

By: Representative Yancey

To: Public Health and Human Services; Ways and Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1676

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



35 LICENSES; TO REQUIRE THAT A FINALIZED SAMPLE OF FINISHED HEMP
36 PRODUCTS HAVE A CERTIFICATE OF ANALYSIS; TO REQUIRE THAT LABELS
37 FOR HEMP PRODUCTS BE APPROVED BY THE DEPARTMENT OF HEALTH; TO
38 PROVIDE CERTAIN REQUIREMENTS FOR CONSUMABLE FOOD MANUFACTURING
39 DISTRIBUTORS; TO REQUIRE A LICENSED ENTITY TO PROVIDE A QUARTERLY
40 REPORT TO THE DEPARTMENT; TO REQUIRE PRODUCTS CONTAINING
41 CANNABIDIOL (CBD) TO BE TESTED IN A FACILITY WITH A DEA
42 CERTIFICATION; TO IMPOSE A 3% EXCISE TAX ON CONSUMABLE HEMP
43 PRODUCTS; TO AMEND SECTIONS 69-25-211, 69-25-215, 69-25-219,
44 69-25-221 AND 69-25-223, MISSISSIPPI CODE OF 1972, TO CONFORM TO
45 THE PRECEDING PROVISIONS; TO AMEND SECTION 41-137-3, MISSISSIPPI
46 CODE OF 1972, TO INCLUDE INTOXICATING HEMP PRODUCTS IN THE
47 DEFINITION OF THE TERM "CANNABIS PRODUCTS"; TO DEFINE THE TERMS
48 "HEMP-DERIVED INGREDIENT" AND "INTOXICATING HEMP PRODUCT"; TO
49 AMEND SECTION 41-137-9, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE
50 PURCHASE OR ACQUISITION OF HEMP-DERIVED INGREDIENTS BY A CANNABIS
51 CULTIVATION, PROCESSING OR RESEARCH FACILITY FOR THE MEDICAL USE
52 OF CANNABIS; TO AMEND SECTION 41-137-11, MISSISSIPPI CODE OF 1972,
53 TO INCLUDE INCORPORATING HEMP-DERIVED INGREDIENTS PURCHASED BY
54 MEDICAL CANNABIS ESTABLISHMENTS IN THE CAPABILITIES OF THE
55 SEED-TO-SALE TRACKING SYSTEM; TO AMEND SECTION 41-137-39,
56 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT ENTITIES NOT LICENSED
57 UNDER THE MISSISSIPPI MEDICAL CANNABIS ACT ARE PROHIBITED FROM
58 SELLING INTOXICATING HEMP PRODUCTS; TO AMEND SECTION 41-137-45,
59 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT IT IS UNLAWFUL FOR ANY
60 PERSON OR ENTITY TO SELL OR TRANSFER INTOXICATING HEMP PRODUCTS TO
61 INDIVIDUALS IN THE STATE OF MISSISSIPPI, WITH CERTAIN EXCEPTIONS;
62 TO PROVIDE PENALTIES FOR A PERSON OR BUSINESS ENTITY THAT
63 UNLAWFULLY SELLS INTOXICATING HEMP PRODUCTS; AND FOR RELATED
64 PURPOSES.

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

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

68 69-25-201. **Short title; exclusivity.** This article shall be
69 known as the "Mississippi Intoxicating Hemp * * * Regulation Act."
70 The regulation of hemp cultivation and processing shall be
71 governed exclusively by the provisions of the Mississippi
72 Intoxicating Hemp * * * Regulation Act. A municipality, county or
73 other political subdivision of this state shall not enact, adopt
74 or enforce a rule, ordinance, order, resolution or other



75 regulation that allows, prohibits or penalizes the cultivation,
76 production or processing of hemp in this state.

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

79 69-25-203. **Definitions.** For purposes of this article, the
80 following words and phrases shall have the meanings set forth
81 below unless the context clearly indicates otherwise:

82 * * *

83 (* * *a) "Business entity" means a nonnatural person
84 and includes nonprofit and for-profit corporations, partnerships,
85 limited liability corporations, and other legal entities
86 recognized by law.

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

92 (c) "Consumable food manufacturing distributor" means
93 any individual, partnership, corporation, cooperative association,
94 or other business entity that receives raw industrial hemp, hemp
95 floral material, extracts, distillates, isolates or any extracted
96 form of industrial hemp as long as it is extracted from industrial
97 hemp for the manufacturing, distribution and/or processing of any
98 industrial hemp product including, but not limited to, edibles,



99 tinctures, smokables, vapables, lubricants, salves, lotions, hemp
100 floral material, concentrates, distillates, and/or liquids.

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

105 (e) "Department" means the * * * State Department of
106 Health.

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

109 (g) "Hemp" means the plant Cannabis sativa L. and any
110 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 (h) "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 (* * *i) "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 (j) "Manufacturer" means a business entity that is
126 licensed by the department that manufactures or intends to
127 manufacture a consumable hemp product from unprocessed hemp or
128 hemp extract.

129 (* * * k) "Person" means any person, firm, association,
130 corporation or business entity.

131 (* * * l) "Processor" means a person, business entity,
132 joint venture or cooperative that receives hemp for processing
133 into commodities, products or hemp seed. A processor also
134 includes any such entity that brokers and/or stores hemp.

135 (m) "Retailer" means a dealer, other than a wholesaler,
136 whose principal business is that of selling merchandise at retail,
137 who sells consumable hemp products.

138 (* * * n) * * * "State Health Officer" means the * * *
139 Executive Director of the State Department of Health. Where
140 applicable under the provisions of this article, * * * "State
141 Health Officer" includes the * * * State Health Officer's
142 designee.

143 (* * * o) "State plan" means the plan contemplated by 7
144 CFR Part 990 Subpart B that a state must file for approval with
145 the United States Secretary of Agriculture.

146 (p) "Total THC" means any and all forms of
147 tetrahydrocannabinol that are contained naturally in the cannabis



148 plant, as well as synthesized forms of THC and derived variations,
149 derivatives, isomers and allotropes that have similar molecular
150 and physiological characteristics of tetrahydrocannabinol,
151 including, but not limited to, THCA, THC Delta 9, THC Delta 8, THC
152 Delta 10 and THC Delta 6.

153 (* * *g) "USDA" means the United States Department of
154 Agriculture.

155 (r) "Wholesaler" means a dealer whose principal
156 business is that of wholesale dealer, and who is known to the
157 trade as such, that sells any consumable hemp products to licensed
158 retailers only for the purpose of resale.

159 **SECTION 3.** Section 69-25-207, Mississippi Code of 1972, is
160 amended as follows:

161 69-25-207. **Licensing and registration.** (1) Pursuant to the
162 provisions of this article, cultivation and processing of hemp, as
163 defined in Section 69-25-203, are authorized in this state.
164 Cultivation and processing of hemp are subject to regulation by
165 the department and may only be performed by persons or business
166 entities that hold a valid license or registration issued * * *
167 under this article.

168 (2) The * * * State Health Officer shall create a State Plan
169 for submission to and approval by the United States Department of
170 Agriculture and the United States Secretary of Agriculture.
171 The * * * State Department of Health shall promulgate such
172 reasonable regulations as necessary to implement the State Plan



173 and provisions of this article. The * * * department shall be
174 authorized to promulgate any rule or regulation deemed necessary
175 for the administration of the provisions of this article in
176 compliance with any federal law, rule or regulation promulgated by
177 the United States Department of Agriculture.

178 (3) The department is authorized to accept applications, and
179 issue licenses and/or registrations for all hemp growers and hemp
180 processors. The department shall adopt and enforce all rules and
181 regulations related to those licenses and/or registrations.

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

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

184 (6) All * * * license holders and registered processors
185 shall keep and maintain crop and/or processing records in
186 accordance with rules and regulations adopted and enforced by the
187 department. The department may subject the required records to
188 inspection. The department may make an inspection for the purpose
189 of ensuring compliance with:

190 (a) USDA guidelines;

191 (b) Provisions of this article;

192 (c) Department rules and regulations;

193 (d) Any terms or conditions of a license issued
194 hereunder;

195 (e) Good manufacturing practices (GMP);

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



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

199 (7) All hemp growers and processors shall be subject to a
200 background investigation conducted by the Department of Public
201 Safety, which shall include both a state and federal background
202 check.

203 **SECTION 4.** Section 69-25-213, Mississippi Code of 1972, is
204 amended as follows:

205 69-25-213. **Negligent violations.** (1) Upon a determination
206 by the * * * State Health Officer or his or her designee, the
207 following may constitute negligent violations:

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

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

212 (c) Failing to register with the department;

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

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

218 (2) **Corrective action plan.** (a) A hemp grower shall comply
219 with a plan established by the * * * State Health Officer or his
220 or her designee to correct the negligent violation, including:



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

223 (ii) A requirement that the hemp grower shall
224 periodically report to the * * * State Health Officer or his or
225 her designee regarding the compliance with the corrective plan for
226 a period of not less than the next two (2) calendar years.

227 (b) The department shall notify the Mississippi Bureau
228 of Narcotics of all corrective action plans implemented by
229 the * * * State Health Officer or his or her designee.

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

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

238 **SECTION 5.** Section 69-25-217, Mississippi Code of 1972, is
239 amended as follows:

240 69-25-217. **Prohibitions.** (1) It shall be unlawful for any
241 person or business entity to:

242 (a) Violate this chapter or any rules or regulations
243 promulgated under this chapter;

244 (b) Fail to comply with a corrective action plan issued
245 by the * * * State Health Officer under Section 69-25-213(2);



246 (c) Transport hemp or hemp materials in violation of
247 Section 69-25-209 or rules or regulations adopted under this
248 chapter; or

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

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

255 (f) Sell any intoxicating hemp products within the
256 State of Mississippi or to Mississippi consumers, except in
257 medical cannabis dispensaries as authorized under the Mississippi
258 Medical Cannabis Act;

259 (g) Manufacture, produce, or sell any hemp product that
260 contains an artificially derived cannabinoid as defined in Section
261 41-137-3; or

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

264 (2) Any person or business entity that purposely, knowingly
265 or recklessly violates this provision of this chapter relating to
266 hemp production or processing shall be guilty of a misdemeanor
267 and, upon conviction of the violation, shall be fined in an amount
268 not to exceed Five Thousand Dollars (\$5,000.00), or sentenced to
269 imprisonment in the county jail for not more than one (1) year, or
270 both such fine and imprisonment.



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

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

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

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

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

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

290 (i) The element involves the nature of his or her
291 conduct or the attendant circumstances, he or she is aware that
292 his or her conduct is of that nature or that such circumstances
293 exist; and



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

297 (c) "Recklessly" means a person acts recklessly with
298 respect to a material element of an offense when he or she
299 consciously disregards a substantial and unjustifiable risk that
300 the material element exists or will result from his or her
301 conduct. The risk must be of such a nature and degree that,
302 considering the nature and purpose of the actor's conduct and the
303 circumstances known to him or her, its disregard involves a gross
304 deviation from the standard of conduct that a law-abiding person
305 would observe in the actor's situation.

306 **SECTION 6.** (1) It is not a violation of this article to
307 manufacture, produce, distribute, or sell a consumable hemp
308 product, including tinctures, provided the consumable hemp product
309 contains equal to or less than one-half (0.5) milligrams of total
310 THC per serving and equal to or less than two and one-half (2.5)
311 milligrams of total THC per package and has a ratio of cannabidiol
312 to total THC of at least twenty (20) to one (1).

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

316 (3) Persons and business entities regulated under this
317 article who do not hold a license under the Mississippi Medical



318 Cannabis Act may not manufacture or produce intoxicating hemp
319 products for consumption in the state.

320 (4) Persons and business entities regulated under this
321 article who do not hold a license under the Mississippi Medical
322 Cannabis Act may not sell intoxicating hemp products for
323 consumption in the state.

324 (5) Nothing in this article shall limit or affect the
325 interstate commerce of hemp or hemp products through the state.

326 **SECTION 7.** The State Department of Health shall be
327 responsible for the licensing of consumable hemp retailers,
328 wholesalers, manufacturers, and processors, and shall begin
329 issuing licenses to such businesses upon July 1, 2024.

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

332 (b) A consumable hemp wholesaler shall be subject to a
333 nonrefundable annual license fee of Two Hundred Fifty Dollars
334 (\$250.00);

335 (c) A consumable hemp manufacturer shall be subject to
336 a nonrefundable annual license fee of Five Hundred Dollars
337 (\$500.00); and

338 (d) A consumable hemp processor shall be subject to a
339 nonrefundable annual license fee of Two Hundred Fifty Dollars
340 (\$250.00).

341 **SECTION 8.** All labels for any product containing hemp shall
342 be approved by the department.



343 A finalized sample of any finished hemp product shall have a
344 complete certificate of analysis (COA) from a testing facility
345 and/or laboratory that analyzes the safety and potency of hemp
346 products, and such COA shall be provided to the department.

347 **SECTION 9.** (1) Consumable food manufacturing distributors
348 shall:

349 (a) Be Hemp Good Manufacturing Practice (Hemp GMP)
350 certified from an American National Standards Institute (ANSI)
351 recognized entity and hold a current food manufacturing license
352 specializing in consumable hemp, from the State Department of
353 Health, or within the state health department of where the
354 entity's facility resides with a minimum pending Hemp GMP
355 certification as of December 31, 2023.

356 (b) Have a GMP certified facility along with a current
357 Mississippi food manufacturing license issued by the State
358 Department of Health, or current state approved food manufacturing
359 license issued from entity's state health department, located
360 within the United States, specializing in consumable hemp
361 products.

362 (c) Have the authority to designate authorized agents
363 for the purposes of wholesaling consumable hemp products to
364 Mississippi licensed wholesalers or retailers.

365 (d) Be responsible for notifying the department of any
366 designated agents.



367 (e) Obtain and offer for sale, anti-counterfeiting scan
368 codes for distribution of any industrial hemp product approved by
369 the department.

370 (2) Consumable food manufacturing distributors may sell to
371 licensed wholesalers, licensed retailers and directly to
372 consumers.

373 **SECTION 10.** Any entity registered with the State Department
374 of Health as provided under this article, shall submit a report on
375 a quarterly basis due by the 20th of the following month detailing
376 any hemp product manufactured, distributed, purchased, sold at
377 wholesale or sold at retail.

378 A wholesaler, consumable hemp manufacturer, consumable food
379 manufacturing distributor, processor, or retailer shall be subject
380 to a fine as prescribed by the department per incident for
381 purchasing or selling any unlawful hemp products.

382 Any wholesaler, consumable hemp manufacturer, consumable food
383 manufacturing distributor, processor, or retailer shall pay a
384 minimum fine of One Thousand Dollars (\$1,000.00) for failing to
385 report by the 20th of the following month, hemp products
386 purchased or sold in Mississippi to the department.

387 An electronic reporting system shall be implemented by the
388 department.

389 **SECTION 11.** Products that contain cannabidiol (CBD) shall be
390 tested in a testing facility and/or laboratory with a DEA



391 Certification (ISO17025) that analyzes the safety and potency of
392 CBD products.

393 **SECTION 12.** There is imposed, levied and assessed an excise
394 tax on consumable hemp products. A manufacturer and/or processor
395 shall collect and remit an excise tax on forms and in a manner
396 specified by the Commissioner of Revenue.

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

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

405 All administrative provisions of the sales tax law and
406 amendments thereto, including those which fix damages, penalties
407 and interest for nonpayment of taxes and for noncompliance with
408 the provision of the sales tax law, and all other requirements and
409 duties imposed upon a taxpayer, shall apply to all persons liable
410 for taxes under the provisions of this subsection. The
411 commissioner shall exercise all power and authority and perform
412 all duties with respect to taxpayers under this subsection as are
413 provided in the sales tax law, except where there is conflict,
414 then the provisions of this subsection shall control.



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

417 **SECTION 13.** Section 69-25-211, Mississippi Code of 1972, is
418 amended as follows:

419 69-25-211. **Enforcement.** (1) (a) The * * * State Health
420 Officer or his or her designee may enter, at reasonable times,
421 upon any public or private property at which hemp is being
422 cultivated or processed for the purpose of determining compliance
423 with this * * * article and rules adopted under it. The * * *
424 State Health Officer may apply for, and any judge of a court of
425 competent jurisdiction, may issue a search warrant as is necessary
426 to achieve the purposes of this * * * article relating to things,
427 property or places within the court's territorial jurisdiction.

428 (b) If the * * * State Health Officer or his or her
429 designee determines that emergency conditions exist requiring
430 immediate action necessary to protect public health or safety of
431 the environment, the * * * State Health Officer or his or her
432 designee may issue an order stating the existence of such
433 conditions and requiring specific actions be taken to mitigate
434 those conditions without providing prior notice or an adjudication
435 hearing.

436 (c) Any person to whom such an order is issued shall
437 immediately comply with that order, and may apply to the * * *
438 State Health Officer for an adjudication hearing. Upon receiving
439 an application for an adjudication hearing, the * * * State Health



440 Officer shall hold the hearing as soon as practicable and not
441 later than thirty (30) days after receipt of the application. On
442 the basis of the hearing, the * * * State Health Officer shall
443 continue the order in effect, revoke it, or modify it.

444 (d) In addition to any other available remedies,
445 the * * * State Health Officer or the Mississippi Attorney General
446 may apply to the circuit court in the county where any provision
447 of this * * * article or an order issued under paragraph (b) of
448 this subsection is being violated for an injunction restraining
449 any person from continuing the violation.

450 (e) An employee of the state or any division, agency,
451 institution thereof involved in the administration and/or
452 enforcement of this article, shall not be subject to prosecution
453 for violations related to possession or transportation of hemp or
454 cannabis in conjunction with the employee's duties arising under
455 this * * * article.

456 (2) In addition to any other liability or penalty provided
457 by law, the department may revoke or refuse to issue or renew a
458 hemp grower license or hemp processor registration and may impose
459 a civil penalty for violations of:

- 460 (a) A license or registration requirement;
461 (b) License or registration terms or conditions;
462 (c) Department rules and regulations relating to
463 growing or processing hemp; or



464 (d) A final order of the department that is
465 specifically directed to the grower's or processor's hemp
466 operations or activities.

467 (3) The department may impose administrative penalties for
468 violations under this section in * * * substantially the same
469 manner as provided for the Department of Agriculture and Commerce
470 in Section 69-25-51.

471 **SECTION 14.** Section 69-25-215, Mississippi Code of 1972, is
472 amended as follows:

473 69-25-215. **Nonnegligent violations.** If a hemp grower
474 violates the State Plan, including growing hemp containing a
475 delta-9-tetrahydrocannabinol (THC) concentration that exceeds
476 three-tenths percent (0.3%) on a dry mass basis or a tolerance
477 range as specified by USDA, with a culpable mental state greater
478 than negligence as determined by the department, the * * * State
479 Health Officer shall immediately report the violation and the hemp
480 grower to the United States Attorney General, the Mississippi
481 Attorney General and the Mississippi Public Safety Commissioner.
482 Such violations shall also be referred to the Mississippi Bureau
483 of Narcotics for investigation. The Bureau of Narcotics may
484 detain, seize and/or destroy the crop and may initiate a criminal
485 case for any violation of this article or the Mississippi Uniform
486 Controlled Substances Law. The Mississippi Attorney General
487 shall, in person or by his or her designee, prosecute all criminal
488 actions related to violations arising under this * * * article



489 relating to hemp, on behalf of the state. Violations of the State
490 Plan that involve culpability greater than negligence must be
491 reported to the United States Attorney General and the Mississippi
492 Attorney General. The provisions of Section 69-25-213 shall not
493 apply to nonnegligent violations.

494 **SECTION 15.** Section 69-25-219, Mississippi Code of 1972, is
495 amended as follows:

496 69-25-219. **General provisions.** (1) Any person convicted of
497 a felony relating to a controlled substance under state or federal
498 law before, on or after * * * June 29, 2020, shall be ineligible,
499 during the ten-year period following the date of the conviction to
500 participate in the program established under this article and to
501 produce hemp under any regulations or guidelines issued under this
502 article.

503 (2) Any person who materially falsifies any information
504 contained in an application to participate in the State Plan
505 established under this article shall be ineligible to participate
506 in the State Plan.

507 (3) In addition to any inspection conducted, the department
508 may inspect any hemp crop at any time and take a representative
509 composite sample for analysis. It shall be the duty of the
510 department to take such samples and deliver them to the State
511 Chemist for examination and analysis. It shall be the duty of the
512 State Chemist to cause as many analyses to be made of samples
513 delivered to him or her by the department as may be necessary to



514 properly implement the intent of this article. The State Chemist
515 shall make a report of such analyses to the department.

516 (4) The department shall charge growers and processors a fee
517 or fees as determined by the department in a sufficient amount to
518 cover the costs required to administer and enforce the provisions
519 of this * * * article.

520 **SECTION 16.** Section 69-25-221, Mississippi Code of 1972, is
521 amended as follows:

522 69-25-221. **Necessity of surety bond.** No person shall
523 operate as a hemp processor without first having secured a surety
524 bond pursuant to this section. The * * * department shall
525 promulgate rules and regulations as necessary to require hemp
526 processors to secure a surety bond. A hemp processor may file
527 with the department, in lieu of a surety bond, a certificate of
528 deposit or irrevocable letter of credit from any bank or banking
529 corporation insured by the Federal Deposit Insurance Corporation.
530 Rules and regulations required for certificates of deposit and
531 irrevocable letters of credit shall be promulgated by the * * *
532 department.

533 **SECTION 17.** Section 69-25-223, Mississippi Code of 1972, is
534 amended as follows:

535 69-25-223. (1) The provisions of this article which provide
536 authority to the * * * State Department of Health and the State
537 Health Officer to administer the provisions of the "Mississippi
538 Intoxicating Hemp * * * Regulation Act * * *" shall be subject to



539 legislative appropriation or receipt of necessary funding from any
540 private or public entity for purposes of implementation.

541 (2) The provisions of this article shall not have any effect
542 upon any programs administered by Mississippi State University,
543 which shall remain exempt, as such programs related to the
544 educational, research or testing functions performed by
545 Mississippi State Chemical Laboratory, shall continue to function
546 in accordance with the mission of the university, as approved by
547 the Board of Trustees of State Institutions of Higher Learning.

548 **SECTION 18.** Section 41-137-3, Mississippi Code of 1972, is
549 amended as follows:

550 41-137-3. For purposes of this chapter, unless the context
551 requires otherwise, the following terms shall have the meanings
552 ascribed herein:

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

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

560 (ii) Cannabinoids that are produced by
561 decarboxylation from a naturally occurring cannabinoid acid
562 without the use of a chemical catalyst; or



563 (iii) Any other chemical substance identified by
564 MDOH.

565 (b) "Allowable amount of medical cannabis" means an
566 amount not to exceed the maximum amount of Mississippi Medical
567 Cannabis Equivalency Units ("MMCEU").

568 (c) "Bona fide practitioner-patient relationship"
569 means:

570 (i) A practitioner and patient have a treatment or
571 consulting relationship, during the course of which the
572 practitioner, within his or her scope of practice, has completed
573 an in-person assessment of the patient's medical history and
574 current mental health and medical condition and has documented
575 their certification in the patient's medical file;

576 (ii) The practitioner has consulted in person with
577 the patient with respect to the patient's debilitating medical
578 condition; and

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

581 (d) "Cannabis" means all parts of the plant of the
582 genus cannabis, the flower, the seeds thereof, the resin extracted
583 from any part of the plant and every compound, manufacture, salt,
584 derivative, mixture or preparation of the plant, its seeds or its
585 resin, including whole plant extracts. Such term shall not mean
586 cannabis-derived drug products approved by the federal Food and



587 Drug Administration under Section 505 of the Federal Food, Drug,
588 and Cosmetic Act.

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

593 (f) "Cannabis disposal entity" means a business
594 licensed and registered by the Mississippi Department of Health
595 that is involved in the commercial disposal or destruction of
596 medical cannabis.

597 (g) "Cannabis processing facility" means a business
598 entity that is licensed and registered by the Mississippi
599 Department of Health that:

600 (i) Acquires or intends to acquire cannabis from a
601 cannabis cultivation facility;

602 (ii) Possesses cannabis with the intent to
603 manufacture a cannabis product;

604 (iii) Manufactures or intends to manufacture a
605 cannabis product from unprocessed cannabis or a cannabis extract;
606 and

607 (iv) Sells or intends to sell a cannabis product
608 to a medical cannabis dispensary, cannabis testing facility or
609 cannabis research facility.

610 (h) "Cannabis products" means cannabis flower,
611 concentrated cannabis, cannabis extracts and products that are



612 infused with cannabis or an extract thereof and are intended for
613 use or consumption by humans. The term includes, without
614 limitation, edible cannabis products, beverages, topical products,
615 ointments, oils, intoxicating hemp products, tinctures and
616 suppositories that contain tetrahydrocannabinol (THC) and/or
617 cannabidiol (CBD) except those products excluded from control
618 under Sections 41-29-113 and 41-29-136.

619 (i) "Cannabis research facility" or "research facility"
620 means a research facility at any university or college in this
621 state or an independent entity licensed and registered by the
622 Mississippi Department of Health pursuant to this chapter that
623 acquires cannabis from cannabis cultivation facilities and
624 cannabis processing facilities in order to research cannabis,
625 develop best practices for specific medical conditions, develop
626 medicines and provide commercial access for medical use.

627 (j) "Cannabis testing facility" or "testing facility"
628 means an independent entity licensed and registered by the
629 Mississippi Department of Health that analyzes the safety and
630 potency of cannabis.

631 (k) "Cannabis transportation entity" means an
632 independent entity licensed and registered by the Mississippi
633 Department of Health that is involved in the commercial
634 transportation of medical cannabis.

635 (l) "Cannabis waste" means plant debris of the plant of
636 the genus cannabis, including dead plants and all unused plant



637 parts. This term shall not include seeds, roots, stems and
638 stalks.

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

641 (n) "Canopy" means the total surface area within a
642 cultivation area that is dedicated to the cultivation of flowering
643 cannabis plants. The surface area of the plant canopy must be
644 calculated in square feet and measured and must include all of the
645 area within the boundaries where the cultivation of the flowering
646 cannabis plants occurs. If the surface area of the plant canopy
647 consists of noncontiguous areas, each component area must be
648 separated by identifiable boundaries. If a tiered or shelving
649 system is used in the cultivation area the surface area of each
650 tier or shelf must be included in calculating the area of the
651 plant canopy. Calculation of the area of the plant canopy may not
652 include the areas within the cultivation area that are used to
653 cultivate immature cannabis plants and seedlings, prior to
654 flowering, and that are not used at any time to cultivate mature
655 cannabis plants.

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

659 (p) "Chronic pain" means a pain state in which the
660 cause of the pain cannot be removed or otherwise treated, and
661 which in the generally accepted course of medical practice, no



662 relief or cure of the cause of the pain is possible, or none has
663 been found after reasonable efforts by a practitioner.

664 (q) "Concentrate" means a substance obtained by
665 separating cannabinoids from cannabis by:

666 (i) A mechanical extraction process;

667 (ii) A chemical extraction process using a
668 nonhydrocarbon-based or other solvent, such as water, vegetable
669 glycerin, vegetable oils, animal fats, food-grade ethanol or steam
670 distillation; or

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

674 (r) "Debilitating medical condition" means:

675 (i) Cancer, Parkinson's disease, Huntington's
676 disease, muscular dystrophy, glaucoma, spastic quadriplegia,
677 positive status for human immunodeficiency virus (HIV), acquired
678 immune deficiency syndrome (AIDS), hepatitis, amyotrophic lateral
679 sclerosis (ALS), Crohn's disease, ulcerative colitis, sickle-cell
680 anemia, Alzheimer's disease, agitation of dementia, post-traumatic
681 stress disorder (PTSD), autism, pain refractory to appropriate
682 opioid management, diabetic/peripheral neuropathy, spinal cord
683 disease or severe injury, or the treatment of these conditions;

684 (ii) A chronic, terminal or debilitating disease
685 or medical condition, or its treatment, that produces one or more
686 of the following: cachexia or wasting syndrome, chronic pain,



687 severe or intractable nausea, seizures, or severe and persistent
688 muscle spasms, including, but not limited to, those characteristic
689 of multiple sclerosis; or

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

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

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

696 (ii) Assists no more than five (5) registered
697 qualifying patients with their medical use of medical cannabis,
698 unless the designated caregiver's registered qualifying patients
699 each reside in or are admitted to a health care facility or
700 facility providing residential care services or day care services
701 where the designated caregiver is employed;

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

705 (iv) Has not been convicted of a disqualifying
706 felony offense.

707 (t) "Disqualifying felony offense" means:

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

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



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

714 (iii) A conviction for a violation of a state or
715 federal controlled substances law that was classified as a felony
716 in the jurisdiction where the person was convicted, including the
717 service of any term of probation, incarceration or supervised
718 release within the previous five (5) years and the offender has
719 not committed another similar offense since the conviction. Under
720 this subparagraph (iii), a disqualifying felony offense shall not
721 include a conviction that consisted of conduct for which this
722 chapter would likely have prevented the conviction but for the
723 fact that the conduct occurred before February 2, 2022.

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

725 (i) Contain or are infused with cannabis or an
726 extract thereof;

727 (ii) Are intended for human consumption by oral
728 ingestion; and

729 (iii) Are presented in the form of foodstuffs,
730 beverages, extracts, oils, tinctures, lozenges and other similar
731 products.

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



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

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

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

742 (i) Three and one-half (3.5) grams of medical
743 cannabis flower;

744 (ii) One (1) gram of medical cannabis concentrate;
745 or

746 (iii) One hundred (100) milligrams of THC in an
747 infused product.

748 (* * *z) "MDOH" means the Mississippi Department of
749 Health.

750 (* * *aa) "MDOR" means the Mississippi Department of
751 Revenue.

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

755 (* * *cc) "Medical cannabis dispensary" or
756 "dispensary" means an entity licensed and registered with the MDOR
757 that acquires, possesses, stores, transfers, sells, supplies or
758 dispenses medical cannabis, equipment used for medical cannabis,
759 or related supplies and educational materials to cardholders.



760 (* * *dd) "Medical cannabis establishment" means a
761 cannabis cultivation facility, cannabis processing facility,
762 cannabis testing facility, cannabis dispensary, cannabis
763 transportation entity, cannabis disposal entity or cannabis
764 research facility licensed and registered by the appropriate
765 agency.

766 (* * *ee) "Medical cannabis establishment agent" means
767 an owner, officer, board member, employee, volunteer or agent of a
768 medical cannabis establishment.

769 (* * *ff) "Medical use" includes the acquisition,
770 administration, cultivation, processing, delivery, harvest,
771 possession, preparation, transfer, transportation, or use of
772 medical cannabis or equipment relating to the administration of
773 medical cannabis to treat or alleviate a registered qualifying
774 patient's debilitating medical condition or symptoms associated
775 with the patient's debilitating medical condition. The term
776 "medical use" does not include:

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

779 (ii) The extraction of resin from cannabis by
780 mechanical or chemical extraction unless the extraction is done by
781 a cannabis processing facility.

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

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



785 territory, or is the parent, guardian, conservator or other person
786 with authority to consent to the medical use of medical cannabis
787 by a person who has been diagnosed with a debilitating medical
788 condition;

789 (ii) Is not a resident of Mississippi or who has
790 been a resident of Mississippi for less than forty-five (45) days;
791 and

792 (iii) Has submitted any documentation required by
793 MDOH rules and regulations and has received confirmation of
794 registration.

795 (* * * hh) "Practitioner" means a physician, certified
796 nurse practitioner, physician assistant or optometrist who is
797 licensed to prescribe medicine under the licensing requirements of
798 their respective occupational boards and the laws of this state.
799 In relation to a nonresident cardholder, the term means a
800 physician, certified nurse practitioner, physician assistant or
801 optometrist who is licensed to prescribe medicine under the
802 licensing requirements of their respective occupational boards and
803 under the laws of the state or territory in which the nonresident
804 patient resides. For registered qualifying patients who are
805 minors, "practitioner" shall mean a physician or doctor of
806 osteopathic medicine who is licensed to prescribe medicine under
807 the licensing requirements of their respective occupational boards
808 and the laws of this state.



809 (* * *ii) "Public place" means a church or any area to
810 which the general public is invited or in which the general public
811 is permitted, regardless of the ownership of the area, and any
812 area owned or controlled by a municipality, county, state or
813 federal government, including, but not limited to, streets,
814 sidewalks or other forms of public transportation. Such term
815 shall not mean a private residential dwelling.

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

819 (* * *kk) "Registry identification card" means a
820 document issued by the MDOH that identifies a person as a
821 registered qualifying patient, nonresident registered qualifying
822 patient or registered designated caregiver.

823 (* * *ll) "School" means an institution for the
824 teaching of children, consisting of a physical location, whether
825 owned or leased, including instructional staff members and
826 students, and which is in session each school year. This
827 definition shall include, but not be limited to, public, private,
828 church and parochial programs for kindergarten, elementary, junior
829 high and high schools. Such term shall not mean a home
830 instruction program.

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



834 authorized under Sections 73-15-5 and 73-15-20, by an optometrist
835 as authorized under Section 73-19-1, by a physician as authorized
836 under Section 73-25-33, or by a physician assistant under Section
837 73-26-5, and rules and regulations adopted by the respective
838 licensing boards for those practitioners.

839 (* * * nn) "THC" or "Tetrahydrocannabinol" means any
840 and all forms of tetrahydrocannabinol that are contained naturally
841 in the cannabis plant, as well as synthesized forms of THC and
842 derived variations, derivatives, isomers and allotropes that have
843 similar molecular and physiological characteristics of
844 tetrahydrocannabinol, including, but not limited to, THCA, THC
845 Delta 9, THC Delta 8, THC Delta 10 and THC Delta 6.

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

850 (i) The date of issue and the effective date
851 of the recommendation;

852 (ii) The patient's name, date of birth and
853 address;

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

856 (iv) The practitioner's signature.

857 **SECTION 19.** Section 41-137-9, Mississippi Code of 1972, is
858 amended as follows:



859 41-137-9. (1) There is a presumption that a registered
860 qualifying patient is engaged in the medical use of medical
861 cannabis under this chapter if the person is in possession of a
862 registry identification card and an amount of medical cannabis
863 that does not exceed the allowable amount of medical cannabis.
864 There is a presumption that a registered designated caregiver is
865 assisting in the medical use of medical cannabis under this
866 chapter if the person is in possession of a registry
867 identification card and an amount of medical cannabis that does
868 not exceed the allowable amount of medical cannabis. These
869 presumptions may be rebutted by evidence that conduct related to
870 medical cannabis was not for the purpose of treating or
871 alleviating a registered qualifying patient's debilitating medical
872 condition or symptoms associated with the registered qualifying
873 patient's debilitating medical condition under this chapter.

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

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

879 (b) Financial reimbursement by a registered qualifying
880 patient to the patient's registered designated caregiver for
881 direct costs incurred by the registered designated caregiver for
882 assisting with the registered qualifying patient's medical use of
883 medical cannabis;



884 (c) Compensating a dispensary for goods or services
885 provided;

886 (d) The provision, by a professional or occupational
887 licensee, of advice or services related to medical cannabis
888 activities allowed under this chapter, to the extent such advice
889 or services meet or exceed the applicable professional or
890 occupational standard of care;

891 (e) Providing or selling equipment used to ingest
892 medical cannabis to a cardholder, nonresident cardholder or to a
893 medical cannabis establishment;

894 (f) Acting as a designated caregiver to assist a
895 registered qualifying patient with the act of using or
896 administering medical cannabis;

897 (g) Activities by a medical cannabis establishment or a
898 medical cannabis establishment agent that are allowed by its
899 license and registration;

900 (h) Activities by a dispensary or a dispensary agent to
901 possess, store or sell medical cannabis products, educational
902 materials and products used to ingest medical cannabis to
903 cardholders, nonresident cardholders and other dispensaries, or to
904 purchase or otherwise acquire medical cannabis products from
905 cannabis cultivation facilities, cannabis processing facilities,
906 cannabis research facilities or other dispensaries;

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



909 (i) Possess, plant, propagate, cultivate, grow,
910 harvest, produce, process, manufacture, compound, convert,
911 prepare, pack, repack or store medical cannabis;

912 (ii) Purchase or otherwise acquire medical
913 cannabis and cannabis products from medical cannabis
914 establishments; or

915 (iii) Purchase or otherwise acquire hemp-derived
916 ingredients; or

917 (* * *iv) Sell, supply or transfer medical
918 cannabis products, hemp-derived ingredients, equipment used to
919 ingest medical cannabis, and related supplies and educational
920 materials to other cannabis cultivation facilities, cannabis
921 processing facilities or dispensaries.

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

924 (i) Purchase or otherwise acquire medical cannabis
925 from medical cannabis establishments;

926 (ii) Purchase or otherwise acquire hemp-derived
927 ingredients;

928 (iii) Possess, produce, process, compound,
929 convert, prepare, pack, test, repack and store medical cannabis
930 and cannabis products obtained from medical cannabis
931 establishments; or

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



934 equipment used to ingest medical cannabis to cannabis cultivation
935 facilities, cannabis processing facilities, cannabis testing
936 facilities and cannabis research facilities.

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

940 (3) Any medical cannabis, cannabis product, equipment used
941 to ingest medical cannabis, or other interest in or right to
942 property that is possessed, owned or used in connection with the
943 medical use of medical cannabis as authorized by this chapter, or
944 acts incidental to such use, shall not be seized or forfeited.
945 This chapter shall not prevent the seizure or forfeiture of
946 medical cannabis exceeding the allowable amounts of medical
947 cannabis, nor shall it prevent seizure or forfeiture if the basis
948 for the action is unrelated to the medical cannabis that is
949 possessed, processed, transferred or used pursuant to this
950 chapter.

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

953 (a) Constitute probable cause or reasonable suspicion;

954 (b) Be used to support a search of the person or
955 property of the person possessing or applying for the registry
956 identification card; or

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



959 (5) It is the public policy of the State of Mississippi that
960 contracts related to medical cannabis that are entered into by
961 cardholders, medical cannabis establishments, medical cannabis
962 establishment agents and those who allow property to be used by
963 those persons, should be enforceable to the extent that those
964 activities comply with the other provisions of this chapter. It
965 is the public policy of the State of Mississippi that no contract
966 entered into by a cardholder, a medical cannabis establishment, or
967 a medical cannabis establishment agent, or by a person who allows
968 property to be used for activities that are authorized under this
969 chapter, shall be unenforceable on the basis that activities
970 related to cannabis are prohibited by federal law.

971 (6) An applicant for a professional or occupational license
972 shall not be denied a license based on previous employment related
973 to medical cannabis activities that are allowed under this
974 chapter.

975 **SECTION 20.** Section 41-137-11, Mississippi Code of 1972, is
976 amended as follows:

977 41-137-11. (1) Each medical cannabis establishment shall
978 use a statewide seed-to-sale tracking system certified by the MDOH
979 to track medical cannabis from seed or immature plant stage until
980 the medical cannabis is purchased by a registered qualifying
981 patient or registered designated caregiver or destroyed. Records
982 entered into the seed-to-sale tracking system shall include each
983 day's beginning inventory, harvests, acquisitions, sales,



984 disbursements, remediations, disposals, transfers, ending
985 inventory, and any other data necessary for inventory control
986 records in the statewide seed-to-sale tracking system. Each
987 medical cannabis dispensary shall be responsible for ensuring that
988 all medical cannabis sold or disbursed to a registered qualifying
989 patient or registered designated caregiver is recorded in the
990 seed-to-sale tracking system as a purchase by or on behalf of the
991 applicable registered qualifying patients.

992 (2) Amounts of medical cannabis shall be recorded in the
993 following manner:

994 (a) For dried, unprocessed cannabis, in ounces or
995 grams;

996 (b) For concentrates, in grams; or

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

998 (3) The seed-to-sale tracking system used by cannabis
999 cultivation facilities, dispensaries, cannabis processing
1000 facilities, cannabis testing facilities, cannabis research
1001 facilities, cannabis transportation entities and cannabis disposal
1002 entities shall be capable of:

1003 (a) Allowing those facilities and entities to interface
1004 with the statewide system such that a facility may enter and
1005 access information in the statewide system;

1006 (b) Providing the MDOR and MDOH with access to all
1007 information stored in the system's database;



1008 (c) Maintaining the confidentiality of all patient and
1009 caregiver data and records accessed or stored by the system such
1010 that all persons or entities other than the MDOR and MDOH may only
1011 access the information in the system that they are authorized by
1012 law to access;

1013 (d) Producing analytical reports to the MDOR and MDOH
1014 regarding the total quantity of daily, monthly, and yearly sales
1015 at the facility per product type; the average prices of daily,
1016 monthly, and yearly sales at the facility per product type; and
1017 total inventory or sales record adjustments at the facility;

1018 * * *

1019 (e) The ability to determine the amount of medical
1020 cannabis that a registered qualifying patient or registered
1021 designated caregiver has purchased that day in real time by
1022 searching a patient registration number * * *; and

1023 (f) Incorporating hemp-derived ingredients purchased by
1024 medical cannabis establishments.

1025 (4) Banks and other financial institutions may be allowed
1026 access to specific limited information from the seed-to-sale
1027 tracking system. The information that may be available to these
1028 institutions shall be limited to financial data of individuals and
1029 business entities that have a business relationship with these
1030 institutions. This information shall be limited to the
1031 information needed for banks to comply with applicable federal



1032 regulations and shall not disclose any medical or personal
1033 information about registered cardholders or designated caregivers.

1034 **SECTION 21.** Section 41-137-39, Mississippi Code of 1972, is
1035 amended as follows:

1036 41-137-39. (1) (a) Medical cannabis establishments shall
1037 conduct a background check into the criminal history of every
1038 person seeking to become a principal officer, board member, agent,
1039 volunteer, or employee before the person begins working at or for
1040 the medical cannabis establishment.

1041 (b) Every person seeking to become a principal officer,
1042 board member, agent, volunteer, or employee shall apply for or
1043 authorize the division to obtain state and national criminal
1044 background checks to be conducted by the Mississippi Justice
1045 Information Center of the Department of Public Safety and the
1046 Federal Bureau of Investigation.

1047 (c) Such criminal background checks shall conform to
1048 the applicable federal standards, and shall include the taking of
1049 fingerprints.

1050 (d) The applicant shall authorize the release of such
1051 criminal background checks to the MDOH, and shall be responsible
1052 for the payment of any fee associated with the criminal background
1053 checks.

1054 (e) Upon completion of such criminal background checks,
1055 the Mississippi Justice Information Center of the Department of



1056 Public Safety shall forward to the MDOH all information obtained
1057 concerning the applicant.

1058 (2) A medical cannabis establishment may not employ any
1059 person who:

1060 (a) Was convicted of a disqualifying felony offense; or

1061 (b) Is under twenty-one (21) years of age.

1062 (3) The operating documents of a medical cannabis
1063 establishment must include procedures for the oversight of the
1064 medical cannabis establishment and procedures to ensure accurate
1065 record keeping and adequate security measures.

1066 (4) A medical cannabis establishment shall implement
1067 appropriate security measures designed to deter and prevent the
1068 theft of medical cannabis and unauthorized entrance into areas
1069 containing medical cannabis.

1070 (5) All cultivation, harvesting, processing and packaging of
1071 medical cannabis must take place in an enclosed, locked and secure
1072 facility with a physical address provided to the MDOH during the
1073 licensing and registration process. The facility shall be
1074 equipped with locks or other security devices that permit access
1075 only by agents of the medical cannabis establishment, emergency
1076 personnel or adults who are twenty-one (21) years of age and older
1077 and who are accompanied by medical cannabis establishment agents.

1078 (6) No medical cannabis establishment other than a cannabis
1079 processing facility or cannabis research facility may produce



1080 cannabis concentrates, cannabis extractions, or other cannabis
1081 products.

1082 (7) A medical cannabis establishment may not share office
1083 space with or refer patients to a practitioner.

1084 (8) Medical cannabis establishments are subject to
1085 inspection by the MDOR and MDOH during business hours.

1086 (9) Before medical cannabis may be dispensed to a
1087 cardholder, a dispensary agent must:

1088 (a) Require that the individual present a registry
1089 identification card;

1090 (b) Make a diligent effort to verify that the registry
1091 identification card presented to the dispensary is valid;

1092 (c) Make a diligent effort to verify that the person
1093 presenting the registry identification card is the person
1094 identified on the registry identification card presented to the
1095 dispensary agent; and

1096 (d) Not believe that the amount of medical cannabis
1097 dispensed would cause the person to possess more than the
1098 allowable amount of medical cannabis.

1099 (10) A medical cannabis establishment shall not sell more
1100 than the allowable amount of medical cannabis to a cardholder. A
1101 resident cardholder shall not obtain more than a total of six (6)
1102 MMCEUs of allowable medical cannabis in a week from a dispensary
1103 or a combination of dispensaries. A resident cardholder shall not
1104 obtain more than a total of twenty-four (24) MMCEUs of allowable



1105 medical cannabis in thirty (30) days from a dispensary or a
1106 combination of dispensaries.

1107 The possession limit for resident cardholders of the
1108 allowable amount of medical cannabis shall be a total of
1109 twenty-eight (28) MMCEUs. There shall not be a possession limit
1110 on nonconsumable medical cannabis, including, but not limited to,
1111 suppositories, ointments, soaps, and lotions or other topical
1112 agents.

1113 (11) For purposes of this chapter, total THC is defined as
1114 THCA multiplied by .877 plus THC Delta 9 and all other
1115 psychoactive forms or isomers of THC added together. A medical
1116 cannabis establishment shall not sell cannabis flower or trim that
1117 has a potency of greater than thirty percent (30%) total THC. A
1118 medical cannabis dispensary shall not sell cannabis tinctures,
1119 oils or concentrates that have a potency of greater than sixty
1120 percent (60%) total THC. Cannabis products that have a potency of
1121 over thirty percent (30%) total THC shall be clearly labeled as
1122 "extremely potent." Edible cannabis products, including food or
1123 drink products, that have been combined with usable cannabis or
1124 cannabis products shall be physically demarked and labeled with a
1125 clear determination of how much total THC is in a single-serving
1126 size and how much THC is in the entire package.

1127 A medical cannabis product shall contain a notice of harm
1128 regarding the use of cannabis products. Edible cannabis products
1129 shall be homogenized to ensure uniform disbursement of



1130 cannabinoids throughout the product. All molded edible cannabis
1131 products shall be presented in the form of geometric shapes and
1132 shall not be molded to contain any images or characters designed
1133 or likely to appeal to minors, such as cartoons, toys, animals or
1134 children.

1135 (12) A dispensary may not dispense more than the allowable
1136 amount of cannabis to a registered qualifying patient or a
1137 nonresident cardholder, directly or via a registered designated
1138 caregiver. Dispensaries shall ensure compliance with this
1139 limitation by maintaining internal, confidential records that
1140 include records specifying how much medical cannabis is being
1141 dispensed to the registered qualifying patient or nonresident
1142 cardholder and whether it was dispensed directly to a registered
1143 qualifying patient, nonresident cardholder or to the registered
1144 designated caregiver.

1145 (13) A nonresident cardholder shall not obtain more than a
1146 total of six (6) MMCEUs of allowable medical cannabis in a week
1147 from a dispensary or a combination of dispensaries. A nonresident
1148 cardholder shall not obtain more than a total of twelve (12)
1149 MMCEUs of allowable cannabis from a dispensary or a combination of
1150 dispensaries in a fifteen-day period.

1151 (14) A nonresident may apply to receive a nonresident
1152 registry identification card up to thirty (30) days before
1153 arriving in Mississippi. A nonresident registry identification
1154 card shall be valid for fifteen (15) days. After the expiration



1155 of the card, a nonresident may apply for a renewal of the card and
1156 may be granted another card which shall be valid for another
1157 fifteen-day period. A nonresident registry identification card
1158 shall only be valid, at a maximum, for two (2) separate periods of
1159 fifteen (15) days in a three-hundred-sixty-five-day period. An
1160 applicant may indicate on his or her application the specific time
1161 period that he or she wishes for the card to be valid. The
1162 possession limit of the allowable amount of medical cannabis for
1163 nonresident cardholders shall be fourteen (14) MMCEUs.

1164 (15) A medical cannabis dispensary agent or employee shall
1165 not issue a written certification. Employees and agents of a
1166 medical cannabis dispensary shall complete at least eight (8)
1167 hours of continuing education in medical cannabis as regulated by
1168 the MDOR in order to be certified to work at a medical cannabis
1169 dispensary. After the first year of employment, these employees
1170 shall complete five (5) hours of continuing education in medical
1171 cannabis annually to maintain this certification.

1172 (16) Notwithstanding any other provision to the contrary, a
1173 patient with a debilitating medical condition who is between
1174 eighteen (18) years to twenty-five (25) years of age is not
1175 eligible for a medical cannabis registry identification card
1176 unless two (2) practitioners from separate medical practices have
1177 diagnosed the patient as having a debilitating medical condition
1178 after an in-person consultation. One (1) of these practitioners
1179 must be a physician or doctor of osteopathic medicine.



1180 If one (1) of the recommending practitioners is not the
1181 patient's primary care practitioner, the recommending practitioner
1182 shall review the records of a diagnosing practitioner. The
1183 requirement that the two (2) practitioners be from separate
1184 medical practices does not apply if the patient is homebound or if
1185 the patient had a registry identification card before the age of
1186 eighteen (18).

1187 (17) Except as otherwise provided in this section, a medical
1188 cannabis establishment shall not allow an individual who is
1189 younger than twenty-one (21) years old to enter the premises of
1190 the establishment unless the individual possesses a registry
1191 identification card and is accompanied by his or her legal
1192 guardian.

1193 (18) A medical cannabis establishment shall only purchase,
1194 grow, cultivate, and use cannabis that is grown and cultivated in
1195 this state. Any medical cannabis that is grown and cultivated in
1196 this state shall not be transported outside of this state.

1197 (19) Employees of all medical cannabis establishments shall
1198 apply for a work permit with the MDOH and MDOR, as applicable,
1199 before beginning employment with any establishment. The licensing
1200 agency for the respective medical cannabis establishment may issue
1201 work permits to these individuals. These licensing agencies shall
1202 maintain a work registry of all applicants and work permits
1203 issued. The fee for a work permit shall be Twenty-five Dollars
1204 (\$25.00) and the permit shall be valid for five (5) years. Work



1205 permits shall be the property of the employee and shall not be
1206 transferable to other employees.

1207 (20) For purposes of this subsection, "plant growth
1208 regulator cannabis" shall mean a cannabis plant whose growth and
1209 structure has been modified using plant growth hormones. A
1210 cannabis cultivation facility shall not cultivate and a cannabis
1211 dispensary shall not sell, transfer or provide for consumption
1212 plant growth regulator cannabis.

1213 (21) A medical cannabis dispensary shall only make sales to
1214 cardholders inside the dispensary. A medical cannabis dispensary
1215 shall not sell or otherwise convey medical cannabis to a
1216 cardholder through the means of a drive-through, curbside delivery
1217 or other delivery outside the premises of the dispensary. Any
1218 topical cannabis product that is purchased by a dispensary from a
1219 licensed processor, and that is not ingested by the liver, may be
1220 sold to a cardholder or any person over the age of twenty-one (21)
1221 years old who is not a cardholder. Such products shall be placed
1222 in an area of the dispensary that does not require access with a
1223 registry identification card.

1224 (22) Any and all contracts or agreements entered into by the
1225 MDOH and MDOR for information technology software, hardware,
1226 and/or services for the purpose of implementing and/or operating
1227 under the Mississippi Medical Cannabis Act shall include language
1228 reasonably limiting the ability of the vendor to escalate the
1229 ongoing cost of such software, hardware, and/or services during



1230 the term of the contract, including any amendments and/or
1231 extensions.

1232 (23) The MDOR and MDOH shall not share the name, address or
1233 personal data of a registry identification cardholder to any
1234 federal government entity.

1235 (24) Entities not licensed under this chapter are prohibited
1236 from selling intoxicating hemp products.

1237 **SECTION 22.** Section 41-137-45, Mississippi Code of 1972, is
1238 amended as follows:

1239 41-137-45. (1) It shall be unlawful for any person or
1240 entity to cultivate, process, transport, use, possess, purchase,
1241 sell or transfer cannabis except as authorized by this chapter.

1242 (2) A cardholder or medical cannabis establishment that
1243 purposely or knowingly fails to provide a notice required by
1244 Section 41-137-31 is guilty of a civil offense, punishable by a
1245 fine of no more than One Thousand Five Hundred Dollars
1246 (\$1,500.00), which may be assessed and collected by the licensing
1247 agency.

1248 (3) A medical cannabis establishment or an agent of a
1249 medical cannabis establishment that purposely, knowingly, or
1250 recklessly sells or otherwise transfers medical cannabis other
1251 than to a cardholder, a nonresident cardholder, or to a medical
1252 cannabis establishment or its agent as authorized under this
1253 chapter is guilty of a felony punishable by a fine of not more
1254 than Ten Thousand Dollars (\$10,000.00), or by commitment to the



1255 custody of the Department of Corrections for not more than two (2)
1256 years, or both. A person convicted under this subsection may not
1257 continue to be affiliated with the medical cannabis establishment
1258 and is disqualified from further participation in the medical
1259 cannabis program under this chapter.

1260 (4) A cardholder or nonresident cardholder who purposely,
1261 knowingly, or recklessly sells or otherwise transfers medical
1262 cannabis to a person or other entity is guilty of a felony
1263 punishable by a fine of not more than Three Thousand Dollars
1264 (\$3,000.00), or by commitment to the custody of the Department of
1265 Corrections for not more than two (2) years, or both. A person
1266 convicted under this subsection is disqualified from further
1267 participation in the medical cannabis program under this chapter.

1268 (5) A person who purposely, knowingly, or recklessly makes a
1269 false statement to a law enforcement official about any fact or
1270 circumstance relating to the medical use of cannabis to avoid
1271 arrest or prosecution is guilty of a misdemeanor punishable by a
1272 fine of not more than One Thousand Dollars (\$1,000.00), by
1273 imprisonment in the county jail for not more than ninety (90)
1274 days, or both. If a person convicted of violating this subsection
1275 is a cardholder, the person is disqualified from further
1276 participation in the medical cannabis program under this chapter.

1277 (6) A person who purposely submits false records or
1278 documentation for an application for a license for a medical
1279 cannabis establishment under this chapter is guilty of a felony



1280 punishable by a fine of not more than Five Thousand Dollars
1281 (\$5,000.00), or by commitment to the custody of the Department of
1282 Corrections for not more than two (2) years, or both. A person
1283 convicted under this subsection may not continue to be affiliated
1284 with the medical cannabis establishment and is disqualified from
1285 further participation in the medical cannabis program under this
1286 chapter.

1287 (7) A practitioner who purposely refers patients to a
1288 specific medical cannabis establishment or to a registered
1289 designated caregiver, who advertises in a medical cannabis
1290 establishment, or who issues written certifications while holding
1291 a financial interest in a medical cannabis establishment, is
1292 guilty of a civil offense for every false certification and shall
1293 be fined up to Five Thousand Dollars (\$5,000.00) by the MDOH.

1294 (8) Any person, including an employee or official of an
1295 agency or local government, who purposely, knowingly, or
1296 recklessly breaches the confidentiality of information obtained
1297 under this chapter is guilty of a misdemeanor punishable by a fine
1298 of not more than One Thousand Dollars (\$1,000.00), or by
1299 imprisonment for not more than one hundred eighty (180) days in
1300 the county jail, or both.

1301 (9) No person, other than a cannabis processing facility or
1302 its agents, complying with this chapter and the rules and
1303 regulations promulgated under it, may extract compounds from
1304 cannabis that involves a chemical extraction process using a



1305 nonhydrocarbon-based or other solvent, such as water, vegetable
1306 glycerin, vegetable oils, animal fats, steam distillation,
1307 food-grade ethanol, or hydrocarbon-based solvent carbon dioxide.
1308 No person may extract compounds from cannabis using ethanol in the
1309 presence or vicinity of an open flame. It shall be a felony
1310 punishable by commitment to the custody of the Mississippi
1311 Department of Corrections for up to three (3) years and a Ten
1312 Thousand Dollar (\$10,000.00) fine for any person to purposely,
1313 knowingly, or recklessly violate this subsection.

1314 (10) A medical cannabis establishment is guilty of a civil
1315 offense for any purposeful, knowing or reckless violation of this
1316 chapter or the rules and regulations issued under this chapter
1317 where no penalty has been specified, and shall be fined not more
1318 than Five Thousand Dollars (\$5,000.00) for each such violation by
1319 its licensing agency.

1320 (11) The penalties provided for under this section are in
1321 addition to any other criminal, civil or administrative penalties
1322 provided for under law, rule or regulation.

1323 (12) In addition to peace officers within their
1324 jurisdiction, all law enforcement officers of MDOH and MDOR may
1325 enforce the provisions made unlawful by this chapter.

1326 (13) It is unlawful for any person or entity to sell or
1327 transfer intoxicating hemp products to individuals in the State of
1328 Mississippi except as authorized by this chapter. This shall not



1329 prohibit interstate commerce as allowed under federal law and the
1330 Mississippi Intoxicating Hemp Regulation Act.

1331 (14) A person or business entity that purposely, knowingly,
1332 or recklessly sells or otherwise transfers intoxicating hemp
1333 products to a person in the State of Mississippi without a license
1334 under this chapter is guilty of a felony punishable by a fine of
1335 not more than Ten Thousand Dollars (\$10,000.00), or by commitment
1336 to the custody of the Department of Corrections for not more than
1337 two (2) years, or both. A person convicted under this subsection
1338 is disqualified from further participation in the medical cannabis
1339 program under this chapter and the hemp program under the
1340 Mississippi Intoxicating Hemp Regulation Act.

1341 **SECTION 23.** Sections 6 through 11 of this act shall be
1342 codified in Article 4 of Chapter 25, Title 69, Mississippi Code of
1343 1972.

1344 **SECTION 24.** This act shall take effect and be in force from
1345 and after July 1, 2024.

