

House Health Engrossed Substitute for HB219



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A BILL
TO BE ENTITLED
AN ACT

Relating to cannabis; to prohibit the sale, distribution, marketing, or possession of psychoactive cannabinoids found in hemp for certain age groups; to levy a ~~five~~ **an eight** percent tax on the gross proceeds of products containing psychoactive cannabinoids sold at retail; **to distribute the gross proceeds of the tax to the State General Fund;** and in connection therewith would have as its purpose or effect the requirement of a new or increased expenditure of local funds within the meaning of Section 111.05 of the Constitution of Alabama of 2022.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) Except as provided in Chapter 2A of Title 20, Code of Alabama 1975, psychoactive cannabinoids derived from or found in hemp as defined in Section 2-8-381, Code of Alabama 1975, including, but not limited to, delta-8-tetrahydrocannabinol and delta-10-tetrahydrocannabinol, shall not be sold, distributed, marketed to, or possessed by an individual who is under 21 years of age.



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29 (b) A violation of subsection (a) shall be a Class B
30 misdemeanor.

31 (c) Any individual under the age of 21 years violating
32 subsection (a), shall be issued a citation similar to a
33 uniform nontraffic citation and shall be fined not less than
34 fifty dollars (\$50) nor more than two hundred dollars (\$200)
35 for each violation, and shall be assessed no other court costs
36 or fees. In addition, on a third or subsequent conviction,
37 including convictions in district court or municipal court,
38 the court shall forward a record of the applicable convictions
39 to the Alabama State Law Enforcement Agency, and the Secretary
40 of the Alabama State Law Enforcement Agency shall suspend the
41 driving privileges or driver license of the individual for a
42 period of not less than three months nor more than six months.

43 Section 2. (a) Commencing October 1, ~~2023~~ 2024, there
44 is levied, in addition to all other taxes of every kind now
45 imposed by law, and shall be collected ~~and remitted~~ in
46 accordance with Article 1, commencing with Section 40-23-1, of
47 Chapter 23 of Title 40, Code of Alabama 1975, a tax on the
48 gross proceeds of the sales of any product containing
49 psychoactive cannabinoids when sold at retail in this state at
50 the rate of ~~five~~ ~~eight~~ percent of the gross proceeds of the
51 sales. ~~The taxes generated by this section shall be deposited~~
52 ~~to the credit of the State General Fund.~~ For purposes of this
53 section, "psychoactive cannabinoids" means psychoactive
54 cannabinoids derived from or found in hemp as defined in
55 Section 2-8-381, Code of Alabama 1975, including, but not
56 limited to, delta-8-tetrahydrocannabinol and

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57 delta-10-tetrahydrocannabinol, but does not include medical
58 cannabis regulated under Chapter 2A of Title 20, Code of
59 Alabama 1975.

60 (b) The producer value added agricultural product
61 exemption provided in Sections 40-23-1 and 40-23-4, as last
62 amended by Act 2022-291 of the 2022 Regular Session, Code of
63 Alabama 1975, shall not apply to any product containing
64 psychoactive cannabinoids.

65 Section 3. Although this bill would have as its purpose
66 or effect the requirement of a new or increased expenditure of
67 local funds, the bill is excluded from further requirements
68 and application under Section 111.05 of the Constitution of
69 Alabama of 2022, because the bill defines a new crime or
70 amends the definition of an existing crime.

71 Section 4. This act shall become effective on the first
72 day of the third month, following its passage and approval by
73 the Governor or its otherwise becoming law.