

Amendment to HB 1633-FN-A

1 Amend the bill by replacing all after the enacting clause with the following:

2

3 1 Purpose and Findings. The general court hereby finds that: the people of the state of New
4 Hampshire find and declare that cannabis should be regulated in a manner similar to alcohol so
5 that:

6 I. Individuals will have to show proof of age before purchasing cannabis.

7 II. Selling, distributing, or transferring cannabis to minors and other individuals under the
8 age of 21 shall remain illegal.

9 III. Driving under the influence of cannabis shall remain illegal.

10 IV. Moving cannabis production and sales from the underground, sometimes dangerous,
11 illicit market to legal businesses allows for appropriate regulations and control.

12 V. Cannabis sold in this state will be tested, labeled, and subject to additional regulations to
13 ensure that consumers are informed and protected and to protect the environment.

14 VI. Some of the revenue generated from legal cannabis shall be used to support programs for
15 education, prevention, treatment, and recovery related to the use of both legal and illegal drugs.

16 VII. Marketing and advertising to minors shall be prohibited.

17 2 New Subparagraphs; Application of Receipts; Cannabis Fund. Amend RSA 6:12, I(b) by
18 inserting after subparagraph 394 the following new subparagraphs:

19 (395) Moneys deposited in the cannabis fund established in RSA 318-F:21.

20 3 Alcoholic Beverages; Statement From Purchaser as to Age. Amend RSA 179:8, I(d) to read as
21 follows:

22 (d) A valid passport [~~from~~] **issued by the United States or by** a country with whom the
23 United States maintains diplomatic relations.

24 4 Model Drug Dealer Liability Act; Definition of Illegal Drug. Amend RSA 318-C:4, I to read as
25 follows:

26 I. "Illegal drug" means any drug which is a schedule I-IV drug under RSA 318-B, **the**
27 **possession, use, harvesting, cultivating, manufacture, sale, or transportation of which is**
28 **not otherwise authorized by law.**

29 5 New Chapter; Regulation of Cannabis. Amend RSA by inserting after chapter 318-E the
30 following new chapter:

31

CHAPTER 318-F

32

REGULATION OF CANNABIS

Amendment to HB 1633-FN-A
- Page 2 -

1 318-F:1 Definitions.

2 I. “Affiliate” means a person or entity that directly or indirectly owns or controls, is owned or
3 controlled by, or is under common ownership or control with another person.

4 II. “Alternative treatment center” means an entity as defined in RSA 126-X:1, I.

5 III. “Cannabis” means all parts of the plant of the genus cannabis whether growing or not,
6 the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative,
7 mixture, or preparation of the plant, or its resin, including cannabis concentrate. “Cannabis” shall
8 not include hemp, fiber produced from the stalks, oil, or cake made from the seeds of the plant,
9 sterilized seed of the plant that is incapable of germination, or the weight of any other ingredient
10 combined with cannabis to prepare topical or oral administrations, foods, drinks, or other products.

11 IV. “Cannabis accessories” or “cannabis paraphernalia” means any equipment, products, or
12 materials of any kind that are intended for use, or designed for use in planting, propagating,
13 cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing,
14 processing, preparing, testing, analyzing, packaging, repackaging, storing, or containing cannabis, or
15 for ingesting, inhaling, or otherwise introducing cannabis into the human body.

16 V. “Cannabis concentrate” means the resin extracted from any part of a cannabis plant and
17 every compound, manufacture, salt, derivative, mixture, or preparation from such resin, including,
18 but not limited to, hashish. “Cannabis concentrate” shall not include cannabis products made from
19 cannabis concentrate such as, but not limited to, edible products, topical products, and tinctures.

20 VI. “Cannabis cultivation facility” or “cultivation facility” means a person registered and
21 licensed by the state of New Hampshire to cultivate, prepare, package, transport, and sell cannabis
22 to cannabis retail stores, cannabis product manufacturing facilities, cannabis production facilities,
23 and other cannabis cultivation facilities, but not to consumers. A cannabis cultivation facility shall
24 not produce cannabis concentrates, tinctures, or other cannabis products that contain ingredients
25 other than cannabis flower and/or cannabis trim.

26 VII. “Cannabis distributor” means any entity licensed to receive, warehouse, and distribute
27 cannabis products between cannabis establishments, including cannabis products manufactured by
28 others, but does not include cannabis cultivation, manufacturing, or retail sales to customers.

29 VIII. “Cannabis flower” means the pistillate reproductive organs of a mature cannabis plant,
30 whether processed or unprocessed, including the flowers and buds of the plant. “Cannabis flower”
31 does not include cannabis trim, the non-flower portions of the cannabis plant, or whole mature
32 cannabis plants, but does include kief.

33 IX. “Cannabis establishment” means any licensed or franchised New Hampshire cannabis
34 cultivation facility, cannabis testing facility, cannabis product manufacturing facility, cannabis
35 production facility, franchise cannabis retail store, cannabis distributor, cannabis transporter, or any
36 other type of cannabis business authorized and licensed by the commission.

Amendment to HB 1633-FN-A

- Page 3 -

1 X. “Cannabis product manufacturing facility” or “product manufacturing facility” means a
2 person registered with the secretary of state’s office with its principal place of business located in
3 New Hampshire and licensed by the state of New Hampshire to purchase cannabis and cannabis
4 products, manufacture, prepare, and package cannabis products, and transport and sell cannabis
5 and cannabis products to other cannabis product manufacturing facilities, cannabis production
6 facilities, and to cannabis retail stores, but not to consumers.

7 XI. “Cannabis product” means any product that contains cannabis, including cannabis
8 concentrate and products that contain cannabis and other ingredients and are intended for use or
9 consumption, such as, but not limited to, edible products, ointments, and tinctures. This term shall
10 not include cannabis flower or cannabis trim.

11 XII. “Cannabis production facility” means a person registered with the secretary of state’s
12 office with its principal place of business located in New Hampshire and licensed by the state of New
13 Hampshire to cultivate, prepare, and package cannabis, manufacture, prepare, and package
14 cannabis products within the same premises, transport and sell cannabis to other cannabis
15 production facilities, cannabis cultivation facilities, cannabis product manufacturing facilities, and
16 cannabis retail stores, but not to consumers, and transport and sell cannabis products to other
17 cannabis production facilities, cannabis product manufacturing facilities, and cannabis retail stores,
18 but not to consumers.

19 XIII. “Cannabis retail store” means a person or entity granted a franchise by the state of
20 New Hampshire to purchase cannabis from cannabis cultivation facilities, cannabis and cannabis
21 products from cannabis product manufacturing facilities and cannabis production facilities, and
22 therapeutic grade cannabis products from alternative treatment centers, and to sell cannabis and
23 cannabis products, or cannabis accessories or cannabis paraphernalia to consumers and therapeutic
24 grade cannabis products to qualified patients or designated caregivers. Online pre-ordering is
25 allowed, but consumers must purchase and pick up cannabis and cannabis products at the cannabis
26 retail store’s premise. Alternative treatment centers cannot be licensed at the same location as a
27 cannabis retail store.

28 XIV. “Cannabis testing facility” or “testing facility” means a person licensed in the state of
29 New Hampshire to test cannabis for potency and contaminants.

30 XV. “Cannabis transporter” means a person licensed in the state of New Hampshire to
31 transport cannabis between cannabis establishments.

32 XVI. “Cannabis trim” means any part of a cannabis plant, whether processed or
33 unprocessed, that is not cannabis flower or a cannabis seed.

34 XVII. “Canopy” means the surface area utilized to produce mature plants calculated in
35 square feet and measured using the outside boundaries of any area that includes mature marijuana
36 plants, including all the space within the boundaries. The square footage of canopy space is
37 measured horizontally starting from the outermost point of the furthest mature flowering plant in a

Amendment to HB 1633-FN-A

- Page 4 -

1 designated growing space and continuing around the outside of all mature flowering plants located
2 within the designated growing space. If growing spaces are stacked vertically, each level of space
3 shall be measured and included as part of the total canopy space measurement.

4 XVIII. “Clone” means a clipping from a cannabis plant that has not taken root. Clone
5 includes tissue cultures.

6 XIX. “Commission” means the liquor commission.

7 XX. “Consumer” means a person 21 years of age or older who purchases cannabis or
8 cannabis products for personal use by a person 21 years of age or older from a cannabis retail store
9 that is not a qualifying patient or designated caregiver purchasing a therapeutic grade product from
10 a cannabis retail store or cannabis from an alternative treatment center pursuant to RSA 126-X.

11 XXI. “Cultivation” or “cultivate” means the planting, propagation, growing, harvesting,
12 drying, curing, grading, trimming or other processing of cannabis for use or sale. “Cultivation” or
13 “cultivate” does not include manufacturing, testing, or cannabis extraction.

14 XXII. “Department” means the department of health and human services.

15 XXIII. “Documentation” means all records, in any form, including electronic records.

16 XXIV. “Exit packaging” means an opaque bag, pouch, or other container that cannabis
17 and/or cannabis products are placed in by a licensee or franchisee after a retail sale to a consumer.

18 XXV. “Flowering” means, with respect to a cannabis plant, the gametophytic or reproductive
19 state of a female cannabis plant during which the plant is in a light cycle intended to produce
20 flowers, trichomes, and cannabinoids characteristic of cannabis.

21 XXVI. “Hemp” means the plant *Cannabis sativa* L. and any part of the plant, whether
22 growing or not, with a delta-9 tetrahydrocannabinol or delta-8 tetrahydrocannabinol concentration
23 (THC) or any other tetrahydrocannabinol of not more than 0.3 percent on a dry weight basis or if in
24 an edible or beverage, not more than 0.25 milligrams per serving or milligram per package of THC.

25 XXVII. “Immature cannabis plant” means a cannabis plant that is not a mature cannabis
26 plant or a seedling.

27 XXVIII. “Kief” means the dried or drying resinous trichomes of cannabis plant that have
28 separated from cannabis flower or have been separated from cannabis flower by processes other than
29 extraction.

30 XXIX. “Manufacturing” or “manufacture” means the production, blending, infusing,
31 compounding or other preparation of cannabis and cannabis products, including, but not limited to,
32 cannabis extraction or preparation by means of chemical synthesis. “Manufacturing” or
33 “manufacture” does not include cultivation or testing.

34 XXX. “Mature cannabis plant” means a plant that is flowering.

35 XXXI. “Municipality” means a city, town, or an unincorporated place.

36 XXXII. “Outdoor cultivation” means the seasonal cultivation of cannabis in an expanse of
37 open or cleared ground without the use of artificial lighting.

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

1 XXXIII. "Ownership interest" means a right to ownership or equity interest.

2 XXXIV. "Person" means a natural person or a business entity.

3 XXXV.(a) "Possession limit" means:

4 (1) Four ounces of cannabis flower or cannabis trim or any combination thereof;

5 (2) Ten grams of cannabis concentrate, which includes, but is not limited to, pre-
6 filled cartridges of cannabis extracts intended for vaporization; and

7 (3) Cannabis products other than cannabis concentrate containing no more than
8 2,000 milligrams of THC.

9 (b) This paragraph shall not apply to the possession limits set forth in RSA 126-X:2.

10 XXXVI. "Public place" means any place to which the general public has access and does not
11 include private land not used for commercial purposes, where cannabis use is allowed by the
12 property owner or tenant pursuant to 318-F:5, IV(b).

13 XXXVII. "Premises" means and includes all parts of the contiguous real estate occupied by a
14 licensee or franchisee over which the licensee or franchisee has direct or indirect control or interest
15 and which the licensee or franchisee uses in the operation of the business, and which have been
16 approved by the commission as proper places in which to exercise the licensee's privilege.

17 XXXVIII. "Resident" means a natural person who:

18 (a) Is domiciled in New Hampshire; and

19 (b) Maintains a place of abode in New Hampshire.

20 XXXIX. "Seedling" means a cannabis plant that has no flowers and is less than 12 inches in
21 height and less than 12 inches in diameter.

22 XL. "THC" means tetrahydrocannabinol.

23 XLI. "Therapeutic grade cannabis product" means a cannabis product that exceeds any
24 potency or serving size limitations created by this chapter that is manufactured by a licensed
25 alternative treatment center. Therapeutic grade cannabis products sold by an alternative treatment
26 center to a cannabis retail store shall meet the requirements of RSA 126-X and rules issued
27 pursuant to RSA 126-X. Cannabis retail stores may only sell therapeutic grade cannabis products to
28 qualified patients or designated caregivers as defined in RSA 126-X:1. The commission has
29 jurisdiction over therapeutic grade cannabis products after they are transferred to a cannabis
30 establishment licensed under this chapter.

31 XLII. "Threshold financial interest" means a majority ownership interest in the applicant,
32 licensee, or franchisee.

33 XLIII. "Vertically integrated cannabis establishment" means a person who is a cannabis
34 retail store franchisee in addition to a cannabis cultivation facility licensee and a cannabis product
35 manufacturing facility licensee, or who is a cannabis retail store franchisee and a cannabis
36 production facility licensee, either through direct ownership or through an affiliate.

37 XLIV. "Volatile extraction" means:

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

1 (a) Extractions using any solvent identified as volatile or hazardous by the commission;
2 and

3 (b) Any method of extraction identified as potentially hazardous by the commission.

4 318-F:2 Personal Use of Cannabis. Except as otherwise provided in this chapter, the following
5 acts, if undertaken by a person 21 years of age or older, shall not be illegal under New Hampshire
6 law or the law of any political subdivision of the state or be a basis for seizure or forfeiture of assets
7 under New Hampshire law:

8 I. Possessing, consuming, using, displaying, obtaining, purchasing, processing,
9 manufacturing, or transporting an amount of cannabis that does not exceed the possession limit,
10 except that no adult other than one who is acting in his or her capacity as a staffer of a cannabis
11 product manufacturer licensed pursuant to RSA 318-F or an alternative treatment center licensed
12 pursuant to RSA 126-X may perform volatile extractions using solvents other than water, glycerin,
13 propylene glycol, vegetable oil, or food-grade ethanol.

14 II. Transferring an amount of cannabis that does not exceed the possession limit to a person
15 who is 21 years of age or older without remuneration. For purposes of this paragraph, a transfer is
16 for remuneration if cannabis is given away contemporaneously with another transaction between the
17 same parties, if a gift of cannabis is offered or advertised in conjunction with an offer for sale of
18 goods, services, or admission to an event, or if the gift of cannabis is contingent upon a separate
19 transaction for goods, services, or the price of admission to an event.

20 III. Transferring cannabis, including cannabis products, to a cannabis testing facility.

21 IV. Controlling property where the acts described under this section occur.

22 V. Assisting another person who is 21 years of age or older in any of the acts described
23 under this section.

24 VI. Personal cultivation is prohibited. No person shall cultivate cannabis plants for personal
25 use unless otherwise authorized by New Hampshire law.

26 318-F:3 Smoking or Vaping Cannabis in Public Prohibited; Penalty.

27 No person shall smoke or vaporize cannabis in an area accessible to the public.

28 I. First offense: Any person who violates this section shall be guilty of a violation for the
29 first offense and shall forfeit all cannabis and cannabis products.

30 II. Second offense: Any person who violates this section a second time within 5 years of the
31 first conviction under this section shall be guilty of a misdemeanor and shall forfeit all cannabis and
32 cannabis products.

33 318-F:4 Consuming Cannabis While Operating a Moving Vehicle Prohibited; Penalty.

34 I. No person shall consume, smoke, or vaporize cannabis while driving or attempting to
35 drive a motor vehicle on a way, or while operating or attempting to operate an off-highway
36 recreational vehicle, snowmobile, boat, vessel, aircraft, or other motorized device used for
37 transportation.

Amendment to HB 1633-FN-A

- Page 7 -

1 II. No person shall consume, smoke, or vaporize cannabis while the person is a passenger in
2 a motor vehicle that is being driven on a way.

3 III. Any person who violates this section shall be guilty of a misdemeanor and shall be
4 subject to a fine not to exceed \$1,000.00. In addition, any person who violates paragraph I of this
5 section may have his or her driver's license, if a resident, or driving privilege, if a nonresident,
6 suspended for up to 60 days for a first offense and up to one year for a subsequent offense.

7 IV. In this section, "way" shall have the same meaning as in RSA 265-A:44.
8 318-F:5 Driving; Minors; Control of Property.

9 I. Nothing in this chapter shall be construed to permit driving or operating under the
10 influence of drugs or liquor pursuant to RSA 265-A, nor shall this section prevent the state from
11 enacting and imposing penalties for driving under the influence of or while impaired by cannabis.

12 II. Nothing in this chapter shall be construed to permit the transfer of cannabis, with or
13 without remuneration, to a person under the age of 21, or to allow a person under the age of 21 to
14 purchase, possess, use, transport, grow, or consume cannabis except as provided for by RSA 126-X.

15 III. Nothing in this chapter shall prohibit a state or county correctional facility from
16 prohibiting the possession, consumption, use, display, transfer, distribution, sale, transportation, or
17 growing of cannabis on or in the correctional facility's property.

18 IV. Except as provided in this section, this chapter does not require any person, corporation,
19 or any other entity that occupies, owns, or controls a property to allow the consumption, cultivation,
20 display, sale, or transfer of cannabis on or in that property.

21 (a) This chapter shall not prevent a landlord from prohibiting cannabis smoking, vaping,
22 cannabis cultivation, harvesting, or manufacturing.

23 (b) An adult who is 21 or older may use cannabis on privately owned real property only
24 with permission of the property owner or, in the case of leased or rented property, with the
25 permission of the tenant in possession of the property, except that a tenant shall not allow a person
26 to smoke or vape cannabis on rented property if smoking or vaping on the property violates the lease
27 or the lessor's rental policies that apply to all tenants at the property. However, a tenant may
28 permit an adult who is 21 or older to use cannabis on leased property by ingestion or inhalation
29 through vaporization even if smoking is prohibited by the lease or rental policies. For purposes of
30 this chapter, vaporization shall mean the inhalation of cannabis without the combustion of the
31 cannabis.

32 318-F:6 Tracking System.

33 The commission shall require all cannabis establishments to utilize an electronic inventory
34 tracking system, including use of a universal product code, for tracking the transfer of cannabis and
35 cannabis products between licensed or franchised cannabis establishments and the sale of cannabis
36 and cannabis products to consumers. The system shall ensure an accurate accounting from seedling
37 to sale of the production, processing, and sale of cannabis and cannabis products and shall enable

Amendment to HB 1633-FN-A

- Page 8 -

1 separate tracking of cannabis flower immature cannabis plants, and other parts of cannabis sold
2 from cannabis cultivation facilities and cannabis production facilities. The system shall allow for the
3 tracking of lab testing results for all cannabis and shall be capable of swiftly identifying all products
4 involved in a product recall. The commission may develop and maintain a system that satisfies the
5 requirements of this section, or it may select a vendor to develop and maintain a system.

6 318-F:7 Non-Discrimination for State-Legal Cannabis Activities and Prior Convictions.

7 I. Except as provided in this section, a holder of a professional or occupational license may
8 not be subject to professional discipline for:

9 (a) Providing advice or services related to cannabis establishments or applications to
10 operate cannabis establishments on the basis that cannabis is illegal under federal law; or

11 (b) Engaging in activities allowed by this chapter.

12 II. An applicant for a professional or occupational license may not be denied a license based
13 on:

14 (a) Previous employment related to cannabis establishments operating in accordance
15 with state law;

16 (b) A prior conviction for a non-violent cannabis offense that does not involve
17 distribution, or

18 (c) Engaging in activities allowed by this chapter.

19 III. A person shall not be denied custody of or visitation with a minor for acting in
20 accordance with this act, unless the person's behavior is such that it creates an unreasonable danger
21 to the minor that can be clearly articulated and substantiated.

22 IV. For the purposes of medical care, including organ and tissue transplants, the use of
23 cannabis does not constitute the use of an illicit substance or otherwise disqualify a person from
24 needed medical care and may only be considered with respect to evidence-based clinical criteria.

25 318-F:8 Enforcement of Contracts.

26 Contracts related to the operation of a cannabis establishment licensed or franchised pursuant to
27 this chapter shall be enforceable. No contract entered into by a licensed or franchised cannabis
28 establishment or its employees or agents as permitted pursuant to a valid license or franchise, or by
29 those who allow property to be used by an establishment, its employees, or its agents as permitted
30 pursuant to a valid license, shall be unenforceable on the basis that cultivating, obtaining,
31 manufacturing, distributing, dispensing, transporting, selling, possessing, or using cannabis is
32 prohibited by federal law.

33 318-F:9 Lawful Operation of Cannabis-Related Facilities.

34 I. If undertaken by a person 21 years of age or older, the following acts shall not be illegal
35 under New Hampshire law or be a basis for seizure or forfeiture of assets under New Hampshire
36 law:

Amendment to HB 1633-FN-A

- Page 9 -

1 (a) Possessing, displaying, warehousing, transporting, distributing cannabis or cannabis
2 products; obtaining or purchasing cannabis from a cannabis cultivation facility or a cannabis
3 production facility; delivering or transferring cannabis to a cannabis testing facility; obtaining or
4 purchasing cannabis or cannabis products from a cannabis product manufacturing facility or
5 cannabis production facility; obtaining or purchasing therapeutic grade cannabis products from an
6 alternative treatment center, or sale of cannabis or cannabis products to an adult who is 21 years of
7 age or older or the sale of therapeutic grade cannabis products to qualified patients and designated
8 caregivers as defined in RSA 126-X:1, or distribution of cannabis and cannabis products to other
9 cannabis retail stores or therapeutic grade cannabis to alternative treatment centers, if the person
10 or business entity conducting the activities described in this paragraph has obtained a current, valid
11 license to operate a cannabis retail store or is acting in his or her capacity as an owner, employee, or
12 agent of a franchised cannabis retail store.

13 (b) Cultivating, harvesting, processing, packaging, transporting, distributing displaying,
14 or possessing cannabis; obtaining or purchasing cannabis seeds, clones, or seedlings from any adult
15 21 years of age or older; delivering or transferring cannabis to a cannabis testing facility; selling or
16 transferring cannabis that has not been processed into cannabis concentrate or other cannabis
17 product to a cannabis cultivation facility, a cannabis product manufacturing facility, or a cannabis
18 retail store; or obtaining or purchasing cannabis from a cannabis cultivation facility, if the person or
19 business entity conducting the activities described in this paragraph has obtained a current, valid
20 license to operate a cannabis cultivation facility or is acting in his or her capacity as an owner,
21 employee, or agent of a licensed cannabis cultivation facility.

22 (c) Packaging, processing, transporting, manufacturing, displaying, or possessing
23 cannabis or cannabis products; delivering or transferring cannabis or cannabis products to a
24 cannabis testing facility; selling cannabis or cannabis products to a cannabis retail store, or a
25 cannabis product manufacturing facility; purchasing or obtaining cannabis from a cannabis
26 cultivation facility or cannabis production facility; or purchasing or obtaining cannabis or cannabis
27 products from a cannabis product manufacturing facility, if the person or business entity conducting
28 the activities described in this paragraph has obtained a current, valid license to operate a cannabis
29 product manufacturing facility or is acting in his or her capacity as an owner, employee, or agent of a
30 licensed cannabis product manufacturing facility.

31 (d) Possessing, obtaining, testing, storing, transporting, receiving, or displaying
32 cannabis or cannabis products if the person or business entity has obtained a current, valid license
33 to operate a cannabis testing facility or is acting in his or her capacity as an owner, employee, or
34 agent of a licensed cannabis testing facility.

35 (e) Engaging in any activities involving cannabis or cannabis products if the person or
36 business entity conducting the activities has obtained a current, valid license or franchise to operate
37 a cannabis establishment or is acting in his or her capacity as an owner, employee, or agent of a

1 licensed or franchised cannabis establishment, and the activities are within the scope of activities
2 allowed by the commission for that type of cannabis establishment.

3 (f) Possessing, obtaining, cultivating, processing, storing, transporting, and distributing,
4 or receiving cannabis obtained from a cannabis establishment or transporting, distributing,
5 delivering, or transferring cannabis to a cannabis establishment if the person or business entity has
6 obtained a current, valid license to operate a cannabis transporter or cannabis distributor or is
7 acting in his or her capacity as an owner, employee, or agent of a licensed cannabis transporter or
8 cannabis distributor.

9 (g) Selling, offering for sale, transferring, transporting, or delivering therapeutic grade
10 cannabis products to cannabis establishments if the person or business entity conducting the
11 activities described in this paragraph possesses a valid license to operate an alternative treatment
12 center or is acting in his or her capacity as an owner, employee, or agent of a licensed alternative
13 treatment center.

14 (h) Leasing or otherwise allowing the use of property owned, occupied, or controlled by
15 any person, corporation, or other entity for any of the activities conducted lawfully in accordance
16 with this chapter.

17 (i) Selling, offering for sale, transferring, transporting, or delivering cannabis to
18 establishments licensed to process or sell cannabis under the laws of other states if the person or
19 business entity has obtained a current, valid license to operate a cannabis transporter, cannabis
20 distributor, cannabis product manufacturing facility, cannabis production facility or cannabis
21 cultivation facility or is acting in his or her capacity as an owner, employee, or agent of a cannabis
22 transporter, cannabis distributor, cannabis product manufacturing facility, cannabis production
23 facility, or cannabis cultivation facility, and marijuana is no longer scheduled as a controlled
24 substance as defined under the Federal Controlled Substances Act, 21 U.S.C. section 801, et. seq.

25 318-F:10 Data Collection Related to Cannabis Legalization and Regulation.

26 No later than 6 months after the effective date of this chapter and every 2 years thereafter, the
27 department of health and human services shall produce and publish a report that includes non-
28 identifiable personal/individual or baseline data and the most current data regarding health and
29 welfare outcomes since cannabis became legal and regulated for adults' use, including, but not
30 limited to, high school graduation rates; youth and adult rates of alcohol, cannabis, and illegal drug
31 use; rates of maladaptive use of cannabis; rates of alcohol abuse; opiate use and abuse rates; the
32 number and type of youth and adult convictions for cannabis offenses; and the rates of individuals
33 needing but not receiving cannabis use disorder treatment.

34 318-F:11 Enforcement Authority.

35 I. The commission shall have the primary responsibility for enforcing this chapter. Local,
36 county, and state law enforcement officers shall also have jurisdiction to enforce this chapter. Such
37 authority may be delegated to agents working under their authority.

1 II. The commission may appoint liquor investigators whose primary function shall be the
2 proper prosecution of this chapter. The liquor investigators shall have statewide jurisdiction, with
3 reference to enforcement of all laws either in cooperation with, or independently of, the officers of
4 any county or town. The commission shall have the primary responsibility for the enforcement of all
5 cannabis laws including any illegal trafficking, distributions, harvesting, cultivating, and
6 manufacturing cannabis and upon premises where cannabis, cannabis products, and cannabis
7 accessories are lawfully sold, stored, distributed, cultivated, or manufactured. Any person violating
8 the provisions of any law may be prosecuted by the commission or any of its investigators as
9 provided in this section, or by county or city attorneys, or by sheriffs or their deputies, or by police
10 officials of towns or the New Hampshire department of safety, division of state police.

11 III. The commission shall have the authority to interpret statutes and administrative rules
12 as they relate to this chapter.

13 IV. The commission shall adopt and publish rules pursuant to RSA 541-A, to govern its
14 proceedings and to regulate the mode and manner of all investigations and hearings before it. All
15 hearings before the commission shall be in accordance with RSA 541-A:31-36. In any such
16 investigation or hearing the commission shall not be bound by the technical rules of evidence. The
17 commission may subpoena witnesses and administer oaths in any proceeding or examination
18 instituted before or conducted by it, and may compel, by subpoena, the production of any accounts,
19 books, contracts, records, documents, memoranda, and papers of any kind whatever. A summons
20 issued by any justice of the peace shall have the same effect as though issued for appearance before
21 such court.

22 V. If any false statement is knowingly made in any statement under oath which may be
23 required by the provisions of this title or by the commission, the person making the same shall be
24 deemed guilty of perjury. The making of any such false statement in any such application or in any
25 such accompanying statements, whether made with or without the knowledge or consent of the
26 applicant, shall, in the discretion of the commission, constitute sufficient cause for the revocation of
27 the license or franchise.

28 VI. The commission shall adopt by rule under RSA 541-A a formal enforcement policy for
29 licensees and franchisees under its jurisdiction. This policy shall specify the disciplinary action, to
30 include, but not limited to, a schedule of fines as are authorized by this chapter for violations of
31 statutory requirements, which the commission shall take for violations of various laws under its
32 jurisdiction. The enforcement policy shall also specify mitigating and aggravating factors which the
33 commission shall consider in determining penalties for specific actions. Such enforcement policy
34 shall authorize:

35 (a) Cannabis cultivation facilities and cannabis production facilities to continue to
36 cultivate, prepare, and package, but not purchase, transfer, or sell cannabis and cannabis products,

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

1 during a suspension or a license or franchise revocation until such time as there is a final
2 determination that the license or franchise be revoked for which no appeal is available; and

3 (b) Cannabis product manufacturing facilities, cannabis testing facilities, and
4 cannabis retail stores to possess existing cannabis inventory, but not acquire additional
5 cannabis, or dispense, transfer, or sell cannabis during a suspension or a license or franchise
6 revocation until such time as there is a final determination that the license or franchise be revoked
7 for which no appeal is available.

8 VII. In applying its enforcement policy, the liquor commission shall establish and enforce
9 specific determinate penalties for specific offenses. The commission shall not apply penalties such as
10 license or franchise suspensions for indefinite periods of time. In addition to RSA 541-A:30, III, the
11 commission may suspend, for a period of not more than 72 hours without a hearing, any license or
12 franchise issued under the provisions of this title, if a risk to public health, safety, or welfare
13 constitutes an emergency requiring such suspension. Any such suspension shall be subject to
14 paragraph VI and approved directly by at least one member of the commission before taking effect.

15 VIII. The commission may transfer funds within and among all accounting units within the
16 commission's operating budget and to create accounting units and expenditure classes as required
17 and as the commissioner deems necessary and appropriate to address present or projected budget
18 deficits, or to respond to changes in federal law, regulations, or programs, and otherwise as
19 necessary for the efficient management of the liquor commission and cannabis funds. The provisions
20 of this section shall not be subject to RSA 9:16-a, RSA 9:17-a, and RSA 9:17-c; however, the
21 provisions of RSA 176:16, V shall apply.

22 IX. The commission may pay staff members working on both liquor and cannabis matters
23 increased wages until 18 months after the first cannabis retail store franchise is issued. A 10
24 percent stipend shall be established for commission staff based on their salary, when engaged in the
25 development and all administrative aspects of the program.

26 318-F:12 Enforcement Activity Verifying Noncompliance.

27 It shall be a violation to sell any cannabis, cannabis product, cannabis accessories or cannabis
28 paraphernalia to a minor during enforcement activity initiated solely for the purpose of verifying
29 noncompliance with RSA 318-F:5. It shall be a misdemeanor to knowingly sell cannabis, cannabis
30 product, or cannabis paraphernalia to a minor at the time of any such enforcement activity. The
31 commission shall retain the right to require the licensee or franchisee in such a circumstance to
32 initiate additional training of its staff or individual employees. This section shall not apply to law
33 enforcement initiatives involving surveillance, investigations, or criminal complaints of RSA 318-F:5.

34 318-F:13 Rulemaking, Franchise, and Licensing Requirements.

35 I. Not later than 24 months after the effective date of this section, the commission shall
36 submit statutory language and approve rules subject to the rulemaking process pursuant to RSA

1 541-A for the licensing and regulation of cannabis cultivation facilities and testing facilities as
2 outlined in paragraph II.

3 II. Not later than 30 months after the effective date of this section, the commission shall
4 submit statutory language and approve rules subject to the rulemaking process pursuant to RSA
5 541-A for the franchising, licensing, and regulation of all other cannabis establishments. The rules
6 shall include the following:

7 (a) Procedures for the application, issuance, transfer, approval, denial, renewal,
8 suspension, and revocation of a license or franchise for cannabis establishments. Rules shall include
9 provisions for cannabis retail store, cannabis cultivation facility, and cannabis production facility
10 licensees or franchisees to be selected through a request for application process.

11 (1) The commission shall decide within 120 days of receipt of a complete application
12 and provide the decision to the licensee or franchisee. The commission shall extend the time period
13 for the decision upon written agreement of the applicant.

14 (2) Notwithstanding any rules created by the commission, any transfer or sale of
15 cannabis establishment is subject to approval of the commission.

16 (b) Criteria for qualifying for a cannabis establishment license or franchise including,
17 but not limited to, the following:

18 (1) Except as provided in this section, any person applying for a cannabis
19 establishment license or franchise shall be a resident, or shall have at least one director, officer,
20 manager, or partner who is a New Hampshire resident. This restriction shall not apply to an
21 applicant for a testing facility registration.

22 (2) No cannabis testing facility or individual with an ownership interest in a
23 cannabis testing facility shall have an ownership interest in an alternative treatment center, a
24 cannabis retail store, a cannabis cultivation facility, a cannabis production facility, or a cannabis
25 product manufacturing facility.

26 (3) No person or business entity may have a threshold financial interest in more
27 than 3 cannabis establishments of any single category.

28 (4) Other than a cannabis retail store, cannabis establishments may be sited within
29 the same building or property. Other than a cannabis retail store, cannabis establishments in the
30 same category that are owned by the same person or the person's affiliate may be sited within the
31 same premises.

32 (5) No vendor that provides cannabis inventory tracking in New Hampshire and no
33 individual with a threshold financial interest in a vendor that provides cannabis inventory tracking
34 in New Hampshire may hold a threshold financial interest in a cannabis establishment.

35 (c) Procedures and criteria for the selection cannabis retail store, cannabis cultivation
36 facility, and cannabis production facility licenses or franchises to include but not be limited to:

Amendment to HB 1633-FN-A

- Page 14 -

1 (1) Location of the cannabis retail store, cannabis cultivation facility, or cannabis
2 production facility.

3 (2) Standard operating procedures for, but not limited to, storing, tracking,
4 manufacturing, cultivation, packaging, labeling, testing, transporting, employee training,
5 discounting and promotions, record keeping, and the sale of cannabis and cannabis products.

6 (3) Security measures including, but not limited to, storage facilities for cannabis
7 and cannabis products.

8 (4) Hours of operation.

9 (5) The size and nature of the facilities, including the layout of the cannabis
10 establishment.

11 (6) Prior experience of the applicant in operating an alternative treatment center or
12 other facility that cultivates, manufactures, or sells cannabis and/or cannabis products pursuant to
13 and in accordance with the laws of the state of New Hampshire or another state.

14 (7) Financial capacity.

15 (d) Timelines by which licensees and franchisees must commence operations and
16 procedures for revoking and reissuing licenses and franchises where such timeline is not met.

17 (e) Advertising and promotion which, for cannabis retail stores, shall be controlled and
18 managed by the commission.

19 (f) Employees, including any registration/licensing requirements for employees as
20 determined by the commission.

21 (g) Requirements that cannabis retail stores stock cannabis products, including flower,
22 with low and moderate amounts of THC and that they be at least as prominently displayed as high
23 potency products or therapeutic grade cannabis products.

24 (h) Annual mandatory training and continuing education required for licensees,
25 franchisees, and all cannabis retail store employees, which shall include, but not be limited to,
26 training on checking photo identification and for false identification. The rules set forth shall be
27 specific as to the amount of annual training is required and the specific subject matters the
28 licensees, franchisees, and retail store employees are trained on each year, including but not limited
29 to training on cannabis use disorder.

30 (i) Requirements for cannabis cultivation facilities, cannabis production facilities, and
31 cannabis product manufacturing facilities to be operated and located in the state of New Hampshire
32 so long as there is a federal prohibition.

33 (j) A fee schedule of reasonable application, license, franchise, and annual renewal fees,
34 provided:

35 (1) That cultivation and production facility licensing fees be tiered based on the size
36 of the facilities.

1 (2) That the non-refundable portion of application fees shall not exceed \$1,000, with
2 this upper limit adjusted annually for inflation.

3 (3) Licensing, franchises, and annual renewal fees shall not exceed \$10,000 per
4 license.

5 (k) Qualifications and disqualifications for licensure and franchisees that are directly
6 and demonstrably related to the operation of a cannabis establishment, and which may not
7 disqualify applicants solely for having a prior history of criminal convictions for possession of
8 cannabis prior to the effective date of this chapter.

9 (l) Criteria for selection among applicants when there are more qualified applicants than
10 there are number of licenses or franchises available in a particular municipality.

11 (m) Record keeping requirements for cannabis establishments, including requirements
12 for implementation and compliance with the distribution tracking system.

13 (n) Requirements for the transportation and distribution of cannabis and cannabis
14 products between cannabis establishments, including approved packaging and documentation that
15 shall accompany any cannabis being transported, warehoused, or distributed.

16 (o) Reasonable security requirements for each type of cannabis establishment, which
17 may be varied based on the size of the cannabis establishment.

18 (p) Restrictions on where a cannabis establishment may be located, consistent with the
19 provisions of this chapter.

20 (q) Standards for the operation of testing laboratories, including requirements for
21 equipment and qualifications.

22 (r) Requirements for the testing of cannabis and cannabis products, including, but not
23 limited to, the following:

24 (1) Requirements to ensure at a minimum that cannabis and cannabis products sold
25 for human consumption do not contain contaminants that are injurious to health and to ensure
26 correct labeling;

27 (2) That testing shall include, but not be limited to, analysis for residual solvents,
28 poisons, or toxins; harmful chemicals; dangerous molds or mildew; filth; dangerous herbicides,
29 pesticides, and fungicides, heavy metals, and harmful microbials, such as E. coli or salmonella;

30 (3) Threshold levels for each contaminant listed in subparagraph (2);

31 (4) Providing that in the event that test results indicate the presence of quantities of
32 any substance determined to be injurious to health, such cannabis or cannabis products shall be
33 immediately quarantined and immediate notification to the commission shall be made. The
34 contaminated product shall be documented and properly destroyed, subject to the appeals process as
35 outlined in this chapter and rules promulgated by the commission;

36 (5) That testing shall also verify THC and other cannabinoid potency
37 representations for correct labeling;

1 (6) That the commission shall determine an acceptable variance for potency
2 representations and procedures to address potency misrepresentations;

3 (7) That the commission shall determine the protocols and frequency of cannabis
4 testing by a cannabis testing facility; and

5 (8) Minimum testing requirements for an effective cannabis and cannabis product
6 quality assurance program for cannabis cultivation facilities, cannabis production facilities, and
7 cannabis product manufacturing facilities.

8 (s) Change in ownership, franchise, licenses, and changes in location for cannabis
9 establishments.

10 (t) No more than one cannabis retail store per municipality except that municipalities
11 with more than 50,000 residents may have up to 2 cannabis retail stores.

12 III. Not later than 30 months after the effective date of this section, the commission shall
13 initiate the rulemaking process pursuant to RSA 541-A for regulation on the cultivation, advertising,
14 manufacture, and sale of cannabis, cannabis products, and cannabis accessories. The rules shall
15 include, but shall not be limited to, the following:

16 (a) Health and safety rules, including, but not limited to, the packaging and preparing of
17 cannabis and cannabis products, restricting the use of pesticides and other chemicals during
18 cultivation and processing that may be dangerous to cannabis consumers, and sanitation
19 requirements.

20 (b) Health and safety rules and standards for the cultivation of cannabis and
21 manufacture of cannabis products, including:

22 (1) Prohibitions on additives to products that are toxic, misleading to consumers, or
23 designed to make the product more appealing to children;

24 (2) Safety standards regulating the manufacture of cannabis extracts and cannabis
25 concentrate; and

26 (3) A prohibition on the inclusion of nicotine and other additives to cannabis
27 products that are designed to make the product more addictive or more intoxicating.

28 (c) Establishing the maximum amount of THC that may be included in each cannabis
29 product serving as 10 milligrams and no more than 200 milligrams per package.

30 (d) Reasonable health and safety restrictions on cannabis accessories that may be
31 manufactured or sold in New Hampshire, including a prohibition on any vaporization device that
32 includes toxic or addictive additives. The commission may prohibit types of vaporizers that are
33 particularly likely to be utilized by minors without detection but may not completely ban or
34 unreasonably restrict the manufacture or sale of vaporization devices.

35 (e) Restrictions on the advertising, signage, marketing, and display of cannabis and
36 cannabis products, including, but not limited to, the following:

Amendment to HB 1633-FN-A
- Page 17 -

1 (1) A prohibition on mass-market campaigns that have a likelihood of reaching
2 minors;

3 (2) A prohibition on marketing to minors, including marketing specifically related to
4 social media;

5 (3) A prohibition on cannabis products that are named, packaged, marketed, or
6 designed in a way that mimics or is likely to cause confusion with commercially available,
7 trademarked non-cannabis products, including relating to their logos, the sound of the product or
8 brand, packaging, taste, appearance, and commercial impression;

9 (4) A prohibition on giveaways of cannabis, cannabis products, or cannabis
10 accessories, including samples, except the commission may establish rules governing the authorized
11 distribution of trade samples;

12 (5) A prohibition on billboard advertising, sound trucks, or outdoor internally
13 illuminated screen displays consistent with alcohol advertising prohibitions in RSA 179:31; and

14 (6) A requirement for any advertising to include a standard, recognizable symbol
15 that a product contains cannabis or THC.

16 (f) Packaging, product manufacturing, and labeling requirements for cannabis and
17 cannabis products, including, but not limited to, the following:

18 (1) Packaging and labeling approval process prohibiting, but not limited to, the
19 following:

20 (A) Statements on the label or packaging that are false or misleading.

21 (B) Any written statements on the label or packaging are illegible.

22 (C) Packaging or labeling that contains subliminal or similarly deceptive
23 advertising techniques.

24 (D) Packaging or labeling that features a depiction of athletes that is deceptive
25 and misleading in that it implies that consuming cannabis or cannabis products is conducive to
26 athletic skill or physical prowess, or that consuming cannabis does not hinder the athlete's
27 performance.

28 (E) Packaging or labeling that features illustrations, subject matter, or other
29 attributes that are consistent with products marketed toward children and youths.

30 (F) Packaging or labeling that features a depiction of consumption of cannabis or
31 cannabis products while seated in, about to enter, operating, or about to operate an automobile or
32 other machinery.

33 (G) An aspect of the packaging or labeling that normalizes or encourages
34 excessive consumption.

35 (H) Packaging or labeling that does not indicate in manner that is sufficiently
36 clear that the product contains cannabis or cannabis products.

1 (I) Packaging or labeling that might result in confusion regarding whether the
2 product is a cannabis or cannabis products.

3 (J) Packaging or labeling pursuant to which the product is offered for sale under
4 the name, identity or characteristics of another food or beverage or which mimics another food or
5 beverage, or the characteristics of another food or beverage.

6 (2) The commission shall make a decision within 60 days of receipt of a complete
7 application for pre-approval of packaging and labeling and provide the decision to the licensee or
8 franchisee. The commission shall extend the time period for the decision upon written agreement of
9 the applicant.

10 (3) Mandating the disclosure of the THC content of each product.

11 (4) Requiring cannabis products to be packaged in packaging that is designed or
12 constructed to be significantly difficult for children under 5 years of age to open, and not difficult for
13 adults to use properly.

14 (5) Requirements to ensure cannabis products and their packaging are not designed
15 to appeal to or be attractive to minors, including providing that they cannot be in the shape of
16 cartoons, toys, animals, or people.

17 (6) Prohibiting flavors and designs of cannabis-infused beverages and edibles that
18 are particularly attractive to minors.

19 (7) Warnings, including, but not limited to, those described in RSA 318-F:14.

20 (8) A requirement for any label, and for certain products where appropriate, to
21 include a standard, recognizable symbol that a product contains cannabis or THC.

22 (9) Potency limits for cannabis products.

23 (10) Labeling requirements for consumable cannabis products to include, but not
24 limited to, ingredient lists, identification of allergens, and nutritional fact panels.

25 (g) Procedures and notices relating to all recalls of any products.

26 IV. In order to ensure that individual privacy is protected, the commission shall not require
27 a consumer to provide a cannabis retail store with personal information other than government-
28 issued identification to determine the consumer's age, and a retail cannabis store shall not be
29 required to acquire and record personal information about consumers.

30 V. In order to ensure that individual privacy is protected, no cannabis establishment may
31 record or store a consumer's name, address, purchases, or contact information unless the consumer
32 consents in writing. No cannabis establishment may make granting permission for the collection or
33 storage of such information a condition of a consumer purchasing cannabis from the establishment.

34 VI. Not later than 30 months after the effective date of this chapter, the commission, in
35 consultation with the department, shall develop an informational handout, which cannabis retail
36 store shall make available to all consumers, and which shall include information detailed in RSA
37 318-F:14.

1 VII.(a) Not later than 36 months after the effective date of this section, the commission shall
2 make written recommendations to the general court regarding the regulation of hemp, cannabinoids,
3 synthetic cannabinoids, and intoxicating products derived from hemp including:

4 (1) What hemp products the commission would regulate;

5 (2) How the products would be regulated, including whether a license would be
6 required and whether hemp processors and manufacturers should be licensed and regulated by the
7 commission;

8 (3) Any license fees or other charges that would be assessed on hemp products and
9 license fees assessed on hemp processors and manufacturers; and

10 (4) The resources required to regulate hemp processors, product manufacturers,
11 hemp products, and the retail sale of intoxicating hemp products.

12 (b) The regulations governing the production and the sale of intoxicating, ingestible, or
13 smokeable products containing hemp-derived cannabinoids may not be less restrictive than the
14 provisions of RSA 318-F or administrative rules enacted pursuant to RSA 541-A. For purposes of
15 this section, “intoxicating ingestible or smokeable products containing hemp-derived cannabinoids”
16 means any product that is intended to be consumed by humans or animals through inhalation or
17 ingestion containing tetrahydrocannabinol and tetrahydrocannabinolic acids that are artificially or
18 natural derived from hemp where inhalation or ingestion is reasonably likely to result in
19 alternations of perception, cognition, or behavior.

20 VIII. General prohibitions and policies:

21 (a) The commission shall approve the transfer or sale of any cannabis establishment or
22 license.

23 (b) The commission shall have the final authority to set the price of all cannabis
24 products sold in a cannabis retail store.

25 (c) Any location or change in location of a cannabis establishment shall be approved by
26 the commission.

27 (d) Cannabis products containing nicotine or other additives to make cannabis products
28 addictive are prohibited.

29 (e) To mitigate potential harms to children and to mitigate children accidentally
30 ingesting cannabis products, cannabis products that are named, packaged, marketed, or designed in
31 a way that mimics or is likely to cause confusion with commercially available, trademarked non-
32 cannabis products, including relating to their logos, the sound of the product or brand, packaging,
33 taste, appearance, and commercial impression shall be prohibited.

34 (f) Advertising for any cannabis establishment located or operating outside the state of
35 New Hampshire shall be prohibited.

36 (g) To the extent that any advertising is permitted under this chapter, all advertising
37 shall be controlled and administrated by the commission.

1 (h) To the extent that there is a conflict between rules adopted by the commission and
2 the department of health and human services as it relates to the enforcement of this chapter, the
3 rules adopted by the commission shall supersede the rules adopted by the department of health and
4 human services.

5 318-F:14 Informational Materials; Warning Label; Medical Lock Boxes.

6 I. The commission, in consultation with the department, shall design at least 2 versions of
7 the informational handout, one of which is specific to high potency products.

8 II. A cannabis retail store shall include an informational handout designed by the
9 commission in consultation with the cannabis advisory board with all cannabis and cannabis
10 products sold to consumers and shall include the high potency version in all cannabis concentrates
11 and other high potency sales. The informational handouts shall include scientifically accurate
12 information, including:

13 (a) Advice about the potential risks of cannabis, and, in the case of the high potency
14 handout, risks specific to high potency products, including:

15 (1) The risks of driving under the influence of cannabis, and the fact that doing so is
16 illegal;

17 (2) Any adverse effects unique to adolescents or young adults, including effects
18 related to the developing mind;

19 (3) Potential adverse events and other risks, including related to mental health; and

20 (4) Risks of using cannabis during pregnancy or breastfeeding. This may be
21 identical to that required under RSA 126-X:8, XVI(c)(7).

22 (b) Information about methods for administering cannabis;

23 (c) How long cannabis may impair a person after it is ingested in each manner;

24 (d) How to recognize cannabis use disorder, and how to obtain appropriate services or
25 treatment;

26 (e) Information regarding safe storage and disposal of cannabis and paraphernalia to
27 prevent accidental poisonings, including the contact information for the Northern New England
28 Poison Control Center, including the penalties for negligent storage under RSA 318-B:2-e. This may
29 be identical to that required under RSA 126-X:8, XVI(c)(8); and

30 (f) Unless federal statutory law or case law has changed and such a warning is no longer
31 accurate, a disclosure that:

32 (1) Cannabis is illegal under U.S. federal law, and

33 (2) Under the United States government's 1986 Gun Control Act, any "unlawful"
34 user of a controlled substance is prohibited from purchasing or owning a gun.

35 III. The commission may require that cannabis retail stores shall display informational
36 posters in conspicuous locations about the risks of cannabis use, including regarding risks during

1 pregnancy and breastfeeding and risks of cannabis use in adolescents or by younger adults. The
2 posters shall be scientifically accurate.

3 IV. All cannabis and cannabis products sold by a cannabis retail store shall include warning
4 labels that provide the following information: “Warning: This product has intoxicating effects. For
5 use by adults 21 and older. Keep out of reach of children.” The commission may require a standard,
6 recognizable symbol on all cannabis packaging to signify that THC or other cannabinoids are
7 included in the product.

8 V. All cannabis products sold by cannabis retail stores shall include:

9 (a) A warning label that provides, “Caution: When eaten or swallowed, the intoxicating
10 effects of this product may be delayed,” including a time frame as established by the commission.

11 (b) A disclosure of ingredients and possible allergens.

12 (c) A nutritional fact panel.

13 (d) Opaque, child-resistant packaging, which shall be designed or constructed to be
14 significantly difficult for children under 5 years of age to open and not difficult for adults to use
15 properly as defined by 16 C.F.R. section 1700.20. Cannabis and cannabis products may be pre-
16 packaged in opaque, child-resistant packaging or placed in a compliant exit package prior to transfer
17 to a consumer.

18 VI. All cannabis retail stores shall include in their inventory medical lock boxes for sale to
19 help keep cannabis and cannabis products away from children.

20 318-F:15 Proof of Purchaser’s Identity.

21 I. For the purposes of this chapter, any person or entity making the sale of cannabis,
22 cannabis products, or cannabis accessories to any purchaser whose age is in question shall require
23 and may accept any official documentation listed in RSA 179:8 as proof that the purchaser is 21
24 years of age or older.

25 II. Photographic identification presented under this section shall be consistent with the
26 appearance of the person, shall not be expired, and shall be correct and free of alteration, erasure,
27 blemish, or other impairment.

28 III. The establishment of all of the following facts by a cannabis retail store or an agent or
29 employee of a cannabis retail store making a sale of cannabis or cannabis accessories to a person
30 under the age of 21 shall constitute an affirmative defense to any prosecution for such sale:

31 (a) That the person presented what an ordinary and prudent person would believe to be
32 valid documentation of a type listed in RSA 179:8.

33 (b) That the sale was made in good faith relying upon such documentation and
34 appearance in the reasonable belief that the person was 21 years of age or older. No identification
35 scanning or collection of personally identifiable information shall be required under this section.

36 318-F:16 Restrictions on Location Near Schools.

1 No cannabis establishment shall operate, nor shall a prospective cannabis establishment apply
2 for a license or franchise, if the establishment would be located within 2,000 feet of a school or school
3 property measured as a straight line from the nearest property line of an existing school to the
4 nearest property line of the prospective cannabis establishment. For the purposes of this section,
5 “school” means any public or private pre-school, elementary, secondary, or secondary vocational-
6 technical school in New Hampshire. “School” shall not include home schools under RSA 193-A.
7 "School property" means all real property, physical plant, and equipment used for school purposes,
8 including but not limited to school playgrounds, whether public or private. “School property” shall
9 not include buses or bus stops.

10 318-F:17 Limits on the Number of Cannabis Retail Stores and Franchise Fee Imposed.

11 I. A franchise fee on the monthly total gross revenue derived from the sale of cannabis and
12 cannabis products, and therapeutic grade therapeutic products, excluding the sale of cannabis
13 accessories by a cannabis retail store, shall be imposed on cannabis retail stores at the rate of 15
14 percent. The municipality where the cannabis retail store is located shall receive 1/15 of the total
15 fees collected from the cannabis retail store.

16 II. The commission shall adopt rules under RSA 541-A relative to the franchise fee
17 procedures needed to implement the provisions of this section.

18 III. No more than 15 cannabis retail store franchises shall be issued.

19 318-F:18 Alcohol Infused Cannabis Products Prohibited.

20 I. It is unlawful to manufacture, import, offer, or sell in this state a consumable product that
21 contains cannabis or any form of tetrahydrocannabinol in combination with beer, wine, spirits, or
22 any other type of liquor in the same product.

23 II. In accordance with paragraph I of this section, it is unlawful to manufacture, import,
24 offer, or sell in this state a consumable product that contains cannabis or any form of
25 tetrahydrocannabinol in combination with beer, wine, spirits, or any other type of liquor in the same
26 product.

27 318-F:19 Enactment of Municipal Ordinance.

28 I. The voters of every municipality shall vote on whether to allow cannabis retail stores in
29 their municipality at the first municipal election after July 1, 2024, unless the municipality elects to
30 include this question at the November 2024 biennial election. The wording of the question shall be
31 substantially as follows: “Shall we allow the operation of cannabis establishments within this city or
32 town?” The recount of any local option vote, the procedures for holding such a recount, the
33 declaration of the results of such a recount and the procedure for an appeal from such a recount shall
34 be as provided in RSA 660:13-15. A municipality’s prohibition on cannabis establishments may not
35 prohibit transportation through the municipality by cannabis establishments located in other
36 jurisdictions.

1 II. A municipality where a vote to allow cannabis establishments fails may propose the
2 question to voters again in a subsequent election upon a petition. The petition shall be of not less
3 than 5 percent of the legal voters within the city or town and filed with the secretary of state within
4 the timeframe regulating other ballot measures for municipal elections. The same requirements
5 established in paragraph I shall apply to that subsequent election.

6 III. A municipality may enact an ordinance limiting the number of each type of cannabis
7 establishment that may be permitted within the municipality and regulating the time, place, and
8 manner of the operation of a cannabis establishment permitted within the municipality.

9 IV. A municipality may enact an ordinance specifying the entity within the municipality
10 that shall be responsible for reviewing applications submitted for a license or franchise to operate a
11 cannabis establishment within the municipality. The entity designated by the municipality, or the
12 municipality if no such entity is designated, shall be responsible for indicating whether the
13 application is in compliance with municipal ordinances and notifying the applicant and the
14 commission within 90 days.

15 V. A municipality may not negotiate or enter into an agreement with a cannabis
16 establishment or a cannabis establishment applicant requiring that the cannabis establishment or
17 applicant provide money, donations, in-kind contributions, services, or anything of value to the
18 locality.

19 VI. In a municipality that voted to permit cannabis establishments, if the municipality has a
20 zoning ordinance, it shall consider adoption of an innovative land use control pursuant to RSA
21 674:21, II, specifying where a cannabis establishment will be a permitted use and further provide
22 what, if any, conditions will be placed upon cannabis establishments. If a municipality has passed
23 an innovative land use control relative to cannabis establishments, it shall notify the liquor
24 commission within 90 days of passage. Municipalities without zoning ordinances or which have
25 failed to pass an innovative land use control relative to cannabis establishments will be governed by
26 the provisions of RSA 318-F and administrative rules relating to cannabis establishments enacted
27 pursuant to RSA 541-A. No local ordinance may be less restrictive than the provisions of RSA 318-F
28 or administrative rules enacted pursuant to RSA 541-A.

29 318-F:20 Lobbying Activities.

30 No recipient of a state license to operate a cannabis establishment licensed under this chapter
31 shall utilize the funds received through the operation of such establishment to lobby or attempt to
32 influence legislation related to the sale or legalization of marijuana, participate in political activity,
33 or contribute funds to any entity engaged in these activities.

34 318-F:21 Cannabis Fund Established.

35 I. There is established a non-lapsing fund to be known as the cannabis fund. The fund shall
36 be kept distinct and separate from all other funds in the state treasury, and the moneys credited to
37 the fund shall be held distinct and separate from all other funds over which the state treasurer has

1 control. Moneys in the fund shall be deposited with any financial institution as defined in RSA 383-
2 A:2-201(a)(27-a), with a branch in the state. Moneys credited to the fund shall include deposits into
3 the fund by the commission pursuant to this chapter.

4 II. For the biennium ending June 30, 2025, and every biennium thereafter, the commission
5 shall include the cost of administration of this chapter in the commission's efficiency expenditure
6 request pursuant to RSA 9:4.

7 III. For the biennium ending June 30, 2025, the sum of \$8,000,000 is hereby appropriated to
8 the liquor commission for the cost of administration of this chapter. Said sum shall be a charge
9 against the liquor fund.

10 IV. For the biennium ending June 30, 2025, the sum of \$500,000 is hereby appropriated to
11 the alcohol abuse prevention and treatment fund established by RSA 176-A. This appropriation
12 shall be in addition to any other monies allocated to the fund, and shall be distributed by the
13 governor's commission on alcohol and drug abuse prevention, treatment, and recovery in the manner
14 established in RSA 12-J and RSA 176-A:1.

15 V. Except funds transferred under paragraph III, not later than June 30, 2027, the
16 commission shall reimburse the general fund utilizing moneys deposited into the cannabis fund from
17 the franchise fee imposed pursuant to this chapter for any initial or start-up funds appropriated to
18 the commission for the administration or operation of this chapter. Any remaining funds shall be
19 dispersed each fiscal year as follows:

20 (a) The municipality where the cannabis retail store is located shall receive 1/15 of the
21 total fees collected from the cannabis retail store pursuant to RSA 318-F:17; and

22 (b) Of the remaining funds:

23 (1) Sixty-five percent shall be disbursed to the education trust fund established in
24 RSA 198:39. The comptroller shall notify the commissioner of the department of education and the
25 commissioner of the department of revenue administration, by the first day of September of the
26 amount disbursed to the education trust fund. The amount of revenue required to be collected
27 pursuant to RSA 76:3 shall be reduced by the amount transferred to the education trust fund as
28 required in this subparagraph, and the commissioner of the department of revenue shall set the rate
29 at a level sufficient to generate the reduced amount. This rate shall be effective for the following
30 fiscal year;

31 (2) Fifteen percent shall be allocated to the alcohol abuse prevention and treatment
32 fund established by RSA 176-A. This allocation shall be in addition to any other monies allocated to
33 the fund, and shall be distributed by the governor's commission on alcohol and drug abuse
34 prevention, treatment, and recovery in the manner established in RSA 12-J and RSA 176-A:1;

35 (3) Ten percent shall be allocated to public safety agencies, including police, fire, and
36 rescue agencies, for the hiring and training of additional drug recognition experts, for advanced
37 roadside impaired driving enforcement training, for reimbursement of local police agencies for

1 salaries of police officers during their attendance at the trainings listed in this subparagraph, and to
2 assist in responding to drug overdose incidents; and

3 (4) Ten percent shall be disbursed to the department of health and human services,
4 division of behavioral health services, for child behavioral health services.

5 Cannabis Advisory Board

6 318-F:22 Cannabis Advisory Board.

7 I. There shall be a cannabis advisory board (CAB) to study and make recommendations to
8 the liquor commission on the regulation, public health issues, and business operations of cannabis
9 establishments.

10 II. The CAB shall consist of the following appointees:

11 (a) The chair of the liquor commission or designee.

12 (b) The president of the associations of chiefs of police or designee.

13 (c) A certified public health official appointed by the chairman of governor's commission
14 on alcohol and other drugs.

15 (d) A medical provider as appointed by the president of the New Hampshire Medical
16 Society.

17 (e) The commissioner of the department of health and human services or designee.

18 (f) The commissioner of the department of education or designee.

19 (g) A mental health professional appointed by the executive director of NAMI New
20 Hampshire.

21 (h) A representative of the cannabis industry with experience operating an alternative
22 treatment center or other facility that cultivates, manufactures, or sells cannabis and/or cannabis
23 products pursuant to and in accordance with the laws of the state of New Hampshire or another
24 state.

25 (i) The attorney general or designee.

26 (j) A member of the public appointed by the governor.

27 (k) A state senator appointed by the senate president.

28 (l) A state representative appointed by the speaker of the house of representatives.

29 III. Members of the board shall serve terms of 3 years except that the initial appointment of
30 such members shall be for staggered terms of one, 2, and 3 years. No member shall serve more than
31 3 consecutive terms.

32 IV. Members of the board shall serve without compensation but shall be reimbursed for
33 their expenses actually and necessarily incurred in the discharge of their official duties, including
34 mileage at the state employee rate for attendance to meetings and other official functions.

35 V. The chair of the liquor commission or designee shall serve as the CAB chair and shall call
36 meetings as needed. There shall be a minimum of one meeting per year.

1 VI. A majority of the appointed members of the board shall constitute a quorum of the
2 cannabis advisory board. A quorum is only required for voting matters.

3 VII. The cannabis advisory board shall:

4 (a) Consider all matters submitted to it by the commission.

5 (b) On its own initiative, recommend to the commission guidelines, rules, and
6 regulations and any changes to guidelines, rules, and regulations that the advisory board considers
7 important or necessary for the commission's review and consideration.

8 (c) Advise on the preparation of regulations.

9 (d) Review any new science-based evidence of public health issues related to the use of
10 cannabis and make recommendations to the commission if, in the cannabis advisory board's
11 discretion, any regulatory or legal changes are needed.

12 6 Controlled Drug Act; Definitions. Amend the introductory paragraph in RSA 318-B:1, X-a(k)
13 to read as follows:

14 (k) Objects used or intended for use or customarily intended for use in ingesting,
15 inhaling, or otherwise introducing [~~marijuana,~~] cocaine[~~, hashish, or hashish oil~~] into the human
16 body, such as:

17 7 Controlled Drug Act; Penalties. Amend the introductory paragraph in RSA 318-B:26, I to read
18 as follows:

19 I. Any person who manufactures, sells, prescribes, administers, or transports or possesses
20 with intent to sell, dispense, or compound any controlled drug, controlled drug analog or any
21 preparation containing a controlled drug, except as authorized in this chapter **or as otherwise**
22 **authorized by law**; or manufactures, sells, or transports or possesses with intent to sell, dispense,
23 compound, package or repackage (1) any substance which he **or she** represents to be a controlled
24 drug, or controlled drug analog, or (2) any preparation containing a substance which he **or she**
25 represents to be a controlled drug, or controlled drug analog, shall be sentenced as follows, except as
26 otherwise provided in this section:

27 8 Controlled Drug Act; Penalties. Amend the introductory paragraph of RSA 318-B:26, II to
28 read as follows:

29 II. Any person who knowingly or purposely obtains, purchases, transports, or possesses
30 actually or constructively, or has under his or her control, any controlled drug or controlled drug
31 analog, or any preparation containing a controlled drug or controlled drug analog, except as
32 authorized in this chapter **or as otherwise authorized by law**, shall be sentenced as follows,
33 except as otherwise provided in this section:

34 9 Controlled Drug Act; Penalties. Amend RSA 318-B:26, II(c)-(d) to read as follows:

35 (c) In the case of more than 3/4 ounce of marijuana or more than 5 grams of hashish,
36 including any adulterants or dilutants[~~;~~] **is possessed by a person who is under 21 years of age,**
37 **or, in the case of an amount exceeding the possession limit defined in RSA 318-F:1,**

1 *possessed by a person who is 21 years of age or older, except if possessed by a person*
2 *authorized pursuant to RSA 126-X*, the person shall be guilty of a misdemeanor. [~~In the case of~~
3 ~~marijuana-infused products possessed by persons under the age of 21 or marijuana-infused products~~
4 ~~as defined in RSA 318-B:2-c, other than a personal-use amount of a regulated marijuana-infused~~
5 ~~product as defined in RSA 318-B:2-c, I(b), that are possessed by a person 21 years of age or older, the~~
6 ~~person shall be guilty of a misdemeanor.~~]

7 (d) In the case of 3/4 ounce or less of marijuana or 5 grams or less of hashish, including
8 any adulterants or dilutants, *that is possessed by a person who is under 21 years of age*, the
9 person shall be guilty of a violation pursuant to RSA 318-B:2-c. [~~In the case of a person 21 years of~~
10 ~~age or older who possesses a personal-use amount of a regulated marijuana-infused product as~~
11 ~~defined in RSA 318-B:2-c, I(b), the person shall be guilty of a violation pursuant to RSA 318-B:2-c.~~]

12 10 Controlled Drug Act; Penalties. Amend RSA 318-B:26, III(a) to read as follows:

13 (a) [~~Except as provided in RSA 318-B:2-c,~~] Controls any premises or vehicle where he or
14 she knows a controlled drug or its analog, *other than marijuana*, is illegally kept or deposited;

15 11 Controlled Drug Act; Personal Possession of Marijuana. Amend RSA 318-B:2-c to read as
16 follows:

17 318.B-2:c [~~Personal~~] Possession of Marijuana *by a Person Under 21 Years of Age*.

18 [~~I.~~] In this section:

19 [(a)] *I. "Marijuana" is defined as stated in RSA 318-F:1, II.* [~~includes the leaves, stems,~~
20 ~~flowers, and seeds of all species of the plant genus cannabis, but shall not include the resin extracted~~
21 ~~from any part of such plant and every compound, manufacture, salt, derivative, mixture, or~~
22 ~~preparation from such resin including hashish, and further, shall not include the mature stalks of~~
23 ~~such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other~~
24 ~~compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks, fiber, oil or~~
25 ~~cake, or the sterilized seed of such plant which is incapable of germination. Marijuana shall not~~
26 ~~include hemp grown, processed, marketed, or sold under RSA 439-A.~~]

27 (b) [~~"Personal-use amount of a regulated marijuana-infused product" means one or more~~
28 ~~products that is comprised of marijuana, marijuana extracts, or resins and other ingredients and is~~
29 ~~intended for use or consumption, such as, but not limited to, edible products, ointments, and~~
30 ~~tinctures, which was obtained from a state where marijuana sales to adults are legal and regulated~~
31 ~~under state law, and which is in its original, child-resistant, labeled packaging when it is being~~
32 ~~stored, and which contains a total of no more than 300 milligrams of tetrahydrocannabinol.~~]

33 II. Except as provided in RSA 126-X, any person *under 21 years of age* who knowingly
34 possesses 3/4 of an ounce or less of marijuana, including adulterants or dilutants, shall be guilty of a
35 violation, and subject to the penalties provided in paragraph V.

1 III. Except as provided in RSA 126-X, any person ***under 21 years of age*** who knowingly
2 possesses 5 grams or less of hashish, including adulterants or dilutants, shall be guilty of a violation,
3 and subject to the penalties provided in paragraph V.

4 IV. [~~Except as provided in RSA 126 X, any person 21 years of age or older possessing a~~
5 ~~personal-use amount of a regulated marijuana-infused product shall be guilty of a violation, and~~
6 ~~subject to the penalties provided in paragraph V. Persons 18 years of age or older and under 21~~
7 ~~years of age who knowingly possess marijuana-infused products shall be guilty of a misdemeanor.]~~

8 V.(a) Except as provided in this paragraph, any person 18 years of age or older who is
9 convicted of violating paragraph II or III~~[, or any person 21 years of age or older who is convicted of~~
10 ~~violating paragraph IV]~~ shall be subject to a fine of \$100 for a first or second offense under this
11 paragraph, or a fine of up to \$300 for any subsequent offense within any 3-year period; however, any
12 person convicted based upon a complaint which alleged that the person had 3 or more prior
13 convictions for violations of paragraph II~~[,]~~ **or** III ~~[or IV]~~, or under reasonably equivalent offenses in
14 an out-of-state jurisdiction since the effective date of this paragraph, within a 3-year period
15 preceding the fourth offense shall be guilty of a class B misdemeanor. The offender shall forfeit the
16 marijuana~~[, regulated marijuana-infused products,]~~ or hashish to the state. A court shall waive the
17 fine for a single conviction within a 3-year period upon proof that person has completed a substance
18 abuse assessment by a licensed drug and alcohol counselor within 60 days of the conviction. A
19 person who intends to seek an assessment in lieu of the fine shall notify the court, which shall
20 schedule the matter for review after 180 days. Should proof of completion of an assessment be filed
21 by or before that time, the court shall vacate the fine without a hearing unless requested by a party.

22 (b) Any person under 18 years of age who is convicted of violating paragraph II or III
23 shall forfeit the marijuana or hashish and shall be subject to a delinquency petition under RSA 169-
24 B:6.

25 VI.(a) Except as provided in this section, no person shall be subject to arrest for a violation
26 of paragraph II~~[,]~~ **or** III~~[, or IV]~~ and shall be released provided the law enforcement officer does not
27 have lawful grounds for arrest for a different offense.

28 (b) Nothing in this chapter shall be construed to prohibit a law enforcement agency from
29 investigating or charging a person for a violation of RSA 265-A.

30 (c) Nothing in this chapter shall be construed as forbidding any police officer from taking
31 into custody any minor who is found violating paragraph II~~[,]~~ **or** III~~[, or IV]~~.

32 (d) Any person ***under 21 years of age who is*** in possession of an identification card,
33 license, or other form of identification issued by the state or any state, country, city, or town, or any
34 college or university, who fails to produce the same upon request of a police officer or who refuses to
35 truthfully provide his or her name, address, and date of birth to a police officer who has informed the
36 person that he or she has been found to be in possession of what appears to the officer to be 3/4 of an

Amendment to HB 1633-FN-A
- Page 29 -

1 ounce or less of marijuana~~[, a personal-use amount of a regulated marijuana-infused product,]~~ or 5
2 grams or less of hashish, may be arrested for a violation of paragraph II~~[,]~~ **or** III~~[, or IV]~~.

3 VII. All fines imposed pursuant to this section shall be deposited into the alcohol abuse
4 prevention and treatment fund established in RSA 176-A:1 and utilized for evidence-informed
5 substance abuse prevention programs.

6 VIII.(a) No record that includes personally identifiable information resulting from a
7 violation of this section shall be made accessible to the public, federal agencies, or agencies from
8 other states or countries.

9 (b) Every state, county, or local law enforcement agency that collects and reports data
10 for the Federal Bureau of Investigation Uniform Crime Reporting Program shall collect data on the
11 number of violations of paragraph II~~[,]~~ **or** III~~[, or IV]~~. The data collected pursuant to this paragraph
12 shall be available to the public. A law enforcement agency may update the data annually and may
13 make this data available on the agency's public Internet website.

14 12 Controlled Drug Act; Plea by Mail. Amend RSA 318-B:2-d to read as follows:

15 318-B:2-d Plea by Mail.

16 I. Any person 18 years of age or older who is charged with a violation of RSA 318-B:2-c, II~~[,]~~
17 **or** III~~[, or IV]~~ may enter a plea of guilty, nolo contendere, or not guilty, by mail in a circuit court,
18 district division.

19 II. Such defendant shall receive, in addition to the summons, a fine notice entitled "Notice of
20 Fine" which shall contain the amount of the fine for a violation of RSA 318-B:2-c, II~~[,]~~ **or** III~~[, or IV]~~.
21 A defendant who is issued a summons and notice of fine and who wishes to plead guilty or nolo
22 contendere shall enter his or her plea on the summons and return it with payment of the fine within
23 30 days of the date of the summons. Payment by credit card may be accepted in lieu of cash
24 payment.

25 III. If the defendant wishes to enter a plea of not guilty, he or she shall enter such plea on
26 the summons and return it within 30 days of the date of the summons. The circuit court, district
27 division shall schedule a trial.

28 IV. Whenever a defendant willfully fails to pay a fine in connection with a conviction for a
29 violation of RSA 318-B:2-c, II~~[,]~~ **or** III~~[, or IV]~~ or payment of such fine cannot be collected, the
30 defendant shall be defaulted and the court may impose an additional fine of \$100.

31 13 Alcohol or Drug Impairment; Other Alcohol and Drug Offenses; Possession of Drugs. Amend
32 RSA 265-A:43 to read as follows:

33 265-A:43 Possession of Drugs. Any person who drives on any way a vehicle while knowingly
34 having in his or her possession or in any part of the vehicle a controlled drug or controlled drug
35 analog in violation of the provisions of RSA 318-B shall be guilty of a misdemeanor, and his or her
36 license shall be revoked or his or her right to drive denied for a period of 60 days and at the
37 discretion of the court for a period not to exceed 2 years. This section shall not apply to the

1 possession of marijuana or hashish as provided in RSA 318-B:2-c [~~or a personal use amount of a~~
2 ~~regulated marijuana infused product as defined in RSA 318-B:2-e, I(b)~~].

3 14 Sentences; General Provisions; Annulment of Criminal Records; Annulment of Arrests and
4 Convictions for Marijuana Possession. Amend RSA 651:5-b to read as follows:

5 651:5-b Annulment of Arrests and Convictions for Marijuana Possession.

6 ***I. As used in this section:***

7 (a) ***“Cannabis” means “marijuana” as defined in RSA 318-B:2-c.***

8 (b) ***“Possession limit” means the amount of cannabis that is legal under New***
9 ***Hampshire law for adults 21 and older to possess.***

10 (c) ***“Cannabis-related offense” means any offense under RSA 318-B involving***
11 ***possession of cannabis or paraphernalia intended for cannabis; and***

12 ***II.*** Any person who was arrested or convicted for knowingly or purposely obtaining,
13 purchasing, transporting, or possessing, actually or constructively, or having under his or her
14 control, ***no more than the possession limit*** ^[3/4] of [~~an ounce of~~] marijuana [~~or less~~] where the
15 offense occurred before ***July 1, 2024*** [~~September 16, 2017~~] may, at any time, petition the court in
16 which the person was convicted or arrested to annul the arrest record, court record, or both. The
17 petition shall state that the amount of marijuana was ***no more than the possession limit*** [~~3/4 of~~
18 ~~an ounce or less~~]. The petitioner shall furnish a copy of the petition to the office of the prosecutor of
19 the underlying offense. The prosecutor may object within 10 days of receiving a copy of the petition
20 and request a hearing. If the prosecutor does not object within 10 days, the court shall grant the
21 petition for annulment. If the prosecutor timely objects, the court shall hold a hearing. In a hearing
22 on the petition for annulment, the prosecutor shall be required to prove beyond a reasonable doubt
23 that the petitioner knowingly or purposely obtained, purchased, transported, or possessed, actually
24 or constructively, or had under his or her control, marijuana in an amount exceeding ***the possession***
25 ***limit*** [~~3/4 of an ounce~~]. At the close of the hearing, the court shall grant the petition unless the
26 prosecutor has proven that the amount of marijuana exceeded ***the possession limit*** [~~3/4 of an~~
27 ~~ounce~~]. If the petition is granted, and an order of annulment is entered, the provisions of RSA 651:5,
28 X-XI shall apply to the petitioner.

29 15 New Paragraph; Business Profits Tax; Additions and Deductions. Amend RSA 77-A:4 by
30 inserting after paragraph XX the following new paragraph:

31 XXI. A deduction from gross business profits of an amount equal to all the ordinary and
32 necessary expenses paid or incurred during the taxable year in carrying on a trade or business as a
33 cannabis establishment as defined by RSA 318-F:1 or an alternative treatment center as defined by
34 RSA 126-X:1, including reasonable allowance for salaries or other compensation for personal services
35 actually rendered, notwithstanding any federal tax law to the contrary.

36 16 Apportionment, Assessment and Abatement of Taxes; Assessment; Education Tax. Amend
37 RSA 76:3 to read as follows:

1 76:3 Education Tax. Beginning July 1, 2005, and every fiscal year thereafter, the commissioner
2 of the department of revenue administration shall set the education tax rate at a level sufficient to
3 generate revenue of \$363,000,000, **less any amount credited to the education trust fund**
4 **pursuant to RSA 318-F:21**, when imposed on all persons and property taxable pursuant to RSA
5 76:8, except property subject to tax under RSA 82 and RSA 83-F. The education property tax rate
6 shall be effective for the following fiscal year. The rate shall be set to the nearest 1/2 cent necessary
7 to generate the revenue required in this section.

8 17 Public Health; Use of Cannabis for Therapeutic Purposes; Definition of Alternative
9 Treatment Center. Amend RSA 126-X:1, I to read as follows:

10 I. "Alternative treatment center" means a **domestic business corporation organized**
11 **under RSA 293-A, a domestic limited liability company organized under RSA 304-C, or a**
12 not-for-profit [~~entity~~] **voluntary corporation organized under RSA 292 that is** registered under
13 RSA 126-X:7 that acquires, possesses, cultivates, manufactures, delivers, transfers, transports, sells,
14 supplies, and dispenses cannabis, and related supplies and educational materials, to qualifying
15 patients, designated caregivers, other alternative treatment centers, [~~and~~] visiting qualifying
16 patients, **and other cannabis establishments.**

17 18 Public Health; Use of Cannabis for Therapeutic Purposes; Departmental Administration;
18 Alternative Treatment Centers; Application Form. Amend RSA 126-X:7, IV(a)(4) to read as follows:

19 (4) The name, address, and date of birth of each principal officer and board member
20 of the alternative treatment center. The board of directors **or board of managers, as applicable,**
21 for the [~~nonprofit~~] **alternative treatment center** shall include at least one physician, advance
22 practice registered nurse, or pharmacist licensed to practice in New Hampshire and at least one
23 patient qualified to register as a qualifying patient. The majority of board members **or managers,**
24 **as applicable,** shall be New Hampshire residents. A medical professional listed in this
25 subparagraph may be a member of the alternative treatment center board **of directors or**
26 **managers, as applicable,** but shall not maintain an ownership interest in the center.

27 19 Public Health; Use of Cannabis for Therapeutic Purposes; Alternative Treatment Centers;
28 Requirements. Amend RSA 126-X:8, I to read as follows:

29 I. An alternative treatment center shall be operated on a **for-profit or** not-for-profit basis
30 for the benefit of its patients. An alternative treatment center need not be recognized as a tax-
31 exempt organization by the Internal Revenue Service.

32 20 New Paragraphs; Public Health; Use of Cannabis for Therapeutic Purposes; Alternative
33 Treatment Centers; Requirements. Amend RSA 126-X:8 by inserting after paragraph XVIII the
34 following new paragraphs:

35 XIX. Except as otherwise provided in this chapter, an alternative treatment center shall be
36 subject to RSA 293-A if organized as a domestic business corporation, RSA 304-C if organized as a
37 domestic limited liability company, and RSA 292 if organized as a voluntary corporation.

Amendment to HB 1633-FN-A
- Page 32 -

1 XX. An alternative treatment center organized as a voluntary corporation under RSA 292
2 may, on or before June 30, 2025, convert from a voluntary corporation under RSA 292 to either a
3 domestic business corporation organized under RSA 293-A, or a limited liability company organized
4 under RSA 304-C in any of the following ways:

5 (a) By adopting a plan of entity conversion in accordance with RSA 293-A or RSA 304-C,
6 as applicable, that includes a provision prohibiting the sale of memberships or shares to a foreign
7 corporation for a period of 3 years, provided that each such conversion shall be authorized by a vote
8 of 2/3 of the members of the board of directors at a meeting duly called for the purpose or by
9 unanimous written consent.

10 (b) By adopting a plan of merger in accordance with RSA 293-A that includes a provision
11 prohibiting the sale of memberships or shares to a foreign corporation for a period of 3 years, for
12 which the domestic business corporation shall be the surviving entity, provided that, such merger
13 shall be authorized by a vote of 2/3 of the members of the board of directors of the alternative
14 treatment center at a meeting duly called for the purpose or by unanimous written consent.

15 (c) By adopting a plan of merger in accordance with RSA 304-C that includes a provision
16 prohibiting the sale of memberships or shares to a foreign corporation for a period of 3 years, for
17 which the domestic limited liability company shall be the surviving entity, provided that, such
18 merger shall be authorized by a vote of 2/3 of the members of the board of directors at a meeting duly
19 called for the purpose or by unanimous written consent.

20 XXI. Articles of entity conversion or articles of merger, as applicable, shall be signed and
21 submitted to the secretary of state pursuant to RSA 293-A or RSA 304-C, as applicable, and the
22 secretary of state shall approve all such filings submitted pursuant to this section.

23 XXII. The secretary of state shall certify such articles of entity conversion or articles of
24 merger and shall provide them to the department. Upon receipt, the department shall update the
25 existing licenses held by the converted or merged alternative treatment center.

26 XXIII. For the purposes of converting or merging an alternative treatment center pursuant
27 to this section, notwithstanding any provision in the articles of agreement or alternative treatment
28 center license applications to the contrary, the members of an alternative treatment center's board of
29 directors may determine that a plan of entity conversion or merger is consistent with its corporate
30 charter, and such voluntary corporation may surrender its articles of agreement in connection with
31 the plan of entity conversion or merger.

32 XXIV.(a) Any alternative treatment center choosing to convert or merge pursuant to this
33 section shall obtain an independent fair market valuation of its total assets as of June 30, 2025. The
34 valuation of the total assets of such alternative treatment center, if positive, shall be distributed to
35 one or more charitable organizations solely for charitable purposes. The director of charitable trusts
36 shall receive a copy of the valuation and may file any objection relating thereto with the court within
37 60 days. Except as set forth in this section and notwithstanding any other law to the contrary, no

1 portion of the assets of such alternative treatment center after the conversion or merger, as
2 applicable, shall be deemed to be charitable assets.

3 (b) Any alternative treatment center choosing to convert or merge pursuant to this
4 section shall submit a copy of the plan of conversion or merger to the director of charitable trusts.
5 The director may file an objection relating to the plan with the court within 60 days.

6 (c) Any alternative treatment center that has converted or merged pursuant to this
7 section shall, within 180 days and thereafter for 2 years, annually file a letter with the director of
8 charitable trusts certifying compliance with the requirements of RSA 126-X:8, XX.

9 21 Voluntary Corporations and Associations; Powers of Corporations; Change of Name;
10 Amending Articles; Conversion and Merger. Amend RSA 292:7 to read as follows:

11 292:7 Change of Name; Amending Articles.

12 ***I.*** Any corporation now or hereafter organized or registered in accordance with the
13 provisions of this chapter, and any existing corporation which may have been so organized or
14 registered, may change its name, increase or decrease its capital stock or membership certificates,
15 merge with or acquire any other corporation formed pursuant to this chapter, or amend its articles of
16 agreement, by a majority vote of such corporation's board of directors or trustees, at a meeting duly
17 called for that purpose, and by recording a certified copy of such vote in the office of the secretary of
18 state and in the office of the clerk of the town or city in this state which is its principal place of
19 business. In the case of a foreign nonprofit corporation registered in New Hampshire, a copy of the
20 amendment or plan of merger, certified by the proper officer of the state of incorporation, shall be
21 filed with the secretary of state, together with the fee provided in RSA 292:5. The surviving
22 corporation in a merger shall continue to have all the authority and powers vested in the merging
23 corporations, including any powers previously conferred upon them by the legislature.

24 ***II. An alternative treatment center registered pursuant to RSA 126-X and organized***
25 ***under this chapter may, pursuant to RSA 126-X:8, XX, convert to either a domestic***
26 ***corporation organized under RSA 293-A or a limited liability company organized under to***
27 ***RSA 304-C, and may merge with a domestic business corporation organized under RSA 293-***
28 ***A or a limited liability company organized under RSA 304-C.***

29 22 New Paragraph; New Hampshire Business Corporation Act; Domestication and Conversion;
30 Entity Conversion Authorized. Amend RSA 293-A:9.50 by inserting after paragraph (f) the following
31 new paragraph:

32 (g) Alternative treatment centers registered pursuant to RSA 126-X and organized
33 pursuant to RSA 292 may become a domestic corporation pursuant to a plan of conversion in
34 accordance with RSA 126-X:8, XX and this subdivision. The alternative treatment center shall be
35 deemed to be a domestic unincorporated entity for purposes of applying RSA 293-A:9.50 through
36 RSA 293-A:9.56, except that approval of the conversion shall be as outlined in RSA 126-X:8, XX.

1 23 Limited Liability Companies; Statutory Conversions; Statutory Conversions of Other
2 Business Entities to Limited Liability Companies. Amend RSA 304-C:149, I to read as follows:

3 I. Any other business entity, ***including alternative treatment centers pursuant to RSA***
4 ***126-X:8, XX***, may make a statutory conversion of its business organization form to the limited
5 liability company business organization form under this act by complying with the requirements of
6 this section and with applicable law governing the other business entity. ***Approval of a***
7 ***conversion of an alternative treatment center pursuant to this paragraph shall be as***
8 ***outlined in RSA 126-X:8, XX.***

9 24 New Paragraph; Limited Liability Companies; Statutory Conversions; Statutory Conversions
10 of Other Business Entities to Limited Liability Companies; Approvals of Statutory Conversion.
11 Amend RSA 304-C:149 by inserting after paragraph VIII the following new paragraph:

12 IX. In the case of the conversion of an alternative treatment center registered under RSA
13 126-X and organized pursuant to RSA 292, such conversion shall be approved by the board of
14 directors in accordance with RSA 126-X:8, XX.

15 25 The Liquor Commission; Liquor Investigator; Training. Amend RSA 176:9 to read as follows:
16 176:9 Liquor Investigator; Training.

17 I. The commission may, subject to rules adopted by the director of personnel, employ and
18 dismiss liquor investigators. Liquor investigators shall, under the direction of the commission,
19 investigate any or all matters arising under this title ***and under RSA 318-F.***

20 II. Any new liquor investigator employed by the commission under this section after August
21 13, 1985, shall, within 6 months of employment, satisfactorily complete a preparatory police training
22 program as provided by RSA 106-L:6, unless he or she has already completed such a program.

23 III. The commissioner, deputy commissioner, assistant, [ø] liquor investigator, ***or state,***
24 ***county, or municipality law enforcement officer*** may enter any place where liquor, beverages,
25 tobacco products, e-cigarettes, ***or cannabis*** are sold, [ø] manufactured, ***or cultivated*** at any time,
26 and may examine any license or permit issued or purported to have been issued under the terms of
27 this title. They shall make complaints for violations of this title.

28 26 The Liquor Commission; Assistants and Employees. Amend RSA 176:7 to read as follows:
29 176:7 Assistants and Employees.

30 I. The state liquor commission may employ such assistants as are, in its opinion, necessary
31 for the proper transaction of its business, and fix their compensation, subject to the rules of the
32 director of personnel. It may secure any necessary technical or professional assistance.

33 ***II. The commission may select and retain market consultants through a competitive***
34 ***bidding process approved by the governor and the executive council. Any such contract***
35 ***with a third-party agent shall be for consulting services relating to marketing and***
36 ***regulation of cannabis for purposes of cultivation, manufacturing, testing, and retail sale.***

37 27 Enforcement Proceedings and Penalties; Prosecutions. Amend RSA 179:59 to read as follows:

1 179:59 Prosecutions. The commission shall appoint liquor investigators whose primary function
2 shall be the proper prosecution of this title *and RSA 318-F*. The liquor investigators shall have
3 statewide jurisdiction, with reference to enforcement of all laws either in cooperation with, or
4 independently of, the officers of any county or town. The commission shall have the primary
5 responsibility for the enforcement of all liquor and beverage laws *and cannabis laws* upon
6 premises where liquor, ~~and~~ beverages, *and cannabis* are lawfully sold, stored, distributed, or
7 manufactured *or cultivated*. Any person violating the provisions of any law may be prosecuted by
8 the commission or any of its investigators as provided in this section, or by county or city attorneys,
9 or by sheriffs or their deputies, or by police officials of towns.

10 28 New Paragraph; The Liquor Commission; Commission to Sell. Amend RSA 176:11 by
11 inserting after paragraph II the following new paragraph:

12 III. In the event that the commission determines New Hampshire cannabis revenues are
13 being diverted by actions taken by persons holding any type of cannabis license or franchise, the
14 commission may take such marketing or merchandising action, or both, as it deems necessary,
15 including sanctions against the competing entities.

16 29 New Paragraph; Retail Tobacco License. Amend RSA 178:19-a by inserting after paragraph
17 V the following new paragraph:

18 VI. A retail tobacco license is authorized to sell cannabis accessories and cannabis
19 paraphernalia as defined in RSA 318-F.

20 30 New Paragraph; Rulemaking; Liquor Commission. Amend RSA 176:14 by inserting after
21 paragraph IX the following new paragraph:

22 IX-a. Cannabis licenses or franchises, including:

23 (a) Procedures for the application for, issuance, transfer, denial, renewal, suspension,
24 and revocation of a license for cannabis establishments.

25 (b) License operations for each cannabis license or franchise type.

26 (c) Collection of additional fees as required by statute.

27 31 Appropriations.

28 I. The sum of \$100,000 annually to the department of health and human services, for data
29 collection and reporting related to the health impacts of cannabis legalization and regulation under
30 RSA 318-F:10. The governor is authorized to draw a warrant for said sum out of any money in the
31 treasury not otherwise appropriated.

32 II. The sum of \$8,000,000 for the fiscal year ending June 30, 2025 is hereby appropriated to
33 the liquor commission for deposit into the cannabis fund established in RSA 318-F:21 for the
34 administration of RSA 318-F. Said appropriation shall be a charge against the liquor fund.

35 III. For the biennium ending June 30, 2025, the sum of \$500,000 is hereby appropriated to
36 the alcohol abuse prevention and treatment fund established by RSA 176-A. This appropriation
37 shall be in addition to any other monies allocated to the fund, and shall be distributed by the

Amendment to HB 1633-FN-A
- Page 36 -

1 governor's commission on alcohol and drug abuse prevention, treatment, and recovery in the manner
2 established in RSA 12-J and RSA 176-A:1. The governor is authorized to draw a warrant for said
3 sum out of any money in the treasury not otherwise appropriated.

4 32 Repeal. RSA 318-B:1, X-a(g), relative to separation gins and sifters used or intended for use
5 with cannabis, is repealed.

6 33 Severability. If any provision of this act or the application thereof to any person or
7 circumstances is held invalid, such invalidity shall not affect other provisions or applications of the
8 act which can be given effect without the invalid provision or application, and to this end the
9 provisions of this act are declared to be severable.

10 34 Effective Date. This act shall take effect upon its passage.