

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

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HOUSE BILL 607

Short Title: Regulate Hemp Consumable Products. (Public)

Sponsors: Representatives McNeely and Chesser (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Rules, Calendar, and Operations of the House

April 1, 2025

1 A BILL TO BE ENTITLED  
2 AN ACT TO REGULATE THE SALE AND DISTRIBUTION OF HEMP-DERIVED  
3 CONSUMABLE PRODUCTS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1.(a) The General Statutes are amended by adding a new Chapter to read:

6 "**Chapter 18D.**

7 "**Regulation of Hemp-Derived Consumable Products.**

8 "Article 1.

9 "Regulation of Hemp-Derived Consumable Products.

10 "**§ 18D-100. Definitions.**

11 Unless the context requires otherwise, the following definitions apply in this Chapter:

- 12 (1) ALE Division. – The Alcohol Law Enforcement Division of the Department  
13 of Public Safety.
- 14 (2) Batch. – The hemp-derived consumable product produced during a period of  
15 time under similar conditions and identified by a specific code that allows  
16 traceability.
- 17 (3) Distributor. – A person or entity that delivers or sells hemp-derived  
18 consumable products for the purpose of distribution in commerce.
- 19 (4) Exit package. – An opaque bag or other similar opaque covering provided at  
20 the point of sale that satisfies the child-resistant effectiveness standards under  
21 16 C.F.R. § 1700.15(b)(1) when tested in accordance with the requirements  
22 of 16 C.F.R. § 1700.20 in which hemp-derived consumable products are  
23 placed by a seller after being sold to the ultimate consumer of the product.
- 24 (5) Hemp. – As defined in G.S. 90-87.
- 25 (6) Hemp-derived cannabinoid. – Any phytocannabinoid found in hemp,  
26 including delta-9 tetrahydrocannabinol (delta-9 THC), tetrahydrocannabinolic  
27 acid (THCA), cannabidiol (CBD), cannabidiolic acid (CBDA), cannabinol  
28 (CBN), cannabigerol (CBG), cannabichromene (CBC), cannabicyclol (CBL),  
29 cannabivarin (CBV), tetrahydrocannabivarin (THCV), cannabidivarin  
30 (CBDV), cannabicitran (CBT), delta-7 tetrahydrocannabinol (delta-7 THC),  
31 delta-8 tetrahydrocannibinol (delta-8 THC), or delta-10 tetrahydrocannibinol  
32 (delta-10 THC). This term also includes any synthetic cannabinoid derived  
33 from hemp and contained in a hemp-derived consumable product.
- 34 (7) Hemp-derived consumable product. – A hemp product that is a finished good  
35 intended for human ingestion or inhalation that contains a delta-9 THC



1 concentration of not more than three-tenths of one percent (0.3%) on a dry  
2 weight basis, but may contain concentrations of other hemp-derived  
3 cannabinoids, in excess of that amount. This term does not include hemp  
4 products intended for topical application, or seeds or seed-derived ingredients  
5 that are generally recognized as safe by the United States Food and Drug  
6 Administration (FDA).

7 (8) Hemp product. – As defined in G.S. 90-87.

8 (9) Independent testing laboratory. – A laboratory that meets all of the following  
9 conditions:

10 a. Holds an ISO 17025 accreditation or is registered with the Drug  
11 Enforcement Administration (DEA) in accordance with 21 C.F.R. §  
12 1301.13.

13 b. Does not have a direct or indirect interest in the entity whose product  
14 is being tested.

15 c. Does not have a direct or indirect interest in a facility that cultivates,  
16 processes, distributes, dispenses, or sells hemp-derived consumable  
17 products in this State or any other jurisdiction.

18 d. Has entered into a compliance agreement with the ALE Division to  
19 conduct tetrahydrocannabinol concentration sampling and testing  
20 using the high-performance chromatography (HPLC) testing method.

21 (10) Ingestion. – The process of consuming hemp through the mouth, by  
22 swallowing into the gastrointestinal system or through tissue absorption.

23 (11) Inhalation. – The process of consuming hemp into the respiratory system  
24 through the mouth or nasal passages.

25 (12) License. – A license issued in accordance with this Chapter.

26 (13) Licensee. – A person who has been issued a license in accordance with this  
27 Chapter.

28 (14) Manufacture. – To compound, blend, extract, infuse, cook, or otherwise  
29 manipulate hemp or a hemp-derived cannabinoid to make, prepare, or package  
30 hemp-derived consumable products.

31 (15) Manufacturer. – Any person or entity that engages in the process of  
32 manufacturing, preparing, or packaging of hemp-derived consumable  
33 products.

34 (16) Producer. – Any person or entity that engages in the process of farming and  
35 harvesting hemp that is intended to be used in the manufacture of a  
36 hemp-derived consumable product.

37 (17) Retail dealer. – Any person who sells a hemp-derived consumable product to  
38 the ultimate consumer of the product, including a remote seller.

39 (18) Serving. – A quantity of a hemp-derived consumable product reasonably  
40 suitable for a person's use in a single day.

41 **"§ 18D-101. Sales restrictions on hemp-derived consumable products.**

42 (a) Restrictions. – No person shall do any of the following:

43 (1) Knowingly, or having reason to know, sell a hemp-derived consumable  
44 product to a person who is under 21 years of age. Any retail dealer of  
45 hemp-derived consumable products shall demand proof of age from a  
46 prospective purchaser of hemp-derived consumable products before the  
47 hemp-derived consumable products are released to the purchaser if the retail  
48 dealer has reasonable grounds to believe that the prospective purchaser is  
49 under 30 years of age. Any retail dealer that sells a hemp-derived consumable  
50 product on an internet website shall verify the age of any prospective  
51 purchaser and shall use a method of delivery that requires the signature of a

- 1                    person at least 21 years of age before the hemp-derived consumable product  
2                    is released.
- 3                    (2)                Knowingly, or having reason to know, distribute samples of hemp-derived  
4                    consumable products in or on a public street, sidewalk, park, or public  
5                    building.
- 6                    (3)                Engage in the business of selling a hemp-derived consumable product without  
7                    a valid license issued in accordance with this Chapter.
- 8                    (4)                Knowingly, or having reason to know, sell a hemp-derived consumable  
9                    product that has a concentration of more than three-tenths of one percent  
10                   (0.3%) on a dry weight basis of delta-9 tetrahydrocannabinol.
- 11                   (5)                Knowingly, or having reason to know, sell a hemp-derived consumable  
12                   product that is not contained in an exit package or a child proof package.
- 13                   (6)                Knowingly, or having reason to know, sell at retail or on an internet website  
14                   offering delivery in this State, a hemp-derived consumable product that is not  
15                   in compliance with G.S. 18D-105.
- 16                   (7)                Knowingly, or having reason to know, sell at retail hemp flower or a product  
17                   containing hemp flower that is not accompanied by a certificate of analysis  
18                   issued within the previous six-month period demonstrating that the hemp  
19                   flower or product containing hemp flower has a concentration of no more than  
20                   three-tenths of one percent (0.3%) on a dry weight basis of delta-9  
21                   tetrahydrocannabinol.
- 22                   (b)                Civil Penalties. – Violation of this section shall have the following penalties:
- 23                   (1)                For the first violation, the ALE Division may impose a civil penalty of no  
24                   more than five hundred dollars (\$500.00).
- 25                   (2)                For the second violation within three years, the ALE Division may impose a  
26                   civil penalty of no more than seven hundred fifty dollars (\$750.00).
- 27                   (3)                For the third violation within three years of the first violation, the ALE  
28                   Division shall impose a civil penalty of no more than one thousand dollars  
29                   (\$1,000) and suspend the retail dealer's license for one year.
- 30                   (4)                For a fourth or subsequent violation within three years of the first violation,  
31                   the ALE Division shall impose a civil penalty of no more than two thousand  
32                   dollars (\$2,000) and revoke the retail dealer's license.
- 33                   (c)                Compromise. – In any case in which the ALE Division is entitled to suspend or revoke  
34                   a retail dealer's license, the ALE Division may accept from the retail dealer an offer in  
35                   compromise to pay a penalty of not more than three thousand dollars (\$3,000). The ALE Division  
36                   may either accept a compromise or revoke a license, but not both. The ALE Division may accept  
37                   a compromise and suspend the license in the same case.
- 38                   (d)                Testing Fee. – In any case in which the ALE Division imposes a penalty pursuant to  
39                   subsection (b) of this section, for a violation of subdivision (4) of subsection (a) of this section,  
40                   the retail dealer shall also pay to the ALE Division the actual costs paid by the ALE Division for  
41                   testing of the samples resulting in the violation. Any fee collected pursuant to this subsection  
42                   shall be remitted to the ALE Division.
- 43                   (e)                Defenses. – It is a defense to a violation of subdivision (1) of subsection (a) of this  
44                   section if the retail dealer does any of the following:
- 45                   (1)                Shows that the purchaser produced a drivers license, a special identification  
46                   card issued under G.S. 20-37.7 or issued by the state agency of any other state  
47                   authorized to issue similar official state special identification cards for that  
48                   state, a tribal enrollment card issued by a State or federally recognized Indian  
49                   Tribe, a military identification card, or a passport showing the purchaser's age  
50                   to be at least the required age for purchase and bearing a physical description  
51                   of the person named on the card reasonably describing the purchaser.

1           (2)     Produces evidence of other facts that reasonably indicated at the time of sale  
2           that the purchaser was at least the required age.

3           (3)     Shows that at the time of purchase, the purchaser utilized a biometric  
4           identification system that demonstrated (i) the purchaser's age to be at least  
5           the required age for the purchase and (ii) the purchaser had previously  
6           registered with the retail dealer or retail dealer's agent a drivers license, a  
7           special identification card issued under G.S. 20-37.7 or issued by the state  
8           agency of any other state authorized to issue similar official state special  
9           identification cards for that state, a military identification card, or a passport  
10           showing the purchaser's date of birth and bearing a physical description of the  
11           person named on the document.

12       (f)     Proceeds of Civil Penalty. – The clear proceeds of any civil penalty imposed under  
13       this section, including any penalty received as an offer in compromise, shall be remitted to the  
14       Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

15       (g)     Forfeiture. – Any product sold in violation of subdivision (4) of subsection (a) of this  
16       section shall be subject to forfeiture pursuant to the procedures set forth in G.S. 18D-301.

17       (h)     Criminal Penalty. – Any person against whom a civil penalty has been imposed for  
18       violation of subdivision (3) of subsection (a) of this section who commits a second violation of  
19       subdivision (3) of subsection (a) of this section is guilty of a Class A1 misdemeanor. Any person  
20       who commits a third or subsequent violation of subdivision (3) of subsection (a) of this section  
21       is guilty of a Class H felony.

22       **"§ 18D-101A. Sales and transfer restrictions on a producer.**

23       (a)     Restriction. – A producer shall not knowingly sell or in any way transfer hemp that  
24       has been processed or prepared with the intent to be used in a hemp-derived consumable product  
25       to any person or entity other than a manufacturer licensed pursuant to this Chapter.

26       (b)     Civil Penalties. – Violation of this section shall have the following penalties:

27           (1)     For the first violation, the ALE Division may impose a civil penalty of no  
28           more than five hundred dollars (\$500.00).

29           (2)     For the second violation within three years, the ALE Division may impose a  
30           civil penalty of no more than seven hundred fifty dollars (\$750.00).

31           (3)     For the third violation within three years of the first violation, the ALE  
32           Division shall impose a civil penalty of no more than one thousand dollars  
33           (\$1,000).

34           (4)     For a fourth or subsequent violation within three years of the first violation,  
35           the ALE Division shall impose a civil penalty of no more than two thousand  
36           dollars (\$2,000).

37       (c)     Proceeds of Civil Penalty. – The clear proceeds of any civil penalty imposed under  
38       this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with  
39       G.S. 115C-457.2.

40       (d)     Criminal Penalty. – Any person against whom a civil penalty has been imposed for  
41       violation of this section who commits a second violation of this section is guilty of a Class A1  
42       misdemeanor. Any person who commits a third or subsequent violation of this section is guilty  
43       of a Class H felony.

44       (e)     Applicability of this Section. – Nothing in this section shall be construed as  
45       prohibiting a producer from selling or transferring hemp that is intended to be used in any lawful  
46       product other than those regulated by this Chapter.

47       **"§ 18D-102. Offenses involving the purchase, attempted purchase, or possession of**  
48       **hemp-derived consumable products by a person under 21 years of age.**

49       (a)     It is unlawful for any person to give a hemp-derived consumable product to anyone  
50       less than 21 years old.

1       **(b)**    It is unlawful for a person less than 21 years old to possess, purchase, or attempt to  
2 purchase a hemp-derived consumable product.

3       **(c)**    It is unlawful for any person to enter or attempt to enter a place where hemp-derived  
4 consumable products are sold or consumed, or to obtain or attempt to obtain hemp-derived  
5 consumable products, or to obtain or attempt to obtain permission to purchase hemp-derived  
6 consumable products, in violation of subsection (b) of this section, by using or attempting to use  
7 any of the following:

8           **(1)**    A fraudulent or altered drivers license.

9           **(2)**    A fraudulent or altered identification document other than a drivers license.

10          **(3)**    A drivers license issued to another person.

11          **(4)**    An identification document other than a drivers license issued to another  
12 person.

13          **(5)**    Any other form or means of identification that indicates or symbolizes that the  
14 person is not prohibited from purchasing or possessing a hemp-derived  
15 consumable product under this section.

16       **(d)**    It is unlawful for any person to permit the use of the person's drivers license or any  
17 other form of identification of any kind issued or given to the person by any other person who  
18 violates or attempts to violate subsection (b) of this section.

19       **(e)**    Penalties. –

20           **(1)**    Any person less than 21 years old who violates this section is guilty of a Class  
21 2 misdemeanor.

22           **(2)**    Any person at least 21 years old who violates this section is guilty of a Class  
23 1 misdemeanor.

24           **(3)**    Aiding or abetting a violation of this section shall be punished as provided in  
25 subdivisions (1) and (2) of this subsection, and all other provisions of this  
26 section shall apply to that offense.

27       **(f)**    Nothing in this section prohibits an underage person from selling, transporting, or  
28 possessing hemp-derived consumable products in the course of employment, if the employment  
29 of the person for that purpose is lawful under applicable youth employment statutes.

30       **§ 18D-103. Offenses involving the manufacture and distribution of hemp-derived**  
31 **consumable products.**

32       **(a)**    Offenses. – It is unlawful for a manufacturer or distributor to do any of the following:

33           **(1)**    Knowingly, or having reason to know, distribute samples of a hemp-derived  
34 consumable product in or on a public street, sidewalk, park, or public building.

35           **(2)**    Engage in the business of manufacturing or distributing a hemp-derived  
36 consumable product without a valid license issued in accordance with this  
37 Chapter.

38           **(3)**    Knowingly, or having reason to know, manufacture or distribute a  
39 hemp-derived consumable product that has a concentration of more than  
40 three-tenths of one percent (0.3%) on a dry weight basis of delta-9  
41 tetrahydrocannabinol.

42       **(b)**    Criminal Penalties. – A violation of this section is a Class A1 misdemeanor.

43       **(c)**    Civil Penalties. – In addition to any criminal punishment authorized by this section,  
44 for any violation of this section the ALE Division shall take one or more of the following actions  
45 against the licensee:

46           **(1)**    Suspend the licensee's license for a specified period of time not longer than  
47 three years.

48           **(2)**    Revoke the licensee's license.

49           **(3)**    Impose conditions on the operating hours of the licensee's business.

50           **(4)**    Impose civil penalties as follows:

- 1           a. For a first violation, impose a civil penalty of no more than one  
2           thousand dollars (\$1,000).  
3           b. For a second violation within three years, impose a civil penalty of no  
4           more than five thousand dollars (\$5,000).  
5           c. For a third violation within three years of the first violation, impose a  
6           civil penalty of no more than seven thousand five hundred dollars  
7           (\$7,500).

8           (d) Compromise. – In any case in which the ALE Division is entitled to suspend or revoke  
9           a manufacturer's or distributor's license, the ALE Division may accept from the manufacturer or  
10           distributor an offer in compromise to pay a penalty of not more than eight thousand dollars  
11           (\$8,000). The ALE Division may either accept a compromise or revoke a license, but not both.  
12           The ALE Division may accept a compromise and suspend the license in the same case.

13           (e) Testing Fee. – In any case in which the ALE Division imposes a penalty pursuant to  
14           subsection (b) of this section, for a violation of subdivision (3) of subsection (a) of this section,  
15           the manufacturer or distributor shall also pay to the ALE Division the actual costs paid by the  
16           ALE Division for testing of the samples resulting in the violation. Any fee collected pursuant to  
17           this subsection shall be remitted to the ALE Division.

18           (f) Proceeds of Civil Penalty. – The clear proceeds of any civil penalty imposed under  
19           this section, including any penalty received as an offer in compromise, shall be remitted to the  
20           Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

21           (g) Defense. – It is a defense to a violation of subdivision (3) of subsection (a) of this  
22           section if the manufacturer does all of the following:

- 23           (1) Recalls all hemp-derived consumable products from the same batch as the  
24           product on which the violation is based.  
25           (2) Has samples of the batch tested by an independent testing laboratory. The  
26           sample size required for testing pursuant to this subdivision shall be five times  
27           the number of units required pursuant to G.S. 18D-104(e) based on the size of  
28           the batch at production, regardless of the number of units that are able to be  
29           recalled.  
30           (3) Provides certified results from the independent testing laboratory indicating  
31           that the sample tested does not contain a concentration of more than  
32           three-tenths of one percent (0.3%) on a dry weight basis total combined of  
33           delta-9 tetrahydrocannabinol.

34           (h) Forfeiture. – Any product sold in violation of subdivision (3) of subsection (a) of this  
35           section shall be subject to forfeiture pursuant to the procedures set forth in G.S. 18D-301.

36           **"§ 18D-104. Testing prior to distribution.**

37           (a) Requirement. – The manufacturer shall have a hemp-derived consumable product  
38           tested prior to distribution to a distributor or before distributing the product to a retail dealer. If  
39           the hemp-derived consumable product is packaged in a manner that may be sold to the ultimate  
40           consumer of the product when delivered to the distributor and the distributor does not open such  
41           package, the distributor is not required to test the hemp-derived consumable product. If the  
42           hemp-derived consumable product is not packaged in a manner that may be sold to the ultimate  
43           consumer of the product when delivered to the distributor or the distributor does open such  
44           package, the distributor shall have the hemp-derived consumable product tested prior to  
45           distribution. The testing shall determine the presence and amounts of any of the substances listed  
46           in subsection (b) of this section. No product that contains more than the maximum amount  
47           indicated for any substance in subsection (b) of this section shall be distributed or sold in this  
48           State.

49           (b) Substances Tested; Limitations. – Hemp-derived consumable products shall be tested  
50           for the presence of and amount of the following substances and shall not exceed the amounts  
51           indicated:

- 1           (1)    Cannabinoids, not to exceed a concentration of three-tenths of one percent  
2                    (0.3%) of delta-9 tetrahydrocannabinol.
- 3           (2)    2,3-butanedione (Diacetyl).
- 4           (3)    Abamectin, not to exceed 300 parts per billion for ingestion or 100 parts per  
5                    billion for inhalation.
- 6           (4)    Acephate, not to exceed 3,000 parts per billion for ingestion or 100 parts per  
7                    billion for inhalation.
- 8           (5)    Acequinocyl, not to exceed 2,000 parts per billion for ingestion or 100 parts  
9                    per billion for inhalation.
- 10          (6)    Acetamiprid, not to exceed 3,000 parts per billion for ingestion or 100 parts  
11                   per billion for inhalation.
- 12          (7)    Aldicarb, not to exceed 100 parts per billion for ingestion or inhalation.
- 13          (8)    Azoxystrobin, not to exceed 3,000 parts per billion for ingestion or 100 parts  
14                   per billion for inhalation.
- 15          (9)    Bifenazate, not to exceed 3,000 parts per billion for ingestion or 100 parts per  
16                   billion for inhalation.
- 17          (10)   Bifenthrin, not to exceed 500 parts per billion for ingestion or 100 parts per  
18                   billion for inhalation.
- 19          (11)   Boscalid, not to exceed 3,000 parts per billion for ingestion or 100 parts per  
20                   billion for inhalation.
- 21          (12)   Captan, not to exceed 3,000 parts per billion for ingestion or 700 parts per  
22                   billion for inhalation.
- 23          (13)   Carbaryl, not to exceed 500 parts per billion for ingestion or 500 parts per  
24                   billion for inhalation.
- 25          (14)   Carbofuran, not to exceed 100 parts per billion for ingestion or inhalation.
- 26          (15)   Chlorantraniliprole, not to exceed 3,000 parts per billion for ingestion or 1,000  
27                   parts per billion for inhalation.
- 28          (16)   Chlordane, not to exceed 100 parts per billion for ingestion or inhalation.
- 29          (17)   Chlorfenapyr, not to exceed 100 parts per billion for ingestion or inhalation.
- 30          (18)   Chlormequat chloride, not to exceed 3,000 parts per billion for ingestion or  
31                   1,000 parts per billion for inhalation.
- 32          (19)   Chlorpyrifos, not to exceed 100 parts per billion for ingestion or inhalation.
- 33          (20)   Clofentezine, not to exceed 500 parts per billion for ingestion or 200 parts per  
34                   billion for inhalation.
- 35          (21)   Coumaphos, not to exceed 100 parts per billion for ingestion or inhalation.
- 36          (22)   Cyfluthrin, not to exceed 1,000 parts per billion for ingestion or 500 parts per  
37                   billion for inhalation.
- 38          (23)   Cypermethrin, not to exceed 1,000 parts per billion for ingestion or 500 parts  
39                   per billion for inhalation.
- 40          (24)   Daminozide, not to exceed 100 parts per billion for ingestion or inhalation.
- 41          (25)   DDVP (Dichlorvos), not to exceed 100 parts per billion for ingestion or  
42                   inhalation.
- 43          (26)   Diazinon, not to exceed 200 parts per billion for ingestion or 100 parts per  
44                   billion for inhalation.
- 45          (27)   Dimethoate, not to exceed 100 parts per billion for ingestion or inhalation.
- 46          (28)   Dimethomorph, not to exceed 3,000 parts per billion for ingestion or 200 parts  
47                   per billion for inhalation.
- 48          (29)   Ethoprop(hos), not to exceed 100 parts per billion for ingestion or inhalation.
- 49          (30)   Etofenprox, not to exceed 100 parts per billion for ingestion or inhalation.
- 50          (31)   Etoxazole, not to exceed 1,500 parts per billion for ingestion or 100 parts per  
51                   billion for inhalation.

- 1           (32) Fenhexamid, not to exceed 3,000 parts per billion for ingestion or 100 parts  
2           per billion for inhalation.
- 3           (33) Fenoxycarb, not to exceed 100 parts per billion for ingestion or inhalation.
- 4           (34) Fenpyroximate, not to exceed 2,000 parts per billion for ingestion or 100 parts  
5           per billion for inhalation.
- 6           (35) Fipronil, not to exceed 100 parts per billion for ingestion or inhalation.
- 7           (36) Flonicamid, not to exceed 2,000 parts per billion for ingestion or 100 parts per  
8           billion for inhalation.
- 9           (37) Fludioxonil, not to exceed 3,000 parts per billion for ingestion or 100 parts  
10          per billion for inhalation.
- 11          (38) Hexythiazox, not to exceed 2,000 parts per billion for ingestion or 100 parts  
12          per billion for inhalation.
- 13          (39) Imazalil, not to exceed 100 parts per billion for ingestion or inhalation.
- 14          (40) Imidacloprid, not to exceed 3,000 parts per billion for ingestion or 400 parts  
15          per billion for inhalation.
- 16          (41) Kresoxim-methyl, not to exceed 1,000 parts per billion for ingestion or 100  
17          parts per billion for inhalation.
- 18          (42) Malathion, not to exceed 2,000 parts per billion for ingestion or 200 parts per  
19          billion for inhalation.
- 20          (43) Metalaxyl, not to exceed 3,000 parts per billion for ingestion or 100 parts per  
21          billion for inhalation.
- 22          (44) Methiocarb, not to exceed 100 parts per billion for ingestion or inhalation.
- 23          (45) Methomyl, not to exceed 100 parts per billion for ingestion or inhalation.
- 24          (46) Methyl parathion, not to exceed 100 parts per billion for ingestion or  
25          inhalation.
- 26          (47) Mevinphos, not to exceed 100 parts per billion for ingestion or inhalation.
- 27          (48) Myclobutanil, not to exceed 3,000 parts per billion for ingestion; prohibited at  
28          any concentration for inhalation.
- 29          (49) Naled, not to exceed 500 parts per billion for ingestion or 250 parts per billion  
30          for inhalation.
- 31          (50) Oxamyl, not to exceed 500 parts per billion for ingestion or inhalation.
- 32          (51) Paclobutrazol, not to exceed 100 parts per billion for ingestion or inhalation.
- 33          (52) Pentachloronitrobenzene, not to exceed 200 parts per billion for ingestion or  
34          150 parts per billion for inhalation.
- 35          (53) Permethrin, not to exceed 1,000 parts per billion for ingestion or 100 parts per  
36          billion for inhalation.
- 37          (54) Phosmet, not to exceed 200 parts per billion for ingestion or 100 parts per  
38          billion for inhalation.
- 39          (55) Piperonyl butoxide, not to exceed 3,000 parts per billion for ingestion or  
40          inhalation.
- 41          (56) Prallethrin, not to exceed 400 parts per billion for ingestion or 100 parts per  
42          billion for inhalation.
- 43          (57) Propiconazole, not to exceed 1,000 parts per billion for ingestion or 100 parts  
44          per billion for inhalation.
- 45          (58) Propoxur, not to exceed 100 parts per billion for ingestion or inhalation.
- 46          (59) Pyrethrins, not to exceed 1,000 parts per billion for ingestion or 500 parts per  
47          billion for inhalation.
- 48          (60) Pyridaben, not to exceed 3,000 parts per billion for ingestion or 200 parts per  
49          billion for inhalation.
- 50          (61) Spinetoram, not to exceed 3,000 parts per billion for ingestion or 200 parts per  
51          billion for inhalation.



- 1           (62) Spinosaad A & D, not to exceed 3,000 parts per billion for ingestion or 100  
2           parts per billion for inhalation.
- 3           (63) Spiromesifen, not to exceed 3,000 parts per billion for ingestion or 100 parts  
4           per billion for inhalation.
- 5           (64) Spirotetramat, not to exceed 3,000 parts per billion for ingestion or 100 parts  
6           per billion for inhalation.
- 7           (65) Spiroxamine, not to exceed 100 parts per billion for ingestion or inhalation.
- 8           (66) Tebuconazole, not to exceed 1,000 parts per billion for ingestion or 100 parts  
9           per billion for inhalation.
- 10          (67) Thiacloprid, not to exceed 100 parts per billion for ingestion or 100 parts per  
11          billion for inhalation.
- 12          (68) Thiamethoxam, not to exceed 1,000 parts per billion for ingestion or 500 parts  
13          per billion for inhalation.
- 14          (69) Trifloxystrobin, not to exceed 3,000 parts per billion for ingestion or 100 parts  
15          per billion for inhalation.
- 16          (70) 1,2-Dichloroethane, not to exceed 2 parts per million.
- 17          (71) 1,1-Dichloroethene, not to exceed 8 parts per million.
- 18          (72) Acetone, not to exceed 750 parts per million.
- 19          (73) Acetonitrile, not to exceed 60 parts per million.
- 20          (74) Benzene, not to exceed 1 part per million.
- 21          (75) Butane, not to exceed 5,000 parts per million.
- 22          (76) Chloroform, not to exceed 2 parts per million.
- 23          (77) Ethanol, not to exceed 5,000 parts per million.
- 24          (78) Ethyl Acetate, not to exceed 400 parts per million.
- 25          (79) Ethyl Ether, not to exceed 500 parts per million.
- 26          (80) Ethylene Oxide, not to exceed 5 parts per million.
- 27          (81) Heptane, not to exceed 5,000 parts per million.
- 28          (82) Hexane, not to exceed 250 parts per million.
- 29          (83) Isopropyl Alcohol, not to exceed 500 parts per million.
- 30          (84) Methanol, not to exceed 250 parts per million.
- 31          (85) Methylene Chloride, not to exceed 125 parts per million.
- 32          (86) Pentane, not to exceed 750 parts per million.
- 33          (87) Propane, not to exceed 5,000 parts per million.
- 34          (88) Toluene, not to exceed 150 parts per million.
- 35          (89) Trichloroethylene, not to exceed 25 parts per million.
- 36          (90) Xylenes, Total (ortho-, meta-, para-), not to exceed 150 parts per million.
- 37          (91) Cadmium, not to exceed 500 parts per billion for ingestion or 200 parts per  
38          billion for inhalation.
- 39          (92) Lead, not to exceed 500 parts per billion for ingestion or inhalation.
- 40          (93) Arsenic, not to exceed 1,500 parts per billion for ingestion or 200 parts per  
41          billion for inhalation.
- 42          (94) Mercury, not to exceed 3,000 parts per billion for ingestion or 200 parts per  
43          billion for inhalation.
- 44          (95) Shiga toxin-producing Escherichia coli (STEC E. coli) and other pathogenic  
45          E. coli, not to exceed 1 CFU per gram.
- 46          (96) Salmonella, not to exceed 1 CFU per gram.
- 47          (97) Aspergillus niger, Aspergillus fumigatus, Aspergillus flavus, Aspergillus  
48          terreus, not to exceed 1 CFU per gram.
- 49          (98) Total Aflatoxin (B1, B2, G1, G2), not to exceed 20 parts per billion for  
50          ingestion or inhalation.
- 51          (99) Ochratoxin, not to exceed 20 parts per billion for ingestion or inhalation.

1           (100) Total combined Yeast and Mold, not to exceed 100,000 CFU per gram for  
2           ingestion and inhalation.

3           (c) Laboratory Qualifications. – A manufacturer or distributor shall contract with an  
4           independent testing laboratory to provide the testing required under subsection (a) of this section.

5           (d) Testing Method. – A laboratory providing testing required under subsection (a) of this  
6           section shall use high-performance liquid chromatography for any separation and measurement  
7           required in the testing.

8           (e) Batch Testing. – A sample of each batch manufactured shall undergo the testing  
9           required by subsection (a) of this section and shall obtain a certificate of analysis by an  
10           independent testing laboratory. The size of sample required to be tested shall be determined by  
11           the size of the batch as follows:

12           (1) For a batch containing 1 to 999 units, the required sample size is 1 unit.

13           (2) For a batch containing 1,000 to 4,999 units, the required sample size is 2 units.

14           (3) For a batch containing 5,000 to 9,999 units, the required sample size is 3 units.

15           (4) For a batch containing 10,000 or more units, the required sample size is 5  
16           units.

17           (f) Expiration Date. – A hemp-derived consumable product shall have an expiration date  
18           on the label that conforms with applicable federal law.

19           (g) Civil Penalties. – A violation of this section shall result in the ALE Division taking  
20           one or more of the following actions against the licensee:

21           (1) Suspend the licensee's license for a specified period of time not longer than  
22           three years.

23           (2) Revoke the licensee's license.

24           (3) Impose conditions on the operating hours of the licensee's business.

25           (4) Impose civil penalties as follows:

26           a. For a first violation, impose a civil penalty of no more than one  
27           thousand dollars (\$1,000).

28           b. For a second violation within three years, impose a civil penalty of no  
29           more than five thousand dollars (\$5,000).

30           c. For a third violation within three years of the first violation, impose a  
31           civil penalty of no more than seven thousand five hundred dollars  
32           (\$7,500).

33           (h) Compromise. – In any case in which the ALE Division is entitled to suspend or revoke  
34           a manufacturer's or distributor's license, the ALE Division may accept from the manufacturer or  
35           distributor an offer in compromise to pay a penalty of not more than eight thousand dollars  
36           (\$8,000). The ALE Division may either accept a compromise or revoke a license, but not both.  
37           The ALE Division may accept a compromise and suspend the license in the same case.

38           (i) Proceeds of Civil Penalty. – The clear proceeds of any civil penalty imposed under  
39           this section, including any penalty received as an offer in compromise, shall be remitted to the  
40           Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

41           (j) ALE Division Duties. – The ALE Division shall do all of the following:

42           (1) Maintain and post on its website a list of independent testing laboratories that  
43           meet the qualifications to test intermediate manufactured material and finished  
44           hemp-derived consumable products.

45           (2) Develop an application and process to determine qualifying independent  
46           testing laboratories to be listed on the ALE Division's website. The application  
47           shall require a potentially qualifying laboratory to submit a sample certificate  
48           of analysis issued by the applying laboratory indicating that the laboratory is  
49           capable of detecting the chemicals provided in subsection (b) of this section.

50           **§ 18D-105. Additional requirements and restrictions for hemp-derived consumable**  
51           **products.**

1       (a) Packaging Requirements. – A hemp-derived consumable product that is sold in this  
2 State shall meet both of the following requirements:

3           (1) The product shall satisfy the child-resistant effectiveness standards under 16  
4 C.F.R. § 1700.15(b)(1) when tested in accordance with the requirements of 16  
5 C.F.R. § 1700.20.

6           (2) The product shall be labeled with consumer protection warnings in the form  
7 of statements that cover all of the following:

8           a. A list of ingredients and possible allergens and a nutritional fact panel  
9 or have a quick response code that can be scanned that directs  
10 consumers to a website containing the list of ingredients and possible  
11 allergens and a nutritional fact panel.

12           b. A statement that use while pregnant or breastfeeding may be harmful.

13           c. A statement that consumption of certain cannabinoids may impair  
14 your ability to drive and operate heavy machinery.

15           d. A statement that the product is not approved by the United States Food  
16 and Drug Administration.

17           e. A statement to keep out of reach of children.

18           f. A statement to consult your physician before use.

19           g. If the product is ingestible, the amount of hemp-derived cannabinoid  
20 in each serving of the product, measured in milligrams.

21           h. The total amount of hemp-derived cannabinoid in the entire package,  
22 measured in milligrams.

23           i. The net weight of the product.

24           j. A quick response code that can be scanned to access a website  
25 providing the product's batch number, date received, date of  
26 completion, and method of analysis for the testing required under  
27 G.S. 18D-106.

28           k. An expiration date in accordance with applicable federal law.

29       (b) Advertising Restrictions. – A manufacturer, distributor, or retail dealer of a  
30 hemp-derived consumable product shall not advertise, market, or offer for sale the product by  
31 using, in the labeling or design of the product or product packaging or in advertising or marketing  
32 materials for the product trade dress, trademarks, branding, or other related materials, any  
33 imagery or scenery that depicts or signifies characters or symbols known to appeal primarily to  
34 persons under 21 years of age, including, but not limited to, superheroes, comic book characters,  
35 video game characters, television show characters, movie characters, mythical creatures,  
36 unicorns, animals, cartoon characters, or any imitation of the packaging or labeling of candy,  
37 cereals, sweets, chips, or other food products typically marketed to persons under 21 years of  
38 age.

39       (c) Non-Liquid Ingestible Product Restrictions. – Any hemp-derived consumable  
40 product intended for ingestion that is not a liquid and not intended for inhalation shall not do any  
41 of the following:

42           (1) Be sold in a serving that contains more than 25 milligrams, in the aggregate,  
43 of one or more of the following hemp-derived cannabinoids:

44           a. Delta-9 tetrahydrocannabinol.

45           b. Delta-7 tetrahydrocannabinol.

46           c. Delta-8 tetrahydrocannabinol.

47           d. Delta-10 tetrahydrocannabinol.

48           (2) Be formed in a shape that would violate subsection (b) of this section.

49       (c1) Liquid Ingestible Product Restrictions. – Any hemp-derived consumable product  
50 intended for ingestion that is a liquid and not intended for inhalation shall not be sold in a serving

1 that contains more than 10 milligrams, or a package that contains more than 100 milligrams, in  
2 the aggregate, of one or more of the following hemp-derived cannabinoids:

- 3 (1) Delta-9 tetrahydrocannabinol.
- 4 (2) Delta-7 tetrahydrocannabinol.
- 5 (3) Delta-8 tetrahydrocannabinol.
- 6 (4) Delta-10 tetrahydrocannabinol.

7 (c2) Inhalable Product for Vaporization Restrictions. – Any hemp-derived consumable  
8 product intended for inhalation by vaporization shall not be sold in a container that contains more  
9 than 3 milliliters of hemp-derived cannabinoids, in the aggregate, of one or more of the following  
10 hemp-derived cannabinoids:

- 11 (1) Delta-9 tetrahydrocannabinol.
- 12 (2) Delta-7 tetrahydrocannabinol.
- 13 (3) Delta-8 tetrahydrocannabinol.
- 14 (4) Delta-10 tetrahydrocannabinol.

15 For the purposes of this subsection "vaporization" includes the heating of hemp-derived oil  
16 to release aerosolized hemp-derived cannabinoids.

17 (d) Civil Penalties. – A violation of this section shall result in the ALE Division taking  
18 one or more of the following actions against the licensee:

- 19 (1) Suspend the licensee's license for a specified period of time not longer than  
20 three years.
- 21 (2) Revoke the licensee's license.
- 22 (3) Impose conditions on the operating hours of the licensee's business.
- 23 (4) Impose civil penalties as follows:
  - 24 a. For a first violation, impose a civil penalty of no more than one  
25 thousand dollars (\$1,000).
  - 26 b. For a second violation within three years, impose a civil penalty of no  
27 more than five thousand dollars (\$5,000).
  - 28 c. For a third violation within three years of the first violation, impose a  
29 civil penalty of no more than seven thousand five hundred dollars  
30 (\$7,500).

31 (e) Compromise. – In any case in which the ALE Division is entitled to suspend or revoke  
32 a manufacturer's or distributor's license, the ALE Division may accept from the manufacturer or  
33 distributor an offer in compromise to pay a penalty of not more than eight thousand dollars  
34 (\$8,000). The ALE Division may either accept a compromise or revoke a license, but not both.  
35 The ALE Division may accept a compromise and suspend the license in the same case.

36 (f) Proceeds of Civil Penalty. – The clear proceeds of any civil penalty imposed under  
37 this section, including any penalty received as an offer in compromise, shall be remitted to the  
38 Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

39 **"§ 18D-105.1. Conduct on licensed premises.**

40 (a) Certain Conduct. – It shall be unlawful for a licensee or the licensee's agent or  
41 employee to knowingly allow any of the following kinds of conduct to occur on the licensed  
42 premises:

- 43 (1) Any violation of this Chapter.
- 44 (2) Any violation of the controlled substances, gambling, or any other unlawful  
45 acts.

46 (b) Supervision. – It shall be unlawful for a permittee to fail to superintend in person or  
47 through a manager the business for which a license is issued.

48 **"§ 18D-105.2. Safe harbor protection for goods not sold in State.**

49 (a) This Chapter shall not apply to the following:

- 50 (1) A safe harbor hemp product.
- 51 (2) A safe harbor manufacturer or storage facility.

1       (b) For the purposes of this section, a "Safe Harbor Hemp Product" means a  
2 hemp-derived compound or cannabinoid, whether a finished product or in the process of being  
3 produced, that is permitted to be manufactured for distribution, produced for distribution,  
4 packaged for distribution, processed for distribution, prepared for distribution, treated for  
5 distribution, transported for distribution, or held for distribution in North Carolina for export  
6 from North Carolina but that is not permitted to be sold or distributed in North Carolina.

7       (c) For the purposes of this section, a "Safe Harbor Manufacturer or Storage Facility"  
8 means a facility that manufactures for distribution, produces for distribution, packages for  
9 distribution, processes for distribution, prepares for distribution, treats for distribution, transports  
10 for distribution, or holds for distribution a Safe Harbor Hemp Product.

11 **"§ 18D-106. Construction of Chapter.**

12 Nothing in this Chapter shall be construed to do any of the following:

- 13       (1) Permit a person to undertake any task under the influence of a hemp-derived  
14 consumable product when doing so would constitute negligence or  
15 professional malpractice.
- 16       (2) Permit a person to operate, navigate, or be in actual physical control of a motor  
17 vehicle, aircraft, motorized watercraft, or any other vehicle while under the  
18 influence of a hemp-derived consumable product.
- 19       (3) Require an employer to accommodate the use of a hemp-derived consumable  
20 product in a workplace or an employee working while under the influence of  
21 a hemp-derived consumable product.
- 22       (4) Require an individual or establishment in lawful possession of property to  
23 admit a guest, client, customer, or other visitor who is impaired as a result of  
24 the person's use of a hemp-derived consumable product.
- 25       (5) Exempt a person from prosecution for a criminal offense related to impairment  
26 or intoxication resulting from the use of a hemp-derived consumable product  
27 or relieve a person from any requirement under law to submit to a breath,  
28 blood, urine, or other test to detect the presence of a controlled substance.
- 29       (6) Limit the ability of an employer to establish, continue, or enforce a drug-free  
30 workplace program or policy.
- 31       (7) Create a cause of action against an employer for wrongful discharge or  
32 discrimination.
- 33       (8) Allow the possession, sale, manufacture, or distribution of any substance that  
34 is otherwise prohibited by Article 5 of Chapter 90 of the General Statutes.

35                                   "Article 2.

36                                   "Licensing.

37 **"§ 18D-200. Definitions.**

38 The definitions contained in Article 1 of this Chapter apply to this Article as appropriate.

39 **"§ 18D-201. Licensing requirements; qualifications; duration.**

40       (a) Requirement. – Prior to the commencement of business or by July 1, 2026, whichever  
41 is later, a person or entity engaged in this State in any business regulated by this Chapter and  
42 listed in this subsection shall obtain a license to engage in that business from the ALE Division.  
43 Businesses engaging in one or more of the following are required to obtain a license pursuant to  
44 this section:

- 45       (1) Manufacturing hemp-derived consumable products.
- 46       (2) Distributing hemp-derived consumable products.
- 47       (3) Selling hemp-derived consumable products.

48       (b) Qualifications. – In order to obtain and maintain a license under subsection (a) of this  
49 section, a person shall meet all of the following criteria:

- 50       (1) Be at least 21 years old.

- 1           (2)    Submit to the ALE Division any information determined by the ALE Division  
2           to be necessary for the efficient enforcement of this Chapter.
- 3           (3)    Have not been convicted of a felony relating to a controlled substance within  
4           10 years in any state or federal jurisdiction.
- 5           (4)    Consent to reasonable inspection by the ALE Division of the inventory of  
6           products regulated by this Chapter to ensure compliance with this Chapter and  
7           the taking of samples found to not be in compliance with the packaging,  
8           labeling, and testing requirements of this section.
- 9           (5)    Be current in filing all applicable tax returns to the State and in payment of all  
10          taxes, interest, and penalties collectable pursuant to G.S. 105-241.22.

11          (c)    Single License Required. – A person or entity engaged in more than one of the  
12          businesses listed in subsection (a) of this section shall only be required to obtain a single license.  
13          Upon application for a license, the person or entity engaged in more than one type of business  
14          regulated by this Chapter must indicate on the license application all of the businesses listed in  
15          subsection (a) of this section in which the business engages or intends to engage. A person or  
16          entity applying for a license for more than one type of business listed in subsection (a) of this  
17          section shall pay a single fee as provided in G.S. 18D-202(c).

18          (d)    Duration. – A license issued pursuant to this Article is valid for a period of one year  
19          and shall be renewed annually.

20          **§ 18D-202. Fees.**

21          (a)    Application Fee. – The application fee for a license required pursuant to this Article  
22          shall be as follows:

- 23           (1)    For a license to manufacture hemp-derived consumable products, a fee of  
24           fifteen thousand dollars (\$15,000). However, if an applicant submits proof that  
25           the applicant's gross income for the calendar year prior to application was less  
26           than one hundred thousand dollars (\$100,000), the fee shall be one thousand  
27           dollars (\$1,000).
- 28           (2)    For a license to distribute hemp-derived consumable products, a fee of two  
29           thousand five hundred dollars (\$2,500). However, if an applicant submits  
30           proof that the applicant's gross income for the calendar year prior to  
31           application was less than one hundred thousand dollars (\$100,000), the fee  
32           shall be seven hundred fifty dollars (\$750.00).
- 33           (3)    For a license to sell hemp-derived consumable products at a retail location, or  
34           online for delivery to a person within this State, a fee of two hundred fifty  
35           dollars (\$250.00) for each location or each internet website offering delivery  
36           in this State. However, a single entity with more than 25 locations, internet  
37           websites offering delivery in this State, or a combination of the two shall not  
38           pay more than five thousand dollars (\$5,000) and shall submit a list of all  
39           locations and all internet websites offering delivery in this State to the ALE  
40           Division.

41          (b)    Renewal Fee. – The renewal fee for a license issued pursuant to this Article shall be  
42          as follows:

- 43           (1)    For a license to manufacture hemp-derived consumable products, a renewal  
44           fee of five thousand dollars (\$5,000).
- 45           (2)    For a license to distribute hemp-derived consumable products, a renewal fee  
46           of seven hundred fifty dollars (\$750.00).
- 47           (3)    For a license to sell hemp-derived consumable products at a retail location or  
48           online for delivery to a person within this State, a renewal fee in the same  
49           amount as the initial licensing fees established under subsection (a) of this  
50           section.

1       (c)     For an application for or renewal of a license to engage in more than one business  
2 listed in subsection (a) of G.S. 18D-201, the fee shall be the highest fee of those prescribed for  
3 the types of business indicated on the application or renewal, as applied to that applicant or  
4 licensee.

5 **"§ 18D-203. ALE Division authority to deny or revoke.**

6       The ALE Division may revoke or refuse to issue any license for any of the following:

- 7           (1)     Failure to comply with or meet any of the qualifications required by  
8                 G.S. 18D-201(b).
- 9           (2)     Submission of false or misleading information in an application for licensure  
10                or renewal.
- 11           (3)     Submission of false or misleading information in any report or information  
12                required by this Chapter to be submitted to the ALE Division.
- 13           (4)     Failure to comply with civil penalties authorized by this Chapter.

14 **"§ 18D-204. Civil penalties; procedure.**

15       Proceedings for the assessment of civil penalties authorized in Article 1 of this Chapter shall  
16 be governed by Chapter 150B of the General Statutes. If the person or entity assessed a civil  
17 penalty fails to pay the penalty to the ALE Division, the ALE Division may institute an action in  
18 the superior court of the county in which the person resides or has their principal place of business  
19 to recover the unpaid amount of the penalty. An action to recover a civil penalty under this  
20 Chapter shall not relieve any party from any other penalty prescribed by law.

21 **"§ 18D-205. ALE Division to develop application, adopt rules, remit revenue.**

22       (a)     License Application. – The ALE Division shall develop and make available online an  
23 application for the license required by this Article.

24       (b)     Rules. – The ALE Division shall have authority to adopt, amend, and repeal rules to  
25 carry out the provisions of this Chapter.

26       (c)     Distribution of Revenue. – The revenue collected from fees established under this  
27 Chapter shall be remitted to the ALE Division, on a monthly basis, to be used to cover costs  
28 incurred by the ALE Division in enforcing the provisions of this Chapter. To the extent the funds  
29 described in this subsection are deemed unappropriated, the funds are hereby appropriated for  
30 the purpose set forth in this subsection.

31                                 "Article 3.

32                                 "Enforcement.

33 **"§ 18D-300. ALE Division.**

34       (a)     Authority. – The ALE Division shall enforce the provisions of this Chapter in a  
35 manner that is reasonable to reduce the extent to which hemp-derived consumable products are  
36 sold or distributed to persons under 21 years of age and shall conduct random, unannounced  
37 inspections at locations where hemp-derived consumable products are sold or distributed to  
38 ensure compliance with the provisions of this Chapter. If, upon reasonable inspection, the ALE  
39 Division determines a licensee's inventory may consist of products not in compliance with the  
40 packaging, labeling, and testing requirements of this Chapter, the ALE Division is authorized to  
41 only take samples of a licensee's inventory of hemp-derived consumable products considered  
42 noncompliant to be submitted for testing in order to determine compliance with the provisions of  
43 this Chapter. To procure evidence of violations of this Chapter, ALE Division agents shall have  
44 authority to investigate the operation of each licensee under this Chapter and each licensed  
45 premises for which a license has been issued under this Chapter, to make inspections that include  
46 viewing the entire premises, including the examination of records, equipment, and proceeds  
47 related to the manufacture or distribution of hemp-derived consumable products. The inspection  
48 authorized by this section may be made at any time it reasonably appears that someone is on the  
49 premises.

50       (b)     Interference with Inspection. – Refusal by a licensee or by any employee of a licensee  
51 to permit ALE Division agents to enter the premises to make an inspection authorized by

1 subsection (a) of this section shall be cause for suspension, revocation, or other action against the  
2 licensee. It shall be a Class 2 misdemeanor for any person to resist or obstruct an agent attempting  
3 to make a lawful inspection under this section.

4 (c) Report. – Beginning January 1, 2027, the ALE Division shall submit an annual report  
5 to the General Assembly describing in detail the ALE Division's enforcement efforts under this  
6 Chapter. The ALE Division shall also make the report required under this subsection available  
7 on the ALE Division's website.

8 **"§ 18D-301. Forfeiture of property.**

9 (a) Seizure of Product. – For any hemp-derived consumable product subject to forfeiture,  
10 a law enforcement officer is hereby authorized and empowered to seize and take possession of  
11 such products.

12 (b) Custody until Trial. – A law enforcement officer seizing a product subject to forfeiture  
13 shall provide for its safe storage until trial.

14 (c) Disposition after Criminal Trial. – The presiding judge in a criminal proceeding for  
15 violation of G.S. 18D-103(a)(3) may take the following actions after resolution of a charge  
16 against the owner or possessor of products subject to forfeiture under this section:

17 (1) If the owner or possessor of the product is found guilty of a violation of  
18 G.S. 18D-103(a)(3), the judge shall order the product forfeited.

19 (2) If the owner or possessor of the product is found not guilty, or if the charge is  
20 dismissed or otherwise resolved in favor of the owner or possessor, the judge  
21 shall order the product returned to the owner or possessor.

22 (3) If the product is also needed as evidence at an administrative hearing, the  
23 judge shall provide that the order does not go into effect until the ALE  
24 Division determines that the product is no longer needed for the administrative  
25 proceeding.

26 (d) Disposition after Civil Forfeiture Proceeding. – Violations of G.S. 18D-101(a)(4)  
27 shall be subject to forfeiture under the procedure set forth in G.S. 75D-5.

28 (e) Disposition of Forfeited Product. – Notwithstanding G.S. 75D-5(j), a judge ordering  
29 forfeiture of property shall order the product destroyed.

30 (f) Return of Property. – Any owner of products seized for forfeiture may apply to a  
31 judge to have the products returned to the owner if no criminal charge has been made or no action  
32 for civil forfeiture has been commenced in connection with that product within a reasonable time  
33 after seizure. The judge may not order the return of the product if possession by the owner would  
34 be unlawful."

35 **SECTION 1.(b)** G.S. 18B-500(b) reads as rewritten:

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

39 (1) Occurring, encountered, or otherwise discovered on the premises of, or  
40 elsewhere when the conduct relates to, a location under application for or  
41 holding a permit issued by the North Carolina Alcoholic Beverage Control  
42 Commission or the North Carolina Education Lottery Commission.

43 (1a) Occurring, encountered, or otherwise discovered on the premises of, or  
44 elsewhere when the conduct relates to, a location holding a license issued  
45 pursuant to Chapter 18D of the General Statutes.

46 (2) Encountered or otherwise discovered while investigating or enforcing matters  
47 for the North Carolina Alcoholic Beverage Control Commission or the North  
48 Carolina Education Lottery Commission or encountered or otherwise  
49 discovered while investigating or enforcing the provisions of this Chapter,  
50 Chapter 18C of the General Statutes, Chapter 18D of the General Statutes,



- 1 G.S. 14-313, or Parts 1 and 2 of Article 37 of Chapter 14 of the General  
2 Statutes.
- 3 (3) Encountered or otherwise discovered while carrying out any duty or function  
4 assigned to the Division by law.
- 5 (4) Occurring in an agent's presence.
- 6 (5) When assisting another law enforcement agency."

7 **SECTION 1.(c)** G.S. 7A-304(a) reads as rewritten:

8 "(a) In every criminal case in the superior or district court, wherein the defendant is  
9 convicted, or enters a plea of guilty or nolo contendere, or when costs are assessed against the  
10 prosecuting witness, the following costs shall be assessed and collected. No costs may be  
11 assessed when a case is dismissed. Only upon entry of a written order, supported by findings of  
12 fact and conclusions of law, determining that there is just cause, the court may (i) waive costs  
13 assessed under this section or (ii) waive or reduce costs assessed under subdivision (7), (8), (8a),  
14 (11), (12), or (13) of this section. No court may waive or remit all or part of any court fines or  
15 costs without providing notice and opportunity to be heard by all government entities directly  
16 affected. The court shall provide notice to the government entities directly affected of (i) the date  
17 and time of the hearing and (ii) the right to be heard and make an objection to the remission or  
18 waiver of all or part of the order of court costs at least 15 days prior to hearing. Notice shall be  
19 made to the government entities affected by first-class mail to the address provided for receipt of  
20 court costs paid pursuant to the order. The costs referenced in this subsection are listed below:

21 ...

22 (14) For the services of any laboratory facility, the district or superior court judge  
23 shall, upon conviction, order payment of the sum of six hundred dollars  
24 (\$600.00) to be remitted to the Alcohol Law Enforcement Division of the  
25 Department of Public Safety (ALE Division) or agency that paid for the  
26 laboratory services. The cost shall be assessed only in cases in which (i) the  
27 defendant is convicted of a violation of G.S. 18D-103(a)(3) and (ii) as part of  
28 the investigation leading to the defendant's conviction, testing was conducted  
29 at a laboratory on products regulated under Chapter 18D of the General  
30 Statutes."

31 **SECTION 1.(d)** This section becomes effective July 1, 2026, and applies to all  
32 hemp-derived consumable products possessed, sold, distributed, or manufactured on or after that  
33 date, and to all offenses committed on or after that date.

34 **SECTION 2.(a)** G.S. 90-94.1 is repealed.

35 **SECTION 2.(b)** This section becomes effective December 1, 2025, and applies to  
36 offenses committed on or after that date.

37 **SECTION 3.** Except as otherwise provided, this act is effective when it becomes  
38 law.