

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 328
Committee Substitute Favorable 3/25/25
Committee Substitute #2 Favorable 4/8/25
Senate Health Care Committee Substitute Adopted 6/17/25

Short Title: Regulate Hemp-Derived Consumables.

(Public)

Sponsors:

Referred to:

March 10, 2025

A BILL TO BE ENTITLED
AN ACT TO REGULATE THE SALE, DISTRIBUTION, AND POSSESSION OF
HEMP-DERIVED CONSUMABLE PRODUCTS AND TO ADD KRATOM AS A
SCHEDULE VI CONTROLLED SUBSTANCE.

The General Assembly of North Carolina enacts:

PART I. REGULATE HEMP-DERIVED CONSUMABLE PRODUCTS

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

"Chapter 18D.

"Regulation of Hemp-Derived Consumable Products.

"Article 1.

"Regulation of Hemp-Derived Consumable Products.

"§ 18D-100. Definitions.

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

- (1) ALE Division. – The Alcohol Law Enforcement Division of the Department of Public Safety.
- (2) Batch. – The hemp-derived consumable product produced during a period of time under similar conditions and identified by a specific code that allows traceability.
- (3) Distributor. – A person or entity that delivers or sells hemp-derived consumable products for the purpose of distribution in commerce.
- (4) Exit package. – An opaque bag or other similar opaque covering provided at the point of sale that satisfies the child-resistant effectiveness standards under 16 C.F.R. § 1700.15(b)(1) when tested in accordance with the requirements of 16 C.F.R. § 1700.20 in which hemp-derived consumable products are placed by a seller after being sold to the ultimate consumer of the product.
- (5) Hemp. – As defined in G.S. 90-87.
- (6) Hemp-derived cannabinoid. – Any phytocannabinoid found in hemp, including delta-9 tetrahydrocannabinol (delta-9 THC), tetrahydrocannabinolic acid (THCA), cannabidiol (CBD), cannabidiolic acid (CBDA), cannabinol (CBN), cannabigerol (CBG), cannabichromene (CBC), cannabicyclol (CBL), cannabivarin (CBV), tetrahydrocannabivarin (THCV), cannabidivarin (CBDV), cannabicitran (CBT), delta-7 tetrahydrocannabinol (delta-7 THC), delta-8 tetrahydrocannabinol (delta-8 THC), or delta-10 tetrahydrocannabinol



- (delta-10 THC). This term also includes any synthetic cannabinoid derived from hemp and contained in a hemp-derived consumable product.
- (7) Hemp-derived consumable product. – A hemp product that is a finished good intended for human ingestion or inhalation that at the time of sale to the ultimate consumer contains a delta-9 THC concentration of not more than three-tenths of one percent (0.3%) on a dry weight basis. This term does not include hemp products intended for topical application, or seeds or seed-derived ingredients that are generally recognized as safe by the United States Food and Drug Administration (FDA).
- (8) Hemp product. – As defined in G.S. 90-87.
- (9) Independent testing laboratory. – A laboratory that meets all of the following conditions:
- a. Holds an ISO 17025 accreditation or is registered with the Drug Enforcement Administration (DEA) in accordance with 21 C.F.R. § 1301.13.
 - b. Does not have a direct or indirect interest in the entity whose product is being tested.
 - c. Does not have a direct or indirect interest in a facility that cultivates, processes, distributes, dispenses, or sells hemp-derived consumable products, or prohibited hemp-derived consumable products in this State or any other jurisdiction.
 - d. Has entered into a compliance agreement with the ALE Division to conduct tetrahydrocannabinol concentration sampling and testing using the high-performance chromatography (HPLC) testing method.
- (10) Ingestion. – The process of consuming hemp through the mouth, by swallowing into the gastrointestinal system or through tissue absorption.
- (11) Inhalation. – The process of consuming hemp into the respiratory system through the mouth or nasal passages.
- (12) License. – A license issued in accordance with this Chapter.
- (13) Licensee. – A person who has been issued a license in accordance with this Chapter.
- (14) Manufacture. – To compound, blend, extract, infuse, cook, or otherwise manipulate hemp or a hemp-derived cannabinoid to make, prepare, or package hemp-derived consumable products.
- (15) Manufacturer. – Any person or entity that engages in the process of manufacturing, preparing, or packaging of hemp-derived consumable products.
- (16) Producer. – Any person or entity licensed to grow hemp by the United States Department of Agriculture that engages in the process of farming and harvesting hemp that is intended to be used in the manufacture of a hemp-derived consumable product.
- (17) Prohibited hemp-derived consumable product. – A hemp product that is a finished good intended for human ingestion or inhalation that contains concentrations of hemp-derived cannabinoids other than delta-9 THC. This term does not include hemp products intended for topical application or seeds or seed-derived ingredients that are generally recognized as safe by the United States Food and Drug Administration (FDA).
- (18) Retail dealer. – Any person who sells a hemp-derived consumable product to the ultimate consumer of the product, including a remote seller.
- (19) Serving. – A quantity of a hemp-derived consumable product reasonably suitable for a person's use in a single day.

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

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

- (1) Sell a hemp-derived consumable product to a person who is under 21 years of age. Any retail dealer of hemp-derived consumable products shall demand proof of age from a prospective purchaser of hemp-derived consumable products before the hemp-derived consumable products are released to the purchaser if the retail dealer has reasonable grounds to believe that the prospective purchaser is under 30 years of age. Any retail dealer that sells a hemp-derived consumable product on an internet website shall verify the age of any prospective purchaser and shall use a method of delivery that requires the signature of a person at least 21 years of age before the hemp-derived consumable product is released.
- (2) Knowingly, or having reason to know, distribute samples of hemp-derived consumable products in or on a public street, sidewalk, park, or public building.
- (3) Engage in the business of selling a hemp-derived consumable product without a valid license issued in accordance with this Chapter.
- (4) Knowingly, or having reason to know, sell a hemp-derived consumable product that has a concentration of more than three-tenths of one percent (0.3%) on a dry weight basis of delta-9 tetrahydrocannabinol.
- (5) Knowingly, or having reason to know, sell a hemp-derived consumable product that is not contained in an exit package or a child proof package.
- (6) Knowingly, or having reason to know, sell at retail or on an internet website offering delivery in this State, a hemp-derived consumable product that is not in compliance with G.S. 18D-105.
- (7) Knowingly, or having reason to know, sell at retail hemp flower or a product containing hemp flower that is not accompanied by a certificate of analysis issued within the previous six-month period demonstrating that the hemp flower or product containing hemp flower has a concentration of no more than three-tenths of one percent (0.3%) on a dry weight basis of delta-9 tetrahydrocannabinol.
- (8) Knowingly, or having reason to know, sell or distribute a prohibited hemp-derived consumable product.

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

- (1) For the first violation, the ALE Division may impose a civil penalty of no more than five hundred dollars (\$500.00).
- (2) For the second violation within three years, the ALE Division may impose a civil penalty of no more than seven hundred fifty dollars (\$750.00).
- (3) For the third violation within three years of the first violation, the ALE Division shall impose a civil penalty of no more than one thousand dollars (\$1,000) and suspend the retail dealer's license for one year.
- (4) For a fourth or subsequent violation within three years of the first violation, the ALE Division shall impose a civil penalty of no more than two thousand dollars (\$2,000) and revoke the retail dealer's license.

(c) Testing Fee. – In any case in which the ALE Division imposes a penalty pursuant to subsection (b) of this section, for a violation of subdivision (4) of subsection (a) of this section, the retail dealer shall also pay to the ALE Division the actual costs paid by the ALE Division for testing of the samples resulting in the violation. Any fee collected pursuant to this subsection shall be remitted to the ALE Division.

(d) Defenses. – It is a defense to a violation of subdivision (1) of subsection (a) of this section if the retail dealer does any of the following:

- (1) Shows that the purchaser produced a drivers license, a special identification card issued under G.S. 20-37.7 or issued by the state agency of any other state authorized to issue similar official state special identification cards for that state, a tribal enrollment card issued by a State or federally recognized Indian Tribe, a military identification card, or a passport showing the purchaser's age to be at least the required age for purchase and bearing a physical description of the person named on the card reasonably describing the purchaser.
- (2) Produces evidence of other facts that reasonably indicated at the time of sale that the purchaser was at least the required age.
- (3) Shows that at the time of purchase, the purchaser utilized a biometric identification system that demonstrated (i) the purchaser's age to be at least the required age for the purchase and (ii) the purchaser had previously registered with the retail dealer or retail dealer's agent a drivers license, a special identification card issued under G.S. 20-37.7 or issued by the state agency of any other state authorized to issue similar official state special identification cards for that state, a military identification card, or a passport showing the purchaser's date of birth and bearing a physical description of the person named on the document.

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

(f) Criminal Penalty. – Any person against whom a civil penalty has been imposed for violation of subdivision (3) of subsection (a) of this section who commits a second violation of subdivision (3) of subsection (a) of this section is guilty of a Class A1 misdemeanor. Any person who commits a third or subsequent violation of subdivision (3) of subsection (a) of this section is guilty of a Class H felony. Unless another provision of the law providing for greater punishment applies, any person who commits a violation of subdivision (4) of subsection (a) of this section is guilty of a Class H felony. Any person who commits a violation of subdivision (8) of subsection (a) of this section is guilty of a Class G felony.

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

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

(b) Prohibition. – A producer shall not knowingly sell or in any way transfer hemp that has been processed or prepared with the intent to be used in a prohibited hemp-derived consumable product to any person or entity.

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

- (1) For the first violation, the ALE Division may impose a civil penalty of no more than five hundred dollars (\$500.00).
- (2) For the second violation within three years, the ALE Division may impose a civil penalty of no more than seven hundred fifty dollars (\$750.00).
- (3) For the third violation within three years of the first violation, the ALE Division shall impose a civil penalty of no more than one thousand dollars (\$1,000).
- (4) For a fourth or subsequent violation within three years of the first violation, the ALE Division shall impose a civil penalty of no more than two thousand dollars (\$2,000).

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

(e) Criminal Penalty. – Any person against whom a civil penalty has been imposed for violation of subsection (a) of this section who commits a second violation of this section is guilty of a Class A1 misdemeanor. Any person who commits a third or subsequent violation of subsection (a) of this section is guilty of a Class H felony. Any person who commits a violation of subsection (b) of this section is guilty of a Class G felony.

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

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

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

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

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

(1) A fraudulent or altered drivers license.

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

(3) A drivers license issued to another person.

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

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

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

(e) Penalties. –

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

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

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

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

"§ 18D-102.5. Offense for possessing prohibited hemp-derived consumable product.

Any person who possesses a prohibited hemp-derived consumable product is guilty of a Class A1 misdemeanor.

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

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

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

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

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

(4) Knowingly, or having reason to know, manufacture or distribute a prohibited hemp-derived consumable product.

(b) Criminal Penalties. – A violation of subdivision (a)(1), (a)(2), or (a)(3) of this section is a Class A1 misdemeanor. A violation of subdivision (a)(4) of this section is a Class G felony.

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

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

(2) Revoke the licensee's license.

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

(4) Impose civil penalties as follows:

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

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

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

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

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

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

(1) Recalls all hemp-derived consumable products from the same batch as the product on which the violation is based.

(2) Has samples of the batch tested by an independent testing laboratory. The sample size required for testing pursuant to this subdivision shall be five times the number of units required pursuant to G.S. 18D-104(e) based on the size of the batch at production, regardless of the number of units that are able to be recalled.

(3) Provides certified results from the independent testing laboratory indicating that the sample tested does not contain a concentration of more than three-tenths of one percent (0.3%) on a dry weight basis total combined of delta-9 tetrahydrocannabinol.

(g) Forfeiture. – Any product sold in violation of subdivision (3) or (4) of subsection (a) of this section shall be subject to forfeiture pursuant to the procedures set forth in G.S. 18D-301.

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

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

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

- (1) A concentration of three-tenths of one percent (0.3%) of delta-9 tetrahydrocannabinol, and no hemp-derived cannabinoid other than delta-9 tetrahydrocannabinol.
- (2) 2,3-butanedione (Diacetyl).
- (3) Abamectin, not to exceed 300 parts per billion for ingestion or 100 parts per billion for inhalation.
- (4) Acephate, not to exceed 3,000 parts per billion for ingestion or 100 parts per billion for inhalation.
- (5) Acequinocyl, not to exceed 2,000 parts per billion for ingestion or 100 parts per billion for inhalation.
- (6) Acetamiprid, not to exceed 3,000 parts per billion for ingestion or 100 parts per billion for inhalation.
- (7) Aldicarb, not to exceed 100 parts per billion for ingestion or inhalation.
- (8) Azoxystrobin, not to exceed 3,000 parts per billion for ingestion or 100 parts per billion for inhalation.
- (9) Bifenazate, not to exceed 3,000 parts per billion for ingestion or 100 parts per billion for inhalation.
- (10) Bifenthrin, not to exceed 500 parts per billion for ingestion or 100 parts per billion for inhalation.
- (11) Boscalid, not to exceed 3,000 parts per billion for ingestion or 100 parts per billion for inhalation.
- (12) Captan, not to exceed 3,000 parts per billion for ingestion or 700 parts per billion for inhalation.
- (13) Carbaryl, not to exceed 500 parts per billion for ingestion or 500 parts per billion for inhalation.
- (14) Carbofuran, not to exceed 100 parts per billion for ingestion or inhalation.
- (15) Chlorantraniliprole, not to exceed 3,000 parts per billion for ingestion or 1,000 parts per billion for inhalation.
- (16) Chlordane, not to exceed 100 parts per billion for ingestion or inhalation.
- (17) Chlorfenapyr, not to exceed 100 parts per billion for ingestion or inhalation.
- (18) Chlormequat chloride, not to exceed 3,000 parts per billion for ingestion or 1,000 parts per billion for inhalation.
- (19) Chlorpyrifos, not to exceed 100 parts per billion for ingestion or inhalation.
- (20) Clofentezine, not to exceed 500 parts per billion for ingestion or 200 parts per billion for inhalation.
- (21) Coumaphos, not to exceed 100 parts per billion for ingestion or inhalation.

- 1 (22) Cyfluthrin, not to exceed 1,000 parts per billion for ingestion or 500 parts per
2 billion for inhalation.
- 3 (23) Cypermethrin, not to exceed 1,000 parts per billion for ingestion or 500 parts
4 per billion for inhalation.
- 5 (24) Daminozide, not to exceed 100 parts per billion for ingestion or inhalation.
- 6 (25) DDVP (Dichlorvos), not to exceed 100 parts per billion for ingestion or
7 inhalation.
- 8 (26) Diazinon, not to exceed 200 parts per billion for ingestion or 100 parts per
9 billion for inhalation.
- 10 (27) Dimethoate, not to exceed 100 parts per billion for ingestion or inhalation.
- 11 (28) Dimethomorph, not to exceed 3,000 parts per billion for ingestion or 200 parts
12 per billion for inhalation.
- 13 (29) Ethoprop(hos), not to exceed 100 parts per billion for ingestion or inhalation.
- 14 (30) Etofenprox, not to exceed 100 parts per billion for ingestion or inhalation.
- 15 (31) Etoxazole, not to exceed 1,500 parts per billion for ingestion or 100 parts per
16 billion for inhalation.
- 17 (32) Fenhexamid, not to exceed 3,000 parts per billion for ingestion or 100 parts
18 per billion for inhalation.
- 19 (33) Fenoxycarb, not to exceed 100 parts per billion for ingestion or inhalation.
- 20 (34) Fenpyroximate, not to exceed 2,000 parts per billion for ingestion or 100 parts
21 per billion for inhalation.
- 22 (35) Fipronil, not to exceed 100 parts per billion for ingestion or inhalation.
- 23 (36) Flonicamid, not to exceed 2,000 parts per billion for ingestion or 100 parts per
24 billion for inhalation.
- 25 (37) Fludioxonil, not to exceed 3,000 parts per billion for ingestion or 100 parts
26 per billion for inhalation.
- 27 (38) Hexythiazox, not to exceed 2,000 parts per billion for ingestion or 100 parts
28 per billion for inhalation.
- 29 (39) Imazalil, not to exceed 100 parts per billion for ingestion or inhalation.
- 30 (40) Imidacloprid, not to exceed 3,000 parts per billion for ingestion or 400 parts
31 per billion for inhalation.
- 32 (41) Kresoxim-methyl, not to exceed 1,000 parts per billion for ingestion or 100
33 parts per billion for inhalation.
- 34 (42) Malathion, not to exceed 2,000 parts per billion for ingestion or 200 parts per
35 billion for inhalation.
- 36 (43) Metalaxyl, not to exceed 3,000 parts per billion for ingestion or 100 parts per
37 billion for inhalation.
- 38 (44) Methiocarb, not to exceed 100 parts per billion for ingestion or inhalation.
- 39 (45) Methomyl, not to exceed 100 parts per billion for ingestion or inhalation.
- 40 (46) Methyl parathion, not to exceed 100 parts per billion for ingestion or
41 inhalation.
- 42 (47) Mevinphos, not to exceed 100 parts per billion for ingestion or inhalation.
- 43 (48) Myclobutanil, not to exceed 3,000 parts per billion for ingestion; prohibited at
44 any concentration for inhalation.
- 45 (49) Naled, not to exceed 500 parts per billion for ingestion or 250 parts per billion
46 for inhalation.
- 47 (50) Oxamyl, not to exceed 500 parts per billion for ingestion or inhalation.
- 48 (51) Paclobutrazol, not to exceed 100 parts per billion for ingestion or inhalation.
- 49 (52) Pentachloronitrobenzene, not to exceed 200 parts per billion for ingestion or
50 150 parts per billion for inhalation.

- 1 (53) Permethrin, not to exceed 1,000 parts per billion for ingestion or 100 parts per
- 2 billion for inhalation.
- 3 (54) Phosmet, not to exceed 200 parts per billion for ingestion or 100 parts per
- 4 billion for inhalation.
- 5 (55) Piperonyl butoxide, not to exceed 3,000 parts per billion for ingestion or
- 6 inhalation.
- 7 (56) Prallethrin, not to exceed 400 parts per billion for ingestion or 100 parts per
- 8 billion for inhalation.
- 9 (57) Propiconazole, not to exceed 1,000 parts per billion for ingestion or 100 parts
- 10 per billion for inhalation.
- 11 (58) Propoxur, not to exceed 100 parts per billion for ingestion or inhalation.
- 12 (59) Pyrethrins, not to exceed 1,000 parts per billion for ingestion or 500 parts per
- 13 billion for inhalation.
- 14 (60) Pyridaben, not to exceed 3,000 parts per billion for ingestion or 200 parts per
- 15 billion for inhalation.
- 16 (61) Spinetoram, not to exceed 3,000 parts per billion for ingestion or 200 parts per
- 17 billion for inhalation.
- 18 (62) Spinosad A & D, not to exceed 3,000 parts per billion for ingestion or 100
- 19 parts per billion for inhalation.
- 20 (63) Spiromesifen, not to exceed 3,000 parts per billion for ingestion or 100 parts
- 21 per billion for inhalation.
- 22 (64) Spirotetramat, not to exceed 3,000 parts per billion for ingestion or 100 parts
- 23 per billion for inhalation.
- 24 (65) Spiroxamine, not to exceed 100 parts per billion for ingestion or inhalation.
- 25 (66) Tebuconazole, not to exceed 1,000 parts per billion for ingestion or 100 parts
- 26 per billion for inhalation.
- 27 (67) Thiacloprid, not to exceed 100 parts per billion for ingestion or 100 parts per
- 28 billion for inhalation.
- 29 (68) Thiamethoxam, not to exceed 1,000 parts per billion for ingestion or 500 parts
- 30 per billion for inhalation.
- 31 (69) Trifloxystrobin, not to exceed 3,000 parts per billion for ingestion or 100 parts
- 32 per billion for inhalation.
- 33 (70) 1,2-Dichloroethane, not to exceed 2 parts per million.
- 34 (71) 1,1-Dichloroethene, not to exceed 8 parts per million.
- 35 (72) Acetone, not to exceed 750 parts per million.
- 36 (73) Acetonitrile, not to exceed 60 parts per million.
- 37 (74) Benzene, not to exceed 1 part per million.
- 38 (75) Butane, not to exceed 5,000 parts per million.
- 39 (76) Chloroform, not to exceed 2 parts per million.
- 40 (77) Ethanol, not to exceed 5,000 parts per million.
- 41 (78) Ethyl Acetate, not to exceed 400 parts per million.
- 42 (79) Ethyl Ether, not to exceed 500 parts per million.
- 43 (80) Ethylene Oxide, not to exceed 5 parts per million.
- 44 (81) Heptane, not to exceed 5,000 parts per million.
- 45 (82) Hexane, not to exceed 250 parts per million.
- 46 (83) Isopropyl Alcohol, not to exceed 500 parts per million.
- 47 (84) Methanol, not to exceed 250 parts per million.
- 48 (85) Methylene Chloride, not to exceed 125 parts per million.
- 49 (86) Pentane, not to exceed 750 parts per million.
- 50 (87) Propane, not to exceed 5,000 parts per million.
- 51 (88) Toluene, not to exceed 150 parts per million.

- (89) Trichloroethylene, not to exceed 25 parts per million.
- (90) Xylenes, Total (ortho-, meta-, para-), not to exceed 150 parts per million.
- (91) Cadmium, not to exceed 500 parts per billion for ingestion or 200 parts per billion for inhalation.
- (92) Lead, not to exceed 500 parts per billion for ingestion or inhalation.
- (93) Arsenic, not to exceed 1,500 parts per billion for ingestion or 200 parts per billion for inhalation.
- (94) Mercury, not to exceed 3,000 parts per billion for ingestion or 200 parts per billion for inhalation.
- (95) Shiga toxin-producing Escherichia coli (STEC E. coli) and other pathogenic E. coli, not to exceed 1 CFU per gram.
- (96) Salmonella, not to exceed 1 CFU per gram.
- (97) Aspergillus niger, Aspergillus fumigatus, Aspergillus flavus, Aspergillus terreus, not to exceed 1 CFU per gram.
- (98) Total Aflatoxin (B1, B2, G1, G2), not to exceed 20 parts per billion for ingestion or inhalation.
- (99) Ochratoxin, not to exceed 20 parts per billion for ingestion or inhalation.
- (100) Total combined Yeast and Mold, not to exceed 100,000 CFU per gram for ingestion and inhalation.

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

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

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

- (1) For a batch containing 1 to 999 units, the required sample size is 1 unit.
- (2) For a batch containing 1,000 to 4,999 units, the required sample size is 2 units.
- (3) For a batch containing 5,000 to 9,999 units, the required sample size is 3 units.
- (4) For a batch containing 10,000 or more units, the required sample size is 5 units.

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

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

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

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

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

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

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

"§ 18D-105. Additional requirements and restrictions for hemp-derived consumable products.

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

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

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

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

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

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

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

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

f. A statement to consult your physician before use.

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

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

i. The net weight of the product.

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

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

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

cereals, sweets, chips, or other food products typically marketed to persons under 21 years of age.

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

(1) Be sold in a serving that contains more than 10 milligrams, in the aggregate, of delta-9 tetrahydrocannabinol.

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

(c1) Liquid Ingestible Product Restrictions. – Any hemp-derived consumable product intended for ingestion that is a liquid and not intended for inhalation shall not be sold in a container that contains more than 10 milligrams in the aggregate of delta-9 tetrahydrocannabinol.

(c2) Inhalable Product for Vaporization Restrictions. – Any hemp-derived consumable product intended for inhalation by vaporization shall not be sold in a container that contains more than 3 milliliters in the aggregate of delta-9 tetrahydrocannabinol. For the purposes of this subsection, "vaporization" includes the heating of hemp-derived oil to release aerosolized hemp-derived cannabinoids.

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

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

(2) Revoke the licensee's license.

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

(4) Impose civil penalties as follows:

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

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

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

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

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

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

(1) Any violation of this Chapter.

(2) Any violation of the controlled substances, gambling, or any other unlawful acts.

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

"§ 18D-106. Construction of Chapter.

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

(1) Permit a person to undertake any task under the influence of a hemp-derived consumable product when doing so would constitute negligence or professional malpractice.

(2) Permit a person to operate, navigate, or be in actual physical control of a motor vehicle, aircraft, motorized watercraft, or any other vehicle while under the influence of a hemp-derived consumable product.

- (3) Require an employer to accommodate the use of a hemp-derived consumable product in a workplace or an employee working while under the influence of a hemp-derived consumable product.
- (4) Require an individual or establishment in lawful possession of property to admit a guest, client, customer, or other visitor who is impaired as a result of the person's use of a hemp-derived consumable product.
- (5) Exempt a person from prosecution for a criminal offense related to impairment or intoxication resulting from the use of a hemp-derived consumable product or relieve a person from any requirement under law to submit to a breath, blood, urine, or other test to detect the presence of a controlled substance.
- (6) Limit the ability of an employer to establish, continue, or enforce a drug-free workplace program or policy.
- (7) Create a cause of action against an employer for wrongful discharge or discrimination.
- (8) Allow the possession, sale, manufacture, or distribution of any substance that is otherwise prohibited by Article 5 of Chapter 90 of the General Statutes.

"Article 2.

"Licensing.

"§ 18D-200. Definitions.

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

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

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

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

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

- (1) Be at least 21 years old.
- (2) Submit to the ALE Division any information determined by the ALE Division to be necessary for the efficient enforcement of this Chapter.
- (3) Have not been convicted of a felony relating to a controlled substance within 10 years in any state or federal jurisdiction.
- (4) Consent to reasonable inspection by the ALE Division of the inventory of products regulated by this Chapter to ensure compliance with this Chapter and the taking of samples found to not be in compliance with the packaging, labeling, and testing requirements of this section.
- (5) Be current in filing all applicable tax returns to the State and in payment of all taxes, interest, and penalties collectable pursuant to G.S. 105-241.22.

(c) Licenses Required. – A person or entity engaged in more than one of the businesses listed in subsection (a) of this section shall be required to obtain a separate license for each business. Upon application for a license, the person or entity engaged in more than one type of business regulated by this Chapter must indicate on the license application all of the businesses listed in subsection (a) of this section in which the business engages or intends to engage.

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

"§ 18D-202. Fees.

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

- (1) For a license to manufacture hemp-derived consumable products, a fee of twenty-five thousand dollars (\$25,000).
- (2) For a license to distribute hemp-derived consumable products, a fee of five thousand dollars (\$5,000).
- (3) For a license to sell hemp-derived consumable products at a retail location, or online for delivery to a person within this State, a fee of five hundred dollars (\$500.00) for each location or each internet website offering delivery in this State.

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

- (1) For a license to manufacture hemp-derived consumable products, a renewal fee of ten thousand dollars (\$10,000).
- (2) For a license to distribute hemp-derived consumable products, a renewal fee of one thousand five hundred dollars (\$1,500).
- (3) For a license to sell hemp-derived consumable products at a retail location or online for delivery to a person within this State, a renewal fee in the same amount as the initial licensing fees established under subsection (a) of this section.

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

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

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

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

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

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

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

(b) Tracking System. – The ALE Division shall establish, maintain, and control a computer software tracking system that traces hemp from seed to sale as a hemp-derived consumable product and allows real-time, 24-hour access by the ALE Division and any State or local law enforcement agency in North Carolina to data from all production facilities and testing laboratories. The tracking system must allow for integration of other seed-to-sale systems and, at a minimum, include notification of when hemp seeds are planted, when hemp plants are harvested and destroyed, and when hemp is transported, sold, stolen, diverted, or lost. Each manufacturer and distributor shall use the seed-to-sale tracking system established by the ALE Division or integrate its own seed-to-sale tracking system with the seed-to-sale tracking system established by the ALE Division. The ALE Division shall establish minimum requirements for the seed-to-sale tracking system used by a supplier. The ALE Division may contract with a vendor

to establish the seed-to-sale tracking system. The vendor may not have a direct or indirect financial interest in a manufacturer, distributor, or testing laboratory.

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

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

"Article 3.

"Enforcement.

"§ 18D-300. ALE Division.

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

(b) Interference with Inspection. – Refusal by a licensee or by any employee of a licensee to permit ALE Division agents to enter the premises to make an inspection authorized by subsection (a) of this section shall be cause for suspension, revocation, or other action against the licensee. It shall be a Class 2 misdemeanor for any person to resist or obstruct an agent attempting to make a lawful inspection under this section.

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

"§ 18D-301. Forfeiture of property.

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

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

(c) Disposition after Criminal Trial. – The presiding judge in a criminal proceeding for violation of G.S. 18D-103(a)(3) or G.S. 18D-103(a)(4) may take the following actions after resolution of a charge against the owner or possessor of products subject to forfeiture under this section:

- (1) If the owner or possessor of the product is found guilty of a violation of G.S. 18D-103(a)(3) or G.S. 18D-103(a)(4), the judge shall order the product forfeited.

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

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

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

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

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

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

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

(2) Encountered or otherwise discovered while investigating or enforcing matters for the North Carolina Alcoholic Beverage Control Commission or the North Carolina Education Lottery Commission or encountered or otherwise discovered while investigating or enforcing the provisions of this Chapter, Chapter 18C of the General Statutes, Chapter 18D of the General Statutes, G.S. 14-313, or Parts 1 and 2 of Article 37 of Chapter 14 of the General Statutes.

(3) Encountered or otherwise discovered while carrying out any duty or function assigned to the Division by law.

(4) Occurring in an agent's presence.

(5) When assisting another law enforcement agency."

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

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

...

(14) For the services of any laboratory facility, the district or superior court judge shall, upon conviction, order payment of the sum of six hundred dollars (\$600.00) to be remitted to the Alcohol Law Enforcement Division of the

Department of Public Safety (ALE Division) or agency that paid for the laboratory services. The cost shall be assessed only in cases in which (i) the defendant is convicted of a violation of G.S. 18D-103(a)(3) or G.S. 18D-103(a)(4) and (ii) as part of the investigation leading to the defendant's conviction, testing was conducted at a laboratory on products regulated under Chapter 18D of the General Statutes."

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

PART II. TECHNICAL CORRECTION

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

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

PART III. BAN HEMP-DERIVED CONSUMABLE PRODUCTS ON EDUCATIONAL PROPERTY

SECTION 3.(a) Article 29A of Chapter 115C of the General Statutes reads as rewritten:

"Article 29A.

"Policy Prohibiting Use Of Tobacco Products and Hemp-Derived Consumable Products.

"§ 115C-407. Policy prohibiting tobacco product and hemp-derived consumable product use in school buildings, grounds, and at school-sponsored events.

(a) ~~Not later than August 1, 2008, local boards of education~~ Governing bodies of public school units shall ~~adopt, implement, and enforce~~ adopt a written policy prohibiting at all times the use of any tobacco product or hemp-derived consumable product by any person in school buildings, in school facilities, on school campuses, and in or on any other school property owned or operated by the ~~local school administrative public school unit~~. The policy shall further prohibit the use of all tobacco products and hemp-derived consumable products by persons attending a school-sponsored event at a location not listed in this subsection when in the presence of students or school personnel or in an area where smoking is otherwise prohibited by law.

(b) The policy shall include at least all of the following elements:

- (1) Adequate notice to students, parents, the public, and school personnel of the policy.
- (2) Posting of signs prohibiting at all times the use of tobacco products and hemp-derived consumable products by any person in and on school property.
- (3) Requirements that school personnel enforce the policy.

(c) The policy may permit tobacco products to be included in instructional or research activities in public school buildings if the activity is conducted or supervised by the faculty member overseeing the instruction or research and the activity does not include smoking, chewing, or otherwise ingesting the tobacco product.

(d) ~~The North Carolina Health and Wellness Trust Fund Commission Tobacco Prevention and Control Branch~~ shall work with ~~local boards of education~~ governing bodies of public school units to provide assistance with the implementation of this policy including providing information regarding smoking cessation and prevention resources. Nothing in this section, G.S. 143-595 through G.S. 143-601, or any other section prohibits a ~~local board of education~~ governing body of a public school unit from adopting and enforcing a more restrictive policy on the use of tobacco products or hemp-derived consumable products in school buildings, in school facilities, on school campuses, or at school-related or school-sponsored events, and in or on other school property.

(e) For the purposes of this section, the following definitions apply:

(1) Hemp-derived consumable product. – As defined in G.S. 18D-100.

(2) Tobacco product. – As defined in G.S. 14-313, including vapor products.

(3) Vapor product. – As defined in G.S. 14-313."

SECTION 3.(b) G.S. 115C-150.12C is amended by adding a new subdivision to read:

"(15a) The board of trustees shall adopt a policy prohibiting tobacco products and hemp-derived consumable products in accordance with Article 29A of this Chapter."

SECTION 3.(c) G.S. 115C-218.75 is amended by adding a new subsection to read:

"(a1) Policy Prohibiting Tobacco Product and Hemp-Derived Consumable Product. – A charter school shall adopt a policy prohibiting tobacco products or hemp-derived consumable products in accordance with Article 29A of this Chapter."

SECTION 3.(d) G.S. 115C-238.66 is amended by adding a new subdivision to read:

"(23) Policy prohibiting tobacco product and hemp-derived consumable product. – A regional school shall adopt a policy prohibiting tobacco products and hemp-derived consumable products in accordance with Article 29A of this Chapter."

SECTION 3.(e) G.S. 116-235 is amended by adding a new subsection to read:

"(k) Prohibition of Tobacco Product and Hemp-Derived Consumable Product. – The Board of Trustees shall adopt a policy prohibiting tobacco products and hemp-derived consumable products in accordance with Article 29A of Chapter 115C of the General Statutes."

SECTION 3.(f) G.S. 116-239.8(b) is amended by adding a new subdivision to read:

"(26) Prohibition of tobacco product and hemp-derived consumable product. – The laboratory school shall adopt a policy prohibiting tobacco products and hemp-derived consumable products in accordance with Article 29A of Chapter 115C of the General Statutes."

SECTION 3.(g) G.S. 115C-562.5(a) is amended by adding a new subdivision to read:

"(7a) For any school facility in which students attend in-person classes, the school shall adopt a policy that is consistent with the requirements of Article 29A of this Chapter to prohibit the use of tobacco products or hemp-derived consumable products on school grounds."

SECTION 3.(h) This section is effective when it becomes law and applies beginning with the 2025-2026 school year.

PART VI. ADD KRATOM AS A SCHEDULE VI CONTROLLED SUBSTANCE

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

"§ 90-94. Schedule VI controlled substances.

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

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

(1) Marijuana.

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

(3) Repealed by Session Laws 2017-115, s. 8, effective December 1, 2017, and applicable to offenses committed on or after that date.

(4) Kratom. For the purposes of this subdivision, "Kratom" includes any quantity of mitragynine or 7 hydroxymytragynine or both, extracted from the leaf of the plant *Mitragyna speciosa*.

(c) Notwithstanding the provisions of this section, any prescription drug approved by the federal Food and Drug Administration under Section 505 of the federal Food, Drug, and Cosmetic Act that is designated, rescheduled, or deleted as a controlled substance under federal law by the United States Drug Enforcement Administration shall be excluded from Schedule VI and may be prescribed, distributed, dispensed, and used in accordance with federal law upon the issuance of a notice, final rule, or interim final rule by the United States Drug Enforcement Administration that designates, reschedules, or deletes such prescription drug as a controlled substance under federal law, unless the Commission objects to such action as provided under G.S. 90-88(d). If the Commission does not object as provided under G.S. 90-88(d), the prescription drug shall be deemed to be designated, rescheduled, or deleted as a controlled substance in accordance with federal law and in compliance with this Chapter."

SECTION 4.(b) This section becomes effective December 1, 2025, and applies to offenses committed on or after that date.

PART V. EFFECTIVE DATE

SECTION 5. Except as otherwise provided, this act is effective when it becomes law.