HB 344-FN - AS INTRODUCED

2023 SESSION

23-0023 04/05

HOUSE BILL **344-FN**

- AN ACT relative to the home cultivation of cannabis plants and the possession of certain cannabis-infused products.
- SPONSORS: Rep. C. McGuire, Merr. 27; Rep. Bailey, Straf. 2; Rep. O'Brien, Hills. 10; Rep. O'Hara, Belk. 4; Rep. True, Rock. 9; Rep. Phinney, Straf. 9; Rep. Polozov, Merr. 10; Rep. W. Thomas, Hills. 12; Rep. T. Lekas, Hills. 38

COMMITTEE: Criminal Justice and Public Safety

ANALYSIS

This bill permits adults to possess up to 3/4 of an ounce of cannabis, 5 grams of hashish, and certain cannabis-infused products; permits adults to cultivate up to 6 cannabis plants at home in a secure location that is not visible from other properties, and to possess and process the cannabis produced from their plants at the same location; permits adults to give cannabis to other adults, provided it is not more than 3/4 of an ounce of cannabis, 5 grams of hashish, or up to 300 mg of cannabis-infused products, or 3 immature plants; provides that smoking or vaporizing cannabis in public by an adult would be punishable by a \$100 fine; provides that violations of the restrictions on cultivation would be a violation punishable by fine of up to \$750; penalizes dangerous, volatile extraction; and permits adults to possess, make, and sell cannabis accessories to other adults.

Explanation: Matter added to current law appears in *bold italics*. Matter removed from current law appears [in brackets and struckthrough.]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 344-FN - AS INTRODUCED

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT relative to the home cultivation of cannabis plants and the possession of certain cannabis-infused products. Be it Enacted by the Senate and House of Representatives in General Court convened: 1 1 Statement of Purpose. The general court finds that: $\mathbf{2}$ I. Since 2012, Canada, the District of Columbia and 9 states, including Maine, Vermont, and 3 the commonwealth of Massachusetts, have legalized possession and limited cultivation of cannabis 4 by adults 21 years of age and older. $\mathbf{5}$ II. Statewide polls have consistently found that most New Hampshire voters support 6 making cannabis legal for adults 21 years of age and older. $\mathbf{7}$ III. Cannabis is less harmful than alcohol to the consumer and to society. It is less toxic, 8 less harmful to the body, less addictive, and less likely to contribute to violent or reckless behavior. 9 Adults should not be punished for choosing to use cannabis instead of alcohol, if that is what they 10 prefer. 11 IV. Home brewing of alcoholic beverages is legal in New Hampshire and every other state in 12the nation. 13V. Allowing adults to cultivate their own limited supply of cannabis will provide them with 14an alternative to buying cannabis from illicit drug dealers. 152 Other Alcohol and Drug Offenses; Possession of Drugs. Amend RSA 265-A:43 to read as 16follows: 17265-A:43 Possession of Drugs. Any person who drives on any way a vehicle while knowingly 18having in his or her possession or in any part of the vehicle a controlled drug or controlled drug 19analog in violation of the provisions of RSA 318-B shall be guilty of a misdemeanor, and his or her 20license shall be revoked or his or her right to drive denied for a period of 60 days and at the 21discretion of the court for a period not to exceed 2 years. This section shall not apply to the 22possession of cannabis or hashish as provided in RSA 318-B:2-c[, or a personal-use amount of a 23regulated marijuana-infused product as defined in RSA 318-B:2-c, I(b)]. 243 Controlled Drug Act; Personal Possession of Cannabis. Amend RSA 318-B:2-c to read as 25follows: 26318-B:2-c Personal Possession of [Marijuana] Cannabis. 27I. In this section: 28(a) ["Marijuana"] "Cannabis" includes the leaves, stems, flowers, and seeds of all 29species of the plant genus cannabis, but shall not include the resin extracted from any part of such 30 plant and every compound, manufacture, salt, derivative, mixture, or preparation from such resin

HB 344-FN - AS INTRODUCED - Page 2 -

1 including hashish, and further, shall not include the mature stalks of such plant, fiber produced $\mathbf{2}$ from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, 3 salt, derivative, mixture, or preparation of such mature stalks, fiber, oil or cake, or the sterilized seed of such plant which is incapable of germination. Marijuana shall not include hemp grown, 4 $\mathbf{5}$ processed, marketed, or sold under RSA 439-A.

6 (b) ["Personal-use amount of a regulated marijuana-infused product"] "Cannabis-7infused product" means one or more products that is comprised of [marijuana, marijuana] 8 cannabis, cannabis extracts, or resins and other ingredients and is intended for use or 9 consumption, such as, but not limited to, edible products, ointments, and tinctures [, which was obtained from a state where marijuana sales to adults are legal and regulated under state law, and 10which is in its original, child-resistant, labeled packaging when it is being stored, and which contains 11 12a total of no more than 300 milligrams of tetrahydrocannabinol].

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(c) "Possession limit" means:

(1) Three-quarters of an ounce of cannabis, excluding hashish, cannabis-1415infused products, and growing cannabis plants;

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(2) Five grams of hashish;

17(3) Cannabis-infused products containing no more than 300 milligrams of tetrahydrocannabinol (THC); 18

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(4) Six cannabis plants, with 3 or fewer being mature, flowering plants; and

20(5) Any additional cannabis, hashish, or cannabis-infused products produced from the person's cannabis plants, provided that any amount of cannabis in 2122excess of 3/4 of an ounce of cannabis, 5 grams of hashish, and cannabis-infused products containing no more than 300 milligrams of THC shall be possessed in the same location 2324where the plants were cultivated.

25I-a. Except as provided in paragraphs I-b and I-c, if undertaken by a person 21 26years of age or older, the following acts shall not be illegal under New Hampshire law, 27shall not be a criminal or civil offense under New Hampshire law or the law of any 28political subdivision of New Hampshire, and shall not be a basis for seizure or forfeiture of 29assets under New Hampshire law:

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(a) Possessing, consuming, growing, processing, or transporting an amount of 31cannabis that does not exceed the possession limit; or

32(b) Transferring ³/₄ of an ounce of cannabis, 5 grams of hashish, cannabis-33infused products containing no more than 300 milligrams of THC, or 3 immature, nonflowering cannabis plants to a person who is 21 years of age or older without 3435remuneration. For purposes of this subparagraph, a transfer is for remuneration if cannabis is given away contemporaneously with another transaction between the same 36parties, if a gift of cannabis is offered or advertised in conjunction with an offer for sale of 37

1 goods or services, or if the gift of cannabis is contingent upon a separate transaction for 2 goods or services; and

- 3 (c) Manufacturing, possessing, or purchasing cannabis accessories, or 4 distributing or selling cannabis accessories to a person who is 21 years of age or older.
- 5 I-b. No person who is 21 years of age or older shall cultivate cannabis plants except 6 as provided in this section:
- 7 (a) Cannabis plants shall not be cultivated in a location where the plants are
 8 subject to public view, including to view from another private property, without the use of
 9 binoculars, aircraft, or other optical aids.

10 (b) A person who cultivates cannabis shall take reasonable precautions to 11 ensure the plants are secure from unauthorized access. Cultivating cannabis in an 12 enclosed, locked space to which unauthorized persons do not have access, or other similar 13 security precautions, shall be prima facie evidence of reasonable precautions.

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(c) Cannabis cultivation shall only occur at the cultivator's primary residence.

(d) A person who violates this section shall be guilty of a violation and may be fined not more than \$750.

I-c. No person shall consume cannabis in a public place. A person 21 years of age
or older who violates this paragraph shall be guilty of a violation and may be fined not
more than \$100.

- II. Except as provided in RSA 126-X, any person *under 21 years of age* who knowingly
 possesses 3/4 of an ounce or less of [marijuana] *cannabis*, including adulterants or dilutants, shall
 be guilty of a violation, and subject to the penalties provided in paragraph [¥] *IV*.
- III. Except as provided in RSA 126-X, any person *under 21 years of age* who knowingly
 possesses 5 grams or less of hashish, including adulterants or dilutants, shall be guilty of a violation,
 and subject to the penalties provided in paragraph [¥] *IV*.
- IV. [Except as provided in RSA 126-X, any person 21 years of age or older possessing a personal-use amount of a regulated marijuana-infused product shall be guilty of a violation, and subject to the penalties provided in paragraph V. Persons 18 years of age or older and under 21 years of age who knowingly possess marijuana-infused products shall be guilty of a misdemeanor.
- 30 V_{-} (a) Except as provided in this paragraph, any person 18 years of age or older who is 31convicted of violating paragraph II or III[, or any person 21 years of age or older who is convicted of 32violating paragraph IV] shall be subject to a fine of \$100 for a first or second offense under this 33paragraph, or a fine of up to \$300 for any subsequent offense within any 3-year period; however, any 34person convicted based upon a complaint which alleged that the person had 3 or more prior 35convictions for violations of paragraph [H, HI or IV] II or III, or under reasonably equivalent offenses in an out-of-state jurisdiction since the effective date of this paragraph, within a 3-year 3637period preceding the fourth offense shall be guilty of a class B misdemeanor. The offender shall

HB 344-FN - AS INTRODUCED - Page 4 -

forfeit the [marijuana, regulated marijuana infused products,] cannabis or hashish to the state. A 1 $\mathbf{2}$ court shall waive the fine for a single conviction within a 3-year period upon proof that person has 3 completed a substance abuse assessment by a licensed drug and alcohol counselor within 60 days of the conviction. A person who intends to seek an assessment in lieu of the fine shall notify the court, 4 $\mathbf{5}$ which shall schedule the matter for review after 180 days. Should proof of completion of an 6 assessment be filed by or before that time, the court shall vacate the fine without a hearing unless 7requested by a party.

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(b) Any person under 18 years of age who is convicted of violating paragraph II or III 9 shall forfeit the [marijuana] cannabis or hashish and shall be subject to a delinquency petition 10 under RSA 169-B:6.

11 [VI.] V.(a) Except as provided in this section, no person shall be subject to arrest for a 12violation of paragraph [II, III, or IV] II or III and shall be released provided the law enforcement 13officer does not have lawful grounds for arrest for a different offense.

14(b) Nothing in this chapter shall be construed to prohibit a law enforcement agency from 15investigating or charging a person for a violation of RSA 265-A.

(c) Nothing in this chapter shall be construed as forbidding any police officer from taking 1617into custody any minor who is found violating paragraph [II, III, or IV] II or III.

18Any person in possession of an identification card, license, or other form of (d) 19identification issued by the state or any state, country, city, or town, or any college or university, who fails to produce the same upon request of a police officer or who refuses to truthfully provide his 20or her name, address, and date of birth to a police officer who has informed the person that he or she 2122has been found to be in possession of what appears to the officer to be 3/4 of an ounce or less of 23[marijuana, a personal-use amount of a regulated marijuana-infused product,] cannabis or 5 grams 24or less of hashish, may be arrested for a violation of paragraph [II, III, or IV] II or III.

25[VII.] VI. All fines imposed pursuant to this section shall be deposited into the alcohol abuse 26prevention and treatment fund established in RSA 176-A:1 and utilized for evidence-informed substance abuse prevention programs. 27

28[VIII.] VII.(a) No record that includes personally identifiable information resulting from a 29violation of this section shall be made accessible to the public, federal agencies, or agencies from 30 other states or countries.

31(b) Every state, county, or local law enforcement agency that collects and reports data 32for the Federal Bureau of Investigation Uniform Crime Reporting Program shall collect data on the 33number of violations of paragraph [H, HI, or IV] II or III. The data collected pursuant to this paragraph shall be available to the public. A law enforcement agency may update the data annually 3435and may make this data available on the agency's public Internet website.

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VIII. Nothing in this section shall:

HB 344-FN - AS INTRODUCED - Page 5 -

1 (a) Be construed to require an employer to permit or accommodate the use, $\mathbf{2}$ consumption, possession, transfer, display, transportation, sale, or growing of cannabis in 3 the workplace or to affect the ability of employers to have policies restricting the use of 4 cannabis by employees.

(b) Be construed to permit driving or operating under the influence of drugs or $\mathbf{5}$ 6 liquor pursuant to RSA 265-A, nor prevent the state from enacting and imposing penalties 7for driving under the influence of or while impaired by cannabis.

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(c) Be construed to permit the transfer of cannabis, with or without 9 remuneration, to a person under 21 years of age, or to allow a person under 21 years of age 10to purchase, possess, use, transport, grow, or consume cannabis.

11 Prohibit a state or county correctional facility from prohibiting the (d) 12possession, consumption, use, display, transfer, distribution, sale, transportation, or 13growing of cannabis on or in the correctional facility's property.

14(e) Prohibit a person or other entity that legally owns, leases, or controls any 15property from prohibiting or otherwise regulating the sale, use, or growing of cannabis on 16or in the property.

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

18(c) In the case of more than 3/4 ounce of [marijuana] cannabis, cannabis-infused products containing more than 300 milligrams of THC, or more than 5 grams of hashish, 19including any adulterants or dilutants, the person shall be guilty of a misdemeanor. In the case of 2021[marijuana-infused] cannabis-infused products possessed by persons under the age of 21 [or 22marijuana-infused products as defined in RSA 318-B:2-e, other than a personal-use amount of a 23regulated marijuana infused product as defined in RSA 318-B:2-c, I(b), that are possessed by a 24person 21 years of age or older], the person shall be guilty of a misdemeanor.

25(d) In the case of 3/4 ounce or less of [marijuana] cannabis or 5 grams or less of 26hashish, including any adulterants or dilutants, possessed by a person under 21 years of age, the 27person shall be guilty of a violation pursuant to RSA 318-B:2-c. [In the case of a person 21 years of 28age or older who possesses a personal-use amount of a regulated marijuana infused product as 29defined in RSA 318-B:2-c, I(b), the person shall be guilty of a violation pursuant to RSA 318-B:2-c.]

30 5 New Paragraph; Controlled Drug Act; Penalties. Amend RSA 318-B:26 by inserting after 31paragraph VIII the following new paragraph:

32VIII-a.(a) No person, other than an alternative treatment center approved pursuant to RSA 33126-X, shall perform solvent-based extractions on cannabis using solvents other than water, 34glycerin, propylene glycol, vegetable oil, or food grade ethanol.

35(b) No person shall extract compounds from cannabis using ethanol in the presence or 36 vicinity of an open flame.

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(c) Any person who violates this paragraph shall be guilty of a class A misdemeanor.

HB 344-FN - AS INTRODUCED - Page 6 -

1 6 Model Drug Dealer Liability Act; Definitions. Amend RSA 318-C:4, I to read as follows:

I. "Illegal drug" means any drug which is a schedule I-IV drug under RSA 318-B, the

3 possession, use, manufacture, sale, or transportation of which is not otherwise authorized

4 *by law*.

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5 7 Effective Date. This act shall take effect January 1, 2024.

LBA 23-0023 1/5/23

HB 344-FN- FISCAL NOTE AS INTRODUCED

AN ACT relative to the home cultivation of cannabis plants and the possession of certain cannabis-infused products.

FISCAL IMPACT:	[X] State	[X] County	[X] Local	[] None

	Estimated Increase / (Decrease)			
STATE:	FY 2023	FY 2024	FY 2025	FY 2026
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	Indeterminable	Indeterminable	Indeterminable
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
Funding Source:	[X] General	[] Education [] Highway [X] Other - Alcohol
	abuse prevention a	nd treatment fund		

COUNTY:

Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

LOCAL:

Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

The Office of Legislative Budget Assistant is still awaiting information from the Department of Justice. The Department was originally contacted on October 21, 2022 and again with followup November 7th, November 17th and December 1st. When completed, the fiscal note will be forwarded to the House Clerk's Office.

METHODOLOGY:

The Judicial Branch states permitting people to grow their own cannabis plants, may increase the supply and ubiquity of cannabis in New Hampshire's communities. Making consumption of cannabis in public a violation-level offense, may increase the number of violation-level offenses in the Circuit Courts. However, decriminalizing possession of personal-use amounts of cannabis for adults 21 years of age or older may decrease the number of violation-level possession offenses in the Circuit Courts. The Branch is unable to make any conclusions as to whether the proposed bill increases or decreases the number of marijuana-related charges presently brought in the state courts. The bill may change the amount of fine money deposited into the alcohol abuse prevention and treatment fund under RSA 318-B:2-c, VII. If the bill becomes law, the Branch would need to amend its data governance policies and reconfigure its case management system to reflect the nondisclosure requirements related to the covered offenses. Those changes would require assistance from the Branch's case management vendor and would result in additional expenditures.

The Judicial Council indicates this bill would not impact indigent defense expenditures. The indigent defense system handles very few stand-alone marijuana possession cases, so a decrease in those charges will not impact expenditures. Individuals are not entitled to court-appointed counsel for a violation level offense so representation would not be provided through the indigent defense system for violating this statute.

The Department of Corrections indicates this bill would impact the number of parole violations associated with misuse of cannabis and may cause a decrease in violation rates. Such impact is indeterminable. The Department states the average cost of incarcerating an individual in general population for the fiscal year ending June 30, 2022, was \$64,233. The average cost to supervise an individual by the Department's Division of Field Services for the fiscal year ending June 30, 2022, was \$688.

The Department of Health and Human Services, Bureau of Drug and Alcohol Services notes there is considerable uncertainty about the impact that legalizing personal use of marijuana in New Hampshire would have on public budgets including the potential increase in consumption, treatment utilization, and associated costs. The Bureau states the science is currently divided on the causal effects of marijuana on psychoses, schizophrenia, and drugged driving and, therefore, the Department is unable to determine if services related to these areas would experience additional costs. The change in fine revenue deposited into the alcohol fund to support treatment and prevention services is also indeterminable.

The Department of Safety, Division of State Police indicates the fiscal impact to the Department is indeterminable. The Division indicates in general the fiscal impact on law enforcement throughout the State would increase and lead to a need for increased manpower and training. This would be due to the increased use of marijuana by adults and no measures restricting juvenile access to plants being grown in households. The Department assumes the bill would likely result in an increase in impaired drivers, toxicology testing and crimes such as robbery, burglary and theft.

The New Hampshire Municipal Association states it is likely that New Hampshire municipalities will see some indeterminable increase in costs associated with partial legalization of cannabis and cannabis products. The Association indicates such increase is indeterminable because of the difficulty obtaining information relative to effects of legalization on crime statistics, ambulance deployment statistics, employer drug-testing changes, the existing status of New Hampshire as a small state surrounded by states where cannabis is legal in some form, and the existing gray and black markets for cannabis. New rules relative to possession, cultivation, and gifts, will likely see a shift in law enforcement focus, leading to new and different costs. The bill would not impact municipal revenue.

The New Hampshire Association of Counties does not anticipate any cost or revenue impact as a result of this bill.

AGENCIES CONTACTED:

Judicial Branch, Judicial Council, Departments of Corrections, Health and Human Services, Justice and Safety, New Hampshire Municipal Association and New Hampshire Association of Counties