

By: Representative Yancey

To: Public Health and Human Services; Ways and Means

HOUSE BILL NO. 1676

1 AN ACT TO AUTHORIZE THE MANUFACTURE, PRODUCTION,
2 DISTRIBUTION, AND SALE OF A CONSUMABLE HEMP PRODUCT THAT CONTAINS
3 EQUAL TO OR LESS THAN 0.5 MILLIGRAMS OF TOTAL THC PER SERVING AND
4 EQUAL TO OR LESS THAN 2.5 MILLIGRAMS OF TOTAL THC PER PACKAGE AND
5 HAS A RATIO OF CANNABIDIOL TO TOTAL THC OF AT LEAST TWENTY TO ONE;
6 TO PROVIDE THAT INTOXICATING HEMP PRODUCTS MAY ONLY BE SOLD IN
7 MISSISSIPPI BY PERSONS OR BUSINESS ENTITIES LICENSED UNDER THE
8 MISSISSIPPI MEDICAL CANNABIS ACT; TO PROVIDE THAT THE MISSISSIPPI
9 DEPARTMENT OF AGRICULTURE AND COMMERCE WILL BE RESPONSIBLE FOR
10 LICENSING RETAILERS, WHOLESALERS, MANUFACTURERS, AND PROCESSORS OF
11 CONSUMABLE HEMP PRODUCTS; TO REQUIRE THAT A FINALIZED SAMPLE OF
12 FINISHED HEMP PRODUCTS HAVE A CERTIFICATE OF ANALYSIS; TO REQUIRE
13 THAT LABELS FOR HEMP PRODUCTS BE APPROVED BY THE DEPARTMENT OF
14 HEALTH; TO PROVIDE CERTAIN REQUIREMENTS FOR CONSUMABLE FOOD
15 MANUFACTURING DISTRIBUTORS; TO REQUIRE A LICENSED ENTITY TO
16 PROVIDE A REPORT TO THE DEPARTMENT OF HEALTH OR THE DEPARTMENT OF
17 AGRICULTURE AND COMMERCE; TO REQUIRE PRODUCTS CONTAINING CBD TO BE
18 TESTED IN A FACILITY WITH A DEA CERTIFICATION; TO IMPOSE A 3%
19 EXCISE TAX; TO AMEND SECTION 69-25-207, MISSISSIPPI CODE OF 1972,
20 TO REQUIRE ALL LICENSE HOLDERS TO ADHERE TO GOOD MANUFACTURING
21 PRACTICES; TO AMEND SECTION 69-25-201, MISSISSIPPI CODE OF 1972,
22 TO RENAME THE "MISSISSIPPI HEMP CULTIVATION ACT" AS THE
23 "MISSISSIPPI INTOXICATING HEMP REGULATION ACT"; TO AMEND SECTION
24 69-25-203, MISSISSIPPI CODE OF 1972, TO DEFINE THE TERMS
25 "CONSUMABLE HEMP PRODUCT", "INTOXICATING HEMP PRODUCT" AND "TOTAL
26 THC"; TO AMEND SECTION 69-25-213, MISSISSIPPI CODE OF 1972, TO
27 REDUCE FROM A CONCENTRATION OF MORE THAN 0.5% TO A CONCENTRATION
28 OF MORE THAN 0.3%, THE VIOLATION OF PRODUCING CANNABIS SATIVA L.
29 WITH A CERTAIN DELTA-9-TETRAHYDROCANNABINOL CONCENTRATION ON A DRY
30 WEIGHT BASIS; TO AMEND SECTION 69-25-217, MISSISSIPPI CODE OF
31 1972, TO PROHIBIT THE MANUFACTURE OR PRODUCTION OF ANY
32 INTOXICATING HEMP PRODUCTS FOR SALE WITHIN THE STATE OF
33 MISSISSIPPI, WITH CERTAIN EXCEPTIONS; TO PROHIBIT THE SALE OF ANY
34 INTOXICATING HEMP PRODUCTS WITHIN THE STATE OF MISSISSIPPI, WITH



35 CERTAIN EXCEPTIONS; TO PROHIBIT THE MANUFACTURE, PRODUCTION, OR
36 SALE OF ANY HEMP PRODUCTS THAT CONTAIN AN ARTIFICIALLY DERIVED
37 CANNABINOID; TO PROHIBIT THE SALE OF ANY CONSUMABLE HEMP PRODUCT
38 TO ANY PERSON UNDER THE AGE OF 21 YEARS; TO AMEND SECTION
39 41-137-3, MISSISSIPPI CODE OF 1972, TO INCLUDE INTOXICATING HEMP
40 PRODUCTS IN THE DEFINITION OF THE TERM "CANNABIS PRODUCTS"; TO
41 DEFINE THE TERMS "HEMP-DERIVED INGREDIENT" AND "INTOXICATING HEMP
42 PRODUCT"; TO AMEND SECTION 41-137-9, MISSISSIPPI CODE OF 1972, TO
43 AUTHORIZE THE PURCHASE OR ACQUISITION OF HEMP-DERIVED INGREDIENTS
44 BY A CANNABIS CULTIVATION, PROCESSING OR RESEARCH FACILITY FOR THE
45 MEDICAL USE OF CANNABIS; TO AMEND SECTION 41-137-11, MISSISSIPPI
46 CODE OF 1972, TO INCLUDE INCORPORATING HEMP-DERIVED INGREDIENTS
47 PURCHASED BY MEDICAL CANNABIS ESTABLISHMENTS IN THE CAPABILITIES
48 OF THE SEED-TO-SALE TRACKING SYSTEM; TO AMEND SECTION 41-137-39,
49 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT ENTITIES NOT LICENSED
50 UNDER THE MISSISSIPPI MEDICAL CANNABIS ACT ARE PROHIBITED FROM
51 SELLING INTOXICATING HEMP PRODUCTS; TO AMEND SECTION 41-137-45,
52 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT IT IS UNLAWFUL FOR ANY
53 PERSON OR ENTITY TO SELL OR TRANSFER INTOXICATING HEMP PRODUCTS TO
54 INDIVIDUALS IN THE STATE OF MISSISSIPPI, WITH CERTAIN EXCEPTIONS;
55 TO PROVIDE PENALTIES FOR A PERSON OR BUSINESS ENTITY THAT
56 UNLAWFULLY SELLS INTOXICATING HEMP PRODUCTS; AND FOR RELATED
57 PURPOSES.

58 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

59 **SECTION 1.** Section 69-25-201, Mississippi Code of 1972, is
60 amended as follows:

61 69-25-201. **Short title; exclusivity.** This article shall be
62 known as the "Mississippi Intoxicating Hemp * * * Regulation Act."
63 The regulation of hemp cultivation and processing shall be
64 governed exclusively by the provisions of the Mississippi
65 Intoxicating Hemp * * * Regulation Act. A municipality, county or
66 other political subdivision of this state shall not enact, adopt
67 or enforce a rule, ordinance, order, resolution or other
68 regulation that allows, prohibits or penalizes the cultivation,
69 production or processing of hemp in this state.

70 **SECTION 2.** Section 69-25-203, Mississippi Code of 1972, is
71 amended as follows:



72 69-25-203. **Definitions.** For purposes of this article, the
73 following words and phrases shall have the meanings set forth
74 below unless the context clearly indicates otherwise:

75 (a) "Bureau of Plant Industry" means a division of the
76 Mississippi Department of Agriculture and Commerce created under
77 the provisions of Section 69-25-3.

78 (b) "Business entity" means a nonnatural person and
79 includes nonprofit and for-profit corporations, partnerships,
80 limited liability corporations, and other legal entities
81 recognized by law.

82 (c) "Commissioner" means the Commissioner of
83 Agriculture and Commerce of the State of Mississippi. Where
84 applicable under the provisions of this article, "commissioner"
85 shall include the commissioner's designee.

86 (d) "Consumable hemp product" means a finished product
87 that is intended for human consumption, contains any part of the
88 hemp plant, including naturally occurring cannabinoids, compounds,
89 concentrates, extracts, isolates, or resins, and contains less
90 than three-tenths percent (0.3%) of THC.

91 (e) "Consumable food manufacturing distributor" means
92 any individual, partnership, corporation, cooperative association,
93 or other business entity that receives raw industrial hemp, hemp
94 floral material, extracts, distillates, isolates or any extracted
95 form of industrial hemp as long as it is extracted from industrial
96 hemp for the manufacturing, distribution and/or processing of any



97 industrial hemp product including, but not limited to, edibles,
98 tinctures, smokables, vapables, lubricants, salves, lotions, hemp
99 floral material, concentrates, distillates, and/or liquids.

100 (* * *f) "Delta-9-tetrahydrocannabinol" means the sum
101 of the percentage by weight of tetrahydrocannabinol acid
102 multiplied by eight hundred seventy-seven thousandths (0.877) plus
103 the percentage by weight of delta-9-tetrahydrocannabinol.

104 (* * *g) "Department" means the Mississippi Department
105 of Agriculture and Commerce.

106 (* * *h) "Grower" means a person, business entity,
107 joint venture or cooperative that cultivates, grows or harvests
108 hemp.

109 (* * *i) "Hemp" means the plant Cannabis sativa L. and
110 any part of that plant, including the seeds thereof and all
111 derivatives, extracts, cannabinoids, isomers, acids, salts and
112 salts of isomers, whether growing or not, with a
113 delta-9-tetrahydrocannabinol (THC) concentration of not more than
114 three-tenths percent (0.3%) on a dry weight basis that is grown or
115 processed under this article.

116 (j) "Intoxicating hemp product" means a consumable hemp
117 product that contains more than one-half (0.5) milligrams of total
118 THC per serving or more than two and one-half (2.5) milligrams of
119 total THC per package or which contains a ratio of cannabidiol to
120 total THC greater than or equal to twenty (20) to one (1).



121 (* * *k) "Legal description of land" means Global
122 Position System coordinates and shall also include the metes and
123 bounds to include township, range, and section for the location in
124 which hemp is grown.

125 (* * *l) "Person" means any person, firm, association,
126 corporation or business entity.

127 (* * *m) "Processor" means a person, business entity,
128 joint venture or cooperative that receives hemp for processing
129 into commodities, products or hemp seed. A processor also
130 includes any such entity that brokers and/or stores hemp.

131 (* * *n) "State plan" means the plan contemplated by 7
132 C.F.R. Part 990 Subpart B that a state must file for approval with
133 the United States Secretary of Agriculture.

134 (* * *o) "USDA" means the United States Department of
135 Agriculture.

136 (p) "Total THC" means any and all forms of
137 tetrahydrocannabinol that are contained naturally in the cannabis
138 plant, as well as synthesized forms of THC and derived variations,
139 derivatives, isomers and allotropes that have similar molecular
140 and physiological characteristics of tetrahydrocannabinol,
141 including, but not limited to, THCA, THC Delta 9, THC Delta 8, THC
142 Delta 10 and THC Delta 6.

143 (q) "Manufacturer" means a business entity that is
144 licensed by the department that manufactures or intends to



145 manufacture a consumable hemp product from unprocessed hemp or
146 hemp extract.

147 (r) "Retailer" means a dealer, other than a wholesaler,
148 whose principal business is that of selling merchandise at retail,
149 who sells consumable hemp products.

150 (s) "Wholesaler" means a dealer whose principal
151 business is that of wholesale dealer, and who is known to the
152 trade as such, that sells any consumable hemp products to licensed
153 retailers only for the purpose of resale.

154 **SECTION 3.** Section 69-25-213, Mississippi Code of 1972, is
155 amended as follows:

156 69-25-213. **Negligent violations.** (1) Upon a determination
157 by the commissioner or the commissioner's designee, the following
158 may constitute negligent violations:

159 (a) Failing to provide a legal description of land on
160 which the grower produces hemp;

161 (b) Failing to obtain a license or other required
162 authorization from the department;

163 (c) Failing to register with the department;

164 (d) Producing Cannabis sativa L. with a
165 delta-9-tetrahydrocannabinol concentration of more than * * *
166 three-tenths percent (0.3%) on a dry weight basis; or

167 (e) Any other violation of the State Plan, including
168 any rules and regulations set forth by the department.



169 (2) **Corrective action plan.** (a) A hemp grower shall comply
170 with a plan established by the commissioner or the commissioner's
171 designee to correct the negligent violation, including:

172 (i) A reasonable date by which the hemp grower
173 shall correct the negligent violation; and

174 (ii) A requirement that the hemp grower shall
175 periodically report to the commissioner or the commissioner's
176 designee regarding the compliance with the corrective plan for a
177 period of not less than the next two (2) calendar years.

178 (b) The department shall notify the Mississippi Bureau
179 of Narcotics of all corrective action plans implemented by the
180 commissioner or the commissioner's designee.

181 (3) **Result of negligent violation.** A hemp grower that
182 negligently violates the State Plan shall not, as a result of that
183 violation, be subject to any criminal enforcement action by a
184 state, county or local government entity.

185 (4) **Repeat violations.** A hemp grower that negligently
186 violates the State Plan three (3) times in a five-year period
187 shall be ineligible to produce hemp for a period of five (5) years
188 beginning on the date of the third violation.

189 **SECTION 4.** Section 69-25-217, Mississippi Code of 1972, is
190 amended as follows:

191 69-25-217. **Prohibitions.** (1) It shall be unlawful for any
192 person or business entity to:



193 (a) Violate this chapter or any rules or regulations
194 promulgated under this chapter;

195 (b) Fail to comply with a corrective action plan issued
196 by the commissioner under Section 69-25-213(2);

197 (c) Transport hemp or hemp materials in violation of
198 Section 69-25-209 or rules or regulations adopted under this
199 chapter; or

200 (d) Cultivate or grow hemp with a
201 delta-9-tetrahydrocannabinol (THC) concentration of more than
202 three-tenths percent (0.3%) on a dry weight basis.

203 (e) Manufacture or produce any intoxicating hemp
204 products for sale within the State of Mississippi, except as
205 authorized under the Mississippi Medical Cannabis Act;

206 (f) Sell any intoxicating hemp products within the
207 State of Mississippi or to Mississippi consumers, except in
208 retailers that exclusively sell hemp products or medical cannabis
209 dispensaries, as authorized under the Mississippi Medical Cannabis
210 Act;

211 (g) Manufacture, produce, or sell any hemp product that
212 contains an artificially derived cannabinoid as defined in Section
213 41-137-3; or

214 (h) Sell any consumable hemp product to any person
215 under the age of twenty-one (21) years.

216 (2) Any person or business entity that purposely, knowingly
217 or recklessly violates this provision of this chapter relating to



218 hemp production or processing shall be guilty of a misdemeanor
219 and, upon conviction of the violation, shall be fined in an amount
220 not to exceed Five Thousand Dollars (\$5,000.00), or sentenced to
221 imprisonment in the county jail for not more than one (1) year, or
222 both such fine and imprisonment.

223 (3) Notwithstanding subsection (2) of this section, if any
224 person or entity purposely, recklessly or knowingly cultivates or
225 grows hemp with a delta-9-tetrahydrocannabinol (THC) concentration
226 of more than one percent (1%) on a dry weight basis that person or
227 entity shall be guilty of a felony punishable by imprisonment for
228 not more than five (5) years, or a fine of not more than Ten
229 Thousand Dollars (\$10,000.00), or both such fine and imprisonment.

230 (4) For purposes of this section, the terms "purposely",
231 "knowingly" and "recklessly" have the following meanings:

232 (a) "Purposefully" means a person acts purposely with
233 respect to a material element of an offense if:

234 (i) The element involves the nature of his or her
235 conduct or a result thereof, it is his or her conscious object to
236 engage in conduct of that nature or to cause such a result; and

237 (ii) The element involves the attendant
238 circumstances, he or she is aware of the existence of such
239 circumstances or he or she believes or hopes that they exist.

240 (b) "Knowingly" means a person acts knowingly with
241 respect to a material element of an offense if:



242 (i) The element involves the nature of his or her
243 conduct or the attendant circumstances, he or she is aware that
244 his or her conduct is of that nature or that such circumstances
245 exist; and

246 (ii) The element involves a result of his or her
247 conduct, he or she is aware that it is practically certain that
248 his or her conduct will cause such a result.

249 (c) "Recklessly" means a person acts recklessly with
250 respect to a material element of an offense when he or she
251 consciously disregards a substantial and unjustifiable risk that
252 the material element exists or will result from his or her
253 conduct. The risk must be of such a nature and degree that,
254 considering the nature and purpose of the actor's conduct and the
255 circumstances known to him or her, its disregard involves a gross
256 deviation from the standard of conduct that a law-abiding person
257 would observe in the actor's situation.

258 **SECTION 5.** (1) It is not a violation of this act to
259 manufacture, produce, distribute, or sell a consumable hemp
260 product, including tinctures, provided the consumable hemp product
261 contains equal to or less than one-half (0.5) milligrams of total
262 THC per serving and equal to or less than two and one-half (2.5)
263 milligrams of total THC per package and has a ratio of cannabidiol
264 to total THC of at least twenty (20) to one (1).



265 (2) Intoxicating hemp products may only be sold in
266 Mississippi by persons or business entities licensed under the
267 Mississippi Medical Cannabis Act.

268 (3) Persons and business entities regulated under this act
269 who do not hold a license under the Mississippi Medical Cannabis
270 Act may not manufacture or produce intoxicating hemp products for
271 consumption in the state.

272 (4) Persons and business entities regulated under this act
273 who do not hold a license under the Mississippi Medical Cannabis
274 Act may not sell intoxicating hemp products for consumption in the
275 state.

276 (5) Nothing in this act shall limit or affect the interstate
277 commerce of hemp or hemp products through the state.

278 **SECTION 6.** The Department of Agriculture and Commerce shall
279 be responsible for the licensing of consumable hemp retailers,
280 wholesalers, manufacturers, and processors, and shall begin
281 issuing licenses to such businesses upon the effective date of
282 this act.

283 (a) A consumable hemp retailer shall be subject to a
284 nonrefundable annual license fee of Two Hundred Dollars (\$200.00);

285 (b) A consumable hemp wholesaler shall be subject to a
286 nonrefundable annual license fee of Two Hundred Fifty Dollars
287 (\$250.00);



288 (c) A consumable hemp manufacturer shall be subject to
289 a nonrefundable annual license fee of Five Hundred Dollars
290 (\$500.00); and

291 (d) A consumable hemp processor shall be subject to a
292 nonrefundable annual license fee of Two Hundred Fifty Dollars
293 (\$250.00).

294 **SECTION 7.** All labels for any product containing hemp shall
295 be approved by the Department of Health.

296 A finalized sample of any finished hemp product shall have a
297 complete certificate of analysis (COA) from a testing facility
298 and/or laboratory that analyzes the safety and potency of hemp
299 products, and such COA shall be provided to the Department of
300 Health.

301 **SECTION 8.** (1) Consumable food manufacturing distributors
302 shall:

303 (a) Be Hemp Good Manufacturing Practice (Hemp GMP)
304 certified from an American National Standards Institute (ANSI)
305 recognized entity and hold a current food manufacturing license
306 specializing in consumable hemp, from the State Department of
307 Health, or within the state health department of where the
308 entity's facility resides with a minimum pending Hemp GMP
309 certification as of December 31, 2023.

310 (b) Have a GMP certified facility along with a current
311 Mississippi food manufacturing license issued by the State
312 Department of Health, or current state approved food manufacturing



313 license issued from entity's state health department, located
314 within the United States, specializing in consumable hemp
315 products.

316 (c) Have the authority to designate authorized agents
317 for the purposes of wholesaling consumable hemp products to
318 Mississippi licensed wholesalers or retailers.

319 (d) Be responsible for notifying the State Department
320 of Health of any designated agents.

321 (e) Obtain and offer for sale, anti-counterfeiting scan
322 codes for distribution of any industrial hemp product approved by
323 the State Department of Health.

324 (2) Consumable food manufacturing distributors may sell to
325 licensed wholesalers, licensed retailers and directly to
326 consumers.

327 **SECTION 9.** Any entity registered with the State Department
328 of Health or Department of Agriculture and Commerce as provided
329 under this act, shall submit a report on a quarterly basis due by
330 the 20th of the following month detailing any hemp product
331 manufactured, distributed, purchased, sold at wholesale or sold at
332 retail.

333 A wholesaler, consumable hemp manufacturer, consumable food
334 manufacturing distributor, processor, or retailer shall be subject
335 to a fine as prescribed by the Department of Agriculture and
336 Commerce per incident for purchasing or selling any unlawful hemp
337 products.



338 Any wholesaler, consumable hemp manufacturer, consumable food
339 manufacturing distributor, processor, or retailer shall pay a
340 minimum fine of One Thousand Dollars (\$1,000.00) for failing to
341 report by the 20th of the following month, hemp products
342 purchased or sold in Mississippi to the Department of Agriculture
343 and Commerce.

344 An electronic reporting system shall be implemented by the
345 Department of Agriculture and Commerce.

346 **SECTION 10.** Products that contain cannabidiol (CBD) shall be
347 tested in a testing facility and/or laboratory with a DEA
348 Certification (ISO17025) that analyzes the safety and potency of
349 CBD products.

350 **SECTION 11.** There is hereby imposed, levied and assessed an
351 excise tax on consumable hemp products. A manufacturer and/or
352 processor shall collect and remit an excise tax on forms and in a
353 manner specified by the Commissioner of Revenue.

354 The excise tax on consumable hemp products shall be based on
355 the sales price for which a manufacturer and/or processor sells to
356 a wholesaler and/or retailer, and the rate of the excise tax shall
357 be three percent (3%) of such sales price.

358 The excise tax imposed by this section shall apply regardless
359 of the ownership of the manufacturing and/or processing facility
360 to which the manufacturer and/or processor sells or transfers the
361 consumable hemp products, as the case may be.



362 All administrative provisions of the sales tax law and
363 amendments thereto, including those which fix damages, penalties
364 and interest for nonpayment of taxes and for noncompliance with
365 the provision of said sales tax law, and all other requirements
366 and duties imposed upon a taxpayer, shall apply to all persons
367 liable for taxes under the provisions of this subsection. The
368 commissioner shall exercise all power and authority and perform
369 all duties with respect to taxpayers under this subsection as are
370 provided in said sales tax law, except where there is conflict,
371 then the provisions of this subsection shall control.

372 All excise taxes collected under the provisions of this
373 subsection shall be deposited into the State General Fund.

374 **SECTION 12.** Section 69-25-207, Mississippi Code of 1972, is
375 amended as follows:

376 69-25-207. **Licensing and registration.** (1) Pursuant to the
377 provisions of this article, cultivation and processing of hemp, as
378 defined in Section 69-25-203, are authorized in this state.
379 Cultivation and processing of hemp are subject to regulation by
380 the department and may only be performed by persons or business
381 entities that hold a valid license or registration issued
382 hereunder.

383 (2) The commissioner shall create a State Plan for
384 submission to and approval by the United States Department of
385 Agriculture and the United States Secretary of Agriculture. The
386 commissioner and department shall promulgate such reasonable



387 regulations as necessary to implement the State Plan and
388 provisions of this article. The commissioner and the department
389 shall be authorized to promulgate any rule or regulation deemed
390 necessary for the administration of the provisions of this article
391 in compliance with any federal law, rule or regulation promulgated
392 by the United States Department of Agriculture.

393 (3) The department is authorized to accept applications, and
394 issue licenses and/or registrations for all hemp growers and hemp
395 processors. The department shall adopt and enforce all rules and
396 regulations related to those licenses and/or registrations.

397 (4) All hemp growers must be licensed by the department.

398 (5) All hemp processors must register with the department.

399 (6) All license * * * holders and registered processors
400 shall keep and maintain crop and/or processing records in
401 accordance with rules and regulations adopted and enforced by the
402 department. The department may subject the required records to
403 inspection. The department may make an inspection for the purpose
404 of ensuring compliance with:

405 (a) USDA guidelines;

406 (b) Provisions of this article;

407 (c) Department rules and regulations;

408 (d) Any terms or conditions of a license issued
409 hereunder;

410 (e) Good manufacturing practices (GMP);

411 (* * * f) Registration with the department; or



412 (* * *g) A final department order directed to the
413 grower's or processor's hemp operations or activities.

414 (7) All hemp growers and processors shall be subject to a
415 background investigation conducted by the Department of Public
416 Safety, which shall include both a state and federal background
417 check.

418 **SECTION 13.** Section 41-137-3, Mississippi Code of 1972, is
419 amended as follows:

420 41-137-3. For purposes of this chapter, unless the context
421 requires otherwise, the following terms shall have the meanings
422 ascribed herein:

423 (a) "Artificially derived cannabinoid" means a chemical
424 substance that is created by a chemical reaction that changes the
425 molecular structure of any chemical substance derived from the
426 plant Cannabis family Cannabaceae. Such term shall not include:

427 (i) A naturally occurring chemical substance that
428 is separated from the plant Cannabis family Cannabaceae by a
429 chemical or mechanical extraction process;

430 (ii) Cannabinoids that are produced by
431 decarboxylation from a naturally occurring cannabinoid acid
432 without the use of a chemical catalyst; or

433 (iii) Any other chemical substance identified by
434 MDOH.



435 (b) "Allowable amount of medical cannabis" means an
436 amount not to exceed the maximum amount of Mississippi Medical
437 Cannabis Equivalency Units ("MMCEU").

438 (c) "Bona fide practitioner-patient relationship"
439 means:

440 (i) A practitioner and patient have a treatment or
441 consulting relationship, during the course of which the
442 practitioner, within his or her scope of practice, has completed
443 an in-person assessment of the patient's medical history and
444 current mental health and medical condition and has documented
445 their certification in the patient's medical file;

446 (ii) The practitioner has consulted in person with
447 the patient with respect to the patient's debilitating medical
448 condition; and

449 (iii) The practitioner is available to or offers
450 to provide follow-up care and treatment to the patient.

451 (d) "Cannabis" means all parts of the plant of the
452 genus cannabis, the flower, the seeds thereof, the resin extracted
453 from any part of the plant and every compound, manufacture, salt,
454 derivative, mixture or preparation of the plant, its seeds or its
455 resin, including whole plant extracts. Such term shall not mean
456 cannabis-derived drug products approved by the federal Food and
457 Drug Administration under Section 505 of the Federal Food, Drug,
458 and Cosmetic Act.



459 (e) "Cannabis cultivation facility" means a business
460 entity licensed and registered by the Mississippi Department of
461 Health that acquires, grows, cultivates and harvests medical
462 cannabis in an indoor, enclosed, locked and secure area.

463 (f) "Cannabis disposal entity" means a business
464 licensed and registered by the Mississippi Department of Health
465 that is involved in the commercial disposal or destruction of
466 medical cannabis.

467 (g) "Cannabis processing facility" means a business
468 entity that is licensed and registered by the Mississippi
469 Department of Health that:

470 (i) Acquires or intends to acquire cannabis from a
471 cannabis cultivation facility;

472 (ii) Possesses cannabis with the intent to
473 manufacture a cannabis product;

474 (iii) Manufactures or intends to manufacture a
475 cannabis product from unprocessed cannabis or a cannabis extract;
476 and

477 (iv) Sells or intends to sell a cannabis product
478 to a medical cannabis dispensary, cannabis testing facility or
479 cannabis research facility.

480 (h) "Cannabis products" means cannabis flower,
481 concentrated cannabis, cannabis extracts and products that are
482 infused with cannabis or an extract thereof and are intended for
483 use or consumption by humans. The term includes, without



484 limitation, edible cannabis products, beverages, topical products,
485 ointments, oils, intoxicating hemp products, tinctures and
486 suppositories that contain tetrahydrocannabinol (THC) and/or
487 cannabidiol (CBD) except those products excluded from control
488 under Sections 41-29-113 and 41-29-136.

489 (i) "Cannabis research facility" or "research facility"
490 means a research facility at any university or college in this
491 state or an independent entity licensed and registered by the
492 Mississippi Department of Health pursuant to this chapter that
493 acquires cannabis from cannabis cultivation facilities and
494 cannabis processing facilities in order to research cannabis,
495 develop best practices for specific medical conditions, develop
496 medicines and provide commercial access for medical use.

497 (j) "Cannabis testing facility" or "testing facility"
498 means an independent entity licensed and registered by the
499 Mississippi Department of Health that analyzes the safety and
500 potency of cannabis.

501 (k) "Cannabis transportation entity" means an
502 independent entity licensed and registered by the Mississippi
503 Department of Health that is involved in the commercial
504 transportation of medical cannabis.

505 (l) "Cannabis waste" means plant debris of the plant of
506 the genus cannabis, including dead plants and all unused plant
507 parts. This term shall not include seeds, roots, stems and
508 stalks.



509 (m) "Cannabinoid" means any of the chemical compounds
510 that are the active constituents derived from THC.

511 (n) "Canopy" means the total surface area within a
512 cultivation area that is dedicated to the cultivation of flowering
513 cannabis plants. The surface area of the plant canopy must be
514 calculated in square feet and measured and must include all of the
515 area within the boundaries where the cultivation of the flowering
516 cannabis plants occurs. If the surface area of the plant canopy
517 consists of noncontiguous areas, each component area must be
518 separated by identifiable boundaries. If a tiered or shelving
519 system is used in the cultivation area the surface area of each
520 tier or shelf must be included in calculating the area of the
521 plant canopy. Calculation of the area of the plant canopy may not
522 include the areas within the cultivation area that are used to
523 cultivate immature cannabis plants and seedlings, prior to
524 flowering, and that are not used at any time to cultivate mature
525 cannabis plants.

526 (o) "Cardholder" means a registered qualifying patient
527 or a registered designated caregiver who has been issued and
528 possesses a valid registry identification card.

529 (p) "Chronic pain" means a pain state in which the
530 cause of the pain cannot be removed or otherwise treated, and
531 which in the generally accepted course of medical practice, no
532 relief or cure of the cause of the pain is possible, or none has
533 been found after reasonable efforts by a practitioner.



534 (q) "Concentrate" means a substance obtained by
535 separating cannabinoids from cannabis by:

536 (i) A mechanical extraction process;

537 (ii) A chemical extraction process using a
538 nonhydrocarbon-based or other solvent, such as water, vegetable
539 glycerin, vegetable oils, animal fats, food-grade ethanol or steam
540 distillation; or

541 (iii) A chemical extraction process using the
542 hydrocarbon-based solvent carbon dioxide, provided that the
543 process does not involve the use of high heat or pressure.

544 (r) "Debilitating medical condition" means:

545 (i) Cancer, Parkinson's disease, Huntington's
546 disease, muscular dystrophy, glaucoma, spastic quadriplegia,
547 positive status for human immunodeficiency virus (HIV), acquired
548 immune deficiency syndrome (AIDS), hepatitis, amyotrophic lateral
549 sclerosis (ALS), Crohn's disease, ulcerative colitis, sickle-cell
550 anemia, Alzheimer's disease, agitation of dementia, post-traumatic
551 stress disorder (PTSD), autism, pain refractory to appropriate
552 opioid management, diabetic/peripheral neuropathy, spinal cord
553 disease or severe injury, or the treatment of these conditions;

554 (ii) A chronic, terminal or debilitating disease
555 or medical condition, or its treatment, that produces one or more
556 of the following: cachexia or wasting syndrome, chronic pain,
557 severe or intractable nausea, seizures, or severe and persistent



558 muscle spasms, including, but not limited to, those characteristic
559 of multiple sclerosis; or

560 (iii) Any other serious medical condition or its
561 treatment added by the Mississippi Department of Health, as
562 provided for in Section 41-137-17.

563 (s) "Designated caregiver" means a person who:

564 (i) Has agreed to assist with a registered
565 qualifying patient's medical use of medical cannabis;

566 (ii) Assists no more than five (5) registered
567 qualifying patients with their medical use of medical cannabis,
568 unless the designated caregiver's registered qualifying patients
569 each reside in or are admitted to a health care facility or
570 facility providing residential care services or day care services
571 where the designated caregiver is employed;

572 (iii) Is at least twenty-one (21) years of age
573 unless the person is the parent or legal guardian of each
574 qualifying patient the person assists; and

575 (iv) Has not been convicted of a disqualifying
576 felony offense.

577 (t) "Disqualifying felony offense" means:

578 (i) A conviction for a crime of violence, as
579 defined in Section 97-3-2;

580 (ii) A conviction for a crime that was defined as
581 a violent crime in the law of the jurisdiction in which the



582 offense was committed, and that was classified as a felony in the
583 jurisdiction where the person was convicted; or

584 (iii) A conviction for a violation of a state or
585 federal controlled substances law that was classified as a felony
586 in the jurisdiction where the person was convicted, including the
587 service of any term of probation, incarceration or supervised
588 release within the previous five (5) years and the offender has
589 not committed another similar offense since the conviction. Under
590 this subparagraph (iii), a disqualifying felony offense shall not
591 include a conviction that consisted of conduct for which this
592 chapter would likely have prevented the conviction but for the
593 fact that the conduct occurred before February 2, 2022.

594 (u) "Edible cannabis products" means products that:

595 (i) Contain or are infused with cannabis or an
596 extract thereof;

597 (ii) Are intended for human consumption by oral
598 ingestion; and

599 (iii) Are presented in the form of foodstuffs,
600 beverages, extracts, oils, tinctures, lozenges and other similar
601 products.

602 (v) "Entity" means a corporation, general partnership,
603 limited partnership or limited liability company that has been
604 registered with the Secretary of State as applicable.



605 (w) "Hemp-derived ingredient" means a hemp biomass,
606 hemp-derived distillate, or other ingredient derived from hemp to
607 be used in the production of a cannabis product.

608 (x) "Intoxicating hemp product" means a product as
609 defined in Section 69-25-203.

610 (* * *y) "MMCEU" means Mississippi Medical Cannabis
611 Equivalency Unit. One unit of MMCEU shall be considered equal to:

612 (i) Three and one-half (3.5) grams of medical
613 cannabis flower;

614 (ii) One (1) gram of medical cannabis concentrate;
615 or

616 (iii) One hundred (100) milligrams of THC in an
617 infused product.

618 (* * *z) "MDOH" means the Mississippi Department of
619 Health.

620 (* * *aa) "MDOR" means the Mississippi Department of
621 Revenue.

622 (* * *bb) "Medical cannabis" means cannabis, cannabis
623 products and edible cannabis that are intended to be used by
624 registered qualifying patients as provided in this chapter.

625 (* * *cc) "Medical cannabis dispensary" or
626 "dispensary" means an entity licensed and registered with the MDOR
627 that acquires, possesses, stores, transfers, sells, supplies or
628 dispenses medical cannabis, equipment used for medical cannabis,
629 or related supplies and educational materials to cardholders.



630 (* * *dd) "Medical cannabis establishment" means a
631 cannabis cultivation facility, cannabis processing facility,
632 cannabis testing facility, cannabis dispensary, cannabis
633 transportation entity, cannabis disposal entity or cannabis
634 research facility licensed and registered by the appropriate
635 agency.

636 (* * *ee) "Medical cannabis establishment agent" means
637 an owner, officer, board member, employee, volunteer or agent of a
638 medical cannabis establishment.

639 (* * *ff) "Medical use" includes the acquisition,
640 administration, cultivation, processing, delivery, harvest,
641 possession, preparation, transfer, transportation, or use of
642 medical cannabis or equipment relating to the administration of
643 medical cannabis to treat or alleviate a registered qualifying
644 patient's debilitating medical condition or symptoms associated
645 with the patient's debilitating medical condition. The term
646 "medical use" does not include:

647 (i) The cultivation of cannabis unless the
648 cultivation is done by a cannabis cultivation facility; or

649 (ii) The extraction of resin from cannabis by
650 mechanical or chemical extraction unless the extraction is done by
651 a cannabis processing facility.

652 (* * *gg) "Nonresident cardholder" means a person who:

653 (i) Has been diagnosed with a debilitating medical
654 condition by a practitioner in his or her respective state or



655 territory, or is the parent, guardian, conservator or other person
656 with authority to consent to the medical use of medical cannabis
657 by a person who has been diagnosed with a debilitating medical
658 condition;

659 (ii) Is not a resident of Mississippi or who has
660 been a resident of Mississippi for less than forty-five (45) days;
661 and

662 (iii) Has submitted any documentation required by
663 MDOH rules and regulations and has received confirmation of
664 registration.

665 (* * * hh) "Practitioner" means a physician, certified
666 nurse practitioner, physician assistant or optometrist who is
667 licensed to prescribe medicine under the licensing requirements of
668 their respective occupational boards and the laws of this state.
669 In relation to a nonresident cardholder, the term means a
670 physician, certified nurse practitioner, physician assistant or
671 optometrist who is licensed to prescribe medicine under the
672 licensing requirements of their respective occupational boards and
673 under the laws of the state or territory in which the nonresident
674 patient resides. For registered qualifying patients who are
675 minors, "practitioner" shall mean a physician or doctor of
676 osteopathic medicine who is licensed to prescribe medicine under
677 the licensing requirements of their respective occupational boards
678 and the laws of this state.



679 (* * *ii) "Public place" means a church or any area to
680 which the general public is invited or in which the general public
681 is permitted, regardless of the ownership of the area, and any
682 area owned or controlled by a municipality, county, state or
683 federal government, including, but not limited to, streets,
684 sidewalks or other forms of public transportation. Such term
685 shall not mean a private residential dwelling.

686 (* * *jj) "Qualifying patient" means a person who has
687 been diagnosed by a practitioner as having a debilitating medical
688 condition and has been issued a written certification.

689 (* * *kk) "Registry identification card" means a
690 document issued by the MDOH that identifies a person as a
691 registered qualifying patient, nonresident registered qualifying
692 patient or registered designated caregiver.

693 (* * *ll) "School" means an institution for the
694 teaching of children, consisting of a physical location, whether
695 owned or leased, including instructional staff members and
696 students, and which is in session each school year. This
697 definition shall include, but not be limited to, public, private,
698 church and parochial programs for kindergarten, elementary, junior
699 high and high schools. Such term shall not mean a home
700 instruction program.

701 (* * *mm) "Scope of practice" means the defined
702 parameters of various duties, services or activities that may be
703 provided or performed by a certified nurse practitioner as



704 authorized under Sections 73-15-5 and 73-15-20, by an optometrist
705 as authorized under Section 73-19-1, by a physician as authorized
706 under Section 73-25-33, or by a physician assistant under Section
707 73-26-5, and rules and regulations adopted by the respective
708 licensing boards for those practitioners.

709 (* * * nn) "THC" or "Tetrahydrocannabinol" means any
710 and all forms of tetrahydrocannabinol that are contained naturally
711 in the cannabis plant, as well as synthesized forms of THC and
712 derived variations, derivatives, isomers and allotropes that have
713 similar molecular and physiological characteristics of
714 tetrahydrocannabinol, including, but not limited to, THCA, THC
715 Delta 9, THC Delta 8, THC Delta 10 and THC Delta 6.

716 (* * * oo) "Written certification" means a form
717 approved by the MDOH, signed and dated by a practitioner,
718 certifying that a person has a debilitating medical condition. A
719 written certification shall include the following:

720 (i) The date of issue and the effective date
721 of the recommendation;

722 (ii) The patient's name, date of birth and
723 address;

724 (iii) The practitioner's name, address, and
725 federal Drug Enforcement Agency number; and

726 (iv) The practitioner's signature.

727 **SECTION 14.** Section 41-137-9, Mississippi Code of 1972, is
728 amended as follows:



729 41-137-9. (1) There is a presumption that a registered
730 qualifying patient is engaged in the medical use of medical
731 cannabis under this chapter if the person is in possession of a
732 registry identification card and an amount of medical cannabis
733 that does not exceed the allowable amount of medical cannabis.
734 There is a presumption that a registered designated caregiver is
735 assisting in the medical use of medical cannabis under this
736 chapter if the person is in possession of a registry
737 identification card and an amount of medical cannabis that does
738 not exceed the allowable amount of medical cannabis. These
739 presumptions may be rebutted by evidence that conduct related to
740 medical cannabis was not for the purpose of treating or
741 alleviating a registered qualifying patient's debilitating medical
742 condition or symptoms associated with the registered qualifying
743 patient's debilitating medical condition under this chapter.

744 (2) Subject to the conditions, limitations, requirements and
745 exceptions set forth in this chapter, the following activities
746 related to medical cannabis shall be considered lawful:

747 (a) The purchase, transportation or possession of up to
748 the allowable amount or medical use of medical cannabis;

749 (b) Financial reimbursement by a registered qualifying
750 patient to the patient's registered designated caregiver for
751 direct costs incurred by the registered designated caregiver for
752 assisting with the registered qualifying patient's medical use of
753 medical cannabis;



754 (c) Compensating a dispensary for goods or services
755 provided;

756 (d) The provision, by a professional or occupational
757 licensee, of advice or services related to medical cannabis
758 activities allowed under this chapter, to the extent such advice
759 or services meet or exceed the applicable professional or
760 occupational standard of care;

761 (e) Providing or selling equipment used to ingest
762 medical cannabis to a cardholder, nonresident cardholder or to a
763 medical cannabis establishment;

764 (f) Acting as a designated caregiver to assist a
765 registered qualifying patient with the act of using or
766 administering medical cannabis;

767 (g) Activities by a medical cannabis establishment or a
768 medical cannabis establishment agent that are allowed by its
769 license and registration;

770 (h) Activities by a dispensary or a dispensary agent to
771 possess, store or sell medical cannabis products, educational
772 materials and products used to ingest medical cannabis to
773 cardholders, nonresident cardholders and other dispensaries, or to
774 purchase or otherwise acquire medical cannabis products from
775 cannabis cultivation facilities, cannabis processing facilities,
776 cannabis research facilities or other dispensaries;

777 (i) Activities by a cannabis cultivation facility,
778 cannabis processing facility or agents of these facilities to:



779 (i) Possess, plant, propagate, cultivate, grow,
780 harvest, produce, process, manufacture, compound, convert,
781 prepare, pack, repack or store medical cannabis;

782 (ii) Purchase or otherwise acquire medical
783 cannabis and cannabis products from medical cannabis
784 establishments; or

785 (iii) Purchase or otherwise acquire hemp-derived
786 ingredients; or

787 (* * *iv) Sell, supply or transfer medical
788 cannabis products, hemp-derived ingredients, equipment used to
789 ingest medical cannabis, and related supplies and educational
790 materials to other cannabis cultivation facilities, cannabis
791 processing facilities or dispensaries.

792 (j) Activities by a cannabis research facility, a
793 cannabis testing facility or agents of these facilities to:

794 (i) Purchase or otherwise acquire medical cannabis
795 from medical cannabis establishments;

796 (ii) Purchase or otherwise acquire hemp-derived
797 ingredients;

798 (iii) Possess, produce, process, compound,
799 convert, prepare, pack, test, repack and store medical cannabis
800 and cannabis products obtained from medical cannabis
801 establishments; or

802 (* * *iv) Sell, supply or transfer medical
803 cannabis, hemp-derived ingredients, educational materials and



804 equipment used to ingest medical cannabis to cannabis cultivation
805 facilities, cannabis processing facilities, cannabis testing
806 facilities and cannabis research facilities.

807 (k) Activities by a cannabis transportation entity or a
808 cannabis disposal entity to transport, supply, deliver, dispose of
809 or destroy cannabis or hemp-derived ingredients, as applicable.

810 (3) Any medical cannabis, cannabis product, equipment used
811 to ingest medical cannabis, or other interest in or right to
812 property that is possessed, owned or used in connection with the
813 medical use of medical cannabis as authorized by this chapter, or
814 acts incidental to such use, shall not be seized or forfeited.
815 This chapter shall not prevent the seizure or forfeiture of
816 medical cannabis exceeding the allowable amounts of medical
817 cannabis, nor shall it prevent seizure or forfeiture if the basis
818 for the action is unrelated to the medical cannabis that is
819 possessed, processed, transferred or used pursuant to this
820 chapter.

821 (4) Possession of, or application for, a registry
822 identification card shall not:

823 (a) Constitute probable cause or reasonable suspicion;

824 (b) Be used to support a search of the person or
825 property of the person possessing or applying for the registry
826 identification card; or

827 (c) Subject the person or property of the person to
828 inspection by any governmental agency.



829 (5) It is the public policy of the State of Mississippi that
830 contracts related to medical cannabis that are entered into by
831 cardholders, medical cannabis establishments, medical cannabis
832 establishment agents and those who allow property to be used by
833 those persons, should be enforceable to the extent that those
834 activities comply with the other provisions of this chapter. It
835 is the public policy of the State of Mississippi that no contract
836 entered into by a cardholder, a medical cannabis establishment, or
837 a medical cannabis establishment agent, or by a person who allows
838 property to be used for activities that are authorized under this
839 chapter, shall be unenforceable on the basis that activities
840 related to cannabis are prohibited by federal law.

841 (6) An applicant for a professional or occupational license
842 shall not be denied a license based on previous employment related
843 to medical cannabis activities that are allowed under this
844 chapter.

845 **SECTION 15.** Section 41-137-11, Mississippi Code of 1972, is
846 amended as follows:

847 41-137-11. (1) Each medical cannabis establishment shall
848 use a statewide seed-to-sale tracking system certified by the MDOH
849 to track medical cannabis from seed or immature plant stage until
850 the medical cannabis is purchased by a registered qualifying
851 patient or registered designated caregiver or destroyed. Records
852 entered into the seed-to-sale tracking system shall include each
853 day's beginning inventory, harvests, acquisitions, sales,



854 disbursements, remediations, disposals, transfers, ending
855 inventory, and any other data necessary for inventory control
856 records in the statewide seed-to-sale tracking system. Each
857 medical cannabis dispensary shall be responsible for ensuring that
858 all medical cannabis sold or disbursed to a registered qualifying
859 patient or registered designated caregiver is recorded in the
860 seed-to-sale tracking system as a purchase by or on behalf of the
861 applicable registered qualifying patients.

862 (2) Amounts of medical cannabis shall be recorded in the
863 following manner:

864 (a) For dried, unprocessed cannabis, in ounces or
865 grams;

866 (b) For concentrates, in grams; or

867 (c) For infused products, by milligrams of THC.

868 (3) The seed-to-sale tracking system used by cannabis
869 cultivation facilities, dispensaries, cannabis processing
870 facilities, cannabis testing facilities, cannabis research
871 facilities, cannabis transportation entities and cannabis disposal
872 entities shall be capable of:

873 (a) Allowing those facilities and entities to interface
874 with the statewide system such that a facility may enter and
875 access information in the statewide system;

876 (b) Providing the MDOR and MDOH with access to all
877 information stored in the system's database;



878 (c) Maintaining the confidentiality of all patient and
879 caregiver data and records accessed or stored by the system such
880 that all persons or entities other than the MDOR and MDOH may only
881 access the information in the system that they are authorized by
882 law to access;

883 (d) Producing analytical reports to the MDOR and MDOH
884 regarding the total quantity of daily, monthly, and yearly sales
885 at the facility per product type; the average prices of daily,
886 monthly, and yearly sales at the facility per product type; and
887 total inventory or sales record adjustments at the facility;

888 * * *

889 (e) The ability to determine the amount of medical
890 cannabis that a registered qualifying patient or registered
891 designated caregiver has purchased that day in real time by
892 searching a patient registration number * * *; and

893 (f) Incorporating hemp-derived ingredients purchased by
894 medical cannabis establishments.

895 (4) Banks and other financial institutions may be allowed
896 access to specific limited information from the seed-to-sale
897 tracking system. The information that may be available to these
898 institutions shall be limited to financial data of individuals and
899 business entities that have a business relationship with these
900 institutions. This information shall be limited to the
901 information needed for banks to comply with applicable federal



902 regulations and shall not disclose any medical or personal
903 information about registered cardholders or designated caregivers.

904 **SECTION 16.** Section 41-137-39, Mississippi Code of 1972, is
905 amended as follows:

906 41-137-39. (1) (a) Medical cannabis establishments shall
907 conduct a background check into the criminal history of every
908 person seeking to become a principal officer, board member, agent,
909 volunteer, or employee before the person begins working at or for
910 the medical cannabis establishment.

911 (b) Every person seeking to become a principal officer,
912 board member, agent, volunteer, or employee shall apply for or
913 authorize the division to obtain state and national criminal
914 background checks to be conducted by the Mississippi Justice
915 Information Center of the Department of Public Safety and the
916 Federal Bureau of Investigation.

917 (c) Such criminal background checks shall conform to
918 the applicable federal standards, and shall include the taking of
919 fingerprints.

920 (d) The applicant shall authorize the release of such
921 criminal background checks to the MDOH, and shall be responsible
922 for the payment of any fee associated with the criminal background
923 checks.

924 (e) Upon completion of such criminal background checks,
925 the Mississippi Justice Information Center of the Department of



926 Public Safety shall forward to the MDOH all information obtained
927 concerning the applicant.

928 (2) A medical cannabis establishment may not employ any
929 person who:

930 (a) Was convicted of a disqualifying felony offense; or

931 (b) Is under twenty-one (21) years of age.

932 (3) The operating documents of a medical cannabis
933 establishment must include procedures for the oversight of the
934 medical cannabis establishment and procedures to ensure accurate
935 record keeping and adequate security measures.

936 (4) A medical cannabis establishment shall implement
937 appropriate security measures designed to deter and prevent the
938 theft of medical cannabis and unauthorized entrance into areas
939 containing medical cannabis.

940 (5) All cultivation, harvesting, processing and packaging of
941 medical cannabis must take place in an enclosed, locked and secure
942 facility with a physical address provided to the MDOH during the
943 licensing and registration process. The facility shall be
944 equipped with locks or other security devices that permit access
945 only by agents of the medical cannabis establishment, emergency
946 personnel or adults who are twenty-one (21) years of age and older
947 and who are accompanied by medical cannabis establishment agents.

948 (6) No medical cannabis establishment other than a cannabis
949 processing facility or cannabis research facility may produce



950 cannabis concentrates, cannabis extractions, or other cannabis
951 products.

952 (7) A medical cannabis establishment may not share office
953 space with or refer patients to a practitioner.

954 (8) Medical cannabis establishments are subject to
955 inspection by the MDOR and MDOH during business hours.

956 (9) Before medical cannabis may be dispensed to a
957 cardholder, a dispensary agent must:

958 (a) Require that the individual present a registry
959 identification card;

960 (b) Make a diligent effort to verify that the registry
961 identification card presented to the dispensary is valid;

962 (c) Make a diligent effort to verify that the person
963 presenting the registry identification card is the person
964 identified on the registry identification card presented to the
965 dispensary agent; and

966 (d) Not believe that the amount of medical cannabis
967 dispensed would cause the person to possess more than the
968 allowable amount of medical cannabis.

969 (10) A medical cannabis establishment shall not sell more
970 than the allowable amount of medical cannabis to a cardholder. A
971 resident cardholder shall not obtain more than a total of six (6)
972 MMCEUs of allowable medical cannabis in a week from a dispensary
973 or a combination of dispensaries. A resident cardholder shall not
974 obtain more than a total of twenty-four (24) MMCEUs of allowable



975 medical cannabis in thirty (30) days from a dispensary or a
976 combination of dispensaries.

977 The possession limit for resident cardholders of the
978 allowable amount of medical cannabis shall be a total of
979 twenty-eight (28) MMCEUs. There shall not be a possession limit
980 on nonconsumable medical cannabis, including, but not limited to,
981 suppositories, ointments, soaps, and lotions or other topical
982 agents.

983 (11) For purposes of this chapter, total THC is defined as
984 THCA multiplied by .877 plus THC Delta 9 and all other
985 psychoactive forms or isomers of THC added together. A medical
986 cannabis establishment shall not sell cannabis flower or trim that
987 has a potency of greater than thirty percent (30%) total THC. A
988 medical cannabis dispensary shall not sell cannabis tinctures,
989 oils or concentrates that have a potency of greater than sixty
990 percent (60%) total THC. Cannabis products that have a potency of
991 over thirty percent (30%) total THC shall be clearly labeled as
992 "extremely potent." Edible cannabis products, including food or
993 drink products, that have been combined with usable cannabis or
994 cannabis products shall be physically demarked and labeled with a
995 clear determination of how much total THC is in a single-serving
996 size and how much THC is in the entire package.

997 A medical cannabis product shall contain a notice of harm
998 regarding the use of cannabis products. Edible cannabis products
999 shall be homogenized to ensure uniform disbursement of



1000 cannabinoids throughout the product. All molded edible cannabis
1001 products shall be presented in the form of geometric shapes and
1002 shall not be molded to contain any images or characters designed
1003 or likely to appeal to minors, such as cartoons, toys, animals or
1004 children.

1005 (12) A dispensary may not dispense more than the allowable
1006 amount of cannabis to a registered qualifying patient or a
1007 nonresident cardholder, directly or via a registered designated
1008 caregiver. Dispensaries shall ensure compliance with this
1009 limitation by maintaining internal, confidential records that
1010 include records specifying how much medical cannabis is being
1011 dispensed to the registered qualifying patient or nonresident
1012 cardholder and whether it was dispensed directly to a registered
1013 qualifying patient, nonresident cardholder or to the registered
1014 designated caregiver.

1015 (13) A nonresident cardholder shall not obtain more than a
1016 total of six (6) MMCEUs of allowable medical cannabis in a week
1017 from a dispensary or a combination of dispensaries. A nonresident
1018 cardholder shall not obtain more than a total of twelve (12)
1019 MMCEUs of allowable cannabis from a dispensary or a combination of
1020 dispensaries in a fifteen-day period.

1021 (14) A nonresident may apply to receive a nonresident
1022 registry identification card up to thirty (30) days before
1023 arriving in Mississippi. A nonresident registry identification
1024 card shall be valid for fifteen (15) days. After the expiration



1025 of the card, a nonresident may apply for a renewal of the card and
1026 may be granted another card which shall be valid for another
1027 fifteen-day period. A nonresident registry identification card
1028 shall only be valid, at a maximum, for two (2) separate periods of
1029 fifteen (15) days in a three-hundred-sixty-five-day period. An
1030 applicant may indicate on his or her application the specific time
1031 period that he or she wishes for the card to be valid. The
1032 possession limit of the allowable amount of medical cannabis for
1033 nonresident cardholders shall be fourteen (14) MMCEUs.

1034 (15) A medical cannabis dispensary agent or employee shall
1035 not issue a written certification. Employees and agents of a
1036 medical cannabis dispensary shall complete at least eight (8)
1037 hours of continuing education in medical cannabis as regulated by
1038 the MDOR in order to be certified to work at a medical cannabis
1039 dispensary. After the first year of employment, these employees
1040 shall complete five (5) hours of continuing education in medical
1041 cannabis annually to maintain this certification.

1042 (16) Notwithstanding any other provision to the contrary, a
1043 patient with a debilitating medical condition who is between
1044 eighteen (18) years to twenty-five (25) years of age is not
1045 eligible for a medical cannabis registry identification card
1046 unless two (2) practitioners from separate medical practices have
1047 diagnosed the patient as having a debilitating medical condition
1048 after an in-person consultation. One (1) of these practitioners
1049 must be a physician or doctor of osteopathic medicine.



1050 If one (1) of the recommending practitioners is not the
1051 patient's primary care practitioner, the recommending practitioner
1052 shall review the records of a diagnosing practitioner. The
1053 requirement that the two (2) practitioners be from separate
1054 medical practices does not apply if the patient is homebound or if
1055 the patient had a registry identification card before the age of
1056 eighteen (18).

1057 (17) Except as otherwise provided in this section, a medical
1058 cannabis establishment shall not allow an individual who is
1059 younger than twenty-one (21) years old to enter the premises of
1060 the establishment unless the individual possesses a registry
1061 identification card and is accompanied by his or her legal
1062 guardian.

1063 (18) A medical cannabis establishment shall only purchase,
1064 grow, cultivate, and use cannabis that is grown and cultivated in
1065 this state. Any medical cannabis that is grown and cultivated in
1066 this state shall not be transported outside of this state.

1067 (19) Employees of all medical cannabis establishments shall
1068 apply for a work permit with the MDOH and MDOR, as applicable,
1069 before beginning employment with any establishment. The licensing
1070 agency for the respective medical cannabis establishment may issue
1071 work permits to these individuals. These licensing agencies shall
1072 maintain a work registry of all applicants and work permits
1073 issued. The fee for a work permit shall be Twenty-five Dollars
1074 (\$25.00) and the permit shall be valid for five (5) years. Work



1075 permits shall be the property of the employee and shall not be
1076 transferable to other employees.

1077 (20) For purposes of this subsection, "plant growth
1078 regulator cannabis" shall mean a cannabis plant whose growth and
1079 structure has been modified using plant growth hormones. A
1080 cannabis cultivation facility shall not cultivate and a cannabis
1081 dispensary shall not sell, transfer or provide for consumption
1082 plant growth regulator cannabis.

1083 (21) A medical cannabis dispensary shall only make sales to
1084 cardholders inside the dispensary. A medical cannabis dispensary
1085 shall not sell or otherwise convey medical cannabis to a
1086 cardholder through the means of a drive-through, curbside delivery
1087 or other delivery outside the premises of the dispensary. Any
1088 topical cannabis product that is purchased by a dispensary from a
1089 licensed processor, and that is not ingested by the liver, may be
1090 sold to a cardholder or any person over the age of twenty-one (21)
1091 years old who is not a cardholder. Such products shall be placed
1092 in an area of the dispensary that does not require access with a
1093 registry identification card.

1094 (22) Any and all contracts or agreements entered into by the
1095 MDOH and MDOR for information technology software, hardware,
1096 and/or services for the purpose of implementing and/or operating
1097 under the Mississippi Medical Cannabis Act shall include language
1098 reasonably limiting the ability of the vendor to escalate the
1099 ongoing cost of such software, hardware, and/or services during



1100 the term of the contract, including any amendments and/or
1101 extensions.

1102 (23) The MDOR and MDOH shall not share the name, address or
1103 personal data of a registry identification cardholder to any
1104 federal government entity.

1105 (24) Entities not licensed under this chapter are prohibited
1106 from selling intoxicating hemp products.

1107 **SECTION 17.** Section 41-137-45, Mississippi Code of 1972, is
1108 amended as follows:

1109 41-137-45. (1) It shall be unlawful for any person or
1110 entity to cultivate, process, transport, use, possess, purchase,
1111 sell or transfer cannabis except as authorized by this chapter.

1112 (2) A cardholder or medical cannabis establishment that
1113 purposely or knowingly fails to provide a notice required by
1114 Section 41-137-31 is guilty of a civil offense, punishable by a
1115 fine of no more than One Thousand Five Hundred Dollars
1116 (\$1,500.00), which may be assessed and collected by the licensing
1117 agency.

1118 (3) A medical cannabis establishment or an agent of a
1119 medical cannabis establishment that purposely, knowingly, or
1120 recklessly sells or otherwise transfers medical cannabis other
1121 than to a cardholder, a nonresident cardholder, or to a medical
1122 cannabis establishment or its agent as authorized under this
1123 chapter is guilty of a felony punishable by a fine of not more
1124 than Ten Thousand Dollars (\$10,000.00), or by commitment to the



1125 custody of the Department of Corrections for not more than two (2)
1126 years, or both. A person convicted under this subsection may not
1127 continue to be affiliated with the medical cannabis establishment
1128 and is disqualified from further participation in the medical
1129 cannabis program under this chapter.

1130 (4) A cardholder or nonresident cardholder who purposely,
1131 knowingly, or recklessly sells or otherwise transfers medical
1132 cannabis to a person or other entity is guilty of a felony
1133 punishable by a fine of not more than Three Thousand Dollars
1134 (\$3,000.00), or by commitment to the custody of the Department of
1135 Corrections for not more than two (2) years, or both. A person
1136 convicted under this subsection is disqualified from further
1137 participation in the medical cannabis program under this chapter.

1138 (5) A person who purposely, knowingly, or recklessly makes a
1139 false statement to a law enforcement official about any fact or
1140 circumstance relating to the medical use of cannabis to avoid
1141 arrest or prosecution is guilty of a misdemeanor punishable by a
1142 fine of not more than One Thousand Dollars (\$1,000.00), by
1143 imprisonment in the county jail for not more than ninety (90)
1144 days, or both. If a person convicted of violating this subsection
1145 is a cardholder, the person is disqualified from further
1146 participation in the medical cannabis program under this chapter.

1147 (6) A person who purposely submits false records or
1148 documentation for an application for a license for a medical
1149 cannabis establishment under this chapter is guilty of a felony



1150 punishable by a fine of not more than Five Thousand Dollars
1151 (\$5,000.00), or by commitment to the custody of the Department of
1152 Corrections for not more than two (2) years, or both. A person
1153 convicted under this subsection may not continue to be affiliated
1154 with the medical cannabis establishment and is disqualified from
1155 further participation in the medical cannabis program under this
1156 chapter.

1157 (7) A practitioner who purposely refers patients to a
1158 specific medical cannabis establishment or to a registered
1159 designated caregiver, who advertises in a medical cannabis
1160 establishment, or who issues written certifications while holding
1161 a financial interest in a medical cannabis establishment, is
1162 guilty of a civil offense for every false certification and shall
1163 be fined up to Five Thousand Dollars (\$5,000.00) by the MDOH.

1164 (8) Any person, including an employee or official of an
1165 agency or local government, who purposely, knowingly, or
1166 recklessly breaches the confidentiality of information obtained
1167 under this chapter is guilty of a misdemeanor punishable by a fine
1168 of not more than One Thousand Dollars (\$1,000.00), or by
1169 imprisonment for not more than one hundred eighty (180) days in
1170 the county jail, or both.

1171 (9) No person, other than a cannabis processing facility or
1172 its agents, complying with this chapter and the rules and
1173 regulations promulgated under it, may extract compounds from
1174 cannabis that involves a chemical extraction process using a



1175 nonhydrocarbon-based or other solvent, such as water, vegetable
1176 glycerin, vegetable oils, animal fats, steam distillation,
1177 food-grade ethanol, or hydrocarbon-based solvent carbon dioxide.
1178 No person may extract compounds from cannabis using ethanol in the
1179 presence or vicinity of an open flame. It shall be a felony
1180 punishable by commitment to the custody of the Mississippi
1181 Department of Corrections for up to three (3) years and a Ten
1182 Thousand Dollar (\$10,000.00) fine for any person to purposely,
1183 knowingly, or recklessly violate this subsection.

1184 (10) A medical cannabis establishment is guilty of a civil
1185 offense for any purposeful, knowing or reckless violation of this
1186 chapter or the rules and regulations issued under this chapter
1187 where no penalty has been specified, and shall be fined not more
1188 than Five Thousand Dollars (\$5,000.00) for each such violation by
1189 its licensing agency.

1190 (11) The penalties provided for under this section are in
1191 addition to any other criminal, civil or administrative penalties
1192 provided for under law, rule or regulation.

1193 (12) In addition to peace officers within their
1194 jurisdiction, all law enforcement officers of MDOH and MDOR may
1195 enforce the provisions made unlawful by this chapter.

1196 (13) It is unlawful for any person or entity to sell or
1197 transfer intoxicating hemp products to individuals in the State of
1198 Mississippi except as authorized by this chapter. This shall not



1199 prohibit interstate commerce as allowed under federal law and
1200 Sections 69-25-201 through 69-25-223.

1201 (14) A person or business entity that purposely, knowingly,
1202 or recklessly sells or otherwise transfers intoxicating hemp
1203 products to a person in the State of Mississippi without a license
1204 under this chapter is guilty of a felony punishable by a fine of
1205 not more than Ten Thousand Dollars (\$10,000.00), or by commitment
1206 to the custody of the Department of Corrections for not more than
1207 two (2) years, or both. A person convicted under this subsection
1208 is disqualified from further participation in the medical cannabis
1209 program under this chapter or the industrial hemp program under
1210 Sections 69-25-201 through 69-25-223.

1211 **SECTION 18.** This act shall take effect and be in force from
1212 and after July 1, 2024.

