### Amendment to HB 1633-FN-A

1	Amend subparagraph I(c) as inserted by section 1 of the bill by replacing it with the following:
2	
3	(c) Selling, distributing, or transferring cannabis to minors and other individuals under
4	the age of 21 shall remain illegal, except in the case of qualifying patients enrolled in the therapeutic
5	cannabis program.
6	
7	Amend subparagraph II(i) as inserted by section 1 of the bill by replacing it with the following:
8	
9	(i) Reducing influence of lobbying and donations by:
10	(1) Ensuring that licensing will increase responsibly to balance the need for more
11	cannabis retail outlets in underserved communities; and
12	(2) Ensuring that laws and administrative rules do not pick favorites, but rather
13	create a transparent administrative process for applications and selection criteria; and
14	(3) Directing the secretary of state to promulgate rules restricting lobbying by
15	cannabis retail outlets.
16	
17	Amend the bill by replacing section 2 with the following:
18	
19	2 New Subparagraph; Application of Receipts; Cannabis Fund. Amend RSA 6:12, I(b) by
20	inserting after subparagraph 394 the following new subparagraph:
21	(395) Moneys deposited in the cannabis fund established in RSA 318-F:26.
22	
23	Amend the bill by deleting section $3$ and renumbering the original sections $4$ through $34$ to read as $3$
24	through 33, respectively.
25	
26	Amend RSA 318-F:1 as inserted by section 5 of the bill by replacing it with the following:
27	
28	318-F:1 Definitions. In this chapter:
29	I. "Alternative treatment center" means an entity as defined in RSA 126-X:1, I.
30	II. "Cannabis" or "marijuana" means all parts of the plant of the genus cannabis containing
31	over 0.3 percent THC on a dry weight basis, whether growing or not, the resin extracted from any
32	part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the

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plant, or its resin, including cannabis concentrate. "Cannabis" shall not include seeds of plants from the genus cannabis, hemp as defined by RSA 439-A, fiber produced from the stalks, oil, or cake made from the seeds of the plant seeds of the plant or the weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink, or other product.

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- III. "Cannabis accessories" or "cannabis paraphernalia" means any equipment, products, or materials of any kind that are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis into the human body. "Cannabis accessories" and "cannabis paraphernalia" does not include products that are not designed or marketed for use related to cannabis, or products designed or intended for cannabis, but used for non-cannabis purposes.
- IV. "Cannabis concentrate" or "concentrate" means the resin extracted from any part of a cannabis plant and every compound, manufacture, salt, derivative, mixture, or preparation from such resin, including, but not limited to, hashish. Cannabis concentrate shall not include cannabis products made from cannabis concentrate such as, but not limited to, edible products, topical products, and tinctures.
- V. "Cannabis cultivation facility" or "cultivation facility" means a person licensed by the state of New Hampshire to cultivate, prepare, and package cannabis, and sell cannabis to cannabis retail outlets, to cannabis product manufacturing facilities, to limited manufacturers, to alternative treatment centers, and to other cannabis cultivation facilities, but not to consumers unless the facility also holds another type of license allowing for direct sales. A cannabis cultivation facility shall not produce cannabis concentrates, tinctures, extracts, or other cannabis products through the use of any chemical extraction process, unless the facility also holds another type of license allowing for production of cannabis concentrates, tinctures, extracts, or other cannabis products.
- VI. "Cannabis distributor" means any person licensed to receive, warehouse, and distribute cannabis products between cannabis establishments. A license as a cannabis distributor shall not be required for entities otherwise licensed under this chapter to receive, warehouse, or distribute cannabis.
- VII. "Cannabis establishment" means any licensed New Hampshire cannabis cultivation facility, a cannabis testing facility, a cannabis distributor, cannabis limited product manufacturing facility, a cannabis product manufacturing facility, a cannabis retail outlet, a cannabis transporter, or any other type of cannabis business authorized and licensed by the commission.
- VIII. "Cannabis flower" or "flower" means the pistillate reproductive organs of a mature cannabis plant, whether processed or unprocessed, including the flowers and buds of the plant. "Cannabis flower" does not include non-flower portions of the plant or whole mature cannabis plants.

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IX. "Cannabis limited product manufacturing facility," "limited product manufacturing facility," or "limited manufacturer" means a person licensed to purchase cannabis, to manufacture, prepare, and package cannabis products, and sell cannabis and cannabis products to other limited manufacturers, to cannabis product manufacturing facilities, to alternative treatment centers, and to cannabis retail outlets, but not to consumers. A limited product manufacturing facility may not perform volatile extractions.

X. "Cannabis product manufacturing facility," "product manufacturing facility," or "cannabis product manufacturer" means a person licensed to purchase cannabis, to manufacture, prepare, and package cannabis products, and sell cannabis and cannabis products to other cannabis product manufacturing facilities, to limited manufacturers, to alternative treatment centers, and to cannabis retail outlets, but not to consumers.

- XI. "Cannabis products" means any product that contains cannabis, including cannabis concentrate and products that contain cannabis and other ingredients and are intended for use or consumption, such as, but not limited to, edible products, topical products, and tinctures. This term shall not include cannabis in its plant or flower form.
- XII. "Cannabis retail outlet" or "cannabis outlet" means a person licensed to purchase cannabis from cannabis cultivation facilities, to purchase cannabis products from cannabis product manufacturing facilities and limited manufacturers, and to sell, transfer, and deliver cannabis and cannabis products to consumers, qualifying patients, and designated caregivers. Online pre-ordering is allowed, but consumers must purchase and pick up cannabis and cannabis products at the cannabis retail outlet's licensed premise.
- XIII. "Cannabis testing facility" or "testing facility" means a person licensed to test cannabis and cannabis products for potency and contaminants.
- XIV. "Cannabis transporter" means a person licensed to transport cannabis and cannabis products between cannabis establishments.
- XV. "Canopy" or "canopy space" means the surface area utilized to produce mature plants calculated in square feet and measured using the outside boundaries of any area that includes mature marijuana plants, including all the space within the boundaries. The square footage of canopy space is measured horizontally starting from the outermost point of the furthest mature flowering plant in a designated growing space and continuing around the outside of all mature flowering plants located within the designated growing space. If growing spaces are stacked vertically, each level of space shall be measured and included as part of the total canopy space measurement.
  - XVI. "Commission" means the New Hampshire liquor commission.
- XVII. "Consumer" means a person 21 years of age or older who purchases cannabis or cannabis products for personal use by a person 21 years of age or older, but not for resale. "Consumer" does not include:

#### Amendment to HB 1633-FN-A - Page 4 -

(a) A qualifying patient, designated caregiver, or visiting qualifying patient purchasing 1 2 cannabis from an alternative treatment center pursuant to RSA 126-X; or 3 (b) A qualifying patient or designated caregiver purchasing cannabis from a cannabis 4 retail outlet in his or her capacity as a qualifying patient or designated caregiver, and without paying the agency fee pursuant to RSA 318-F:25, (I)(a). 5 6 XVIII. "Controlling interest" means, any of the following: 7 (a) A direct or indirect financial or voting interest of 10 percent or greater in the 8 applicant, licensee, or cannabis retail outlet; 9 (b) A direct or indirect financial or voting interest of 10 percent or greater in any 10 business with managerial control over the applicant, licensee, or cannabis retail outlet; and (c) Managerial control over the applicant, licensee, or cannabis retail outlet. 11 12 "Cultivation" or "cultivate" means the planting, propagation, growing, harvesting, drying, curing, grading, trimming, or other processing of cannabis for use or sale. "Cultivation" or 13 14 "cultivate" does not include manufacturing, testing, or cannabis extraction. 15 XX. "Department" means the department of health and human services. 16 XXI. "Designated caregiver" means "designated caregiver" as defined in RSA 126-X:1, VI. 17 XXII. "Documentation" means all records, in any form, including electronic records. "Flowering" means, with respect to a cannabis plant, the gametophytic or 18 19 reproductive state of a female cannabis plant during which the plant is in a light cycle intended to 20 produce flowers, trichomes, and cannabinoids characteristic of cannabis. XXIV. "Hemp" means the plant Cannabis sativa L. and any part of the plant, whether 21 22growing or not, with a delta-9 tetrahydrocannabinol concentration (THC) of not more than 0.3 23 percent on a dry weight basis. 24XXV. "Immature cannabis plant" means a cannabis plant that is not a mature cannabis 25 plant or a seedling. 26 XXVI. "Manufacturing" or "manufacture" means the production, blending, infusing, 27 compounding or other preparation of cannabis and cannabis products, including, but not limited to, 28 cannabis extraction or preparation by means of chemical synthesis. "Manufacturing" or 29 "manufacture" does not include cultivation or testing. 30 XXVII. "Mature cannabis plant" or "mature plant" means a cannabis plant that has flowered 31 and has buds that may be observed by visual examination. 32 XXVIII. "Municipality" means a city, town, or an unincorporated place. XXVIII-a. "Operational control model" means the operational control exercised by the state 33 34 as designated in this chapter such as:

(a) "State run stores" wherein the state operates retail outlets for direct purchase and sale of cannabis and cannabis products;

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## Amendment to HB 1633-FN-A - Page 5 -

1	(b) "Franchise model" wherein the state adopts a franchisor-franchisee relationship with
2	private businesses licensed by the liquor commission;
3	(c) "Agency store model" wherein the state requires agreement and compliance from
4	private businesses granted limited licensed by the liquor commission beyond the traditional health
5	and safety regulatory role of government; or
6	(d) "Free market operation" wherein the liquor commission exercises traditional health
7	and safety regulatory role of government with private businesses licensed by the liquor commission.
8	XXIX. "Person" means a natural person or a business entity.
9	XXX. "Possession limit" means:
10	(a) Four ounces of cannabis in plant form;
11	(b) Ten grams of cannabis concentrate, which includes, but is not limited to, pre-filled
12	cartridges of cannabis extracts intended for vaporization, but excludes products, such as edible
13	products, topical products, and tinctures; and
14	(c) Cannabis products other than cannabis concentrate containing no more than 2,000
15	milligrams of THC.
16	XXXI. "Premises" means and includes all parts of the contiguous real estate occupied by a
17	licensee over which the licensee has direct or indirect control or interest and which the licensee uses
18	in the operation of the licensed business, and which have been approved by the commission as proper
19	places in which to exercise the licensee's privilege.
20	XXXII. "Public place" means a place to which the general public has access, and does not
21	include private land, including land in current use, where cannabis use is allowed by the property
22	owner or tenant pursuant to 318-F:21, IV(d).
23	XXXIII. "Qualifying patient" means "qualifying patient" as defined in RSA 126-X:1, X.
24	XXXIV. "Resident" means a natural person who:
25	(a) Is domiciled in New Hampshire; and
26	(b) Maintains a place of abode in New Hampshire, unless the individual was homeless
27	and residing in New Hampshire for at least 51 percent of the time.
28	XXXV. "Seedling" means a cannabis plant that has no flowers and is less than 12 inches in
29	height and less than 12 inches in diameter.
30	XXXVI. "THC" means tetrahydrocannabinol.
31	XXXVII. "Therapeutic grade cannabis product" means a cannabis product that exceeds any
32	potency or serving size limitations created by this chapter and is manufactured by a licensed
33	alternative treatment center. Therapeutic grade cannabis products sold by an alternative treatment
34	center to a cannabis retail outlet shall meet the requirements of RSA 126-X and rules issued
35	pursuant to RSA 126-X. Cannabis retail outlets may only sell therapeutic grade cannabis products
36	to qualifying patients and designated caregivers. The commission has jurisdiction over therapeutic

### Amendment to HB 1633-FN-A - Page 6 -

1	grade cannabis products after they are transferred to a cannabis establishment licensed under this
2	chapter.
3	XXXVIII. "Volatile extraction" means:
4	(a) Extractions using any solvent identified as volatile or hazardous by the commission
5	and
6	(b) Any method of extraction identified as potentially hazardous by the commission.
7	
8	Amend RSA 318-F:2, I(a) as inserted by section 5 of the bill by replacing it with the following:
9	
10	(a) Possessing, consuming, using, displaying, obtaining, purchasing, processing
11	producing, or transporting an amount of cannabis that does not exceed the possession limit, except
12	that no adult other than one who is acting in his or her capacity as a staffer of a cannabis produc
13	manufacturer licensed pursuant to pursuant to RSA 318-F or an alternative treatment center
14	licensed pursuant to RSA 126-X may perform volatile extractions.
15	
16	Amend RSA 318-F:3 as inserted by section 5 of the bill by replacing it with the following:
17	
18	318-F:3 Smoking Cannabis in Public Prohibited; Penalty.
19	No person shall smoke or vaporize cannabis in any public place.
20	I. First offense: Any person who violates this section shall be guilty of a violation for the
21	first offense and shall be fined not more than \$100, and shall forfeit all cannabis and cannabis
22	products on their person.
23	II. Second offense: Any person who violates this section a second time within 5 years of the
24	first conviction under section I shall be guilty of a violation and shall be fined not more than \$500
25	and shall forfeit all cannabis and cannabis products on their person.
26	III. Subsequent offense: Any person who violates this section a third or more times, when
27	having 2 prior convictions within 5 years of the third or subsequent offense, shall be guilty of a class
28	B misdemeanor.
29	
30	Amend RSA 318-F:4, IV as inserted by section 5 of the bill by replacing it with the following:
31	
32	IV. In this section, "driving or attempting to drive" or "operating or attempting to operate"
33	shall not include the physical presence of a person or persons in a vehicle when it is parked, docked,
34	or otherwise in a stationary position that does not create a hazard to others. Idling to provide heat,
35	cooling, power generation, or other stationary use does not constitute "driving or attempting to
36	drive" or "operating or attempting to operate" for the purposes of this section.

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Amend RSA 318-F:7 as inserted by section 5 of the bill by replacing it with the following:

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- 318-F:7 Enforcement Authority.
- I. The commission shall have the primary responsibility for enforcing this chapter. Enforcement of chapter 318-B shall not be included in the responsibilities of the commission. Local, county, and state law enforcement officers shall also have jurisdiction to enforce this chapter. Such authority may be delegated to agents working under their authority.
- II. The commission shall appoint liquor investigators whose primary function shall be the proper prosecution of this chapter. The liquor investigators shall have statewide jurisdiction, with reference to enforcement of all laws either in cooperation with, or independently of, the officers of any county or town. The commission shall have the primary responsibility for the enforcement of all cannabis laws upon premises where cannabis and cannabis products are lawfully sold, stored, distributed, or manufactured. Any person violating the provisions of any law may be prosecuted by the commission or any of its investigators as provided in this section, or by county or city attorneys, or by sheriffs or their deputies, or by police officials of towns or New Hampshire state police.
- III. The commission shall adopt and publish rules pursuant to RSA 541-A, to govern its proceedings and to regulate the mode and manner of all investigations and hearings before it. All hearings before the commission shall be in accordance with RSA 541-A:31-36. In any such investigation or hearing, the commission shall not be bound by the technical rules of evidence. The commission may subpoena witnesses and administer oaths in any proceeding or examination instituted before or conducted by it, and may compel, by subpoena, the production of any accounts, books, contracts, records, documents, memoranda, and papers of any kind whatever. A summons issued by any justice of the peace shall have the same effect as though issued for appearance before such court.
- IV. If any false statement is knowingly made in any statement under oath which may be required by the provisions of this title or by the commission, the person making the same shall be deemed guilty of perjury. The making of any such false statement in any such application or in any such accompanying statements, whether made with or without the knowledge or consent of the applicant, shall, in the discretion of the commission, constitute sufficient cause for the revocation of the license.
- V. The commission shall adopt by rule under RSA 541-A a formal enforcement policy for licensees under its jurisdiction. This policy shall specify the disciplinary action, to include, but not limited to, a schedule of fines as are authorized by this chapter for violations of statutory requirements, which the commission shall take for violations of various laws under its jurisdiction. The enforcement policy shall also specify mitigating and aggravating factors which the commission shall consider in determining penalties for specific actions. Such enforcement policy shall authorize:

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- (a) Cannabis cultivation facilities to continue to cultivate, prepare, and package, but not purchase, transfer, or sell cannabis and cannabis products during a suspension or a license revocation, until such time as there is a final determination that the license be revoked for which no appeal is available; and
- (b) Authorize cannabis product manufacturing facilities, limited manufacturers, cannabis testing facilities, and cannabis retail outlets to possess existing cannabis inventory, but not acquire additional cannabis, or dispense, transfer, or sell cannabis during a suspension or a license revocation until such time as there is a final determination that the license be revoked for which no appeal is available.
- VI.(a) In applying its enforcement policy, the liquor commission shall establish and enforce specific determinate penalties for specific offenses. The commission shall not apply penalties such as license suspensions for indefinite periods of time.
- (b) In addition to RSA 541-A:30, III, the commission may suspend, for a period designated in rules, without a hearing, any license issued under the provisions of this title, if a risk to public health, safety, or welfare constitutes an emergency requiring such suspension. Any such suspension shall notify such persons designated in rules within 24 hours.

Amend RSA 318-F:8, II as inserted by section 5 of the bill by replacing it with the following:

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II. No later than 90 days after the effective date of this chapter, the advisory board shall be appointed. The board shall consist of 21 members, and shall consist of: the chair of the commission or designee; a certified public health official appointed by the chair of the governor's commission on alcohol and drug abuse prevention, treatment, and recovery in RSA 12-J; a medical provider with cannabis experience or a medical professional as nominated by the president of the New Hampshire Medical Society, the New Hampshire Board of Nursing, or the American Nurses Association; the commissioner of the department of health and human services or designee; a member of the Higher Education Council who represents an institution of higher learning, appointed by that council; a mental health professional appointed by the executive director of NAMI (National Alliance on Mental Illness) New Hampshire; one expert in cannabis cultivation; one expert in cannabis retailing; one expert in cannabis product manufacturing; one expert in cannabis testing; one board member or officer of an alternative treatment center; 2 registered therapeutic cannabis patients; one individual who represents cannabis consumers; the president of the New Hampshire association of chiefs of police or designee; a prevention specialist who is currently certified by the New Hampshire prevention certification board; a state senator, appointed by the senate president; 2 state representatives, appointed by the speaker of the house, one cannabis financial services expert; and one attorney with primary focus on cannabis industry practice. Except as otherwise specified, members shall be appointed by the governor.

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1	Amend RSA 318-F:8, VI as inserted by section 5 of the bill by replacing it with the following:
2	
3	VI. The cannabis advisory board shall:
4	(a) Advise the commission on rules to ensure the thorough and efficient implementation
5	of this chapter.
6	(b) Advise the commission on whether additional cannabis retail outlets and cannabis
7	cultivation canopy should be licensed, and, if so, how many.
8	(c) Advise the commission on what additional types of cannabis establishments, if any,
9	the commission should license along with recommendations on their licensure and regulation.
10	(d) Advise the commission and legislature on issues relating to maintaining and
11	expanding affordable access to a diversity of cannabis and cannabis products for qualifying patients
12	registered under RSA 126-X and the integration of the therapeutic cannabis program and the
13	regulatory system created by this chapter.
14	(e) Advise the commission on whether it should establish a state reference laboratory, or
15	whether an agreement with another state's reference laboratory is possible.
16	(f) Consider all matters submitted to it by the commission.
17	(g) Hold a hearing to solicit public input no less frequently than once every 6 months,
18	including input on the availability of reasonably priced therapeutic cannabis.
19	(h) Review any new science-based evidence of public health issues on the use of
20	cannabis.
21	(i) Advise the commission on spending and recommend any modifications to ensure the
22	thorough and efficient implementation of this chapter.
23	
24	Amend RSA 318-F:9 as inserted by section 5 of the bill by replacing it with the following:
25	
26	318-F:9 Regulation of Cannabis.
27	I. Not later than 18 months after the effective date of this section, the commission shall
28	adopt rules, pursuant to RSA 541-A, for the issuance of cultivation facility licenses. Not later than
29	20 months after the effective date of this section, the commission shall adopt rules, pursuant to RSA
30	541-A, for the licensure and regulation of all other cannabis establishments. The rules shall include
31	the following:
32	(a) Procedures including:
33	(1) Procedures for issuance, transfer, denial, approval, renewal, suspension, and
34	revocation of a license for an agency retail cannabis outlet. The rules shall require an approved
35	agency agreement for a retail cannabis outlet prior to applying for a license.
36	(2) Procedures for the application, issuance, transfer, denial, approval, renewal,
37	suspension, and revocation of a license for cannabis establishments other than agency retail outlets.

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1	(b) A schedule of reasonable application, licensing, and annual renewal fees, provided:
2	(1) That the non-refundable portion of application fees shall not exceed \$1,000, with
3	this upper limit adjusted annually for inflation;
4	(2) The application, licensing, and annual renewal fees for the smallest tier of
5	cultivation facilities may not exceed \$250;
6	(3) The non-refundable portion of application fees for a limited manufacturer may
7	not exceed \$100;
8	(4) All licensing and annual renewal fees, other than cultivation facilities, shall not
9	exceed \$10,000;
10	(5) That cultivation facility licensing fees be tiered based on the size of the facilities,
11	with a maximum fee of \$7,500; and
12	(6) That the licensing and annual renewal fees for a limited manufacturer may not
13	exceed \$2,500.
14	(c) Qualifications and disqualifications for licensure that are directly and demonstrably
15	related to the operation of a cannabis establishment, and which may not disqualify applicants solely
16	for having a prior history of criminal convictions for cannabis offenses prior to the effective date of
17	this chapter.
18	(d) Procedures to revoke the license of any cannabis retail outlet that is not operational
19	within the latter of 20 months of receiving its license or 2 months after the commissioner authorizes
20	retail sales to begin. However, the cannabis retail outlet shall be granted one or more 6-month
21	extensions if:
22	(1) The cannabis retail outlet demonstrates it is making substantial progress
23	towards becoming operational and the delay is not due to its failure to act in good faith and with
24	reasonable diligence; or
25	(2) The delay is due to a lack of sufficient cannabis or cannabis products because of
26	delays in cultivation facilities becoming operational.
27	(e) Regulations governing the selection and licensure of cultivation facilities, including:
28	(1) A cap on the total licensed canopy and a cap on the number of cultivation
29	facilities based on anticipated demand. The cap must be reassessed at least once every year. It must
30	be high enough to ensure a competitive market, and it must account for some facilities having crop
31	failures, cannabis that fails testing, and demand from visiting states;
32	(2) Providing that each alternative treatment center will be issued at least one
33	cultivation facility license, provided it applies and meets all qualifications and requirements of
34	licensure;
35	(3) Procedures to revoke the license for any cultivation facility that is not operational
36	within 20 months of receiving its license, and to accept applications for a new licensee. However, the

licensee shall be granted one or more 6-month extensions if the cultivation facility demonstrates it is

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- 1 making substantial progress towards becoming operational and the delay is not due to its failure to  $^{2}$ act in good faith and with reasonable diligence; 3 (4) Procedures to accept applications for cultivation facilities within 3 months of a 4 license being revoked, surrendered, or not renewed; and (5) Regulations creating at least 2 tiers of cultivation facilities, based on the size of 5 6 the facility or the number of plants cultivated and providing: 7 (A) That outdoor cultivation facilities must be allowed to cultivate 3 times the 8 square footage of canopy as indoor cultivation facilities of the same tier; 9 (B) The largest tier must be no larger than 5,000 square feet of canopy for indoor 10 cultivation, or no larger than 15,000 square feet of canopy for outdoor cultivation; provided that the 11 square footage of each level of vertical shelving or other levels shall count toward the total canopy; 12 (C) That security regulations and licensing fees shall vary based on the size of 13 the cultivation facility and that regulatory burdens shall be no more onerous than is reasonably 14 necessary; and 15 (D) That cultivation facilities may move up to a higher tier at least once per year 16 if they meet the security requirements and pay the associated fee, except that the commission may 17 suspend this provision in the event of an oversupply. 18 (f) Record keeping requirements for cannabis establishments, including requirements for 19 implementation and compliance with the distribution tracking system required by this chapter. 20 (g) Requirements for the transportation and distribution of cannabis and cannabis 21 products between cannabis establishments, including approved packaging and documentation that 22shall accompany any cannabis and cannabis products being transported, warehoused, or distributed 23 by cannabis establishments. 24(h) A schedule of civil fines as are authorized in this chapter for violations of chapter 25 requirements, provided that, not later than 18 months after the effective date of this chapter the 26 commission shall report to the chairpersons of the house and senate ways and means committees its 27 proposal for a fine schedule and for legislation needed to implement the schedule. 28 (i) Procedures for hearings on penalties, including civil fines and suspensions and 29 revocations of a cannabis establishment license. 30 (j) Reasonable security requirements for each type of cannabis establishment, which 31 may be varied based on the size of the cannabis establishment. 32 (k) Health and safety rules, including but not limited to the packaging and preparing of 33 cannabis and cannabis products, restricting the use of pesticides and other chemicals used during 34 cultivation and processing that may be dangerous to cannabis consumers, and sanitation 35 requirements.
  - (l) Restrictions on the logos, signage, marketing, and display of cannabis and cannabis products, including but not limited to:

36

### Amendment to HB 1633-FN-A - Page 12 -

1	(1) A prohibition on mass-market campaigns that have a high likelihood of reaching
2	minors;
3	(2) A prohibition on marketing to minors, including marketing specifically related to
4	social media;
5	(3) Restrictions to prevent cannabis from being marketed to minors, and
6	(4) A prohibition on cannabis products that are named, packaged, marketed, or
7	designed in a way that mimics or is likely to cause confusion with commercially available,
8	trademarked non-cannabis products, including relating to their logos, the sound of the product or
9	brand, packaging, taste, appearance, and commercial impression.
10	(m) Restrictions on where a cannabis cultivation facility may be located, consistent with
11	the provisions of this chapter, provided that nothing shall prohibit a cannabis cultivation facility
12	from being located at a facility that, at the time of application, is a location licensed to engage in
13	cultivation as alternative treatment center under RSA 126-X.
14	(n) Establishing a voluntary process whereby a cannabis establishment may request
15	approval of packaging, labeling, signage, a logo, marketing, or advertising to confirm it conforms
16	with the commission's interpretation of its rules. The commission shall respond within $30$ days with
17	approval or denial, with an explanation accompanying any denial. A fee of no greater than $$250 \text{ may}$
18	be charged for each review.
19	(o) Packaging, product manufacturing, and labeling requirements for cannabis and
20	cannabis products, including:
21	(1) Mandating the disclosure of the THC content of each product;
22	(2) Requirements to ensure cannabis products and cannabis and cannabis products'
23	packaging are not designed to appeal to or be attractive to minors, including providing that they
24	cannot be in the shape of cartoons, toys, animals, or people;
25	(3) Establishing the maximum amount of THC that may be included in each serving
26	of edible or drinkable cannabis product as $5$ milligrams; and the maximum amount of THC that may
27	be included in each package of edible or drinkable cannabis product as 100 milligrams;
28	(4) Prohibiting flavors and designs of cannabis-infused beverages, oils, and edibles
29	that closely resemble or imitate candy flavors that are marketed specifically to minors;
30	(5) Prohibiting statements on the label or packaging that are false or misleading;
31	(6) Prohibiting any written statements on the label or packaging that are illegible;
32	(7) Prohibiting packaging or labeling that contains subliminal or similarly deceptive
33	advertising techniques;
34	(8) Prohibiting packaging or labeling that features a depiction of athletes that is
35	deceptive and misleading in that it implies that consuming cannabis or cannabis products is
36	conducive to athletic skill or physical prowess, or that consuming cannabis does not hinder the
37	athlete's performance;

### Amendment to HB 1633-FN-A - Page 13 -

1	(9) Prohibiting packaging or labeling that features illustrations, subject matter, or
2	other attributes that are consistent with products marketed toward children and youths;
3	(10) Prohibiting packaging or labeling that features a depiction of consumption of
4	cannabis or cannabis products while seated in, about to enter, operating, or about to operate an
5	automobile or other machinery;
6	(11) Prohibiting packaging or labeling that encourages excessive consumption;
7	(12) Prohibiting packaging or labeling that does not indicate in a manner that is
8	sufficiently clear that the product contains cannabis or cannabis products or that might result in
9	confusion regarding whether the product is a cannabis or cannabis products;
10	(13) Prohibiting packaging or labeling that is offered for sale under the name,
11	identity, or characteristics of another food or beverage or mimics another food or beverage or the
12	characteristics of another food or beverage;
13	(14) Requiring packaging that is designed or constructed to be significantly difficult
14	for children under 5 years of age to open, and not difficult for adults to use properly; and
15	(15) Require packaging include warnings, including but not limited to, those
16	described in RSA 318-F:17.
17	(p) Health and safety rules and standards for the cultivation of cannabis and the
18	manufacture of cannabis products, including:
19	(1) Prohibitions on additives to products that are toxic, misleading to consumers, or
20	designed to make the product more appealing to children;
21	(2) Safety standards regulating the manufacture of cannabis extracts and
22	concentrated cannabis products; and
23	(3) A prohibition on the inclusion of nicotine, alcohol, and other additives to products
24	that are designed to make the product more addictive or more intoxicating.
25	(q) Standards for the operation of testing laboratories, including requirements for
26	equipment and qualifications for personnel.
27	(r) Requirements for the testing of cannabis and cannabis products, including but not
28	limited to:
29	(1) Requirements to ensure at a minimum that cannabis and cannabis products sold
30	for human consumption do not contain contaminants that are injurious to health and to ensure
31	correct labeling;
32	(2) That testing shall include, but not be limited to, analysis for residual solvents,
33	poisons, or toxins; harmful chemicals; dangerous molds or mildew; filth; dangerous pesticides and
34	fungicides; heavy metals; and harmful microbials, such as E. coli or salmonella;
35	(3) Threshold levels for each contaminant listed in subparagraph (2);
50	(a) The containers for each containmant instead in subparagraph (2),

(4) Providing that in the event that test results indicate the presence of quantities of

any substance determined to be injurious to health, such cannabis and cannabis products shall be

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- immediately quarantined and immediate notification to the commission shall be made. The contaminated product shall be documented and properly destroyed;
  - (5) That testing shall also verify THC and other cannabinoid potency representations for correct labeling;
  - (6) That the commission shall determine an acceptable variance for potency representations and procedures to address potency misrepresentations;
  - (7) Potency limits for cannabis products, after consultation with and approval of the cannabis advisory board including a public hearing specifically related to the topic of potency;
  - (8) Allowances for remediation of cannabis and cannabis products whose test results are in excess of established thresholds;
  - (9) Minimum testing requirements for an effective cannabis and cannabis product quality assurance program for cannabis cultivation facilities, limited manufacturers, and cannabis product manufacturing facilities; and
  - (10) That the commission shall determine the protocols and frequency of cannabis testing by a cannabis testing facility.
  - (s) Reasonable health and safety restrictions on cannabis accessories that may be manufactured or sold in New Hampshire, including a prohibition on any vaporization device that includes toxic or addictive additives. The commission may prohibit types of vaporizers that are particularly likely to be utilized by minors without detection, but may not completely ban or unreasonably restrict the manufacture or sale of vaporization devices.
  - (t) Restrictions on where a cannabis establishment may be located, consistent with the provisions of this chapter; provided that nothing shall prohibit a cannabis establishment from being located at a facility that, at the time of application, is a location licensed to engage in activity as alternative treatment center under RSA 126-X.
  - (u) Rules governing changes in ownership and changes in location for cannabis establishments, provided that until a cannabis establishment has been fully operational for at least 12 months, no more than 35 percent of the original ownership interest can be transferred. The commission may grant exceptions for good cause, such as the death of an individual owner.
    - (v) Procedures and notices relating to all recalls of any products.
  - (w) A requirement that any label, and for certain products where appropriate, include a standard, recognizable symbol that a product contains cannabis or THC.
    - (x) A prohibition on the manufacture and sale of cannabis infused alcoholic beverages.

#### II. Privacy Protections.

(a) In order to ensure that individual privacy is protected, the commission shall not require a consumer to provide a cannabis retail outlet or any other cannabis establishment that sells direct to consumers with personal information other than government-issued identification to

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determine the consumer's age, and a cannabis establishment shall not be required to acquire and record personal information about consumers.

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- (b) In order to ensure that individual privacy is protected, no cannabis establishment may record or store a consumer's name, address, purchases, or contact information unless the consumer consents in writing. No cannabis establishment may make granting permission for the collection or storage of the above information a condition of a consumer purchasing cannabis from the establishment.
- III. Not later than 18 months after the effective date of this chapter, the commission, in consultation with the department, shall develop an informational handout, which cannabis retail outlets shall make available to all consumers, and which shall include information detailed in RSA 318-F:17.
- IV. The commission shall require all cannabis establishments to utilize an electronic inventory tracking system, including use of a universal product code, for tracking the transfer of cannabis and cannabis products between licensed cannabis establishments and the sale of cannabis and cannabis products to consumers. The system shall ensure an accurate accounting of the production, processing, and sale of cannabis and cannabis products and shall enable separate tracking of cannabis flowers, immature plants, and other parts of cannabis sold from cannabis cultivation facilities. The system must allow for the tracking of lab testing results for all cannabis and must be capable of swiftly identifying all products involved in a product recall. The commission may develop and maintain a system that satisfies the requirements of this section, or it may select a vendor to develop and maintain a system.
- V. No later than 3 months after the after the effective date of this chapter and quarterly thereafter, the commission shall report to the house commerce and consumer affairs committee and the joint fiscal committee on the commission's progress in establishing procedures for the legalization, regulation, and taxation of cannabis, and the licensing and regulation of cannabis establishments.
- VI. No later than 15 months after the effective date of this chapter, and every year thereafter, the commission shall reevaluate the fines and penalties established in RSA 318-F, and shall report in writing on its findings and recommendations to the chairpersons of the house of representatives and senate ways and means committees.
- VII. The commission shall also have the authority to regulate synthetic cannabinoids and intoxicating products derived from hemp.
- VIII. No later than 36 months after the effective date of this section, after receiving input from the cannabis advisory board, the commission shall make written recommendations to the general court regarding the regulation of hemp including:
  - (a) What hemp products the commission would regulate;

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- 1 (b) How the products would be regulated, including whether licensure would be required  $^{2}$ and whether hemp processors and manufacturers should be licensed and regulated by the 3 commission; 4 (c) Any license fees or other charges that would be assessed on hemp products and 5 license fees assessed on hemp processors and manufacturers; 6 (d) The resources required to regulate hemp processors, product manufacturers, hemp 7 products, and the retail sale of intoxicating hemp products; and 8 (e) The regulations governing the production and the sale of intoxicating ingestible or 9 smokable products containing hemp-derived cannabinoids may not be less restrictive than the 10 provisions of RSA 318-F or administrative rules enacted pursuant to RSA 541-A. For purposes of 11 this section, "intoxicating ingestible or smokable products containing hemp-derived cannabinoids" 12 means any product that is intended to be consumed by humans or animals through inhalation or 13 ingestion containing tetrahydrocannabinol and tetrahydrocannabinolic acids that are artificially or 14 natural derived from hemp where inhalation or ingestion is reasonably likely to result in 15 alternations of perception, cognition, or behavior. 16 IX. No later than December 1, 2024, the commission, jointly with the department, shall 17 develop draft legislation to: 18 (a) Transfer regulatory authority of the therapeutic cannabis program authorized under 19 RSA 126-X, in whole or in part, to the commission; and 20 (b) Regulate cannabis retail outlets' sale of cannabis and cannabis products to qualifying 21 patients and designated caregivers. 22318-F:9-a Operational Control of Cannabis. I. Not later than 12 months after the effective date of this section, the commission shall 23 24 develop draft legislation and adopt rules subject to the rulemaking process pursuant to RSA 541-A 25 for franchising cannabis retail outlets which keeps all operational control distinct from regulatory 26 control. The rules shall include the following: 27
  - (a) Procedures for the application, issuance, transfer, approval, denial, renewal, suspension, and revocation of an agency store agreement for cannabis retail outlets.

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- (1) The commission shall decide within 60 days of receipt of a complete application and provide the decision to the agency store. The commission shall extend the time period for the decision upon written agreement of the applicant.
- (2) Notwithstanding any rules created by the commission, any transfer or sale of cannabis agency store is subject to approval of the commission.
- (3) No vendor that provides cannabis inventory tracking in New Hampshire and no individual with a threshold financial interest in a vendor that provides cannabis inventory tracking in New Hampshire may hold a threshold financial interest in a cannabis agency store.
  - (b) Rules governing the selection of cannabis retail outlets to include, but not limited to:

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1	(1) Prohibiting the licensure of more than 15 cannabis retail outlets.
2	(2) Providing that a major criteria in assessing the relative merits of each
3	application will incorporate the successful operation of an alternative treatment center registered
4	under RSA 126-X and may convert to a cannabis retail outlet for sales permitted under this chapter
5	and RSA 126-X.
6	(3) Determining whether to increase the number of cannabis agency stores no less
7	than every 2 years, and, if so, by how many.
8	(4) Ensuring an equitable distribution of cannabis retail outlets based on geography
9	and population, including:
10	(A) Providing for no more than the greater of one cannabis agency store per
11	municipality or no more than one cannabis agency store per 15,000 residents of a municipality.
12	(B) Increasing access to legal cannabis in New Hampshire for people throughout
13	the state.
14	(5) Providing that no cannabis agency store may be located within 1,000 feet of a
15	pre-existing cannabis agency store unless the municipality where the establishment seeks to operate
16	has established a smaller distance limitation or waived the restriction.
17	(6) Procedures to revoke the agency agreement of any agency store which has not
18	applied for a license within a designated timeframe, or an agency store operator who is not
19	compliant with the license application process.
20	(7) Procedures to accept applications for agency stores within 3 months of an agency
21	store being revoked, surrendered, or not renewed.
22	(c) Restrictions on the logos, signage, marketing, and display of cannabis and cannabis
23	products, including but not limited to:
24	(1) A prohibition on mass-market campaigns that have a high likelihood of reaching
25	minors;
26	(2) A prohibition on marketing to minors, including marketing specifically related to
27	social media;
28	(3) Restrictions to prevent cannabis from being marketed to minors;
29	(4) A prohibition on the sale of cannabis products that are named, packaged,
30	marketed, or designed in a way that mimics or is likely to cause confusion with commercially
31	available, trademarked non-cannabis products, including relating to their logos, the sound of the
32	product or brand, packaging, taste, appearance, and commercial impression;
33	(5) A prohibition on giveaways of cannabis, cannabis products, or cannabis
34	accessories, including samples;
35	(6) A prohibition on neon signs;

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- 1 (7) A prohibition on signage, cannabis retail outlet logos, and advertisements that 2 include slang for cannabis, images of cannabis or cannabis paraphernalia, or images that encourage 3 over-consumption; 4 (8) A requirement that each cannabis retail outlet include in its name "[City or Town Cannabis Outlet" or "New Hampshire Cannabis Outlet." The commission may require 5 6 approval of any retail outlet name to ensure it does not encourage overconsumption, appeal to 7 minors, or otherwise violate reasonable restrictions on naming; and 8 (9) The commission may develop rules around the finish and quality of exterior of 9 buildings and lot, which may include limits on colors and fonts for signage and logos. 10 commission may design a standard logo all outlets must use, with the only variation being their outlet name. 11 12 (d) Restrictions on the hours of sale when a cannabis retail outlet may sell cannabis and 13 cannabis products, provided the regulations shall not allow cannabis retail outlets to begin sales 14 before 6:00 a.m. or to sell cannabis or cannabis products after 11:45 p.m. 15 (e) Annual mandatory training and continuing education required or recommended for 16 licensees, which shall include, but not be limited to, training on checking photo identification and for 17 false identification. 18 II. Privacy Protections. 19 (a) In order to ensure that individual privacy is protected, an agency store shall not 20 require a consumer to provide a cannabis retail outlet with personal information other than 21government-issued identification to determine the consumer's age, and a cannabis establishment 22shall not be required to acquire and record personal information about consumers. 23 (b) In order to ensure that individual privacy is protected, no agency store may record or store a consumer's name, address, purchases, or contact information unless the consumer consents 2425 in writing. No agency store may make granting permission for the collection or storage of the above 26 information a condition of a consumer purchasing cannabis from the outlet. 27 III. The agency agreement may prohibit or restrict lobbying in a manner consistent with the 28 First Amendment. 29 IV. As conditions of the agency store agreement, the commission shall: 30 (a) Restrict lobbying by agency stores. 31 (b) Maintain an accessible website for the public to identify the location, status, and 32 online presence of agency stores. 33 34 Amend RSA 318-F:11 as inserted by section 5 of the bill by replacing it with the following:
  - 318-F:11 Entry to Cannabis Retail Outlets Limited.

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Entry to cannabis retail outlets shall be restricted to people:

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1 I. Twenty-one years of age or older;  $^{2}$ II. Qualifying patients; and 3 III. First responders and other government employees in performance of their official duties. 4 Amend RSA 318-F:13, I-II as inserted by section 5 of the bill by replacing it with the following: 5 6 7 I. The voters of every municipality shall vote on whether to allow cannabis retail outlets in 8 their municipality at the first municipal election after July 1, 2024, unless the municipality elects to 9 include this question at the November 2024 biennial election. The wording of the question shall be 10 substantially as follows: "Shall we allow the operation of cannabis retail outlets within this city or The recount of any local option vote, the procedures for holding such a recount, the 11 12 declaration of the results of such a recount, and the procedure for an appeal from such a recount shall be as provided in RSA 660:13-15. A municipality may not prohibit transportation through the 13 14 municipality by cannabis establishments located in other jurisdictions. 15 II. A municipality where a vote to allow cannabis retail outlets fails shall propose the 16 question to voters again in a subsequent municipal election upon a petition. The petition shall be of 17 not less than 5 percent of the legal voters within the city or town filed with the secretary of state 18 within the timeframe regulating other ballot measures for municipal elections. 19 requirements established in paragraph I shall apply to that subsequent municipal election. 20 21Amend RSA 318-F:14 as inserted by section 5 of the bill by deleting RSA 318-F:14, VII. 2223 Amend RSA 318-F:18, I(d) as inserted by section 5 of the bill by replacing it with the following: 2425 (d) Packaging, processing, transporting, displaying, or possessing cannabis or cannabis 26 products; manufacturing cannabis products without performing volatile extractions; delivering or 27 transferring cannabis or cannabis products to a cannabis testing facility; selling cannabis or 28 cannabis products to a cannabis retail outlet, alternative treatment center, limited manufacturer, or 29 a cannabis product manufacturing facility; purchasing or obtaining cannabis from a cannabis 30 cultivation facility; or purchasing or obtaining cannabis or cannabis products from a cannabis 31 product manufacturing facility or limited manufacturer, if the person or business entity conducting 32 the activities described in this paragraph has obtained a current, valid license to operate a limited

34 35 manufacturer.

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Amend RSA 318-F:18, I(h) as inserted by section 5 of the bill by replacing it with the following:

manufacturer or is acting in his or her capacity as an owner, employee, or agent of a licensed limited

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	- Page 20 -
1	(h) Obtaining or purchasing cannabis from a cannabis cultivation facility; delivering or
2	transferring cannabis to a cannabis testing facility; selling or distributing therapeutic grade
3	cannabis products to a cannabis retail outlet; or obtaining or purchasing cannabis or cannabis
4	products from a cannabis product manufacturing facility or limited manufacturer if the person or
5	business entity conducting the activities described in this paragraph possesses a valid license to
6	operate an alternative treatment center or is acting in his or her capacity as an owner, employee, or
7	agent of a licensed alternative treatment center.
8	
9	Amend RSA 318-F:18, II as inserted by section 5 of the bill by replacing it with the following:
10	
11	II. No sales to consumers may begin until the liquor commissioner certifies there is a
12	sufficient supply of cannabis and cannabis products to begin sales.
13	
14	Amend RSA 318-F:21, II as inserted by section 5 of the bill by replacing it with the following:
15	
16	II. Nothing in this chapter shall be construed to permit the transfer of cannabis, with on
17	without remuneration, to a person under the age of 21, or to allow a person under the age of 21 to
18	purchase, possess, use, transport, or consume cannabis except in the case of qualifying patients.
19	Amound DCA 210 E-24 as inscrited by section E of the hill by words single that the following.
<ul><li>20</li><li>21</li></ul>	Amend RSA 318-F:24 as inserted by section 5 of the bill by replacing it with the following:
22	318-F:24 Data Collection Related to Cannabis Legalization and Regulation. No later than 2
23	years after the effective date of this chapter, and every 2 years thereafter, the department of health
24	and human services shall, where appropriate, enter into memorandums of understanding with the
25	department of safety, the department of justice, the department of education, the commission, and
26	any other agency determined by the department of health and human services to possess relevant
$\frac{1}{27}$	data, to collect data, and produce and publish a report that includes baseline data and the most
28	current data regarding health and welfare outcomes before and after cannabis legalization and
29	regulation for adult use. All data in the report shall be non-identifiable and respectful of personal
30	privacy.
31	
32	Amend the introductory paragraph of RSA 318-F:25, I as inserted by section 5 of the bill by replacing
33	it with the following:
34	
35	I. An agency fee of 10 percent shall be levied on the monthly total gross revenue derived
36	from the sale of cannabis and cannabis products from a cannabis retail outlets, provided:

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1	Amend RSA 318-F:26, V(b) as inserted by section 5 of the bill by replacing it with the following:
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3 4	(b) The remaining funds shall be deposited in the general fund.
	Amond DCA 210 E as inscrited by section & of the bill by deleting DCA 210 E.07 and 210 E.00
5 6	Amend RSA 318-F as inserted by section 5 of the bill by deleting RSA 318-F:27 and 318-F:28.
7	Amend RSA 651:5-b, I(b) as inserted by section 13 of the bill by replacing it with the following:
8	
9	(b) "Possession limit" means the current "possession limit" as defined in RSA
10	318-F:1.
11	
12	Amend the bill by replacing all after section 27 with the following:
13	
14	28 New Paragraph; Rulemaking; Liquor Commission. Amend RSA 176:14 by inserting after
15	paragraph IX the following new paragraph:
16	IX-a. Cannabis licenses, including:
17	(a) Procedures for the application for, issuance, transfer, approval, denial, renewal,
18	suspension, and revocation of a license for cannabis establishments.
19	(b) License operations for each cannabis establishment license type.
20	(c) Collection of additional fees as required by statute.
21	29 Appropriations.
22	I.(a) The following classified position is established in the department of health and human
23	services to support the department in completing the new responsibilities relative to collecting,
24	analyzing, and reporting of data required by RSA 318-F:24: one operations research analyst position
25	(labor grade 30, step 1).
26	(b) The sum of \$109,000 for the fiscal year ending June 30, 2025 is hereby appropriated
27	to the department of health and human services for the purpose of funding the position established
28	in paragraph I(a). The governor is authorized to draw a warrant for said sum out of any money in
29	the treasury not otherwise appropriated.
30	II. The sum of \$8,000,000 for the fiscal year ending June 30, 2025 is hereby appropriated to
31	the liquor and cannabis commission for deposit into the cannabis fund established in RSA 318-F:26
32	for the administration of RSA 318-F. Said appropriation shall be a charge against the liquor fund.
33	30 Contingent Severability of Operational Control. If the operational control in RSA 318-F:9-a
34	is not implemented by June 30, 2026, operational control provided in that section shall become null
35	and void and all references to operational control requirements shall be waived.
36	31 Repeal. RSA 318-B:1, X-a(g), relative to separation gins and sifters used or intended for use

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with cannabis, is repealed.

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1 32 Effective Date. This act shall take effect upon its passage.