

1 AN ACT relating to hemp products and declaring an emergency.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO  
4 READ AS FOLLOWS:

5 *As used in this chapter, unless the context requires otherwise:*

6 *(1) "Cannabinoid" means a compound found in the hemp plant Cannabis sativa L.*  
7 *from a United States Department of Agriculture sanctioned domestic hemp*  
8 *production program or a Kentucky sanctioned hemp-derived cannabinoid*  
9 *product program;*

10 *(2) "Cannabis":*

11 *(a) Means marijuana as defined in Section 7 of this Act when cultivated,*  
12 *harvested, processed, produced, transported, dispensed, distributed, sold,*  
13 *possessed, or used in accordance with this chapter;*

14 *(b) Includes cannabis products; and*

15 *(c) Does not include:*

16 *1. Industrial hemp or industrial hemp products;*

17 *2. Hemp or hemp-derived cannabinoids; and*

18 *3. Medicinal cannabis as defined in Section 8 of this Act;*

19 *(3) "Cannabis-infused beverage":*

20 *(a) Means a properly permitted adult-use cannabinoid liquid product intended*  
21 *for human consumption that has intoxicating properties that change the*  
22 *function of the nervous system and results in alterations of perception,*  
23 *cognition, or behavior;*

24 *(b) Shall not contain more than five (5) milligrams of adult-use cannabinoids*  
25 *per twelve (12) ounce serving, within a twenty percent (20%) variance or a*  
26 *variance established by the department, whichever is lower; and*

27 *(c) Shall not include:*

- 1           1. Medicinal cannabis defined in Section 8 of this Act
- 2           2. Any type of hemp tincture; and
- 3           3. Any product containing solely nonintoxicating cannabinoids;
- 4   (4) "Department" means the Department for Public Health;
- 5   (5) "Final hemp-derived cannabinoid product":
- 6           (a) Means any final product derived from hemp that:
- 7               1. Contains cannabinoids in any form;
- 8               2. Is intended for human or animal use through any means of
- 9                   application or administration, such as inhalation, ingestion, or topical
- 10                   application; and
- 11           (b) Shall not include:
- 12               1. Hemp cigarettes;
- 13               2. Hemp cigars;
- 14               3. Chew, dip, or other smokeless material consisting of hemp leaf
- 15                   material or hemp floral material; and
- 16               4. Hemp leaf material or floral material teas;
- 17   (6) "Hemp":
- 18           (a) Means the plant Cannabis sativa L. and any part of that plant, including the
- 19                   seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids,
- 20                   salts, and salts of isomers, whether growing or not, with a total
- 21                   tetrahydrocannabinols concentration, including tetrahydrocannabinolic
- 22                   acid, concentration of not more than three-tenths of one percent (0.3%) on
- 23                   a dry weight basis; and
- 24           (b) Does not include medicinal cannabis as defined in Section 8 of this Act;
- 25   (7) "Hemp-derived cannabinoid product" means any intermediate hemp-derived
- 26           cannabinoid product or final hemp-derived cannabinoid product;
- 27   (8) "Hemp products" or "industrial hemp products":

1 (a) Means products derived from, or made by, processing hemp plants or plant  
2 parts; and

3 (b) Does not include medicinal cannabis products as defined in Section 8 of  
4 this Act;

5 (9) "Industrial hemp" means hemp:

6 (a) Grown for the use of the stalk of the plant, fiber produced from such a stalk,  
7 or any other non-cannabinoid derivative, mixture, preparation, or  
8 manufacture of such a stalk;

9 (b) Grown for the use of the whole grain, oil, cake, nut, hull, or any other non-  
10 cannabinoid compound, derivative, mixture, preparation, or manufacture of  
11 the seeds of such plant;

12 (c) Grown for purposes of producing microgreens or other edible hemp leaf  
13 products intended for human consumption that are derived from an  
14 immature hemp plant that is grown from seeds that do not exceed a total  
15 tetrahydrocannabinols concentration, including tetrahydrocannabinolic  
16 acid, of three-tenths of one percent (0.3%) in the plant on a dry weight  
17 basis;

18 (d) That does not enter the stream of commerce and is intended to support  
19 hemp research at an institution of higher education or an independent  
20 research institute; or

21 (e) Grown for the use of a viable seed of the plant produced solely for the  
22 production or manufacture of any material described in paragraphs (a)  
23 through (d) of this subsection;

24 (10) "Intermediate hemp-derived product" means a hemp-derived cannabinoid  
25 product that is:

26 (a) Not yet in the final form or preparation marketed or intended to be used or  
27 consumed by a human or animal; or

1        (b) A powder, liquid, tablet, oil, or other product form which is intended or  
2            marketed to be mixed, dissolved, formulated, or otherwise added to or  
3            prepared with or into any other substance prior to administration or  
4            consumption;

5        (11) "Kentucky sanctioned hemp-derived cannabinoid product program" means a  
6            state regulatory framework under the Department for Public Health or the  
7            Department of Alcoholic Beverage Control that oversees the legal processing,  
8            manufacturing, testing, distribution, and retail sales of hemp-derived  
9            cannabinoid products;

10       (12) "License" means any license issued under this chapter;

11       (13) "Licensee" means any holder of a license issued by the department under this  
12            chapter;

13       (14) "Marketing" means promoting or selling a product within the Commonwealth, in  
14            another state, or outside of the United States. Marketing includes efforts to  
15            advertise and gather information about the needs or preferences of potential  
16            consumers or suppliers, but shall not include these actions if they are part of  
17            legitimate scholarly research or studies;

18       (15) "Premises" means the land, buildings, and vehicles in which any business  
19            regulated by this chapter is operated or performed;

20       (16) "Processing" means converting an agricultural commodity into a marketable  
21            form;

22       (17) "THC" means total tetrahydrocannabinol, Delta-8 tetrahydrocannabinol, Delta-  
23            10 tetrahydrocannabinol, and the optical isomer of these substances; and any  
24            other cannabinoids that have similar effects, or are marketed to have similar  
25            effects, on humans or animals as a tetrahydrocannabinol, as determined by the  
26            department;

27       (18) "Total Tetrahydrocannabinol" means the sum of delta-9 tetrahydrocannabinol

1 (delta-9 THC) and 87.7% of the delta-9 tetrahydrocannabinolic acid (THCA)  
2 concentration; and

3 (19) "University" means an accredited institution of higher education located in the  
4 Commonwealth.

5 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO  
6 READ AS FOLLOWS:

7 (1) As used in this section:

8 (a) "Certified reference materials" means highly accurate, stable, and  
9 homogenous substances with documented traceability to SI units, used to  
10 evaluate methods and to ensure measurement quality;

11 (b) "Department" means the Department for Public Health;

12 (c) "Fit-for-purpose" means a validated test procedure that is suitable,  
13 functional, and effective for its intended use and meets required standards;

14 (d) "Proficiency test" means a test established to evaluate the ability of a  
15 laboratory to perform test procedures required under this section by  
16 comparing each laboratory's results against a set of standards;

17 (e) "Proficiency test sample" means an unknown substance sent by an  
18 approved, external provider to a laboratory for analysis to evaluate  
19 accuracy, precision, and performance. Proficiency test samples are  
20 submitted blindly for testing using the same methods as are used for  
21 regular, routine samples to assess the ability of the laboratory to produce  
22 valid results; and

23 (f) "Third-party laboratory" means an independent, impartial testing entity not  
24 affiliated with a manufacturer, wholesaler, retailer, or any other seller or  
25 buyer of a hemp-derived cannabinoid product.

26 (2) The department shall work to improve testing procedures, proficiency testing, and  
27 approvals of third-party laboratories who seek to test registered hemp-derived

1 cannabinoid products for sale in Kentucky.

2 (3) Third-party laboratories certified to test registered hemp-derived cannabinoid  
3 products shall meet the following requirements:

4 (a) Accreditation under ISO/IEC 17025:2017 standard by an ISO-certified  
5 accreditation body, including accreditation for each method used for testing  
6 hemp-derived cannabinoid products;

7 (b) Comprehensive quality systems and validated methods for testing hemp-  
8 derived cannabinoids using both Gas Chromatography-Mass Spectrometry  
9 (GC-MS/ or GC-MS/MS) and High-Performance Liquid Chromatography  
10 (HPLC-PDA or LC-MS/MS) systems;

11 (c) Establishing standard operating procedures and methodologies for testing  
12 products containing hemp-derived cannabinoids that are fit-for-purpose;

13 (d) Utilizing fit-for-purpose testing for plant material, oils, edibles, beverages,  
14 and vaporizable products;

15 (e) Participating in an accredited proficiency testing program under ISO/IEC  
16 17043; and

17 (f) Meeting other standards necessary to fulfill the requirements of this section.

18 (4) (a) The department shall establish a proficiency test for demonstrating  
19 proficiency in testing hemp-derived cannabinoids for the purpose of  
20 evaluating and approving third-party laboratories that seek to conduct  
21 compliance testing of hemp-derived cannabinoid products registered in the  
22 Commonwealth.

23 (b) The department shall establish the proficiency test. The department shall  
24 utilize certified reference materials to create a reference product for  
25 compliance testing. The reference product shall include the following  
26 cannabinoids:

27 1. Cannabidiol (CBD) (CAS # 13956-29-1);

- 1            2.    *Cannabinol (CBN) (CAS # 521-35-7);*
- 2            3.    *Delta-9-tetrahydrocannabinolic acid (THCA) (CAS # 23978-85-0);*
- 3            4.    *Delta-9-tetrahydrocannabinol (delta-9-THC) (CAS # 1972-08-3);*
- 4            5.    *Delta-8-tetrahydrocannabinol (delta-8-THC) (CAS # 5757-75-5);*
- 5            6.    *Hexahydrocannabinol (HHC) (CAS # 36403-90-4 for 9(R)-HHC and*
- 6                    *36403-91-5 for 9(S)-HHC);*
- 7            7.    *Delta-8-iso-tetrahydrocannabinol (delta-8-iso-THC) (CAS # 23050-47-*
- 8                    *7);*
- 9            8.    *Delta-4,8-iso-tetrahydrocannabinol (delta 4(8)-iso-THC) (CAS #*
- 10                    *23050-59-1);*
- 11            9.    *9(R) Hexahydrocannabinol (9(R)-HHC) (CAS # 23050-47-7); and*
- 12            10. *9(S) Hexahydrocannabinol (9(S)-HHC) (CAS # 36403-91-5).*

13            (c) *The proficiency test samples shall be of known concentration, preparation*  
 14                    *documented, and maintained by the department for purposes of proficiency*  
 15                    *testing and periodic validation.*

16            (5) *Upon establishing the proficiency test, the department shall establish an approval*  
 17                    *process for third-party laboratories seeking to conduct testing of hemp-derived*  
 18                    *cannabinoid products intended for registration in the Commonwealth in*  
 19                    *accordance with the following:*

20            (a) *The department shall provide proficiency test materials to any third-party*  
 21                    *laboratory that seeks approval to conduct cannabinoid testing for hemp-*  
 22                    *derived cannabinoid products intended for registration in Kentucky;*

23            (b) *Participating third-party laboratories shall test each proficiency sample*  
 24                    *using the validated methods and analytical procedures that are within their*  
 25                    *scope of accreditation as specified on their accreditation certificate and*  
 26                    *submit their results to the department within a timeframe established by the*  
 27                    *department;*

- 1        (c) The department shall compare the proficiency test results submitted by  
2        third-party laboratories to target values and to the results derived from the  
3        same reference materials by other certified laboratories. The results from  
4        each applicant laboratory for each analyte shall be assigned a z-score;
- 5        (d) 1. A third-party laboratory shall be approved for inclusion on the  
6        Commonwealth's list of approved laboratories if its results fall within  
7        an acceptable range established by the department through the  
8        promulgation of administrative regulations.
- 9        2. To be eligible for approval under this section, a third-party laboratory  
10       shall maintain accreditation under ISO/IEC 17025:2017 or its  
11       successor standard and shall provide proof of such accreditation to the  
12       department.
- 13       3. The department may establish additional requirements for third-party  
14       laboratories seeking approval within the Commonwealth through an  
15       administrative regulation promulgated in accordance with KRS  
16       Chapter 13A; and
- 17       (e) The department shall create and maintain a publicly available list of  
18       approved laboratories that meet requirements established under this section.
- 19       (6) Upon establishment of the approved laboratory list:
- 20       (a) Any person or entity registering hemp-derived cannabinoid-containing  
21       products in Kentucky shall utilize a laboratory included on the department's  
22       approved laboratory list; and
- 23       (b) All previously registered products containing cannabinoids shall be re-  
24       registered with the department to continue selling in the Commonwealth.  
25       Any registration fees associated with this re-registration requirement shall  
26       be waived.
- 27       (7) The department shall promulgate administrative regulations in accordance with

1 KRS Chapter 13A to implement and enforce this section, including but not  
2 limited to:

3 (a) Defining acceptable variance ranges for proficiency testing;

4 (b) Establishing timelines for laboratory participation and review;

5 (c) Establishing procedures for adding or removing laboratories from the  
6 approved list;

7 (d) Specifying recordkeeping and reporting requirements; and

8 (e) Determining a timeframe for allowing registered businesses to re-register  
9 products using the approved laboratories for retesting certified products to  
10 assure conformance to hemp-derived cannabinoid standards.

11 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO  
12 READ AS FOLLOWS:

13 (1) Notwithstanding any provision of law to the contrary, and except as provided in  
14 subsection (2) of this section:

15 (a) The use of hemp-derived cannabinoid products shall be considered lawful if  
16 done in accordance with:

17 1. This chapter and any administrative regulations promulgated  
18 thereunder; and

19 2. Any administrative regulations promulgated by the Cabinet for Health  
20 and Family Services, Alcoholic Beverage Control, or the Kentucky  
21 Department of Agriculture;

22 (b) The acquisition, blending, cultivation, delivery, distribution, manufacturing,  
23 manipulation, packaging for sale, preparation, possession, sale, testing,  
24 transportation, or transfer of hemp-derived cannabinoid products or hemp-  
25 derived cannabinoid product accessories by a licensed business or licensed  
26 business agent shall be considered lawful if done in accordance with this  
27 chapter and any administrative regulations promulgated thereunder;

1 (c) An attorney shall not be subject, under the laws of the Commonwealth, to  
 2 arrest, prosecution, or penalty in any manner, or denied any right or  
 3 privilege, including but not limited to a civil penalty or disciplinary action  
 4 by the Kentucky Court of Justice, Kentucky Bar Association, or by any  
 5 other professional licensing board, solely for providing an individual or  
 6 hemp-derived cannabinoid business with legal assistance related to activity  
 7 that is no longer subject to criminal penalties under state law pursuant to  
 8 this chapter; and

9 (d) A person shall not be subject, under the laws of the Commonwealth, to  
 10 arrest, prosecution, or penalty in any manner, or denied any right or  
 11 privilege, including but not limited to a civil penalty or disciplinary action  
 12 by an occupational or professional licensing board, solely for providing  
 13 assistance or services, including but not limited to accounting services,  
 14 financial services, security services, or business consulting services, to any  
 15 individual or hemp-derived cannabinoid business related to activity that is  
 16 no longer subject to criminal penalties under state law pursuant to this  
 17 chapter.

18 (2) Subsection (1) of this section shall not be construed or interpreted to prohibit the  
 19 arrest, prosecution, or imposition of any other penalty arising from but not  
 20 limited to breach of contract, breach of fiduciary duty, negligence, or engaging in  
 21 criminal activity that would constitute a felony or misdemeanor.

22 ➔Section 4. KRS 260.8635 is repealed, reenacted as a new section of KRS  
 23 Chapter 217, and amended to read as follows:

24 (1) As used in this section, "location" means a single contiguous parcel of land and any  
 25 buildings situated thereon.

26 (2) ~~A~~~~Not~~ person shall not move or transport, or aid or abet another person in moving  
 27 or transporting, any intermediate hemp-derived cannabinoid product~~hemp extract~~

1 ~~material~~ having a ~~delta-9~~ tetrahydrocannabinol concentration in excess of three-  
 2 tenths of one percent (0.3%):

3 (a) From any location outside the Commonwealth to any location within the  
 4 Commonwealth;

5 (b) From any location inside the Commonwealth to any location outside the  
 6 Commonwealth;~~or~~

7 (c) Except as provided in subsection (3) of this section, from any location inside  
 8 the Commonwealth to any other location inside the Commonwealth; or

9 (d) Except as provided in subsection (4) of this section.

10 (3) A ~~licensed~~ processor or manufacturer licensed by the Department for Public  
 11 Health, or a person acting as a representative of a licensed processor or  
 12 manufacturer, may move or transport intermediate hemp-derived cannabinoid  
 13 product~~hemp extract material~~ having a ~~delta-9~~ tetrahydrocannabinol  
 14 concentration in excess of three-tenths of one percent (0.3%) from one (1) licensed  
 15 processing location in the Commonwealth to another licensed~~processing~~ location  
 16 in the Commonwealth, provided that:

17 (a) The intermediate hemp-derived cannabinoid products~~hemp extract material~~  
 18 shall move directly from one (1) licensed~~processing~~ location to another; and

19 (b) The licensee~~licensed processor~~ shall provide written notice to the  
 20 department of the planned movement at least twenty-four (24) hours in  
 21 advance to include the following information:

- 22 1. The date of the movement;
- 23 2. The address of the origin;
- 24 3. The address of the destination; and
- 25 4. Other information required by the department.

26 (4) A licensed processor or manufacturer, or a person acting as a representative of a  
 27 licensed processor or manufacturer, may move or transport intermediate hemp-

1 derived cannabinoid products having a tetrahydrocannabinol concentration in  
2 excess of three-tenths of one percent (0.3%) from one (1) licensed location to  
3 another licensed location if:

4 (a) The intermediate hemp-derived cannabinoid products move directly from  
5 one (1) licensed location to another;

6 (b) The licensee provides written notice to the department of the planned  
7 movement at least twenty-four (24) hours in advance to include the  
8 following information:

9 1. The date of the movement;

10 2. The address of the origin;

11 3. The address of the destination; and

12 4. Other information required by the department; and

13 (c) The intermediate hemp-derived cannabinoid products are transported from  
14 the Commonwealth to a license holder in another state where that state  
15 allows the transport of the intermediate hemp-derived cannabinoid products  
16 from another state and the transportation is not transported through a state  
17 that does not permit such transport.

18 ➔Section 5. KRS 138.870 is amended to read as follows:

19 As used in KRS 138.870 to 138.889, unless the context requires otherwise:

20 (1) "Controlled substance" means any controlled substance, whether real or counterfeit,  
21 as defined in KRS 218A.010 or any regulation promulgated thereunder, except that  
22 it shall not include marijuana, hemp-derived cannabinoid products as defined in  
23 Section 1 of this Act, or medicinal cannabis;

24 (2) "Dosage unit" means a tablet, capsule, vial, or ampule of a controlled substance or,  
25 in cases of mass volume or diluted quantities, the proper dose or quantity of a  
26 controlled substance to be taken all at one (1) time or in fractional amounts within a  
27 given period, as defined and adopted by the United States Pharmacopeia;

- 1 (3) "Marijuana":
- 2 (a) Means marijuana, whether real or counterfeit, as defined in KRS 218A.010;f
- 3 and;
- 4 (b) Does not include medicinal cannabis as defined in KRS 218B.010; and
- 5 (c) Does not include hemp-derived cannabinoid products as defined in Section
- 6 1 of this Act;
- 7 (4) "Offender" means a person who engages in this state in a taxable activity as defined
- 8 in subsection (6) of this section;
- 9 (5) "Possessing" includes either actual possession or constructive possession, or a
- 10 combination of both actual and constructive possession. Mere possession or
- 11 ownership of real estate or an interest therein does not establish constructive
- 12 possession; and
- 13 (6) "Taxable activity" means producing, cultivating, manufacturing, importing,
- 14 transporting, distributing, acquiring, purchasing, storing, selling, using, or otherwise
- 15 possessing, in violation of KRS Chapter 218A, more than five (5) marijuana plants
- 16 with foliage, 42.5 grams of marijuana which has been detached from the plant on
- 17 which it grew, seven (7) grams of any controlled substance, or fifty (50) or more
- 18 dosage units of any controlled substance which is not sold by weight. The weight or
- 19 dosage units in this subsection shall include the weight of marijuana or the weight
- 20 or dosage units of the controlled substance, whether pure, impure, or diluted. A
- 21 quantity of a controlled substance is diluted if it consists of a detectable quantity of
- 22 a pure controlled substance and any excipients or fillers.

23 ➔Section 6. KRS 217.039 is amended to read as follows:

- 24 (1) As used in this section:
- 25 (a) ~~["Cannabidiol" means a non-psychoactive cannabinoid found in the hemp~~
- 26 ~~plant Cannabis sativa which has the chemical name 2-[(1R,6R)-3-methyl-6-~~
- 27 ~~prop-1-en-2-yl]cyclohex-2-en-1-yl]-5-pentylbenzene-1,3-diol;~~

1 (b)} "Certificate of analysis" means a document produced by a laboratory that has  
2 been accredited pursuant to standards of the International Organization for  
3 Standardization, attesting to the composition of a product. The certificate of  
4 analysis shall include but not be limited to the amount of:

- 5 1. Delta-9 tetrahydrocannabinol;
- 6 2. ~~the amount of~~ Other cannabinoids;
- 7 3. ~~the amount of~~ Pesticide residues;
- 8 4. ~~the amount of~~ Heavy metal traces;
- 9 5. ~~the amount of~~ Mycotoxin contaminants;
- 10 6. ~~the amount of~~ Residual solvents; ~~and~~
- 11 7. ~~the amount of~~ Microbiological contaminants;

12 (b)(c)} "Hemp" has the same meaning as in Section 1 of this Act ~~KRS~~  
13 ~~260.850~~; and

14 (c)(d)} "Quick response code" or "QR code" means a type of machine-readable,  
15 two (2) dimensional bar code that stores information about a product.

16 (2) A manufacturer or processor of hemp-derived cannabinoid ~~ingestible or cosmetic~~  
17 ~~cannabinoid~~ products located in Kentucky shall:

18 (a) Be permitted as a food manufacturer or a cosmetic manufacturer by the  
19 cabinet and shall provide the following information:

- 20 1. The name of the manufacturer or processor and the physical address  
21 where production or processing occurs; and
- 22 2. A listing of the hemp-derived cannabinoid ~~cannabinoid~~ products to be  
23 produced or processed; and

24 (b) Obtain a certificate of analysis for all hemp-derived  
25 cannabinoid ~~cannabinoid~~ products to be sold or otherwise distributed in the  
26 Commonwealth.

27 (3) All ingestible or cosmetic hemp-derived cannabinoid ~~cannabinoid~~ products sold or

1 otherwise distributed in the Commonwealth shall bear labeling to allow the  
2 consumer to access information on the product, including a certificate of analysis  
3 for the product~~[, the location where the hemp was grown,]~~ and the address and  
4 phone number of the manufacturer or distributor using the following:

- 5 (a) A scannable bar code, including the batch number or serial number of the  
6 product;
- 7 (b) A QR code; or
- 8 (c) A web address linked to a document or website.

9 (4) Any product labeling or advertising material for any ingestible or cosmetic **hemp-**  
10 **derived cannabinoid**~~[cannabinoid]~~ product sold or otherwise distributed in the  
11 Commonwealth shall not bear any claims stating that the product can diagnose,  
12 treat, cure, or prevent any disease.

13 (5) The cabinet shall promulgate administrative regulations in accordance with KRS  
14 Chapter 13A to establish labeling requirements for ingestible or cosmetic **hemp-**  
15 **derived cannabinoid**~~[cannabinoid]~~ products in accordance with of this section.

16 (6) **The following hemp-derived cannabinoids are prohibited from commerce without**  
17 **prior authorization from the department:**

18 **(a) Hexahydrocannabinols (HHC);**

19 **(b) Hexahydrocannabiphorol (HHC-P);**

20 **(c) Tetrahydrocannabinol acetates and other esters;**

21 **(d) Exo-Tetrahydrocannabinol (Exo-THC);**

22 **(e) Tetrahydrocannabiphorols (THCP);**

23 **(f) Tetrahydrocannabioclyls (THC-c8);**

24 **(g) 11-hydroxy-Tetrahydrocannabinol (11-OH-THC); and**

25 **(h) Other cannabinoids determined by the department to be subject to pre-**  
26 **authorization.**

27 **(7) On and after the effective date of this Act:**

1 (a) The cabinet shall regulate and license manufacturers of cannabis-infused  
2 beverages.

3 (b) After the Department of Alcoholic Beverage Control has promulgated  
4 administrative regulations under KRS 243.401 or July 1, 2026, whichever is  
5 earlier, this section shall not apply to any distributor or retailer of cannabis-  
6 infused beverages licensed under KRS Chapters 241 to 244. The distribution  
7 and retail sale of cannabis-infused beverages shall then be regulated solely by  
8 the Department of Alcoholic Beverage Control under KRS Chapter 243 and  
9 the administrative regulations promulgated thereto, except that:

10 1. On its licensed premises, a manufacturer licensed by the cabinet shall  
11 be authorized to sell cannabis-infused beverages by the package  
12 without an additional cannabis-infused beverage package license  
13 issued by the Department of Alcohol Beverage Control, so long as the  
14 beverages are sold under a brand name owned or exclusively licensed  
15 to the manufacturer, if the beverages were:

- 16 a. Produced by the manufacturer;
- 17 b. Produced for the manufacturer under a written contract with  
18 another manufacturer; or
- 19 c. Bottled or canned for or by the manufacturer; and

20 2. A retailer licensed by the cabinet may sell cannabis-infused beverages  
21 by the package, on its licensed premises, without an additional  
22 cannabis-infused beverage package license issued by the Department  
23 of Alcohol Beverage Control, except that:

- 24 a. To sell cannabis-infused beverages, the licensee shall derive  
25 fifty-one percent (51%) of its revenue from the sale of hemp-  
26 derived cannabinoid products, as reported to and approved by  
27 the cabinet, and

- 1                   **b. The retailer shall purchase the cannabis-infused beverages from**  
2                   **a licensed cannabis-infused beverage distributor or from a**  
3                   **cannabis-infused beverage manufacturer authorized to self-**  
4                   **distribute under KRS 243.401.**
- 5                   **(8) A person shall not process or manufacture hemp-derived cannabinoid products**  
6                   **in the Commonwealth unless the person holds a license issued by the Department**  
7                   **for Public Health.**
- 8                   **(9) Any person seeking to process, manufacture, or retail hemp shall provide to the**  
9                   **department prior written consent allowing representatives of the department or**  
10                   **the Department of Kentucky State Police, and other state and local law**  
11                   **enforcement agencies to enter onto all premises where hemp is processed,**  
12                   **manufactured, or stored for the purpose of conducting physical inspections or**  
13                   **ensuring compliance with the requirements of KRS 260.850 to 260.869 and**  
14                   **administrative regulations promulgated by the department.**
- 15                   **(10) It is unlawful for a person who does not hold a processor or manufacturer license**  
16                   **issued by the Department for Public Health, or who is not an agent of a licensee,**  
17                   **to possess intermediate hemp-derived cannabinoid product having a total**  
18                   **tetrahydrocannabinol concentration in excess of three-tenths of one percent**  
19                   **(0.3%). Penalties for persons who possess such intermediate hemp-derived**  
20                   **cannabinoid products without a license are the same as those penalties that are**  
21                   **applicable to persons who violate KRS Chapter 218A, relating to marijuana.**
- 22                   **(11) Notwithstanding any law to the contrary, the holder of a cannabis-infused**  
23                   **beverage retail package license, a cannabis-infused beverage distributor's license,**  
24                   **or a cannabis-infused beverage manufacturer license as approved by the**  
25                   **Department for Public Health may sell and serve complimentary samples of**  
26                   **cannabis- infused beverages at fairs, festivals, and other similar types of events in**  
27                   **wet territory, under the following circumstances:**

- 1        *(a) Sales by the drink;*  
2        *(b) Sales by the package shall not exceed nine (9) liters per person, per day;*  
3        *(c) Complimentary samples served by the drink shall not exceed one and three-*  
4        *fourths (1.75) ounces per person, per day; and*  
5        *(d) The cannabis-infused beverages shall have been lawfully produced or*  
6        *purchased by the license holder.*

7        ➔Section 7. KRS 218A.010 is amended to read as follows:

8        As used in this chapter, unless the context otherwise requires:

- 9        (1) "Administer" means the direct application of a controlled substance, whether by  
10        injection, inhalation, ingestion, or any other means, to the body of a patient or  
11        research subject by:  
12        (a) A practitioner or by his or her authorized agent under his or her immediate  
13        supervision and pursuant to his or her order; or  
14        (b) The patient or research subject at the direction and in the presence of the  
15        practitioner;  
16        (2) "Anabolic steroid" means any drug or hormonal substance chemically and  
17        pharmacologically related to testosterone that promotes muscle growth and includes  
18        those substances classified as Schedule III controlled substances pursuant to KRS  
19        218A.020 but does not include estrogens, progestins, and anticosteroids;  
20        (3) "Cabinet" means the Cabinet for Health and Family Services;  
21        (4) "Carfentanil" means any substance containing any quantity of carfentanil, or any of  
22        its salts, isomers, or salts of isomers;  
23        (5) "Certified community based palliative care program" means a palliative care  
24        program which has received certification from the Joint Commission;  
25        (6) "Child" means any person under the age of majority as specified in KRS 2.015;  
26        (7) "Cocaine" means a substance containing any quantity of cocaine, its salts, optical  
27        and geometric isomers, and salts of isomers;

- 1 (8) "Controlled substance" means methamphetamine, or a drug, substance, or  
2 immediate precursor in Schedules I through V and includes a controlled substance  
3 analogue;
- 4 (9) (a) "Controlled substance analogue," except as provided in paragraph (b) of this  
5 subsection, means a substance:
- 6 1. The chemical structure of which is substantially similar to the structure  
7 of a controlled substance in Schedule I or II; and
  - 8 2. Which has a stimulant, depressant, or hallucinogenic effect on the  
9 central nervous system that is substantially similar to or greater than the  
10 stimulant, depressant, or hallucinogenic effect on the central nervous  
11 system of a controlled substance in Schedule I or II; or
  - 12 3. With respect to a particular person, which such person represents or  
13 intends to have a stimulant, depressant, or hallucinogenic effect on the  
14 central nervous system that is substantially similar to or greater than the  
15 stimulant, depressant, or hallucinogenic effect on the central nervous  
16 system of a controlled substance in Schedule I or II.
- 17 (b) Such term does not include:
- 18 1. Any substance for which there is an approved new drug application;
  - 19 2. With respect to a particular person, any substance if an exemption is in  
20 effect for investigational use for that person pursuant to federal law to  
21 the extent conduct with respect to such substance is pursuant to such  
22 exemption; or
  - 23 3. Any substance to the extent not intended for human consumption before  
24 the exemption described in subparagraph 2. of this paragraph takes  
25 effect with respect to that substance;
- 26 (10) "Counterfeit substance" means a controlled substance which, or the container or  
27 labeling of which, without authorization, bears the trademark, trade name, or other

1 identifying mark, imprint, number, or device, or any likeness thereof, of a  
2 manufacturer, distributor, or dispenser other than the person who in fact  
3 manufactured, distributed, or dispensed the substance;

4 (11) "Dispense" means to deliver a controlled substance to an ultimate user or research  
5 subject by or pursuant to the lawful order of a practitioner, including the packaging,  
6 labeling, or compounding necessary to prepare the substance for that delivery;

7 (12) "Dispenser" means a person who lawfully dispenses a Schedule II, III, IV, or V  
8 controlled substance to or for the use of an ultimate user;

9 (13) "Distribute" means to deliver other than by administering or dispensing a controlled  
10 substance;

11 (14) "Dosage unit" means a single pill, capsule, ampule, liquid, or other form of  
12 administration available as a single unit;

13 (15) "Drug" means:

14 (a) Substances recognized as drugs in the official United States Pharmacopoeia,  
15 official Homeopathic Pharmacopoeia of the United States, or official National  
16 Formulary, or any supplement to any of them;

17 (b) Substances intended for use in the diagnosis, care, mitigation, treatment, or  
18 prevention of disease in man or animals;

19 (c) Substances (other than food) intended to affect the structure or any function of  
20 the body of man or animals; and

21 (d) Substances intended for use as a component of any article specified in this  
22 subsection.

23 It does not include devices or their components, parts, or accessories;

24 (16) "Fentanyl" means a substance containing any quantity of fentanyl, or any of its  
25 salts, isomers, or salts of isomers;

26 (17) "Fentanyl derivative" means a substance containing any quantity of any chemical  
27 compound, except compounds specifically scheduled as controlled substances by

1 statute or by administrative regulation pursuant to this chapter, which is structurally  
2 derived from 1-ethyl-4-(N-phenylamido) piperadine:

3 (a) By substitution:

- 4 1. At the 2-position of the 1-ethyl group with a phenyl, furan, thiophene, or  
5 ethyloxotetrazole ring system; and
- 6 2. Of the terminal amido hydrogen atom with an alkyl, alkoxy, cycloalkyl,  
7 or furanyl group; and

8 (b) Which may be further modified in one (1) or more of the following ways:

- 9 1. By substitution on the N-phenyl ring to any extent with alkyl, alkoxy,  
10 haloalkyl, hydroxyl, or halide substituents;
- 11 2. By substitution on the piperadine ring to any extent with alkyl, allyl,  
12 alkoxy, hydroxy, or halide substituents at the 2-, 3-, 5-, and/or 6-  
13 positions;
- 14 3. By substitution on the piperadine ring to any extent with a phenyl,  
15 alkoxy, or carboxylate ester substituent at the 4- position; or
- 16 4. By substitution on the 1-ethyl group to any extent with alkyl, alkoxy, or  
17 hydroxy substituents;

18 (18) "Good-faith prior examination," as used in KRS Chapter 218A and for criminal  
19 prosecution only, means an in-person medical examination of the patient conducted  
20 by the prescribing practitioner or other health-care professional routinely relied  
21 upon in the ordinary course of his or her practice, at which time the patient is  
22 physically examined and a medical history of the patient is obtained. "In-person"  
23 includes telehealth examinations. This subsection shall not be applicable to hospice  
24 providers licensed pursuant to KRS Chapter 216B;

25 (19) "Hazardous chemical substance" includes any chemical substance used or intended  
26 for use in the illegal manufacture of a controlled substance as defined in this section  
27 or the illegal manufacture of methamphetamine as defined in KRS 218A.1431,

1 which:

2 (a) Poses an explosion hazard;

3 (b) Poses a fire hazard; or

4 (c) Is poisonous or injurious if handled, swallowed, or inhaled;

5 (20) "Heroin" means a substance containing any quantity of heroin, or any of its salts,  
6 isomers, or salts of isomers;

7 (21) "Hydrocodone combination product" means a drug with:

8 (a) Not more than three hundred (300) milligrams of dihydrocodeinone, or any of  
9 its salts, per one hundred (100) milliliters or not more than fifteen (15)  
10 milligrams per dosage unit, with a fourfold or greater quantity of an  
11 isoquinoline alkaloid of opium; or

12 (b) Not more than three hundred (300) milligrams of dihydrocodeinone, or any of  
13 its salts, per one hundred (100) milliliters or not more than fifteen (15)  
14 milligrams per dosage unit, with one (1) or more active, nonnarcotic  
15 ingredients in recognized therapeutic amounts;

16 (22) "Immediate precursor" means a substance which is the principal compound  
17 commonly used or produced primarily for use, and which is an immediate chemical  
18 intermediary used or likely to be used in the manufacture of a controlled substance  
19 or methamphetamine, the control of which is necessary to prevent, curtail, or limit  
20 manufacture;

21 (23) "Industrial hemp" has the same meaning as in Section 1 of this Act~~[KRS 260.850]~~;

22 (24) "Industrial hemp products" has the same meaning as in Section 1 of this Act~~[KRS~~  
23 ~~260.850]~~;

24 (25) "Intent to manufacture" means any evidence which demonstrates a person's  
25 conscious objective to manufacture a controlled substance or methamphetamine.  
26 Such evidence includes but is not limited to statements and a chemical substance's  
27 usage, quantity, manner of storage, or proximity to other chemical substances or

- 1 equipment used to manufacture a controlled substance or methamphetamine;
- 2 (26) "Isomer" means the optical isomer, except the Cabinet for Health and Family  
3 Services may include the optical, positional, or geometric isomer to classify any  
4 substance pursuant to KRS 218A.020;
- 5 (27) "Manufacture," except as provided in KRS 218A.1431, means the production,  
6 preparation, propagation, compounding, conversion, or processing of a controlled  
7 substance, either directly or indirectly by extraction from substances of natural  
8 origin or independently by means of chemical synthesis, or by a combination of  
9 extraction and chemical synthesis, and includes any packaging or repackaging of  
10 the substance or labeling or relabeling of its container except that this term does not  
11 include activities:
- 12 (a) By a practitioner as an incident to his or her administering or dispensing of a  
13 controlled substance in the course of his or her professional practice;
- 14 (b) By a practitioner, or by his or her authorized agent under his supervision, for  
15 the purpose of, or as an incident to, research, teaching, or chemical analysis  
16 and not for sale; or
- 17 (c) By a pharmacist as an incident to his or her dispensing of a controlled  
18 substance in the course of his or her professional practice;
- 19 (28) "Marijuana" means all parts of the plant Cannabis sp., whether growing or not; the  
20 seeds thereof; the resin extracted from any part of the plant; and every compound,  
21 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin  
22 or any compound, mixture, or preparation which contains any quantity of these  
23 substances. The term "marijuana" does not include:
- 24 (a) ~~Industrial~~ Hemp that is in the possession, custody, or control of a person  
25 who holds a license issued by the Department of Agriculture permitting that  
26 person to cultivate or handle ~~or process industrial~~ hemp;
- 27 (b) **Hemp or hemp-derived cannabinoid products that are in the possession,**

1           *custody, or control of a person who holds a license issued by the*  
 2           *Department for Public Health or Department of Alcohol Beverage Control*  
 3           *permitting that person to handle, process, or retail hemp;*

4           (c) ~~Industrial~~ Hemp products that do not include any living plants, viable seeds,  
 5           leaf materials, or floral materials;

6           (d)~~(e)~~    *Hemp-derived cannabinoid products*~~The substance cannabidiol~~, when  
 7           transferred, dispensed, or administered pursuant to the written order of a  
 8           physician practicing at a hospital or associated clinic affiliated with a  
 9           Kentucky public university having a college or school of medicine;

10          (e)~~(d)~~    For persons participating in a clinical trial or in an expanded access  
 11          program, a drug or substance approved for the use of those participants by the  
 12          United States Food and Drug Administration;

13          (f)~~(e)~~    A *final hemp-derived cannabinoid*~~cannabidiol~~ product~~derived from~~  
 14          ~~industrial hemp,~~ as defined in *Section 1 of this Act*~~[KRS 260.850]~~;

15          (g)~~(f)~~    For the purpose of conducting scientific research, a cannabinoid product  
 16          derived from~~industrial~~ hemp, as defined in *Section 1 of this Act*~~[KRS~~  
 17          ~~260.850]~~;

18          (h)~~(g)~~    A cannabinoid product approved as a prescription medication by the  
 19          United States Food and Drug Administration; or

20          (i)~~(h)~~    Medicinal cannabis as defined in KRS 218B.010;

21          (29) "Medical history," as used in KRS Chapter 218A and for criminal prosecution only,  
 22          means an accounting of a patient's medical background, including but not limited to  
 23          prior medical conditions, prescriptions, and family background;

24          (30) "Medical order," as used in KRS Chapter 218A and for criminal prosecution only,  
 25          means a lawful order of a specifically identified practitioner for a specifically  
 26          identified patient for the patient's health-care needs. "Medical order" may or may  
 27          not include a prescription drug order;

- 1 (31) "Medical record," as used in KRS Chapter 218A and for criminal prosecution only,  
2 means a record, other than for financial or billing purposes, relating to a patient,  
3 kept by a practitioner as a result of the practitioner-patient relationship;
- 4 (32) "Methamphetamine" means any substance that contains any quantity of  
5 methamphetamine, or any of its salts, isomers, or salts of isomers;
- 6 (33) "Narcotic drug" means any of the following, whether produced directly or indirectly  
7 by extraction from substances of vegetable origin, or independently by means of  
8 chemical synthesis, or by a combination of extraction and chemical synthesis:
- 9 (a) Opium and opiate, and any salt, compound, derivative, or preparation of  
10 opium or opiate;
- 11 (b) Any salt, compound, isomer, derivative, or preparation thereof which is  
12 chemically equivalent or identical with any of the substances referred to in  
13 paragraph (a) of this subsection, but not including the isoquinoline alkaloids  
14 of opium;
- 15 (c) Opium poppy and poppy straw;
- 16 (d) Coca leaves, except coca leaves and extracts of coca leaves from which  
17 cocaine, ecgonine, and derivatives of ecgonine or their salts have been  
18 removed;
- 19 (e) Cocaine, its salts, optical and geometric isomers, and salts of isomers;
- 20 (f) Ecgonine, its derivatives, their salts, isomers, and salts of isomers; and
- 21 (g) Any compound, mixture, or preparation which contains any quantity of any of  
22 the substances referred to in paragraphs (a) to (f) of this subsection;
- 23 (34) "Opiate" means any substance having an addiction-forming or addiction-sustaining  
24 liability similar to morphine or being capable of conversion into a drug having  
25 addiction-forming or addiction-sustaining liability. It does not include, unless  
26 specifically designated as controlled under KRS 218A.020, the dextrorotatory  
27 isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). It does

- 1 include its racemic and levorotatory forms;
- 2 (35) "Opium poppy" means the plant of the species *papaver somniferum* L., except its  
3 seeds;
- 4 (36) "Person" means individual, corporation, government or governmental subdivision  
5 or agency, business trust, estate, trust, partnership or association, or any other legal  
6 entity;
- 7 (37) "Physical injury" has the same meaning it has in KRS 500.080;
- 8 (38) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing;
- 9 (39) "Pharmacist" means a natural person licensed by this state to engage in the practice  
10 of the profession of pharmacy;
- 11 (40) "Practitioner" means a physician, dentist, podiatrist, veterinarian, scientific  
12 investigator, optometrist as authorized in KRS 320.240, advanced practice  
13 registered nurse as authorized under KRS 314.011, physician assistant as authorized  
14 under KRS 311.858, or other person licensed, registered, or otherwise permitted by  
15 state or federal law to acquire, distribute, dispense, conduct research with respect to,  
16 or to administer a controlled substance in the course of professional practice or  
17 research in this state. "Practitioner" also includes a physician, dentist, podiatrist,  
18 veterinarian, or advanced practice registered nurse authorized under KRS 314.011  
19 who is a resident of and actively practicing in a state other than Kentucky and who  
20 is licensed and has prescriptive authority for controlled substances under the  
21 professional licensing laws of another state, unless the person's Kentucky license  
22 has been revoked, suspended, restricted, or probated, in which case the terms of the  
23 Kentucky license shall prevail;
- 24 (41) "Practitioner-patient relationship," as used in KRS Chapter 218A and for criminal  
25 prosecution only, means a medical relationship that exists between a patient and a  
26 practitioner or the practitioner's designee, after the practitioner or his or her  
27 designee has conducted at least one (1) good-faith prior examination;

- 1 (42) "Prescription" means a written, electronic, or oral order for a drug or medicine, or  
2 combination or mixture of drugs or medicines, or proprietary preparation, signed or  
3 given or authorized by a medical, dental, chiropody, veterinarian, optometric  
4 practitioner, or advanced practice registered nurse, and intended for use in the  
5 diagnosis, cure, mitigation, treatment, or prevention of disease in man or other  
6 animals;
- 7 (43) "Prescription blank," with reference to a controlled substance, means a document  
8 that meets the requirements of KRS 218A.204 and 217.216;
- 9 (44) "Presumptive probation" means a sentence of probation not to exceed the maximum  
10 term specified for the offense, subject to conditions otherwise authorized by law,  
11 that is presumed to be the appropriate sentence for certain offenses designated in  
12 this chapter, notwithstanding contrary provisions of KRS Chapter 533. That  
13 presumption shall only be overcome by a finding on the record by the sentencing  
14 court of substantial and compelling reasons why the defendant cannot be safely and  
15 effectively supervised in the community, is not amenable to community-based  
16 treatment, or poses a significant risk to public safety;
- 17 (45) "Production" includes the manufacture, planting, cultivation, growing, or harvesting  
18 of a controlled substance;
- 19 (46) "Recovery program" means an evidence-based, nonclinical service that assists  
20 individuals and families working toward sustained recovery from substance use and  
21 other criminal risk factors. This can be done through an array of support programs  
22 and services that are delivered through residential and nonresidential means;
- 23 (47) "Salvia" means *Salvia divinorum* or Salvinorin A and includes all parts of the plant  
24 presently classified botanically as *Salvia divinorum*, whether growing or not, the  
25 seeds thereof, any extract from any part of that plant, and every compound,  
26 manufacture, derivative, mixture, or preparation of that plant, its seeds, or its  
27 extracts, including salts, isomers, and salts of isomers whenever the existence of

1 such salts, isomers, and salts of isomers is possible within the specific chemical  
2 designation of that plant, its seeds, or extracts. The term shall not include any other  
3 species in the genus salvia;

4 (48) "Second or subsequent offense" means that for the purposes of this chapter an  
5 offense is considered as a second or subsequent offense, if, prior to his or her  
6 conviction of the offense, the offender has at any time been convicted under this  
7 chapter, or under any statute of the United States, or of any state relating to  
8 substances classified as controlled substances or counterfeit substances, except that  
9 a prior conviction for a nontrafficking offense shall be treated as a prior offense  
10 only when the subsequent offense is a nontrafficking offense. For the purposes of  
11 this section, a conviction voided under KRS 218A.275 or 218A.276 shall not  
12 constitute a conviction under this chapter;

13 (49) "Sell" means to dispose of a controlled substance to another person for  
14 consideration or in furtherance of commercial distribution;

15 (50) "Serious physical injury" has the same meaning it has in KRS 500.080;

16 (51) "Synthetic cannabinoids or piperazines" means any chemical compound which is  
17 not approved by the United States Food and Drug Administration or, if approved,  
18 which is not dispensed or possessed in accordance with state and federal law, that  
19 contains Benzylpiperazine (BZP); Trifluoromethylphenylpiperazine (TFMPP); 1,1-  
20 Dimethylheptyl-11-hydroxytetrahydrocannabinol (HU-210); 1-Butyl-3-(1-  
21 naphthoyl)indole; 1-Pentyl-3-(1-naphthoyl)indole; dexanabinol (HU-211); or any  
22 compound in the following structural classes:

23 (a) Naphthoylindoles: Any compound containing a 3-(1-naphthoyl)indole  
24 structure with substitution at the nitrogen atom of the indole ring by an alkyl,  
25 haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-  
26 piperidiny)methyl, or 2-(4-morpholinyl)ethyl group, whether or not further  
27 substituted in the indole ring to any extent and whether or not substituted in

- 1 the naphthyl ring to any extent. Examples of this structural class include but  
2 are not limited to JWH-015, JWH-018, JWH-019, JWH-073, JWH-081, JWH-  
3 122, JWH-200, and AM-2201;
- 4 (b) Phenylacetylindoles: Any compound containing a 3-phenylacetylindole  
5 structure with substitution at the nitrogen atom of the indole ring by an alkyl,  
6 haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-  
7 piperidinyl)methyl, or 2-(4-morpholinyl)ethyl group whether or not further  
8 substituted in the indole ring to any extent and whether or not substituted in  
9 the phenyl ring to any extent. Examples of this structural class include but are  
10 not limited to JWH-167, JWH-250, JWH-251, and RCS-8;
- 11 (c) Benzoylindoles: Any compound containing a 3-(benzoyl)indole structure with  
12 substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl,  
13 alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-  
14 piperidinyl)methyl, or 2-(4-morpholinyl)ethyl group whether or not further  
15 substituted in the indole ring to any extent and whether or not substituted in  
16 the phenyl ring to any extent. Examples of this structural class include but are  
17 not limited to AM-630, AM-2233, AM-694, Pravadoline (WIN 48,098), and  
18 RCS-4;
- 19 (d) Cyclohexylphenols: Any compound containing a 2-(3-  
20 hydroxycyclohexyl)phenol structure with substitution at the 5-position of the  
21 phenolic ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl,  
22 cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl, or 2-(4-morpholinyl)ethyl  
23 group whether or not substituted in the cyclohexyl ring to any extent.  
24 Examples of this structural class include but are not limited to CP 47,497 and  
25 its C8 homologue (cannabicyclohexanol);
- 26 (e) Naphthylmethylindoles: Any compound containing a 1H-indol-3-yl-(1-  
27 naphthyl)methane structure with substitution at the nitrogen atom of the

1 indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,  
2 1-(N-methyl-2-piperidinyl)methyl, or 2-(4-morpholinyl)ethyl group whether  
3 or not further substituted in the indole ring to any extent and whether or not  
4 substituted in the naphthyl ring to any extent. Examples of this structural class  
5 include but are not limited to JWH-175, JWH-184, and JWH-185;

6 (f) Naphthoypyrroles: Any compound containing a 3-(1-naphthoyl)pyrrole  
7 structure with substitution at the nitrogen atom of the pyrrole ring by an alkyl,  
8 haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-  
9 piperidinyl)methyl, or 2-(4-morpholinyl)ethyl group whether or not further  
10 substituted in the pyrrole ring to any extent and whether or not substituted in  
11 the naphthyl ring to any extent. Examples of this structural class include but  
12 are not limited to JWH-030, JWH-145, JWH-146, JWH-307, and JWH-368;

13 (g) Naphthylmethylindenes: Any compound containing a 1-(1-  
14 naphthylmethyl)indene structure with substitution at the 3-position of the  
15 indene ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,  
16 1-(N-methyl-2-piperidinyl)methyl, or 2-(4-morpholinyl)ethyl group whether  
17 or not further substituted in the indene ring to any extent and whether or not  
18 substituted in the naphthyl ring to any extent. Examples of this structural class  
19 include but are not limited to JWH-176;

20 (h) Tetramethylcyclopropanoylindoles: Any compound containing a 3-(1-  
21 tetramethylcyclopropoyl)indole structure with substitution at the nitrogen  
22 atom of the indole ring by an alkyl, haloalkyl, cycloalkylmethyl,  
23 cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl, or 2-(4-morpholinyl)ethyl  
24 group, whether or not further substituted in the indole ring to any extent and  
25 whether or not further substituted in the tetramethylcyclopropyl ring to any  
26 extent. Examples of this structural class include but are not limited to UR-144  
27 and XLR-11;

- 1 (i) Adamantoylindoles: Any compound containing a 3-(1-adamantoyl)indole  
2 structure with substitution at the nitrogen atom of the indole ring by an alkyl,  
3 haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-  
4 piperidinyl)methyl, or 2-(4-morpholinyl)ethyl group, whether or not further  
5 substituted in the indole ring to any extent and whether or not substituted in  
6 the adamantyl ring system to any extent. Examples of this structural class  
7 include but are not limited to AB-001 and AM-1248; or
- 8 (j) Any other synthetic cannabinoid or piperazine which is not approved by the  
9 United States Food and Drug Administration or, if approved, which is not  
10 dispensed or possessed in accordance with state and federal law;
- 11 (52) "Synthetic cathinones" means any chemical compound which is not approved by  
12 the United States Food and Drug Administration or, if approved, which is not  
13 dispensed or possessed in accordance with state and federal law (not including  
14 bupropion or compounds listed under a different schedule) structurally derived from  
15 2-aminopropan-1-one by substitution at the 1-position with either phenyl, naphthyl,  
16 or thiophene ring systems, whether or not the compound is further modified in one  
17 (1) or more of the following ways:
- 18 (a) By substitution in the ring system to any extent with alkyl, alkylendioxy,  
19 alkoxy, haloalkyl, hydroxyl, or halide substituents, whether or not further  
20 substituted in the ring system by one (1) or more other univalent substituents.  
21 Examples of this class include but are not limited to 3,4-  
22 Methylenedioxcathinone (bk-MDA);
- 23 (b) By substitution at the 3-position with an acyclic alkyl substituent. Examples  
24 of this class include but are not limited to 2-methylamino-1-phenylbutan-1-  
25 one (buphedrone);
- 26 (c) By substitution at the 2-amino nitrogen atom with alkyl, dialkyl, benzyl, or  
27 methoxybenzyl groups, or by inclusion of the 2-amino nitrogen atom in a

1 cyclic structure. Examples of this class include but are not limited to  
2 Dimethylcathinone, Ethcathinone, and  $\alpha$ -Pyrrolidinopropiophenone ( $\alpha$ -PPP);  
3 or

4 (d) Any other synthetic cathinone which is not approved by the United States  
5 Food and Drug Administration or, if approved, is not dispensed or possessed  
6 in accordance with state or federal law;

7 (53) "Synthetic drugs" means any synthetic cannabinoids or piperazines or any synthetic  
8 cathinones;

9 (54) "Telehealth" has the same meaning it has in KRS 211.332;

10 (55) "Tetrahydrocannabinols" means synthetic equivalents of the substances contained  
11 in the plant, or in the resinous extractives of the plant Cannabis, sp. or synthetic  
12 substances, derivatives, and their isomers with similar chemical structure and  
13 pharmacological activity such as the following:

14 (a) Delta 1 cis or trans tetrahydrocannabinol, and their optical isomers;

15 (b) Delta 6 cis or trans tetrahydrocannabinol, and their optical isomers; and

16 (c) Delta 3, 4 cis or trans tetrahydrocannabinol, and its optical isomers;

17 (56) "Traffic," except as provided in KRS 218A.1431, means to manufacture, distribute,  
18 dispense, sell, transfer, or possess with intent to manufacture, distribute, dispense,  
19 or sell a controlled substance;

20 (57) "Transfer" means to dispose of a controlled substance to another person without  
21 consideration and not in furtherance of commercial distribution; and

22 (58) "Ultimate user" means a person who lawfully possesses a controlled substance for  
23 his or her own use or for the use of a member of his or her household or for  
24 administering to an animal owned by him or her or by a member of his or her  
25 household.

26 ➔Section 8. KRS 218B.010 is amended to read as follows:

27 For the purposes of this chapter, unless the context otherwise requires:

- 1 (1) "Bona fide practitioner-patient relationship" means a treating or consulting  
2 relationship, during the course of which a medicinal cannabis practitioner has:
- 3 (a) Completed an initial in-person examination and assessment of the patient's  
4 medical history and current medical condition which shall include a review  
5 of:
- 6 1. The patient's medical records for the previous twelve (12) months;  
7 2. All other available medical records relevant to the patient's qualifying  
8 medical condition;  
9 3. Any medications that the patient is currently taking; and  
10 4. Any other possible risks or side effects that may be associated with the  
11 use of medicinal cannabis;
- 12 (b) Consulted with the patient with respect to the possible medical, therapeutic,  
13 and palliative properties of medicinal cannabis;
- 14 (c) Advised the patient of the possible risks and side effects associated with the  
15 use of medicinal cannabis, including possible interactions between medicinal  
16 cannabis and any other drug or medication that the patient is taking at that  
17 time; and
- 18 (d) Established an expectation that he or she will provide follow-up care and  
19 treatment to the patient in accordance with administrative regulations  
20 promulgated pursuant to KRS 218B.050(10);
- 21 (2) "Cabinet" means the Cabinet for Health and Family Services;
- 22 (3) "Cannabis business" means an entity licensed under this chapter as a cultivator,  
23 dispensary, processor, producer, or safety compliance facility;
- 24 (4) "Cannabis business agent" means a principal officer, board member, employee,  
25 volunteer, or agent of a cannabis business;
- 26 (5) "Cardholder" means:
- 27 (a) A registered qualified patient, designated caregiver, or visiting qualified

- 1 patient who has applied for, obtained, and possesses a valid registry  
2 identification card issued by the cabinet; or
- 3 (b) A visiting qualified patient who has obtained and possesses:
- 4 1. A valid out-of-state registry identification card; and
- 5 2. Documentation of having been diagnosed with a qualifying medical  
6 condition;
- 7 (6) "Cultivator" means an entity licensed as such under KRS 218B.080, 218B.085, and  
8 218B.090;
- 9 (7) "Cultivator agent" means a principal officer, board member, employee, volunteer,  
10 or agent of a cultivator;
- 11 (8) "Designated caregiver" means a person who has registered as such with the cabinet  
12 under KRS 218B.055 and 218B.060;
- 13 (9) "Dispensary" means an entity licensed as such under KRS 218B.080, 218B.085,  
14 and 218B.090;
- 15 (10) "Dispensary agent" means a principal officer, board member, employee, volunteer,  
16 or agent of a dispensary;
- 17 (11) "Disqualifying felony offense" means:
- 18 (a) A felony offense that resulted in the person being classified by the  
19 Department of Corrections as a violent offender under KRS 439.3401; or
- 20 (b) A violation of a state or federal controlled substance law that was classified as  
21 a felony in the jurisdiction where the person was convicted, except:
- 22 1. An offense for which the sentence, including any term of probation,  
23 incarceration, or supervised release, was completed five (5) or more  
24 years earlier; or
- 25 2. An offense that, as determined by the cabinet, consisted of conduct for  
26 which this chapter would likely have prevented a conviction, but the  
27 conduct either occurred prior to the enactment of this chapter or was

- 1 prosecuted by an authority other than the Commonwealth of Kentucky;
- 2 (12) "Enclosed, locked facility" means an indoor growing space such as a room,  
3 greenhouse, building, or other indoor enclosed area that is maintained and operated  
4 by a cultivator or producer and is equipped with locks and other security devices  
5 that permit access only by authorized agents of the cultivator or producer, as  
6 required by the cabinet;
- 7 (13) "Growth area" has the same meaning as an enclosed, locked facility;
- 8 (14) "Marijuana" has the same meaning as in KRS 218A.010;
- 9 (15) "Medicinal cannabis":
- 10 (a) Means marijuana as defined in KRS 218A.010 when cultivated, harvested,  
11 processed, produced, transported, dispensed, distributed, sold, possessed, or  
12 used in accordance with this chapter;
- 13 (b) Includes medicinal cannabis products and raw plant material; and
- 14 (c) Does not include ~~industrial~~ hemp, ~~or~~ industrial hemp products, and hemp-  
15 derived cannabinoid products as defined in Section 1 of this Act ~~KRS~~  
16 ~~260.850~~; and
- 17 (16) "Medicinal cannabis accessories" means any equipment, product, or material of any  
18 kind which is used, intended for use, or designed for use in the preparing, storing,  
19 using, or consuming medicinal cannabis in accordance with this chapter;
- 20 (17) "Medicinal cannabis practitioner" means a physician or an advanced practice  
21 registered nurse who is authorized to prescribe controlled substances under KRS  
22 314.042, who is authorized by his or her state licensing board to provide written  
23 certifications pursuant to KRS 218B.050;
- 24 (18) "Medicinal cannabis product":
- 25 (a) Means any compound, manufacture, salt, derivative, mixture, or preparation  
26 of any part of the plant Cannabis sp., its seeds or its resin; or any compound,  
27 mixture, or preparation which contains any quantity of these substances when

1 cultivated, harvested, processed, produced, transported, dispensed, distributed,  
2 sold, possessed, or used in accordance with this chapter; and

3 (b) Does not include industrial hemp ***and hemp-derived cannabinoid products***  
4 products as defined in ***Section 1 of this Act***~~[KRS 260.850];~~

5 (19) "Minor" means a person less than eighteen (18) years of age;

6 (20) "Out-of-state registry identification card" means a registry identification card, or an  
7 equivalent document, that was issued pursuant to the laws of another state, district,  
8 territory, commonwealth, or insular possession of the United States;

9 (21) "Processor" means an entity licensed as such under KRS 218B.080, 218B.085, and  
10 218B.090;

11 (22) "Processor agent" means a principal officer, board member, employee, volunteer, or  
12 agent of a processor;

13 (23) "Producer" means an entity licensed as such under KRS 218B.080, 218B.085, and  
14 218B.090;

15 (24) "Producer agent" means a principal officer, board member, employee, volunteer, or  
16 agent of a producer;

17 (25) "Qualified patient" means a person who has obtained a written certification from a  
18 medicinal cannabis practitioner with whom he or she has a bona fide practitioner-  
19 patient relationship;

20 (26) "Qualifying medical condition" means:

21 (a) Any type or form of cancer regardless of stage;

22 (b) Chronic, severe, intractable, or debilitating pain;

23 (c) Epilepsy or any other intractable seizure disorder;

24 (d) Multiple sclerosis, muscle spasms, or spasticity;

25 (e) Chronic nausea or cyclical vomiting syndrome that has proven resistant to  
26 other conventional medical treatments;

27 (f) Post-traumatic stress disorder; and

- 1 (g) Any other medical condition or disease for which the Kentucky Center for  
2 Cannabis established in KRS 164.983, or its successor, determines that  
3 sufficient scientific data and evidence exists to demonstrate that an individual  
4 diagnosed with that condition or disease is likely to receive medical,  
5 therapeutic, or palliative benefits from the use of medicinal cannabis;
- 6 (27) "Raw plant material":
- 7 (a) Means the trichome-covered part of the female plant Cannabis sp. or any  
8 mixture of shredded leaves, stems, seeds, and flowers of the Cannabis sp.  
9 plant; and
- 10 (b) Does not include plant material obtained from ~~industrial~~ hemp as defined in  
11 Section 1 of this Act ~~[KRS 260.850]~~;
- 12 (28) "Registered qualified patient" means a qualified patient who has applied for,  
13 obtained, and possesses a valid registry identification card issued by the cabinet;
- 14 (29) "Registry identification card" means a document issued by the cabinet that  
15 identifies a person as a registered qualified patient, visiting qualified patient, or  
16 designated caregiver;
- 17 (30) "Safety compliance facility" means an entity licensed as such under KRS 218B.080,  
18 218B.085, and 218B.090;
- 19 (31) "Safety compliance facility agent" means a principal officer, board member,  
20 employee, volunteer, or agent of a safety compliance facility;
- 21 (32) "Seedling" means a medicinal cannabis plant that has no flowers and is not taller  
22 than eight (8) inches;
- 23 (33) "Serious violation" means:
- 24 (a) Any violation of this chapter or any administrative regulation promulgated  
25 thereunder that is capable of causing death or which causes serious and  
26 prolonged disfigurement, prolonged impairment of health, or prolonged loss  
27 or impairment of the function of any bodily organ;

- 1 (b) The diversion of medicinal cannabis for use not regulated pursuant to this  
2 chapter; or
- 3 (c) Any act that would constitute a violation of KRS 218A.1421;
- 4 (34) "Smoking" means the inhalation of smoke produced from the combustion of raw  
5 plant material when ignited by a flame;
- 6 (35) "State licensing board" means:
- 7 (a) The Kentucky Board of Medical Licensure; or  
8 (b) The Kentucky Board of Nursing;
- 9 (36) "Telehealth" has the same meaning as in KRS 211.332;
- 10 (37) "Use of medicinal cannabis":
- 11 (a) Includes the acquisition, administration, possession, transfer, transportation,  
12 or consumption of medicinal cannabis or medicinal cannabis accessories by a  
13 cardholder in accordance with this chapter; and
- 14 (b) Does not include:
- 15 1. Cultivation of marijuana by a cardholder;  
16 2. The use or consumption of marijuana by smoking; ~~or~~  
17 3. The use of ~~industrial~~ hemp, ~~or~~ industrial hemp products, **and hemp-**  
18 **derived cannabinoid products** as defined in **Section 1 of this Act**~~KRS~~  
19 ~~260.850~~;
- 20 (38) "Visiting qualified patient" means a person who has registered as such through the  
21 cabinet as required under this chapter or who possesses a valid out-of-state registry  
22 identification card and documentation of having been diagnosed with a qualifying  
23 medical condition; and
- 24 (39) "Written certification" means a document dated and signed by a medicinal cannabis  
25 practitioner, that:
- 26 (a) States, that in the medicinal cannabis practitioner's professional medical  
27 opinion, the patient may receive medical, therapeutic, or palliative benefit

1 from the use of medicinal cannabis;

2 (b) Specifies the qualifying medical condition or conditions for which the  
3 medicinal cannabis practitioner believes the patient may receive medical,  
4 therapeutic, or palliative benefit; and

5 (c) Affirms that the medicinal cannabis practitioner has a bona fide practitioner-  
6 patient relationship with the patient.

7 ➔Section 9. KRS 218B.015 is amended to read as follows:

8 (1) ~~Nothing in~~ This chapter shall ***not*** be construed as applying to ~~industrial~~ hemp, ~~f~~  
9 ~~or~~ industrial hemp, ***or hemp-derived cannabinoid*** products as defined in ***Section 1***  
10 ***of this Act*** ~~[KRS 260.850].~~

11 (2) Notwithstanding any provision of law to the contrary, and except as provided in  
12 subsections (3) and (4) of this section and KRS 218B.035:

13 (a) The use of medicinal cannabis by a cardholder shall be considered lawful if  
14 done in accordance with this chapter and any administrative regulations  
15 promulgated thereunder;

16 (b) The acquisition, blending, cultivation, delivery, distribution, manufacturing,  
17 manipulation, packaging for sale, preparation, possession, sale, testing,  
18 transportation, or transfer of medicinal cannabis or medicinal cannabis  
19 accessories by a cannabis business or cannabis business agent shall be  
20 considered lawful if done in accordance with this chapter and any  
21 administrative regulations promulgated thereunder;

22 (c) A registered qualified patient or visiting qualified patient shall not be  
23 considered to be under the influence of medicinal cannabis solely because of  
24 the presence of tetrahydrocannabinol metabolites, including but not limited to  
25 the cannabinoid carboxy THC, which is also known as THC-COOH;

26 (d) A medicinal cannabis practitioner shall not be subject, under the laws of the  
27 Commonwealth, to arrest, prosecution, or penalty in any manner, or denied

1 any right or privilege, including but not limited to a civil penalty or  
 2 disciplinary action by a state licensing board or by any other occupational or  
 3 professional licensing board, solely for providing written certifications or for  
 4 otherwise stating that, in the medicinal cannabis practitioner's professional  
 5 opinion, a patient may receive medical, therapeutic, or palliative benefit from  
 6 the use of medicinal cannabis, if done in accordance with this chapter;

7 (e) An attorney shall not be subject, under the laws of the Commonwealth, to  
 8 arrest, prosecution, or penalty in any manner, or denied any right or privilege,  
 9 including but not limited to a civil penalty or disciplinary action by the  
 10 Kentucky Court of Justice, Kentucky Bar Association, or by any other  
 11 professional licensing board, solely for providing an individual or cannabis  
 12 business with legal assistance related to activity that is no longer subject to  
 13 criminal penalties under state law pursuant to this chapter;~~and~~

14 (f) ~~A~~~~no~~ person shall ***not*** be subject, under the laws of the Commonwealth, to  
 15 arrest, prosecution, or penalty in any manner, or denied any right or privilege,  
 16 including but not limited to a civil penalty or disciplinary action by an  
 17 occupational or professional licensing board, solely for providing assistance  
 18 or services, including but not limited to accounting services, financial  
 19 services, security services, or business consulting services, to any individual  
 20 or cannabis business related to activity that is no longer subject to criminal  
 21 penalties under state law pursuant to this chapter; ***and***

22 ***(g) The Cabinet shall promulgate an emergency administrative regulation in***  
 23 ***accordance with KRS Chapter 13A to permit the transfer or sale of hemp***  
 24 ***floral material from a hemp cultivator licensed by the Kentucky Department***  
 25 ***of Agriculture to a medical cannabis licensed processor, producer, or***  
 26 ***dispensary.***

27 (3) ~~Nothing in~~ Subsection (2) of this section shall ***not*** be construed or interpreted to:

- 1 (a) Prohibit the arrest, prosecution, or imposition of any other penalty arising  
2 from but not limited to breach of contract, breach of fiduciary duty,  
3 negligence, or engaging in criminal activity that would constitute a felony or  
4 misdemeanor; or
- 5 (b) Prevent a medicinal cannabis practitioner from being subject to administrative  
6 penalties imposed by his or her state licensing board for any violation of this  
7 chapter or any administrative regulation promulgated thereunder.
- 8 (4) Notwithstanding subsection (2) of this section and any other provision of law to the  
9 contrary, a cardholder who is licensed under KRS Chapter 311 or KRS Chapter 314  
10 may be subject to intervention or disciplinary action by his or her state licensing  
11 board if:
- 12 (a) There is probable cause to believe that the cardholder has become impaired  
13 by, or otherwise abused, medicinal cannabis; or
- 14 (b) The cardholder has a medically diagnosable disease that is characterized by  
15 chronic, habitual, or periodic use of medicinal cannabis resulting in  
16 interference with the cardholder's professional, social, or economic functions  
17 in the community or the loss of powers of self-control regarding the use of  
18 medicinal cannabis.

19 ➔Section 10. KRS 241.010 is amended to read as follows:

20 As used in KRS Chapters 241 to 244, unless the context requires otherwise:

- 21 (1) "Alcohol" means ethyl alcohol, hydrated oxide of ethyl or spirit of wine, from  
22 whatever source or by whatever process it is produced;
- 23 (2) "Alcoholic beverage" means every liquid, solid, powder, or crystal, whether  
24 patented or not, containing alcohol in an amount in excess of more than one percent  
25 (1%) of alcohol by volume, which is fit for beverage purposes. It includes every  
26 spurious or imitation liquor sold as, or under any name commonly used for,  
27 alcoholic beverages, whether containing any alcohol or not. It does not include the

1 following products:

- 2 (a) Medicinal preparations manufactured in accordance with formulas prescribed  
3 by the United States Pharmacopoeia, National Formulary, or the American  
4 Institute of Homeopathy;
- 5 (b) Patented, patent, and proprietary medicines;
- 6 (c) Toilet, medicinal, and antiseptic preparations and solutions;
- 7 (d) Flavoring extracts and syrups;
- 8 (e) Denatured alcohol or denatured rum;
- 9 (f) Vinegar and preserved sweet cider;
- 10 (g) Wine for sacramental purposes; and
- 11 (h) Alcohol unfit for beverage purposes that is to be sold for legitimate external  
12 use;
- 13 (3) (a) "Alcohol vaporizing device" or "AWOL device" means any device, machine,  
14 or process that mixes liquor, spirits, or any other alcohol product with pure  
15 oxygen or by any other means produces a vaporized alcoholic product used  
16 for human consumption;
- 17 (b) "Alcohol vaporizing device" or "AWOL device" does not include an inhaler,  
18 nebulizer, atomizer, or other device that is designed and intended by the  
19 manufacturer to dispense a prescribed or over-the-counter medication or a  
20 device installed and used by a licensee under this chapter to demonstrate the  
21 aroma of an alcoholic beverage;
- 22 (4) "Automobile race track" means a facility primarily used for vehicle racing that has a  
23 seating capacity of at least thirty thousand (30,000) people;
- 24 (5) "Barrel-aged and batched cocktail" means an alcoholic beverage that is:
- 25 (a) Composed of:
- 26 1. Distilled spirits that have been dispensed from their original sealed  
27 container; and

- 1           2. Other ingredients or alcoholic beverages;
- 2           (b) Placed into a barrel or container on the premises of a retail licensee; and
- 3           (c) Dispensed from the barrel or container as a retail sale by the drink;
- 4 (6) "Bed and breakfast" means a one (1) family dwelling unit that:
- 5           (a) Has guest rooms or suites used, rented, or hired out for occupancy or that are
- 6           occupied for sleeping purposes by persons not members of the single-family
- 7           unit;
- 8           (b) Holds a permit under KRS Chapter 219; and
- 9           (c) Has an innkeeper who resides on the premises or property adjacent to the
- 10          premises during periods of occupancy;
- 11 (7) "Board" means the State Alcoholic Beverage Control Board created by KRS
- 12          241.030;
- 13 (8) "Bottle" means any container which is used for holding alcoholic beverages for the
- 14          use and sale of alcoholic beverages at retail;
- 15 (9) "Brewer" means any person who manufactures malt beverages or owns, occupies,
- 16          carries on, works, or conducts any brewery, either alone or through an agent;
- 17 (10) "Brewery" means any place or premises where malt beverages are manufactured for
- 18          sale, and includes all offices, granaries, mash rooms, cooling rooms, vaults, yards,
- 19          and storerooms connected with the premises; or where any part of the process of the
- 20          manufacture of malt beverages is carried on; or where any apparatus connected with
- 21          manufacture is kept or used; or where any of the products of brewing or
- 22          fermentation are stored or kept;
- 23 (11) "Building containing licensed premises" means the licensed premises themselves
- 24          and includes the land, tract of land, or parking lot in which the premises are
- 25          contained, and any part of any building connected by direct access or by an
- 26          entrance which is under the ownership or control of the licensee by lease holdings
- 27          or ownership;

- 1 (12) "Cannabinoid" has the meaning as in Section 1 of this Act~~[means a compound~~  
2 ~~found in the hemp plant Cannabis sativa L. from a United States Department of~~  
3 ~~Agriculture sanctioned domestic hemp production program and does not include~~  
4 ~~cannabinoids derived from any other substance];~~
- 5 (13) "Cannabis-infused beverage" has the meaning as in Section 1 of this Act~~:~~  
6 ~~(a) Means a properly permitted adult use cannabinoid liquid product intended for~~  
7 ~~human consumption that has intoxicating properties that change the function~~  
8 ~~of the nervous system and results in alterations of perception, cognition, or~~  
9 ~~behavior and shall not contain more than five (5) milligrams of intoxicating~~  
10 ~~adult use cannabinoids per twelve (12) ounce serving; and~~
- 11 ~~(b) Shall not include:~~
- 12 ~~1. Medicinal cannabis regulated under KRS Chapter 218B;~~
- 13 ~~2. Any type of hemp tincture; and~~
- 14 ~~3. Any product containing solely nonintoxicating cannabinoids];~~
- 15 (14) "Caterer" means a person operating a food service business that prepares food in a  
16 licensed and inspected commissary, transports the food and alcoholic beverages to  
17 the caterer's designated and inspected banquet hall or to an agreed location, and  
18 serves the food and alcoholic beverages pursuant to an agreement with another  
19 person;
- 20 (15) "Charitable organization" means a nonprofit entity recognized as exempt from  
21 federal taxation under Section 501(c) of the Internal Revenue Code, 26 U.S.C. sec.  
22 501(c), or any organization having been established and continuously operating  
23 within the Commonwealth of Kentucky for charitable purposes for three (3) years  
24 and which expends at least sixty percent (60%) of its gross revenue exclusively for  
25 religious, educational, literary, civic, fraternal, or patriotic purposes;
- 26 (16) "Cider" means any fermented fruit-based beverage containing seven percent (7%)  
27 or more alcohol by volume and includes hard cider and perry cider;

- 1 (17) "City administrator" means city alcoholic beverage control administrator;
- 2 (18) "Commercial airport" means an airport through which more than five hundred  
3 thousand (500,000) passengers arrive or depart annually;
- 4 (19) (a) "Commercial quadricycle" means a vehicle equipped with a minimum of ten  
5 (10) pairs of fully operative pedals for propulsion by means of human  
6 muscular power and which:
- 7 1. Has four (4) wheels;
- 8 2. Is operated in a manner similar to that of a bicycle;
- 9 3. Is equipped with a minimum of thirteen (13) seats for passengers;
- 10 4. Has a unibody design;
- 11 5. Is equipped with a minimum of four (4) hydraulically operated brakes;
- 12 6. Is used for commercial tour purposes;
- 13 7. Is operated by the vehicle owner or an employee of the owner; and
- 14 8. Has an electrical assist system that shall only be used when traveling to  
15 or from its storage location while not carrying passengers.
- 16 (b) A "commercial quadricycle" is not a motor vehicle as defined in KRS 186.010  
17 or 189.010;
- 18 (20) "Commissioner" means the commissioner of the Department of Alcoholic Beverage  
19 Control;
- 20 (21) "Consumer" means a person, persons, or business organization who purchases  
21 alcoholic beverages and who:
- 22 (a) Does not hold a license or permit issued by the department;
- 23 (b) Purchases the alcoholic beverages for personal consumption only and not for  
24 resale;
- 25 (c) Is of lawful drinking age; and
- 26 (d) Receives the alcoholic beverages in territory where the alcoholic beverages  
27 may be lawfully sold or received;

- 1 (22) "Convention center" means any facility which, in its usual and customary business,  
2 provides seating for a minimum of one thousand (1,000) people and offers  
3 convention facilities and related services for seminars, training and educational  
4 purposes, trade association meetings, conventions, or civic and community events  
5 or for plays, theatrical productions, or cultural exhibitions;
- 6 (23) "Convicted" and "conviction" means a finding of guilt resulting from a plea of  
7 guilty, the decision of a court, or the finding of a jury, irrespective of a  
8 pronouncement of judgment or the suspension of the judgment;
- 9 (24) "County administrator" means county alcoholic beverage control administrator;
- 10 (25) "Department" means the Department of Alcoholic Beverage Control;
- 11 (26) "Dining car" means a railroad passenger car that serves meals to consumers on any  
12 railroad or Pullman car company;
- 13 (27) "Discount in the usual course of business" means price reductions, rebates, refunds,  
14 and discounts given by wholesalers to distilled spirits and wine retailers pursuant to  
15 an agreement made at the time of the sale of the merchandise involved and are  
16 considered a part of the sales transaction, constituting reductions in price pursuant  
17 to the terms of the sale, irrespective of whether the quantity discount was:
- 18 (a) Prorated and allowed on each delivery;
- 19 (b) Given in a lump sum after the entire quantity of merchandise purchased had  
20 been delivered; or
- 21 (c) Based on dollar volume or on the quantity of merchandise purchased;
- 22 (28) "Distilled spirits" or "spirits" means any product capable of being consumed by a  
23 human being which contains alcohol obtained by distilling, mixed with water or  
24 other substances in solution, except wine, hard cider, and malt beverages;
- 25 (29) "Distiller" means any person who is engaged in the business of manufacturing  
26 distilled spirits at any distillery in the state and is registered in the Office of the  
27 Collector of Internal Revenue for the United States at Louisville, Kentucky;

- 1 (30) "Distillery" means any place or premises where distilled spirits are manufactured  
2 for sale, and which are registered in the office of any collector of internal revenue  
3 for the United States. It includes any United States government bonded warehouse;
- 4 (31) "Distributor" means any person who distributes malt beverages for the purpose of  
5 being sold at retail;
- 6 (32) "Dry" means a territory in which a majority of the electorate voted to prohibit all  
7 forms of retail alcoholic beverage sales through a local option election held under  
8 KRS Chapter 242;
- 9 (33) "Election" means:
- 10 (a) An election held for the purpose of taking the sense of the people as to the  
11 application or discontinuance of alcoholic beverage sales under KRS Chapter  
12 242; or
- 13 (b) Any other election not pertaining to alcoholic beverages;
- 14 (34) "Horse racetrack" means a facility licensed to conduct a horse race meeting under  
15 KRS Chapter 230;
- 16 (35) "Hotel" means a hotel, motel, or inn for accommodation of the traveling public,  
17 designed primarily to serve transient patrons;
- 18 (36) "Investigator" means any employee or agent of the department who is regularly  
19 employed and whose primary function is to travel from place to place for the  
20 purpose of visiting licensees, and any employee or agent of the department who is  
21 assigned, temporarily or permanently, by the commissioner to duty outside the main  
22 office of the department at Frankfort, in connection with the administration of  
23 alcoholic beverage statutes;
- 24 (37) "License" means any license issued pursuant to KRS Chapters 241 to 244;
- 25 (38) "Licensee" means any person to whom a license has been issued, pursuant to KRS  
26 Chapters 241 to 244;
- 27 (39) "Limited restaurant" means:

- 1 (a) A facility where the usual and customary business is the preparation and  
2 serving of meals to consumers, which has a bona fide kitchen facility, which  
3 receives at least seventy percent (70%) of its food and alcoholic beverage  
4 receipts from the sale of food, which maintains a minimum seating capacity of  
5 fifty (50) persons for dining, which has no open bar, which requires that  
6 alcoholic beverages be sold in conjunction with the sale of a meal, and which  
7 is located in a wet or moist territory under KRS 242.1244; or
- 8 (b) A facility where the usual and customary business is the preparation and  
9 serving of meals to consumers, which has a bona fide kitchen facility, which  
10 receives at least seventy percent (70%) of its food and alcoholic beverage  
11 receipts from the sale of food, which maintains a minimum seating capacity of  
12 one hundred (100) persons of dining, and which is located in a wet or moist  
13 territory under KRS 242.1244;
- 14 (40) "Local administrator" means a city alcoholic beverage control administrator, county  
15 alcoholic beverage control administrator, or urban-county alcoholic beverage  
16 control administrator;
- 17 (41) "Malt beverage" means any fermented undistilled alcoholic beverage of any name  
18 or description, manufactured from malt wholly or in part, or from any substitute for  
19 malt, and includes weak cider;
- 20 (42) "Manufacture" means distill, rectify, brew, bottle, and operate a winery;
- 21 (43) "Manufacturer" means a winery, distiller, rectifier, or brewer, and any other person  
22 engaged in the production or bottling of alcoholic beverages;
- 23 (44) "Marina" means a dock or basin providing moorings for boats and offering supply,  
24 repair, or other services for remuneration;
- 25 (45) "Minor" means any person who is not twenty-one (21) years of age or older;
- 26 (46) "Moist" means a territory in which a majority of the electorate voted to permit  
27 limited alcoholic beverage sales by any one (1) or a combination of special limited

- 1 local option elections authorized by KRS Chapter 242;
- 2 (47) "Population" means the population figures established by the federal decennial  
3 census for a census year or the current yearly population estimates prepared by the  
4 Kentucky State Data Center, Urban Studies Center of the University of Louisville,  
5 Louisville, Kentucky, for all other years;
- 6 (48) "Premises" means the land and building in and upon which any business regulated  
7 by alcoholic beverage statutes is operated or carried on. "Premises" shall not  
8 include as a single unit two (2) or more separate businesses of one (1) owner on the  
9 same lot or tract of land, in the same or in different buildings if physical and  
10 permanent separation of the premises is maintained, excluding employee access by  
11 keyed entry and emergency exits equipped with crash bars, and each has a separate  
12 public entrance accessible directly from the sidewalk or parking lot. Any licensee  
13 holding an alcoholic beverage license on July 15, 1998, shall not, by reason of this  
14 subsection, be ineligible to continue to hold his or her license or obtain a renewal,  
15 of the license;
- 16 (49) "Primary source of supply" or "supplier" means the distiller, winery, brewer,  
17 producer, owner of the commodity at the time it becomes a marketable product,  
18 bottler, or authorized agent of the brand owner. In the case of imported products,  
19 the primary source of supply means either the foreign producer, owner, bottler, or  
20 agent of the prime importer from, or the exclusive agent in, the United States of the  
21 foreign distiller, producer, bottler, or owner;
- 22 (50) "Private club" means a nonprofit social, fraternal, military, or political organization,  
23 club, or nonprofit or for-profit entity maintaining or operating a club room, club  
24 rooms, or premises from which the general public is excluded;
- 25 (51) "Private selection event" means a private event with a licensed distiller during  
26 which participating consumers, retail licensees, wholesalers, distributors, or a  
27 distillery's own representatives select a single barrel or a blend of barrels of the

- 1 distiller's products to be specially packaged for the participants;
- 2 (52) "Private selection package" means a bottle of distilled spirits sourced from the  
3 barrel or barrels selected by participating consumers, retail licensees, wholesalers,  
4 distributors, microbreweries that hold a quota retail drink or quota retail package  
5 license, or a distillery's own representatives during a private selection event;
- 6 (53) "Public nuisance" means a condition that endangers safety or health, is offensive to  
7 the senses, or obstructs the free use of property so as to interfere with the  
8 comfortable enjoyment of life or property by a community or neighborhood or by  
9 any considerable number of persons;
- 10 (54) "Qualified historic site" means:
- 11 (a) A contributing property with dining facilities for at least fifty (50) persons at  
12 tables, booths, or bars where food may be served within a commercial district  
13 listed in the National Register of Historic Places;
- 14 (b) A site that is listed as a National Historic Landmark or in the National  
15 Register of Historic Places with dining facilities for at least fifty (50) persons  
16 at tables, booths, or bars where food may be served;
- 17 (c) A distillery which is listed as a National Historic Landmark and which  
18 conducts souvenir retail package sales under KRS 243.0305; or
- 19 (d) A not-for-profit or nonprofit facility listed on the National Register of Historic  
20 Places;
- 21 (55) "Rectifier" means any person who rectifies, purifies, or refines distilled spirits,  
22 malt, or wine by any process other than as provided for on distillery premises, and  
23 every person who, without rectifying, purifying, or refining distilled spirits by  
24 mixing alcoholic beverages with any materials, manufactures any imitations of or  
25 compounds liquors for sale under the name of whiskey, brandy, gin, rum, wine,  
26 spirits, cordials, bitters, or any other name;
- 27 (56) "Repackaging" means the placing of alcoholic beverages in any retail container

- 1           irrespective of the material from which the container is made;
- 2   (57) "Restaurant" means a facility where the usual and customary business is the  
3       preparation and serving of meals to consumers, that has a bona fide kitchen facility,  
4       and that receives at least fifty percent (50%) of its food and alcoholic beverage  
5       receipts from the sale of food at the premises;
- 6   (58) "Retail container" means any bottle, can, barrel, or other container which, without a  
7       separable intermediate container, holds alcoholic beverages and is suitable and  
8       destined for sale to a retail outlet, whether it is suitable for delivery or shipment to  
9       the consumer or not;
- 10   (59) "Retail sale" means any sale of alcoholic beverages to a consumer, including those  
11       transactions taking place in person, electronically, online, by mail, or by telephone;
- 12   (60) "Retailer" means any licensee who sells and delivers any alcoholic beverage to  
13       consumers, except for manufacturers with limited retail sale privileges and direct  
14       shipper licensees;
- 15   (61) "Riverboat" means any boat or vessel with a regular place of mooring in this state  
16       that is licensed by the United States Coast Guard to carry forty (40) or more  
17       passengers for hire on navigable waters in or adjacent to this state;
- 18   (62) "Sale" means any transfer, exchange, or barter for consideration, and includes all  
19       sales made by any person, whether principal, proprietor, agent, servant, or  
20       employee, of any alcoholic beverage;
- 21   (63) "Service bar" means a bar, counter, shelving, or similar structure used for storing or  
22       stocking supplies of alcoholic beverages that is a workstation where employees  
23       prepare alcoholic beverage drinks to be delivered to customers away from the  
24       service bar;
- 25   (64) "Sell" includes solicit or receive an order for, keep or expose for sale, keep with  
26       intent to sell, and the delivery of any alcoholic beverage;
- 27   (65) "Small farm winery" means a winery whose wine production is not less than two

- 1           hundred fifty (250) gallons and not greater than five hundred thousand (500,000)  
2           gallons in a calendar year;
- 3 (66) "Souvenir package" means a special package of distilled spirits available from a  
4           licensed retailer that is:
- 5           (a) Available for retail sale at a licensed Kentucky distillery where the distilled  
6           spirits were produced or bottled; or
- 7           (b) Available for retail sale at a licensed Kentucky distillery but produced or  
8           bottled at another of that distiller's licensed distilleries in Kentucky;
- 9 (67) "State administrator" or "administrator" means the distilled spirits administrator or  
10          the malt beverages administrator, or both, as the context requires;
- 11 (68) "State park" means a state park that has a:
- 12          (a) Nine (9) or eighteen (18) hole golf course; or
- 13          (b) Full-service lodge and dining room;
- 14 (69) "Supplemental bar" means a bar, counter, shelving, or similar structure used for  
15          serving and selling distilled spirits or wine by the drink for consumption on the  
16          licensed premises to guests and patrons from additional locations other than the  
17          main bar;
- 18 (70) "Territory" means a county, city, district, or precinct;
- 19 (71) "Urban-county administrator" means an urban-county alcoholic beverage control  
20          administrator;
- 21 (72) "Valid identification document" means an unexpired, government-issued form of  
22          identification that contains the photograph and date of birth of the individual to  
23          whom it is issued;
- 24 (73) "Vehicle" means any device or animal used to carry, convey, transport, or otherwise  
25          move alcoholic beverages or any products, equipment, or appurtenances used to  
26          manufacture, bottle, or sell these beverages;
- 27 (74) "Vintage distilled spirit" means:

- 1 (a) A private selection package; or
- 2 (b) A package or packages of distilled spirits that:
- 3 1. Are in their original manufacturer's unopened container;
- 4 2. Are not owned by a distillery; and
- 5 3. Are not otherwise available for purchase from a licensed wholesaler
- 6 within the Commonwealth;

- 7 (75) (a) "Vintage distilled spirits seller" means a nonlicensed person at least twenty-
- 8 one (21) years of age who is:
- 9 1. An administrator, executor, receiver, or other fiduciary who receives and
- 10 sells vintage distilled spirits in execution of the person's fiduciary
- 11 capacity;
- 12 2. A creditor who receives or takes possession of vintage distilled spirits as
- 13 security for, or in payment of, debt, in whole or in part;
- 14 3. A public officer or court official who levies on vintage distilled spirits
- 15 under order or process of any court or magistrate to sell the vintage
- 16 distilled spirits in satisfaction of the order or process; or
- 17 4. Any other person not engaged in the business of selling alcoholic
- 18 beverages.

- 19 (b) "Vintage distilled spirits seller" does not mean:
- 20 1. A person selling alcoholic beverages as part of an approved KRS
- 21 243.630 transfer; or
- 22 2. A person selling alcoholic beverages as authorized by KRS 243.540;

23 (76) "Warehouse" means any place in which alcoholic beverages are housed or stored;

24 (77) "Weak cider" means any fermented fruit-based beverage containing more than one

25 percent (1%) but less than seven percent (7%) alcohol by volume;

26 (78) "Wet" means a territory in which a majority of the electorate voted to permit all

27 forms of retail alcoholic beverage sales by a local option election under KRS

1 242.050 or 242.125 on the following question: "Are you in favor of the sale of  
2 alcoholic beverages in (name of territory)?";

3 (79) "Wholesale sale" means a sale to any person for the purpose of resale;

4 (80) "Wholesaler" means any person who distributes alcoholic beverages for the purpose  
5 of being sold at retail, but it shall not include a subsidiary of a manufacturer or  
6 cooperative of a retail outlet;

7 (81) "Wine" means the product of the normal alcoholic fermentation of the juices of  
8 fruits, with the usual processes of manufacture and normal additions, and includes  
9 champagne and sparkling and fortified wine of an alcoholic content not to exceed  
10 twenty-four percent (24%) by volume. It includes sake, cider, hard cider, and perry  
11 cider and also includes preparations or mixtures vended in retail containers if these  
12 preparations or mixtures contain not more than fifteen percent (15%) of alcohol by  
13 volume. It does not include weak cider; and

14 (82) "Winery" means any place or premises in which wine is manufactured from any  
15 fruit, or brandies are distilled as a by-product of wine or other fruit, or cordials are  
16 compounded, except a place or premises that manufactures wine for sacramental  
17 purposes exclusively.

18 ➔Section 11. KRS 243.030 is amended to read as follows:

19 The following licenses that authorize traffic in distilled spirits and wine and in cannabis-  
20 infused beverages may be issued by the distilled spirits administrator. Licenses that  
21 authorize traffic in all alcoholic beverages may be issued by both the distilled spirits  
22 administrator and malt beverages administrator. The licenses and their accompanying  
23 fees are as follows:

24 (1) Distiller's license:

25 (a) Class A, per annum .....\$3,090.00

26 (b) Class B (craft distillery), per annum.....\$1,000.00

27 (c) Off-premises retail sales outlet, per annum .....\$300.00

1	(2) Rectifier's license:	
2	(a) Class A, per annum .....	\$2,580.00
3	(b) Class B (craft rectifier), per annum .....	\$825.00
4	(3) Winery license, per annum .....	\$1,030.00
5	(4) Small farm winery license, per annum .....	\$110.00
6	(a) Small farm winery off-premises retail license, per annum .....	\$30.00
7	(5) Wholesaler's license, per annum .....	\$2,060.00
8	(6) Quota retail package license, per annum .....	\$570.00
9	(7) Quota retail drink license, per annum .....	\$620.00
10	(8) Transporter's license, per annum .....	\$210.00
11	(9) Special nonbeverage alcohol license, per annum .....	\$60.00
12	(10) Special agent's or solicitor's license, per annum .....	\$30.00
13	(11) Bottling house or bottling house storage license, per annum .....	\$1,030.00
14	(12) Special temporary license, per event .....	\$100.00
15	(13) Special Sunday retail drink license, per annum .....	\$520.00
16	(14) Caterer's license, per annum .....	\$830.00
17	(15) Special temporary alcoholic beverage auction license, per event .....	\$100.00
18	(16) Extended hours supplemental license, per annum .....	\$2,060.00
19	(17) Hotel in-room license, per annum .....	\$210.00
20	(18) Air transporter license, per annum .....	\$520.00
21	(19) Sampling license, per annum .....	\$110.00
22	(20) Replacement or duplicate license .....	\$25.00
23	(21) Entertainment destination center license:	
24	(a) When the licensee is a city, county, urban-county government,	
25	consolidated local government, charter county government, or	
26	unified local government, per annum .....	\$2,577.00
27	(b) All other licensees, per annum .....	\$7,730.00

- 1 (22) Limited restaurant license, per annum .....\$780.00
- 2 (23) Limited golf course license, per annum.....\$720.00
- 3 (24) Small farm winery wholesaler's license, per annum .....\$110.00
- 4 (25) Qualified historic site license, per annum .....\$1,030.00
- 5 (26) Nonquota type 1 license, per annum .....\$4,120.00
- 6 (27) Nonquota type 2 license, per annum.....\$830.00
- 7 (28) Nonquota type 3 license, per annum.....\$310.00
- 8 (29) Distilled spirits and wine storage license, per annum .....\$620.00
- 9 (30) Out-of-state distilled spirits and wine supplier's license, per annum .....\$1,550.00
- 10 (31) Limited out-of-state distilled spirits and wine supplier's
- 11 license, per annum .....\$260.00
- 12 (32) Authorized public consumption license, per annum.....\$250.00
- 13 (33) Direct shipper Type A license, per annum.....\$100.00
- 14 (34) Limited nonquota package license, per annum.....\$300.00
- 15 (35) Vintage distilled spirits license, per annum .....\$300.00
- 16 (36) Cannabis-infused beverage retail package license, per annum.....~~\$2,000.00~~ **\$500.00**
- 17 (37) Cannabis-infused beverage distributor's license, per annum .....\$1,000.00
- 18 (38) Cannabis-infused beverage distributor's license,
- 19 supplemental, per annum .....\$1,000.00
- 20 (39) Direct shipper Type B license, per annum.....\$1,000.00
- 21 (40) A nonrefundable fee of sixty dollars (\$60) shall be charged to process each new
- 22 transitional license pursuant to KRS 243.045.
- 23 (41) Other special licenses the board finds necessary for the proper regulation and
- 24 control of the traffic in distilled spirits and wine and provides for by administrative
- 25 regulation. In establishing the amount of license taxes that are required to be fixed
- 26 by the board, it shall have regard for the value of the privilege granted.
- 27 (42) The fee for each of the first five (5) supplemental bar licenses shall be the same as

1 the fee for the primary retail drink license. There shall be no charge for each  
2 supplemental license issued in excess of five (5) to the same licensee at the same  
3 premises.

4 A nonrefundable application fee of fifty dollars (\$50) shall be charged to process each  
5 new application under this section, except for subsections (4), (8), (9), (10), (12), (15),  
6 (19), and (20) of this section. The application fee shall be applied to the licensing fee if  
7 the license is issued; otherwise it shall be retained by the department.

8 ➔Section 12. KRS 260.852 is amended to read as follows:

9 It is the declared policy of the Commonwealth that hemp is a viable agricultural crop in  
10 the Commonwealth. The purposes of KRS 260.850 to 260.869 are to:

- 11 (1) Promote the research and study methods of cultivating, processing, and marketing  
12 hemp;
- 13 (2) Promote the expansion of the Commonwealth's hemp industry~~[to the maximum~~  
14 ~~extent permitted by federal law]~~ by allowing citizens of the Commonwealth to  
15 cultivate, handle, or process hemp and hemp products for commercial purposes; and
- 16 (3) Move the Commonwealth and its citizens to the forefront of the hemp industry.

17 ➔Section 13. KRS 260.858 is amended to read as follows:

- 18 (1) Notwithstanding any other provision of law to the contrary, it is lawful for a  
19 licensee, or his or her agent, to cultivate, handle, or process hemp or hemp products  
20 in the Commonwealth.
- 21 (2) It is unlawful for a person who does not hold a license issued by the department, or  
22 who is not an agent of a licensee, to cultivate, handle,~~[process,]~~ or market living  
23 hemp plants or viable seeds, leaf materials, or floral materials derived from hemp.  
24 Penalties for persons who cultivate, handle, process, or market living hemp plants  
25 or viable seeds, leaf materials, or floral materials derived from hemp without a  
26 license are the same as those penalties that are applicable to persons who violate  
27 KRS Chapter 218A, relating to marijuana.

1 (3) ~~[It is unlawful for a person who does not hold a license issued by the department, or~~  
 2 ~~who is not an agent of a licensee, to possess hemp extract material having a[ delta-~~  
 3 ~~9] tetrahydrocannabinol concentration in excess of three tenths of one percent~~  
 4 ~~(0.3%). Penalties for persons who possess such hemp extract materials without a~~  
 5 ~~license are the same as those penalties that are applicable to persons who violate~~  
 6 ~~KRS Chapter 218A, relating to marijuana.~~

7 ~~(4) Nothing in ]This chapter ***shall not authorize***[authorizes] any person to violate any~~  
 8 ~~federal or state law or regulation.~~

9 ➔Section 14. KRS 260.862 is amended to read as follows:

10 (1) In addition to any other powers vested in it by law, the department shall have the  
 11 authority and power to promulgate administrative regulations to:

12 (a) License persons who wish to cultivate, handle,~~[process,]~~ or market hemp;

13 (b) Prescribe rules for a university's participation in, or affiliation with, any hemp  
 14 program;

15 (c) Prescribe sampling and testing procedures to ensure that hemp and hemp  
 16 products cultivated, handled,~~[processed,]~~ or marketed under the authority of  
 17 this section do not exceed the concentration levels defined in federal law as it  
 18 currently exists or as it may be subsequently amended;

19 (d) ***Prescribe rules for a licensed cultivator or licensed handler to sell hemp***  
 20 ***floral material to a licensed medical cannabis processor, producer, or***  
 21 ***dispensary as defined in KRS Chapter 218B so long as the harvested floral***  
 22 ***material has been grown within the legal framework of the department's***  
 23 ***hemp program and is tested in accordance with the Commonwealth's***  
 24 ***medical cannabis program***~~[Define classes or categories of hemp products~~

25 ~~that are eligible for sale, transfer, or distribution to members of the public];~~  
 26 and

27 (e) Establish a schedule of nonrefundable fees for applicants and licensees.

- 1 (2) (a) ~~A person~~ shall **not** cultivate, handle, ~~process,~~ or market hemp in the  
2 Commonwealth unless the person holds a license issued by the department.
- 3 (b) Any person seeking to cultivate hemp shall provide to the department the  
4 legal description and global positioning coordinates sufficient for locating the  
5 fields or greenhouses to be used to grow hemp.
- 6 (c) Any person seeking to cultivate ~~or process~~ hemp shall provide to the  
7 department prior written consent allowing representatives of the department,  
8 the Department of Kentucky State Police, and other state and local law  
9 enforcement agencies to enter onto all premises where hemp is cultivated,  
10 processed, or stored for the purpose of conducting physical inspections or  
11 ensuring compliance with the requirements of KRS 260.850 to 260.869 and  
12 administrative regulations promulgated by the department.
- 13 (d) An applicant for a license issued by the department shall submit to and pay for  
14 an annual criminal background check conducted by the Department of  
15 Kentucky State Police or another state or federal law enforcement agency or  
16 another entity selected by the department.
- 17 (e) ~~A person~~ who has been convicted of any felony or any drug-related  
18 misdemeanor or violation in the previous ten (10) years from the date of  
19 application shall **not** be eligible to obtain a license, provided, however, that:
- 20 1. A person who was growing hemp lawfully with a license, registration,  
21 or authorization under a pilot program authorized by Section 7606 of the  
22 Agricultural Act of 2014, 7 U.S.C. sec. 5940, shall be eligible to obtain  
23 a license to grow hemp; and
- 24 2. A person who was lawfully growing hemp under Section 7606 of the  
25 Agricultural Act of 2014 before December 20, 2018, and was convicted  
26 prior to December 20, 2018, shall be eligible to obtain a license to grow  
27 hemp.

1           ➔Section 15.   Whereas proper regulation of intoxicating products is vitally  
2 important to public safety, an emergency is declared to exist, and this Act takes effect  
3 upon its passage and approval by the Governor or upon its otherwise becoming a law.