 29 ~~— (A) executed; and (B)~~
 30 ~~documented.~~
 31 ~~— Sec. 3. "CBD product" means a product that contains a~~
 32 ~~cannabidiol or cannabigerol but does not contain~~
 33 ~~tetrahydrocannabinol, any other cannabinoids, or any other~~
 34 ~~controlled substances.~~
 35 ~~— Sec. 3.5. "Container" has the meaning set forth in~~
 36 ~~IC 35-48-8-2.~~
 37 ~~— Sec. 4. (a) "Hemp derived cannabinoid product" has the~~
 38 ~~meaning set forth in IC 35-48-8-4.~~
 39 ~~— Sec. 5. "Hemp distributor" means a person who distributes~~
 40 ~~hemp derived cannabinoid products and has a permit under~~
 41 ~~IC 7.1-8-10.~~
 42 ~~— Sec. 6. "Hemp manufacturer" means a person who produces~~

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~~hemp derived cannabinoid products and has a permit under IC 7.1-8-9:~~

~~— Sec. 7. "Hemp retailer" means a person who sells or dispenses a hemp derived cannabinoid product and has a permit under IC 7.1-8-11:~~

~~— Sec. 8. "Law enforcement officer" [As used in this article, "convenience store" means a retail establishment that:~~

(1) has a retail premises that is less than three thousand five hundred (3,500) square feet; and

(2) sells prepackaged food, snacks, and beverages, and that may sell gasoline or automotive products.

The term does not include a drug store.

Sec. 2. As used in this article, "craft hemp" means a craft hemp flower product, craft hemp flower, and low THC hemp extract.

Sec. 3. As used in this article, "craft hemp flower" has the meaning set forth in IC 35-31-~~5-2-185~~:

~~— Sec. 9. "Marijuana" [5-2-68.8.~~

Sec. 4. As used in this article, "craft hemp flower product" has the meaning set forth in IC 35-31.5-2-68.9.

Sec. 5. As used in this article, "drug store" has the meaning set forth in IC 7.1-1-3-15.

Sec. 6. As used in this article, "low THC hemp extract" has the meaning set forth in IC 35-48-1-~~1-29~~:

~~— Sec. 10. "Permit holder" means a person who holds a valid [1-27.~~

Sec. 7. As used in this article, "restricted grocery store" means a retail establishment that:

(1) is primarily engaged in the retail sale of a general food line that includes:

(A) canned and frozen foods;

(B) fresh fruits and vegetables;

(C) fresh and prepared meat, fish, and poultry;

(D) groceries or gourmet foods in combination with general lines of new merchandise, including apparel, furniture, and appliances; or

(E) specialty or gourmet foods; and

(2) has a retail premises that is at least three thousand five hundred (3,500) square feet.

Chapter 1.5. Craft Hemp Permits

Sec. 1. (a) The holder of a] permit issued under this article<

~~— Chapter 3. Commission Duties~~

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~~Sec. 1. The commission~~ shall ~~enforce~~ keep and ~~administer this article.~~

~~Sec. 2. The commission shall:~~

- ~~(1) issue permits under this article;~~
- ~~(2) assess fees to permit holders;~~
- ~~(3) approve or deny permit applications;~~
- ~~(4) create an online data base for permit information, certificate of analysis information, and other information related to hemp derived cannabinoid products in Indiana;~~
- ~~(5) monitor all permit holders;~~
- ~~(6) monitor all hemp derived cannabinoid products manufactured, distributed, and retailed in Indiana;~~
- ~~(7) test all hemp derived cannabinoid products as necessary to ensure compliance with this article;~~
- ~~(8) train excise officers to implement and enforce this article; and~~
- ~~(9) create an affidavit for purposes of IC 7.1-8-6-1(a).~~

~~Sec. 3. The commission may audit the records of a permit holder at any time to ensure compliance with:~~

- ~~(1) this article;~~
- ~~(2) rules adopted by the commission;~~
- ~~(3) permit requirements; and~~
- ~~(4) permit conditions.~~

~~Sec. 4. (a) The commission may inspect a~~ maintain all invoices of craft hemp that is purchased or acquired. Each invoice must contain the following information:

- (1) The permit numbers of each party in a transaction.
- (2) The transaction date or dates.
- (3) The expiration date or dates of each permit holder's ~~records;~~
- ~~(1) records;~~
- ~~(2) property, including vehicles;~~
- ~~(3) hemp; and~~
- ~~(4) hemp derived cannabinoid products.~~

~~(b) The commission may conduct an inspection under this section independently or in cooperation with:~~

- ~~(1) the state police department;~~
- ~~(2) a federal law enforcement agency; or~~
- ~~(3) a local law enforcement agency.~~

~~Chapter 4. Prescription Drugs~~

~~Sec. 1. This article does not apply to the sale or possession of the following:~~

- ~~(1) Marinol;~~
- ~~(2) Syndros.~~
- ~~(3) Cesamet.~~
- ~~(4) Epidiolex.~~

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~~conduct a state or national criminal history background check of the applicant.~~

~~— (b) The commission shall deposit an application fee received under subsection (a)(3) in the hemp derived cannabinoid products fund established by IC 7.1-8-16.~~

~~— Sec. 4. (a) Upon receipt of a permit application under this chapter, the commission shall forward a copy of the application to the state police department.~~

~~— (b) The state police department shall do the following:~~

~~— (1) Perform a state or national criminal history background check of the applicant.~~

~~— (2) Determine if the applicant was convicted, in the previous five (5) years, of: — (A) a federal crime having a sentence of at least one (1) year; — (B) a Level 1, Level 2, Level 3, Level 4, or Level 5 felony under Indiana law; — (C) a drug-related Level 6 felony or misdemeanor; — (D) a crime in a state other than Indiana having a penalty equal to the penalty for a Level 1, Level 2, Level 3, Level 4, or Level 5 felony; or — (E) a drug related felony or misdemeanor in a state other than Indiana.~~

~~— (3) Return the application to the commission with the state police department's determinations and a copy of the state or national criminal history background check.~~

~~— (c) The commission may assess a fee of one hundred dollars (\$100) on behalf of the state police department to conduct criminal background checks.~~

~~— (d) The commission shall review a permit application and criminal background check information returned from the state police department.~~

~~— (e) If the commission determines that all the requirements under this chapter have been met and that a permit should be granted to the applicant, the commission shall approve the application for issuance of a permit.~~

~~— Sec. 5. (a) The commission may not issue a permit under this chapter to an individual who: — (1) is less than twenty-one (21) years of age; (2) is not registered with the secretary of state to do business in Indiana; (3) has or had an interest in a hemp permit;~~

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~~an alcohol permit, or a tobacco sales certificate that has been revoked by the commission in the previous five (5) years; (4) does not have lawful status (as defined in IC 9-13-2-92.3); (5) has been convicted within five (5) years; and the conviction has not been expunged under IC 35-38-9; before the date of application of:~~

- ~~(A) a federal crime having a sentence of at least one (1) year;~~
 - ~~(B) a Level 1, Level 2, Level 3, Level 4, or Level 5 felony under Indiana law;~~
 - ~~(C) a drug related Level 6 felony or misdemeanor;~~
 - ~~(D) a crime in a state other than Indiana having a penalty equal to the penalty for a Level 1, Level 2, Level 3, Level 4, or Level 5 felony; or~~
 - ~~(E) a drug related felony or misdemeanor in a state other than Indiana;~~
 - ~~(6) is non compos mentis; or~~
 - ~~(7) has made an application for a permit under this title that has been denied less than one (1) year prior to the person's application for a hemp permit unless the first application was denied by reason of a procedural or technical defect.~~
- ~~(b) Subsection (a)(1) does not prevent a minor from being a stockholder in a corporation.~~

~~Sec. 6. (a) A permit issued by the commission under this article must contain the following information:-~~

- ~~(1) The permit number.~~
- ~~(2) The >[permit or permits.~~
- ~~(4) Each] permit holder's <name.~~
- ~~(3) The name and address of the business for which the permit is issued.~~
- ~~(4) The expiration date of the permit.~~
- ~~(b) A >[address.~~
- ~~(b) The holder of a] permit issued under this article <is:-~~
- ~~(1) valid for one (1) year after the date of issuance, unless the~~

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~~commission suspends or revokes the permit; and (2) nontransferable.~~

~~Sec. 7. The commission may adopt rules under IC 4-22-2 to establish procedures for the issuance, renewal, reinstatement, and maintenance of a permit under this article.~~

~~Chapter 6.~~ [must:

(1) keep the invoices described in subsection (a) on the permit holder's premises; and

(2) make the invoices described in subsection (a) available for inspection by the commission.

Chapter 2. Craft Hemp Retail| Permits

~~Sec. 1. (a) <If a permit holder sells a hemp business and permit issued under this article, the new owner:~~

~~(1) must also file a new application for that type of hemp permit that the previous owner held; (2) is subject to all of the rules and regulations that applied to the previous permit holder; and (3) must provide the commission with proof of the sale, including: (A) a purchase agreement; or (B) an affidavit signed by the applicant on the form described in IC 7.1-8-3-2(9).~~

~~(b) The previous permit holder's permit is void after the later >~~ [A person may not sell or otherwise distribute in exchange for consideration craft hemp directly to a consumer for consumption off the permitted premises without a valid craft hemp retail permit issued by the commission.

(b) The commission may issue not more than twenty thousand (20,000) craft hemp retail permits.

(c) The commission may issue a restricted craft hemp retail permit to a drug store or restricted grocery store authorizing the sale of one (1) or more| of the following:

(1) <The date of the sale of the business.

~~(2) The date of the transfer of the business.~~

~~(c) >~~ [A product containing not more than three-tenths of one percent (0.3%) total THC (tetrahydrocannabinol).

(2) A beverage described in IC 35-31.5-2-68.9(a)(4)(C).

~~(d) The commission may <choose to not issue a permit to the new owner if the new owner does not comply with the application requirements of this article.~~

~~Sec. 2. (a) A separate permit is required for each location in which a hemp derived cannabinoid product is manufactured, distributed, or sold.~~

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~~—(b) A person may have multiple permits for manufacturing, distributing, or retail selling of hemp, but a person may not have both: (1) manufacturing and distribution permits; (2) manufacturing and retail permits; or (3) distribution and retail permits.~~

~~—Sec. 3. A person who has been approved to be a hemp permit holder must conspicuously display the holder's hemp permit on the holder's premises, and keep the permit posted and displayed, as soon as the commission has approved the permit and as long as the permit is valid.~~

~~—Sec. 4. The commission shall not issue more than one (1) type of permit under this article to a person.~~

~~—Chapter 7. Deposit of Permits~~

~~—Sec. 1. (a) If a permit holder is unable to immediately operate the business for which the permit was issued, the permit holder shall deposit the permit with the commission, subject to the commission's approval. The commission may approve the deposit of the permit for the following terms:~~

~~—(1) An initial term of deposit that expires twenty-four (24) months after the date of the commission's approval.~~

~~—(2) An extension of the term of deposit that expires twelve (12) months after the date the initial term of deposit under subdivision (1) expires.~~

~~—(3) An extension of the term of deposit that expires twelve (12) months after the date the initial term of deposit under subdivision (2) expires.~~

~~—(4) An extension of the term of deposit that expires twelve (12) months after the date the initial term of deposit under subdivision (3) expires.~~

~~—(b) If the permit has not expired or reverted to the commission, a permit holder may withdraw a permit that is deposited with the commission and make the permit active at any time before the term of deposit expires, subject to any requirements of the commission.~~

~~—Sec. 2. (a) A permit reverts to the commission if:~~

~~—(1) a term of deposit under section 1(a) of this chapter expires without the commission approving an extension of the term; and (2) the permit is not active.~~

~~—(b) At least ninety (90) days before the date that a term of deposit expires, the commission shall provide written notice to the permit holder of the date that: (1) the term of deposit expires; and (2) the permit will revert to~~

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~~the commission if: (A) the permit is not active; or (B) an extension of the term of deposit has not been approved by the commission.~~

~~Sec. 3. This section sets out the procedure for a permit holder to request deposit of a permit or extension of a term of deposit. A permit holder must do the following:~~

~~(1) Submit the permit holder's request for deposit or an extension of the term of deposit to the commission in writing. A permit holder must submit a request for extension at least sixty (60) days before the term of deposit expires.~~

~~(2) To make an initial request for deposit of a permit, submit documentation of the following: (A) The specific reasons why the business for which the permit was issued is not immediately operational:~~

~~(B) A timetable for making the business and the permit active;~~

~~(C) A detailed statement of the permit holder's efforts to make the business operational and the permit active.~~

~~(3) To request an extension of a term of deposit, appear at a public meeting of the commission and provide to the commission's satisfaction an explanation of the following:~~

~~(A) The specific reasons why the business for which the permit was issued is not immediately operational;~~

~~(B) A timetable for making the business operational and the permit active;~~

~~(C) A detailed statement of the permit holder's efforts to make the business operational and the permit active.~~

~~(4) Submit to the commission any other documentation of the permit holder's efforts under subdivision (3)(C), including:~~

~~(A) contracts for construction or renovation of the permit premises; (B) zoning applications and approvals; and (C) building permits and any other necessary government approvals.~~

~~(5) If the commission approves the permit holder's initial request for deposit or request for an extension of a term of deposit, pay any permit renewal fees that are due.~~

~~Sec. 4. The commission shall send a notice by mail or electronic mail to a person of: (1) the commission's approval or denial of a request for deposit or~~

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~~extension of a term of deposit; and (2) if the permit holder's request is approved: (A) the date that the term of deposit expires; and (B) any fees that are due and payable by the permit holder.~~

~~A person adversely affected by the commission's determination under this chapter may seek judicial review of the determination under IC 4-21-5.~~

~~Chapter 8. Suspension, Revocation, and Reinstatement of Permits Sec. 1. (a) The commission may suspend or revoke a hemp permit if the permit holder fails to pay a civil penalty ordered by the commission.~~

~~(b) Before enforcing the imposition of a civil penalty or suspending or revoking a hemp permit, the commission shall:~~

~~(1) provide written notice of the alleged violation to the permit holder; and (2) conduct a hearing.~~

~~(c) If the commission: (1) imposes a civil penalty; or (2) suspends or revokes a hemp permit; the commission shall issue a written notice to the permit holder within ten (10) business days.~~

~~(d) The commission shall suspend a hemp permit for ninety (90) days if the commission finds by a preponderance of the evidence that the permit holder has committed a crime or that a crime was committed on the premises of the hemp permit holder.~~

~~Sec. 2. (a) If a permit has expired or been suspended under this article, the commission may not reinstate or renew the permit until the permit holder has paid all civil penalties imposed by the commission.~~

~~(b) The failure to pay a civil penalty described in subsection (a), after ninety (90) days, is a Class B infraction.~~

~~(c) If the commission has revoked a hemp permit, the commission may not reinstate or renew the permit until at least one hundred eighty (180) days after the revocation. The commission may reinstate an expired or revoked permit if the applicant demonstrates that the applicant will:~~

~~(1) exercise due diligence on the applicant's premises; and (2) properly supervise and train the applicant's employees or agents that will handle the hemp derived cannabinoid products.~~

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1 ~~— (d) If a permit is reinstated or renewed under this section, the~~
 2 ~~applicant must pay a new nonrefundable application fee of two~~
 3 ~~hundred fifty dollars (\$250).~~
 4 ~~— (e) As a condition of reinstatement of a hemp permit, the~~
 5 ~~permit holder must train its employees on the laws and rules~~
 6 ~~governing the proper handling of hemp derived cannabinoid~~
 7 ~~products in Indiana.~~
 8 ~~— Chapter 9. Manufacturer Permits~~
 9 ~~— Sec. 1. (a) A person shall not manufacture a hemp derived~~
 10 ~~cannabinoid product without holding a valid hemp manufacturer~~
 11 ~~permit issued by the commission.~~
 12 ~~— (b) A hemp manufacturer shall only purchase hemp from a~~
 13 ~~person licensed to grow hemp under IC 15-15-13.~~
 14 ~~— Sec. 2. (a) The commission may issue a hemp derived~~
 15 ~~cannabinoid products manufacturer permit~~ [issue a craft hemp
 16 retail permit to a convenience store.
 17 (e) A craft hemp retail permit may be issued] only to a person
 18 ~~who~~ ~~— (1) intends to manufacture hemp derived~~
 19 ~~cannabinoid products; (2) owns or operates~~ ~~— a~~
 20 ~~premises consisting of a permanent building or~~
 21 ~~structures in which hemp derived cannabinoid~~
 22 ~~products can be manufactured; and (3) meets the~~
 23 ~~commission's requirements for a hemp derived~~
 24 ~~cannabinoid products~~ [structure where the craft
 25 hemp is sold or distributed.
 26 (f) A craft hemp retail permit holder may only purchase craft
 27 hemp from a craft hemp] ~~manufacturer permit~~ ~~—~~
 28 ~~— (b) The commission shall charge~~ [holder or a craft hemp
 29 distributor permit holder.
 30 (g) A person who is a craft hemp retail permit holder and a
 31 retail alcoholic beverage permit holder may serve craft hemp
 32 beverages in the original container for consumption on the
 33 permitted premises.
 34 Sec. 2. (a) A person who desires a craft hemp retail permit
 35 under this chapter must provide the following to the commission:
 36 (1) The applicant's name and mailing address and the
 37 address of the premises for which the permit is being issued.
 38 (2) A fee of] one thousand dollars (\$1,000) for ~~— a hemp~~
 39 ~~derived cannabinoid products manufacturer permit~~
 40 ~~annually. The~~ [each retail location.
 41 (3) The name under which the applicant transacts or intends
 42 to transact business.

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(4) The address of the applicant's principal place of business or headquarters, if any.

(5) The statement required under section 4 of this chapter.

(6) If the applicant is applying for a new permit under section 6 of this chapter, a copy of each of the following:

(A) If the new ownership of the business is a business entity, the articles of incorporation, articles of organization, or any other formation documents of the business entity.

(B) If the new ownership of the business is an individual, either:

(i) the sales or purchase agreement; or

(ii) an affidavit signed by the applicant concerning the sale or purchase, on a form prescribed by the commission, that includes the name and address of the seller and purchaser.

(C) The permit held by the previous ownership of the business.

(b) A separate craft hemp retail permit is required for each location where the craft hemp is sold or distributed. A retail establishment may not hold more than one (1) active craft hemp retail permit for a retail location at any time.

(c) A craft hemp retail permit holder shall conspicuously display the holder's permit on the holder's premises where the craft hemp is sold or distributed.

(d) Any intentional misstatement or suppression of a material fact in an application filed under this section constitutes grounds for denial of the craft hemp retail permit.

(e) A craft hemp retail permit may be issued only to a person who meets the following requirements:

(1) If the person is an individual, the person must be at least twenty-one (21) years of age.

(2) The person must be authorized to do business in Indiana.

(3) The person has not had an interest in a permit revoked by the commission for that business location within the preceding one (1) year.

(f) The fees collected under this section shall be deposited in the enforcement and administration fund under IC 7.1-4-10.

Sec. 3. (a) Subject to available resources, the| commission shall <deposit this fee in the hemp derived cannabinoid products fund established by IC 7.1-8-16.

~~— (c) A hemp manufacturer may only sell hemp derived~~

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1 ~~cannabinoid products to a hemp distributor~~>[not issue a craft
2 hemp retail permit, except as otherwise authorized in this title and
3 subject to the other restrictions contained in this title, to the
4 following persons:

5 (1) A person who does not have lawful status (as defined in
6 IC 9-13-2-92.3).

7 (2) A person who has been convicted within five (5) years
8 before the date of application of:

9 (A) a federal crime having a sentence of at least one (1)
10 year;

11 (B) a Level 1, Level 2, Level 3, Level 4, or Level 5 felony;
12 or

13 (C) a crime in a state other than Indiana having a
14 penalty equal to the penalty for an Indiana Level 1,
15 Level 2, Level 3, Level 4, or Level 5 felony.

16 However, this subdivision does not apply to a conviction that
17 has been expunged under IC 35-38-9.

18 (3) A person who does not meet at least one (1) of the
19 following descriptions:

20 (A) The person owns the premises to which the permit
21 will be applicable.

22 (B) The person has a valid lease on the premises:

23 (i) at the time of the application for a permit; and

24 (ii) for the duration of the period in which the
25 person sells or distributes in the manner described
26 in section 1 of this chapter.

27 (C) The person has a franchise agreement with a
28 franchisor:

29 (i) that owns the premises to which the permit will
30 be applicable; or

31 (ii) that has a bona fide lease on the premises for the
32 full period for which the permit is to be issued.

33 (4) A person whose place of business is conducted by a
34 manager or agent, unless the manager or agent possesses the
35 same qualifications required for the issuance of a craft hemp
36 retail permit to the person.

37 (5) A minor.

38 (6) A person non compos mentis.

39 (7) A person who has held a permit under this article or a
40 permit under this title and who has had that permit under
41 this article or this title, as applicable, revoked within one (1)
42 year prior to the date of application for a craft hemp retail

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permit.
(8) A person who has made an application for a permit under this article or a permit of any type under this title that has been denied less than one (1) year prior to the person's application for a craft hemp retail permit unless the first application was denied by reason of a procedural or technical defect.

(b) Subsection (a)(5) does not prevent a minor from being a stockholder in a corporation.

Sec. 4. An application for a craft hemp retail permit must contain the express statement of the applicant that the applicant consents for the duration of the permit term (if the commission issues the permit to the applicant) to the entrance, inspection, and search by an enforcement officer, without a warrant or other process, of the applicant's retail premises to determine whether the applicant is complying with the provisions of this title. The consent required by this section is renewed and continued by the retention of a permit or the permit's use by the applicant or the applicant's agents.

Sec. 5. (a) A craft hemp retail permit issued by the commission under this chapter must contain the following information:

- (1) The permit number.
- (2) The permit holder's name.
- (3) The permanent location of the business for which the permit is issued.
- (4) The expiration date of the permit.

(b) A craft hemp retail permit is:
(1) valid for two (2) years after the date of issuance, unless the commission suspends the permit; and
(2) nontransferable.

(c) A craft hemp retail permit may be renewed. The fee for renewing a permit is one thousand dollars (\$1,000) for each retail location.

Sec. 6. If the majority of the ownership of a business that is a craft hemp retail permit holder is sold or transferred:

- (1) the new ownership of the business must apply for a new permit under section 2 of this chapter; and
- (2) the permit and the permit number held by the previous ownership of the business are void ninety (90) days after the date of the sale or transfer of the ownership of the business.

Sec. 7. The commission may adopt rules under IC 4-22-2 to establish procedures for the issuance, renewal, and reinstatement

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of a craft hemp retail permit.

Sec. 8. (a) Subject to subsection (b), the commission may suspend the craft hemp retail permit of a person who fails to pay a civil penalty imposed by the commission.

(b) Before enforcing the imposition of a civil penalty or suspending or revoking a craft hemp retail permit under this chapter, the commission shall provide written notice of the alleged violation to the permit holder and conduct a hearing. The commission shall provide written notice of the civil penalty or suspension or revocation of a permit to the permit holder.

~~(d) A hemp manufacturer may only manufacture hemp derived cannabinoid products in Indiana.~~

~~Chapter 10.~~[c] Subject to subsection (b), the commission shall revoke the craft hemp retail permit of a person upon a finding by a preponderance of the evidence that the person:

- (1) has violated IC 7.1-8-5-2 or IC 7.1-8-8-2;
- (2) has committed habitual furnishing of craft hemp to a minor as established under IC 7.1-8-8-2(g); or
- (3) has committed habitual illegal entrance by a minor as established under IC 35-46-1-11.7(f).

Sec. 9. (a) If a craft hemp retail permit has:

- (1) expired; or
- (2) been suspended;

the commission may not reinstate or renew the permit until all civil penalties imposed against the permit holder for violating IC 7.1-8-5-2, IC 7.1-8-8-2, or IC 35-46-1-11.7 have been paid.

(b) The failure to pay a civil penalty described in subsection (a) is a Class B infraction.

(c) If a craft hemp retail permit has been revoked, the commission may not reinstate or renew the permit for at least one hundred eighty (180) days after the date of revocation. The commission may reinstate or renew the permit only upon a reasonable showing by the applicant that the applicant shall:

- (1) exercise due diligence in the sale of craft hemp on the applicant's premises where the craft hemp is sold or distributed; and
- (2) properly supervise and train the applicant's employees or agents in the handling and sale of craft hemp.

If a permit is reinstated or renewed, the applicant of the permit shall pay an application fee of one thousand dollars (\$1,000).

Sec. 10. The commission may mitigate civil penalties imposed against a craft hemp retail permit holder for violating IC 7.1-8-5-2,

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1 IC 7.1-8-8-2, IC 35-46-1-11.7, or any of the provisions of this
 2 chapter if the permit holder provides a training program for the
 3 permit holder's employees that includes at least the following
 4 topics:

5 (1) Laws governing the sale of craft hemp.

6 (2) Methods of recognizing and handling customers who are
 7 less than twenty-one (21) years of age.

8 (3) Procedures for proper examination of identification cards
 9 to verify that customers are less than twenty-one (21) years
 10 of age.

11 Sec. 11. A craft hemp retail permit holder shall exercise due
 12 diligence in the supervision and training of the permit holder's
 13 employees or agents in the handling and sale of craft hemp on the
 14 permit holder's retail premises.

15 Sec. 12. (a) An employee of a craft hemp retail permit holder
 16 must hold a valid:

17 (1) driver's license issued by the state of Indiana or another
 18 state; or

19 (2) identification card issued by the state of Indiana, another
 20 state, or the United States;

21 to sell craft hemp.

22 (b) An employee must have the employee's driver's license or
 23 identification card or a copy of the employee's driver's license or
 24 identification card:

25 (1) either:

26 (A) in the employee's possession; or

27 (B) on file with the employee's employer; and

28 (2) upon request, readily available to show to an excise
 29 officer or law enforcement officer;

30 when selling craft hemp.

31 (c) If an employee holds a valid license or identification card
 32 as described in subsection (a) but is unable to show the license,
 33 identification card, or a copy to an excise officer or law
 34 enforcement officer under subsection (b) because:

35 (1) the employee has left the license, identification card, or
 36 copy in another location; or

37 (2) the license, identification card, or copy has otherwise
 38 been lost or mislaid;

39 the employee may, within five (5) days of the employee's inability
 40 to show the license, identification card, or copy to the excise officer
 41 or law enforcement officer, produce to the excise officer or law
 42 enforcement officer or to the office of the commission satisfactory

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evidence of a license or identification card issued to the employee that was valid at the time the employee was unable to show the license, identification card, or copy.

(d) If an employee who is unable to show a license, identification card, or copy to an excise officer or law enforcement officer fails to produce satisfactory evidence within five (5) days in the manner described in subsection (c), the commission may impose a civil penalty on the permit holder.

Sec. 13. (a) If a craft hemp retail permit holder fails to attend or participate in a hearing without good cause, the hearing judge may recommend to the commission that the commission suspend or revoke the permit holder's permit or impose a fine on the permit holder of up to one thousand dollars (\$1,000).

(b) A hearing judge may grant a continuance of a hearing upon written motion showing good cause for the continuance.

Sec. 14. If a craft hemp retail permit holder sells or distributes craft hemp at a location:

- (1) determined to be a public nuisance; or
- (2) at which conduct or acts that are crimes or infractions under IC 35 occur;

the commission may impose sanctions against the permit holder.

Sec. 15. This section applies to a person holding a tobacco sales certificate. A person holding a tobacco sales certificate may not be issued a craft hemp retail permit if the person has received a violation within the previous three (3) years for any of the following:

- (1) Violating IC 7.1-3-18.5-11 (public nuisance).
- (2) Habitual illegal sale of tobacco to a person less than twenty-one (21) years of age (IC 35-46-1-10.2).
- (3) Allowing a minor to enter a licensed premises (IC 35-46-1-11.7).
- (4) Selling tobacco, an e-liquid, or an electronic cigarette containing vitamin E acetate (IC 35-46-1-11.9).
- (5) Dealing in paraphernalia (IC 35-48-4-8.5).

Sec. 16. (a) A retail location may not sell craft hemp if the retail location is within one thousand (1,000) feet of a private school, public school, or charter school that includes any grade from kindergarten through grade 12.

(b) If a retailer provides the commission with documentation that establishes that craft hemp was offered for sale at a retail location before January 1, 2026, the retail location may sell craft hemp even if it is within one thousand (1,000) feet of a school.

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Chapter 3. Craft Hemp Distributor Permits

Sec. 1. (a) A person ~~<shall not purchase hemp derived cannabinoid products from a hemp manufacturer without holding a valid>~~ [may not distribute craft hemp to a retailer without a valid craft] hemp distributor permit issued by the commission. <

~~— (b) A person shall not sell hemp derived cannabinoid products to a hemp retailer without holding a valid>~~ [A craft] hemp distributor [permit holder may sell craft hemp to a craft hemp retail permit holder.

(b) A craft hemp distributor permit does not authorize a person to sell craft hemp products directly to a consumer.

(c) A craft hemp distributor permit holder must purchase craft hemp from a craft hemp manufacturer permit holder or from an out-of-state craft hemp supplier permit holder.

(d) A craft hemp distributor permit may be issued only to a person who owns or operates premises consisting of a permanent building or structure from which the craft hemp is distributed.

Sec. 1.5. (a) A person located outside of Indiana may not distribute craft hemp to a person located within Indiana without a valid out-of-state craft hemp supplier]permit issued by the commission<

~~— (c) A person shall not distribute hemp derived cannabinoid products without holding a valid hemp distributor permit issued by the commission:~~

~~— Sec. 2. (a)>~~ [under subsection (b).

(b) The commission may issue <a> [an out-of-state craft hemp supplier permit based on the factors set forth in section 2 of this chapter.

(c) An out-of-state craft hemp supplier permit holder may sell craft hemp directly to a consumer if the consumer is at least twenty-one (21) years of age and located within Indiana at the time of the sale and delivery.

(d) A parcel in which craft hemp is mailed to an Indiana purchaser must be marked as follows: "CONTAINS CRAFT HEMP. NOT FOR DELIVERY TO A PERSON UNDER THE AGE OF 21."

Sec. 2. (a) A person who desires a craft] hemp distributor permit< to a person who intends to distribute hemp derived cannabinoid products and meets the commission's requirements for a hemp derived cannabinoid products distributor permit.

~~— (b) The commission shall charge seven hundred fifty dollars (\$750) for a hemp distributor permit annually:~~

SB 250—LS 7117/DI 107



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- 1 ~~— (c) A hemp distributor may only sell hemp derived~~
- 2 ~~cannabinoid products to a hemp retail permit holder.~~
- 3 ~~— (d) A hemp distributor may only buy hemp derived~~
- 4 ~~cannabinoid products from a hemp manufacturer permit holder.~~
- 5 ~~— Chapter 11. Retail Permits~~
- 6 ~~— Sec. 1. (a) A hemp retail permit holder~~ under this chapter
- 7 ~~<may only purchase hemp derived cannabinoid products from a~~
- 8 ~~hemp distributor holding a valid~~ [must provide the following to
- 9 the commission:
- 10 (1) The applicant's name and mailing address and the
- 11 address of the premises for which the permit is being issued.
- 12 (2) A fee of five thousand dollars (\$5,000).
- 13 (3) The name under which the applicant transacts or intends
- 14 to transact business.
- 15 (4) The address of the applicant's principal place of business
- 16 or headquarters, if any.
- 17 (5) The statement required under section 4 of this chapter.
- 18 (6) If the applicant is applying for a new permit under
- 19 section 6 of this chapter, a copy of each of the following:
- 20 (A) If the new ownership of the business is a business
- 21 entity, the articles of incorporation, articles of
- 22 organization, or any other formation documents of the
- 23 business entity.
- 24 (B) If the new ownership of the business is an individual,
- 25 either:
- 26 (i) the sales or purchase agreement; or
- 27 (ii) an affidavit signed by the applicant concerning
- 28 the sale or purchase, on a form prescribed by the
- 29 commission, that includes the name and address of
- 30 the seller and purchaser.
- 31 (C) The permit held by the previous ownership of the
- 32 business.
- 33 (b) A separate craft] hemp distributor permit ~~<issued>~~ [is
- 34 required for each location from which the craft hemp is
- 35 distributed.
- 36 (c) A craft hemp distributor permit holder shall conspicuously
- 37 display the holder's permit on the holder's premises where the
- 38 craft hemp is distributed, and in any vehicle used for the
- 39 transportation of craft hemp.
- 40 (d) Any intentional misstatement or suppression of a material
- 41 fact in an application filed under this section constitutes grounds
- 42 for denial of the craft hemp distributor permit.

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(e) A craft hemp distributor permit may be issued only to a person who meets the following requirements:

(1) If the person is an individual, the person must be at least twenty-one (21) years of age.

(2) The person must be authorized to do business in Indiana.

(3) The person has not had an interest in a permit revoked by the commission for that business location within the preceding one (1) year].

~~(f) A person may only purchase hemp derived cannabinoid products from a~~ [The fees collected under this section shall be deposited in the enforcement and administration fund under IC 7.1-4-10.

Sec. 3. (a) Subject to available resources, the commission shall not issue a craft hemp distributor ~~if the person holds a~~ permit, except as otherwise authorized in this title and subject to the other restrictions contained in this title, to the following persons:

(1) A person who does not have lawful status (as defined in IC 9-13-2-92.3).

(2) A person who has been convicted within five (5) years before the date of application of:

(A) a federal crime having a sentence of at least one (1) year;

(B) a Level 1, Level 2, Level 3, Level 4, or Level 5 felony;
or

(C) a crime in a state other than Indiana having a penalty equal to the penalty for an Indiana Level 1, Level 2, Level 3, Level 4, or Level 5 felony.

However, this subdivision does not apply to a conviction that has been expunged under IC 35-38-9.

(3) A person who does not meet at least one (1) of the following descriptions:

(A) The person owns the premises to which the permit will be applicable.

(B) The person has a valid lease on the premises:
(i) at the time of the application for a permit; and
(ii) for the duration of the period in which the person sells or distributes in the manner described in section 1 of this chapter.

(C) The person has a franchise agreement with a franchisor:

(i) that owns the premises to which the permit will be applicable; or

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(ii) that has a bona fide lease on the premises for the full period for which the permit is to be issued.

(4) A person whose place of business is conducted by a manager or agent, unless the manager or agent possesses the same qualifications required for the issuance of a craft hemp distributor permit to the person.

(5) A minor.

(6) A person non compos mentis.

(7) A person who has held a permit under this article or a permit under this title and who has had that permit under this article or this title, as applicable, revoked within one (1) year prior to the date of application for a craft hemp distributor permit.

(8) A person who has made an application for a permit under this article or a permit of any type under this title that has been denied less than one (1) year prior to the person's application for a craft hemp distributor permit unless the first application was denied by reason of a procedural or technical defect.

(b) Subsection (a)(5) does not prevent a minor from being a stockholder in a corporation.

Sec. 4. An application for a craft hemp distributor permit must contain the express statement of the applicant that the applicant consents for the duration of the permit term (if the commission issues the permit to the applicant) to the entrance, inspection, and search by an enforcement officer, without a warrant or other process, of the applicant's premises to determine whether the applicant is complying with the provisions of this title. The consent required by this section is renewed and continued by the retention of a permit or the permit's use by the applicant or the applicant's agents.

Sec. 5. (a) A craft hemp distributor permit issued by the commission under this chapter must contain the following information:

- (1) The permit number.
- (2) The permit holder's name.
- (3) The permanent location of the business for which the permit is issued.
- (4) The expiration date of the permit.

(b) A craft hemp distributor permit is:
(1) valid for two (2) years after the date of issuance, unless the commission suspends the permit; and

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(2) nontransferable.
(c) A craft hemp distributor permit may be renewed. The fee for renewing a permit is five thousand dollars (\$5,000).

Sec. 6. If the majority of the ownership of a business that is a craft hemp distributor permit holder is sold or transferred:

- (1) the new ownership of the business must apply for a new permit under section 2 of this chapter; and
- (2) the permit and the permit number held by the previous ownership of the business are void ninety (90) days after the date of the sale or transfer of the ownership of the business.

Sec. 7. The commission may adopt rules under IC 4-22-2 to establish procedures for the issuance, renewal, and reinstatement of a craft hemp distributor permit.

Sec. 8. (a) Subject to subsection (b), the commission may suspend the craft hemp distributor permit of a person who fails to pay a civil penalty imposed by the commission.

(b) Before enforcing the imposition of a civil penalty or suspending or revoking a craft hemp distributor permit under this chapter, the commission shall provide written notice of the alleged violation to the permit holder and conduct a hearing. The commission shall provide written notice of the civil penalty or suspension or revocation of a permit to the permit holder.

(c) Subject to subsection (b), the commission shall revoke the craft hemp distributor permit of a person upon a finding by a preponderance of the evidence that the person:

- (1) has violated IC 7.1-8-5-2 or IC 7.1-8-8-2;
- (2) has committed habitual furnishing of craft hemp to a minor as established under IC 7.1-8-8-2(g); or
- (3) has committed habitual illegal entrance by a minor as established under IC 35-46-1-11.7(f).

Sec. 9. (a) If a craft hemp distributor permit has:

- (1) expired; or
- (2) been suspended;

the commission may not reinstate or renew the permit until all civil penalties imposed against the permit holder for violating IC 7.1-8-5-2, IC 7.1-8-8-2, or IC 35-46-1-11.7 have been paid.

(b) The failure to pay a civil penalty described in subsection (a) is a Class B infraction.

(c) If a craft hemp distributor permit has been revoked, the commission may not reinstate or renew the permit for at least one hundred eighty (180) days after the date of revocation. The commission may reinstate or renew the permit only upon a

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reasonable showing by the applicant that the applicant shall:

(1) exercise due diligence in the distribution of craft hemp;

and

(2) properly supervise and train the applicant's employees or agents in the handling and distribution of craft hemp.

If a permit is reinstated or renewed, the applicant of the permit shall pay an application fee of one thousand dollars (\$1,000).

Sec. 10. The commission may mitigate civil penalties imposed against a craft hemp distributor permit holder for violating IC 7.1-8-5-2, IC 7.1-8-8-2, IC 35-46-1-11.7, or any of the provisions of this chapter if the permit holder provides a training program for the permit holder's employees that includes training in laws governing the distribution of craft hemp.

Sec. 11. A craft hemp distributor permit holder shall exercise due diligence in the supervision and training of the permit holder's employees or agents in the handling and distribution of craft hemp.

Sec. 12. (a) An employee of a craft hemp distributor permit holder must hold a valid:

(1) driver's license issued by the state of Indiana or another state; or

(2) identification card issued by the state of Indiana, another state, or the United States;

to distribute craft hemp.

(b) An employee must have the employee's driver's license or identification card or a copy of the employee's driver's license or identification card:

(1) either:

(A) in the employee's possession; or

(B) on file with the employee's employer; and

(2) upon request, readily available to show to an excise officer or law enforcement officer;

when distributing craft hemp.

(c) If an employee holds a valid license or identification card as described in subsection (a) but is unable to show the license, identification card, or a copy to an excise officer or law enforcement officer under subsection (b) because:

(1) the employee has left the license, identification card, or copy in another location; or

(2) the license, identification card, or copy has otherwise been lost or mislaid;

the employee may, within five (5) days of the employee's inability to show the license, identification card, or copy to the excise officer

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or law enforcement officer, produce to the excise officer or law enforcement officer or to the office of the commission satisfactory evidence of a license or identification card issued to the employee that was valid at the time the employee was unable to show the license, identification card, or copy.

(d) If an employee who is unable to show a license, identification card, or copy to an excise officer or law enforcement officer fails to produce satisfactory evidence within five (5) days in the manner described in subsection (c), the commission may impose a civil penalty on the permit holder.

Sec. 13. (a) If a craft hemp distributor permit holder fails to attend or participate in a hearing without good cause, the hearing judge may recommend to the commission that the commission suspend or revoke the permit holder's permit or impose a fine on the permit holder of up to one thousand dollars (\$1,000).

(b) A hearing judge may grant a continuance of a hearing upon written motion showing good cause for the continuance.

Sec. 14. If a craft hemp distributor permit holder distributes craft hemp at a location:

- (1) determined to be a public nuisance; or
- (2) at which conduct or acts that are crimes or infractions under IC 35 occur;

the commission may impose sanctions against the permit holder.

Chapter 4. Craft Hemp Manufacturer Permits

Sec. 1. (a) A person may not manufacture craft hemp without a valid craft hemp manufacturer permit issued by the commission.

(b) A craft hemp manufacturer permit may be issued only to a person who owns or operates premises consisting of a permanent building or structure where the craft hemp is manufactured.

(c) A craft hemp manufacturer permit holder may only sell craft hemp to a craft hemp distributor permit holder or a craft hemp retail permit

~~(c) A person may only sell: (1) a hemp derived cannabinoid product; and (2) a CBD product; to a member of the public if the person holds a valid hemp derived cannabinoid products~~
holder. A craft hemp manufacturer permit holder may not sell craft hemp directly to a consumer without first obtaining a craft hemp retail permit issued

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by the commission.

Sec. 2. (a) ~~The commission may issue a hemp derived cannabinoid products retail permit to a person who:~~

~~(1) intends to sell hemp derived cannabinoid products; and~~

~~(2) meets the commission's requirements for a hemp derived cannabinoid products retail permit.~~

~~(b) The commission shall charge five hundred fifty dollars (\$550) for a hemp derived cannabinoid products retail permit annually. The commission shall deposit this fee in the hemp derived cannabinoid products fund established by IC 7-1-8-16.~~

~~Sec. 3. (a) It is a Class C infraction for a hemp retail permit holder or an employee or agent of a hemp retail permit holder to recklessly, knowingly, or intentionally sell, barter, exchange, provide, or furnish another person who is or reasonably appears to be less than forty (40) years of age a hemp derived cannabinoid product without first requiring the person to produce:~~

~~(1) a driver's license; (2) an identification card issued under IC 9-24-16-1 or a similar card issued under the laws of another state or the federal government; or (3) a government issued document, bearing the person's photograph and birth date showing that the person is~~ [A person who desires a craft hemp manufacturer permit under this chapter must provide the following to the commission:

(1) The applicant's name and mailing address and the address of the premises for which the permit is being issued.

(2) A fee of five thousand dollars (\$5,000).

(3) The name under which the applicant transacts or intends to transact business.

(4) The address of the applicant's principal place of business or headquarters, if any.

(5) The statement required under section 4 of this chapter.

(6) If the applicant is applying for a new permit under section 6 of this chapter, a copy of each of the following:

(A) If the new ownership of the business is a business entity, the articles of incorporation, articles of organization, or any other formation documents of the business entity.

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(B) If the new ownership of the business is an individual, either:

- (i) the sales or purchase agreement; or
- (ii) an affidavit signed by the applicant concerning the sale or purchase, on a form prescribed by the commission, that includes the name and address of the seller and purchaser.

(C) The permit held by the previous ownership of the business.

(b) A separate craft hemp manufacturer permit is required for each location where the craft hemp is manufactured.

(c) A craft hemp manufacturer permit holder shall conspicuously display the holder's permit on the holder's premises where the craft hemp is manufactured.

(d) Any intentional misstatement or suppression of a material fact in an application filed under this section constitutes grounds for denial of the craft hemp manufacturer permit.

(e) A craft hemp manufacturer permit may be issued only to a person who meets the following requirements:

(1) If the person is an individual, the person must be at least twenty-one (21) years of age.

~~←→ [](~~b) A hemp retail permit holder does not need to request the identification of an individual to purchase a CBD product,~~→~~ [2) The person must be authorized to do business in Indiana.

(3) The person has not had an interest in a permit revoked by the commission for that business location within the preceding one (1) year.

(f) The fees collected under this section shall be deposited in the enforcement and administration fund under IC 7.1-4-10.

Sec. 3. (a) Subject to available resources, the commission shall not issue a craft hemp manufacturer permit, except as otherwise authorized in this title and subject to the other restrictions contained in this title, to the following persons:

(1) A person who does not have lawful status (as defined in IC ~~7.1-8-2-3.~~

~~— Sec. 4. A hemp retail permit holder must pay state sales tax on all products that the retail permit holder sells;~~

~~— Sec. 5. A hemp retail permit holder may not operate from a location that is within one thousand (1,000) feet of the perimeter~~→ [9-13-2-92.3).

(2) A person who has been convicted within five (5) years

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before the date of application of:

(A) a federal crime having a sentence of at least one (1) year;

(B) a Level 1, Level 2, Level 3, Level 4, or Level 5 felony;
or

(C) a crime in a state other than Indiana having a penalty equal to the penalty for an Indiana Level 1, Level 2, Level 3, Level 4, or Level 5 felony.

However, this subdivision does not apply to a conviction that has been expunged under IC 35-38-9.

(3) A person who does not meet at least one (1) of the following descriptions:

(A) The person owns the premises to which the permit will be applicable.

(B) The person has a valid lease on the premises:
(i) at the time of the application for a permit; and
(ii) for the duration of the period in which the person manufactures in the manner described in section 1 of this chapter.

(C) The person has a franchise agreement with a franchisor:
(i) that owns the premises to which the permit will be applicable; or
(ii) that has a bona fide lease on the premises for the full period for which the permit is to be issued.

(4) A person whose place of business is conducted by a manager or agent, unless the manager or agent possesses the same qualifications required for the issuance of a craft hemp manufacturer permit to the person.

(5) A minor.

(6) A person non compos mentis.

(7) A person who has held a permit under this article or a permit under this title and who has had that permit under this article or this title, as applicable, revoked within one (1) year prior to the date of application for a craft hemp manufacturer permit.

(8) A person who has made an application for a permit under this article or a permit of any type under this title that has been denied less than one (1) year prior to the person's application for a craft hemp manufacturer permit unless the first application was denied by reason of a procedural or technical defect.

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(b) Subsection (a)(5) does not prevent a minor from being a stockholder in a corporation.

Sec. 4. An application for a craft hemp manufacturer permit must contain the express statement of the applicant that the applicant consents for the duration of the permit term (if the commission issues the permit to the applicant) to the entrance, inspection, and search by an enforcement officer, without a warrant or other process, of the applicant's premises to determine whether the applicant is complying with the provisions of this title. The consent required by this section is renewed and continued by the retention of a permit or the permit's use by the applicant or the applicant's agents.

Sec. 5. (a) A craft hemp manufacturer permit issued by the commission under this chapter must contain the following information:

- (1) The permit number.
- (2) The permit holder's name.
- (3) The permanent location of the business for which the permit is issued.
- (4) The expiration date of the permit.

(b) A craft hemp manufacturer permit is:

- (1) valid for two (2) years after the date of issuance, unless the commission suspends the permit; and
- (2) nontransferable.

(c) A craft hemp manufacturer permit may be renewed. The fee for renewing a permit is five thousand dollars (\$5,000).

Sec. 6. If the majority of the ownership of a business that is a craft hemp manufacturer permit holder is sold or transferred:

- (1) the new ownership of the business must apply for a new permit under section 2 of this chapter; and
- (2) the permit and the permit number held by the previous ownership of the business are void ninety (90) days after the date of the sale or transfer of the ownership of the business.

Sec. 7. The commission may adopt rules under IC 4-22-2 to establish procedures for the issuance, renewal, and reinstatement of a craft hemp manufacturer permit.

Sec. 8. (a) Subject to subsection (b), the commission may suspend the craft hemp manufacturer permit of a person who fails to pay a civil penalty imposed by the commission.

(b) Before enforcing the imposition of a civil penalty or suspending or revoking a craft hemp manufacturer permit under this chapter, the commission shall provide written notice of the

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alleged violation to the permit holder and conduct a hearing. The commission shall provide written notice of the civil penalty or suspension or revocation of a permit to the permit holder.

(c) Subject to subsection (b), the commission shall revoke the craft hemp manufacturer permit of a person upon a finding by a preponderance of the evidence that the person:

- (1) has violated IC 7.1-8-5-2 or IC 7.1-8-8-2;
- (2) has committed habitual furnishing of craft hemp to a minor as established under IC 7.1-8-8-2(g); or
- (3) has committed habitual illegal entrance by a minor as established under IC 35-46-1-11.7(f).

Sec. 9. (a) If a craft hemp manufacturer permit has:

- (1) expired; or
- (2) been suspended;

the commission may not reinstate or renew the permit until all civil penalties imposed against the permit holder for violating IC 7.1-8-5-2, IC 7.1-8-8-2, or IC 35-46-1-11.7 have been paid.

(b) The failure to pay a civil penalty described in subsection (a) is a Class B infraction.

(c) If a craft hemp manufacturer permit has been revoked, the commission may not reinstate or renew the permit for at least one hundred eighty (180) days after the date of revocation. The commission may reinstate or renew the permit only upon a reasonable showing by the applicant that the applicant shall:

- (1) exercise due diligence in the manufacturing of craft hemp; and
- (2) properly supervise and train the applicant's employees or agents in the handling and manufacturing of craft hemp.

If a permit is reinstated or renewed, the applicant of the permit shall pay an application fee of one thousand dollars (\$1,000).

Sec. 10. The commission may mitigate civil penalties imposed against a craft hemp manufacturer permit holder for violating IC 7.1-8-5-2, IC 7.1-8-8-2, IC 35-46-1-11.7, or any of the provisions of this chapter if the permit holder provides a training program for the permit holder's employees that includes training in laws governing the manufacturing of craft hemp.

Sec. 11. A craft hemp manufacturer permit holder shall exercise due diligence in the supervision and training of the permit holder's employees or agents in the handling and manufacturing of craft hemp.

Sec. 12. (a) An employee of a craft hemp manufacturer permit holder must hold a valid:

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(1) driver's license issued by the state of Indiana or another state; or

(2) identification card issued by the state of Indiana, another state, or the United States;

to manufacture craft hemp.

(b) An employee must have the employee's driver's license or identification card or a copy of the employee's driver's license or identification card:

(1) either:

(A) in the employee's possession; or

(B) on file with the employee's employer; and

(2) upon request, readily available to show to an excise officer or law enforcement officer;

when manufacturing craft hemp.

(c) If an employee holds a valid license or identification card as described in subsection (a) but is unable to show the license, identification card, or a copy to an excise officer or law enforcement officer under subsection (b) because:

(1) the employee has left the license, identification card, or copy in another location; or

(2) the license, identification card, or copy has otherwise been lost or mislaid;

the employee may, within five (5) days of the employee's inability to show the license, identification card, or copy to the excise officer or law enforcement officer, produce to the excise officer or law enforcement officer or to the office of the commission satisfactory evidence of a license or identification card issued to the employee that was valid at the time the employee was unable to show the license, identification card, or copy.

(d) If an employee who is unable to show a license, identification card, or copy to an excise officer or law enforcement officer fails to produce satisfactory evidence within five (5) days in the manner described in subsection (c), the commission may impose a civil penalty on the permit holder.

Sec. 13. (a) If a craft hemp manufacturer permit holder fails to attend or participate in a hearing without good cause, the hearing judge may recommend to the commission that the commission suspend or revoke the permit holder's permit or impose a fine on the permit holder of up to one thousand dollars (\$1,000).

(b) A hearing judge may grant a continuance of a hearing upon written motion showing good cause for the continuance.

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Sec. 14. If a craft hemp manufacturer permit holder manufactures craft hemp at a location:

- (1) determined to be a public nuisance; or
- (2) at which conduct or acts that are crimes or infractions under IC 35 occur;

the commission may impose sanctions against the permit holder.

Chapter 5. Retail Establishments

Sec. 1. (a) Except as provided in subsection (b), a craft hemp retail establishment must keep the craft hemp behind a bar or in a location to which a purchaser does not have access. If a person purchases craft hemp, an employee of the craft hemp retail establishment shall remove the craft hemp from behind the bar or from the inaccessible location and deliver it to the purchaser.

(b) This section does not apply to the holder of a liquor dealer's permit issued under IC 7.1-3-10-4 that is also a craft hemp retail establishment.

Sec. 2. (a) A craft hemp retail establishment may not permit consumption of craft hemp on the premises of the retail establishment.

(b) This section does not apply to the service of beverages that contain craft hemp by the following holders of any beer, liquor, or wine retailer's permits issued under this title:

- (1) A racetrack.
- (2) A restaurant.
- (3) A social club.
- (4) A fraternal club.
- (5) A resort hotel.
- (6) An economic redevelopment site.
- (7) A gaming center.
- (8) An airport.
- (9) A horse track.
- (10) The state fairgrounds.
- (11) A catering hall.
- (12) A historic district.
- (13) A professional sports stadium.
- (14) A concert venue.
- (15) A permit premises within a municipal riverfront development project.

Chapter 6. Manufacturing Facilities

Sec. 1. (a) A craft hemp manufacturer must submit any proposed craft hemp packaging to the commission for preapproval before delivering or causing delivery of craft hemp to a craft hemp

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retail establishment.

(b) If the commission does not issue a denial under subsection (a) within thirty (30) days, the packaging is deemed approved and eligible for sale.

Chapter 7. Advertising

Sec. 1. (a) The commission shall have the power to regulate and prohibit advertising, signs, displays, posters, and designs intended to advertise craft hemp or the place where craft hemp is sold.

(b) The commission shall not exercise the prohibition power contained in subsection (a) for any advertisement appearing in a newspaper which:

- (1) is published at least once a week;
- (2) regularly publishes information of current news interest to the community; and
- (3) circulates generally to the public in any part of Indiana, regardless of where printed.

However, a newspaper shall not include publications devoted to special interests such as labor, religious, fraternal, society, or trade publications or journals or publications owned or issued by political organizations or parties.

(c) The commission shall not exercise the prohibition power contained in subsection (a) for any advertisement broadcast over duly licensed radio and television stations.

(d) All advertisements relating to craft hemp, whether published in a newspaper or broadcast over radio or television, shall conform to the rules and regulations of the commission.

(e) The commission shall not exercise the prohibition power contained in subsection (a) for advertising in the official program of the Indianapolis 500 Race or the Madison Regatta, Inc., Hydroplane Race.

(f) Notwithstanding any other law, the commission may not prohibit the use of an illuminated sign advertising craft hemp by brand name that is displayed within the interior or on the exterior of a premises covered by a craft hemp retail permit, regardless of whether the sign is illuminated constantly or intermittently. However, it is unlawful for a craft hemp distributor permit holder to sell, give, supply, furnish, or grant to, or maintain for, a craft hemp retail permit holder, an illuminated advertising sign in a manner that violates the trade practice restrictions of the commission or this title. It is unlawful for a craft hemp retail permit holder to receive, accept, display, or permit to be displayed,

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1 an illuminated advertising sign sold, given, supplied, furnished,
2 granted, or maintained in violation of this subsection. Unless
3 otherwise stated, when a recipient receives an illuminated
4 advertising sign, the illuminated advertising sign becomes the
5 property and responsibility of the recipient.

6 (g) The commission may not prohibit the advertisement of:
7 (1) craft hemp; or
8 (2) a place where craft hemp may be obtained;
9 in a program, scorecard, handbill, throw-away newspaper, or
10 menu. However, those advertisements must conform to the rules of
11 the commission.

12 (h) The commission shall prohibit a craft hemp retail permit
13 holder from making:
14 (1) a false advertisement;
15 (2) a misleading advertisement;
16 (3) a deceptive statement in an advertisement;
17 (4) an unsubstantiated health claim about a product that is
18 not consistent with the product's labeling; or
19 (5) a statement that disparages a competitor.

20 (i) The commission shall prohibit a craft hemp retail permit
21 holder from placing a physical advertisement within five hundred
22 (500) feet] of:
23 (1) a school;
24 (2) a playground;
25 (3) a ~~child care center; (4) a library; or (5) a government~~
26 ~~owned or operated property.~~

27 ~~Sec. 6. A~~ [church; and
28 (4) other locations that the commission determines could
29 contain minors.

30 Sec. 2. A craft hemp retail permit holder's outdoor signage
31 must comply with any applicable local ordinances or regulations
32 relating to signs.

33 Sec. 3. (a) A craft] hemp retail permit holder ~~shall prohibit~~
34 ~~the onsite consumption of hemp derived cannabinoid products on~~
35 ~~the hemp permit holder's premises.~~

36 ~~Sec. 7. A~~ [that maintains a web page must require an
37 individual to affirmatively indicate that the individual is at least
38 twenty-one (21) years of age before accessing the content of the
39 web page.

40 (b) The social media account of a craft hemp retail permit
41 holder that advertises craft hemp must contain a clearly visible
42 notice on the main page stating that only individuals at least

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twenty-one (21) years of age may follow the account.

(c) A craft hemp retail permit holder may only send electronic mail advertising its business if the recipient has affirmatively opted-in to receive electronic mail from the permit holder.

(d) A craft hemp retail permit holder that uses a QR code in an electronic advertisement must require an individual to affirmatively indicate that the individual is at least twenty-one (21) years of age before accessing the content of the site accessed by the QR code.

~~Sec. 4. A craft] hemp retail permit holder may not <deliver hemp-derived cannabinoid products to any customer:~~

~~— Sec. 8. The sale of hemp-derived cannabinoid products on the Internet is expressly prohibited. Unless specifically granted authority by a statute passed by the general assembly, the commission shall not allow the operation of or authorize online sale of hemp-derived cannabinoid products.~~

~~— Chapter 12. Carrier Permits~~

~~— Sec. 1. (a) The commission may issue a hemp carrier permit to a person who:~~

~~— (1) intends to transport hemp or hemp derived cannabinoid products: (A) between a hemp grower, licensed under IC 15-15-13-7 and a hemp manufacturer;~~

~~— (B) between a hemp manufacturer and a hemp distributor;~~

~~— (C) between a hemp distributor and a hemp retailer; or (D) between Indiana and another state; and (2) meets the commission's requirements for a hemp carrier permit.~~

~~— (b) A person transporting industrial hemp, as defined in IC 35-48-8-5, is exempt under this article but must obtain a hemp handler permit under IC 15-15-13-7 to transport industrial hemp.~~

~~— Sec. 2. (a) An applicant for a carrier permit under this chapter must submit to the commission the description of the applicant's vehicle including:~~

~~— (1) the date of manufacture of the vehicle; (2) the vehicle's approximate weight; (3) the vehicle's vehicle identification number (VIN); (4) the vehicle's license plate number; (5) the vehicle's capacity; and (6) other information that the commission requires by rule.~~

~~— (b) An applicant for a carrier permit under this chapter must submit a surety bond in a penal sum of a minimum of five thousand~~

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1 dollars (\$5,000), executed by the applicant and payable to the state
 2 of Indiana, to the commission. The bond shall be conditioned that
 3 the applicant will not violate a provision of this title, or a rule or
 4 regulation of the commission. The commission shall duly execute
 5 and approve the bond.
 6 — (c) A separate carrier permit is required for each vehicle that
 7 is used to transport hemp derived cannabinoid products.
 8 — (d) The driver of the vehicle transporting hemp derived
 9 cannabinoid products must possess the carrier permit.
 10 — (e) If a driver fails to possess a carrier permit while
 11 transporting hemp or hemp derived cannabinoid products, a law
 12 enforcement officer may seize, embargo, or retain any hemp
 13 derived cannabinoid products in the vehicle.
 14 — Sec. 3. The commission shall adopt rules under IC 4-22-2 to
 15 require an applicant for a carrier permit under this chapter to
 16 demonstrate reliability and responsibility.
 17 — Sec. 4. (a) The commission shall charge a fee of two hundred
 18 fifty dollars (\$250) for a hemp carrier permit annually.
 19 — (b) The commission shall deposit a fee received under
 20 subsection (a) in the hemp derived cannabinoid products fund
 21 established by IC 7.1-8-16.
 22 — Chapter 13. Labeling — Sec. 1. (a) A hemp manufacturer may
 23 only sell a hemp derived cannabinoid product to a hemp
 24 distributor if the hemp derived cannabinoid product is labeled in
 25 accordance with this chapter.
 26 — (b) A hemp distributor may only distribute a hemp derived
 27 cannabinoid product to a hemp retailer if the hemp derived
 28 cannabinoid product is labeled in accordance with this chapter.
 29 — (c) A hemp retailer may only sell a hemp derived cannabinoid
 30 product to a member of the public if the container or packaging of
 31 the hemp derived cannabinoid product contains a label that is in
 32 accordance with this chapter.
 33 — (d) If a person violates this chapter:
 34 — (1) a law enforcement officer shall seize any improperly
 35 labeled products; and — (2) the commission may revoke
 36 the person's permit issued under
 37 this article.
 38 — (e) A product seized under subsection (d)(1) is presumed to be
 39 marijuana as defined in IC 35-48-1.1-29.
 40 — Sec. 2. (a) A label on a hemp derived cannabinoid product
 41 must be conspicuous and include the following information:
 42 — (1) The batch number.

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- 1 ~~— (2) The hemp derived cannabinoid product permit number.~~
 2 ~~— (3) If at the manufacturing stage, the hemp manufacturer's~~
 3 ~~permit number.~~
 4 ~~— (4) If at the distribution stage, the hemp manufacturer's and~~
 5 ~~the distributor's permit numbers.~~
 6 ~~— (5) If at the retail stage, the hemp manufacturer's permit~~
 7 ~~number, the hemp distributor's permit number, and the~~
 8 ~~hemp retailer's permit number.~~
 9 ~~— (6) The weight of the product.~~
 10 ~~— (7) Test results from a Hemp Analytical Testing Laboratory~~
 11 ~~registered with the federal Drug Enforcement~~
 12 ~~Administration, indicating the: (A) percentage amount of~~
 13 ~~each cannabinoid strain, including THC and cannabidiol;~~
 14 ~~present in the hemp derived cannabinoid product; and (B)~~
 15 ~~number of milligrams of each cannabinoid strain, including~~
 16 ~~THC and cannabidiol, present in the hemp derived~~
 17 ~~cannabinoid product.~~
 18 ~~— (8) A QR code that links to the commission's online data base~~
 19 ~~with the certificate of analysis for the testing of the hemp~~
 20 ~~derived cannabinoid product.~~
 21 ~~— (9) Except as provided in subsection (b), that the product is~~
 22 ~~legally available only to an individual who is at least~~
 23 ~~twenty-one (21) years of age.~~
 24 ~~— (10) The following statement: "THE STATE OF INDIANA~~
 25 ~~HEALTH WARNING: Hemp derived cannabinoid products~~
 26 ~~can be addictive and impair an individual's ability to drive~~
 27 ~~a motor vehicle or operate heavy machinery. Smoking can~~
 28 ~~lead to an increased risk for cancer, tachycardia,~~
 29 ~~hypertension, heart attack, and lung infection. These~~
 30 ~~products may also affect the health of a pregnant woman and~~
 31 ~~the unborn child. KEEP OUT OF THE REACH OF~~
 32 ~~CHILDREN.".~~
 33 ~~— (b) Subsection (a)(9) does not apply to CBD products, as~~
 34 ~~defined in IC 7-1-8-2-3.~~
 35 ~~— Chapter 14. Containers — Sec. 1. As used in this chapter,~~
 36 ~~"container" has the meaning set forth in IC 35-48-8-2.~~
 37 ~~— Sec. 2. A person may not manufacture, sell, or distribute a~~
 38 ~~hemp derived cannabinoid product unless the product is contained~~
 39 ~~in child resistant packaging.~~
 40 ~~— Sec. 3. (a) If the commission discovers any hemp derived~~
 41 ~~cannabinoid product sold or distributed in violation of this article,~~
 42 ~~the commission may seize and take possession of the product. The~~

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~~commission shall destroy all products seized under this subsection.~~

~~— (b) The commission may impose a civil penalty on any person who sells or distributes a hemp-derived cannabinoid product in violation of this article. However, the civil penalty may not exceed the greater of: — (1) five hundred percent (500%) of the retail value of the product sold or distributed in violation of this chapter; or~~

~~— (2) five thousand dollars (\$5,000);~~

~~Chapter 15. Laboratories Sec. 1. (a) The state police department shall publish on the department's website the list of Hemp Analytical Testing Laboratories registered with the federal Drug Enforcement Administration licensed to test hemp for THC concentration in Indiana.~~

~~— (b) The commission shall notify the state police department if a laboratory listed under subsection (a) has failed to comply with this article.~~

~~— (c) The state police department shall delete a laboratory from the list described in subsection (a) after receiving a notification under subsection (b).~~

~~— Sec. 2. A hemp manufacturer must test each hemp-derived cannabinoid product that the hemp manufacturer produces at a Hemp Analytical Testing Laboratory registered with the federal Drug Enforcement Administration and listed on the state police department's website.~~

~~— Sec. 3. A hemp manufacturer must submit the following to the commission: — (1) The certificate of analysis for each product tested by a laboratory under section 2 of this chapter:~~

~~— (2) The name of the laboratory that tested the product.~~

~~— (3) The license number of the laboratory that tested the product.~~

~~— (4) A draft of a label that complies with IC 7.1-8-13.~~

~~— (5) The address of the hemp manufacturer.~~

~~— (6) The percentage of every cannabinoid contained in the product.~~

~~— (7) The terpenoid type and concentration used.~~

~~— (8) The residual solvents and processing chemicals used.~~

~~— (9) Any residual pesticides used.~~

~~— (10) Any heavy metals contained the product.~~

~~— (11) Any microbial impurities in the product.~~

~~— (12) Any mycotoxins present in the product.~~

~~— (13) Any water activity.~~

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- 1 ~~— (14) Any yeast and mold in the product.~~
- 2 ~~— (15) A statement indicating whether vitamin E acetate is in~~
- 3 ~~the product.~~
- 4 ~~— (16) The hemp grower's license number.~~
- 5 ~~— Sec. 4. The commission shall publish information compiled~~
- 6 ~~under section 3 of this chapter in the commission's data base for~~
- 7 ~~hemp derived cannabinoid products and post this information on~~
- 8 ~~the commission's website.~~
- 9 ~~— Sec. 5. (a) A hemp manufacturer, a hemp distributor, or a~~
- 10 ~~hemp retailer may not sell a hemp derived cannabinoid product~~
- 11 ~~that is not properly tested under section 2 of this chapter.~~
- 12 ~~— (b) A person who knowingly or intentionally falsifies or alters~~
- 13 ~~a certificate of analysis is subject to criminal prosecution under~~
- 14 ~~IC 35-43-5-4.~~
- 15 ~~— (c) A hemp derived cannabinoid product with a falsified or~~
- 16 ~~altered certificate of analysis is to be considered marijuana (as~~
- 17 ~~defined in IC 35-48-1.1-29).~~
- 18 ~~— Sec. 6. (a) A laboratory testing hemp under this chapter must~~
- 19 ~~submit to the hemp manufacturer each certificate of analysis that~~
- 20 ~~it performs.~~
- 21 ~~— (b) The commission shall adopt rules under IC 4-22-2 to~~
- 22 ~~implement this chapter.~~
- 23 ~~— Chapter 16. Hemp Derived Cannabinoid Products Fund~~
- 24 ~~— Sec. 1. (a) The hemp derived cannabinoid products fund is~~
- 25 ~~established as a dedicated fund administered by the state budget~~
- 26 ~~agency.~~
- 27 ~~— (b) All money received by the commission for deposit in the~~
- 28 ~~hemp derived cannabinoid products fund shall be deposited in the~~
- 29 ~~fund.~~
- 30 ~~— (c) The commission shall deposit in the fund all:~~
- 31 ~~— (1) fees for permits received under this article; and (2)~~
- 32 ~~application fees received under this article.~~
- 33 ~~— (d) No portion of the fund shall revert to the state general fund~~
- 34 ~~at the end of a state fiscal year. However, if the fund is abolished,~~
- 35 ~~its contents shall revert to the state general fund.~~
- 36 ~~— (e) All money accruing in the fund is continuously~~
- 37 ~~appropriated for the purposes in this chapter.~~
- 38 ~~— Sec. 2. In each state fiscal year, the prior state fiscal year~~
- 39 ~~collections accrued to the fund shall be used by the commission as~~
- 40 ~~follows: — (1) Seventy percent (70%) by the commission for~~
- 41 ~~the administration of the purposes of this article.~~
- 42 ~~— (2) Twenty percent (20%) pursuant to the hemp derived~~

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~~products law enforcement program as described in section 3 of this chapter:~~

~~(3) Five percent (5%) to the division of mental health and addiction to provide funding for the 988 suicide and crisis hotline.~~

~~(4) Five percent (5%) to the state general fund.~~

~~Sec. 3. (a) The hemp derived cannabinoid products law enforcement program is established and shall be administered by the commission.~~

~~(b) The state budget agency may distribute funds as part of the hemp derived cannabinoid products law enforcement program as follows:~~

~~(1) To the state police department for >[do any of] the following:~~

- ~~(A) Funding ARHDE training at the Indiana state police department academy.~~
- ~~(B) Purchasing oral fluid testing material for roadside hemp and cannabis testing.~~
- ~~(C) The destruction of confiscated or illegal hemp derived cannabinoid products.~~
- ~~(D) Funding other items necessary to enforce this article.~~

~~(2) To local law enforcement agencies for oral fluid testing material for roadside hemp and cannabis testing.~~

~~(3) To prosecuting attorneys for the following:~~

- ~~(A) Training programs.~~
- ~~(B) Legal and court costs associated with the prosecution of violations related to hemp derived cannabinoid products or marijuana.~~
- ~~(C) Other items necessary to enforce this article.~~

~~Chapter 17. Advertising~~

~~Sec. 1. (a) A permit holder under this article shall not engage in any advertising of hemp derived cannabinoid products or a business that sells hemp derived cannabinoid products that:~~

- ~~(1) is false or misleading;~~
- ~~(2) promotes overconsumption of hemp derived cannabinoid products;~~
- ~~(3) depicts actual consumption of hemp derived cannabinoid products;~~
- ~~(4) depicts a person less than twenty-one (21) years of age;~~
- ~~(5) makes any health, medical, or therapeutic claims about cannabis or hemp~~

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~~derived cannabinoid products;~~
~~(6) uses the image of a cannabis leaf or bud;~~ ~~(7) includes any image designed or likely to appeal to minors;~~ ~~(8) uses~~ **(1) Use** items such as toys or inflatables, movie or cartoon characters, or any other depiction or image likely to be appealing to children, if the item, image, or depiction suggests an intent to cause children to become interested in the purchase or consumption of **craft** hemp ~~derived cannabinoid products; or~~.

1 (~~9~~**2**) ~~u~~ **U**se or employ a commercial mascot outside of, and in proximity to, a permitted business.

~~(b) A permit holder shall not place or pay for any advertising of hemp derived cannabinoid products or a business that sells hemp derived cannabinoid products within one thousand (1,000) feet of the perimeter of:~~ (1) a school; (2) a playground; (3) a child care center; (4) a library; or (5) a government owned or government operated property.

~~(c) A permit holder shall not place or pay for any advertising of hemp derived cannabinoid products or a business that sells hemp derived cannabinoid products:~~

~~(1) on or in a private vehicle; (2) on or in a public transit vehicle;~~ (3) at a public transit shelter; (4) at a bus stop; (5) at a taxi stand; (6) in a train station; or (7) in an airport.

~~(d) The commission may assess a penalty of two thousand dollars (\$2,000) per day for a violation under this chapter.~~

~~Chapter 18. Product Testing~~

~~Sec. 1. The commission may do spot testing of hemp derived cannabinoid products to ensure compliance with this article.~~

~~Sec. 2. (a) If the commission tests a hemp derived cannabinoid product that: (1) was manufactured, distributed, or sold by a permit holder; or (2) is for sale by a permit holder; the permit holder shall pay the commissioner two hundred fifty dollars (\$250)~~

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for each test.

~~— (b) The commission shall adopt rules under IC 4-22-2 concerning the recall of hemp derived cannabinoid products due to: (1) improper or false labeling; or (2) health and safety concerns.~~

~~— (c) The commission may adopt a rule under IC 4-22-2 to increase the fee described in subsection (a) if the testing costs exceed the fee.~~

~~Chapter 19. Enforcement Actions~~

~~Sec. 1. If the commission, the state police department, a federal law enforcement agency, or a local law enforcement agency finds that a permit holder possesses a product that purports to be a hemp derived cannabinoid product and does not meet the requirements of this article, the product is considered to be marijuana (as defined in IC 35-48-1.1-29). The commission, state police department, federal law enforcement agency, or local law enforcement agency may:~~

- ~~(1) detain, seize, or embargo the product;~~
- ~~(2) seize the building containing the product; and~~
- ~~(3) seize the vehicle used to transport or store the product.~~

~~Chapter 20. Crimes~~ Sec. 1:

~~(a) A person who knowingly or intentionally transports hemp derived cannabinoid products: (1) between a hemp manufacturer and a hemp distributor; or (2) between a hemp distributor and a hemp retailer; without holding a valid hemp derived cannabinoid products carrier permit commits a Class B misdemeanor > [~~

Chapter 8. Criminal Acts

Sec. 1. (a) This section does not apply to a person who holds a permit to sell, distribute, or manufacture craft hemp].

~~(b) A person who knowingly or intentionally < transports a hemp derived cannabinoid product into or through Indiana that was manufactured outside of Indiana > [:~~

- (1) purchases;
- (2) receives;
- (3) manufactures;
- (4) imports;
- (5) transports;

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- (6) causes to be imported or transports from another state, territory, or country, into Indiana;
- (7) ships;
- (8) barters;
- (9) gives away;
- (10) exchanges;
- (11) furnishes;
- (12) handles; or
- (13) possesses;

craft hemp or a product containing THC (tetrahydrocannabinol) for purposes of sale,] commits a Class <A> [B] misdemeanor.

~~(c) <The commission may revoke the person's hemp-carrier permit for violating this section:~~

~~— Sec. 2. A law enforcement agency may seize hemp or hemp derived cannabinoid products that are being transported in violation of this article:~~

~~— Sec. 3. (a) It is unlawful for a person to possess an article, instrument, imitation, or counterfeit of a permit issued under this article, other than a permit lawfully issued to the person and which the person is lawfully entitled to possess:~~

~~— (b) It is unlawful for a person to display an imitation or counterfeit of a permit issued under this article for the purpose of defrauding the state of the payment of a tax or permit fee imposed by this title:~~

~~— (c) A person > [An individual] who knowingly or intentionally [acquires craft hemp from a person that the individual knows does not hold an appropriate permit under this article to sell, distribute, manufacture, or give craft hemp commits a Class B misdemeanor.~~

Sec. 2. (a) A person who recklessly, knowingly, or intentionally sells, barters, exchanges, provides, or furnishes:

- (1) craft hemp; or
 - (2) a product containing THC (tetrahydrocannabinol);
- to a minor commits dealing craft hemp to a minor, a Class A misdemeanor.

- (b) An offense described in subsection (a) is a:
 - (1) Level 6 felony if the person has a prior unrelated conviction under this section; or
 - (2) Level 5 felony if the consumption, ingestion, or use of the craft hemp or product containing THC (tetrahydrocannabinol) is the proximate cause of serious bodily injury to or the death of an individual.

(c) The following defenses are available to a person or permit

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holder accused of dealing craft hemp to a minor:

(1) The buyer or recipient produced a driver's license that included the purchaser's or recipient's photograph and indicated the purchaser or recipient is at least twenty-one (21) years of age to make the purchase.

(2) The buyer or recipient produced a photographic identification card issued under IC 9-24-16-1 or a similar card issued under the laws of another state or the federal government that indicated the purchaser or recipient was at least twenty-one (21) years of age to make the purchase.

(3) An ordinary, prudent individual would believe the purchaser or recipient was not less than forty (40) years of age based on the purchaser's or recipient's appearance.

(d) It is a defense to a prosecution under this section that a permit holder sold or provided craft hemp to a minor who acted in the ordinary course of employment or a business concerning craft hemp for the following activities:

- (1) Agriculture.
- (2) Processing.
- (3) Transporting.
- (4) Wholesaling.
- (5) Retailing.

(e) A person who distributes or sells craft hemp product directly to purchasers through a website must use a reliable online age verification system or obtain and examine a copy of the purchaser's government issued identification.

~~(f) A permit holder who] violates subsection (a) or (<b) commits a Class A misdemeanor. However, the offense is a Level 6 felony after the first offense.~~

~~—Sec. 4. A person>~~(e) is subject to the following civil penalties:

- (1) One thousand dollars (\$1,000) for the first violation.
- (2) Five thousand dollars (\$5,000) for a second violation that occurs within two (2) years of a first violation and the suspension of the permit for up to six (6) months.
- (3) Ten thousand dollars (\$10,000) for each subsequent violation that occurs within two (2) years of the preceding violation and the revocation of the permit.

(g) A permit holder who violates subsection (a) at least three (3) times in a one (1) year period commits habitual furnishing of craft hemp to a minor.

(h) A retailer whose permit is suspended under subsection (f)(2) may reapply for a permit after one (1) year of the suspension.

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Sec. 3. (a) A minor who knowingly or intentionally ~~<sells or offers to sell a hemp derived cannabinoid product over the Internet or by delivery commits a Class A misdemeanor.~~

~~— Sec. 5. A person who knowingly or intentionally sells a hemp derived cannabinoid product that has been recalled under IC 7-1-8-18 commits~~ >[possesses:

(1) craft hemp; or

(2) a product containing THC (tetrahydrocannabinol);

commits possession of craft hemp by a minor, a Class B misdemeanor ~~<. — Sec. 6.>[.~~

(b) It is a defense to a prosecution under this section that the accused minor acted in the ordinary course of employment or a business concerning craft hemp for the following activities:

(1) Agriculture.

(2) Processing.

(3) Transporting.

(4) Wholesaling.

(5) Retailing.

Sec. 4. (a) As used in this section, "adulterated craft hemp flower product" means:

(1) a craft hemp flower product or a purported craft hemp flower product that contains an ingredient that is illegal under or prohibited by:

(A) state law;

(B) federal law;

(C) a commission rule; or

(D) a commission regulation;

(2) a craft hemp flower product or a purported craft hemp flower product for which the commission does not have a certificate of analysis on file; or

(3) a craft hemp flower product that does not substantially correspond to its certificate of analysis.

(b) A person who knowingly or intentionally ~~<violates this article commits a deceptive act that is actionable by the attorney general under IC 24-5-0.5 and is subject to the penalties listed in IC 24-5-0.5. — SECTION 13>~~ >[sells, gives away, barter, furnishes, exchanges, possesses, or keeps adulterated craft hemp flower product commits a Class B misdemeanor.

SECTION 7]. IC 9-13-2-86, AS AMENDED BY P.L.186-2025, SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 86. "Intoxicated" means under the influence of:

(1) alcohol;

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- 1 (2) a controlled substance (as defined in IC 35-48-1.1);
- 2 (3) a drug other than alcohol or a controlled substance;
- 3 (4) a substance described in IC 35-46-6-2 or IC 35-46-6-3;
- 4 ~~[(5)] a combination of substances described in subdivisions (1)~~
- 5 ~~through (4); <any amount of tetrahydrocannabinol>; or~~
- 6 **(5) craft hemp (as defined in IC 7.1-8-1-2);**
- 7 (6) any other substance, not including food and food ingredients
- 8 (as defined in IC 6-2.5-1-20), tobacco (as defined in
- 9 IC 6-2.5-1-28), or a dietary supplement (as defined in
- 10 IC 6-2.5-1-16); or
- 11 **(7) a <ny> combination of substances <listed> [described] in <**
- 12 **subdivisions (1) through (6)> [this section];**

so that there is an impaired condition of thought and action and the loss of normal control of a person's faculties.

SECTION ~~<14. IC 9-13-2-160>~~ **8. IC 15-15-13-6.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6.7. As used in this chapter, "work in progress hemp extract" means a compound:**

- 19 **(1) derived from hemp;**
- 20 **(2) intended to be processed into a hemp product;**
- 21 **(3) in a partially processed state;**
- 22 **(4) having a concentration of delta-9-tetrahydrocannabinol**
- 23 **that exceeds three-tenths of one percent (0.3%) by dry**
- 24 **weight; and**
- 25 **(5) not marketed for consumer use or consumption.**

SECTION 9. IC 15-15-13-11, AS AMENDED BY P.L.190-2019, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11. Only a hemp licensee, the licensee's designee, or the licensee's agents may be permitted to transport hemp **or work in progress hemp extract** off a production site. When transporting hemp **or work in progress hemp extract** off the production site, the hemp licensee, designee, or agent shall have in the licensee's, designee's, or agent's possession the licensing documents from the state seed commissioner evidencing that the hemp **or work in progress hemp extract** is from certified seed produced by a licensed grower.

SECTION 10. IC 15-15-13-11].5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. ~~<160.5. "Schedule I drug", for purposes of this title, includes marijuana (as defined in IC 35-48-1.1-29), hemp (as defined in IC 35-48-8-3), and tetrahydrocannabinol (as defined in IC 7.1-1-3-46.5).~~

~~SECTION 15. IC 15-15-13-0.5, AS ADDED BY P.L.165-2014,~~

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1 ~~SECTION 1, IS AMENDED TO READ AS FOLLOWS~~
 2 ~~[EFFECTIVE JULY 1, 2026]: Sec. 0.5. (a) The state seed~~
 3 ~~commissioner shall administer this chapter.~~
 4 ~~— (b) The state seed commissioner shall share information~~
 5 ~~regarding the hemp program established~~ [11.5. (a) Subject to
 6 subsection (b), a handler holding a valid license] under this chapter
 7 ~~<with the state police department.~~
 8 ~~— (c) The state seed commissioner shall report and provide to the~~
 9 ~~United States Secretary of Agriculture required information under~~
 10 ~~7 CFR 990.7 within thirty (30) days of the information being~~
 11 ~~received. SECTION 16. IC 15-15-13-1~~ [may possess,
 12 manufacture, store, transport, or sell work in progress hemp
 13 extract.
 14 (b) Work in progress hemp extract may be sold only to a:
 15 (1) handler holding a valid license under this chapter;
 16 (2) person holding a valid hemp or cannabis license in
 17 another jurisdiction; or
 18 (3) craft hemp manufacturer permit holder, as described in
 19 IC 7.1-8-4.
 20 SECTION 11. IC 15-15-13-19], AS AMENDED BY
 21 P.L. ~~<190-2019>~~ [186-2025], SECTION ~~<2>~~ [105], IS AMENDED TO
 22 READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. ~~<1. (a)~~
 23 ~~Nothing in this chapter authorizes any person to violate any federal law~~
 24 ~~or regulation.~~
 25 ~~— (b) Any state hemp grow programs may not operate above~~
 26 ~~federal restrictions or limitations.~~
 27 ~~— (b) (c) Nothing in this chapter authorizes the~~ [19. (a) Hemp bud
 28 (as defined in IC 35-48-1.1-23) and hemp flower (as defined in
 29 IC 35-48-1.1-24) Craft hemp flower (as defined in
 30 IC 35-31.5-2-68.8) may be transported or sold intrastate only to a
 31 processor licensed under this chapter for processing or
 32 manufacturing into a legal hemp product, including a craft hemp
 33 flower product (as defined in IC 35-31.5-2-68.9).
 34 (b) Craft hemp flower may be sold and transported interstate
 35 in accordance with section 11 of this chapter.
 36 ~~(b) (c) The]~~ state seed commissioner ~~<to regulate a hemp product~~
 37 ~~or a hemp derived cannabinoid product under IC 7.1-8.~~
 38 ~~— SECTION 17. IC 15-15-13-3, AS AMENDED BY P.L. 190-2019,~~
 39 ~~SECTION 3,~~ [may impose a civil penalty under section 13 of this
 40 chapter for a violation of subsection (a).
 41 SECTION 12. IC 16-42-2-2] IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. ~~<3. As used in this~~

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1 chapter, "crop" means any hemp grown under a single **hemp grower's**
 2 **license issued under this chapter.**
 3 ~~SECTION 18. IC 15-15-13-3.5 IS ADDED TO THE INDIANA~~
 4 ~~CODE AS A NEW SECTION TO READ AS FOLLOWS~~
 5 ~~[EFFECTIVE JULY 1, 2026]: Sec. 3.5. "Grow site" means any place~~
 6 ~~or location, either indoors or outdoors, where a hemp crop is~~
 7 ~~legally grown.~~ SECTION 19. IC 15-15-13-4 > [2. (a) A food is
 8 considered adulterated under any of the following conditions:
 9 (1) If the food bears or contains any poisonous or deleterious
 10 substance that may make the food injurious to health. However,
 11 if the substance is not an added substance, the food is not to be
 12 considered adulterated under this subdivision if the quantity of
 13 the substance in the food does not ordinarily make the food
 14 injurious to health.
 15 (2) If:
 16 (A) the food bears or contains any added poison or added
 17 deleterious substance (other than a poison or a deleterious
 18 substance that is a pesticide chemical in or on a raw
 19 agricultural commodity, a food additive, or a color additive)
 20 that is unsafe within the meaning of section 5 of this
 21 chapter;
 22 (B) the food is a raw agricultural commodity and the food
 23 bears or contains a pesticide chemical that is unsafe under
 24 section 5 of this chapter; or
 25 (C) the food is or contains a food additive that is unsafe
 26 under section 5 of this chapter.
 27 However, when a pesticide chemical is used in or on a raw
 28 agricultural commodity in conformity with an exemption granted
 29 or tolerance prescribed under section 5 of this chapter and the
 30 raw agricultural commodity has been subjected to processing
 31 such as canning, cooking, freezing, dehydrating, or milling, the
 32 residue of the pesticide chemical remaining in or on the
 33 processed food, notwithstanding section 5 of this chapter and
 34 clause (C) is not considered unsafe if the residue in or on the raw
 35 agricultural commodity has been removed to the extent possible
 36 in good manufacturing practice, and the concentration of the
 37 residues in the processed food, when ready to eat, is not greater
 38 than the tolerance prescribed for the raw agricultural commodity.
 39 (3) If the food consists in whole or in part of a diseased,
 40 contaminated, filthy, putrid, or decomposed substance or if the
 41 food is otherwise unfit for food.
 42 (4) If the food has been produced, transported, handled,

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- prepared, packed, or held under unsanitary conditions or in unsanitary containers as the result of which the food may have become contaminated with filth or made diseased, unwholesome, or injurious to health.
- (5) If the food is, in whole or in part, the product of:
 - (A) a diseased animal;
 - (B) an animal that has died otherwise than by slaughter; or
 - (C) an animal that has been fed upon the uncooked offal from a slaughterhouse.
- (6) If the food's container is composed in whole or in part of any poisonous or deleterious substance that may make the contents injurious to health.
- (7) If the food has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a rule or an exemption in effect under section 5 of this chapter.
- (8) If any valuable constituent has been in whole or in part omitted or abstracted from the food.
- (9) If any substance has been substituted wholly or in part.
- (10) If damage or inferiority has been concealed in any manner.
- (11) If any substance has been added to the food or mixed or packed with the food to:
 - (A) increase the food's bulk or weight;
 - (B) reduce the food's quality or strength;
 - (C) make the food appear better or of greater value than the food is; or
 - (D) create a deceptive appearance.
- (12) If the food bears or contains a coal-tar color other than one from a batch that has been certified by the federal Food and Drug Administrator, as provided by regulations promulgated under authority of the Federal Act.
- (13) If the food is a confectionery and has partially or completely ~~imbedded~~ **embedded** in the food any nonnutritive object. However, this subdivision does not apply in the case of any nonnutritive object if, in the judgment of the state department as provided by rules, the nonnutritive object is of practical, functional value to the confectionery product and would not make the product injurious or hazardous to health.
- (14) If the food is a confectionery and bears or contains any alcohol other than alcohol not in excess of one-half of one percent (0.5%) by volume derived solely from the use of flavoring extracts.
- (15) If the food is a confectionery and bears or contains any

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nonnutritive substance. However, this subdivision does not apply to a safe, nonnutritive substance if:

(A) the nonnutritive substance is in or on a confectionery for a practical, functional purpose in the manufacture, packaging, or storing of the confectionery; and

(B) the use of the substance does not promote deception of the consumer or otherwise result in adulteration or misbranding in violation of any provision of IC 16-42-1 through IC 16-42-4. In addition, the state department may, for the purpose of avoiding or resolving uncertainty as to the application of this subdivision, adopt rules allowing or prohibiting the use of particular nonnutritive substances.

(16) If the food falls below the standard of purity, quality, or strength that the food purports or is represented to possess.

(17) If the food is or bears or contains any color additive that is unsafe under section 5 of this chapter.

(b) Subsection (a)(8) and (a)(9) do not prohibit:

(1) the removal of butterfat from; or

(2) the addition of skim milk to;

dairy products that comply with the definitions and standards for dairy products adopted by the state department.

(c) A food is not considered adulterated for containing low THC hemp extract (as defined in IC 35-48-1.1-27) or craft hemp flower (as defined in IC 35-31.5-2-68.8).

SECTION 13. IC 24-4-21-3], AS AMENDED BY P.L.190-2019, SECTION ~~4~~[24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. A person may distribute low THC hemp extract in Indiana only if the distributor has a certificate of analysis prepared by an independent testing laboratory showing:

(1) that the low THC hemp extract is the product of a batch tested by the independent testing laboratory;

(2) that the independent testing laboratory determined that the batch contained not more than three-tenths percent (0.3%) total delta-9-tetrahydrocannabinol (THC), including precursors, by weight or volume, based on the testing of a random sample of the batch; and

(3) the cannabidiol percent present of the low THC hemp extract.

SECTION 14. IC 24-4-21-4, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY], IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. ~~As used in this chapter;~~

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~~"grower" means: (1) an individual, a partnership, a company, or a corporation that produces grows hemp; for commercial purposes; or (2) a person, as part of a hemp research program conducted by a state educational institution (as defined by IC 21-7-13-32).~~

~~SECTION 20. IC 15-15-13-5, AS AMENDED BY P.L.190-2019, SECTION 5>~~ (a) Except as provided in subsection (b), low THC hemp extract must be distributed in packaging that contains the following information:

(1) A scannable bar code or QR code linked to a document that contains information with respect to the manufacture of the low THC hemp extract, including the:

- (A) batch identification number;
- (B) product name;
- (C) batch date;
- (D) expiration date, which must be not more than two (2) years from the date of manufacture;
- (E) batch size;
- (F) total quantity produced;
- (G) ingredients used, including the:
 - (i) ingredient name;
 - (ii) name of the company that manufactured the ingredient;
 - (iii) company or product identification number or code, if applicable; and
 - (iv) ingredient lot number; and
- (H) download link for a certificate of analysis for the low THC hemp extract.

- (2) The batch number.
- (3) The Internet address of a web site website to obtain batch information.
- (4) The expiration date.
- (5) The number of milligrams of low THC hemp extract.
- (6) The manufacturer.
- (7) The fact that the product contains not more than three-tenths of one percent (0.3%) total delta-9-tetrahydrocannabinol (THC), including precursors; by weight or volume.

(b) Before July 1, 2018, low THC hemp extract may be distributed in Indiana without having met the requirements described in subsection (a).

(b) After June 30, 2026, the packaging of low THC hemp

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extract may not:

- (1) contain any statement, artwork, or design that could reasonably mislead any person to believe that the package contains anything other than low THC hemp extract; or
- (2) bear an unauthorized trademark, trade name, famous mark, or other identifying mark, imprint, or device, or any likeness thereof.

SECTION 15. IC 24-4-22-3, AS ADDED BY P.L.153-2018, SECTION 10], IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. ~~5. (a) As used in this chapter, "handler" means an individual, a partnership, a company, or a corporation that receives industrial hemp for scientific research, or for processing into agricultural commodities, industrial hemp, products, or agricultural hemp seed.~~

~~— (b) The term does not include a person processing or handling hemp derived cannabinoid products under IC 7.1-8.~~

~~— SECTION 21. IC 15-15-13-6, AS AMENDED BY P.L.190-2019, SECTION 6, IS AMENDED >~~[3. (a) Except as provided in subsection (b); A person may sell low THC hemp extract at retail only if the packaging complies with the requirements of IC 24-4-21-4.

(b) Before July 1, 2018; a person may sell low THC hemp extract at retail even if the packaging does not comply with the requirements of IC 24-4-21-4.

(b) Beginning July 1, 2026, no low THC hemp extract may be distributed, sold, or offered for sale at retail or online to a person who is less than twenty-one (21) years of age.

(c) Any website owned, managed, or operated by a person who distributes or sells low THC hemp extract directly to consumers must verify a consumer's age by either using a reliable online age verification service, or by obtaining and examining a copy of a government issued identification, prior to completing a purchase.

(d) A person who violates this section is subject to a civil penalty not to exceed the following:

- (1) One thousand dollars (\$1,000) for a first violation.
- (2) Five thousand dollars (\$5,000) for a second violation that occurs within two (2) years after a first violation, and suspension of the retail merchant's certificate issued under IC 6-2.5-8 for up to six (6) months.
- (3) Ten thousand dollars (\$10,000) for each subsequent violation that occurs within two (2) years of the preceding violation, and revocation of the retail merchant's certificate issued under IC 6-2.5-8, with a one (1) year waiting period

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for reapplication.
(e) It is a defense to a violation under this section that the distributor or seller examined the purchaser's or recipient's driver's license, or other valid government issued identification, that positively identified the purchaser or recipient as being at least twenty-one (21) years of age.

SECTION 16. IC 24-4-24.9 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER] TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

[Chapter 24.9. Distribution of Craft Hemp Flower Products
Sec. 6 [1]. As used in this chapter, "hemp" means the plant ~~Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than three-tenths of one percent (0.3%) on a dry weight basis, for any part of the Cannabis sativa L. plant.~~]certificate of analysis" means a certificate from an independent testing laboratory describing the results of the laboratory's testing of a sample.

Sec. 2. As used in this chapter, "craft hemp flower product"]has the meaning set forth in IC 35-48-8-3.

—SECTION 22. IC 15-15-13-6.3> [IC 35-31.5-2-68.9.

Sec. 3. As used in this chapter, "independent testing laboratory" means a laboratory:

(1) with respect to which no person having a direct or indirect interest in the laboratory also has a direct or indirect interest in a facility that:

- (A) processes, distributes, or sells a craft hemp flower product, or a substantially similar substance in another jurisdiction;
- (B) cultivates, processes, distributes, dispenses, or sells marijuana;
- (C) cultivates, processes, or distributes hemp; or
- (D) processes, distributes, or sells low THC hemp extract (as defined in IC 35-48-1.1-27); and

(2) that is accredited as a testing laboratory under International Organization for Standardization (ISO) 17025 by a third party accrediting body such as the American Association for Laboratory Accreditation (A2LA) or Assured Calibration and Laboratory Accreditation Select Services (ACLASS).

Sec. 4. As used in this chapter, "tamper evident packaging"

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means a package having at least one (1) indicator or a barrier to entry that, if breached or missing, can reasonably be expected to provide visible evidence to consumers that tampering has occurred.

Sec. 5. (a) Before a person may distribute a craft hemp flower product, the distributor must have a certificate of analysis prepared by an independent testing laboratory showing the following:

(1) That the craft hemp flower product is the product of a batch tested by the independent testing laboratory.

(2) That the independent testing laboratory determined that the batch contained not more than three-tenths of one percent (0.3%) tetrahydrocannabinol (THC), by weight or volume, based on the testing of a random sample of the batch.

(3) That the batch has been tested for and does not exceed the acceptable levels set forth under section 7 of this chapter for the following contaminants:

(A) Heavy metals, including cadmium, lead, arsenic, and mercury.

(B) Pesticides.

(C) Herbicides.

(D) Mycotoxins.

(E) Bacterial toxins.

(F) Chemical solvent residues.

(4) The potency of the craft hemp flower product, including the projected percentage of:

(A) THC;

(B) cannabidiol; and

(C) other cannabinoids in the craft hemp flower product;

by weight or volume.

(b) Each batch of a craft hemp flower product submitted to an independent testing laboratory under this section must have been harvested at the same time and cultivated in a contiguous area in the same field or facility.

Sec. 6. A craft hemp flower product must be distributed in tamper evident packaging that contains the following information:

(1) A scannable bar code or QR code linked to a document that contains information with respect to the craft hemp flower product, including the:

(A) batch identification number;

(B) product name;

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- (C) batch date;
- (D) expiration date, which must be not more than two
- (2) years from the date of harvest;
- (E) batch size;
- (F) total quantity produced;
- (G) ingredients used, including the:
 - (i) ingredient name;
 - (ii) name of the company that manufactured the
 - ingredient;
 - (iii) company or product identification number or
 - code, if applicable; and
 - (iv) ingredient lot number; and
- (H) download link for a certificate of analysis for the
- craft hemp flower product.

- (2) The batch identification number.
- (3) The address of a website to obtain batch information.
- (4) The expiration date, which must be not more than two (2)
- years from the date of harvest.
- (5) The number of grams of craft hemp flower (as defined in
- IC 35-31.5-2-68.8) contained in the craft hemp flower
- product.
- (6) The facility that produced the craft hemp flower product.
- (7) The fact that the craft hemp flower product contains not
- more than three-tenths of one percent (0.3%)
- tetrahydrocannabinol (THC), by weight or volume.

Sec. 7. A craft hemp flower product may not be distributed if
a certificate of analysis prepared by an independent testing
laboratory shows any of the following:

- (1) A concentration of metals that is more than any of the
- following:
 - (A) Four-tenths (0.4) part per million of cadmium.
 - (B) Five-tenths (0.5) part per million of lead.
 - (C) Four-tenths (0.4) part per million of arsenic.
 - (D) Two-tenths (0.2) part per million of mercury.
- (2) A concentration of microbiological units that is more
- than any of the following:
 - (A) One (1) colony forming unit per gram of
 - Shiga-Toxin Escherichia coli.
 - (B) One (1) colony forming unit per gram of Salmonella
 - spp.
 - (C) Ten thousand (10,000) colony forming units of
 - culturable mold.

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(3) A concentration of residual solvents and chemicals that is more than any of the following:

- (A) Five thousand (5,000) parts per million of butane.
- (B) Two (2) parts per million of benzene.
- (C) Five thousand (5,000) parts per million of heptane.
- (D) Two hundred ninety (290) parts per million of hexane.
- (E) Eight hundred ninety (890) parts per million of toluene.
- (F) One (1) part per million of total xylenes, including ortho-xylene, meta-xylene, and para-xylene.

Sec. 8. (a) A person who knowingly or intentionally distributes or sells a craft hemp flower product in violation of this chapter commits a Class B misdemeanor. However, the offense is a Class A misdemeanor if the person has a prior unrelated conviction for a violation of this chapter.

(b) The penalties in this section are in addition to any criminal penalties that may be imposed for unlawful possession or distribution of a controlled substance.

SECTION 17. IC 34-30-2.1-72, AS ADDED BY P.L.105-2022, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 72. IC 7.1-5-10-15 (Concerning alcoholic beverage permittee or permittee's agent refusing to serve alcoholic beverages **or products containing THC (tetrahydrocannabinol)** to certain persons).

SECTION 18. IC 34-30-2.1-73, AS ADDED BY P.L.105-2022, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 73. IC 7.1-5-10-15.5 (Concerning persons who furnish an alcoholic beverage **or a product containing THC (tetrahydrocannabinol)** for damages caused by an impaired or intoxicated person).

SECTION 19. IC 35-31.5-2-68.8] IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6[8]. ~~<3. As used in this chapter, "remediate" means the process of rendering noncompliant hemp compliant by: (1) removing and destroying flower material, while retaining stalk, stems, leaf material, and seeds; or (2) shredding the entire plant into a biomass like material; then retesting the shredded biomass material for compliance. SECTION 23. IC 15-15-13-6.5>~~ [8. (a) "Craft hemp

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flower" means the harvested reproductive organ, whether immature or mature, of the Cannabis sativa L. plant containing not more than three-tenths of one percent (0.3%) delta-9 tetrahydrocannabinol (THC) by weight or volume, in a form that is intended to allow THC to be introduced into the human body by inhalation of smoke.

(b) The term does not include agricultural hemp seed (as defined in IC 15-15-13-2).

SECTION 20. IC 35-31.5-2-68.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 68.9. (a) "Craft hemp flower product" means a substance or product for sale to consumers that:

- (1) is derived from or contains any part of craft hemp flower;
- (2) contains not more than three-tenths of one percent (0.3%) delta-9 tetrahydrocannabinol (THC) by weight or volume;
- (3) contains no other controlled substances; and
- (4) is in the form of:

(A) a gummy that contains not more than one hundred (100) milligrams of THC, delta-8 tetrahydrocannabinol, delta-10 tetrahydrocannabinol, or hexahydrocannabinol per serving and not more than three thousand (3,000) milligrams of THC, delta-8 tetrahydrocannabinol, delta-10 tetrahydrocannabinol, or hexahydrocannabinol per package;

(B) an edible that contains not more than one hundred (100) milligrams of THC, delta-8 tetrahydrocannabinol, delta-10 tetrahydrocannabinol, or hexahydrocannabinol per individualized unit and not more than three thousand (3,000) milligrams of THC, delta-8 tetrahydrocannabinol, delta-10 tetrahydrocannabinol, or hexahydrocannabinol per package;

(C) a drink that contains not more than twenty-five (25) milligrams of THC, delta-8 tetrahydrocannabinol, delta-10 tetrahydrocannabinol, or hexahydrocannabinol per individualized unit and not more than three hundred (300) milligrams of THC, delta-8 tetrahydrocannabinol, delta-10 tetrahydrocannabinol, or hexahydrocannabinol

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- per package;
- (D) a tincture that contains not more than one hundred (100) milligrams of THC, delta-8 tetrahydrocannabinol, delta-10 tetrahydrocannabinol, or hexahydrocannabinol per serving and not more than three thousand (3,000) milligrams of THC, delta-8 tetrahydrocannabinol, delta-10 tetrahydrocannabinol, or hexahydrocannabinol per package;
- (E) an e-liquid that contains not more than three (3) grams of THC, delta-8 tetrahydrocannabinol, delta-10 tetrahydrocannabinol, or hexahydrocannabinol per device; or
- (F) a topical not for human consumption.

The term does not include smokable hemp.

(b) A variance of up to twenty percent (20%) from the milligram limits described in subsection (a) is permitted to account for testing variability and manufacturing tolerances.

SECTION 21. IC 35-46-1-11.7], AS AMENDED BY P.L. <186-2025, SECTION 104> [163-2025, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11.7. (a) A retail establishment in which tobacco products and craft hemp flower products account for at least eighty-five percent (85%) of the retail establishment's gross sales may not allow an individual who is less than twenty-one (21) years of age to enter the retail establishment.

(b) An individual who is less than twenty-one (21) years of age may not enter a retail establishment described in subsection (a).

(c) A retail establishment described in subsection (a) must conspicuously post on all entrances to the retail establishment the following:

- (1) A sign in boldface type that states "NOTICE: It is unlawful for a person less than 21 years old to enter this store."
- (2) A sign printed in letters and numbers at least one-half (1/2) inch high that displays a toll free phone number for assistance to callers in quitting smoking, as determined by the Indiana department of health.

(d) A person who violates this section commits a Class C infraction. Notwithstanding IC 34-28-5-4(c), a civil judgment for an infraction committed under this section must be imposed as follows:

- (1) If the person has not been cited for a violation of this section in the previous one (1) year, a civil penalty of up to four hundred dollars (\$400).

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- 1 (2) If the person has had one (1) violation in the previous one (1)
- 2 year, a civil penalty of up to eight hundred dollars (\$800).
- 3 (3) If the person has had two (2) violations in the previous one
- 4 (1) year, a civil penalty of up to one thousand four hundred
- 5 dollars (\$1,400).
- 6 (4) If the person has had three (3) or more violations in the
- 7 previous one (1) year, a civil penalty of up to two thousand
- 8 dollars (\$2,000).

9 A person may not be cited more than once every twenty-four (24)
 10 hours.

11 (e) Notwithstanding IC 34-28-5-5(c), civil penalties collected
 12 under this section must be deposited in the Richard D. Doyle tobacco
 13 education and enforcement fund established under IC 7.1-6-2-6.

14 (f) A person who violates subsection (a) at least six (6) times in
 15 any one (1) year period commits habitual illegal entrance by a minor,
 16 a Class B infraction.

17 SECTION 22. IC 35-48-1.1-7, AS ADDED BY P.L.186-2025,
 18 SECTION 249], IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2026]: Sec. ~~6.5. As used in this chapter,~~
 20 ~~"hemp-derived cannabinoid product" means a product derived from,~~
 21 ~~or made by, processing hemp plants or plant parts including~~
 22 ~~derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of~~
 23 ~~isomers. However, the term does not include:~~

- 24 ~~— (1) smokable hemp (as defined by IC 35-48-1.1-38); or (2)~~
- 25 ~~products that contain a total delta-9-tetrahydrocannabinol~~
- 26 ~~concentration of more than three-tenths of one percent (0.3%) by~~
- 27 ~~weight. **has the meaning set forth in IC 35-48-8-4.** SECTION~~
- 28 ~~24. IC 15-15-13-6.6 IS ADDED TO THE INDIANA CODE AS~~
- 29 ~~A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE~~
- 30 ~~JULY 1, 2026]: **Sec. 6.6. As used in this chapter, "industrial**~~
- 31 ~~**hemp" has the meaning set forth in IC 35-48-8-5.** SECTION~~
- 32 ~~25. IC 15-15-13-6.7 IS ADDED TO THE INDIANA CODE AS~~
- 33 ~~A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE~~
- 34 ~~JULY 1, 2026]: **Sec. 6.7. As used in this chapter, "industrial**~~
- 35 ~~**hemp production site" means a location where industrial**~~
- 36 ~~**hemp may be processed, stored, staged, delivered, or**~~
- 37 ~~**received.** SECTION 26. IC 15-15-13-6.8 IS ADDED TO~~
- 38 ~~THE INDIANA CODE AS A NEW SECTION TO READ AS~~
- 39 ~~FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 6.8. As used in**~~
- 40 ~~**this chapter, "licensee" means a person who is licensed by**~~
- 41 ~~**the state seed commissioner under this chapter including: (1)**~~
- 42 ~~**a grower; — (2) a handler; or (3) a grower and a**~~

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~~handler. SECTION 27. IC 15-15-13-6.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6.9. As used in this chapter, "lot" means a contiguous area in a field, greenhouse, or indoor growing structure containing the same variety or strain of cannabis throughout the area. SECTION 28. IC 15-15-13-7, AS AMENDED BY P.L.190-2019, SECTION 8~~ [7. "Controlled substance" means a drug, substance, or immediate precursor in schedule I, II, III, IV, or V under:

- (1) IC 35-48-2-4, IC 35-48-2-6, IC 35-48-2-8, IC 35-48-2-10, or IC 35-48-2-12, if IC 35-48-2-14 does not apply; or
- (2) a rule adopted by the board, if IC 35-48-2-14 applies.

The term does not include low THC hemp extract or a craft hemp flower product.

SECTION 23. IC 35-48-1.1-8, AS ADDED BY P.L.186-2025, SECTION 249], IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. ~~<7>~~ [8]. (a) ~~<Subject to section 15 of this chapter, the production of, possession of, scientific study of, and commerce in hemp and industrial hemp is authorized in Indiana. Hemp is subject to regulation by the state seed commissioner. The state seed commissioner shall adopt rules to oversee the licensing, production, and management of:~~ (1) hemp; and (2) agricultural hemp seed. ~~implement this chapter.~~ (b)

~~All growers and handlers of industrial hemp must have a hemp license issued by the state seed commissioner. Growers and handlers engaged in the production of agricultural hemp seed must also have an agricultural a hemp seed production grower's license. A contract grower, hemp cooperative, or a similar entity to a contract grower or hemp cooperative must be licensed to grow hemp or to handle industrial hemp. (c) The state~~

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~~seed commissioner may issue the following hemp licenses: (1) A hemp grower's license, to a person who conducts the activities of a grower including farming or propagating of hemp.~~

~~— (2) A hemp handler's license, to a person who transports industrial hemp, in any quantity, stage, and for any purpose.~~

~~— (d) A hemp handler is exempt from having to obtain a carrier permit under IC 7.1-8-12. — (e) The state seed commissioner may issue both licenses listed under subsection (c) to the same person. The possession of one (1) license does not mean a person possesses the other license.~~

~~— (f) A hemp grower's or hemp handler's license does not allow the person holding the license to produce hemp derived cannabinoid products under IC 7.1-8.~~

~~— (e) (g) An application for a hemp license or agricultural hemp seed production license under this chapter must include the following:—~~

~~— (1) The name and address of the applicant.~~

~~— (2) The name and address of the hemp operation business of the applicant.~~

~~— (3) The global positioning system coordinates, including the geospatial decimal format, and legal description of the property used for the hemp operation. following: (A) Site by field.~~

~~— (B) Storage site.~~

~~— (C) Receiving site.~~

~~— (D) Staging site.~~

~~— (E) Sites similar to the sites listed in clauses (A) through (D).~~

~~— (4) If the hemp license or agricultural hemp seed production license application is made by a grower, the acreage size of the field where the hemp will be grown:~~

~~— (5) A statement signed by the applicant, under penalty of perjury, that the person applying for the hemp license or agricultural hemp seed production license has not been convicted, of a drug related felony or misdemeanor in the previous ten (10) within five (5) years of the application date, of: (A) a federal crime having a sentence of at least one (1) year; (B) a felony drug related misdemeanor under Indiana law; or (C) a crime in a state other than Indiana having a penalty equal to the penalty for a felony; — for which the applicant's conviction has not been expunged~~

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~~under IC 35-38-9. (6) A written consent allowing the state police department to conduct a state or national criminal history background check.~~

~~(7) A written consent that the applicant expressly consents for a one (1) year duration and for an additional one (1) year after the applicant's permit expires allowing to allow the state police department, the state seed commissioner, or the state seed commissioner's authorized representative, if a license is issued to the applicant, upon the issuance of a license to the applicant, to conduct aerial inspections and to enter the premises on which the hemp is grown to conduct physical inspections of hemp planted and grown by the applicant, and to ensure the plants meet the definition of hemp as set forth in section 6 of this chapter.~~

~~(8) A nonrefundable application fee, which must include the amount necessary to conduct a state or national criminal history background check, in an amount determined by the state seed commissioner.~~

~~(8) An attestation and declaration that the applicant will use a Hemp Analytical Testing Laboratory registered with the United States Drug Enforcement Administration~~ ["Controlled substance analog" means a substance that, due to its chemical structure and potential for abuse or misuse, meets the following criteria:

(1) The substance is substantially similar to a controlled substance classified under IC 35-48-2.

(2) The substance has a narcotic, stimulant, depressant, or hallucinogenic effect on the central nervous system or is represented or intended to have a narcotic, stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to or greater than that of a controlled substance classified under IC 35-48-2.

(b) The definition set forth in subsection (a) does not include:

(1) a controlled substance;

(2) a legend drug;

(3) a substance for which there is an approved new drug application;

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(4) any compound, mixture, or preparation that contains any controlled substance, that is not for administration] to ~~conduct analytical testing for total THC. (9) A crop testing plan that includes:~~ (A) regular monitoring by the grower or receiving handler of the crop during growth; and (B) a plan to take the crop down if the crop trends in exceedance of the acceptable THC level.

~~(10) The intended purpose of growing the crop, including for, but not limited to:~~ (A) CBD; (B) fiber; (C) grain; (D) oil; or (E) hemp derived cannabinoid products.

~~(11) The variety or strain of Cannabis sativa L. to be grown.~~

~~(12) A crop monitoring plan to comply with state and federal law to avoid exceeding three-tenths of one percent (0.3%) total THC.~~

~~(13) The annual harvest and disposal report on a form created and provided by the state seed commissioner.~~

~~(14) If the applicant is growing hemp for a research purpose, the applicant must include a research proposal of adequate verbiage to clearly explain the intent of the research and the anticipated outcome.~~ ~~(15) If the applicant is growing industrial hemp, the applicant must include the location of the industrial hemp production site including the county and geospatial location coordinates in decimal format. (9) (16) Any other information required by the state seed commissioner.~~

~~(h) Except as provided in subsection (g), a business making an application for a hemp license must also identify the key individuals in the business~~ [a human being or an animal, and that is packaged in a form or concentration, or with adulterants or denaturants, such that as packaged it does not present any significant potential for abuse;

(5) a substance to which an investigational exemption applies under Section 505 of the federal Food, Drug and Cosmetic Act (chapter 675, 52 Stat. 1052 (21 U.S.C. 355)), but only to the extent that conduct with respect to the substance is pursuant to the exemption; or

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- (6) low THC hemp extract; or
- (7) a craft hemp flower product.

(c) For purposes of subsection (a), "substantially similar", as it applies to the chemical structure of a substance, means that the chemical structure of the substance, when compared to the structure of a controlled substance, has a single difference in the structural formula that substitutes one (1) atom or functional group for another,]
including:

- ~~(1) a sole proprietor; (2) a partner in partnership; and (3) an individual with executive managerial control in the business or corporation including a: (A) chief executive officer; (B) chief operating officer; or (C) a chief financial officer.~~

~~— (i) An individual described in subsection (h) must also submit a criminal background check.~~

~~— (j) A key individual does not include nonexecutive managers including farm, field, or shift managers.~~

~~— (k) If an applicant fails to provide a report under subsection (g)(13), the state seed commissioner shall deny the applicant's request for a license renewal. — (l) The state seed commissioner shall assess a nonrefundable fee of five hundred dollars (\$500) for an applicant. — (m) The state seed commissioner may assess a fee of one hundred dollars (\$100), on behalf of the state police department, to conduct criminal background checks on an applicant. — SECTION 29. IC 15-15-13-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7.5. The state seed commissioner may not issue a license under this chapter to an individual who:~~

- ~~(1) does not provide the required information under section 7 of this chapter; (2) is less than twenty-one (21) years of age; (3) is not registered with the secretary of state to do business in Indiana; (4) does not have lawful status, as defined in IC 9-13-2-92.3; (5) has been convicted within five (5) years of the application date of: (A) a federal crime having a sentence of at least one (1) year; (B) a felony or a drug related~~

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~~misdemeanor under Indiana law; or (C) a crime in a state other than Indiana having a penalty equal to the penalty for a felony; and the conviction has not been expunged under IC 35-38-9; or (6) is non compos mentis.~~ SECTION 30-IC 15-15-13-7.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

~~Sec. 7.6. (a) A licensee shall ensure that their employees, volunteers, family members, or others servicing a hemp production site, and subject to the management of the licensee, comply with the requirements of Indiana law.~~

~~(b) A licensee may not conduct any hemp activity on property owned by, leased from, or previously submitted in a hemp application by any person if the state seed commissioner denied the person's hemp license application or revoked the person's hemp license for any of the following reasons:~~

- ~~(1) The failure to obtain a criminal background check.~~
- ~~(2) The failure to comply with an order from the state seed commissioner.~~

~~(c) A licensee must report hemp crop acreage to the Farm Services Agency (FSA) and to the Agricultural Marketing Service, including the following:~~

- ~~(1) Street address, if available, and geospatial location for each production or grow site where hemp will be grown or handled.~~
- ~~(2) Outdoor acreage or indoor square footage dedicated to the growing of hemp.~~
- ~~(3) License number of the grower.~~
- ~~(4) The purpose of the crop as fiber, grain, CBD, or another specified use.~~

~~(d) A grower who is aware that a hemp crop grown under their license exceeds the acceptable hemp THC level, whether notified by the state seed commissioner or not, must:~~

- ~~(1) secure the crop;~~
- ~~(2) harvest the crop within thirty (30) days of sampling;~~
- ~~(3) transport the crop to a state seed commissioner approved Indiana reverse distributor;~~
- ~~(4) remediate the crop under the direction and~~

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~~supervision of the state seed commissioner's office; (5) dispose of the crop in a designated site in a manner that complies with local and state burn laws; and (6) verify the disposal of the crop with the state seed commissioner.~~

~~(e) If a grower remediates a crop under this section, the grower must have the crop tested for THC concentration levels and send the results to the state seed commissioner. A crop may only enter the stream of commerce if the hemp is below the acceptable THC concentration levels.~~

~~(f) A grower must report to the state seed commissioner if the purpose of the crop changes, or if a different varietal is used, ten (10) days after the receipt of seed or clones.~~

~~SECTION 31. IC 15-15-13-8, AS AMENDED BY P.L.156-2020; SECTION 62~~ [one (1) halogen for another halogen;

(2) one (1) hydrogen for a halogen;

(3) one (1) halogen for a hydrogen; or

(4) an alkyl group added or deleted:

(A) as a side chain to or from a molecule; or

(B) from a side chain of a molecule.

SECTION 24. IC 35-48-1.1-9, AS ADDED BY P.L.186-2025, SECTION 249], IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. <8. (a) Each license application received under this chapter must be processed as follows:

~~(1) (a) Upon receipt of a license application, the state seed commissioner shall do one (1) of the following:~~

~~(A) forward a copy of the application to the state police department. The state police department shall do the following:~~

~~(i) (1) Perform a state or national criminal history background check of the applicant.~~

~~(ii) (2) Determine if the requirements under section 7(c)(5) 7(g)(5) of this chapter concerning prior criminal convictions have been met.~~

~~(iii) (3) Return the application to the state seed commissioner along with the state police department's determinations and a copy of the state or national criminal history background check.~~

~~(B) Do the following: (i) Perform a state or national criminal history background check of the applicant under the same standards as the state police~~

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~~department would perform. (ii) Determine if the requirements under section 7(c)(5) of this chapter concerning prior criminal convictions have been met. (2) (b) The state seed commissioner shall review the license application and the criminal history background check.~~

~~— (b) (c) If the state seed commissioner determines that all the requirements under this chapter have been met and that a license should be granted to the applicant, the state seed commissioner shall approve the application for issuance of a license.~~

~~— (d) The state seed commissioner must approve an application before an applicant can conduct any hemp activity.~~

~~— (e) (c) A hemp license or agricultural hemp seed production license under this chapter expires on December 31 of the year for which the license was issued, unless revoked. A hemp license or agricultural hemp seed production license may be renewed in accordance with rules adopted by the state seed commissioner and is nontransferable. — (f) A license is nontransferable.~~

~~— (g) A license may be renewed annually.~~

~~— SECTION 32. IC 15-15-13-9, AS AMENDED BY P.L.190-2019, SECTION 10>~~[9. (a) "Counterfeit substance", for purposes of IC 35-48-4-5, means a controlled substance which, or the container or labeling of which, without authorization, bears the trademark, trade name, or other identifying mark, imprint, number, or device, or any likeness thereof, of a manufacturer, distributor, or dispenser other than the person who in fact manufactured, distributed, or dispensed the substance.

(b) "Counterfeit substance", for purposes of IC 35-48-4-5.5, means craft hemp flower or a craft hemp flower product which, or the container or labeling of which, without authorization, bears the trademark, trade name, or other identifying mark, imprint, number, or device, or any likeness thereof, of a manufacturer, distributor, or dispenser other than the person who in fact manufactured, distributed, or dispensed the substance.

SECTION 25. IC 35-48-1.1-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 9.5. "Craft hemp flower product" has the meaning set forth in IC 35-31.5-2-68.9.

SECTION 26. IC 35-48-1.1-21, AS ADDED BY P.L.186-2025,

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1 SECTION 249, IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2026]: Sec. ~~9. (a) An agricultural hemp seed~~
3 ~~production license issued under this chapter authorizes a grower or~~
4 ~~handler to produce and handle agricultural hemp seed for sale to~~
5 ~~licensed hemp growers and handlers. A seller of agricultural hemp seed~~
6 ~~shall ensure that the seed complies with any standards set by the state~~
7 ~~seed commissioner. The state seed commissioner shall make available~~
8 ~~to growers information that identifies sellers of~~ [21. "Hashish" does
9 not include:

- 10 (1) low THC hemp extract; or
- 11 (2) a craft hemp flower product.

12 SECTION 27. IC 35-48-1.1-23 IS REPEALED [EFFECTIVE
13 JULY 1, 2026]. Sec. 23: (a) "Hemp bud" means the harvested immature
14 reproductive organ of the female hemp plant:

15 ~~(b) The term does not include~~ agricultural hemp seed:

16 ~~(b) (a) A person who sells agricultural hemp seed to a grower~~
17 ~~must be a seed distributor who has a permit under IC 15-15-1-34.~~

18 ~~(c) (b) All growers and handlers must keep All records in~~
19 ~~accordance with rules adopted by the state seed commissioner. related~~
20 ~~to hemp, industrial hemp, and agricultural hemp seed must be~~
21 ~~retained by the state seed commissioner, an applicant, and a~~
22 ~~licensee for at least five (5) years. Upon at least three (3) days notice,~~
23 ~~the state seed commissioner may audit the required records during~~
24 ~~normal business hours. The state seed commissioner may conduct an~~
25 ~~audit periodic audits on a licensee for the purpose of ensuring~~
26 ~~compliance with:~~ (1) this chapter; (2) rules adopted by the state
27 seed commissioner; or (3) hemp license or
28 agricultural hemp seed production license
29 requirements, terms, and conditions.

30 ~~(d) In addition to an audit conducted in accordance with~~
31 ~~subsection (c); The state seed commissioner may inspect~~
32 ~~independently, or in cooperation with the state police department, a~~
33 ~~federal law enforcement agency, or a local law enforcement agency,~~
34 ~~any hemp crop during the crop's growth phase and take a representative~~
35 ~~composite sample for field analysis. If a crop contains an average~~
36 ~~delta-9-tetrahydrocannabinol total tetrahydrocannabinol (THC)~~
37 ~~concentration exceeding three-tenths of one percent (0.3%) on a dry~~
38 ~~weight basis, the state seed commissioner may detain, seize, or~~
39 ~~embargo the crop.~~

40 ~~(e) The state seed commissioner may revoke a license issued under~~
41 ~~this chapter to a person that fails to cooperate with:~~

- 42 (1) the state seed commissioner; (2) the state police; (3) a federal

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law enforcement agency; ~~or~~ (4) a local law enforcement agency;
**or (5) a person making an official inspection or taking
of a sample of a hemp crop during the crop's
growth phase. in an inspection; or in the taking of a
sample; under subsection ~~(d)~~. (f) The state seed
commissioner may revoke the license of a licensee
that grows, sells, or distributes hemp for the
following: (1) The licensee has not: (A)
complied with the requirements
under this chapter; or (B)
submitted reports required by
the state seed commissioner.**
(2) The licensee falsified information.
(3) The licensee failed to follow labeling requirements.
(4) The licensee is convicted of violating any Indiana law.
**(g) If the state seed commissioner revokes a license, the state
seed commissioner shall issue a letter within ten (10) business days
to the licensee concerning the revocation.**
~~(f)~~ **(h)** A failure to cooperate described in subsection (e)
constitutes probable cause for the state seed commissioner, state police,
federal law enforcement agency, or local law enforcement agency to
search the premises of the licensee's hemp operation.
~~(g)~~ **(i)** If the state police department, a federal law enforcement
agency, or a local law enforcement agency cooperates with the state
seed commissioner in the detention, seizure, or embargo of a crop
under this section: (1) the state police department, federal law
enforcement agency, or local law
enforcement agency; and (2) any officer or
employee of the state police department,
federal law enforcement agency, or local law
enforcement agency who is involved in the
detention, seizure, or embargo; is immune
from civil liability for the detention, seizure,
or embargo.
~~(h)~~ **(j)** The state seed commissioner may order a hemp crop that is
detained, seized, or embargoed for noncompliance with this chapter to
be destroyed by the owner. However, except as prohibited by federal
law, the grower may appeal to the state seed commissioner for the
hemp crop to be diverted to a willing licensed processor for processing
and sale for industrial use. A hemp crop that is detained, seized, or
embargoed may not be used for cannabidiol, other extracts, oil, food,
or cosmetic products that are used for humans or animals.

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(i) (k) A grower shall reimburse the state seed commissioner for the cost of testing conducted on the grower's crop under this section.

SECTION 33. IC 15-15-13-9.5>[SECTION 28. IC 35-48-1.1-24 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. 24. (a) "Hemp flower" means the harvested reproductive organ, whether immature or mature, of the female hemp plant.

(b) The term does not include agricultural hemp seed.

SECTION 29. IC 35-48-1.1-27], AS ADDED BY P.L. <190-2019>[186-2025], SECTION <11>[249], IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. <9.5. (a) A person who is a handler licensed under this section may distribute clones and other nonseed propagative materials of a hemp plant using the person's own labeling, if the distributor does the following:-

- (1) Complies with the requirements of this chapter.
- (2) Reports the variety and quantity of each variety of the propagative material of plant sold.
- (3) Pays the inspection fee on the basis of the report.
- (4) Labels the propagative material with the information required by the state seed commissioner.
- (5) Keeps records to accurately determine the named varieties and the number of plants of each variety distributed.
- (6) Grants the state seed commissioner or the state seed commissioner's authorized representative access to examine the handler's records and verify the quantity and each variety of propagative material distributed.
- (7) Report, under oath, to the state seed commissioner on forms furnished by the state seed commissioner each variety and quantity of propagative material sold during each semiannual period.
- (8) Any other information or conditions stated in the application.

(b) The state seed commissioner may revoke a handler's license if the commissioner determines any of the following:-

- (1) That the licensee has not complied with the requirements under this chapter.
- (2) The report required in subsection (a) has not been submitted and is more than ten (10) days late.
- (3) The report required in subsection (a) contained false information.
- (4) The labeling requirements under this chapter have not been met.

(c) If the inspection fee has not been paid and is more than ten (10) days late, the state seed commissioner shall assess a late fee.

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~~— (d) Each year the: — (1) report required under subsection (a)(7); and (2) inspection fees required under this chapter; for the period beginning on January 1 and ending on June 30 and for the period beginning on July 1 and ending on December 31 are due~~ >[27. (a) "Low THC hemp extract" means a substance or compound that:

(1) is derived from or contains any part of the plant Cannabis sativa L. that meets the definition of hemp under IC 15-15-13-6;

(2) contains] not more than <thirty (30) days after the end of the semiannual period.

~~— (e) A person holding a hemp handler's license must have in their immediate possession, while transporting industrial hemp, a physical document indicating that they have a handler license and must provide the following to law enforcement when asked:~~

~~— (1) Evidence of a valid hemp handler license from the state seed commissioner;~~

~~— (2) A valid driver's license that includes the driver's photo and current legal address;~~

~~— (3) An invoice or delivery document identifying the person to whom the industrial hemp is to be delivered, including the person's the full address and telephone number, and the variety and quantity of the industrial hemp;~~

~~— (4) A valid certificate of analysis issued by a state seed commissioner approved laboratory showing the total THC for the industrial hemp transported. SECTION 34. IC 15-15-13-10 IS REPEALED [EFFECTIVE JULY 1, 2026].~~

~~Sec. 10. The amount of any fees charged growers and handlers by the state seed commissioner under this chapter must be sufficient to cover the cost of the administration of this chapter, including the cost of conducting audits and testing. SECTION 35. IC 15-15-13-10.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:~~

~~Sec. 10.1. (a) A licensee shall pay an annual fee of ten thousand dollars (\$10,000) for a license issued under this chapter.~~

~~— (b) The state seed commissioner may adopt rules, under IC 4-22-2, to raise the annual fee as necessary.~~

~~— SECTION 36. IC 15-15-13-11, AS AMENDED BY P.L. 190-2019, SECTION 12~~ >[three-tenths of one percent (0.3%) total delta-9-tetrahydrocannabinol (THC), including precursors, by weight

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or volume; and

(3) contains no other controlled substances.

(b) The term does not include:

(1) the harvested reproductive organ, whether immature or mature, of the female hemp plant; or

(2) smokable hemp; or

(3) a craft hemp flower product.

SECTION 30. IC 35-48-1.1-29, AS ADDED BY P.L.186-2025, SECTION 249], IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. <11>[29]. <(a)>Only a hemp handler licensee the licensee's designee, or the licensee's agents may be permitted to transport industrial hemp off a production site. When transporting industrial hemp off the production site, the hemp handler licensee designee, or agent shall have in the licensee's, designee's, or agent's their possession the licensing documents from the state seed commissioner evidencing that the industrial hemp is from certified seed produced by a licensed grower:

—(b) The state seed commissioner shall>[(a) "Marijuana" means any part of the plant genus Cannabis whether growing or not; the seeds thereof; the resin extracted from any part of the plant, including hashish and hash oil; any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin.

(b) The term does not] include:

(1) the <license number of the grower that produced the hemp; and ————— (2) the license number of the hemp handler; in the licensing documents described in subsection (a).

—SECTION 37. IC 15-15-13-12, AS AMENDED BY P.L.156-2020; SECTION 63>[mature stalks of the plant;

(2) fiber produced from the stalks;

(3) oil or cake made from the seeds of the plant;

(4) any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom);

(5) the sterilized seed of the plant which is incapable of germination;

(6) hemp (as defined by IC 15-15-13-6);

(7) low THC hemp extract; or

(8) smokable hemp. a craft hemp flower product.

SECTION 31. IC 35-48-1.1-38, AS ADDED BY P.L.186-2025, SECTION 249], IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. <12. The state seed commissioner is responsible for the following:—(1) Monitoring the hemp grown by

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~~any hemp grower license holder.~~

~~(2) Conducting random testing of the hemp for compliance with tetrahydrocannabinol (THC) levels. The state seed commissioner may enter into agreements with one (1) or more laboratories selected by the Indiana state police department to perform testing under this subdivision.~~

~~(3) Establishing necessary testing criteria and protocols, including a procedure for testing, using post decarboxylation or other similarly reliable methods, for delta-9-tetrahydrocannabinol **tetrahydrocannabinol** concentration levels of the hemp produced.~~

~~(4) Establishing the minimum number of acres to be planted under each license issued under this chapter.~~

~~(5) Regulating any propagative material of a hemp plant.~~

~~SECTION 38. IC 15-15-13-13, AS AMENDED BY P.L. 190-2019; SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:~~ Sec. 13. (a) Subject to section 13.5 of this chapter, in addition to any other liability or penalty provided by law, the state seed commissioner may revoke or refuse to issue or renew a hemp license or an agricultural hemp seed production license and may impose a civil penalty for a violation of: ~~(1) a license requirement; (2) license terms or conditions; or (3) a rule relating to growing or handling hemp. or (4) section 19 of this chapter. (b) The state seed commissioner may not impose a civil penalty under this section that exceeds two thousand five hundred dollars (\$2,500).~~

~~(c) The state seed commissioner may revoke or refuse to issue or renew a hemp license or an agricultural hemp seed production license for a violation of any rule of the state seed commissioner that pertains to agricultural operations or activities other than hemp growing or handling.~~

~~(d) Any civil penalties collected under this section shall be transferred to the Indiana state department of agriculture and used for hemp marketing and research purposes. **retained by the state seed commissioner to pay expenses to implement this chapter.**~~

~~(e) In addition to payment of any civil penalty imposed under this section, a person who commits a violation described in subsection (a) shall reimburse the state seed commissioner for any costs incurred by the state seed commissioner for laboratory testing of material~~

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~~pertaining to the violation.~~

~~SECTION 39. IC 15-15-13-13.5, AS AMENDED BY P.L.156-2020, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 13.5> [38]. <(a) Except as provided in subsection (b), the state seed commissioner shall give a person who negligently violates this chapter a reasonable time, determined by the state seed commissioner, **ten (10) days** to correct the violation without imposing a penalty under section 13 of this chapter. However, the state seed commissioner may require the person who committed the violation to comply with a corrective action plan determined by the state seed commissioner and report to the state seed commissioner on compliance with the corrective action plan.~~

~~(b) A person who commits a negligent violation of this chapter three (3) times in a five (5) year period shall immediately be ineligible to produce hemp for five (5) **ten (10)** years.~~

~~(c) If the state seed commissioner believes ~~determines~~ that a person has knowingly or intentionally violated this chapter, the state seed commissioner shall notify: (1) the superintendent of the state police department; and **(2) the sheriff of the county in which the violation occurred; and (2)(3) the prosecuting attorney of the county in which the violation occurred; of the violation within forty eight (48) hours of making the determination.** (d) A person who commits a negligent violation under this chapter is subject to a late fee **of one thousand dollars (\$1,000)**, as established by rule adopted by the state seed commissioner. SECTION 40. IC 15-15-13-15, AS AMENDED BY P.L.190-2019, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 15. (a) Before December 31, 2019, **July 1, 2027**, the state seed commissioner, after consultation with the governor, the director of the state department of agriculture, and the superintendent~~

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~~of the state police department, shall submit a **an updated** plan that monitors and regulates the production of hemp to the United States Department of Agriculture. If the United States Department of Agriculture disapproves the plan, the state seed commissioner shall submit an amended plan to the United States Department of Agriculture. (b) **The state seed commissioner may work with the United States Department of Agriculture to update the plan described in subsection (a), to conform with federal law.** SECTION 41. IC 15-15-13-16, AS AMENDED BY P.L.29-2024, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16. (a) The state seed commissioner shall pay all fees collected under this chapter to the treasurer of Purdue University.~~

~~— (b) The board of trustees of Purdue University shall expend the fees on proper vouchers filed with the treasurer of Purdue University. The treasurer shall pay vouchers for the following expenses:~~

- ~~— (1) The employment of inspectors and seed analysts.~~
- ~~— (2) Procuring samples.~~
- ~~— (3) Printing bulletins giving the results of inspection.~~
- ~~— (4) Any other expenses of the Purdue University agricultural programs authorized by law and for implementing this chapter.~~

~~— (c) The dean of agriculture of Purdue University, **with assistance from the state seed commissioner**, shall make and submit an annual financial report to the: — (1) governor; (2) legislative council; and — (3) budget committee; in such form as the state board of accounts requires, showing the total receipts and expenditures of all fees received under this chapter, **by December 31 of each year. The**~~

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~~report must also include general information regarding how many licenses are issued under this chapter and how many acres of land are used in hemp production under this chapter. The budget committee shall review this report annually.~~

~~(d) Excess funds from the collection of fees under this chapter are subject to IC 15-16-2-36.~~

~~SECTION 42. IC 15-15-13-18 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. 18. (a) A person who sells hemp in Indiana must:~~

~~(1) be licensed in Indiana and in the jurisdiction where the hemp was grown; and~~

~~(2) provide the buyer with a receipt that contains the seller's name, place of business, and license number and quantity of hemp sold. (b) A person who buys hemp in Indiana must retain the receipt described in subsection (a)(2) for a period of two (2) years. SECTION 43.~~

~~IC 15-15-13-19 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. 19:~~

~~(a) Hemp bud (as defined in IC 35-48-1.1-23) and hemp flower (as defined in IC 35-48-1.1-24) may be sold only to a processor licensed under this chapter. (b) The state seed commissioner may impose a civil penalty under section 13 of this chapter for a violation of subsection (a).~~

~~SECTION 44. IC 15-15-13-19.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:~~

~~Sec. 19.1. An industrial hemp product that is manufactured into a hemp derived cannabinoid product as defined in IC 35-48-8-4, is subject to IC 7.1-8 and not this chapter.~~

~~SECTION 45. IC 15-15-13-21 IS REPEALED [EFFECTIVE JULY 1, 2026].~~

~~Sec. 21. A county, city, town, or~~

~~SECTION 45. IC 15-15-13-21 IS REPEALED [EFFECTIVE JULY 1, 2026].~~

~~Sec. 21. A county, city, town, or~~

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~~township may not adopt or enforce an ordinance restricting or regulating: (1) the growth, production, or processing of hemp; or (2) any subject regulated by this chapter. SECTION 46. IC 16-31-3-14, AS AMENDED BY P.L.186-2025, SECTION 109, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 14. (a) A person holding a certificate or license issued under this article must comply with the applicable standards and rules established under this article. A certificate holder or license holder is subject to disciplinary sanctions under subsection (b) if the department of homeland security determines that the certificate holder or license holder: (1) engaged in or knowingly cooperated in fraud or material deception in order to obtain a certificate or license, including cheating on a certification or licensure examination; (2) engaged in fraud or material deception in the course of professional services or activities; (3) advertised services or goods in a false or misleading manner; (4) falsified or knowingly allowed another person to falsify attendance records or certificates of completion of continuing education courses required under this article or rules adopted under this article; (5) is convicted of a crime, if the act that resulted in the conviction has a direct bearing on determining if the certificate holder or license holder should be entrusted to provide emergency medical services; (6) is convicted of violating IC 9-19-14.5; (7) fails to comply and maintain compliance with or violates any applicable provision, standard, or other requirement of this article or rules~~

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~~adopted under this article; (8) continues to practice if the certificate holder or license holder becomes unfit to practice due to: (A) professional incompetence that includes the undertaking of professional activities that the certificate holder or license holder is not qualified by training or experience to undertake; (B) failure to keep abreast of current professional theory or practice; (C) physical or mental disability; or (D) addiction to, abuse of, or dependency on alcohol or other drugs that endanger the public by impairing the certificate holder's or license holder's ability to practice safely; (9) engages in a course of lewd or immoral conduct in connection with the delivery of services to the public; (10) allows the certificate holder's or license holder's name or a certificate or license issued under this article to be used in connection with a person who renders services beyond the scope of that person's training, experience, or competence; (11) is subjected to disciplinary action in another state or jurisdiction on grounds similar to those contained in this chapter. For purposes of this subdivision, a certified copy of a record of disciplinary action constitutes prima facie evidence of a disciplinary action in another jurisdiction; (12) assists another person in committing an act that would constitute a ground for disciplinary sanction under this chapter; (13) allows a certificate or license issued by the commission to be: (A) used by another person; or (B) displayed to the public when the certificate or license is~~

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~~expired, inactive, invalid, revoked, or suspended; or (14) fails to notify the department in writing of any misdemeanor or felony criminal conviction, except traffic related misdemeanors other than operating a motor vehicle under the influence of a drug or alcohol, within ninety (90) days after the entry of an order or judgment. A certified copy of the order or judgment with a letter of explanation must be submitted to the department along with the written notice.~~

~~— (b) The department of homeland security may issue an order under IC 4-21.5-3-6 to impose one (1) or more of the following sanctions if the department of homeland security determines that a certificate holder or license holder is subject to disciplinary sanctions under subsection (a):~~

~~— (1) Revocation of a certificate holder's certificate or license holder's license for a period not to exceed seven (7) years.~~

~~— (2) Suspension of a certificate holder's certificate or license holder's license for a period not to exceed seven (7) years.~~

~~— (3) Censure of a certificate holder or license holder.~~

~~— (4) Issuance of a letter of reprimand.~~

~~— (5) Assessment of a civil penalty against the certificate holder or license holder in accordance with the following: (A) The civil penalty may not exceed five hundred dollars (\$500) per day per violation.~~

~~— (B) If the certificate holder or license holder fails to pay the civil penalty within the time specified by the department of homeland security, the department of homeland security may suspend the certificate holder's certificate or license holder's license without additional proceedings.~~

~~— (6) Placement of a certificate holder or license holder on probation status and requirement of the certificate holder or license holder to:~~

~~(A) report regularly to the department of homeland security upon the matters that are the basis of probation; (B) limit practice to those areas prescribed by the department of homeland security; (C) continue or renew professional education approved by the department of homeland security until a satisfactory degree of skill has been attained in those areas that are the basis of the probation; or~~

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~~(D) perform or refrain from performing any acts, including community restitution or service without compensation, that the department of homeland security considers appropriate to the public interest or to the rehabilitation or treatment of the certificate holder or license holder.~~

~~— The department of homeland security may withdraw or modify this probation if the department of homeland security finds after a hearing that the deficiency that required disciplinary action is remedied or that changed circumstances warrant a modification of the order.~~

~~— (c) If an applicant or a certificate holder or license holder has engaged in or knowingly cooperated in fraud or material deception to obtain a certificate or license, including cheating on the certification or licensure examination, the department of homeland security may rescind the certificate or license if it has been granted, void the examination or other fraudulent or deceptive material, and prohibit the applicant from reapplying for the certificate or license for a length of time established by the department of homeland security.~~

~~— (d) The department of homeland security may deny certification or licensure to an applicant who would be subject to disciplinary sanctions under subsection (b) if that person were a certificate holder or license holder, has had disciplinary action taken against the applicant or the applicant's certificate or license to practice in another state or jurisdiction, or has practiced without a certificate or license in violation of the law. A certified copy of the record of disciplinary action is conclusive evidence of the other jurisdiction's disciplinary action.~~

~~— (e) The department of homeland security may order a certificate holder or license holder to submit to a reasonable physical or mental examination if the certificate holder's or license holder's physical or mental capacity to practice safely and competently is at issue in a disciplinary proceeding. Failure to comply with a department of homeland security order to submit to a physical or mental examination makes a certificate holder or license holder liable to temporary suspension under subsection (i).~~

~~— (f) Except as provided under subsection (a), subsection (g), and section 14.5 of this chapter, a certificate or license may not be denied, revoked, or suspended because the applicant, certificate holder, or~~

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~~license holder has been convicted of an offense. The acts from which the applicant's, certificate holder's, or license holder's conviction resulted may be considered as to whether the applicant or certificate holder or license holder should be entrusted to serve the public in a specific capacity.~~

~~— (g) The department of homeland security may deny, suspend, or revoke a certificate or license issued under this article if the individual who holds or is applying for the certificate or license is convicted of any of the following:~~

~~(1) Possession of cocaine or a narcotic drug under IC 35-48-4-6.~~

~~(2) Possession of methamphetamine under IC 35-48-4-6.1.~~

~~(3) Possession of a controlled substance under IC 35-48-4-7(a); IC 35-48-4-7(b).~~

~~(4) Fraudulently obtaining a controlled substance under IC 35-48-4-7(c); IC 35-48-4-7(d).~~

~~(5) Manufacture of paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.1(c).~~

~~(6) Dealing in paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.5(b).~~

~~(7) Possession of paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.3(b) (before its amendment on July 1, 2015).~~

~~(8) Possession of marijuana, hash oil, hashish, or salvia as a Class D felony (for a crime committed before July 1, 2014) or Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-11.~~

~~(9) A felony offense under IC 35-48-4 involving: (A) possession of a synthetic drug (as defined in IC 35-31.5-2-321); (B) possession of a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) as a: (i) Class D felony (for a crime committed before July 1, 2014); or~~

~~(ii) Level 6 felony (for a crime committed after June 30, 2014); under IC 35-48-4-11.5 (before its repeal on July 1, 2019); or (C) possession of a controlled substance analog (as defined in IC 35-48-1.1-8).~~

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- ~~— (10) Maintaining a common nuisance under IC 35-48-4-13 (repealed) or IC 35-45-1-5, if the common nuisance involves a controlled substance.~~
- ~~— (11) An offense relating to registration, labeling, and prescription forms under IC 35-48-4-14.~~
- ~~— (h) A decision of the department of homeland security under subsections (b) through (g) may be appealed to the commission under IC 4-21.5-3-7.~~
- ~~— (i) The department of homeland security may temporarily suspend a certificate holder's certificate or license holder's license under IC 4-21.5-4 before a final adjudication or during the appeals process if the department of homeland security finds that a certificate holder or license holder would represent a clear and immediate danger to the public's health, safety, or property if the certificate holder or license holder were allowed to continue to practice.~~
- ~~— (j) On receipt of a complaint or information alleging that a person certified or licensed under this chapter or IC 16-31-3.5 has engaged in or is engaging in a practice that is subject to disciplinary sanctions under this chapter, the department of homeland security must initiate an investigation against the person.~~
- ~~— (k) The department of homeland security shall conduct a factfinding investigation as the department of homeland security considers proper in relation to the complaint.~~
- ~~— (l) The department of homeland security may reinstate a certificate or license that has been suspended under this section if the department of homeland security is satisfied that the applicant is able to practice with reasonable skill, competency, and safety to the public. As a condition of reinstatement, the department of homeland security may impose disciplinary or corrective measures authorized under this chapter.~~
- ~~— (m) The department of homeland security may not reinstate a certificate or license that has been revoked under this chapter.~~
- ~~— (n) The department of homeland security must be consistent in the application of sanctions authorized in this chapter. Significant departures from prior decisions involving similar conduct must be explained in the department of homeland security's findings or orders.~~
- ~~— (o) A certificate holder may not surrender the certificate holder's certificate, and a license holder may not surrender the license holder's license, without the written approval of the department of homeland security, and the department of homeland security may impose any conditions appropriate to the surrender or reinstatement of a surrendered certificate or license.~~

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~~— (p) For purposes of this section, "certificate holder" means a person who holds: (1) an unlimited certificate; (2) a limited or probationary certificate; or (3) an inactive certificate.~~

~~— (q) For purposes of this section, "license holder" means a person who holds: (1) an unlimited license; (2) a limited or probationary license; or (3) an inactive license.~~

~~SECTION 47. IC 22-15-5-16, AS AMENDED BY P.L.186-2025, SECTION 123, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16. (a) A practitioner shall comply with the standards established under this licensing program. A practitioner is subject to the exercise of the disciplinary sanctions under IC 22-12-7-7 if the department finds that a practitioner has:~~

- ~~(1) engaged in or knowingly cooperated in fraud or material deception in order to obtain a license to practice, including cheating on a licensing examination; (2) engaged in fraud or material deception in the course of professional services or activities; (3) advertised services or goods in a false or misleading manner; (4) falsified or knowingly allowed another person to falsify attendance records or certificates of completion of continuing education courses provided under this chapter; (5) been convicted of a crime that has a direct bearing on the practitioner's ability to continue to practice competently; (6) knowingly violated a state statute or rule or federal statute or regulation regulating the profession for which the practitioner is licensed; (7) continued to practice although the practitioner has become unfit to practice due to: (A) professional incompetence; (B) failure to keep abreast of current professional theory or practice; (C) physical or mental disability; or (D) addiction to, abuse of, or severe dependency on alcohol or other drugs that endanger the public by impairing a practitioner's ability to practice safely; (8) engaged in a course of lewd or immoral conduct in connection with the delivery of~~

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~~services to the public; (9) allowed the practitioner's name or a license issued under this chapter to be used in connection with an individual or business who renders services beyond the scope of that individual's or business's training, experience, or competence; (10) had disciplinary action taken against the practitioner or the practitioner's license to practice in another state or jurisdiction on grounds similar to those under this chapter; (11) assisted another person in committing an act that would constitute a ground for disciplinary sanction under this chapter; or (12) allowed a license issued by the department to be: (A) used by another person; or (B) displayed to the public when the license has expired, is inactive, is invalid, or has been revoked or suspended.~~

~~For purposes of subdivision (10), a certified copy of a record of disciplinary action constitutes prima facie evidence of a disciplinary action in another jurisdiction:~~

~~— (b) If an applicant or a practitioner has engaged in or knowingly cooperated in fraud or material deception to obtain a license to practice, including cheating on the licensing examination, the department may rescind the license if it has been granted, void the examination or other fraudulent or deceptive material, and prohibit the applicant from reapplying for the license for a length of time established by the department.~~

~~— (c) The department may deny licensure to an applicant who has had disciplinary action taken against the applicant or the applicant's license to practice in another state or jurisdiction or who has practiced without a license in violation of the law. A certified copy of the record of disciplinary action is conclusive evidence of the other jurisdiction's disciplinary action.~~

~~— (d) The department may order a practitioner to submit to a reasonable physical or mental examination if the practitioner's physical~~

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1 or mental capacity to practice safely and competently is at issue in a
 2 disciplinary proceeding. Failure to comply with a department order to
 3 submit to a physical or mental examination makes a practitioner liable
 4 to temporary suspension under subsection (h).
 5 — (c) Except as provided under subsection (f) or (g), a license may
 6 not be denied, revoked, or suspended because the applicant or holder
 7 has been convicted of an offense. The acts from which the applicant's
 8 or holder's conviction resulted may, however, be considered as to
 9 whether the applicant or holder should be entrusted to serve the public
 10 in a specific capacity.
 11 — (f) The department may deny, suspend, or revoke a license issued
 12 under this chapter if the individual who holds the license is convicted
 13 of any of the following: — (1) Possession of cocaine or a narcotic
 14 drug under IC 35-48-4-6.
 15 — (2) Possession of methamphetamine under IC 35-48-4-6.1.
 16 — (3) Possession of a controlled substance under IC 35-48-4-7(a):
 17 **IC 35-48-4-7(b).** — (4) Fraudulently obtaining a controlled
 18 substance under IC 35-48-4-7(b)
 19 **IC 35-48-4-7(c)** (for a crime committed
 20 before July 1, 2014) or IC 35-48-4-7(c)
 21 **IC 35-48-4-7(d)** (for a crime committed
 22 after June 30, 2014).
 23 — (5) Manufacture of paraphernalia as a Class D felony (for a
 24 crime committed before July 1, 2014) or a Level 6 felony (for a
 25 crime committed after June 30, 2014) under IC 35-48-4-8.1(c).
 26 — (6) Dealing in paraphernalia as a Class D felony (for a crime
 27 committed before July 1, 2014) or a Level 6 felony (for a crime
 28 committed after June 30, 2014) under IC 35-48-4-8.5(b).
 29 — (7) Possession of paraphernalia as a Class D felony (for a crime
 30 committed before July 1, 2014) or a Level 6 felony (for a crime
 31 committed after June 30, 2014) under IC 35-48-4-8.3(b) (before
 32 its amendment on July 1, 2015).
 33 — (8) Possession of marijuana, hash oil, hashish, or salvia as a
 34 Class D felony (for a crime committed before July 1, 2014) or a
 35 Level 6 felony (for a crime committed after June 30, 2014) under
 36 IC 35-48-4-11.
 37 — (9) A felony offense under IC 35-48-4 involving possession of a
 38 synthetic drug (as defined in IC 35-31.5-2-321), possession of a
 39 controlled substance analog (as defined in IC 35-48-1.1-8), or
 40 possession of a synthetic drug lookalike substance (as defined in
 41 IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) as a: (A)
 42 Class D felony for a crime committed before July 1, 2014; or (B)

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1 ~~appeals process if the department finds that a practitioner represents a~~
2 ~~clear and immediate danger to the public's health, safety, or property if~~
3 ~~the practitioner is allowed to continue to practice.~~
4 ~~— (i) On receipt of a complaint or an information alleging that a~~
5 ~~person licensed under this chapter has engaged in or is engaging in a~~
6 ~~practice that jeopardizes the public health, safety, or welfare, the~~
7 ~~department shall initiate an investigation against the person.~~
8 ~~— (j) Any complaint filed with the office of the attorney general~~
9 ~~alleging a violation of this licensing program shall be referred to the~~
10 ~~department for summary review and for its general information and any~~
11 ~~authorized action at the time of the filing.~~
12 ~~— (k) The department shall conduct a fact finding investigation as the~~
13 ~~department considers proper in relation to the complaint.~~
14 ~~— (l) A practitioner may petition the department to accept the~~
15 ~~surrender of the practitioner's license. The practitioner may not~~
16 ~~surrender the practitioner's license without the written approval of the~~
17 ~~department, and the department may impose any conditions appropriate~~
18 ~~to the surrender or reinstatement of a surrendered license.~~
19 ~~— (m) A practitioner who has been subjected to disciplinary~~
20 ~~sanctions may be required by the commission to pay the costs of the~~
21 ~~proceeding. The practitioner's ability to pay shall be considered when~~
22 ~~costs are assessed. If the practitioner fails to pay the costs, a suspension~~
23 ~~may not be imposed solely upon the practitioner's inability to pay the~~
24 ~~amount assessed. The costs are limited to costs for the following:~~
25 ~~— (1) Court reporters;~~
26 ~~— (2) Transcripts;~~
27 ~~— (3) Certification of documents;~~
28 ~~— (4) Photo duplication;~~
29 ~~— (5) Witness attendance and mileage fees;~~
30 ~~— (6) Postage;~~
31 ~~— (7) Expert witnesses;~~
32 ~~— (8) Depositions;~~
33 ~~— (9) Notarizations;~~
34 ~~— SECTION 48. IC 24-4-21 IS REPEALED [EFFECTIVE JULY 1,~~
35 ~~2026]. (Distribution of Low-THC Hemp Extract);~~
36 ~~— SECTION 49. IC 24-4-22 IS REPEALED [EFFECTIVE JULY 1,~~
37 ~~2026]. (Low-THC Hemp Extract Sales);~~
38 ~~— SECTION 50. IC 24-5-0.5-3, AS AMENDED BY P.L.104-2024,~~
39 ~~SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE~~
40 ~~JULY 1, 2026]: Sec. 3. (a) A supplier may not commit an unfair,~~
41 ~~abusive, or deceptive act, omission, or practice in connection with a~~
42 ~~consumer transaction. Such an act, omission, or practice by a supplier~~

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- 1 is a violation of this chapter whether it occurs before, during, or after
- 2 the transaction. An act, omission, or practice prohibited by this section
- 3 includes both implicit and explicit misrepresentations.
- 4 — (b) Without limiting the scope of subsection (a), the following
- 5 acts, and the following representations as to the subject matter of a
- 6 consumer transaction, made orally, in writing, or by electronic
- 7 communication, by a supplier, are deceptive acts:
- 8 — (1) That such subject of a consumer transaction has sponsorship;
- 9 approval, performance, characteristics, accessories, uses, or
- 10 benefits it does not have which the supplier knows or should
- 11 reasonably know it does not have.
- 12 — (2) That such subject of a consumer transaction is of a particular
- 13 standard, quality, grade, style, or model, if it is not and if the
- 14 supplier knows or should reasonably know that it is not.
- 15 — (3) That such subject of a consumer transaction is new or
- 16 unused, if it is not and if the supplier knows or should reasonably
- 17 know that it is not.
- 18 — (4) That such subject of a consumer transaction will be supplied
- 19 to the public in greater quantity than the supplier intends or
- 20 reasonably expects.
- 21 — (5) That replacement or repair constituting the subject of a
- 22 consumer transaction is needed, if it is not and if the supplier
- 23 knows or should reasonably know that it is not.
- 24 — (6) That a specific price advantage exists as to such subject of a
- 25 consumer transaction, if it does not and if the supplier knows or
- 26 should reasonably know that it does not.
- 27 — (7) That the supplier has a sponsorship, approval, or affiliation
- 28 in such consumer transaction the supplier does not have, and
- 29 which the supplier knows or should reasonably know that the
- 30 supplier does not have.
- 31 — (8) That such consumer transaction involves or does not involve
- 32 a warranty, a disclaimer of warranties, or other rights, remedies,
- 33 or obligations, if the representation is false and if the supplier
- 34 knows or should reasonably know that the representation is false.
- 35 — (9) That the consumer will receive a rebate, discount, or other
- 36 benefit as an inducement for entering into a sale or lease in
- 37 return for giving the supplier the names of prospective
- 38 consumers or otherwise helping the supplier to enter into other
- 39 consumer transactions, if earning the benefit, rebate, or discount
- 40 is contingent upon the occurrence of an event subsequent to the
- 41 time the consumer agrees to the purchase or lease.
- 42 — (10) That the supplier is able to deliver or complete the subject

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~~of the consumer transaction within a stated period of time, when the supplier knows or should reasonably know the supplier could not. If no time period has been stated by the supplier, there is a presumption that the supplier has represented that the supplier will deliver or complete the subject of the consumer transaction within a reasonable time, according to the course of dealing or the usage of the trade.~~

~~— (11) That the consumer will be able to purchase the subject of the consumer transaction as advertised by the supplier, if the supplier does not intend to sell it.~~

~~— (12) That the replacement or repair constituting the subject of a consumer transaction can be made by the supplier for the estimate the supplier gives a customer for the replacement or repair, if the specified work is completed and: (A) the cost exceeds the estimate by an amount equal to or greater than ten percent (10%) of the estimate; (B) the supplier did not obtain written permission from the customer to authorize the supplier to complete the work even if the cost would exceed the amounts specified in clause (A); — (C) the total cost for services and parts for a single transaction is more than seven hundred fifty dollars (\$750); and (D) the supplier knew or reasonably should have known that the cost would exceed the estimate in the amounts specified in clause (A).~~

~~— (13) That the replacement or repair constituting the subject of a consumer transaction is needed, and that the supplier disposes of the part repaired or replaced earlier than seventy-two (72) hours after both: — (A) the customer has been notified that the work has been completed; and (B) the part repaired or replaced has been made available for examination upon the request of the customer.~~

~~— (14) Engaging in the replacement or repair of the subject of a consumer transaction if the consumer has not authorized the replacement or repair, and if the supplier knows or should reasonably know that it is not authorized.~~

~~— (15) The act of misrepresenting the geographic location of the supplier by listing an alternate business name or an assumed business name (as described in IC 23-0.5-3-4) in a local telephone directory if: — (A) the name misrepresents the~~

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~~supplier's geographic location; (B) the listing fails to identify the locality and state of the supplier's business; (C) calls to the local telephone number are routinely forwarded or otherwise transferred to a supplier's business location that is outside the calling area covered by the local telephone directory; and (D) the supplier's business location is located in a county that is not contiguous to a county in the calling area covered by the local telephone directory.~~

~~— (16) The act of listing an alternate business name or assumed business name (as described in IC 23-0.5-3-4) in a directory assistance data base if:~~

~~(A) the name misrepresents the supplier's geographic location; (B) calls to the local telephone number are routinely forwarded or otherwise transferred to a supplier's business location that is outside the local calling area; and (C) the supplier's business location is located in a county that is not contiguous to a county in the local calling area.~~

~~— (17) The violation by a supplier of IC 24-3-4 concerning cigarettes for import or export.~~

~~— (18) The act of a supplier in knowingly selling or reselling a product to a consumer if the product has been recalled, whether by the order of a court or a regulatory body, or voluntarily by the manufacturer, distributor, or retailer, unless the product has been repaired or modified to correct the defect that was the subject of the recall.~~

~~— (19) The violation by a supplier of 47 U.S.C. 227, including any rules or regulations issued under 47 U.S.C. 227.~~

~~— (20) The violation by a supplier of the federal Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.), including any rules or regulations issued under the federal Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.).~~

~~— (21) A violation of IC 7.1-8 (concerning the manufacture,~~

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- 1 ~~distribution, and sale of hemp derived cannabinoid~~
- 2 ~~products), as set forth in IC 7.1-8-20-5. (21) (22) A violation~~
- 3 ~~of IC 24-5-7 (concerning health spa services), as set forth in~~
- 4 ~~IC 24-5-7-17.~~
- 5 ~~(22) (23) A violation of IC 24-5-8 (concerning business~~
- 6 ~~opportunity transactions), as set forth in IC 24-5-8-20.~~
- 7 ~~(23) (24) A violation of IC 24-5-10 (concerning home consumer~~
- 8 ~~transactions), as set forth in IC 24-5-10-18.~~
- 9 ~~(24) (25) A violation of IC 24-5-11 (concerning real property~~
- 10 ~~improvement contracts), as set forth in IC 24-5-11-14.~~
- 11 ~~(25) (26) A violation of IC 24-5-12 (concerning telephone~~
- 12 ~~solicitations), as set forth in IC 24-5-12-23.~~
- 13 ~~(26) (27) A violation of IC 24-5-13.5 (concerning buyback motor~~
- 14 ~~vehicles), as set forth in IC 24-5-13.5-14.~~
- 15 ~~(27) (28) A violation of IC 24-5-14 (concerning automatic~~
- 16 ~~dialing-announcing devices), as set forth in IC 24-5-14-13.~~
- 17 ~~(28) (29) A violation of IC 24-5-15 (concerning credit services~~
- 18 ~~organizations), as set forth in IC 24-5-15-11.~~
- 19 ~~(29) (30) A violation of IC 24-5-16 (concerning unlawful motor~~
- 20 ~~vehicle subleasing), as set forth in IC 24-5-16-18.~~
- 21 ~~(30) (31) A violation of IC 24-5-17 (concerning environmental~~
- 22 ~~marketing claims), as set forth in IC 24-5-17-14.~~
- 23 ~~(31) (32) A violation of IC 24-5-19 (concerning deceptive~~
- 24 ~~commercial solicitation), as set forth in IC 24-5-19-11.~~
- 25 ~~(32) (33) A violation of IC 24-5-21 (concerning prescription~~
- 26 ~~drug discount cards), as set forth in IC 24-5-21-7.~~
- 27 ~~(33) (34) A violation of IC 24-5-23.5-7 (concerning real estate~~
- 28 ~~appraisals), as set forth in IC 24-5-23.5-9.~~
- 29 ~~(34) (35) A violation of IC 24-5-26 (concerning identity theft),~~
- 30 ~~as set forth in IC 24-5-26-3.~~
- 31 ~~(35) (36) A violation of IC 24-5-5 (concerning mortgage rescue~~
- 32 ~~fraud), as set forth in IC 24-5-5-6-1.~~
- 33 ~~(36) (37) A violation of IC 24-8 (concerning promotional gifts~~
- 34 ~~and contests), as set forth in IC 24-8-6-3.~~
- 35 ~~(37) (38) A violation of IC 21-18.5-6 (concerning~~
- 36 ~~representations made by a postsecondary credit bearing~~
- 37 ~~proprietary educational institution), as set forth in~~
- 38 ~~IC 21-18.5-6-22.5.~~
- 39 ~~(38) (39) A violation of IC 24-5-15.5 (concerning collection~~
- 40 ~~actions of a plaintiff debt buyer), as set forth in IC 24-5-15.5-6.~~
- 41 ~~(39) (40) A violation of IC 24-14 (concerning towing services),~~
- 42 ~~as set forth in IC 24-14-10-1.~~

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- 1 ~~— (40) (41) A violation of IC 24-5-14.5 (concerning misleading or~~
- 2 ~~inaccurate caller identification information), as set forth in~~
- 3 ~~IC 24-5-14.5-12.~~
- 4 ~~— (41) (42) A violation of IC 24-5-27 (concerning intrastate inmate~~
- 5 ~~calling services), as set forth in IC 24-5-27-27.~~
- 6 ~~— (42) (43) A violation of IC 15-21 (concerning sales of dogs by~~
- 7 ~~retail pet stores), as set forth in IC 15-21-7-4.~~
- 8 ~~— (43) (44) A violation of IC 24-4-23 (concerning the security of~~
- 9 ~~information collected and transmitted by an adult-oriented~~
- 10 ~~website operator), as set forth in IC 24-4-23-14.~~
- 11 ~~— (c) Any representations on or within a product or its packaging or~~
- 12 ~~in advertising or promotional materials which would constitute a~~
- 13 ~~deceptive act shall be the deceptive act both of the supplier who places~~
- 14 ~~such representation thereon or therein, or who authored such materials,~~
- 15 ~~and such other suppliers who shall state orally or in writing that such~~
- 16 ~~representation is true if such other supplier shall know or have reason~~
- 17 ~~to know that such representation was false.~~
- 18 ~~— (d) If a supplier shows by a preponderance of the evidence that an~~
- 19 ~~act resulted from a bona fide error notwithstanding the maintenance of~~
- 20 ~~procedures reasonably adopted to avoid the error, such act shall not be~~
- 21 ~~deceptive within the meaning of this chapter.~~
- 22 ~~— (e) It shall be a defense to any action brought under this chapter~~
- 23 ~~that the representation constituting an alleged deceptive act was one~~
- 24 ~~made in good faith by the supplier without knowledge of its falsity and~~
- 25 ~~in reliance upon the oral or written representations of the manufacturer,~~
- 26 ~~the person from whom the supplier acquired the product, any testing~~
- 27 ~~organization, or any other person provided that the source thereof is~~
- 28 ~~disclosed to the consumer.~~
- 29 ~~— (f) For purposes of subsection (b)(12), a supplier that provides~~
- 30 ~~estimates before performing repair or replacement work for a customer~~
- 31 ~~shall give the customer a written estimate itemizing as closely as~~
- 32 ~~possible the price for labor and parts necessary for the specific job~~
- 33 ~~before commencing the work.~~
- 34 ~~— (g) For purposes of subsection (b)(15) and (b)(16), a telephone~~
- 35 ~~company or other provider of a telephone directory or directory~~
- 36 ~~assistance service or its officer or agent is immune from liability for~~
- 37 ~~publishing the listing of an alternate business name or assumed~~
- 38 ~~business name of a supplier in its directory or directory assistance data~~
- 39 ~~base unless the telephone company or other provider of a telephone~~
- 40 ~~directory or directory assistance service is the same person as the~~
- 41 ~~supplier who has committed the deceptive act.~~
- 42 ~~— (h) For purposes of subsection (b)(18), it is an affirmative defense~~

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~~to any action brought under this chapter that the product has been altered by a person other than the defendant to render the product completely incapable of serving its original purpose:~~

~~—SECTION 51. IC 24-5-0.5-4, AS AMENDED BY P.L.186-2025, SECTION 133, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) A person relying upon an uncured or incurable deceptive act may bring an action for the damages actually suffered as a consumer as a result of the deceptive act or five hundred dollars (\$500), whichever is greater. The court may increase damages for a willful deceptive act in an amount that does not exceed the greater of: — (1) three (3) times the actual damages of the consumer suffering the loss; or (2) one thousand dollars (\$1,000):~~

~~Except as provided in subsection (k), the court may award reasonable attorney's fees to the party that prevails in an action under this subsection. This subsection does not apply to a consumer transaction in real property, including a claim or action involving a construction defect (as defined in IC 32-27-3-1(5)) brought against a construction professional (as defined in IC 32-27-3-1(4)), except for purchases of time shares and camping club memberships. This subsection does not apply with respect to a deceptive act described in section 3(b)(20) of this chapter. This subsection also does not apply to a violation of IC 24-4.7, IC 24-5-12, IC 24-5-14, or IC 24-5-14.5. Actual damages awarded to a person under this section have priority over any civil penalty imposed under this chapter:~~

~~— (b) Any person who is entitled to bring an action under subsection (a) on the person's own behalf against a supplier for damages for a deceptive act may bring a class action against such supplier on behalf of any class of persons of which that person is a member and which has been damaged by such deceptive act, subject to and under the Indiana Rules of Trial Procedure governing class actions, except as herein expressly provided. Except as provided in subsection (k), the court may award reasonable attorney's fees to the party that prevails in a class action under this subsection, provided that such fee shall be determined by the amount of time reasonably expended by the attorney and not by the amount of the judgment, although the contingency of the fee may be considered. Except in the case of an extension of time granted by the attorney general under IC 24-10-2-2(b) in an action subject to IC 24-10; any money or other property recovered in a class action under this subsection which cannot, with due diligence, be restored to consumers within one (1) year after the judgment becomes final shall be returned to the party depositing the same. This subsection does not apply to a~~

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~~consumer transaction in real property, except for purchases of time shares and camping club memberships. This subsection does not apply with respect to a deceptive act described in section 3(b)(20) of this chapter. Actual damages awarded to a class have priority over any civil penalty imposed under this chapter.~~

~~— (c) The attorney general may bring an action to enjoin an unfair, abusive, or deceptive act, omission, or practice in connection with a consumer transaction, including a deceptive act described in section 3(b)(20) of this chapter, notwithstanding subsections (a) and (b). However, the attorney general may seek to enjoin patterns of incurable deceptive acts with respect to consumer transactions in real property.~~

~~In addition, the court may: — (1) issue an injunction; (2) order the supplier to make payment of the money unlawfully received from the aggrieved consumers to be held in escrow for distribution to aggrieved consumers; (3) for a knowing violation against a senior consumer, increase the amount of restitution ordered under subdivision (2) in any amount up to three (3) times the amount of damages incurred or value of property or assets lost; (4) order the supplier to pay to the state the reasonable costs of the attorney general's investigation and prosecution, expert fees, and court fees related to the action; (5) provide for the appointment of a receiver; and (6) order the department of state revenue to suspend the supplier's registered retail merchant certificate, subject to the requirements and prohibitions contained in IC 6-2.5-8-7(a)(5), if the court finds that a violation of this chapter involved the sale or solicited sale of a synthetic drug (as defined in IC 35-31.5-2-321), a synthetic drug lookalike substance (as defined in~~

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~~IC 35-31.5-2-321.5 (repealed)
(before July 1, 2019), a controlled
substance analog (as defined in
IC 35-48-1.1-8), or a substance
represented to be a controlled
substance (as described in
IC 35-48-4-4.6):~~

~~— (d) In an action under subsection (a), (b), (c), or (n) the court may
void or limit the application of contracts or clauses resulting from
deceptive acts and order restitution to be paid to aggrieved consumers.~~

~~— (e) In any action under subsection (a) or (b), upon the filing of the
complaint or on the appearance of any defendant, claimant, or any
other party, or at any later time, the trial court, the supreme court, or the
court of appeals may require the plaintiff, defendant, claimant, or any
other party or parties to give security, or additional security, in such
sum as the court shall direct to pay all costs, expenses, and
disbursements that shall be awarded against that party or which that
party may be directed to pay by any interlocutory order by the final
judgment or on appeal.~~

~~— (f) Any person who violates the terms of an injunction issued
under subsection (c) or (n) shall forfeit and pay to the state a civil
penalty of not more than fifteen thousand dollars (\$15,000) per
violation. For the purposes of this section, the court issuing an
injunction shall retain jurisdiction, the cause shall be continued, and
the attorney general acting in the name of the state may petition for
recovery of civil penalties. Whenever the court determines that an
injunction issued under subsection (c) or (n) has been violated, the
court shall award reasonable costs to the state.~~

~~— (g) If a court finds any person has knowingly violated section 3 or
10 of this chapter, other than section 3(b)(19), 3(b)(20), or 3(b)(40)
3(b)(41) of this chapter, the attorney general, in an action pursuant to
subsection (c), may recover from the person on behalf of the state a
civil penalty of a fine not exceeding five thousand dollars (\$5,000) per
violation.~~

~~— (h) If a court finds that a person has violated section 3(b)(19) of
this chapter, the attorney general, in an action under subsection (c),
may recover from the person on behalf of the state a civil penalty as
follows:~~

~~(1) For a knowing or intentional violation, one
thousand five hundred dollars (\$1,500).~~

~~(2) For a violation other than a knowing or intentional violation,
five hundred dollars (\$500).~~

~~A civil penalty recovered under this subsection shall be deposited in~~

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~~the consumer protection division telephone solicitation fund established by IC 24-4.7-3-6 to be used for the administration and enforcement of section 3(b)(19) of this chapter.~~

~~— (i) A senior consumer relying upon an uncured or incurable deceptive act, including an act related to hypnotism, may bring an action to recover treble damages, if appropriate.~~

~~— (j) An offer to cure is: (1) not admissible as evidence in a proceeding initiated under this section unless the offer to cure is delivered by a supplier to the consumer or a representative of the consumer before the supplier files the supplier's initial response to a complaint; and (2) only admissible as evidence in a proceeding initiated under this section to prove that a supplier is not liable for attorney's fees under subsection (k).~~

~~If the offer to cure is timely delivered by the supplier, the supplier may submit the offer to cure as evidence to prove in the proceeding in accordance with the Indiana Rules of Trial Procedure that the supplier made an offer to cure.~~

~~— (k) A supplier may not be held liable for the attorney's fees and court costs of the consumer that are incurred following the timely delivery of an offer to cure as described in subsection (j) unless the actual damages awarded, not including attorney's fees and costs, exceed the value of the offer to cure.~~

~~— (l) If a court finds that a person has knowingly violated section 3(b)(20) of this chapter, the attorney general, in an action under subsection (c), may recover from the person on behalf of the state a civil penalty not exceeding one thousand dollars (\$1,000) per consumer. In determining the amount of the civil penalty in any action by the attorney general under this subsection, the court shall consider, among other relevant factors, the frequency and persistence of noncompliance by the debt collector, the nature of the noncompliance, and the extent to which the noncompliance was intentional. A person may not be held liable in any action by the attorney general for a violation of section 3(b)(20) of this chapter if the person shows by a preponderance of evidence that the violation was not intentional and resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adapted to avoid the error. A person may not be held liable in any action for a violation of this chapter for contacting a~~

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~~person other than the debtor, if the contact is made in compliance with the Fair Debt Collection Practices Act.~~

~~— (m) If a court finds that a person has knowingly or intentionally violated section 3(b)(40) **3(b)(41)** of this chapter, the attorney general, in an action under subsection (c), may recover from the person on behalf of the state a civil penalty in accordance with IC 24-5-14.5-12(b). As specified in IC 24-5-14.5-12(b), a civil penalty recovered under IC 24-5-14.5-12(b) shall be deposited in the consumer protection division telephone solicitation fund established by IC 24-4-7-3-6 to be used for the administration and enforcement of IC 24-5-14.5. In addition to the recovery of a civil penalty in accordance with IC 24-5-14.5-12(b), the attorney general may also recover reasonable attorney fees and court costs from the person on behalf of the state. Those funds shall also be deposited in the consumer protection division telephone solicitation fund established by IC 24-4-7-3-6.~~

~~— (n) An action that arises from, or otherwise involves, an unfair, abusive, or deceptive act, omission, or practice in connection with a consumer transaction described in section 2(a)(1)(D)(i) of this chapter may be brought and enforced only by the attorney general under this subsection. An action that arises from, or otherwise involves, an unfair, abusive, or deceptive act, omission, or practice in connection with a consumer transaction described in section 2(a)(1)(D)(ii) of this chapter may be brought and enforced only by an attorney acting on behalf of the local law enforcement agency involved in the transaction, unless the local unit of government served by the local law enforcement agency requests the attorney general to bring and enforce an action under this subsection on behalf of the local unit. In addition, the court may:~~

- ~~(1) issue an injunction;~~
- ~~(2) order the supplier to make payment of the money unlawfully received from the aggrieved consumers to be held in escrow for distribution to aggrieved consumers; or~~
- ~~(3) order the supplier to pay to:

 - ~~(A) the attorney acting on behalf of the local law enforcement agency; or~~
 - ~~(B) the attorney general for the state;~~~~
- ~~as applicable, the reasonable costs of the attorney's or the attorney general's investigation and prosecution, expert fees, and court fees related to the action.~~

~~The time for bringing an action under subsection (c), as set forth in section 5(b) of this chapter, applies to an action brought under this subsection.~~

~~— SECTION 52. IC 25-1-1.1-2, AS AMENDED BY P.L.186-2025;~~

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1 ~~SECTION 134, IS AMENDED TO READ AS FOLLOWS~~
2 ~~[EFFECTIVE JULY 1, 2026]: Sec. 2. Notwithstanding IC 25-1-7, a~~
3 ~~board, a commission, or a committee may suspend, deny, or revoke a~~
4 ~~license or certificate issued under this title by the board, the~~
5 ~~commission, or the committee without an investigation by the office of~~
6 ~~the attorney general if the individual who holds the license or~~
7 ~~certificate is convicted of any of the following and the board,~~
8 ~~commission, or committee determines, after the individual has~~
9 ~~appeared in person, that the offense affects the individual's ability to~~
10 ~~perform the duties of the profession:~~
11 ~~— (1) Possession of cocaine or a narcotic drug under IC 35-48-4-6.~~
12 ~~— (2) Possession of methamphetamine under IC 35-48-4-6.1.~~
13 ~~— (3) Possession of a controlled substance under IC 35-48-4-7(a):~~
14 ~~**IC 35-48-4-7(b).** — (4) Fraudulently obtaining a controlled~~
15 ~~substance under IC 35-48-4-7(c):~~
16 ~~**IC 35-48-4-7(d).** (5) Manufacture of~~
17 ~~paraphernalia as a Class D felony (for a~~
18 ~~crime committed before July 1, 2014) or~~
19 ~~a Level 6 felony (for a crime committed~~
20 ~~after June 30, 2014) under~~
21 ~~IC 35-48-4-8.1(c):~~
22 ~~— (6) Dealing in paraphernalia as a Class D felony (for a crime~~
23 ~~committed before July 1, 2014) or a Level 6 felony (for a crime~~
24 ~~committed after June 30, 2014) under IC 35-48-4-8.5(b):~~
25 ~~— (7) Possession of paraphernalia as a Class D felony (for a crime~~
26 ~~committed before July 1, 2014) or a Level 6 felony (for a crime~~
27 ~~committed after June 30, 2014) under IC 35-48-4-8.3(b) (before~~
28 ~~its amendment on July 1, 2015):~~
29 ~~— (8) Possession of marijuana, hash oil, hashish, or salvia as a~~
30 ~~Class D felony (for a crime committed before July 1, 2014) or a~~
31 ~~Level 6 felony (for a crime committed after June 30, 2014) under~~
32 ~~IC 35-48-4-11:~~
33 ~~— (9) A felony offense under IC 35-48-4 involving possession of a~~
34 ~~synthetic drug (as defined in IC 35-31.5-2-321), possession of a~~
35 ~~controlled substance analog (as defined in IC 35-48-1.1-8), or~~
36 ~~possession of a synthetic drug lookalike substance (as defined in~~
37 ~~IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) as a: (A)~~
38 ~~Class D felony for a crime committed before July 1, 2014; or (B)~~
39 ~~Level 6 felony for a crime committed after June 30, 2014; under~~
40 ~~IC 35-48-4-11.5 (before its repeal on July 1, 2019):~~
41 ~~— (10) Maintaining a common nuisance under IC 35-48-4-13~~
42 ~~(repealed) or IC 35-45-1-5, if the common nuisance involves a~~

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1 ~~controlled substance.~~
2 ~~— (11) An offense relating to registration, labeling, and~~
3 ~~prescription forms under IC 35-48-4-14.~~
4 ~~— (12) A sex crime under IC 35-42-4.~~
5 ~~— (13) A felony that reflects adversely on the individual's fitness to~~
6 ~~hold a professional license.~~
7 ~~— SECTION 53. IC 34-30-2.1-72, AS ADDED BY P.L.105-2022,~~
8 ~~SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE~~
9 ~~JULY 1, 2026]: Sec. 72. IC 7.1-5-10-15 (Concerning alcoholic~~
10 ~~beverage a permittee or permittee's agent refusing to serve provide~~
11 ~~alcoholic beverages or products containing THC to certain persons).~~
12 ~~— SECTION 54. IC 34-30-2.1-73, AS ADDED BY P.L.105-2022,~~
13 ~~SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE~~
14 ~~JULY 1, 2026]: Sec. 73. IC 7.1-5-10-15.5 (Concerning persons who~~
15 ~~furnish an alcoholic beverage or a product containing THC for~~
16 ~~damages caused by an impaired or intoxicated person).~~
17 ~~— SECTION 55. IC 35-31.5-2-61.5 IS ADDED TO THE INDIANA~~
18 ~~CODE AS A NEW SECTION TO READ AS FOLLOWS~~
19 ~~[EFFECTIVE JULY 1, 2026]: Sec. 61.5. "Container", for purposes~~
20 ~~of IC 35-48-8, has the meaning set forth in IC 35-48-8-2.~~
21 ~~— SECTION 56. IC 35-31.5-2-152.2 IS ADDED TO THE INDIANA~~
22 ~~CODE AS A NEW SECTION TO READ AS FOLLOWS~~
23 ~~[EFFECTIVE JULY 1, 2026]: Sec. 152.2. "Hemp", for purposes of~~
24 ~~this title, has the meaning set forth in IC 35-48-8-3.~~
25 ~~— SECTION 57. IC 35-31.5-2-152.3 IS ADDED TO THE INDIANA~~
26 ~~CODE AS A NEW SECTION TO READ AS FOLLOWS~~
27 ~~[EFFECTIVE JULY 1, 2026]: Sec. 152.3. "Hemp derived~~
28 ~~cannabinoid product", for purposes of this title, has the meaning~~
29 ~~set forth in IC 35-48-8-4. — SECTION 58. IC 35-31.5-2-169.3 IS~~
30 ~~ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ~~
31 ~~AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 169.3. "Industrial~~
32 ~~hemp", for purposes of this title, has the meaning set forth in~~
33 ~~IC 35-48-8-5. — SECTION 59. IC 35-31.5-2-176.1 IS ADDED TO THE~~
34 ~~INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS~~
35 ~~[EFFECTIVE JULY 1, 2026]: Sec. 176.1. "Intermediate hemp~~
36 ~~derived cannabinoid product", for purposes of IC 35-48-8, has the~~
37 ~~meaning set forth in IC 35-48-8-6.~~
38 ~~— SECTION 60. IC 35-31.5-2-189.9 IS REPEALED [EFFECTIVE~~
39 ~~JULY 1, 2026]. Sec. 189.9. "Low THC hemp extract", for purposes of~~
40 ~~IC 35-48, has the meaning set forth in IC 35-48-1.1-27.~~
41 ~~— SECTION 61. IC 35-46-1-11.7, AS AMENDED BY~~
42 ~~P.L.163-2025, SECTION 66, IS AMENDED TO READ AS~~

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1 ~~FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11.7. (a) A retail~~
 2 ~~establishment in which tobacco products and products containing~~
 3 ~~tetrahydrocannabinol (THC) account for at least eighty five percent~~
 4 ~~(85%) of the retail establishment's gross sales may not allow an~~
 5 ~~individual who is less than twenty-one (21) years of age to enter the~~
 6 ~~retail establishment.~~
 7 ~~— (b) An individual who is less than twenty-one (21) years of age~~
 8 ~~may not enter a retail establishment described in subsection (a).~~
 9 ~~— (c) A retail establishment described in subsection (a) must~~
 10 ~~conspicuously post on all entrances to the retail establishment the~~
 11 ~~following: — (1) A sign in boldface type that states "NOTICE:~~
 12 ~~It is unlawful for a person less than 21 years old to~~
 13 ~~enter this store.".~~
 14 ~~— (2) A sign printed in letters and numbers at least one-half (1/2)~~
 15 ~~inch high that displays a toll free phone number for assistance to~~
 16 ~~callers in quitting smoking, as determined by the Indiana~~
 17 ~~department of health.~~
 18 ~~— (d) A person who violates this section commits a Class C~~
 19 ~~infraction. Notwithstanding IC 34-28-5-4(c), a civil judgment for an~~
 20 ~~infraction committed under this section must be imposed as follows:~~
 21 ~~— (1) If the person has not been cited for a violation of this section~~
 22 ~~in the previous one (1) year, a civil penalty of up to four hundred~~
 23 ~~dollars (\$400).~~
 24 ~~— (2) If the person has had one (1) violation in the previous one (1)~~
 25 ~~year, a civil penalty of up to eight hundred dollars (\$800).~~
 26 ~~— (3) If the person has had two (2) violations in the previous one~~
 27 ~~(1) year, a civil penalty of up to one thousand four hundred~~
 28 ~~dollars (\$1,400).~~
 29 ~~— (4) If the person has had three (3) or more violations in the~~
 30 ~~previous one (1) year, a civil penalty of up to two thousand~~
 31 ~~dollars (\$2,000).~~
 32 ~~A person may not be cited more than once every twenty-four (24)~~
 33 ~~hours.~~
 34 ~~— (e) Notwithstanding IC 34-28-5-5(c), civil penalties collected~~
 35 ~~under this section must be deposited in the Richard D. Doyle tobacco~~
 36 ~~education and enforcement fund established under IC 7.1-6-2-6.~~
 37 ~~— (f) A person who violates subsection (a) at least six (6) times in~~
 38 ~~any one (1) year period commits habitual illegal entrance by a minor,~~
 39 ~~a Class B infraction.~~
 40 ~~— SECTION 62. IC 35-48-1.1-7, AS ADDED BY P.L.186-2025,~~
 41 ~~SECTION 249, IS AMENDED TO READ AS FOLLOWS~~
 42 ~~[EFFECTIVE JULY 1, 2026]: Sec. 7. "Controlled substance" means a~~

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~~drug, substance, or immediate precursor in schedule I, II, III, IV, or V under: (1) IC 35-48-2-4, IC 35-48-2-6, IC 35-48-2-8, IC 35-48-2-10, or IC 35-48-2-12, if IC 35-48-2-14 does not apply; or (2) a rule adopted by the board, if IC 35-48-2-14 applies.~~

~~The term does not include low-THC hemp extract.~~

~~SECTION 63. IC 35-48-1.1-8, AS ADDED BY P.L.186-2025; SECTION 249, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. (a) "Controlled substance analog" means a substance that, due to its chemical structure and potential for abuse or misuse, meets the following criteria:~~

~~(1) The substance is substantially similar to a controlled substance classified under IC 35-48-2.~~

~~(2) The substance has a narcotic, stimulant, depressant, or hallucinogenic effect on the central nervous system or is represented or intended to have a narcotic, stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to or greater than that of a controlled substance classified under IC 35-48-2.~~

~~(b) The definition set forth in subsection (a) does not include:~~

~~(1) a controlled substance; (2) a legend drug; (3) a substance for which there is an approved new drug application; (4) any compound, mixture, or preparation that contains any controlled substance, that is not for administration to a human being or an animal, and that is packaged in a form or concentration, or with adulterants or denaturants, such that as packaged it does not present any significant potential for abuse; or (5) a substance to which an investigational exemption applies under Section 505 of the federal Food, Drug and Cosmetic Act (chapter 675, 52 Stat. 1052 (21 U.S.C. 355)), but only to the extent that conduct with respect to the substance is pursuant to the exemption. or (6) low-THC hemp extract. (c) For purposes of~~

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~~subsection (a), "substantially similar", as it applies to the chemical structure of a substance; means that the chemical structure of the substance, when compared to the structure of a controlled substance, has a single difference in the structural formula that substitutes one (1) atom or functional group for another; including: (1) one (1) halogen for another halogen; (2) one (1) hydrogen for a halogen; (3) one (1) halogen for a hydrogen; or (4) an alkyl group added or deleted: (A) as a side chain to or from a molecule; or (B) from a side chain of a molecule.~~

~~SECTION 64. IC 35-48-1.1-27 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. 27. (a) "Low THC hemp extract" means a substance or compound that: (1) is derived from or contains any part of the plant Cannabis sativa L. that meets the definition of hemp under IC 15-15-13-6; (2) contains not more than three-tenths percent (0.3%) total delta-9-tetrahydrocannabinol (THC), including precursors, by weight; and (3) contains no other controlled substances. (b) The term does not include: (1) the harvested reproductive organ, whether immature or mature, of the female hemp plant; or (2) smokable hemp.~~

~~SECTION 65. IC 35-48-1.1-29, AS ADDED BY P.L.186-2025, SECTION 249, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 29. (a) "Marijuana" means any part of the plant genus Cannabis whether growing or not; the seeds thereof; the resin extracted from any part of the plant, including hashish and hash oil; any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. (b) The term does not include:~~

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~~(1) the mature stalks of the plant; (2) fiber produced from the stalks; (3) oil or cake made from the seeds of the plant; (4) any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom); (5) the sterilized seed of the plant which is incapable of germination; (6) hemp (as defined by IC 15-15-13-6); (7) low THC hemp extract; or (8) smokable hemp. (1) a hemp derived cannabinoid product (as defined in IC 35-48-8-4); or (2) industrial hemp monitored and licensed with the state seed commissioner under IC 15-15-13. SECTION 66. IC 35-48-1.1-38, AS ADDED BY P.L.186-2025, SECTION 249, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 38.> (a) Except as provided in subsection (b), "smokable hemp" means a product [plant, or part of a plant] containing not more than three-tenths percent (0.3%) delta-9-tetrahydrocannabinol ~~<[(THC); including precursors]~~ an <y amount> [d derivatives] ~~off] [THC (tetrahydrocannabinol <-(THC)>), < including precursors and derivatives of THC,>] in a form that allows THC to be introduced into the human body by inhalation of smoke. ~~<=>~~ [Except as provided in subsection (b),] the term includes ~~<(1) hemp bud; and (2)>~~ [craft] hemp flower. < >]~~~~

(1) hemp bud; and (2) hemp flower.

] (b) The term does not include [a craft hemp flower product (as defined in IC 35-31.5-2-68.9), or]:

(1) a hemp plant that is; ~~[or]~~

(2) parts of a hemp plant that are; [or

(3) craft hemp flower that is;

] grown or handled by a licensee <governed by IC 15-15-13 and> for processing or manufacturing into a <legal hemp derived cannabinoid product under IC 7.1-8. SECTION 67. IC 35-48-2-1, AS AMENDED BY P.L.84-2010, SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) The

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board shall administer this article and may recommend to the general assembly the addition, deletion, or rescheduling of all substances listed in the schedules in sections 4, 6, 8, 10, and 12 of this chapter by submitting in an electronic format under IC 5-14-6 a report of such recommendations to the legislative council. In making a determination regarding a substance, the board shall consider the following:

- (1) The actual or relative potential for abuse.
- (2) The scientific evidence of its pharmacological effect, if known.
- (3) The state of current scientific knowledge regarding the substance.
- (4) The history and current pattern of abuse.
- (5) The scope, duration, and significance of abuse.
- (6) The risk to public health.
- (7) The potential of the substance to produce psychic or physiological dependence liability.
- (8) Whether the substance is an immediate precursor of a substance already controlled under this article.

(b) After considering the factors enumerated in subsection (a), the board shall make findings and recommendations concerning the control of the substance if it finds the substance has a potential for abuse.

(c) If the board finds that a substance is an immediate precursor, substances which are precursors of the controlled precursor shall not be subject to control solely because they are precursors of the controlled precursor.

(d) If any substance is designated or rescheduled to a more restrictive schedule as a controlled substance under federal law and notice is given to the board, the board shall recommend similar control of the substance under this article in the board's report to the general assembly, unless the board objects to inclusion or rescheduling. In that case, the board shall publish the reasons for objection and afford all interested parties an opportunity to be heard. At the conclusion of the hearing, the board shall publish its findings.

(e) **This subsection does not include marijuana or tetrahydrocannabinol.** If a substance is rescheduled to a less restrictive schedule or deleted as a controlled substance under federal law, the substance is rescheduled or deleted under this article. If the board objects to inclusion, rescheduling, or deletion of the substance, the board shall notify the chairman of the legislative council not more than thirty (30) days after the federal law is changed and the substance may not be rescheduled or deleted until the conclusion of the next complete session of the general assembly. The notice from the board

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to the chairman of the legislative council must be published.

(f) The board shall conduct hearings regarding revocations, suspensions, and restrictions of registrations as provided in IC 35-48-3-4. All hearings shall be conducted in accordance with IC 4-21.5-3.

(g) Authority to control under this section does not extend to distilled spirits, wine, or malt beverages, as those terms are defined or used in IC 7.1, or to tobacco.

(h) The board shall exclude any nonnarcotic substance from a schedule if that substance may, under the Federal Food, Drug, and Cosmetic Act or state law, be sold over the counter without a prescription.

SECTION 68. IC 35-48-4-2, AS AMENDED BY P.L.61-2020, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) **This section does not apply to a hemp derived cannabinoid product as defined in IC 35-48-8-4.**

(a) (b) A person who: (1) knowingly or intentionally: (A) manufactures; (B) finances the manufacture of; (C) delivers; or (D) finances the delivery of; a controlled substance or controlled substance analog, pure or adulterated, classified in schedule I, except marijuana, hash oil, hashish, or salvia, or a controlled substance, or controlled substance analog, pure or adulterated, classified in schedule II or III; or (2) possesses, with intent to: (A) manufacture; (B) finance the manufacture of; (C) deliver; or (D) finance the delivery of; a controlled substance or controlled substance analog, pure or adulterated, classified in schedule I, except marijuana, hash oil, hashish, or salvia, or a controlled substance, or controlled substance analog, pure or adulterated, classified in schedule II or III; commits dealing in a schedule I, II, or III controlled substance, a Level 6 felony, except

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as provided in subsections ~~(b)~~ (c) through ~~(f)~~ (g). ~~(b)~~ (c) A person may be convicted of an offense under subsection ~~(a)(2)~~ (b)(2) only if: (1) there is evidence in addition to the weight of the drug that the person intended to manufacture, finance the manufacture of, deliver, or finance the delivery of the drug; or (2) the amount of the drug involved is at least twenty-eight (28) grams.

~~(e)~~ (d) The offense is a Level 5 felony if: (1) the amount of the drug involved is at least one (1) gram but less than five (5) grams; or (2) the amount of the drug involved is less than one (1) gram and an enhancing circumstance applies.

~~(d)~~ (e) The offense is a Level 4 felony if: (1) the amount of the drug involved is at least five (5) grams but less than ten (10) grams; or (2) the amount of the drug involved is at least one (1) gram but less than five (5) grams and an enhancing circumstance applies.

~~(e)~~ (f) The offense is a Level 3 felony if: (1) the amount of the drug involved is at least ten (10) grams but less than twenty-eight (28) grams; or (2) the amount of the drug involved is at least five (5) grams but less than ten (10) grams and an enhancing circumstance applies.

~~(f)~~ (g) The offense is a Level 2 felony if: (1) the amount of the drug involved is at least twenty-eight (28) grams; or (2) the amount of the drug involved is at least ten (10) grams but less than twenty-eight (28) grams and an enhancing circumstance applies.

SECTION 69. IC 35-48-4-7, AS AMENDED BY P.L.61-2020, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. (a) **This section does not apply to a hemp derived cannabinoid product as defined in IC 35-48-8-4.**

~~(a)~~ (b) A person who, without a valid prescription or order of a practitioner acting in the course of the practitioner's professional practice, knowingly or intentionally possesses a:

- (1) controlled substance or controlled substance analog (pure or adulterated), classified in schedule I, except marijuana, hashish,

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or salvia; or (2) controlled substance or controlled substance analog (pure or adulterated), classified in schedule II, III, or IV; commits possession of a controlled substance, a Class A misdemeanor, except as provided in subsection (b): (c). (b) (c) The offense is a Level 6 felony if the person commits the offense and an enhancing circumstance applies.

(c) (d) A person who, without a valid prescription or order of a practitioner acting in the course of the practitioner's professional practice, knowingly or intentionally obtains:

- (1) more than four (4) ounces of schedule V controlled substances containing codeine in any given forty-eight (48) hour period unless pursuant to a prescription;
- (2) a schedule V controlled substance pursuant to written or verbal misrepresentation; or
- (3) possession of a schedule V controlled substance other than by means of a prescription or by means of signing an exempt narcotic register maintained by a pharmacy licensed by the Indiana state board of pharmacy; commits a Class A misdemeanor.

SECTION 70. IC 35-48-4-10, AS AMENDED BY P.L.153-2018, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10. (a) A person who:

- (1) knowingly or intentionally: (A) manufactures; (B) finances the manufacture of; (C) delivers; or (D) finances the delivery of; marijuana, hash oil, hashish, or salvia, pure or adulterated; or (2) possesses, with intent to: (A) manufacture; (B) finance the manufacture of; (C) deliver; or (D) finance the delivery of; marijuana, hash oil, hashish, or salvia, pure or adulterated; commits dealing in marijuana, hash oil, hashish, or salvia, a Class A misdemeanor, except as provided in subsections (b) through (d).

(b) A person may be convicted of an offense under subsection

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(a)(2) only if: (1) there is evidence in addition to the weight of the drug that the person intended to manufacture, finance the manufacture of, deliver, or finance the delivery of the drug; or (2) the amount of the drug involved is at least: (A) ten (10) pounds, if the drug is marijuana; or (B) three hundred (300) grams, if the drug is hash oil, hashish, or salvia.

(c) The offense is a Level 6 felony if:
(1) the person has a prior conviction for a drug offense and the amount of the drug involved is: (A) less than thirty (30) grams of marijuana; or (B) less than five (5) grams of hash oil, hashish, or salvia; or (2) the amount of the drug involved is: (A) at least thirty (30) grams but less than ten (10) pounds of marijuana; or (B) at least five (5) grams but less than three hundred (300) grams of hash oil, hashish, or salvia.

(d) The offense is a Level 5 felony if:
(1) the person has a prior conviction for a drug dealing offense and the amount of the drug involved is: (A) at least thirty (30) grams but less than ten (10) pounds of marijuana; or (B) at least five (5) grams but less than three hundred (300) grams of hash oil, hashish, or salvia; (2) the: (A) amount of the drug involved is: (i) at least ten (10) pounds of marijuana; or (ii) at least three hundred (300) grams of hash oil, hashish, or salvia; or (B) offense involved a sale to a minor; or (3) the: (A) person is a retailer; (B) marijuana, hash oil, hashish, or salvia is packaged in a manner that appears to be ~~low THC hemp extract;~~ **a hemp derived cannabinoid product;** and (C) person knew or reasonably should have known that the product was marijuana, hash oil, hashish, or salvia.

SECTION 71. IC 35-48-4-11, AS AMENDED BY P.L.153-2018, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11. (a) A person who:

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(1) knowingly or intentionally possesses (pure or adulterated) marijuana, hash oil, hashish, or salvia; (2) knowingly or intentionally grows or cultivates marijuana; or (3) knowing that marijuana is growing on the person's premises, fails to destroy the marijuana plants; commits possession of marijuana, hash oil, hashish, or salvia, a Class B misdemeanor, except as provided in subsections (b) through (c).

(b) The offense described in subsection (a) is a Class A misdemeanor if: (1) the person has a prior conviction for a drug offense; or (2) the: (A) marijuana, hash oil, hashish, or salvia is packaged in a manner that appears to be ~~low THC hemp extract~~; **a hemp derived cannabinoid product**; and (B) person knew or reasonably should have known that the product was marijuana, hash oil, hashish, or salvia.

(c) The offense described in subsection (a) is a Level 6 felony if: (1) the person has a prior conviction for a drug offense; and (2) the person possesses: (A) at least thirty (30) grams of marijuana; or (B) at least five (5) grams of hash oil, hashish, or salvia.

SECTION 72. IC 35-48-8>[legal hemp product, including a craft hemp flower product.

SECTION 32. IC 35-48-4-5.5] IS ADDED TO THE INDIANA CODE AS A NEW <CHAPTER>[SECTION] TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: <

- ~~— Chapter 8. Offenses Relating to Hemp~~
- ~~— Sec. 0.5. Nothing in IC 7.1 or IC 15 may be construed under the "inclusio unius, exclusio alterius" canon of construction that marijuana has been legalized.~~
- ~~— Sec. 1. The terms defined in sections 2 through 6 of this chapter apply only to this chapter and if cited in another statute concerning hemp.~~
- ~~— Sec. 2. (a) "Container" means the innermost wrapping, packaging, or vessel in direct contact with a final hemp derived cannabinoid product in which the final hemp derived cannabinoid product is enclosed for retail sale to consumers, including a jar, bottle, bag, box, packet, can, carton, or cartridge.~~
- ~~— (b) The term excludes bulk shipping containers or outer wrappings that are not essential for the final retail delivery or sale to an end consumer for personal or household use.~~

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~~—(c) The term does not include a drug that is subject of an application approved under 21 U.S.C. 355(c) or (j):~~

~~— Sec. 3. (a) "Hemp" means the plant Cannabis sativa L. and any part of the plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a total tetrahydrocannabinols concentration (including tetrahydrocannabinolic acid) of not more than three-tenths of one percent (0.3%) on a dry weight basis:~~

~~—(b) The term includes industrial hemp and hemp derived cannabinoid products:~~

~~—(c) The term does not include:-~~

~~(1) any viable seeds from a Cannabis sativa L. plant that exceeds a total tetrahydrocannabinols concentration (including tetrahydrocannabinolic acid) of three-tenths of one percent (0.3%) in the plant on a dry weight basis; (2) any intermediate hemp derived cannabinoid products containing: (A) cannabinoids that are not capable of being naturally produced by a Cannabis sativa L. plant; (B) cannabinoids that: (i) are capable of being naturally produced by the Cannabis sativa L. plant; and (ii) were synthesized or manufactured outside the plant; or (C) more than three-tenths of one percent (0.3%) combined total concentration of: (i) total tetrahydrocannabinols (including tetrahydrocannabinolic acid); and (ii) any other cannabinoids that have similar effects (or are marketed to have similar effects) on humans or animals as a tetrahydrocannabinol as determined by the United States Secretary of Health and Human Services; (3) any intermediate hemp derived cannabinoid products which are marketed or sold as a final product or directly to an end consumer for personal or household use; (4) any final hemp derived cannabinoid~~

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~~products containing: (A) cannabinoids that are not capable of being naturally produced by a Cannabis sativa L. plant; (B) cannabinoids that: (i) are capable of being naturally produced by a Cannabis sativa L. plant; and (ii) were synthesized or manufactured outside the plant; or (C) greater than four-tenths (0.4) milligram combined total per container of: (i) total tetrahydrocannabinols (including tetrahydrocannabinolic acid); and (ii) any other cannabinoids that have similar effects, or are marketed to have similar effects, on humans or animals as a tetrahydrocannabinol, as determined by the United States Secretary of Health and Human Services; or (5) smokable hemp.~~

~~— Sec. 4. "Hemp derived cannabinoid product" means a product derived from, or made by, processing hemp plants or hemp plant parts including derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers:~~

~~— (b) The term includes any intermediate or final product derived from hemp, other than industrial hemp, that:~~

~~— (1) contains cannabinoids in any form; and (2) is intended for human or animal use through any means of application or administration including: (A) inhalation; (B) ingestion; or (C) topical application.~~

~~— (c) The term includes cannabidiol, a CBD product, or a product that contains a cannabidiol.~~

~~— (d) The term does not include:~~

~~— (1) smokable hemp (as defined in IC 35-48-1.1-38); (2) products that contain a total tetrahydrocannabinol concentration of more than three-tenths of one percent (0.3%) on a dry weight basis; or (3) a drug that is the subject of an application approved under subsection (c) or (j) of Section 505 of the federal Food, Drug, and Cosmetic Act (21 U.S.C. 355).~~

~~— Sec. 5. "Industrial hemp" means hemp:~~

~~— (1) grown for the use of the stalk of the plant fiber produced~~

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~~from the stalk, or any other noncannabinoid derivative, mixture, preparation, or manufacture of the stalk; (2) grown for the use of the whole grain, oil, cake, nut, hull, or other noncannabinoid compound, derivative, mixture, preparation, or manufacture of the seeds of the plant; (3) grown for purposes of producing microgreens or other edible hemp leaf products for human consumption that are derived from an immature hemp plant that is grown from seeds that do not exceed the threshold for total tetrahydrocannabinols concentration of three-tenths of one percent (0.3%) in the plant on a dry weight basis; (4) that is a plant that does not enter the stream of commerce and is intended to support hemp research at an institution of higher education, as defined in 20 U.S.C. 1001, or an independent research institute; or (5) grown for the use of a viable seed of the plant produced solely for the production or manufacture of any material described in subdivisions (1) through (4).~~

~~Sec. 6. "Intermediate hemp derived cannabinoid product" means a hemp derived cannabinoid product that:~~

- ~~(1) is not yet in the final form or preparation and is marketed or intended to be used or consumed by a human or animal;~~
- ~~or (2) is a powder, liquid, tablet, oil, or other product form that is intended or marketed to be mixed, dissolved, formulated, or added to or prepared with or into any other substance prior to administration or consumption.~~

~~Sec. 7. A person who: (1) is a retailer under IC 7.1-8; (2) knowingly or intentionally sells marijuana that is packaged in a manner that appears to be a hemp derived cannabinoid product; and (3) knew or reasonably should have known that the product was marijuana; commits a Level 5 felony. Sec. 8. (a) A person who does not hold a valid permit under IC 7.1-8 who:~~

- >[\[Sec. 5.5. A person who:](#)
- 1 (1) knowingly or intentionally:
- 2 (A) ~~<manufactures;~~ (B) ~~finances the manufacture~~
- 3 of [\[creates\]](#);

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(~~C~~) [B] delivers; [or]
 (~~D~~) [C] finances the delivery of;
~~or~~ ~~(E) sells;~~ [a counterfeit]hemp <derived
c a n n a b i n o i d
product>[substance]; or
 (2) possesses, with intent to:
~~(A) manufacture;~~ ~~(B) finance the manufacture of;~~
 (~~C~~) [A] deliver; [or]
 (~~D~~) [B] finance the delivery of;
~~or~~ ~~(E) sell;~~ ~~hemp derived cannabinoid~~
~~product;~~ ~~commits unlicensed~~
~~dealing in hemp derived~~
~~cannabinoid product>~~ [a
counterfeit hemp substance;
commits dealing in a counterfeit hemp substance], a Class A
 misdemeanor. However, ~~except as provided in subsections (b)~~
~~through (d):~~
~~(b) A>~~ [a] person may be convicted of an offense under
~~subsection (a)>~~ [subdivision](2) only if ~~or~~
~~(1)>~~ there is evidence in addition to the weight of the
~~drug>~~ [counterfeit hemp substance] that the person
 intended to ~~manufacture, finance the manufacture of;~~
~~deliver<,>~~ [or] finance the delivery of ~~or sell, the hemp~~
~~derived cannabinoid product; or (2) the amount of the hemp~~
~~derived cannabinoid product involved is at least ten (10)~~
~~pounds:~~
~~(c) The offense is a Level 6 felony if the person has a prior~~
~~conviction for an offense under this section and the amount of the~~
~~hemp derived cannabinoid product involved is less than ten (10)~~
~~pounds:~~
~~(d) The offense is a Level 5 felony if the person has a prior~~
~~conviction for a dealing offense under this section and either:~~
~~(1) the amount of the hemp derived cannabinoid product~~
~~involved is less than ten (10) pounds; or (2) the offense~~
~~involved a sale to a minor. SECTION 73. IC 35-52-7-39, AS~~
~~ADDED BY P.L.169-2014, SECTION 2, IS AMENDED TO~~
~~READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 39.~~
~~IC 7.1-5-7-7 defines a crime concerning alcohol and products~~
~~containing THC. SECTION 74. IC 35-52-7-40, AS~~
~~ADDED BY P.L.169-2014, SECTION 2, IS AMENDED TO~~
~~READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 40.~~
~~IC 7.1-5-7-8 defines a crime concerning alcohol and products~~

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1 ~~containing THC. — SECTION 75. IC 35-52-7-98~~ > [the
2 ~~counterfeit hemp substance.~~
3 SECTION 33. IC 35-52-7-97.1] IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2026]: ~~Sec. 9~~ <8> [7.1]. IC 7. <1-8-15-5 defines
6 ~~a crime concerning hemp derived cannabinoid product certificate~~
7 ~~of analyses. — SECTION 76. IC 35-52-7-99~~ > [1-8-8-1, IC 7.1-8-8-2,
8 IC 7.1-8-8-3, and IC 7.1-8-8-4 define crimes concerning craft hemp.
9 SECTION 34. IC 35-52-24-20.4] IS ADDED TO THE INDIANA
10 CODE AS A NEW SECTION TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2026]: ~~Sec. <99. IC 7.1-8-20-1 defines crimes~~
12 ~~concerning the transportation of hemp derived cannabinoid~~
13 ~~products. — SECTION 77. IC 35-52-7-100 IS ADDED TO THE~~
14 ~~INDIANA CODE AS A NEW SECTION TO READ AS~~
15 ~~FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 100. IC 7.1-8-20-2~~
16 ~~defines crimes regarding hemp derived cannabinoid products~~
17 ~~permits:~~
18 ~~— SECTION 78. IC 35-52-7-101 IS ADDED TO THE INDIANA~~
19 ~~CODE AS A NEW SECTION TO READ AS FOLLOWS~~
20 ~~[EFFECTIVE JULY 1, 2026]: Sec. 101. IC 7.1-8-20-3~~ > [20.4.
21 IC 24-4-24.9-8] defines a crime concerning <the sale of hemp
22 ~~derived cannabinoid products over the Internet.~~
23 ~~— SECTION 79. IC 35-52-7-102 IS ADDED TO THE INDIANA~~
24 ~~CODE AS A NEW SECTION TO READ AS FOLLOWS~~
25 ~~[EFFECTIVE JULY 1, 2026]: Sec. 102. IC 7.1-8-20-4 defines a~~
26 ~~crime concerning recalled hemp derived cannabinoid products.~~
27 ~~— SECTION 80. [EFFECTIVE JULY 1, 2026] (a) The state seed~~
28 ~~commissioner shall adopt rules under IC 4-22-2, to comply with~~
29 ~~this act by July 1, 2027.~~
30 ~~— (b) While rules are pending under subsection (a), the state seed~~
31 ~~commissioner shall adopt provisional rules to comply with this act~~
32 ~~by October 1, 2027.~~
33 ~~— (c) This SECTION expires January 1, 2028.~~
34 > [distribution or sale of craft hemp flower products.
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