



Louisiana's Regulatory System for Hemp-Based Intoxicants

In the wake of the passage of the 2018 Farm Bill, numerous states passed laws that also changed the legal status of hemp within their jurisdictions, mirroring changes to federal law.^[1] Unlike other states and the federal government at the time, however, Louisiana created regulations for hemp-based intoxicants and instituted a regulatory system for their production, sale, and use.

Louisiana's HB 491 was signed into law in 2019, legalizing [hemp and hemp-derived compounds and removing them from Louisiana's list of controlled substances](#). It was in this measure that Louisiana first instituted a regulatory system for the production and sale of cannabinoids derived from hemp. The law was later amended in 2022 in HB 758 to impose further restrictions including updated age limits (from 18 to 21), to establish a formal class of products called "adult-use consumable hemp products" that includes THC isomers, and to set a per-serving cap at 8 mg THC, as well as significant additional packaging, labeling, and testing requirements.^[2]

The result is that today, of the 36 states that allow the sale of hemp-based products to consumers, Louisiana has by far the most robust system currently operating. Here is a closer look at some of the key features of Louisiana's law. The text of Louisiana's law can be found [here](#).^[3]

Regulatory Agency

The Louisiana Department of Health serves as the primary regulatory agency.

Age restrictions

Louisiana's age limit for the purchase of hemp-based cannabinoids was amended to 21 in June, 2022 (up from 18).

Criminal Penalties

Penalties fall roughly into two categories. Most fall into the first category, which is the default penalty for violations of the hemp title and includes selling adult-use hemp products without a license, among others:

1. For a first conviction, the offender is fined up to \$300
2. For a second offense, the offender is fined up to \$1,000
3. For a third or subsequent offense, the offender is fined up to \$5,000

However, a much different penalty scale is applied to those who perform hemp extractions and create consumable hemp products without a license. Unlawfully extracting adult-use hemp products is a felony and includes a *mandatory minimum of one year with a maximum of 20 years imprisonment at hard labor* and/or a fine of up to \$50,000. (By comparison, making bathtub gin without a license in Louisiana is punishable by a fine from \$100 to \$500, and a jail sentence of up to 6 months for every day in operation without a permit.)^[4]

Testing requirements

- Must include batch number, date received, date of completion, and method of analysis.
- Test results including the cannabinoid profile by percentage weight, and the presence of any solvents, pesticides, microbes, or heavy metals.
- These were further amended in 2022 and updated.

Product limitations

- The presence of delta-9 THC is limited to 0.3% on a dry weight basis.
- As mentioned, the law was amended in 2022 to include a class of product called “adult-use consumable hemp product” which may contain more than 0.5 mg THC per individual package/serving, up to 8 mg^[5]
- A package must be individually wrapped and can contain one or more servings. Serving sizes must be very clear to consumers, and are specified across a range of products.
- All products must be registered with the Department of Health and approved prior to sale (cap of \$50 per product registered). The list of approved products is supplied to law enforcement and the Office of Alcohol and Tobacco Control for enforcement support.
- Products for retail sale must contain a label approved by the Department of Health.
- Products may not be marked as a dietary supplement, or include any pharmaceutical ingredients.
- May not contain a cannabinoid that is not naturally occurring.
- May only be sold in tamper-evident packaging.
- Labels may not include health claims, and must include a link or QR code to provide consumers with access to a certificate of analysis.
- Raw hemp plant material may not be smoked (except when used in rolling papers), and products cannot be marketed for that purpose, although hemp flower may nonetheless be sold.
- Processors must use hemp that is grown by a licensee authorized to grow hemp by the United States Department of Agriculture or under an approved state plan pursuant to the Agriculture Improvement Act of 2018, P.L. 115-334, or under an authorized state pilot program pursuant to the Agriculture Act of 2014, P.L. 113-79.
- Cannabinoids produced through other materials besides hemp are prohibited.

Licensing requirements

Louisiana does not restrict the number or location of licenses (common in marijuana licensing systems). Several license types are available, including

1. Those who grow industrial hemp
2. Consumable hemp processors

Consumable Hemp Processor License Fees:

| <u>Annual Sales</u> | <u>Annual Fee</u> |
|---------------------------|-------------------|
| Under \$500,000 | \$ 175.00 |
| \$500,001 - \$1,000,000 | \$ 475.00 |
| \$1,000,001 - \$2,500,000 | \$ 775.00 |

| | |
|---------------------------|------------|
| \$2,500,001 - \$5,000,000 | \$1,075.00 |
| Over \$5,000,000 | \$1,375.00 |

3. A wholesaler of consumable hemp products is capped by statute at \$500 for an annual license fee, and
 4. A retail sales permit for a “remote retailer” which distributes to individual consumers issued by the Office of Alcohol and Tobacco Control. One license per location *or unique domain name* (for online sales).
 1. Cap of \$175 per sales location
 2. Note that a physical location for the sale of consumable hemp products is not expressly required.
 3. May be revoked if there are license violations.
- Special event sales permit needed for sales at special events.

Industrial Hemp Advisory Committee

- An advisory committee consisting mostly of agency representatives, leadership in the House and Senate, and other stakeholders, which is authorized to receive and review information, requests, and make recommendations for future legislation

^[1] For a complete list, [click here](#).

^[2] <https://legis.la.gov/legis/BillInfo.aspx?i=242624>

^[3] LA. REV. STAT. Chapter 11, Part IV, § 3 et al. (2019). [Louisiana Revised Statutes | Part VI - INDUSTRIAL HEMP-DERIVED CANNABIDIOL PRODUCTS | Casetext](#)

^[4] See LA Rev Stat § 26:75 and LA Rev Stat § 26:171

^[5] Of significant concern is the fact that Louisiana does not currently differentiate between isomers of THC, meaning that some could contain very potent versions of THC (such as delta-10 and THCP) which are many times more potent than delta-8 or delta-9 THC.