

HOUSE BILL No. 1384

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-8-1; IC 15-15-13; IC 24-4-23; IC 35-31.5-2; IC 35-46-1; IC 35-48-1.

Synopsis: Craft hemp flower. Changes "hemp flower" references to "craft hemp flower". Provides that a retail merchant certificate fee for a merchant that sells craft hemp flower is \$100. Creates packaging requirements for the distribution of craft hemp flower. Makes it a Class C infraction if a person knowingly: (1) sells or distributes craft hemp flower, tobacco, or an electronic cigarette to a person less than 21 years of age; and (2) purchases craft hemp flower, tobacco, or an electronic cigarette for delivery to another person who is less than 21 years of age. Provides that a retail establishment that sells or distributes craft hemp flower, tobacco, or an electronic cigarette to a person less than 21 years of age commits a Class C infraction. Makes it a Class C infraction if a person less than 21 years of age: (1) purchases craft hemp flower, tobacco, or an electronic cigarette; (2) accepts craft hemp flower, tobacco, or an electronic cigarette for personal use; or (3) possesses craft hemp flower, tobacco, or an electronic cigarette on his or her person.

Effective: July 1, 2020.

Eberhart, Moed, VanNatter, Bartels

January 16, 2020, read first time and referred to Committee on Public Health.



Second Regular Session of the 121st General Assembly (2020)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2019 Regular Session of the General Assembly.

HOUSE BILL No. 1384

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-8-1, AS AMENDED BY P.L.234-2019,
2 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2020]: Sec. 1. (a) A retail merchant may not make a retail
4 transaction in Indiana, unless the retail merchant has applied for a
5 registered retail merchant's certificate.
6 (b) A retail merchant may obtain a registered retail merchant's
7 certificate by filing an application with the department and paying a
8 registration fee of:
9 (1) twenty-five dollars (\$25) for each place of business listed on
10 the application, **except as provided in subdivision (2); or**
11 **(2) one hundred dollars (\$100) for each place of business listed**
12 **on the application at which the retail merchant sells craft**
13 **hemp flower (as defined in IC 35-31.5-2-68.8).**
14 The retail merchant shall also provide such security for payment of the
15 tax as the department may require under IC 6-2.5-6-12.
16 (c) The retail merchant shall:
17 (1) list on the application the location (including the township) of



1 each place of business where the retail merchant makes retail
2 transactions; **and**

3 **(2) if applicable, identify each location in subdivision (1) at**
4 **which the retail merchant sells craft hemp flower (as defined**
5 **in IC 35-31.5-2-68.8).**

6 However, if the retail merchant does not have a fixed place of business,
7 the retail merchant shall list the retail merchant's residence as the retail
8 merchant's place of business. In addition, a public utility may list only
9 its principal Indiana office as its place of business for sales of public
10 utility commodities or service, but the utility must also list on the
11 application the places of business where it makes retail transactions
12 other than sales of public utility commodities or service.

13 (d) Upon receiving a proper application, the correct fee, and the
14 security for payment, if required, the department shall:

15 (1) issue to the retail merchant a separate registered retail
16 merchant's certificate for each place of business listed on the
17 application; **and**

18 **(2) if the retail merchant has identified locations under**
19 **subsection (c)(2) at which it sells craft hemp flower (as defined**
20 **in IC 35-31.5-2-68.8), issue a modified retail merchant's**
21 **certificate under subdivision (1) to identify that location as a**
22 **place of business at which craft hemp flower is sold.**

23 Each certificate shall bear a serial number and the location of the place
24 of business for which it is issued.

25 (e) The department may deny an application for a registered retail
26 merchant's certificate if the applicant's business is operated, managed,
27 or otherwise controlled by or affiliated with a person, including a
28 relative, family member, responsible officer, or owner, who the
29 department has determined:

30 (1) failed to:

31 (A) file all tax returns or information reports with the
32 department for listed taxes; or

33 (B) pay all taxes, penalties, and interest to the department for
34 listed taxes; and

35 (2) the business of the person who has failed to file all tax returns
36 or information reports under subdivision (1)(A) or who has failed
37 to pay all taxes, penalties, and interest under subdivision (1)(B)
38 is substantially similar to the business of the applicant.

39 (f) If a retail merchant intends to make retail transactions during a
40 calendar year at a new Indiana place of business, the retail merchant
41 must file a supplemental application and pay the fee for that place of
42 business.



1 (g) Except as provided in subsection (i), a registered retail
 2 merchant's certificate is valid for two (2) years after the date the
 3 registered retail merchant's certificate is originally issued or renewed.
 4 If the retail merchant has filed all returns and remitted all taxes the
 5 retail merchant is currently obligated to file or remit, the department
 6 shall renew the registered retail merchant's certificate within thirty (30)
 7 days after the expiration date, at no cost to the retail merchant. Before
 8 issuing or renewing the registered retail merchant certification, the
 9 department may require the following to be provided:

10 (1) The names and addresses of the retail merchant's principal
 11 employees, agents, or representatives who engage in Indiana in
 12 the solicitation or negotiation of the retail transaction.

13 (2) The location of all of the retail merchant's places of business
 14 in Indiana, including offices and distribution houses.

15 (3) Any other information that the department requests.

16 (h) The department may not renew a registered retail merchant
 17 certificate of a retail merchant who is delinquent in remitting
 18 withholding taxes required to be remitted under IC 6-3-4 or sales or use
 19 tax. The department, at least sixty (60) days before the date on which
 20 a retail merchant's registered retail merchant's certificate expires, shall
 21 notify a retail merchant who is delinquent in remitting withholding
 22 taxes required to be remitted under IC 6-3-4 or sales or use tax that the
 23 department will not renew the retail merchant's registered retail
 24 merchant's certificate.

25 (i) If:

26 (1) a retail merchant has been notified by the department that the
 27 retail merchant is delinquent in remitting withholding taxes or
 28 sales or use tax in accordance with subsection (h); and

29 (2) the retail merchant pays the outstanding liability before the
 30 expiration of the retail merchant's registered retail merchant's
 31 certificate;

32 the department shall renew the retail merchant's registered retail
 33 merchant's certificate for one (1) year.

34 (j) A retail merchant engaged in business in Indiana as defined in
 35 IC 6-2.5-3-1(c) who makes retail transactions that are only subject to
 36 the use tax must obtain a registered retail merchant's certificate before
 37 making those transactions. The retail merchant may obtain the
 38 certificate by following the same procedure as a retail merchant under
 39 subsections (b) and (c), except that the retail merchant must also
 40 include on the application:

41 (1) the names and addresses of the retail merchant's principal
 42 employees, agents, or representatives who engage in Indiana in



- 1 the solicitation or negotiation of the retail transactions;
 2 (2) the location of all of the retail merchant's places of business in
 3 Indiana, including offices and distribution houses; and
 4 (3) any other information that the department requests.

5 The department may also require that this information be updated
 6 before renewal of a registered retail merchant's certificate.

7 (k) The department may permit an out-of-state retail merchant to
 8 collect the use tax. However, before the out-of-state retail merchant
 9 may collect the tax, the out-of-state retail merchant must obtain a
 10 registered retail merchant's certificate in the manner provided by this
 11 section. Upon receiving the certificate, the out-of-state retail merchant
 12 becomes subject to the same conditions and duties as an Indiana retail
 13 merchant and must then collect the use tax due on all sales of tangible
 14 personal property that the out-of-state retail merchant knows is
 15 intended for use in Indiana.

16 (l) Except as provided in subsection (m), the department shall
 17 submit to the township assessor, or the county assessor if there is no
 18 township assessor for the township, before March 15 of each year:

- 19 (1) the name of each retail merchant that has newly obtained a
 20 registered retail merchant's certificate during the preceding year
 21 for a place of business located in the township or county; and
 22 (2) the address of each place of business of the taxpayer in the
 23 township or county.

24 (m) If the duties of the township assessor have been transferred to
 25 the county assessor as described in IC 6-1.1-1-24, the department shall
 26 submit the information listed in subsection (l) to the county assessor.

27 **(n) Before January 1, 2021, a retail merchant that has a retail**
 28 **merchant's certificate for a place of business at which the retail**
 29 **merchant sells craft hemp flower (as defined in IC 35-31.5-2-68.8)**
 30 **shall file a supplemental application for a modified retail**
 31 **merchant's certificate under this section and pay the fee under**
 32 **subsection (b)(2) for that place of business. This subsection expires**
 33 **January 1, 2021.**

34 **(o) After December 31, 2020, a retail merchant that has a retail**
 35 **merchant's certificate for a place of business at which the retail**
 36 **merchant sells craft hemp flower (as defined in IC 35-31.5-2-68.8)**
 37 **without a modified retail merchant's certificate under subsection**
 38 **(d)(2) shall pay:**

- 39 **(1) the fee under subsection (b)(2); and**
 40 **(2) a compliance fee of one thousand dollars (\$1,000) to be**
 41 **transferred to the Indiana state department of agriculture**
 42 **and used for hemp marketing and research purposes.**



1 SECTION 2. IC 15-15-13-6.5, AS ADDED BY P.L.190-2019,
 2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2020]: Sec. 6.5. As used in this chapter, "hemp product"
 4 means a product derived from, or made by, processing hemp plants or
 5 plant parts including derivatives, extracts, cannabinoids, isomers, acids,
 6 salts, and salts of isomers. However, the term does not include:

- 7 (1) smokable hemp (as defined by IC 35-48-1-26.6); ~~or~~
 8 **(2) craft hemp flower (as defined in IC 35-31.5-2-68.8); or**
 9 ~~(2) (3)~~ **(3) products that contain a total delta-9-tetrahydrocannabinol**
 10 **concentration of more than three-tenths of one percent (0.3%) by**
 11 **weight.**

12 SECTION 3. IC 15-15-13-19, AS ADDED BY P.L.190-2019,
 13 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2020]: Sec. 19. (a) Hemp bud (as defined in IC 35-48-1-17.2)
 15 and **craft hemp flower (as defined in ~~IC 35-48-1-17.3)~~**
 16 **IC 35-31.5-2-68.8)** may be sold only to a processor licensed under this
 17 chapter.

18 (b) The state seed commissioner may impose a civil penalty under
 19 section 13 of this chapter for a violation of subsection (a).

20 SECTION 4. IC 15-15-13-20, AS ADDED BY P.L.190-2019,
 21 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2020]: Sec. 20. (a) A person who knowingly or intentionally
 23 violates:

- 24 (1) a term, condition, or requirement of a license issued; or
 25 (2) a rule adopted;

26 under this chapter is subject to a civil penalty, determined by the state
 27 seed commissioner, not to exceed ten thousand dollars (\$10,000) per
 28 violation. The state seed commissioner may also revoke the license of
 29 a person who violates this subsection.

30 (b) A person who knowingly or intentionally:

- 31 (1) grows hemp;
 32 (2) handles hemp; or
 33 (3) sells agricultural hemp seed;

34 not including smokable hemp (as defined by IC 35-48-1-26.6) **or craft**
 35 **hemp flower (as defined in IC 35-31.5-2-68.8)**, and is not licensed
 36 under this chapter, commits a Class A misdemeanor.

37 SECTION 5. IC 24-4-23 IS ADDED TO THE INDIANA CODE AS
 38 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 39 1, 2020]:

40 **Chapter 23. Distribution of Craft Hemp Flower**

41 **Sec. 1. The following definitions apply throughout this chapter:**

- 42 (1) "Craft hemp flower" has the meaning set forth in



1 **IC 35-31.5-2-68.8.**

2 **(2) "Tamper evident packaging" means a package having at**
 3 **least one (1) indicator or a barrier to entry that, if breached**
 4 **or missing, can reasonably be expected to provide visible**
 5 **evidence to consumers that tampering has occurred.**

6 **Sec. 2. (a) Craft hemp flower must be distributed in:**

- 7 **(1) opaque; and**
 8 **(2) tamper evident;**

9 **packaging.**

10 **(b) Craft hemp flower must be distributed in packaging that**
 11 **clearly contains the following statement: "CONTAINS CRAFT**
 12 **HEMP FLOWER. KEEP AWAY FROM CHILDREN".**

13 **(c) Craft hemp flower must be distributed in packaging that**
 14 **contains the following information:**

15 **(1) Except as provided in subdivision (2), the facility that**
 16 **processed or packaged the craft hemp flower, including the**
 17 **facility's:**

- 18 **(A) license number issued by a state agency or the state**
 19 **seed commissioner;**
 20 **(B) address; and**
 21 **(C) Internet web site address.**

22 **(2) The country of origin if the information required in**
 23 **subdivision (1) is not known.**

24 **(3) The retail store that sold the craft hemp flower.**

25 **(4) The potency of the craft hemp flower, including the**
 26 **projected percentage of total:**

- 27 **(A) THC;**
 28 **(B) cannabidiol; and**
 29 **(C) any other cannabinoid in the craft hemp flower;**
 30 **by weight or volume.**

31 SECTION 6. IC 35-31.5-2-68.8 IS ADDED TO THE INDIANA
 32 CODE AS A NEW SECTION TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2020]: **Sec. 68.8. "Craft hemp flower" means**
 34 **the harvested reproductive organ, whether immature or mature,**
 35 **of the female hemp plant. The term does not include agricultural**
 36 **hemp seed as defined in IC 15-15-13-2.**

37 SECTION 7. IC 35-31.5-2-100, AS AMENDED BY P.L.185-2019,
 38 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2020]: Sec. 100. (a) "Distribute", for purposes of
 40 IC 35-45-4-8, has the meaning set forth in IC 35-45-4-8.

41 (b) "Distribute", for purposes of IC 35-46-1-10, has the meaning set
 42 forth in ~~IC 35-46-1-10(e)~~: **IC 35-46-1-10(a).**



1 (c) "Distribute", for purposes of IC 35-46-1-10.2, has the meaning
2 set forth in ~~IC 35-46-1-10.2(e)~~. **IC 35-46-1-10.2(a)**.

3 (d) "Distribute", for purposes of IC 35-47.5, has the meaning set
4 forth in IC 35-47.5-2-6.

5 (e) "Distribute", for purposes of IC 35-48, has the meaning set forth
6 in IC 35-48-1-14.

7 (f) "Distribute", for purposes of IC 35-49, has the meaning set forth
8 in IC 35-49-1-2.

9 SECTION 8. IC 35-46-1-10, AS AMENDED BY P.L.20-2013,
10 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2020]: Sec. 10. **(a) As used in this section, "distribute"**
12 **means to give tobacco, craft hemp flower, or an electronic cigarette**
13 **to another person as a means of promoting, advertising, or**
14 **marketing the tobacco, craft hemp flower, or electronic cigarette**
15 **to the general public.**

16 ~~(a)~~ **(b)** A person who knowingly:

17 (1) sells or distributes tobacco, **craft hemp flower**, or an
18 electronic cigarette to a person less than ~~eighteen (18)~~
19 **twenty-one (21)** years of age; or

20 (2) purchases tobacco, **craft hemp flower**, or an electronic
21 cigarette for delivery to another person who is less than ~~eighteen~~
22 ~~(18)~~ **twenty-one (21)** years of age;

23 commits a Class C infraction. For a sale to take place under this
24 section, the buyer must pay the seller for the tobacco product, **craft**
25 **hemp flower**, or the electronic cigarette.

26 ~~(b)~~ **(c)** It is not a defense that the person to whom the tobacco, **craft**
27 **hemp flower**, or electronic cigarette was sold or distributed did not
28 smoke, chew, inhale, or otherwise consume the tobacco, **craft hemp**
29 **flower**, or the electronic cigarette.

30 ~~(c)~~ **(d)** The following defenses are available to a person accused of
31 selling or distributing tobacco, **craft hemp flower**, or an electronic
32 cigarette to a person who is less than ~~eighteen (18)~~ **twenty-one (21)**
33 years of age:

34 (1) The buyer or recipient produced a driver's license bearing the
35 purchaser's or recipient's photograph, showing that the purchaser
36 or recipient was of legal age to make the purchase.

37 (2) The buyer or recipient produced a photographic identification
38 card issued under IC 9-24-16-1, or a similar card issued under the
39 laws of another state or the federal government, showing that the
40 purchaser or recipient was of legal age to make the purchase.

41 (3) The appearance of the purchaser or recipient was such that an
42 ordinary prudent person would believe that the purchaser or



1 recipient was not less than the age that complies with regulations
2 promulgated by the federal Food and Drug Administration.

3 ~~(d)~~ (e) It is a defense that the accused person sold or delivered the
4 tobacco, **craft hemp flower**, or electronic cigarette to a person who
5 acted in the ordinary course of employment or a business concerning
6 tobacco, **craft hemp flower**, or electronic cigarettes, **including the**
7 **following activities:**

- 8 (1) Agriculture.
9 (2) Processing.
10 (3) Transporting.
11 (4) Wholesaling. ~~or~~
12 (5) Retailing.

13 ~~(e) As used in this section, "distribute" means to give tobacco or an~~
14 ~~electronic cigarette to another person as a means of promoting,~~
15 ~~advertising, or marketing the tobacco or electronic cigarette to the~~
16 ~~general public.~~

17 (f) Unless the person buys or receives tobacco, **craft hemp flower**,
18 or an electronic cigarette under the direction of a law enforcement
19 officer as part of an enforcement action, a person who sells or
20 distributes tobacco, **craft hemp flower**, or an electronic cigarette is not
21 liable for a violation of this section unless the person less than ~~eighteen~~
22 ~~(18)~~ **twenty-one (21)** years of age who bought or received the tobacco,
23 **craft hemp flower**, or electronic cigarette is issued a citation or
24 summons under section 10.5 of this chapter.

25 (g) Notwithstanding IC 34-28-5-5(c), civil penalties collected under
26 this section must be deposited in the Richard D. Doyle youth tobacco
27 education and enforcement fund (IC 7.1-6-2-6).

28 SECTION 9. IC 35-46-1-10.2, AS AMENDED BY P.L.20-2013,
29 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2020]: Sec. 10.2. (a) **As used in this section, "distribute"**
31 **means to give tobacco, craft hemp flower, or an electronic cigarette**
32 **to another person as a means of promoting, advertising, or**
33 **marketing the tobacco, craft hemp flower, or electronic cigarette**
34 **to the general public.**

35 ~~(a)~~ (b) A retail establishment that sells or distributes tobacco, **craft**
36 **hemp flower**, or an electronic cigarette to a person less than ~~eighteen~~
37 ~~(18)~~ **twenty-one (21)** years of age commits a Class C infraction. For a
38 sale to take place under this section, the buyer must pay the retail
39 establishment for the tobacco product, **craft hemp flower**, or
40 electronic cigarette. Notwithstanding IC 34-28-5-4(c), a civil judgment
41 for an infraction committed under this section must be imposed as
42 follows:



1 (1) If the retail establishment at that specific business location has
 2 not been issued a citation or summons for a violation of this
 3 section in the previous one hundred eighty (180) days, a civil
 4 penalty of up to two hundred dollars (\$200).

5 (2) If the retail establishment at that specific business location has
 6 had one (1) citation or summons issued for a violation of this
 7 section in the previous one hundred eighty (180) days, a civil
 8 penalty of up to four hundred dollars (\$400).

9 (3) If the retail establishment at that specific business location has
 10 had two (2) citations or summonses issued for a violation of this
 11 section in the previous one hundred eighty (180) days, a civil
 12 penalty of up to seven hundred dollars (\$700).

13 (4) If the retail establishment at that specific business location has
 14 had three (3) or more citations or summonses issued for a
 15 violation of this section in the previous one hundred eighty (180)
 16 days, a civil penalty of up to one thousand dollars (\$1,000).

17 A retail establishment may not be issued a citation or summons for a
 18 violation of this section more than once every twenty-four (24) hours
 19 for each specific business location.

20 ~~(b)~~ **(c)** It is not a defense that the person to whom the tobacco, **craft**
 21 **hemp flower**, or electronic cigarette was sold or distributed did not
 22 smoke, chew, inhale, or otherwise consume the tobacco or electronic
 23 cigarette.

24 ~~(c)~~ **(d)** The following defenses are available to a retail establishment
 25 accused of selling or distributing tobacco, **craft hemp flower**, or an
 26 electronic cigarette to a person who is less than ~~eighteen (18)~~
 27 **twenty-one (21)** years of age:

28 (1) The buyer or recipient produced a driver's license bearing the
 29 purchaser's or recipient's photograph showing that the purchaser
 30 or recipient was of legal age to make the purchase.

31 (2) The buyer or recipient produced a photographic identification
 32 card issued under IC 9-24-16-1 or a similar card issued under the
 33 laws of another state or the federal government showing that the
 34 purchaser or recipient was of legal age to make the purchase.

35 (3) The appearance of the purchaser or recipient was such that an
 36 ordinary prudent person would believe that the purchaser or
 37 recipient was not less than the age that complies with regulations
 38 promulgated by the federal Food and Drug Administration.

39 ~~(d)~~ **(e)** It is a defense that the accused retail establishment sold or
 40 delivered the tobacco, **craft hemp flower**, or electronic cigarette to a
 41 person who acted in the ordinary course of employment or a business
 42 concerning tobacco, **craft hemp flower**, or electronic cigarettes,



1 **including the following activities:**

- 2 (1) Agriculture.
 3 (2) Processing.
 4 (3) Transporting.
 5 (4) Wholesaling, ~~or~~
 6 (5) Retailing.

7 (e) As used in this section, "distribute" means to give tobacco or an
 8 electronic cigarette to another person as a means of promoting,
 9 advertising, or marketing the tobacco or electronic cigarette to the
 10 general public.

11 (f) Unless a person buys or receives tobacco, **craft hemp flower**, or
 12 an electronic cigarette under the direction of a law enforcement officer
 13 as part of an enforcement action, a retail establishment that sells or
 14 distributes tobacco, **craft hemp flower**, or an electronic cigarette is not
 15 liable for a violation of this section unless the person less than ~~eighteen~~
 16 **(18) twenty-one (21)** years of age who bought or received the tobacco,
 17 **craft hemp flower**, or electronic cigarette is issued a citation or
 18 summons under section 10.5 of this chapter.

19 (g) Notwithstanding IC 34-28-5-5(c), civil penalties collected under
 20 this section must be deposited in the Richard D. Doyle youth tobacco
 21 education and enforcement fund (IC 7.1-6-2-6).

22 (h) A person who violates subsection ~~(a)~~ **(b)** at least six (6) times in
 23 any one hundred eighty (180) day period commits habitual illegal sale
 24 of tobacco **or craft hemp flower**, a Class B infraction.

25 SECTION 10. IC 35-46-1-10.5, AS AMENDED BY P.L.20-2013,
 26 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2020]: Sec. 10.5. (a) A person less than ~~eighteen (18)~~
 28 **twenty-one (21)** years of age who:

- 29 (1) purchases tobacco, **craft hemp flower**, or an electronic
 30 cigarette;
 31 (2) accepts tobacco, **craft hemp flower**, or an electronic cigarette
 32 for personal use; or
 33 (3) possesses tobacco, **craft hemp flower**, or an electronic
 34 cigarette on his **or her** person;

35 commits a Class C infraction.

36 (b) It is a defense under subsection (a) that the accused person acted
 37 in the ordinary course of employment in a business concerning tobacco,
 38 **craft hemp flower**, or electronic cigarettes **including the following**
 39 **activities:**

- 40 (1) Agriculture.
 41 (2) Processing.
 42 (3) Transporting.



- 1 (4) Wholesaling. ~~or~~
 2 (5) Retailing.
 3 SECTION 11. IC 35-48-1-16.8, AS ADDED BY P.L.153-2018,
 4 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2020]: Sec. 16.8. "Hashish" does not include:
 6 (1) low THC hemp extract; **or**
 7 (2) **craft hemp flower.**
 8 SECTION 12. IC 35-48-1-17.5, AS AMENDED BY P.L.190-2019,
 9 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2020]: Sec. 17.5. (a) "Low THC hemp extract" means a
 11 substance or compound that:
 12 (1) is derived from or contains any part of the plant Cannabis
 13 sativa L. that meets the definition of hemp under IC 15-15-13-6;
 14 (2) contains not more than three-tenths percent (0.3%) total
 15 delta-9-tetrahydrocannabinol (THC), including precursors, by
 16 weight; and
 17 (3) contains no other controlled substances.
 18 (b) The term does not include:
 19 (1) the harvested reproductive organ, whether immature or
 20 mature, of the female hemp plant; ~~or~~
 21 (2) **craft hemp flower; or**
 22 ~~(2)~~ (3) smokable hemp.
 23 SECTION 13. IC 35-48-1-19, AS AMENDED BY P.L.190-2019,
 24 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2020]: Sec. 19. (a) "Marijuana" means any part of the plant
 26 genus Cannabis whether growing or not; the seeds thereof; the resin
 27 extracted from any part of the plant, including hashish and hash oil; any
 28 compound, manufacture, salt, derivative, mixture, or preparation of the
 29 plant, its seeds or resin.
 30 (b) The term does not include:
 31 (1) the mature stalks of the plant;
 32 (2) fiber produced from the stalks;
 33 (3) oil or cake made from the seeds of the plant;
 34 (4) any other compound, manufacture, salt, derivative, mixture,
 35 or preparation of the mature stalks (except the resin extracted
 36 therefrom);
 37 (5) the sterilized seed of the plant which is incapable of
 38 germination;
 39 (6) hemp (as defined by IC 15-15-13-6);
 40 (7) low THC hemp extract; ~~or~~
 41 (8) smokable hemp; **or**
 42 (9) **craft hemp flower.**



1 SECTION 14. IC 35-48-1-26.6, AS ADDED BY P.L.190-2019,
2 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2020]: Sec. 26.6. (a) Except as provided in subsection (b),
4 "smokable hemp" means a product containing not more than
5 three-tenths percent (0.3%) delta-9-tetrahydrocannabinol (THC),
6 including precursors and derivatives of THC, in a form that allows
7 THC to be introduced into the human body by inhalation of smoke. The
8 term includes
9 ~~(1)~~ hemp bud. ~~and~~
10 ~~(2)~~ hemp flower.
11 (b) The term does not include:
12 (1) a hemp plant that is; ~~or~~
13 **(2) craft hemp flower that is; or**
14 ~~(2)~~ **(3)** parts of a hemp plant that are;
15 grown or handled by a licensee for processing or manufacturing into a
16 legal hemp product.

