



The Senate of the State of New Hampshire

107 North Main Street, Concord, N.H. 03301-4951

MEMORANDUM

DATE: December 1, 2023

TO: Honorable Chris Sununu, Governor
Honorable Sherman Packard, Speaker of the House
Honorable Jeb Bradley, President of the Senate
Honorable Paul C. Smith, House Clerk
Honorable Tammy L. Wright, Senate Clerk
Michael York, State Librarian

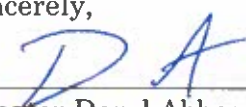
FROM: Senator Daryl Abbas, Chair

SUBJECT: Final Report for HB 611-FN, Chapter 237:3, Laws of 2023

Pursuant to HB 611-FN, Chapter 237:3, Laws of 2023, please find enclosed the findings and recommendations of the Commission to Study with the Purpose of Proposing Legislation, State-Controlled Sale of Cannabis and Cannabis Products.

If you have any questions or concerns regarding this report, please do not hesitate to contact me.

Sincerely,



Senator Daryl Abbas
Senate District 22
Chair

Enclosures: Final Report, Committee Meeting Minutes
CC: Members of the Committee

FINAL REPORT

Commission to Study with the Purpose of Proposing Legislation, State-Controlled Sale of
Cannabis and Cannabis Products.

HB 611-FN, Chapter 237:3, Laws of 2023

December 1, 2023

Commission Members

Senator Daryl Abbas - (Chair)

Senator Bill Gannon

Senator Timothy Lang

Senator Lou D'Allesandro

Senator Rebecca Whitley

Representative Jared Sullivan

Representative John Hunt

Representative Jordan Ulery

Representative Tim Cahill

Representative Shaun Filiault

Myles Matteson - Attorney General, Designee

David Mara - Governor's Designee

John Bryfonski - NHACOP

Ryan Hale - NH Bankers Assoc.

Joseph Mollica - Chair NH Liquor Comm.

James Vara - NH Liquor Comm. Designee

Frank Knaack - ACLU

Kimberly Youngren - NH Medical Soc.

Debra Naro - CADY

Chairman's Report

In HB 611-FN, the Legislature established the Commission to Study with the Purpose of Proposing Legislation, State-Controlled Sale of Cannabis and Cannabis Products.

The Commission met nine times from September 8th to November 27th and reviewed draft legislation extensively. The Commission heard testimony from several individuals and groups including the ATCs, DHHS, law enforcement, the NH Treasury, OPLC, the NH Attorney General's office, doctors and medical specialists, THC testing labs, prevention specialists, and other experts. All testimony can be found in the meeting minutes included in this report.

Ultimately, the Commission voted to not recommend legislation for the 2024 Session. The first motion of recommending draft legislation that the Commission worked on be introduced next session was defeated by a vote of 5-4. A subsequent motion to make no recommendation was made and passed by a vote of 7-2.

The Commission was unable to reach a consensus because of a large number of unresolved issues, including:

- 1) The level of THC in legal product.
- 2) Penalties for public consumption.
- 3) Specific criteria for operating motor vehicles legally.
- 4) Creation of an oversight commission to approve Liquor Commission rulemaking.
- 5) Measures to reduce accessibility of product to minors.
- 6) The number of retail stores.
- 7) Prohibition on self-grow.

The Commission expects legislation to be introduced but with no recommendation. The Commission is not requesting a late bill.

Several members of the Commission have submitted reports to be included in the record. They express the views of those who signed them, and not the Commission as a whole.

This report includes:

Report submitted by Senator Gannon, Representative Cahill, Chief John Bryfonski, and Debra Naro

Report of Substance Misuse Prevention Guardrails Submitted by Debra Naro

Report submitted by ACLU

Report of Recreational Cannabis Legalization Policy and Fact Sheet submitted by the New Hampshire Medical Society

Draft Legislation

Meeting Minutes September 8, 2023

Meeting Minutes September 18, 2023

Meeting Minutes October 5, 2023

Meeting Minutes October 19, 2023

Meeting Minutes October 24, 2023

Meeting Minutes November 3, 2023

Meeting Minutes November 9, 2023

Meeting Minutes November 16, 2023

Meeting Minutes November 27, 2023

Submitted,

Sen. Daryl Abbas

COMMISSION TO STUDY WITH THE PURPOSE OF PROPOSING LEGALIZATION OF MARIJUANA

MAJORITY REPORT

Senator William Gannon for the undersigned Majority Members (hereinafter "Majority" or "the majority") of the Commission to Study with the Purpose of Proposing Legalization of Marijuana in NH (hereinafter referred to as "Commission") by vote on November 27, 2023.

The Commission members represented by this report do not concur with the proposed draft legislation proffered by the Commission chair and oppose the legalization of marijuana. The undersigned respectfully submit the following report, which represents the member's requirements and strict recommendations to be included if the State were to consider legalization of marijuana.

MAJORITY CONSENSUS: After careful study and review of testimony presented to the Commission as well as scientific and evidence-based studies the majority concludes the proposed legislation proffered by the Commission is insufficient to adequately protect the citizens of NH from the harmful public health and public safety effects arising from the legalization and commercialization of marijuana or cannabis in NH.

Moreover, the majority points to overwhelming evidence that underscores the negative physiological, psychological, public safety and harm arising from legalization. The evidence used to support the majority report and opinion that legalization is wrong for NH and will diminish the "NH Advantage" was presented to the Commission and is available from any number of scientific, peer-reviewed, evidence-based studies, reports and journals as well as from open-source reporting. Such evidence is underpinned by the impact of legalization in other states.

Therefore, the majority concludes there are no set of comprehensive safeguards, laws, policies or procedures that will adequately protect the health, safety and quality of life NH currently enjoys if marijuana was legalized.

The majority strongly rejects the proposition that legalization is inevitable but rather cites the fact that use of harmful controlled substances is a choice, not a foregone conclusion. The most recent comprehensive poll of NH citizens by Emerson College reflects the majority of NH citizens reject unbridled legalization when given alternatives such as therapeutic marijuana coupled with decriminalization.

The majority members of the Commission oppose the degradation of public health, public safety, increased harm and risk to our youth and adults as well as the increased social and financial costs associated with legalization.

Notwithstanding our strong opposition to legalization, the majority provided common sense and fact-based guidance to the Commission that should have led to the recommendation of rules, regulations, and law to provide the necessary guardrails to mitigate the harmful effects of legalization. However, many of the proposed guardrails and narrowing regulations were rejected during Commission meetings after debate or summarily dismissed.

This majority report embodies and illustrates the required safeguards and regulations we believe are necessary to protect the citizens of NH and preserve the NH Advantage.

PUBLIC HEALTH REQUIREMENTS

The physiological and psychological effects arising from the use of marijuana by adults and especially young adults as well as increased exposure to children and infants is well established in many scientific and evidence-based reports, studies, journals and open-source reporting. It is not the majority's goal to cite such evidence as it is readily available online and from testimony heard by the Commission including medical doctors, pediatricians, neuroscientists and others.

The majority points to the evidence based public health risks associated with legalization and proposes the following recommendations to mitigate these risks with the caveat that such recommendations even if fully accepted are insufficient to fully protect NH adults, youth and children from harm associated with legalization.

The majority recommends the following public health related requirements be incorporated into any legalization legislation and or regulations. The following recommendations are not in rank order of importance and should be viewed as equally important as integral pieces of a comprehensive framework that will be significantly diminished if any one recommendation is removed. All the proposed regulations are designed to work in concert as a comprehensive bulwark to mitigate but not eliminate public health risks associated with legalization.

- **Maximum Tetrahydrocannabinol (THC) limits.**
 - Domestic and international studies established a correlation between high concentration or high potency THC with increased prevalence of cannabis use disorder (CUD).
 - 16% THC is the maximum allowable concentration for cannabis (marijuana) sold in the Netherlands, one of the first countries to legalize marijuana.
 - THC concentration for therapeutic marijuana products should be limited to 50% not to exceed 75% but only upon recommendation from a medical doctor on a patient-by-patient basis should the maximum potency of 16% be exceeded.
 - Tax gradients based upon percent concentration; minimal tax for low potency products with increased tax for progressively higher potent products to discourage use of higher potency products.
 - Prohibit marijuana concentrates or marijuana products in concentrated form ingested or by inhalation, vaporization or other means.
 - Cannabis products other than concentrated products shall not contain more than 16% THC by concentration.
- **Maximum Possessory Limits:**
 - Possession not to exceed 2 ounces in plant form.
 - Maximum of 5 grams of concentrated cannabis products, including hashish, cannabis extracts and vaporization products.
- **Maximum Serving Amount:**
 - Not to exceed 5mg per serving.
 - Not to exceed 20 metered/measured servings of 5mg per serving per container/package.
- **Prohibit Cannabis Infused Products:**

- Prohibit the sale of alcoholic beverages infused with THC, Delta-9 THC, Delta-8 THC, Delta-0 THC, Hemp or CBD.
- Infusion of cannabis in alcoholic or non-alcoholic beverages leads to increased consumption.
- Prohibit cannabis products with added sugar or sweeteners, natural or artificial.
- **Marijuana Derivatives and Synthetics:**
 - Prohibit the sale of synthetic marijuana products or marijuana derivatives.
 - Prohibit sale of products containing THC-O, THC-P, Delta-8 THC and other THC derivatives or synthetics that are deemed “high potency” that is above the established maximum of 16% or equivalency.
- **Vaporization:**
 - Prohibit sale of flavored cannabis products used for vaporization to reduce use by underage persons.
 - Prohibit sale of any cannabis product used for vaporization that masks the odor associated with marijuana used to aid in the identification of unauthorized marijuana use by underage persons and by adults in places where marijuana use is not authorized.
- **Age Restriction: No sale of any cannabis or marijuana product or related product to anyone under 21 years of age.**
 - Enhanced criminal penalties for sale or distribution of marijuana or any cannabis product by a person 21 years of age or older to anyone under the age of 21.
 - Scientific studies establish brain development in persons under the age of 25 is adversely affected by marijuana use.
 - Retain current decriminalization penalties for possession of less than ¼ ounce of marijuana to persons 18 years of age but less than 21 years of age.
 - Class A misdemeanor for the sale or distribution of more than ¼ ounce of marijuana to a person 18 years of age or older but less than 21 years of age.
 - Class B Felony for the sale or distribution of more than ¼ ounce or more of marijuana up to but not to exceed 2 ounces of marijuana to a person less than 18 years of age.
 - Class B Felony with enhanced penalties for sale and distribution of more than 2 ounces of marijuana to a person less than 18 years of age.
- **Cultivation: No unauthorized cultivation of marijuana.**
 - No home or residential cultivation of marijuana of any amount.
 - Home grow or any cultivation or manufacturing outside of NH licensed operators promotes illicit cultivation and manufacturing that leads to increased illicit supply and creates significant obstacles for effective law enforcement.
 - Unauthorized cultivation and manufacturing increases the supply of marijuana available for consumption and exposes youth, children and infants to harmful effects and accidental poisoning.
 - No cultivation of marijuana or manufacturing of marijuana except by NH licensed operators.
- **Restriction of Sale to Pregnant and Nursing Women:**
 - Studies prove a direct correlation between use of marijuana by pregnant/nursing women and underweight and adverse medical and other developmental impacts on unborn and nursing infants.

- Packaging:
 - Child proof packaging and containers to reduce the risk of childhood and infant poisoning by marijuana and marijuana products especially edible products.
 - Accidental poisoning of infants and children increased exponentially nationally and in states where marijuana became legal.
 - Require use of opaque packaging/containers of cannabis products.
 - Require all cannabis products sold to be sealed in approved child-proof re-sealable containers.
 - Prohibit packaging that is attractive to youth and young adults with strict definitions for said restrictions.
 - Warning Symbol: Require all packaging and containers for marijuana products include a clearly identifiable warning symbol indicating the package contains marijuana AND is harmful to children (Keep Out of Reach of Children).
 - Seal: Each marijuana product must be sealed and labelled it was tested in accordance with NH cannabis testing standards with product lot number(s) and identification for use in recalling products.
 - Ingredients: All cannabis product packaging must include all ingredients.
 - THC / Dosing Information: Each product packaging must contain the percent concentration and serving size and dosing per serving of THC; including the amount of THC in each container and amount of THC per serving and number of serving(s) per container.
 - Warning Label: Each product must contain product warning information either on or within the container that provides information including contraindicators for operating motor vehicles or machinery while using or under the influence; Harmful to Children/Poison Alert and Poison Control Contact information, Harmful to pregnant and nursing persons, and other health and safety information required to alert the user to the harmful effects of use based on the most recently available and accepted research. Include information the product is not approved for human consumption by the FDA and is prohibited by Federal law; Include a warning that persons in possession of and use of the product are prohibited by Federal law from owning or possessing a firearm.
 - On site retail warning: Require prominent warning information posted in each cannabis retail establishment and require product warning information to be posted at each point of sale including public health and safety information and Federal prohibition against owning/possession of firearms.
- Marketing – Advertising:
 - Prohibit marketing and advertising that is attractive to young adults and children with clearly defined restrictions on marketing/advertising schemes, colors, captions, caricatures or references to characters, products or contextual situations designed to or would appeal to and attract children and young adults.
 - Restrict advertising/marketing from any audience comprised of 15% or more of persons under the age of 21.
 - Prohibit outdoor advertising including outdoor billboards (electric or print).
 - Restrict outdoor signage to one NH standard for size, color and placement notwithstanding any local sign ordinance that may be more restrictive.
 - Prohibit online sale of cannabis products.
 - Restrict online advertising to reflect a standard and approved NH online marketing experience for all establishments and require all online advertising and marketing to

include all warning information and restrictions required on or within each marijuana product/container.

- Prohibit print and electronic media marketing of all cannabis products in NH.
- Prohibit therapeutic health claims related to cannabis products.
- Prohibit “gifting” or the transfer of any marijuana product to another without remuneration or otherwise include a marijuana product as a free inducement to purchase marijuana or any other product.
- Prohibit mail, parcel or commercial delivery of any cannabis product in NH.
- Prohibit sale of any products other than authorized and permitted marijuana products cultivated, manufactured, tested and authorized for sale in any authorized NH marijuana retail establishment.
- **Public Consumption – Use:**
 - Prohibit the consumption and use of any marijuana product in any public space including parks, beaches, recreation facilities, camping areas, hotels, entertainment venues (indoor or outdoor), public and or government buildings/facilities, marijuana retail establishments, all retail establishments open to the public including restaurants, medical facilities, transportation facilities (indoor or outdoor), polls or within 2000 feet of any polling place; on or in any public or private educational facility including primary and secondary educational facilities, community colleges, colleges, universities and any public space within 2,000 feet from the property line of any educational facility.
 - Prohibit the consumption of use of any marijuana product in or while operating any motor vehicle or as a passenger within any motor vehicle or public or private conveyance of any kind.
 - Prohibit consumption on private property when prohibited by the property owner or its agent or authorized representative.
- **Public Health Information:**
 - Require the state to allocate funds to educate and inform the public of the health and safety related harm associated with marijuana use.
 - Require all public primary and secondary education organizations and institutions to provide evidence-based curriculum to inform and educate students regarding the public health and public safety harm and risks associated with marijuana use.
 - Require the state to allocate funds to educate motor vehicle operators regarding the risk associated with marijuana use while operating a conveyance including the potential penalties for violating NH’s DUI laws when operating while impaired by marijuana.
- **Testing:**
 - Require the state to adopt a comprehensive and rigorous sampling and testing program similar to that used by the Province of Quebec, Canada to ensure all marijuana products sold in NH are free from harmful contaminants of any kind.
 - Require the use of a control laboratory that periodically assures the state approved testing facility is performing all functions as required by state law and accepted laboratory standards.

PUBLIC SAFETY REQUIREMENTS

The majority recognizes the risk to public safety arising from the use of marijuana by adults, which manifest in diminished highway safety resulting from increased collisions and fatalities associated with marijuana legalization.

Every state that legalized marijuana reflects an increase in marijuana related collisions. Yet, there is no scientific standard for identifying operators impaired by marijuana making the successful prosecution of motor vehicle operators impaired by marijuana significantly more difficult.

Currently, NH has no established limit on the amount of THC measured in nanograms per milliliter of blood to establish even a prima facie or superficial indication of possible impairment making convictions for impairment by marijuana in NH exceedingly difficult if not impossible in certain circumstances where no operation and no conduct of the operator is observed.

Thus, without effective penalties to dissuade the public from the operation of a motor vehicle while impaired, the result is increased use and operation while impaired by marijuana as there is little to dissuade persons by way of effective penalties and sanctions.

The majority points to the evidence obtained from states where marijuana was legalized reflecting increased collisions caused by marijuana impairment and or use. The costs associated with marijuana related collisions and fatalities is significant both in terms of loss of life and quality of life after injury to include health care and public safety related investigative costs.

As with public health recommendations, the majority proposes the following recommendations to mitigate public safety related risks with the caveat that such recommendations even if fully accepted are insufficient to fully protect NH adults, youth and children from legalization.

The majority recommends the following public safety related requirements be incorporated into any legalization and commercialization enabling legislation and or regulations. The following recommendations are not in rank order of importance and should be viewed as equally important as integral pieces of a comprehensive framework that will be significantly diminished if any one recommendation is removed. All the proposed regulations are designed to work in concert as a comprehensive bulwark to mitigate but not eliminate public safety risks associated with legalization.

- Transportation of cannabis products in any conveyance should mimic the current restrictions on the transportation of alcohol and alcoholic beverages in motor vehicles.
- Use Prohibited: Any legalization enabling legislation must include the prohibition of use of any marijuana product while operating a motor vehicle or as a passenger in a motor vehicle being operated on a public way.
- Operation while Impaired by Marijuana or Cannabis Products: The majority strongly recommends any legalization legislation include the following or modify existing statutory language regarding driving while impaired to:
 - Prohibit operation of any motor vehicle while impaired by marijuana.
 - Establish standardized field sobriety tests (SFSTs) for detecting impairment by marijuana.
 - Allocate funding and require the state to establish and maintain a roster of not less than 125 NH certified law enforcement officers who are certified as drug recognition experts (DREs) and provide funding to maintain their certification as necessary.
 - Require the state to allocate funds in each budget year to support a statewide information campaign to educate the public about the risks associated with driving while impaired by marijuana and the penalties if convicted; such advertising must incorporate electronic and print media in surrounding states.

- Enhance the administrative license suspension regulations to increase the mandatory suspension of an operator's license to 1 year for the first refusal to submit to SFSTs or blood testing if arrested for driving while impaired by marijuana with an automatic reduction of the 1-year suspension to 6 months for the first offense if the operator pled guilty.
- Enhance the administrative license suspension regulations to increase the mandatory suspension of an operator's license to a minimum mandatory of 2 years for the second refusal to submit to SFSTs or blood test if arrested for operation while impaired by marijuana.
- Prima Facie Limit: Establish a prima facie threshold of 5ng/ml of THC as measured by blood to establish a prima facie element to be considered along with all other evidence when determining whether an operator is guilty of operating a motor vehicle while impaired by marijuana.
 - UNLIKE the 0.08 limit of alcohol which is a scientifically accepted standard for intoxication by alcohol, the proposed 5ng/ml of THC threshold only provides a non-conclusory element when seeking to determine if a person was guilty of operation while impaired; a presumption of impairment.
 - Several other states that legalized marijuana established similar presumptive thresholds in order to dissuade persons from operation while impaired by marijuana and assist the state in proving guilt of impairment by marijuana.
 - Without such a threshold, only observations of operation or conduct are likely elements to support a charge of driving while impaired by marijuana and in some fatal or serious bodily injury collisions neither observation of conduct nor operation is available.
 - Establishing a prima facie non-binding presumptive threshold for impairment by marijuana is absolutely critical to mitigate what the majority and evidence indicates will be additional harm and diminished safety on our NH roads as a result of legalization.
 - Use of Odors Associated with the Consumption of Marijuana: Permissible to be used by law enforcement to establish probable cause akin to use of the odors associated with the consumption of alcohol.
- Unauthorized Cultivation:
 - States that legalized marijuana have almost universally experienced an increase in illicit or unauthorized cultivation adding to the supply of marijuana already available from both licit and illicit markets.
 - Recent open-source reporting reflects illicit cultivation by Chinese organized crime in Maine and Oklahoma significantly increased the illicit supply of marijuana and pose significant challenges for law enforcement.
 - Prohibit home cultivation of any amount of marijuana.
 - Enhance penalties for unauthorized cultivation and manufacturing of marijuana and marijuana products above the current penalties with a minimum 5-year mandatory sentence to be served consecutively with any other sentence imposed upon a person found guilty of unauthorized cultivation of more than 10 marijuana plants.
 - Enhance penalty for unauthorized cultivation of marijuana by imposing a 5-year minimum mandatory sentence to be served consecutively with any other sentence imposed upon a person convicted of the possession and or use of a firearm while engaged in the unauthorized cultivation of marijuana or possession/use of a firearm to facilitate the unauthorized cultivation of marijuana.

- **Public Consumption Penalties**
 - The majority points to the dissimilarity between public consumption of tobacco products and alcohol with marijuana especially smoked marijuana and as such asserts the requirement for an effective penalty structure to dissuade public consumption seen as prevalent in neighboring states that legalized marijuana use.
 - First Offense for Public Consumption: Minimum fine of \$250 not to exceed \$500.
 - Second Offense for Public Consumption within one year: Minimum of \$500 fine not to exceed \$1,000.
 - Third Offense within two years: Class-A Misdemeanor and a minimum fine of \$1,000.
 - Failure to pay the court imposed fine and fee results in a minimum mandatory term of incarceration of five days and suspension of license and registration privileges.
- **Penalties for Illegal Distribution and Sale to Minors:**
 - Retain current decriminalization penalties for possession of less than $\frac{1}{4}$ ounce of marijuana to persons 18 years of age but less than 21 years of age.
 - Class A misdemeanor for the sale or distribution of more than $\frac{1}{4}$ ounce of marijuana to a person 18 years of age or older but less than 21 years of age.
 - Class B Felony for the sale or distribution of more than $\frac{1}{4}$ ounce or more of marijuana up to but not to exceed 2 ounces of marijuana to a person less than 18 years of age.
 - Class B Felony with enhanced penalties for sale and distribution of more than 2 ounces of marijuana to a person less than 18 years of age.
 - Class A Misdemeanor and minimum mandatory fine of \$1,000 for knowingly sale and or distribution of any cannabis vaporization product or cartridge to a person less than 21 years of age.
 - Sale to Persons Under 21: Any authorized marijuana establishment that knowingly sells or distributes marijuana or any marijuana product to a person under 21 years of age shall be fined not less than \$5,000 for the first offense; for the second offense the establishment's license to operate shall be suspended for a minimum of five consecutive calendar days not to exceed 10 calendar days; for the third offense the establishment's license to operate shall be revoked.
- **Possession of Marijuana and Marijuana Products by Persons Under the Age of 18.**
 - Possession of marijuana or any marijuana product by a person under the age of 18 shall result in the issuance of a juvenile petition.
- **Child Endangerment:**
 - Any person 18 years of age or older who is parent or guardian of a person less than 18 years of age and fails to prevent the accidental poisoning or consumption of marijuana or any marijuana product by a person less than 10 years of age shall be guilty of child endangerment and subject to supervision and restrictions imposed by the Division of Children Youth and Family.
- **Transportation of Marijuana and Cannabis Products:**
 - Under Seal: All cannabis products transported from a cultivation or manufacturing site, or facility licensed by NH must be sealed and accompanied by a state authorized form that , as a minimum, identifies the product, number of products or by weight, origin of product, lot number, and destination which must be an authorized NH marijuana establishment. The products being transported must be sealed by the cultivator or manufacturing facility with a state authorized seal and packaging/container.

- **Cultivation and Manufacturing Enforcement:**
 - All NH authorized cultivation and manufacturing sites are subject to inspection by any law enforcement officer certified by the NH Police Standards and Training Council to inspect and regulate cannabis/marijuana cultivation/manufacturing sites in NH.
 - Any NH certified law enforcement officer who has successfully passed and is certified by the NH Police Standards and Training Council to enforce the cultivation, manufacturing and transportation and retail operations associated with marijuana legalization shall have the authority to inspect and enforce all such regulations in NH.
- **Possession / Use of Firearms:**
 - Federal law prohibits persons who use marijuana or marijuana products from owning or using a firearm.
 - Prohibit persons in NH from owning/possessing or using a firearm if they possess or use marijuana or any marijuana product.
 - Prohibit the issuance of any license to carry a concealed pistol/revolver to any person who consumes or uses marijuana or any marijuana product.
- **Reporting Requirements**
 - Require the Attorney General for NH to publish an annual report reflecting:
 - Number of marijuana related motor vehicle fatalities
 - Number of marijuana related motor vehicle collisions
 - Number of persons arrested for driving while impaired by marijuana.
 - Number of persons convicted of driving while impaired by marijuana.
 - Number and percentage of persons whose operator's license was suspended for refusal to submit to testing for impairment by marijuana.
 - Number of persons fined for public consumption of marijuana.
 - Number of persons convicted of sale or distribution of marijuana or marijuana products to persons under 21 years of age.
 - Most recent youth risk behavior survey data on marijuana use by students in NH.
 - Number of persons cited for operation of a motor vehicle while using marijuana or a marijuana product.
 - Number of persons treated by EMS for intoxication by marijuana or marijuana products.
 - Number of hospital admissions for marijuana intoxication in NH
 - Number of completed suicides by persons under 21 with any detectible amount of THC evinced by a toxicology report (requires mandatory toxicology reports for completed suicides by persons under 21 funded by marijuana revenue).

REGULATORY REQUIREMENTS

The majority recognizes the risk to public safety arising from the use of marijuana requires a robust regulatory structure to properly regulate, control and administer an effective legalization framework.

Every state that legalized marijuana reflected increased costs beyond that which was anticipated along with accompanying lack of projected revenue to support the structures necessary for a well-regulated industry of a commodity associated with significant public health and safety risk.

As with public health and public safety recommendations, the majority proposes the following recommendations necessary to properly regulate the legalization of marijuana in NH with the caveat

that such recommendations even if fully accepted are insufficient to fully protect NH adults, youth and children from legalization.

The majority recommends the following regulatory requirements be incorporated into any legalization and commercialization enabling legislation and or regulations. The following recommendations are not in rank order of importance and should be viewed as equally important as integral pieces of a comprehensive framework that will be significantly diminished if any one recommendation is removed. All the proposed regulations are designed to work in concert as a comprehensive bulwark to mitigate but not eliminate public health and safety risks associated with legalization.

- **Cannabis Control Commission (CCC):** The majority strongly recommends the establishment of a multi-disciplinary regulatory commission not influenced by the industry, franchisee(s) or state which are by design and intent focused on use, expansion of use and revenue all of which is contradictory to public health and safety.
 - There is a natural tendency to avoid duplicative layers of government that adds neither efficiency nor effectiveness to governance.
 - The CCC is a necessary check and balance to protect the public's inherent interest in public health and safety by sitting in review of all regulations promulgated by the Liquor Commission which is neither neutral or independent for it represents the state's interests in revenue, marketing and sales all of which left unhindered leads to unbridled consumption and significant public harm.
 - The CCC would not promulgate regulations but approve the regulations proposed by the Liquor Commission.
 - The CCC would be comprised of public health, medical practitioners, psychologists, mental health practitioners, public safety officials, community-based organizations and others appointed by the governor and approved by the Executive Council as neutral subject matter experts (SMEs) appointed to assure the best interests of the public are represented by regulations.
- **State Licensed Structure**
 - The majority proposes a tightly regulated state system by which all marijuana establishments including cultivation, manufacturing, transportation and retail are licensed by the state; an "end-to-end" closed distribution system.
 - All licensees must establish and maintain NH residency.
 - All patrons must provide approved identification to establish proof of age using the same identification documentation authorized in other state statutes.
 - All licensees and employees must provide authorized documentation to establish proof of age and residency.
 - Employees shall be prohibited from providing medical related or therapeutic related information/advice and prohibited from offering information of any health associated claim not endorsed by the FDA.
 - All licensees must meet rigid licensure regulations including but not limited to background, and professional experiential requirements.
 - Criminal history convictions related to illegal cultivation shall be considered as a cause for denial of any license or employment.
 - Cultivation and manufacturing operations must meet site and location requirements including conformance to applicable local zoning ordinances.
 - Control of Cultivation, Manufacturing and Supply:

- All marijuana and marijuana licensed products produced under state licensure must be sold and remain within the state.
- All marijuana establishments including cultivation, manufacturing, storage and sale locations must establish and maintain approved alarm and CCTV surveillance.
- Excess cultivation and manufacturing is subject to regulation by the state to ensure cultivation and manufacturing does not result in excess supply leading to increased availability.
- Cultivation and manufacturing operations must meet environmental regulations to mitigate the effects of such operations on the environment including water use, run-off and use of chemicals as well as preserve the quality of life for abutting residents.
- Retail establishments must not exceed a ratio of 1:50,000 residents per the most recent US census for the state.
- Retail establishments must conform to one standardized commercial site structure, layout and organization for display and retail sales including signage.
- Retail sales employees must meet minimum state established training certification for sale of cannabis products.
- Testing: Require the state to adopt a comprehensive and rigorous sampling and testing program similar to that used by the Province of Quebec, Canada to ensure all marijuana products sold in NH are free from harmful contaminants of any kind.
 - Require the use of a control laboratory that periodically assures the state approved testing facility is performing all functions as required by state law and accepted laboratory standards.
 - All testing and control laboratories must be national accredited with sufficient experience in effective testing. The majority strongly recommends the state licensed structure closely mimic the structure for testing used by the Province of Quebec.
 - Sampling, tracking and testing must be sufficient and comprehensive to assure all marijuana and marijuana products sold in NH are free of contaminants of any kind and be capable of immediate identification and recall in cases wherein sample testing confirms the presence of contamination exceeding permissible thresholds.
- Opt-In Requirement: All NH cities, towns, municipalities must retain local control to either authorize or prohibit any marijuana establishment within their locality.
 - No legislative or arbitrary opt in deadlines shall be promulgated by state law or regulation.
 - Municipalities may pass ordinances that are more restrictive than state regulations but in no case pass any ordinance or regulation that is less restrictive than state regulations concerning any marijuana establishment or operation.
- Revenue and Funding
 - The state shall tax the cultivation, manufacture and sale of marijuana and marijuana products so as to ensure all costs relating to regulation, testing, enforcement, public health and safety programs are fully funded by such tax.
 - All revenue generated by the state's licensed cultivation, manufacture and sale of marijuana and marijuana products are sequestered and segregated from all

- other state funds in view of the Federal prohibition against such operations and potential for confiscation under Federal law.
- All revenue generated by the state licensed sale of marijuana and marijuana products must be used to first pay the direct and indirect costs of all regulation, testing and enforcement including all state employees engaged in the promulgation, approval, enforcement and regulation of the industry.
 - All revenue remaining after payment of costs for regulation, enforcement and testing shall be used to offset the public health and safety effects of legalization including public health and safety information and education programs.
 - No revenue derived from the sale of marijuana or marijuana products shall be co-mingled with any other state revenue.
 - Municipalities shall be authorized to apply for and receive funding derived from revenue generated from the sale of marijuana and marijuana products to offset the costs of public health and safety including enforcement under a grant funded program administered by the NH Cannabis Control Commission.
- Therapeutic Cannabis Program and ATCs: The majority recommends the dissolution of the current therapeutic cannabis program and ATCs based on clear and convincing evidence that such programs fall into disuse and disarray after legalization (see open-source reporting regarding substantial diminishment of therapeutic cannabis programs in states where marijuana was legalized).
 - Continuation of the current TCP/ATC model will prove to be an ineffective and inefficient duplicative retail system operating in an unrealistic and unsustainable economic environment.
 - Current ATCs should be allowed to apply for and compete for the issuance of a state license to operate a marijuana establishment and not be afforded any unfair or unequal advantage.
 - Dissolution of the TCP/ATC will create one equal and level competitive environment under strict state regulation.
 - Current TCP patients may continue to seek and obtain advice from medical practitioners regarding therapeutic use of state authorized products with a likely improvement in pricing and availability than what is currently provided.
 - Professional Licensing:
 - There shall be no changes allowing the use of cannabis or marijuana products by those who currently hold professional licensure by the state or from the Federal government that prohibits the use of marijuana or marijuana products by those holding such licenses.

Enclosure(s): Attached hereto and incorporated within this report is relevant and supporting information provided by majority member(s) and shall be considered as part of this report.

[Signatures on next page]

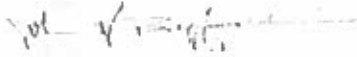
Signatures:

<Digitally Approved by Email>

Senator William Gannon 11-29-2023

<Digitally Approved by Email>

Representative Tim Cahill 11-29-2023



John Bryfonski, 11-29-2023
NH Association of Chiefs of Police

<Digitally Approved by Email>

Debra Naro, M.Ed., CADY 11-29-2023

SUBSTANCE MISUSE PREVENTION GUARDRAILS
HB: 611 Commission to Study State-Controlled Cannabis Sales
Submitted by Commission Member: Debra Naro, M.Ed.

Definitions:

“Characterizing flavor” means addition of Perceptible taste or aroma post-harvest or use of a brand or product name, language or image suggestive of a particular taste or aroma imparted by Marijuana or a Marijuana Product including, without limitation, tastes or aromas relating to any fruit, chocolate, vanilla, honey, candy, dessert, alcoholic beverage, menthol, mint, wintergreen, herb, nut or spice. Marijuana or a marijuana product is presumed to have a characterizing flavor if a marijuana retailer, manufacturer, manufacturer’s agent or employee has: 1) made a statement or claim directed to consumers or the public, whether expressed or implied, that the Marijuana or Marijuana Product or an emission or byproduct thereof, smells or tastes different from Marijuana, or (2) taken action that would be reasonably expected to result in consumers receiving the message that the Marijuana or marijuana, or an emission or byproduct thereof, smells or tastes different from marijuana.

“Marijuana concentrate” means a product derived from marijuana that is produced by extracting or concentrating cannabinoids from the plant using: (i) Solvents; (ii) Carbon dioxide; or (iii) Heat, screens, presses, or distillation.

“Perceptible” means perceivable by the sense of taste or smell.

“Potency” means the percent of active tetrahydrocannabinol (THC) by weight in cannabis flowers or marijuana concentrates. The Liquor Commission shall determine the criteria to measure potency, including but not limited to consideration of both active form of THC, delta-9-tetrahydrocannabinol (D9THC), and tetrahydrocannabinol acid (THCA), the D9THC precursor, by using the following equation: $[D9THC + (THCa \times 0.877)]$ or other criteria determined by the Commission.

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

“Tincture” means a cannabis-infused solution derived either directly from the cannabis plant or from a processed cannabis extract that is combined with 50 percent or greater food grade ethyl alcohol, glycerin, or vegetable oils that: (i) are distributed in a dropper bottle of 4 ounces or less; and (ii) contain no additional non-cannabis ingredients except potable water, unless approved by the New Hampshire Department of Health and Human Services.

**Legislative Language for
Marijuana Legalization “Guardrails”
from Communities for Alcohol- and Drug-Free Youth (CADY)
to be integrated into proposed legislation in the 2024 Legislative Session
as recommended by the HB611 Study Commission**

Note: This is not an endorsement for legalization.

As requested by the Chair of the HB 611 Study Commission, the Prevention Community is providing this science-informed language for inclusion in proposed legislation by the Cannabis Study Commission. This is intended to regulate marijuana sales in a way that discourages use, minimizes harm to our children and youth, and prioritizes public health and safety by limiting THC potency and products appealing to young people, improve health warnings on product labels, improve data collection, establish an ongoing marijuana research process and provide significant funding for a comprehensive public awareness campaign to inform the public about the risks of high-potency THC products.

Research substantiates today’s marijuana contains more THC, making it more harmful. Highly concentrated marijuana/THC products available today can be more than 90% THC. High potency marijuana with dramatic increases in THC, often in the form of candies, cookies, sodas, and

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

hashish concentrates (e.g. budder, wax, honey oil, shatter), that can be vaped, suggest that commercial marijuana is becoming an increasingly harmful product that is more likely to cause addiction and negative health consequences in adolescents and young adults. The risk of addiction and mental health harms, such as: depression, anxiety, suicidal ideation, and psychosis, increase substantially with higher THC potency. Education and awareness are imperative, but they are not enough. These regulations are needed to close the dangerous regulatory gaps on high-potency marijuana contained in HB 1598/HB 639. **Please note: This is not an endorsement from the prevention community for legalization.**

Requirements for THC potency limits for each type of marijuana product sold by a licensee and reasonable potency or dosing limits for marijuana concentrates and edible products, that shall, at a minimum, include:

- (1) a prohibition on marijuana flower with potency in excess of 5% THC;
- (2) a prohibition on waxes, dabs and shatter high-concentrate marijuana products.
- (3) a prohibition on marijuana concentrates intended for inhalation following vaporization or combustion that exceed 5mg THC per metered serving, or with potency exceeding 10%;
- (4) a prohibition on concentrated forms of marijuana products which fail to clearly provide metered, or otherwise measured, standard delivered servings of 5 mg THC;
- (5) a prohibition on packages of marijuana concentrate that exceed 20 metered or measured servings of 5 mg;
- (6) a prohibition on any marijuana product with added sweeteners;

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

(7) a prohibition on any marijuana product with a characterizing flavor for which the primary use is human inhalation of the gases, particles, vapors or byproducts released as a result of the combustion, electrical ignition, or vaporization of the flavored marijuana product;

(8) a prohibition on any inhalable cannabinoid product containing non-cannabis-derived substances, including flavors, non-cannabis terpenes, and/or chemicals that alter a legal THC product's consistency, texture, or viscosity;

(9) a prohibition on any liquid marijuana products intended for consumption by mouth, except for tinctures;

(10) a prohibition on components to strengthen the intoxicating psychological effects of any marijuana product.

(11) a prohibition on synthetic Frankenoids like Delta-8 and HHC-O and THC-P. THC-p products are 40 time the potency of Delta-9THC.

Requirements for the labeling for a package containing marijuana or marijuana products that shall, at a minimum, include:

(1) a symbol or easily recognizable mark issued by the commission that indicates the package contains marijuana or a marijuana product;

(2) a symbol or other easily recognizable mark issued by the commission on the package indicating to children that the product is harmful to children;

(3) the name and contact information of the marijuana cultivator or the marijuana product manufacturer who produced the marijuana or marijuana product;

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

- (4) the results of sampling, testing and analysis conducted by a licensed independent testing laboratory;
- (5) a seal certifying the marijuana meets such testing standards;
- (6) a unique batch number identifying the production batch associated with manufacturing, processing, and cultivating;
- (7) a list of ingredients and possible allergens;
- (8) in bold, the amount of delta-nine-tetrahydrocannabinol ($\Delta 9$ -THC) in the package and in each serving of a marijuana product as expressed in absolute terms and as a percentage of volume;
- (9) the number of servings in a package if there are multiple servings;
- (10) a use-by date, if applicable; and
- (11) the following statement, including capitalization: "This product has not been analyzed or approved by the FDA. Recent scientific advances in marijuana research have uncovered serious medical side-effects and risks associated with marijuana use. Marijuana use during pregnancy and breast-feeding may pose potential harms. It is against the law to drive or operate machinery when under the influence of this product. **KEEP THIS PRODUCT AWAY FROM CHILDREN.**";
- (12) comprehensive prominent rotating health warnings, based on the best available research on what constitutes effective warnings for transmitting knowledge and achieving behavior change from tobacco and cannabis warning research, including pictorial warnings if supported. These regulations shall be periodically updated based on emerging science on cannabis and on warning communication best practices. These warnings must also include the increased risk of psychosis, schizophrenia, and suicide with use of THC-containing marijuana products, especially when

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

initiated young or used frequently. At a minimum the following rotating warnings shall affixed in **BOLD**:

WARNING: Do not use if pregnant or breastfeeding. line 2 Substances in cannabis are transferred from the mother to the child line 3 and may harm your baby's health, including causing low birth line 4 weight.

WARNING: Cannabis use may contribute to mental health line 6 problems, including psychotic disorders such as schizophrenia. line 7 Risk is greatest for frequent users and when using products with line 8 high THC levels.

WARNING: Cannabis use may contribute to mental health line 10 problems, including increased thoughts of suicide and suicide line 11 attempts. Risk is greatest for frequent users.

WARNING: Driving while high is a DUI. Cannabis use line 13 increases your risk of motor vehicle crashes.

WARNING: Not for Kids or Teens! Starting cannabis use line 15 young or using frequently may lead to problem use and, according to the U.S. Surgeon General, may harm the developing brain.

WARNING: The higher the THC content, the more likely line 18 you are to experience adverse effects and impairment. THC may line 19 cause severe anxiety and disrupt memory and concentration.

WARNING: American College of Surgeons warn marijuana use can negatively impact surgery and post-surgery success. You should discuss with your surgical team if you are using any form of marijuana products. It can affect the outcome of your surgery. It is recommended to stop using marijuana products 72 hours before surgery.

For inhaled cannabis products, both of the following:

WARNING: Smoking cannabis may make breathing line 22 problems worse.

WARNING: Prolonged use of cannabis products high in line 24 THC may cause recurrent, severe nausea and vomiting.

For edible cannabis products only:

WARNING: It can take line 26 up to 4 hours to feel the full effects from eating or drinking line 27 cannabis. Consuming more within this time period can result in line 28 adverse effects that may require medical attention.

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

Requirements for preparing and issuing “instructions for use” and “product inserts” for a package containing marijuana or marijuana products that shall, at a minimum, include:

(13) comprehensive instructions for use and package inserts shall be prepared and inserted into each marijuana product sold. These instructions shall include, but not be limited to, dosing recommendations, interactions with prescription drugs, who should not take the drug, what to avoid while taking the drug, a warning advising the consumer to consult your healthcare provider about all your medical conditions before taking the drug, and a comprehensive list of marijuana use risks published by Centers for Disease Control and Prevention, National Institute on Drug Abuse, the National Academy of Sciences and the American Academy of Family Physicians. They shall include, but not be limited to, psychosis and schizophrenia, depression, anxiety, suicide, increased blood pressure, increased respiratory rates, cardiac arrhythmia, heart failure, worsening of glaucoma, cognitive impairment, addiction, allergic reactions, accidental poisoning and coma in children, preterm births to pregnant women, and impacts on fetal brain development.

(14) a prominent display of the U.S. Surgeon General’s WARNING on Marijuana Use and the Developing Brain to include the following statements in BOLD:

“The risks of physical dependence, addiction, and other negative consequences increase with exposure to high concentrations of THC and the younger the age of initiation. Higher doses of THC are more likely to produce anxiety, agitation, paranoia, and psychosis.”

“In addition, chronic users of marijuana with a high THC content are at risk for developing a condition known as cannabinoid hyperemesis syndrome (CHS), which is marked by severe cycles of nausea and vomiting.”

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

“Impaired learning in adolescents. Chronic use is linked to declines in IQ, school performance that jeopardizes professional and social achievements, and life satisfaction.”

“Increased rates of school absence and drop-out, as well as suicide attempts.”

“Risk for and early onset of psychotic disorders, such as schizophrenia. The risk for psychotic disorders increases with frequency of use, potency of the marijuana product, and as the age at first use decreases.”

“Other substance use: teens 12-17 reporting frequent use of marijuana showed a 130% greater likelihood of misusing opioids.”

A prohibition on advertising, marketing and branding by means of television, radio, internet, billboard or print publication.

The Liquor Commission shall develop a research agenda to understand the social and economic trends of marijuana in the state, to inform future decisions that would aid in the closure of the illicit black marketplace and to inform the commission on the public health impacts of marijuana. The research agenda shall include, but not be limited to:

- (1) patterns of use, methods of consumption, sources of purchase and general perceptions of marijuana among minors, among college and university students and among adults;
- (2) incidents of impaired driving, hospitalization and use of other health care services related to marijuana use, including a report of the state of the science around identifying a quantifiable level of marijuana-induced impairment of motor vehicle operation and a report on the financial impacts on the state healthcare system of hospitalizations related to marijuana;

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

- (3) marijuana-related Emergency Department visits and hospitalizations to include those accessing psychiatric emergency and pediatric services;
- (4) prevalence of cannabis-induced psychosis and cannabis use disorder in New Hampshire;
- (5) testing for THC and THC metabolites, including 11-OH THC, in all suicides and homicide perpetrators;
- (6) prevalence of marijuana use by those in the juvenile justice population, as measured by testing for THC and 11-OH THC, at the time of entry into the juvenile justice system;
- (7) economic and fiscal impacts for state and local governments including the impact of legalization on the production and distribution of marijuana in the illicit black market and the costs and benefits to state and local revenue;
- (8) a market analysis examining the expansion or contraction of the illicit black marketplace and the expansion or contraction of the legal marketplace, including estimates and comparisons of pricing and product availability in both markets;
- (9) a compilation of data on the number of incidents of discipline in schools, including suspensions or expulsions, resulting from marijuana use or possession of marijuana or marijuana products;
- (10) any New Hampshire assessment of youth substance use shall include questions about the types and consumption methods of marijuana products being used, frequency of marijuana use, and marijuana-related psychosis symptoms; and
- (11) a compilation of data on the number of civil penalties, arrests, prosecutions, incarcerations and sanctions imposed for violations of the federal Controlled Substance

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

Act and Chapter 318-B of the New Hampshire Controlled Drug Act for possession, distribution or trafficking of marijuana or marijuana products, including the age, race, gender, country of origin, state geographic region and average sanctions of the persons charged.

- (12) This research should include scientists, doctors, educators, law enforcement, and economists, but with no direct financial interest in the marijuana industry.

Money in the “cannabis fund” shall be subject to appropriation. Money in the fund shall be expended for the implementation, administration, and enforcement of this statute by the Liquor Commission and to the New Hampshire Department of Agricultural, Markets & Food for pesticide control. **Thereafter, money in the fund shall be expended for:**

- (1) public and behavioral health including but not limited to, evidence-based and evidence-informed substance use prevention and treatment and substance use early intervention services in a recurring grant for school districts or community coalitions who operate on the strategic prevention framework or similar structure for youth substance use education and prevention;
- (2) (ii) at least \$5,000,000 dollars of marijuana Liquor Commission 15% profit margins annually shall go to the New Hampshire Department of Health and Human Services and be used for research, development and implementation of mass and social media campaigns to educate the public on health risks associated with marijuana/THC consumption, including but not limited to, the risks to mental health (e.g. increased risk of psychosis, schizophrenia, suicidal thoughts, risk of use during pregnancy, risks of early use, and use of high potency products

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

to include risks of home extraction of marijuana concentrates. The vendor selected for this public health awareness campaign shall have experience with similar campaigns and shall be selected jointly by the Department of Health and Human Services Behavioral and Mental Health departments and community prevention organizations.

- (3) public safety;
- (4) municipal police training;
- (5) programming for restorative justice, jail diversion, workforce development, industry specific technical assistance, and mentoring services for economically disadvantaged persons in communities disproportionately impacted by high rates of arrest and incarceration for marijuana possession offenses.

Required toxicology screening for a suicide, overdose death, or accidental death. The mission of the New Hampshire Office of the Chief Medical Examiner (OCME) is to promote the health and safety of New Hampshire citizens by accurately determining the cause and manner of deaths falling under the jurisdiction of the OCME through compassionate, objective, and comprehensive death investigation.

An initial appropriation from the General Fund of \$2,000,000 dollars shall go to the OCME to perform toxicology screening for a suicide, overdose death, or accidental death and to form a working group to study methods to test for all scheduled drugs and the presence and quantity of THC, including and identifying how long ago the THC was consumed, if the presence of THC was in conjunction with alcohol and scheduled drugs, and its metabolite in each case of a non-natural death, excluding homicide, of a person under twenty-five years of age. The working group shall consult with an epidemiologist, a medical toxicologist, an addiction specialist, and a medical examiner or forensic pathologist and may consult with the Department of Health and Human Services Bureau of Behavioral and Mental Health. The methodology shall include means

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

to identify prescription drugs, and other federally scheduled substances that have a substantial potential for overdose and addiction, by using evidence-based practices. These recommendations shall be completed by July 1, 2025; except that the methodology to identify prescription drugs, and other federally scheduled substances that have a substantial potential for overdose and addiction, by using evidence-based practices shall be completed by November 1, 2025, and reported to the House of Representatives Health, Human Services and Elderly Affairs Committee and the Senate Health and Human Services Committee.

(b) beginning January 1, 2026, at least \$1,000,000 annually of marijuana Liquor Commission 15% profit margins will be appropriated for toxicology screening for suicide, overdose death, or accidental death. The OCME shall complete a full toxicology screen, including testing for the presence of THC, alcohol, and scheduled drugs, in each case of a non-natural death, excluding homicide, of a New Hampshire resident under twenty-five years of age.

(c) the OCME shall share the information collected pursuant to this section with the Department of Health and Human Services Behavioral and Mental Health departments for inclusion into the violent death reporting system. However, the information collected by the OCME and shared with the Department is not a public record under RSA 91-A except that the information shall be made available to a parent or a duly appointed legal representative of the deceased upon request. The Department shall make the de-identified aggregate of the information provided pursuant to this subsection available for research purposes.

(d) in the event of a death in a hospital, if clinically indicated, the hospital-treating clinician shall order the toxicology screen as described in this subsection and document the results of the toxicology screen to the health information exchange in the medical record and be reimbursed by the OCME.

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

(2) the Department of Health and Human services shall produce an annual report of the information reported in these subsections beginning January 2, 2027, and annually each year thereafter.

High-potency THC marijuana and marijuana concentrate research and scientific review committee recommendations made to relevant committees prior to enactment of this statute.

- (1) The Institute for Health Policy and Practice at the University of New Hampshire shall conduct a systematic review of all available scientific evidence-based research regarding the possible physical and mental health effects of high-potency THC marijuana and marijuana concentrates regardless of the location of the research.
- (2) The research must study the effect of high-potency THC marijuana on the developing brain and the effect of marijuana concentrates on physical and mental health. The research must systematically curate and synthesize existing research, identify evidence gaps, and identify new research that is needed to better understand the health implications of high-potency THC marijuana products and the specific THC potency levels and amounts at which various health concerns arise. The Institute for Health Policy and Practice at the University of New Hampshire shall report by January 31, 2025, to the House of Representatives Health, Human Services and Elderly Affairs Committee and Finance Committee and the Senate Health and Human Services Committee and Finance Committee whether they have identified any gaps in the research, and, if there are gaps, what those gaps are, what studies are needed to fill those gaps, the funding needed to complete those studies, and the timeline for completion of the necessary studies. nothing in this section shall preclude the Institute for Health Policy and Practice at the University of New Hampshire from making

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

recommendations regarding appropriate regulatory measures to the scientific review council created in subsection ___TBD_ of this section. The research must be conducted independently without any predetermined outcomes or undue influence from any party.

- (3) The Institute for Health Policy and Practice at the University of New Hampshire shall produce an initial report of its findings by July 1, 2025, and shall provide that report to the scientific review council created in subsection _TBD_ of this section and the House of Representatives Health, Human Services and Elderly Affairs Committee and Finance Committee and the Senate Health and Human Services Committee and Finance Committee. If at any point prior to the completion of the final report of the Institute for Health Policy and Practice at the University of New Hampshire believes there is sufficient scientific evidence to make a recommendation regarding appropriate regulatory measures, the Institute for Health Policy and Practice at the University of New Hampshire shall provide those recommendations to the scientific review council created in subsection __TBD__ of this section to the House of Representatives Health, Human Services and Elderly Affairs Committee and Finance Committee and the Senate Health and Human Services Committee and Finance Committee. If after submitting the initial report the Institute for Health Policy and Practice at the University of New Hampshire believes additional research and reporting is necessary, the Institute for Health Policy and Practice at the University of New Hampshire may, subject to available appropriations, conduct additional research and issue additional reports and recommendations to the scientific review council created in subsection ___TBD__ of this section to the House of Representatives Health, Human Services and Elderly Affairs Committee and Finance Committee and the Senate Health and Human Services Committee and Finance Committee. If after July 1, 2025, additional research is conducted and sufficient data from that research shows a prevalence of negative physical or mental health outcomes from the use of high potency THC marijuana or

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

marijuana products, the Institute for Health Policy and Practice at the University of New Hampshire shall submit a report regarding the findings to the scientific review council created in subsection ___ TBD ___ to the House of Representatives Health, Human Services and Elderly Affairs Committee and Finance Committee and the Senate Health and Human Services Committee and Finance Committee.

(4) The Institute for Health Policy and Practice at the University of New Hampshire shall establish a **scientific review council** to review the initial report and any subsequent reports produced pursuant to subsection ___ TBD ___ of this section and make recommendations to the general court regarding appropriate evidence-based regulatory changes and the funding of additional necessary evidence-based research. The dean of the Institute for Health Policy and Practice at the University of New Hampshire shall appoint members to the scientific review council who do not have a pecuniary interest or anyone in their immediate family who does not have a pecuniary interest, who represent an unbiased group of professionals, as follows:

(i) an epidemiologist;

(ii) a physician familiar with administration of medical marijuana pursuant to current state laws with experience recommending medical marijuana to those who are age zero to seventeen;

(iii) a medical toxicologist;

(iv) a neurologist;

(v) a pediatrician;

(vi) a psychiatrist;

(vii) an internal medicine physician or other specialist in adult medicine;

(viii) a preventive medicine specialist or public health professional;

(ix) a licensed substance use disorder specialist;

(x) a neuropsychopharmacologist;

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

- (13) The **scientific review council** shall post public notice of each committee meeting at least two weeks before the meeting and the meetings must be broadcast to the public. nothing precludes the public from submitting written comments to the committee. No member of the review council shall have a direct financial interest in the marijuana industry.

(5) Based on its research and findings, the Institute for Health Policy and Practice at the University of New Hampshire shall produce a public education campaign for the general public regarding the effect of high-potency THC marijuana on the developing brain and on physical and mental health. The scientific review council created in subsection ___ TBD ___ of this section shall approve the public education campaign.

The Institute for Health Policy and Practice at the University of New Hampshire shall not seek, accept, or use gifts, grants, or donations to fund the provisions of this section. The provisions of this section shall be completed using only appropriations from the GENERAL COURT.

Additional legislative requirements:

Regulation should be integrated with hemp regulation to assure that intoxicating hemp products are not being sold.

Profit margins captured by the state shall be 20-40%. The cost for regulation and negative health care outcomes approach these margins in the legal states.

Cultivation licenses and production quotas should be limited to estimated current consumption or less.

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

Impose criminal penalties for smoking marijuana in public. The bill should clarify that smoking in public is prosecutable pursuant to New Hampshire RSA's.

Rationale: Smoking of marijuana in public encourages its illicit use and exposes marijuana to children and should be made a serious criminal act.

Impose criminal penalties for smoking marijuana in the presence of children under the age of 18. The law should clarify that smoking in the presence of children is prosecutable pursuant to New Hampshire Revised Statutes.

The legislature should set a presumptive level of marijuana impairment at a concentration of 2.0 ng/ml of blood THC for purposes of operating automobiles or other machinery, and for purposes of employment.

Rationale: Use of marijuana impairs a person's ability to operate automobiles and other machinery, and to properly perform their job. Impairment is difficult to determine without presumptive standards. Marijuana impairment can be compared to use of alcohol, which is legal but impairment is not allowed when a person is operating automobiles or other machinery or by most employers. Levels of presumptive alcohol impairment are codified in law so employers and law enforcement may more easily determine if a person is impaired.

Scientific tests are available to determine the level of Tetrahydrocannabinol (THC) the active ingredient in marijuana, and standards exist that prove a person is impaired at blood levels of THC of 2.0 nanograms per milliliter (ng/ml) or greater. Presumptive levels of marijuana impairment for both employment and operation of automobiles and other machinery must be adopted by the legislature in order to allow employers and law enforcement to quickly and easily determine if probable cause exists that a person is impaired, and to take appropriate action to protect the person, the employer, and the public.

Limited Access. Prohibit electronic commerce (Internet; mail order; text messaging; and social media) and drive through and home deliveries.

SUBSTANCE MISUSE PREVENTION GUARDRAILS

HB: 611 Commission to Study State-Controlled Cannabis Sales

Submitted by Commission Member: Debra Naro, M.Ed.

Reduce Drug Diversion. All retail sales require proof of age.

Local Control. We encourage the State of NH to allow low control of zoning, advertising limits, and hours of operation. All municipalities, including those with existing ATCs, must utilize an Opt In requirement for recreational sales.

Fine for smoking in public. Any person violating 318-F:4 shall be guilty of a violation, may be fined not more than \$500, and shall forfeit all cannabis and cannabis products.

NH Controlled Drug Act—Amend Chapter 318.B of the NH Controlled Drug Act to align with new state law.

Submitted by:

Debra A. Naro

HB611 Commission Member

November 6, 2023

To: Senator Daryl Abbas , Chair, NH Commission to Study with the Purpose of Proposing Legislation, State-Controlled Sales of Cannabis
From: Frank Knaack, ACLU of NH
Date: 11/28/23
Re: Cannabis Commission member feedback for inclusion in final Commission report

1) Smoking or Vaping Cannabis in Public Prohibited (318-F:3):

We agree with the recommendation from New Futures that smoking or vaping in public should be a violation level offense with a fine of not more than \$100 and forfeiture of cannabis and cannabis products.

We recommend against raising the fine amount because both national and state-based research has found that fines and fees disproportionately harm people in poverty and place people in the unconscionable position of having to decide between paying fines and fees or food, housing, and other basic necessities.ⁱ

There were also calls from some Commission members to criminalize smoking or vaping in public. We oppose this proposal because it would further the harms created by marijuana prohibition without any evidence to support the stated claim to curb public smoking. A criminal conviction for public smoking can upend lives. In addition to the potential of incarceration, the collateral harms of a criminal conviction are tremendous – they inhibit pathways to rejoining communities, including making it more difficult for individuals to secure safe housing and gainful employment. For example, there are 80 mandatory consequences to a misdemeanor conviction under New Hampshire law, 41 of which are indefinite.ⁱⁱ These obstacles increase the likelihood that individuals will reenter the criminal justice system.

In addition, Black people are 4.27 times more likely than white people to be arrested for marijuana possession in New Hampshire.ⁱⁱⁱ Because New Hampshire's marijuana possession law is enforced with a staggering racial bias, the direct and collateral harms outlined above would disproportionately harm Black people.^{iv}

2) Non-Discrimination for State-Legal Cannabis Activities and Prior Convictions (318-F:20):

We urge the legislature to reinsert this proposed section. This language is needed to protect against discrimination in professional and occupational licensing and employment for lawful marijuana use or past marijuana convictions. As proposed, this section also included two provisions to ensure that employees and/or licensees would not be protected if they used or were impaired by marijuana on the job or undertook other acts that constituted negligence or malpractice because of marijuana use.

Thousands of Granite Staters have criminal records because of past marijuana use and Black people have a disproportionately high number of those records. Absent a clear nexus between past conduct and a future employment and/or licensing opportunity, New Hampshire should remove any unnecessary hurdles to individuals seeking employment and/or a professional and occupational license. In addition, absent a clear nexus between marijuana use off the job and employment and/or licensing, Granite Staters should be protected from discrimination for lawfully using marijuana.

3) Justice Reinvestment Fund:

We urge the legislature to include the following Justice Reinvestment Fund:

I. There is established in the state treasury a nonlapsing fund to be known as the justice reinvestment fund that shall be kept distinct and separate from all other funds.

II. The following monies shall be deposited in the fund:

(a) All proceeds allocated to the fund pursuant to RSA XXX:XX.

III. All moneys in the fund shall be nonlapsing and shall be continually appropriated to the state treasury. The state treasurer shall disburse funds from the justice reinvestment fund solely for the purposes and in the manner set forth in this section.

IV. The fund shall be used to support communities and individuals impacted by poverty, unemployment and under-employment, and cannabis enforcement. The fund may be used for the following purposes to support those communities:

(a) job training;

(b) reentry services;

(c) legal aid services, including expungement;

(d) literacy programs; and

(e) youth recreation or mentoring program.

The everyday harms Black, Brown, and other marginalized Granite Staters face are the direct result of intentional policy decisions by our current and former local, state, and federal elected leaders. Just as our elected leaders created these harms, they also have the power to undo them.

In the wake of George Floyd's murder by a police officer in 2020, our elected leaders made bold promises to address the overwhelming injustices in our policing and criminal justice systems. Marijuana legalization offers our elected leaders a clear opportunity to turn their commitments into action and focus on building safe and just communities for all. The Justice Reinvestment Fund offers a small opportunity to begin to address the historical harms created by marijuana enforcement in New Hampshire. We urge legislators to take this opportunity.

4) Annulment of Certain Arrests and Convictions for Cannabis:

We urge the legislature to reinsert the proposed language from the Commission's working draft bill vis-a-vis annulments, listed on pages 31-32 of the working draft circulated to the Commission on November 27, 2023.

Thousands of Granite Staters have criminal records because of past marijuana use and Black people have a disproportionately high number of those records. The collateral harms of a criminal conviction are tremendous – they inhibit pathways to rejoining communities, including making it more difficult for individuals to secure safe housing and gainful employment. For example, there are 80 mandatory consequences to a misdemeanor conviction under New Hampshire law, 41 of which are indefinite.^v These obstacles increase the likelihood that individuals will reenter the criminal justice system.

In addition, Black people are 4.27 times more likely than white people to be arrested for marijuana possession in New Hampshire.^{vi} Because New Hampshire's marijuana possession law is enforced with a staggering racial bias, the collateral harms outlined above disproportionately harm Black people.^{vii}

5) Odor and Personal Possession of Cannabis Not Grounds for a Search (318-F:5):

We urge the legislature to reinsert the proposed language to limit the ability to law enforcement to use marijuana odor as a pretext for a search. Existing law provides many ways for law enforcement to

conduct a search if they have probable cause to believe that a crime has been committed. This section is simply a protection to ensure that law enforcement cannot use marijuana odor as a pretext unless they have probable cause to believe that the individual possesses marijuana in excess of the possession limits (i.e. beyond what they are legally allowed to possess under state law.).

In addition to serving as a basic check on government overreach, this section is a necessity for racial justice because New Hampshire's marijuana possession law is enforced with a staggering racial bias. In 2022 Black people were 4.27 times more likely than white people to be arrested for marijuana possession in New Hampshire^{viii} despite both groups using marijuana at roughly the same rate.^{ix} And, this disparity is on the rise, up from 2.6 times more likely to be arrested in 2010.^x The legislature must ensure that this abuse of discretion and power does not continue after legalization.

ⁱ Fines and Fees Justice Center & Wilson Center for Science and Justice, Debt Sentence: How Fines and Fees Hurt Working Families, May 2023, available at [Debt_Sentence_FFJC-Wilson-Center-May-2023.pdf](#); See also, Alabama Appleseed, et. al., Under Pressure: How Fines Hurt People, Undermine Public Safety, and Drive Alabama's Racial Wealth Divide, Oct. 2018, available at [www.alabamaappleseed.org/wp-content/uploads/2018/10/AA1240-FinesandFees-10-10-FINAL.pdf](#).

ⁱⁱ National Inventory of Collateral Consequences of Conviction, Collateral Consequences Inventory, available at <https://niccc.nationalreentryresourcecenter.org/consequences>.

ⁱⁱⁱ In 2022 New Hampshire law enforcement arrested 824 white people and 76 Black people for marijuana possession. See, Federal Bureau of Investigation, Crime Data Explorer, Arrests in New Hampshire, 2022, available at <https://crime-data-explorer.app.cloud.gov/pages/explorer/crime/arrest> & U.S. Census Bureau, QuickFacts, New Hampshire, available at <https://www.census.gov/quickfacts/fact/table/NH,manchestercitynewhampshire,concordcitynewhampshire/PST045222>.

^{iv} In 2022 New Hampshire law enforcement arrested 824 white people and 76 Black people for marijuana possession. See, Federal Bureau of Investigation, Crime Data Explorer, Arrests in New Hampshire, 2022, available at <https://crime-data-explorer.app.cloud.gov/pages/explorer/crime/arrest> & U.S. Census Bureau, QuickFacts, New Hampshire, available at <https://www.census.gov/quickfacts/fact/table/NH,manchestercitynewhampshire,concordcitynewhampshire/PST045222>.

^v National Inventory of Collateral Consequences of Conviction, Collateral Consequences Inventory, available at <https://niccc.nationalreentryresourcecenter.org/consequences>.

^{vi} In 2022 New Hampshire law enforcement arrested 824 white people and 76 Black people for marijuana possession. See, Federal Bureau of Investigation, Crime Data Explorer, Arrests in New Hampshire, 2022, available at <https://crime-data-explorer.app.cloud.gov/pages/explorer/crime/arrest> & U.S. Census Bureau, QuickFacts, New Hampshire, available at <https://www.census.gov/quickfacts/fact/table/NH,manchestercitynewhampshire,concordcitynewhampshire/PST045222>.

^{vii} In 2022 New Hampshire law enforcement arrested 824 white people and 76 Black people for marijuana possession. See, Federal Bureau of Investigation, Crime Data Explorer, Arrests in New Hampshire, 2022, available at <https://crime-data-explorer.app.cloud.gov/pages/explorer/crime/arrest>.

explorer.app.cloud.gov/pages/explorer/crime/arrest & U.S. Census Bureau, QuickFacts, New Hampshire, available at <https://www.census.gov/quickfacts/fact/table/NH,manchestercitynewhampshire,concordcitynewhampshire/PST045222>.

^{viii} In 2022 New Hampshire law enforcement arrested 824 white people and 76 Black people for marijuana possession. See, Federal Bureau of Investigation, Crime Data Explorer, Arrests in New Hampshire, 2022, available at <https://crime-data-explorer.app.cloud.gov/pages/explorer/crime/arrest> & U.S. Census Bureau, QuickFacts, New Hampshire, available at <https://www.census.gov/quickfacts/fact/table/NH,manchestercitynewhampshire,concordcitynewhampshire/PST045222>.

^x Fred Dews, *Charts of the week: Marijuana use by race, Islamist rule in Middle East, climate adaptation savings*, Brookings, Aug. 11, 2017, available at <https://www.brookings.edu/blog/brookings-now/2017/08/11/charts-of-the-week-marijuana-use-by-race/>.

^x ACLU, *The War on Marijuana in Black and White*, p. 127, available at <https://www.aclu.org/report/report-war-marijuana-black-and-white>.

Cannabis Legalization for Recreational Use Policy

The New Hampshire Medical Society:

1. Encourages increased research on the impact of cannabis legalization for recreational use on individual and public health and on justice-related issues in states that have already legalized recreational use of cannabis.
2. Encourages research aimed at further defining the biologic actions and interactions of active constituents in cannabis and the development of U.S. Food and Drug Administration (FDA) approved cannabinoid medications.
3. Will consider support for legalization of recreational use of cannabis by adults in New Hampshire, when:
 - The balance of net benefits and harms of legalization of cannabis and cannabis products – with differing concentrations and delivery mechanisms of active compounds (tetrahydrocannabinol (THC), cannabidiol (CBD), etc.) – is clearer based on scientific, epidemiologic, and other evidence, and is determined to be favorable or neutral in terms of impact on public health and safety; and
 - Regulatory systems are adequately and sustainably prepared to safely guide product approval and availability with adequate safeguards to protect from commercialization targeting use by children; and
 - An effective system for collection, analysis and dissemination of relevant public health and safety data is in place to determine the impact of legalization and to guide revisions in policy and regulation in support of public health and safety.
4. Supports the role of the New Hampshire Department of Health and Human Services in considering available scientific and clinical evidence to determine acceptable clinical indications for legal therapeutic use of cannabis in New Hampshire, including whether opioid use or other substance use disorder should or should not be a clinical indication for use; assuring qualified expert input into this process is critical.

Facts on Marijuana/Cannabis

1. The content of tetrahydrocannabinol (THC or delta-9-THC, the major psychoactive or mind-altering component of cannabis) in marijuana has increased markedly over the past 50 years from a mean content of 3-5% in the 1970s, up 500% in potency with current mean concentrations of 18-23% in flowers, and up an average of 1800% in potency to 68-75% through extracted products in Washington State where cannabis is legal.¹
2. Marijuana/cannabis contains over 75 other potentially biologically active cannabinoids and other constituents, whose actions and interactions are not clearly defined.²
3. Teen Vaping Use: 25% of NH high school students reported using vaped products in the past 30 days, ranging from 17.6% of 9th graders to 32.4% of 12th graders.³ Among high school students who had used e-cigs before, over one-third reported vaping marijuana (THC).⁴ Multiple studies have found that youth who try vaping even once have a markedly increased risk of going on to smoke cigarettes and marijuana.^{5 6}
4. Vaping/smoking THC-rich resins extracted from the marijuana plant, referred to as “dabbing” is on the rise. These extracts come in various forms, such as: “hash oil or honey oil” – a gooey liquid; “wax or dabs” – soft solid with a texture like lip balm; and “shatter” – a hard, amber-colored solid. Marijuana extracts can deliver extremely large amounts of THC to the body, and their use has sent individuals to the emergency room.^{7 8}
5. No robust and consistent Federal or State systems for developing and overseeing regulatory standards for the cannabinoid content of cannabis and its products currently exist.⁹
6. Increased marijuana-associated morbidity presenting to Emergency Departments including rising poisonings among children, reduced perception of cannabis-related harm among children/adolescents, and rising rates of adult cannabis use,¹⁰ with indications of increased cannabis use among children ages 12-17 across the country.¹¹
7. Scientific literature reports potential adverse effects of marijuana use in pregnant women, including fetal growth restriction, low birth weight, preterm birth, small-for-gestational age, neonatal intensive care unit (NICU) admission, and stillbirth.^{12 13 14} Based on published animal research, there are also concerns that use of marijuana during pregnancy may negatively impact fetal brain development.^{15 16 17}
8. Research indicates a strong link between increased risk for acute psychotic symptoms in adolescents with monthly or more frequent marijuana use,^{18 19} as well as potential cardiovascular and pulmonary risks in vulnerable people.²⁰
9. While research indicates that between 9 and 30 percent of those who use marijuana may develop some degree of marijuana use disorder,²¹ adolescents who start smoking marijuana are four to seven times more likely to develop a marijuana use disorder.²²
10. Drivers who have ingested marijuana are slower to accurately perceive, make decisions and react to the traffic environment with studies showing that the crash risk doubles.²³
11. Chronic use of cannabis can be associated with a variety of harms, including increasing opioid use disorders and impairment in social, work, and intellectual performance.^{24 25}

References

- ¹ Jilomes and Zoorob, The Legal Content of Cannabis in Washington State, Scientific Reports, 2018
- ² Z. Fišar, "Phytocannabinoids and endocannabinoids," *Current Drug Abuse Reviews* 2, no. 1 (2009); Ethan B. Russo, "Taming THC: potential cannabis synergy and phytocannabinoid-terpenoid entourage effects," *British Journal of Pharmacology* 163, no. 7 (2011); F. Grotenhermen and K. Muller-Vahl, "The therapeutic potential of cannabis and cannabinoids," *Dtsch Arztebl Int* 109, no. 29-30 (2012).
- ³ New Hampshire 2017 High School Youth Risk Behavior Survey, Centers for Disease Control and Prevention. <https://www.cdc.gov/healthyouth/data/yrbs/results.htm>
- ⁴ K.F. Trivers et al. Prevalence of cannabis use in electronic cigarettes among US youth. *JAMA Pediatrics*. Published online September 17, 2018. doi:10.1001/jamapediatrics.2018.1920.
- ⁵ "Vaping tied to higher risk that teens will try marijuana." <https://www.srnnews.com/vaping-tied-to-higher-risk-that-teens-will-try-marijuana/>
- ⁶ Govindarajan P, Spiller HA, Casavant MJ, et al. E-Cigarette and Liquid Nicotine Exposures Among Young Children. *Pediatrics*. 2018;141(5):e20173361
- ⁷ Bell C, Slim J, Flaten HK, Lindberg G, Arek W, Monte AA. Butane Hash Oil Burns Associated with Marijuana Liberalization in Colorado. *J Med Toxicol Off J Am Coll Med Toxicol*. 2015;11(4):422-425. doi:10.1007/s13181-015-0501-0.
- ⁸ Romanowski KS, Barsun A, Kwan P, et al. Butane Hash Oil Burns: A 7-Year Perspective on a Growing Problem. *J Burn Care Res Off Publ Am Burn Assoc*. 2017;38(1):e165-e171. doi:10.1097/BCR.0000000000000334.
- ⁹ Standards for Cannabis Testing Laboratories. Cannabis Safety Institute, 2014. <http://cannabissafetyinstitute.org/wp-content/uploads/2015/01/Standards-for-Cannabis-Testing-Laboratories.pdf>
- ¹⁰ Maxwell JC & Mendelson B, What do we know about the impact of the laws related to marijuana? *J Addict Med*. 2016 Feb; 10(1): 3–12
- ¹¹ 2017 NSDUH. National Study of Drug Use and Health.
- ¹² Gray, et al. Identifying Prenatal Cannabis Exposure and Effects of Concurrent Tobacco Exposure on Neonatal Growth. *Clinical Chemistry*. 2010; 56(9): 1442-1450.
- ¹³ Gunn, et al. Prenatal Exposure to cannabis and maternal and child health outcomes: a systematic review and meta-analysis. *BMJ Open*. 2016; 6:e009986.
- ¹⁴ Hayatbakhsh, et al. Birth Outcomes associated with cannabis use before and during pregnancy. *Pediatric Research*. 2012; 71 (2): 215-219.
- ¹⁵ Silva, et al. Prenatal tetrahydrocannabinol (THC) alters cognitive function and amphetamine response from weaning to adulthood in the rat. *Neurotoxicol and Teratol* 2012; 34(1): 63-71.
- ¹⁶ Trezza, et al. Effects of perinatal exposure to delta-9-tetrahydrocannabinol on the emotional reactivity of the offspring: a longitudinal behavioral study in Wistar rats. *Psychopharmacology (Berl)* 2008; 198(4): 529-537.
- ¹⁷ Campolongo, et al. Perinatal exposure to delta-9-tetrahydrocannabinol causes enduring cognitive deficits associated with alteration of cortical gene expression and neurotransmission in rats. *Addict Biol* 2007; 12(3-4): 485–495.
- ¹⁸ Levy S, Weitzman ER. Acute mental health symptoms in adolescent marijuana users. December, 2018. *JAMA Journal of Pediatrics*. doi:10.1001/jamapediatrics.2018.3811
- ¹⁹ Daniel T Malone, Matthew N Hill, and Tiziana Rubino. Adolescent cannabis use and psychosis: epidemiology and neurodevelopmental models. *British Journal of Pharmacology*. 2010 Jun; 160(3): 511–522. doi: 10.1111/j.1476-5381.2010.00721.x
- ²⁰ Volkow et al, Adverse Health Effects of Marijuana, *NEJM*, 2014
- ²¹ Hasin DS, Saha TD, Kerridge BT, et al. Prevalence of Marijuana Use Disorders in the United States Between 2001-2002 and 2012-2013. *JAMA Psychiatry*. 2015;72(12):1235-1242. doi:10.1001/jamapsychiatry.2015.1858.
- ²² Winters KC, Lee C-YS. Likelihood of developing an alcohol and cannabis use disorder during youth: association with recent use and age. *Drug Alcohol Depend*. 2008;92(1-3):239-247. doi:10.1016/j.drugalcdep.2007.08.005.
- ²³ Asbridge, Hayden & Cartwright, 2013. Acute cannabis consumption and motor vehicle collision risk.
- ²⁴ Karila L, et al. Long-Term Effects of Cannabis Use : A Review. *Curr Pharm Des*. 2013
- ²⁵ National Academies of Science, Engineering & Medicine, 2017 Cannabis Report

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT relative to the legalization and regulation of cannabis and making appropriations therefor.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1
2 1. Purpose and Findings. The general court hereby finds that:

3
4 ~~I. In the interest of allowing law enforcement to focus on violent and property crimes, generating revenue for education, prevention, treatment, and recovery related to the use of both legal and illegal drugs and for other public purposes, and advancing individual freedom, the people of the state of New Hampshire find and declare that the use of cannabis by a person 21 years of age or older should be legal and subject to reasonable regulation and taxation.~~

5
6
7
8
9
10
11 II. ~~In the interest of the health and public safety of our citizenry,~~ The people of the state of New Hampshire further find and declare that cannabis should be regulated in a manner similar to alcohol so that:

- 12 a. Individuals will have to show proof of age before purchasing cannabis.
- 13 b. Selling, distributing, or transferring cannabis to minors and other individuals under the age of 21 shall remain illegal.
- 14 c. Driving under the influence of cannabis shall remain illegal.
- 15 d. Moving cannabis production and sales from the underground, sometimes dangerous, illicit market to legal **taxpaying** businesses allows for appropriate regulations **and** control **and** contributing.
- 16 e. Cannabis sold in this state will be tested, labeled, and subject to additional regulations to ensure that consumers are informed and protected and to protect the environment.
- 17 f. Some of the **tax** revenue generated from legal cannabis **sales will** shall be used to support programs for education, prevention, treatment, and recovery related to the use of both legal and illegal drugs.

18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34 g. Marketing and Advertising to minors is prohibited

35
36 ~~2. New Subparagraphs; Application of Receipts; Cannabis Fund. Amend RSA 6:12, I(b) by inserting after subparagraph (387) the following new subparagraphs:~~
37 ~~(388) Moneys deposited in the cannabis fund established in RSA 318-F:22.~~
38

~~(389) Moneys in the substance abuse prevention and recovery fund established by RSA 318-F:23.~~

3. New Subdivision; Substance Abuse Prevention and Recovery Funds. Amend RSA 126-A by inserting after section 97 the following new subdivision:

Substance Abuse Prevention, **Treatment** and Recovery Funds

126-A:98 Substance Abuse Prevention, **Treatment** and Recovery Funds; Management and Distribution of Funds.

- I. The commissioner of the department of health and human services, in coordination with the governor's commission on alcohol and other drugs under RSA 12-J shall administer the substance abuse prevention, **treatment** and recovery fund established in RSA 318-F:23.
- II. Funds shall be deposited into the substance abuse prevention, **treatment** and recovery fund as established by 318-F:23 to be distributed by the commissioner of the department of health and human services in coordination with the governor's commission on alcohol and other drugs under RSA 12-J. Funds may be awarded to a qualifying governmental entity or program for an approved use. All funds shall be nonlapsing and continually appropriated for the purposes of this section.
- III. The commissioner of the department of health and human services, in coordination with the governor's commission on alcohol and other drugs per RSA 12-J, shall continue to make distributions from the trust fund.
- IV. The department of health and human services shall adopt rules pursuant to RSA 541-A necessary to implement this section. Such rules shall include funding qualifications, application procedures, time-lines for receiving, reviewing, and acting upon application requests, and reporting requirements.
- V. Allocations shall be used for one or more of the following:
 - a. Evidence-based, **voluntary** programs for substance abuse-related education, prevention, treatment, and recovery.
 - b. Mental health treatment, with a focus on dual-diagnosis of both mental health and substance misuse disorders.
 - c. Funding and training to foster an informed, adequately paid behavioral health workforce.
 - d. Scientifically and medically accurate public education campaigns educating youth and adults about the health and safety risks of alcohol, tobacco, cannabis, and other substances, including education campaigns separately targeting youth and adults that provide medically and scientifically accurate information about the health and safety risks posed by cannabis use, including driving under the influence of cannabis.

DRAFT

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44

VI. No later than 18 months after the effective date of this section, and every 2 years thereafter, the commissioner of the department of health and human services shall submit an annual report to the governor and fiscal committee of the general court detailing the activities of the administration of the substance abuse prevention, **treatment** and recovery trust fund, the amount distributed in the past year, the amount remaining in the trust fund, a summary of how funds were used in the past year, and any recommendations for future legislation.

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

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

~~5. Controlled Drug Act; Drug Forfeiture Fund. Amend RSA 318-B:17 e, I to read as follows:~~

~~I. There is hereby established [within the office of the state treasurer] a special revolving fund to be designated as the drug forfeiture fund. This fund shall be administered by the attorney general and may be used to pay the costs of local, county and state drug related investigations, *costs of collection of baseline data related to marijuana regulation*, as well as drug control law enforcement programs within New Hampshire. The fund may also be used to pay extraordinary costs of local, county and state drug prosecutions and trial expenses.~~

6. Model Drug Dealer Liability Act; Definition of Illegal Drug. 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 possession, use, **harvesting, cultivating, manufacture, sale, or transportation of which is not otherwise authorized by law.***

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

**CHAPTER 318-F
REGULATION OF CANNABIS**

318-F:1 Definitions:

- I. "Alternative treatment center" means an entity as defined in RSA 126-X:1, I.
- II. "Cannabis" means all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, ~~ts seeds~~ or its resin, including cannabis concentrate. "Cannabis" shall not include hemp, fiber produced from the stalks, oil, or cake made from the seeds of the plant, sterilized seed of the plant that is incapable of germination, or the weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink, or other product.

DRAFT

- 1 III. "Cannabis accessories" or "cannabis paraphernalia" means any equipment, products,
2 or materials of any kind that are intended for use, or designed for use in planting,
3 propagating, cultivating, growing, harvesting, composting, manufacturing,
4 compounding, converting, producing, processing, preparing, testing, analyzing,
5 packaging, repackaging, storing, ~~vaporizing~~, or containing cannabis, or for ingesting,
6 inhaling, or otherwise introducing cannabis into the human body.
7
- 8 ~~IV. "Cannabis accessory retailer" means an entity licensed to sell cannabis accessories and
9 paraphernalia, in the state of New Hampshire.~~
- 10
- 11 V. "Cannabis cultivation facility" or "cultivation facility" means an entity registered ~~and
12 licensed by the State of New Hampshire~~ to cultivate, prepare, and package cannabis,
13 and sell cannabis to a franchise cannabis retail outlet, to cannabis product
14 manufacturing facilities, ~~to alternative treatment centers~~ and to other cannabis
15 cultivation facilities, but not to consumers. A cannabis cultivation facility shall not
16 produce cannabis concentrates, tinctures, extracts, or other cannabis products ~~through
17 the use of any chemical extraction process.~~
- 18
- 19 VI. "Cannabis Distributor" means any entity licensed to receive, warehouse, and
20 distribute Cannabis Products between Cannabis Establishments, including Cannabis
21 Products manufactured by others.
- 22
- 23 VII. "Cannabis establishment" means ~~any licensed New Hampshire~~ cannabis cultivation
24 facility, a cannabis testing facility, a cannabis product manufacturing facility, a
25 franchise cannabis retail outlet, a cannabis retail store, a cannabis transporter, or any
26 other type of cannabis business authorized and licensed by the commission.
27
- 28 VIII. "Cannabis product manufacturing facility" or "product manufacturing facility" means
29 a ~~person or entity registered with the Secretary of State's Officer with its principal place
30 of business located in New Hampshire~~ licensed to purchase cannabis, to manufacture,
31 prepare, and package cannabis products, and sell cannabis and cannabis products to
32 other cannabis product manufacturing facilities, to alternative treatment centers,
33 cannabis retail store, and to franchise cannabis retail outlet, but not to consumers.
34
- 35 IX. "Cannabis products" means any product that contains cannabis, including cannabis
36 extracts, concentrated cannabis products, and products that contain cannabis and other
37 ingredients and are intended for use or consumption, such as, but not limited to, edible
38 products, ointments, and tinctures. ~~This term shall not include cannabis in its plant or
39 flower form.~~
- 40
- 41 X. "Cannabis Retail Outlet" – ~~Franchise Cannabis Retail Outlet as defined in this section.~~
- 42
- 43 XI. "Cannabis testing facility" or "testing facility" means an entity licensed ~~in the State of
44 New Hampshire~~ to test cannabis for potency and contaminants.
45

DRAFT

- 1 XII. "Cannabis transporter" means an entity licensed to transport cannabis between
2 cannabis establishments.
3
- 4 XIII. "Commission" means the New Hampshire Liquor Commission
5
- 6 XIV. "Consumer" means a person 21 years of age or older who purchases cannabis or
7 cannabis products for personal use by a person 21 years of age or older ~~from a Franchise~~
8 ~~Cannabis Retail Outlet that is not~~ or ~~"Consumer" does not include~~ a qualifying patient
9 or designated caregiver purchasing ~~a therapeutic grade product from a Franchise~~
10 ~~Cannabis Retail Outlet~~ or ~~cannabis from~~ an alternative treatment center pursuant to
11 RSA 126-X.
12
- 13 XV. "Department" means the department of health and human services.
14
- 15 XVI. "Documentation" means all records, in any form, including electronic records.
16
- 17 XVII. "Franchise Cannabis Retail Outlet" means an entity licensed as a franchisee by the
18 State of New Hampshire to purchase cannabis from cannabis cultivation facilities,
19 purchases cannabis and cannabis products from cannabis product manufacturing
20 facilities and sells cannabis and cannabis products or cannabis accessories or cannabis
21 paraphernalia to consumers, ~~qualified patients or designated caregivers. Alternative~~
22 ~~treatment centers cannot be licensed at the same location as franchise cannabis retail~~
23 ~~outlet.~~ The online ordering is allowed, but only in-store purchase is allowed.
24
- 25 ~~XVIII. "Immature cannabis plant" means a cannabis plant that has not flowered and that does~~
26 ~~not have buds that may be observed by visual examination.~~
27
- 28 ~~XIX. "Inflation" means the 12-month percentage change in the consumer price index for all~~
29 ~~urban consumers, northeast region as published by the Bureau of Labor Statistics,~~
30 ~~United States Department of Labor.~~
31
- 32 ~~XX. "Mature cannabis plant" means a cannabis plant that has flowered and has buds that~~
33 ~~may be observed by visual examination.~~
34
- 35 XXI. "Municipality" means a city, town, or an unincorporated place.
36
- 37 XXII. "Possession limit" means:
38
- 39 a. Four ounces of cannabis in plant form; and
 - 40
 - 41 b. 5 grams of concentrated cannabis products, which includes hashish and pre-filled
42 cartridges of cannabis extracts intended for vaporization;
 - 43
 - 44 c. Cannabis products other than concentrated cannabis products containing no more
45 than ~~500 milligrams of concentration of THC~~ ~~2,000 milligrams of THC;~~
46

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

XXIII. "Public place" means any place to which the general public has access.

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

XXV. "Resident" means a natural person who:

- a. Is domiciled in New Hampshire; and
- b. Maintains a place of abode in New Hampshire. ~~unless the individual was homeless and residing in New Hampshire for at least 51 percent of the time.~~

XXVI. "Therapeutic Grade Cannabis Products" means a cannabis product that exceeds the potency limitations created by this chapter and is manufactured by a license Alternative Treatment Center

318-F:2 Personal Use of Cannabis

I. *Except as otherwise provided in this chapter, the following acts, if undertaken by a person 21 years of age or older, shall not be illegal under New Hampshire law or the law of any political subdivision of the state or be a basis for seizure or forfeiture of assets under New Hampshire law:*

- a. *Possessing, consuming, using, displaying, obtaining, purchasing, processing, producing, or transporting an amount of cannabis that does not exceed the possession limit, except that no adult other than one who is acting in his or her capacity as a staffer of a cannabis product manufacturer may perform extractions using solvents other than water, glycerin, propylene glycol, vegetable oil, or food-grade ethanol.*
- b. *Transferring an amount of cannabis that does not exceed the possession limit to a person who is 21 years of age or older without remuneration. For purposes of this paragraph, a transfer is for remuneration if cannabis is given away contemporaneously with another transaction between the same parties, if a gift of cannabis is offered or advertised in conjunction with an offer for sale of goods, services, or admission to an event, or if the gift of cannabis is contingent upon a separate transaction for goods, services, or the price of admission to an event.*
- c. *Transferring cannabis, including cannabis products, to a cannabis testing facility.*
- d. *Controlling property where the acts described under this section occur.*

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

~~II. No law enforcement officer employed by an agency that receives state or local government funds shall expend any state or local resources, including the officer's time, to effect any arrest or seizure of cannabis, or conduct any investigation, on the sole basis of activity the officer believes to constitute a violation of federal law if the officer has reason to believe that such activity is in compliance with this chapter, nor shall any such officer expend any state or local resources, including the officer's time, to provide any information or logistical support related to such activity to any federal law enforcement authority or prosecuting entity~~

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

- I. No person shall smoke or vaporize cannabis in an area accessible to the public.
 - a. First offence: Any person who violates this section shall be guilty of a violation for the first offence shall fined not more than \$500, and shall forfeit all cannabis and cannabis products
 - b. Subsequent offense: Any person who violates this section, a second (or more) time within 5 years of the 1st conviction of section I, shall be guilty of a misdemeanor.

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

(language from HB 639)

- I. No person shall consume, smoke, or vaporize cannabis while driving or attempting to drive a motor vehicle on a way, or while operating or attempting to operate an off-highway recreational vehicle, snowmobile, boat, vessel, aircraft, or other motorized device used for transportation.
- II. No person shall smoke or vaporize cannabis while the person is a passenger in a motor vehicle that is being driven on a way.
- III. Any person who violates this section shall be guilty of a ~~violation-misdemeanor~~ and shall be subject to a fine not to exceed \$1,000.00. In addition, any person who violates paragraph I of this section may have his or her driver's license, if a resident, or driving privilege, if a nonresident, suspended for up to 60 days for a first offense and up to one year for a subsequent offense.
- IV. In this section, "way" shall have the same meaning as in RSA 265-A:44.

~~V. A person may not be convicted of both a violation of this section and a violation of RSA 265-A:1 based on the same incident.~~

318-F:5 Odor and Personal Possession of Cannabis Not Grounds for a Search. (language from HB 639)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

~~I. Except as provided in paragraph II of this section, the odor of cannabis or burnt cannabis, or the possession of a quantity of cannabis that the officer does not have probable cause to believe exceeds the possession limit of cannabis, shall not constitute in part or in whole probable cause or reasonable suspicion and shall not be used as a basis to support any stop or search of a person or motor vehicle.~~

~~II. Nothing in this section prevents a law enforcement official from conducting a test for impairment based in part on the odor of recently burnt cannabis if the law enforcement official would otherwise be permitted to do so under New Hampshire law.~~

318-F:6 Enforcement Authority

- I. The commission shall have the primary responsibility for enforcing this chapter. Local, county, and state law enforcement officers shall also have jurisdiction to enforce this chapter. Such authority may be delegated to agents working under their authority.
- II. The commission shall appoint liquor investigators whose primary function shall be the proper prosecution of this chapter. The liquor investigators shall have statewide jurisdiction, with reference to enforcement of all laws either in cooperation with, or independently of, the officers of any county or town. The commission shall have the primary responsibility for the enforcement of all cannabis laws upon premises where cannabis, cannabis products, and cannabis accessories are lawfully sold, stored, distributed, or manufactured. Any person violating the provisions of any law may be prosecuted by the commission or any of its investigators as provided in this section, or by county or city attorneys, or by sheriffs or their deputies, or by police officials of towns **or New Hampshire State Police.**
- III. The commission shall have the authority to interpret statutes and administrative rules as they relate to this chapter.
- IV. The commission shall adopt and publish rules pursuant to RSA 541-A, to govern its proceedings and to regulate the mode and manner of all investigations and hearings before it. All hearings before the commission shall be in accordance with RSA 541-A:31-36. In any such investigation or hearing the commission shall not be bound by the technical rules of evidence. The commission may subpoena witnesses and administer oaths in any proceeding or examination instituted before or conducted by it, and may compel, by subpoena, the production of any accounts, books, contracts, records, documents, memoranda, and papers of any kind whatever. A summons issued by any justice of the peace shall have the same effect as though issued for appearance before such court.

1 V. If any false statement is knowingly made in any statement under oath which may be
2 required by the provisions of this title or by the commission, the person making the
3 same shall be deemed guilty of perjury. The making of any such false statement in
4 any such application or in any such accompanying statements, whether made with or
5 without the knowledge or consent of the applicant, shall, in the discretion of the
6 commission, constitute sufficient cause for the revocation of the license.

7 VI. The commission shall adopt by rule under RSA 541-A a formal enforcement policy for
8 licensees under its jurisdiction. This policy shall specify the disciplinary action, to
9 include but not limited to a schedule of fines as are authorized by this chapter for
10 violations of statutory requirements, which the commission shall take for violations of
11 various laws under its jurisdiction. The enforcement policy shall also specify mitigating
12 and aggravating factors which the commission shall consider in determining penalties
13 for specific actions.

14
15 a. In applying its enforcement policy, the liquor commission shall establish and
16 enforce specific determinate penalties for specific offenses. The commission
17 shall not apply penalties such as license suspensions for indefinite periods of
18 time.

19
20 b. In addition to RSA 541-A:30, III, the commission may suspend, for a period of
21 not more than 24 72 hours without a hearing, any license issued under the
22 provisions of this title, if a risk to public health, safety, or welfare constitutes
23 an emergency requiring such suspension. Any such suspension shall be
24 approved directly by at least one member of the commission before taking
25 effect.

26
27 VII. The commission may transfer funds within and among all accounting units within the
28 commission's operating budget and to create accounting units and expenditure classes
29 as required and as the commissioner deems necessary and appropriate to address
30 present or projected budget deficits, or to respond to changes in federal law,
31 regulations, or programs, and otherwise as necessary for the efficient management of
32 the liquor commission and cannabis funds. The provisions of this section shall not be
33 subject to RSA 9:16-a, RSA 9:17-a, and RSA 9:17-c.

34
35 VIII. The commission may pay staff members working on both liquor and cannabis matters
36 increased wages until 18 months after the first franchise cannabis retail outlet license
37 is issued. A 10 percent stipend shall be established for commission staff based on
38 their salary, when engaged in the development and all administrative aspects of the
39 program.

40
41 **318-F:7 Regulation Of Cannabis**

- 1 I. Not later than 30 months after the effective date of this section, the commission shall
- 2 submit statutory language and approve the rulemaking process pursuant to RSA 541-A
- 3 for the licensing and regulation of cannabis cultivation facilities as outlined in section II.
- 4
- 5 II. Not later than 30 months after the effective date of this section, the commission shall
- 6 submit statutory language and approve the rulemaking process pursuant to RSA 541-A
- 7 for the licensing and regulation of all other cannabis establishments. The rules shall
- 8 include the following:
- 9
- 10 a. Procedures for the application, issuance, transfer, approval, denial, renewal,
- 11 suspension, and revocation of a license for cannabis establishments. Rules shall
- 12 include provisions for franchise cannabis retail outlet to be selected through a
- 13 request for application process.
- 14
- 15 b. Procedures for the selection and operation of franchise cannabis retail outlet to
- 16 include but not limited to:
- 17
- 18 i. Location of the franchise cannabis retail outlet, including provisions
- 19 prohibiting no more than 15 franchise cannabis retail outlets.
- 20
- 21 ii. The handling regulation, manufacture, cultivation, packaging,
- 22 transportation, documentation and the sale cannabis and cannabis products.
- 23
- 24 iii. Storage facilities for cannabis and cannabis products
- 25
- 26 iv. Hours of operation.
- 27
- 28 v. The size and nature of the facilities, to include store design, franchise
- 29 cannabis retail outlet.
- 30
- 31 vi. The definition of terms used in rulemaking for retail cannabis stores.
- 32
- 33 vii. Operation of franchise cannabis retail outlet
- 34
- 35 viii. Discount and compensation.
- 36
- 37 ix. Closure and vacancy of a franchise cannabis retail outlet
- 38
- 39 x. Advertising and promotion which shall be controlled and managed by the
- 40 Commission.
- 41
- 42 xi. Selection of franchise cannabis retail outlet
- 43
- 44 xii. Selection of applicant for franchise cannabis retail outlet
- 45
- 46 xiii. Renewal franchise cannabis retail outlet

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46

- xiv. Industry interest.
- xv. Applicants, stores, and employees
- ~~xvi. Special seasonal franchise cannabis retail outlet~~
- xvii. Requirements that franchise cannabis retail outlet stock cannabis products, including flower, with low and moderate amounts of THC and that they be at least as prominently displayed as high potency products **or therapeutic cannabis products.**
- c. **Annual mandatory** training and continuing education required for licensees and all franchise cannabis retail outlet employees, which shall include, **but not limited to**, training on checking photo identification and for false identification
- d. Procedures for the selection and operation of Cannabis Cultivation Facility and Cannabis Manufacturing Facility to include but not limited to:
 - i. Requirements for cannabis cultivators and cannabis manufactures be operated and located in the State of New Hampshire
 - ii. Pricing structure for the wholesale price of cannabis and cannabis products in consultation with the New Hampshire Liquor Commission.
- ~~e. Procedures to hear complaints and impose penalties if alternative treatment centers licensed as a cannabis retail store fail to provide an adequate supply and variety of therapeutic cannabis and cannabis products for qualifying patients.~~
- f. A fee schedule of reasonable application, license, and annual renewal fees, provided:
 - i. That cultivation facility licensing fees be tiered based on the size of the facilities.
- g. Qualifications **and disqualifications** for licensure that are directly and demonstrably related to the operation of a cannabis establishment and which may not disqualify applicants **solely for having a prior history of criminal convictions for possession of cannabis** prior to the effective date of this chapter.
- h. Criteria for selection among applicants when there are more qualified applicants than there are number of licenses available in a particular municipality.
- i. Record keeping requirements for cannabis establishments, including requirements for implementation and compliance with the **distribution** tracking system.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46

- j. Requirements for the transportation and **Distribution** of cannabis and cannabis products between cannabis establishments, including **approved packaging, documentation that shall accompany any cannabis being transported warehoused or distributed.**
- k. Reasonable security requirements for each type of cannabis establishment, which may be varied based on the size of the cannabis establishment.
- l. Restrictions on where a cannabis establishment may be located, consistent with the provisions of this chapter.
- m. Standards for the operation of testing laboratories including requirements for equipment and qualifications
- n. Requirements for the testing of cannabis and cannabis products, including but not limited to:
 - i. Requirements to ensure at a minimum that cannabis and cannabis products sold for human consumption do not contain contaminants that are injurious to health and to ensure correct labeling;
 - ii. That testing shall include, but not be limited to, analysis for residual solvents, poisons, or toxins; harmful chemicals; dangerous molds or mildew; filth; dangerous herbicides, pesticides, and fungicides, heavy metals, and harmful microbials, such as E. coli or salmonella;
 - iii. Threshold levels for each contaminant listed in subparagraph (2);
 - iv. Providing that in the event that test results indicate the presence of quantities of any substance determined to be injurious to health, such cannabis or cannabis products shall be immediately quarantined and immediate notification to the commission shall be made. The contaminated product shall be documented and properly destroyed;
 - v. That testing shall also verify THC and other cannabis potency representations for correct labeling;
 - vi. That the commission shall determine an acceptable variance for potency representations and procedures to address potency misrepresentations;
 - vii. That the commission shall determine the protocols and frequency of cannabis testing by a cannabis testing facility; and
 - viii. ~~Allowances for remediation of cannabis and cannabis products whose test results are in excess of established thresholds;~~

- ix. Minimum testing requirements for an effective cannabis and cannabis product quality assurance program for cannabis cultivation facilities and cannabis product manufacturing facilities.

~~III. — No later than 30 months after the effective date of this chapter, shall submit statutory language to the general court and initiate the rulemaking process pursuant to RSA 541-A allowing alternative treatment centers registered to operate pursuant to RSA 126 X to apply to co-locate with, and operate a cannabis retail store, a cannabis cultivation facility, cannabis product manufacturing facility, cannabis transporter, or any combination of those licenses. A cannabis establishment license is required in addition to registration as an alternative treatment center and a license required for each type of cannabis establishment operated by the alternative treatment center. Proposed statutes and rules shall include consultation with the department of health and human services, the therapeutic cannabis medical oversight board, and be completed after holding at least one public hearing. Provisions shall include but are limited to:~~

- ~~a. A separate license is required for each alternative treatment center dispensing location and each cannabis establishment type~~
- ~~b. separation of cannabis sales to qualifying patients and consumers, such as by requiring separate counters;~~
- ~~c. Requirement for alternative treatment centers licensed as a cannabis establishments to prioritize therapeutic cannabis access;~~
- ~~d. Requirement for alternative treatment centers licensed as a cannabis establishment to maintain or increase the diversity of therapeutic cannabis products available for qualifying patients;~~
- ~~e. Requirement for alternative treatment centers licensed as a cannabis establishment to avoid raising prices for qualifying patients beyond the rate of inflation, for at least 2 years after licensure;~~
- ~~f. A requirement that in the event of crowding, inadequate parking, or similar issues limiting therapeutic cannabis access, the for alternative treatment centers licensed as a cannabis establishment shall take measures to prioritize therapeutic cannabis access, such as setting aside certain business hours when the establishment will only serve qualifying patients and their designated caregivers; and providing for the suspension of sales of cannabis to adult-use consumers in the event of a product shortage.~~
- ~~g. Cannabis sold by for alternative treatment centers licensed as a cannabis establishment to qualifying patients directly or via their designated caregivers shall meet the requirements of RSA 126 X:8 and rules issued pursuant to chapter RSA 126 X.~~

~~h. Cannabis sold by for alternative treatment centers licensed as a cannabis establishment to qualifying patients directly or via their designated caregivers may have higher THC per serving than is permitted by rules governing cannabis establishments.~~

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

- a. Health and safety rules, including but not limited to the packaging and preparing of cannabis products, restricting the use of pesticides and other chemicals during cultivation and processing that may be dangerous to cannabis consumers, and sanitation requirements.
- b. Health and safety rules and standards for the cultivation of cannabis and manufacture of cannabis products, including:
 - i. Prohibitions on additives to products that are toxic, misleading to consumers, or designed to make the product more appealing to children;
 - ii. Safety standards regulating the manufacture of cannabis extracts and concentrated cannabis products; and
 - iii. A prohibition on the inclusion of nicotine and other additives to cannabis products that are designed to make the product more addictive or more intoxicating.
- c. Establishing the maximum amount of THC that may be included in each cannabis product serving as 5 milligrams. ~~except that the commission may change this amount through rulemaking~~
- d. Reasonable health and safety restrictions on cannabis accessories that may be manufactured or sold in New Hampshire, including a prohibition on any vaporization device that includes toxic or addictive additives. The commission may prohibit types of vaporizers that are particularly likely to be utilized by minors without detection, but may not completely ban or unreasonably restrict the manufacture or sale of vaporization devices.
- e. Restrictions on the advertising, signage, marketing, and display of cannabis and cannabis products, including but not limited to:

- 1 i. A prohibition on mass-market campaigns that have a likelihood of reaching
- 2 minors;
- 3
- 4 ii. A prohibition on marketing to minors, including marketing specifically
- 5 related to social media;
- 6
- 7 iii. A prohibition on cannabis products that are named, packaged, marketed, or
- 8 designed in a way that mimics or is likely to cause confusion with
- 9 commercially available, trademarked non-cannabis products, including
- 10 relating to their logos, the sound of the product or brand, packaging, taste,
- 11 appearance, and commercial impression;
- 12
- 13 iv. A prohibition on giveaways of cannabis, cannabis products, or cannabis
- 14 accessories, including samples;
- 15
- 16 v. A prohibition on billboard advertising, sound trucks, or outdoor internally
- 17 illuminated screen displays consistent with alcohol advertising prohibitions
- 18 in RSA 179:31; and
- 19
- 20 vi. A requirement for any advertising to include a standard, recognizable
- 21 symbol that a product contains cannabis or THC.
- 22
- 23 f. Packaging, product manufacturing, and labeling requirements for cannabis and
- 24 cannabis products, including but not limited to:
- 25
- 26 i. Packaging and labeling approval process prohibiting but not limited to the
- 27 following:
- 28
- 29 (a) Statements on the label or packaging **that** are false or misleading.
- 30
- 31 (b) Any written statements on the label or packaging are illegible.
- 32
- 33 (c) The packaging or labeling contains subliminal or similarly
- 34 deceptive advertising techniques.
- 35
- 36 (d) The packaging or labeling features a depiction of athletes that is
- 37 deceptive and misleading in that it implies that consuming
- 38 cannabis or cannabis products is conducive to athletic skill or
- 39 physical prowess, or that consuming cannabis does not hinder the
- 40 athlete's performance.
- 41
- 42 (e) The packaging or labeling features illustrations, subject matter, or
- 43 other attributes that are consistent with products marketed toward
- 44 children and youths
- 45

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44

(f) The packaging or labeling features a depiction of consumption of cannabis or cannabis products while seated in, about to enter, operating, or about to operate an automobile or other machinery.

(g) An aspect of the packaging or labeling normalizes or encourages excessive consumption.

(h) The packaging or labeling does not indicate in manner that is sufficiently clear that the product contains cannabis or cannabis products; or

(i) The packaging or labeling used might result in confusion regarding whether the product is a cannabis or cannabis products.

(j) The commission shall make a decision within 60 days of receipt of a complete application and provide the decision to the licensee. The commission shall extend the time period for the decision upon written agreement of the applicant.

(k) The product is offered for sale under the name, identity or characteristics of another food or beverage or mimics another food or beverage, or the characteristics of another food or beverage

(l) Product is packaged in packaging that is designed or constructed to be significantly difficult for children under five years of age to open, and not difficult for adults to use properly.

- ii. Mandating the disclosure of the THC content of each product;
- iii. Requirements to ensure cannabis products and their packaging are not designed to appeal to or be attractive to minors, including providing that they cannot be in the shape of cartoons, toys, animals, or people; and
- iv. Prohibiting flavors and designs of cannabis-infused beverages, oils, and edibles that resemble or imitate candy flavors that are marketed to minors;
- v. Warnings, including but not limited to, those described in RSA 318-F:8;
- vi. A requirement for any label, an for certain products where appropriate, to include a standard, recognizable symbol that a product contains cannabis or THC; and
- vii. Potency limits for cannabis products.

viii. Procedures and notices relating to all recalls of any products.

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

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

VII. Not later than 30 months after the effective date of this chapter, the commission, in consultation with the department, shall develop an informational handout, which franchise cannabis retail outlet and cannabis retail stores shall make available to all consumers, and which shall include information detailed in RSA 318-F:8.

VIII. No later than 36 months after the effective date of this section, the commission shall make written recommendations to the general court regarding the regulation of hemp, cannabinoids, synthetic cannabinoids, and intoxicating products derived from hemp including:

- a. What hemp products the commission would regulate;
- b. How the products would be regulated, including whether a license would be required and whether hemp processors and manufacturers should be licensed and regulated by the commission;
- c. Any license fees or other charges that would be assessed on hemp products and license fees assessed on hemp processors and manufacturers; and
- d. The resources required to regulate hemp processors, product manufacturers, hemp products, and the retail sale of intoxicating hemp products.

318-F:8 Informational Materials, Warning Label Medical Lock Boxes.

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

II. A franchise cannabis retail outlet ~~and cannabis retail store~~ shall include an informational handout designed by the commission ~~in consultation with the Public Health Advisory Committee with the department~~ with all cannabis and cannabis

1 products sold to consumers and shall include the high potency version in all cannabis
2 concentrates and other high potency sales. The informational handouts shall include
3 scientifically accurate information, including:
4

- 5 a. Advice about the potential risks of cannabis, and, in the case of the high potency
6 handout, risks specific to high potency products, including:
7
 - 8 i. The risks of driving under the influence of cannabis, and the fact that doing
9 so is illegal;
 - 10 ii. Any adverse effects unique to adolescents or young adults, including effects
11 related to the developing mind;
 - 12 iii. Potential adverse events and other risks, including related to mental health;
13 and
 - 14 iv. Risks of using cannabis during pregnancy or breastfeeding. This may be
15 identical to that required under RSA 126-X:8, XVI(c)(7).
- 16 b. Information about methods for administering cannabis;
- 17 c. How long cannabis may impair a person after it is ingested in each manner; and
- 18 d. How to recognize ~~problematic usage of cannabis~~ cannabis use disorder, and how
19 to obtain appropriate services or treatment;
- 20 e. Information regarding safe storage and disposal of cannabis and paraphernalia to
21 prevent accidental poisonings, including the contact information for the Northern
22 New England Poison Control Center. This may be identical to that required under
23 RSA 126-X:8, XVI(c)(8); and
- 24 f. Unless federal statutory law or case law has changed and such a warning is no
25 longer accurate, a disclosure that:
26
 - 27 i. Cannabis is illegal under U.S. federal law, and
 - 28 ii. Under the United States government’s 1986 Gun Control Act, any
29 ‘unlawful’ user of a controlled substance is prohibited from purchasing or
30 owning a gun.

31
32
33
34
35
36
37
38 III. The commission may require that franchise cannabis retail outlets ~~and cannabis retail~~
39 ~~stores~~ shall display informational posters in conspicuous locations about the risks of
40 cannabis use, including regarding risks during pregnancy and breastfeeding and risks
41 of cannabis use in adolescents or by younger adults. The posters shall be scientifically
42 accurate.

43
44 IV. All cannabis and cannabis products sold by a franchise cannabis retail outlet ~~and~~
45 ~~cannabis retail store~~ shall include warning labels that provide the following
46 information: “Warning: This product has intoxicating effects. For use by adults 21

and older. Keep out of reach of children.” The department Commission may require a standard, recognizable symbol on all cannabis packaging to signify that THC or other cannabinoids are included in the product.

V. All cannabis products sold by franchise cannabis retail outlet ~~and a cannabis retail stores~~ shall include:

- a. A warning label that provides, “Caution: When eaten or swallowed, the intoxicating effects of this product may be delayed ~~by up to 2 hours~~,” unless the commission determines that a different time frame should be specified.
- b. A disclosure of ingredients and possible allergens.
- c. A nutritional fact panel.
- d. Opaque, child-resistant packaging, which shall be designed or constructed to be significantly difficult for children under 5 years of age to open and not difficult for normal adults to use properly as defined by 16 C.F.R. section 1700.20.

VI. All franchise cannabis retail outlets shall include in their inventory Medical Lock boxes for sale to help keep cannabis and cannabis products away from children.

318-F:9 Franchise Fee Imposed

- I. A franchise fee on the monthly total gross revenue derived from the sale of cannabis and cannabis products, ~~excluding the sale of cannabis accessories~~ by a franchise cannabis retail outlet ~~and cannabis retail store~~ imposed at the rate of 15% percent. The municipalities where the franchise cannabis retail outlet or cannabis retail store is located will receive 1% of the 15% ~~fee tax~~ imposed on the cannabis franchise cannabis retail outlet or cannabis retail store.
- II. ~~No more than 15 retail franchisee licenses will be issued.~~
- III. The commission shall adopt rules under RSA 541-A relative to the franchise fee procedures needed to implement the provisions of this section.

318-F: 10 Residency Required.

- I. Except as provided in this section, any person applying for a cannabis establishment license shall be a resident, or shall have at least one director, officer, or partner who is a New Hampshire resident.
- II. This section shall not apply to an applicant for a testing facility registration.

318-F:11 Alcohol Infused Cannabis Products Prohibited

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46

- I. It is unlawful to manufacture, import, offer, or sell in this state a consumable product that contains cannabis or any form of tetrahydrocannabinol in combination with beer, wine, spirits, or any other type of liquor in the same product.
- II. In accordance with section 1 of this act, it is unlawful to manufacture, import, offer, or sell in this state a consumable product that contains cannabis or any form of tetrahydrocannabinol in combination with beer, wine, spirits, or any other type of liquor in the same product.

318-F:12 Tracking System

- I. The commission shall require all cannabis establishments to utilize an **electronic** inventory tracking system, including use of a universal product code, for tracking the transfer of cannabis and cannabis products between licensed cannabis establishments and the sale of cannabis and cannabis products to consumers. The system, shall ensure an accurate accounting **from seedling to sale**, of the production, processing, and sale of cannabis and cannabis products and shall enable separate tracking of cannabis flowers, immature cannabis plants, and other parts of cannabis sold from cannabis cultivation facilities The system shall allow for the tracking of lab testing results for all cannabis and shall be capable of swiftly identifying all products involved in a product recall. The commission may develop and maintain a system that satisfies the requirements of this section, or it may select a vendor to develop and maintain a system.

318-F:13 Enactment of Municipal Ordinance.

- I. The voters of any city or town shall vote on whether to allow cannabis establishments in the municipality at the biennial election held in **biennial election**. The wording of the question shall be substantially as follows: “Shall we allow the operation of cannabis establishments within this city or town?” ~~and “Shall we allow the operation of a franchise cannabis retail outlet or cannabis retail store in this city or town?”~~ ~~If a majority of the qualified voters present and voting in a municipality signal their approval of the operation of cannabis establishments, then cannabis establishments may start applying for approval on or after July 1, 2025.~~ The recount of any local option vote, the procedures for holding such a recount, the declaration of the results of such a recount and the procedure for an appeal from such a recount shall be as provided in RSA 660:13-15. A municipality’s prohibition on cannabis establishments may not prohibit transportation through the municipality or deliveries within the municipality by cannabis establishments located in other jurisdictions.
- II. In a municipality that voted to permit cannabis establishments, if the municipality has a zoning ordinance, it shall consider adoption of an innovative land use control pursuant to RSA 674:21, II specifying where a cannabis establishment will be a permitted use and further provide what, if any, conditions will be placed upon cannabis establishments. If a municipality has passed an innovative land use control relative to cannabis establishments, it shall notify the liquor commission within 90 days of passage. Municipalities without

1 zoning ordinances or which have failed to pass an innovative land use control relative to
2 cannabis establishments will be governed by the provisions of RSA 318-F and
3 administrative rules relating to cannabis establishments enacted pursuant to RSA 541-A.
4 No local ordinance may be less restrictive than the provisions of RSA 318-F or
5 administrative rules enacted pursuant to RSA 541-A.

6
7 **318-F:14 Restrictions on Location Near Schools.**

8
9 *f. No cannabis establishment shall operate, nor shall a prospective cannabis establishment
10 apply for a license, if the establishment would be located within 1000 feet of any public
11 or private school, church, chapel, or parish house. ~~2,000 feet 1 mile of the property~~
12 ~~line of a pre-existing public or private school church, chapel or parish house, elementary,~~
13 ~~or secondary school in municipalities with less than 50,000 residents and one-half mile for~~
14 ~~municipalities with more than 50,000 residents.~~*

15
16 **318-F:15 Lawful Operation of Cannabis-Related Facilities.**

17 *I. If undertaken by a person 21 years of age or older, the following acts shall ~~not~~ be illegal
18 under New Hampshire law or be a basis for seizure or forfeiture of assets under New
19 Hampshire law:*

20
21 *a. Possessing, displaying, warehousing or transporting and distribution cannabis or
22 cannabis products; obtaining or purchasing cannabis from a cannabis cultivation
23 facility; delivering or transferring cannabis to a cannabis testing facility;
24 obtaining or purchasing cannabis or cannabis products from a cannabis product
25 manufacturing facility; or sale, delivery, or distribution of cannabis or cannabis
26 products to an adult who is 21 years of age or older or to franchise cannabis
27 retail outlet and cannabis retail store or alternative treatment centers, if the
28 person or business entity conducting the activities described in this paragraph
29 has obtained a current, valid license to operate a franchise cannabis retail outlet
30 or cannabis retail store or is acting in his or her capacity as an owner, employee,
31 or agent of a licensed franchise cannabis retail outlet or cannabis retail store*

32
33 *b. Cultivating, harvesting, processing, packaging, transporting, distributing
34 displaying, or possessing cannabis; obtaining or purchasing cannabis seeds or
35 seedlings or immature cannabis plants from any adult 21 years of age or older;
36 delivering or transferring cannabis to a cannabis testing facility; selling or
37 transferring cannabis that has not been processed into extracts, concentrates, or
38 other preparations to a cannabis cultivation facility, a cannabis product
39 manufacturing facility, or a franchise cannabis retail outlet, cannabis retail store,
40 alternative treatment center; or obtaining or purchasing cannabis from a
41 cannabis cultivation facility, if the person or business entity conducting the
42 activities described in this paragraph has obtained a current, valid license to*

1 *operate a cannabis cultivation facility or is acting in his or her capacity as an*
2 *owner, employee, or agent of a licensed cannabis cultivation facility.*

3
4 c. *Packaging, processing, transporting, manufacturing, displaying, or possessing*
5 *cannabis or cannabis products; delivering or transferring cannabis or cannabis*
6 *products to a cannabis testing facility; selling cannabis or cannabis products to a*
7 *franchise cannabis retail outlet or cannabis retail store , alternative treatment*
8 *center, or a cannabis product manufacturing facility; purchasing or obtaining*
9 *cannabis from a cannabis cultivation facility; or purchasing or obtaining*
10 *cannabis or cannabis products from a cannabis product manufacturing facility, if*
11 *the person or business entity conducting the activities described in this paragraph*
12 *has obtained a current, valid license to operate a cannabis product manufacturing*
13 *facility or is acting in his or her capacity as an owner, employee, or agent of a*
14 *licensed cannabis product manufacturing facility.*

15
16 d. *Possessing, obtaining, cultivating, processing, storing, transporting, receiving, or*
17 *displaying cannabis or cannabis products if the person or business entity has*
18 *obtained a current, valid license to operate a cannabis testing facility or is acting*
19 *in his or her capacity as an owner, employee, or agent of a licensed cannabis*
20 *testing facility.*

21
22 e. *Engaging in any activities involving cannabis or cannabis products if the person*
23 *or business entity conducting the activities has obtained a current, valid license to*
24 *operate a cannabis establishment or is acting in his or her capacity as an owner,*
25 *employee, or agent of a licensed cannabis establishment, and the activities are*
26 *within the scope of activities allowed by the commission for that type of cannabis*
27 *establishment.*

28
29 f. *Possessing, obtaining, cultivating, processing, storing, transporting, and*
30 *distributing, or receiving cannabis obtained from a cannabis establishment or*
31 *transporting, distributing, delivering, or transferring cannabis to a cannabis*
32 *establishment if the person or business entity has obtained a current, valid license*
33 *to operate a cannabis transporter or Cannabis distributor or is acting in his or*
34 *her capacity as an owner, employee, or agent of a licensed ~~registered~~ cannabis*
35 *transporter or cannabis distributor.*

36
37 g. *Obtaining or purchasing cannabis from a cannabis cultivation facility; delivering*
38 *or transferring cannabis to a cannabis testing facility; or obtaining or purchasing*
39 *cannabis or cannabis products from a cannabis product manufacturing facility if*
40 *the person or business entity conducting the activities described in this paragraph*
41 *possesses a valid license to operate an alternative treatment center or is acting in*
42 *his or her capacity as an owner, employee, or agent of a licensed alternative*
43 *treatment center.*

1
2 h. *Leasing or otherwise allowing the use of property owned, occupied, or controlled*
3 *by any person, corporation, or other entity for any of the activities conducted*
4 *lawfully in accordance with this chapter.*

5
6 i. *Selling, offering for sale, transferring, transporting, or delivering cannabis to*
7 *establishments licensed to process or sell cannabis under the laws of other states*
8 *if the person or business entity has obtained a current, valid license to operate a*
9 *cannabis transporter, cannabis product manufacturing facility, or cannabis*
10 *cultivation facility or is acting in his or her capacity as an owner, employee, or*
11 *agent of a cannabis transporter, cannabis product manufacturing facility, or*
12 *cannabis cultivation facility.*

13 **318-F:16 Proof of Purchaser's Identity.**

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

18
19 II. Photographic identification presented under this section shall be consistent with the
20 appearance of the person and shall not be expired and shall be correct and free of
21 alteration, erasure, blemish, or other impairment.

22
23 III. The establishment of all of the following facts by a franchise cannabis retail outlet ~~or~~
24 ~~cannabis retail store~~ or an agent or employee of a franchise cannabis retail outlet or
25 cannabis retail store making a sale of cannabis or cannabis accessories to a person under
26 the age of 21 shall constitute an affirmative defense to any prosecution for such sale:

27
28 a. That the person presented what an ordinary and prudent person would believe to
29 be valid documentation of a type listed in RSA 179:8.

30
31 b. That the sale was made in good faith relying upon such documentation and
32 appearance in the reasonable belief that the person was 21 years of age or older.
33 No identification scanning or collection of personally identifiable information
34 shall be required under this section.

35 **318-F:17 Enforcement Activity Verifying Noncompliance.**

36 I. It shall be a violation to sell any cannabis, cannabis product, **cannabis accessories** or
37 cannabis paraphernalia to a minor during enforcement activity initiated solely for the
38 purpose of verifying noncompliance with 318-F:18. It shall be a misdemeanor to
39 knowingly sell cannabis, cannabis product, or cannabis paraphernalia to a minor at
40 the time of any such enforcement activity. The commission shall retain the right to
41 require the licensee in such a circumstance to initiate additional training of its staff or

individual employee. This section shall not apply to law enforcement initiatives involving surveillance, investigations, or criminal complaints of 318-F:18.

318-F:18 Driving; Minors; and Control of Property.

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

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

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

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

~~a. In the case of the rental of a residential dwelling, a landlord shall not prohibit the possession of cannabis or the consumption of cannabis by non-smoked means unless:~~

~~i. The tenant is a roomer who is not leasing the entire residential dwelling;~~

~~ii. The residence is incidental to the provision of educational, counseling, religious, or similar service;~~

~~iii. The residence is a transitional housing facility; or~~

~~iv. Failing to prohibit cannabis possession or consumption would violate federal law or regulations or cause the landlord to lose a monetary or licensing-related benefit under federal law or regulations.~~

b. This chapter shall not prevent a landlord from prohibiting cannabis smoking or cannabis cultivation.

c. An adult who is 21 or older may use cannabis on privately owned real property only with permission of the property owner or, in the case of leased or rented property, with the permission of the tenant in possession of the property, except that a tenant shall not allow a person to smoke cannabis on rented property if

1 smoking on the property violates the lease or the lessor's rental policies that
2 apply to all tenants at the property. However, a tenant may permit an adult who
3 is 21 or older to use cannabis on leased property by ingestion or inhalation
4 through vaporization even if smoking is prohibited by the lease or rental policies.
5 For purposes of this chapter, vaporization shall mean the inhalation of cannabis
6 without the combustion of the cannabis.

7 **318-F:19 Enforcement of Contracts.**

- 8 I. *Contracts related to the operation of a cannabis establishment licensed pursuant to this*
9 *chapter shall be enforceable. No contract entered into by a licensed cannabis*
10 *establishment or its employees or agents as permitted pursuant to a valid license, or by*
11 *those who allow property to be used by an establishment, its employees, or its agents as*
12 *permitted pursuant to a valid license, shall be unenforceable on the basis that cultivating,*
13 *obtaining, manufacturing, distributing, dispensing, transporting, selling, possessing, or*
14 *using cannabis is prohibited by federal law.*

15 **318-F:20 Non-Discrimination for State-Legal Cannabis Activities and Prior Convictions.**

16 *(language form HB 639)*

- 17 I. *Except as provided in this section, a holder of a professional or occupational license*
18 *may not be subject to professional discipline for:*
19
20 a. *Providing advice or services related to cannabis establishments or applications to*
21 *operate cannabis establishments on the basis that cannabis is illegal under*
22 *federal law; or*
23
24 b. *Engaging in activities allowed by this chapter.*
25
26 II. *An applicant for a professional or occupational license may not be denied a license*
27 *based on:*
28
29 a. *Previous employment related to cannabis establishments operating in accordance*
30 *with state law;*
31
32 b. *A prior conviction for a non-violent cannabis offense that does not involve*
33 *distribution ~~to minors~~, or*
34
35 c. *Engaging in activities allowed by this chapter.*
36
37 III. *Except as provided in this section, neither the state nor any of its political subdivisions*
38 *may impose any penalty or deny any benefit or entitlement for conduct permitted under*
39 *this chapter or for the presence of cannabinoids or cannabinoid metabolites in the*
40 *urine, blood, saliva, breath, hair, or other tissue or fluid of a person who is 21 years of*
41 *age or older.*

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43

IV. *Except as provided in this section, neither the state nor any of its political subdivisions may deny a driver's license, a professional license, housing assistance, social services, or other benefits based on cannabis use or for the presence of cannabinoids or cannabinoid metabolites in the urine, blood, saliva, breath, hair, or other tissue or fluid of a person who is 21 years of age or older.*

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

VI. *Except as provided in this section, neither the state nor any of its political subdivisions may discriminate against a person in hiring, termination, or any term or condition of employment, or otherwise penalize a person in employment or contracting, if the discrimination is based upon either of the following:*

- a. *Engaging in activities allowed by this chapter;*
- b. *A prior conviction for a non-violent cannabis offense that does not involve distribution ~~to minors~~; or*
- c. *Testing positive for the presence of cannabinoids or cannabinoid metabolites in the urine, blood, saliva, breath, hair, or other tissue or fluid of the individual's body.*

VII. *This section does not prevent an employer from disciplining an employee or contractor for ingesting cannabis in the workplace or for working while impaired by cannabis.*

- a. *The protections provided by this section do not apply to the extent that they conflict with a governmental employer's obligations under federal law or regulations or to the extent that they would disqualify the entity from a monetary or licensing-related benefit under federal law or regulations.*
- b. *This section does not authorize any person to engage in, and does not prevent the imposition of any civil, criminal, disciplinary, or other penalties, including discipline or termination by a governmental employer, any task while under the influence of cannabis, when doing so would constitute negligence or professional malpractice.*

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

IX. Notwithstanding any other provision of law, unless there is a specific finding that the individual's use, cultivation, or possession of cannabis could create a danger to the individual or another person, it shall not be a violation of conditions of parole, probation, or pre-trial release to:

- a. Engage in conduct allowed by this chapter; or
b. Test positive for cannabis, tetrahydrocannabinol, or any other cannabinoid or metabolite of cannabis.

X. This section does not authorize any person to engage in, and does not prevent the imposition of any penalties for engaging in, the following conduct:

- a. Undertaking any task under the influence of cannabis, when doing so would constitute negligence or professional malpractice.
b. Operating, navigating, or being in actual physical control of any motor vehicle, aircraft, train, or motorboat while under the influence of cannabis.

318-F:21 Data Collection Related to Cannabis Legalization and Regulation.

No later than 6 months after the effective date of this chapter and every 2 years thereafter, the department of safety, information and analysis center, drug monitoring initiative, shall produce and publish a report that includes nonidentifiable personal / individual or baseline data and the most current data regarding health and welfare outcomes since cannabis became legal and regulated for adults' use, including but not limited to high school graduation rates; youth and adult rates of alcohol, cannabis, and illegal drug use; rates of maladaptive use of cannabis; rates of alcohol abuse; opiate use and abuse rates; the number and type of youth and adult convictions for cannabis offenses; and the rates of individuals needing but not receiving cannabis use disorder substance abuse treatment. The report shall also include information on treatment and prevention services provided, education campaigns undertaken, and funding allocated under RSA 318-F:21.

I. No later than 6 months after the effective date of this chapter, and again 18 months after the effective date of this chapter, the Judicial Branch shall produce and publish a report that includes the number of cases dismissed pursuant to RSA 651:5-e.

318-F:22 Cannabis Fund Established.

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

1 financial institution as defined in RSA 383-A:2-201(a)(27-a), with a branch in the
2 state. Moneys credited to the fund shall include deposits into the fund by the
3 commission pursuant to this chapter.
4

5 II. For the biennium ending **June 30, 2025**, and every biennium thereafter, the commission
6 shall include the cost of administration of this chapter in the commission's efficiency
7 expenditure request pursuant to RSA 9:4.
8

9 III. For the biennium ending **June 30, 2025**, the sum of **9,645,920** is hereby appropriated
10 to the Liquor Commission for the cost of administration of this chapter. Said sum shall
11 be a charge against the fund.
12

13 IV. For the biennium ending **June 30, 2025**, the sum of \$500,000 is hereby appropriated to
14 the substance use prevention and recovery fund established in RSA 318-F:23 for the
15 cost of developing and implementing a public education campaign prior to initiation of
16 retail sales. Said sum shall be a charge against the fund.
17

18 V. After deducting appropriations charged to the fund for the cost of administration of this
19 chapter, the remaining funds shall be appropriated and distributed on a quarterly basis
20 as follows:
21

22 a. The sum of \$100,000 annually to the department of safety, information and analysis
23 center, drug monitoring initiative, for data collection and reporting related to the
24 health impacts of cannabis prohibition and cannabis regulation; and
25

26 b. Of the remaining funds:
27

28 i. Fifty percent of remaining funds shall be disbursed to the education trust
29 fund established in RSA 198:39. The comptroller shall notify the
30 commissioner of the department of revenue administration of the amount of
31 the transfer. For the purpose of setting the education tax rate under RSA
32 76:3, the amount of revenue required to be collected pursuant to RSA 76:3
33 shall be reduced by the amount transferred to the education trust fund as
34 required in this subparagraph, and the commissioner shall set the rate at a
35 level sufficient to generate the reduced amount. This rate shall be effective
36 for the following fiscal year.
37

38 ii. ~~Twenty-Thirty~~ percent of remaining funds shall be disbursed to the
39 department of administrative services to be credited to the New Hampshire
40 retirement system to offset the retirement system's unfunded accrued
41 liability. Upon certification by the commissioner of the department of
42 administrative services that the retirement system has no remaining
43 unfunded accrued liability, this disbursement of funds shall be credited to
44 the education trust fund established in RSA 198:39.
45

- 1 iii. ~~Ten percent of remaining funds, or \$25,000,000, whichever is less, shall be~~
2 ~~credited to the substance abuse prevention and recovery fund in RSA 318-~~
3 ~~F:22 for use by the department of health and human services, bureau of drug~~
4 ~~and alcohol services, in evidence-based, voluntary programs for substance~~
5 ~~use-related education, prevention, treatment, and recovery that includes~~
6 ~~mental health treatment that is contributing to substance misuse, and for~~
7 ~~scientifically and medically accurate public education campaigns educating~~
8 ~~youth and adults about the health and safety risks of alcohol, tobacco,~~
9 ~~cannabis, and other substances, including education campaigns separately~~
10 ~~targeting youth and adults that provide medically and scientifically accurate~~
11 ~~information about the health and safety risks posed by cannabis use,~~
12 ~~including driving under the influence of cannabis. Twenty percent shall be~~
13 ~~allocated to the substance abuse prevention and recovery fund established~~
14 ~~by RSA 318-F:23~~
- 15
- 16 iv. Five percent of remaining funds shall be disbursed to public safety agencies,
17 including police, fire, and rescue agencies, for the hiring and training of
18 additional drug recognition experts, for advanced roadside impaired driving
19 enforcement training, and to assist in responding to drug overdose incidents.
- 20
- 21 v. Five percent of remaining funds shall be disbursed to the department of
22 health and human services, division for behavioral health, bureau of
23 children's behavioral health, to be used for children's behavioral health
24 services.
- 25

318-F:23 Substance Abuse Prevention and Recovery Fund Established

26
27
28 I. *There is hereby established in the state treasury the non-lapsing substance abuse*
29 *prevention, treatment and recovery fund that shall be kept distinct and separate from*
30 *all other funds. All proceeds allocated to the fund pursuant to RSA 318-F:22 shall be*
31 *deposited in the fund. The state treasurer shall invest the fund in accordance with RSA*
32 *6:8. Any earnings on fund moneys shall be added to the fund. All moneys in the fund*
33 *shall be non-lapsing and shall be continually appropriated to the commissioner of the*
34 *department of health and human services for the purposes and in the manner set forth*
35 *in RSA 126-A:98.*

STATUTORY CHANGES

- 38 8. Controlled Drug Act; Definitions. Amend the introductory paragraph in RSA 318-B:1, X-
39 a(k) to read as follows:
40 (k) Objects used or intended for use or customarily intended for use in ingesting, inhaling, or
41 otherwise introducing [~~marijuana,~~] cocaine[~~, hashish, or hashish oil~~] into the human body, such
42 as:
- 43
- 44 9. Controlled Drug Act; Penalties. Amend the introductory paragraph in RSA 318-B:26, I to
45 read as follows:

1 I. Any person who manufactures, sells, prescribes, administers, or transports or possesses with
2 intent to sell, dispense, or compound any controlled drug, controlled drug analog or any
3 preparation containing a controlled drug, except as authorized in this chapter *or as otherwise*
4 *authorized by law*; or manufactures, sells, or transports or possesses with intent to sell,
5 dispense, compound, package or repackage (1) any substance which he *or she* represents to be
6 a controlled drug, or controlled drug analog, or (2) any preparation containing a substance
7 which he *or she* represents to be a controlled drug, or controlled drug analog, shall be
8 sentenced as follows, except as otherwise provided in this section:
9

10 10. Controlled Drug Act; Penalties. Amend the introductory paragraph in RSA 318-B:26, II to
11 read as follows:

12 II. Any person who knowingly or purposely obtains, purchases, transports, or possesses
13 actually or constructively, or has under his control, any controlled drug or controlled drug
14 analog, or any preparation containing a controlled drug or controlled drug analog, except as
15 authorized in this chapter *or as otherwise authorized by law*, shall be sentenced as follows,
16 except as otherwise provided in this section:
17

18 11. Controlled Drug Act; Penalties. Amend RSA 318-B:26, II(c)-(e) to read as follows:

19 (c) In the case of more than 3/4 ounce of marijuana or more than 5 grams of hashish, including
20 any adulterants or dilutants[;] *is possessed by a person who is under 21 years of age, or, in*
21 *the case of an amount exceeding the possession limit defined in RSA 318-F:1 possessed by*
22 *a person who is 21 years of age or older, except if possessed by a person authorized pursuant*
23 *to RSA 126-X*, the person shall be guilty of a misdemeanor. [~~In the case of marijuana-infused~~
24 ~~products possessed by persons under the age of 21 or marijuana-infused products as defined in~~
25 ~~RSA 318-B:2-c, other than a personal-use amount of a regulated marijuana-infused product as~~
26 ~~defined in RSA 318-B:2-c, I(b), that are possessed by a person 21 years of age or older, the~~
27 ~~person shall be guilty of a misdemeanor.~~]

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

34 (e) In the case of a residual amount of a controlled [~~substance;~~] *drug, other than*
35 *marijuana* [~~as defined in RSA 318-B:1, XXIX-a~~], a person shall be guilty of a misdemeanor
36 if the person is not part of a service syringe program under RSA 318-B:43.
37

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

39 (a) [~~Except as provided in RSA 318-B:2-c;~~] Controls any premises or vehicle where he or she
40 knows a controlled drug or its analog, *other than marijuana*, is illegally kept or deposited;
41

42 13. Personal Possession of Marijuana. Amend RSA 318-B:2-c to read as follows:

43 318-B:2-c [~~Personal~~] Possession of Marijuana *by a Person Under 21 Years of Age*.

44 [I.] In this section:

45 [(a)] I. "Marijuana" *is defined as stated in RSA 318-F:1 II includes the leaves, stems, flowers,*
46 *and seeds of all species of the plant genus cannabis, but shall not include the resin extracted*

1 from any part of such plant and every compound, manufacture, salt, derivative, mixture, or
2 preparation from such resin including hashish, and further, shall not include the mature stalks
3 of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant,
4 any other compound, manufacture, salt, derivative, mixture, or preparation of such mature
5 stalks, fiber, oil or cake, or the sterilized seed of such plant which is incapable of germination.
6 ~~[(b) "Personal-use amount of a regulated marijuana-infused product" means one or more~~
7 ~~products that is comprised of marijuana, marijuana extracts, or resins and other ingredients and~~
8 ~~is intended for use or consumption, such as, but not limited to, edible products, ointments, and~~
9 ~~tinctures, which was obtained from a state where marijuana sales to adults are legal and~~
10 ~~regulated under state law, and which is in its original, child-resistant, labeled packaging when~~
11 ~~it is being stored, and which contains a total of no more than 300 milligrams of~~
12 ~~tetrahydrocannabinol.]~~

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

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

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

24 (a) Except as provided in this paragraph, any person 18 years of age or older who is convicted
25 of violating paragraph II or III~~[, or any person 21 years of age or older who is convicted of~~
26 ~~violating paragraph IV]~~ shall be subject to a fine of \$100 for a first or second offense under
27 this paragraph, or a fine of up to \$300 for any subsequent offense within any 3-year period;
28 however, any person convicted based upon a complaint which alleged that the person had 3 or
29 more prior convictions for violations of paragraph II~~;~~ *or* III~~[-or IV]~~, or under reasonably
30 equivalent offenses in an out-of-state jurisdiction since the effective date of this paragraph,
31 within a 3-year period preceding the fourth offense shall be guilty of a class B
32 misdemeanor. The offender shall forfeit the marijuana~~[, regulated marijuana-infused~~
33 ~~products,]~~ or hashish to the state. A court shall waive the fine for a single conviction within a
34 3-year period upon proof that person has completed a substance abuse assessment by a licensed
35 drug and alcohol counselor within 60 days of the conviction. A person who intends to seek an
36 assessment in lieu of the fine shall notify the court, which shall schedule the matter for review
37 after 180 days. Should proof of completion of an assessment be filed by or before that time,
38 the court shall vacate the fine without a hearing unless requested by a party.

39 (b) Any person under 18 years of age who is convicted of violating paragraph II or III shall
40 forfeit the marijuana or hashish and shall be subject to a delinquency petition under RSA 169-
41 B:6.~~[VI.]~~ V.(a) Except as provided in this section, no person shall be subject to arrest for a
42 violation of paragraph II~~;~~ *or* III~~[-or IV]~~ and shall be released provided the law enforcement
43 officer does not have lawful grounds for arrest for a different offense.

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

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

3 (d) Any person *under 21 years of age who is* in possession of an identification card, license,
4 or other form of identification issued by the state or any state, country, city, or town, or any
5 college or university, who fails to produce the same upon request of a police officer or who
6 refuses to truthfully provide his or her name, address, and date of birth to a police officer who
7 has informed the person that he or she has been found to be in possession of what appears to
8 the officer to be 3/4 of an ounce or less of marijuana[; ~~a personal-use amount of a regulated~~
9 ~~marijuana-infused product~~], or 5 grams or less of hashish, may be arrested for a violation of
10 paragraph II[;] *or* III[; ~~or IV~~].

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

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

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

22 14. Alcohol or Drug Impairment; Possession of Drugs. Amend RSA 265-A:43 to read as follows:

23 265-A:43 Possession of Drugs. Any person who drives on any way a vehicle while knowingly
24 having in his or her possession or in any part of the vehicle a controlled drug or controlled drug
25 analog in violation of the provisions of RSA 318-B shall be guilty of a misdemeanor, and his
26 or her license shall be revoked or his or her right to drive denied for a period of 60 days and at
27 the discretion of the court for a period not to exceed 2 years. This section shall not apply to
28 the possession of marijuana or hashish as provided in RSA 318-B:2-c[; ~~or a personal-use~~
29 ~~amount of a regulated marijuana-infused product as defined in RSA 318-B:2-c, I(b)~~].

30
31 ~~15. New Section; Sentences; Annulment of Certain Arrests and Convictions for~~
32 ~~Cannabis. Amend RSA 651 by inserting after section 5 b the following new section:~~

33 ~~651:5-e Certain Crimes Not to be Pursued; Dismissal.~~

34 ~~I. As used in this section:~~

35 ~~(a) "Cannabis" means "cannabis" as defined in RSA 318-F:1, II.~~

36 ~~(b) "Possession limit" means "possession limit" as defined in RSA 318-F:1, XVIII.~~

37 ~~II.(a) Except to the extent required to dismiss, withdraw, or terminate the charge, no prosecutor~~
38 ~~shall pursue any charge based on crimes or offenses pending with a court that occurred prior~~
39 ~~to the effective date of RSA 318-F, involving a person 21 years of age or older knowingly or~~
40 ~~purposely obtaining, purchasing, transporting, manufacturing or possessing, actually or~~
41 ~~constructively, or having under his or her control, no more than the possession limit of cannabis~~
42 ~~where the offense occurred before the effective date of RSA 318-F.~~

43 ~~(b) The existence of convictions in other counts within the same case that are not eligible for~~
44 ~~dismissal pursuant to this section or other applicable laws shall not prevent any conviction~~
45 ~~otherwise eligible for dismissal under this section from being dismissed pursuant to this~~
46 ~~section.~~

~~III. On the first day of the fifth month next following the effective date of RSA 318-F, any guilty verdict, plea, placement in a diversionary program, or other entry of guilt on a matter that was entered prior to that effective date, but the judgment of conviction or final disposition on the matter was not entered prior to that date, and the guilty verdict, plea, placement in a diversionary program, or other entry of guilt solely involved one or more crimes or offenses involving a person 21 years of age or older knowingly or purposely obtaining, purchasing, transporting, manufacturing or possessing, actually or constructively, or having under his or her control, no more than the possession limit of cannabis, shall be vacated by operation of law. The judicial branch, in consultation with the attorney general, may take any administrative action as may be necessary to vacate the guilty verdict, plea, placement in a diversionary program, or other entry of guilt.~~

16. Assessment; Education Tax. Amend RSA 76:3 to read as follows:
76:3 Education Tax. Beginning July 1, 2005, and every fiscal year thereafter, the commissioner of the department of revenue administration shall set the education tax rate at a level sufficient to generate revenue of \$363,000,000, *less any amount credited to the education trust fund pursuant to RSA 318-F:25*, when imposed on all persons and property taxable pursuant to RSA 76:8, except property subject to tax under RSA 82 and RSA 83-F. The education property tax rate shall be effective for the following fiscal year. The rate shall be set to the nearest 1/2 cent necessary to generate the revenue required in this section.
17. Use of Cannabis for Therapeutic Purposes; Definition of Alternative Treatment Center. Amend RSA 126-X:1, I to read as follows:
I. "Alternative treatment center" means a *domestic business corporation organized under RSA 293-A, a domestic limited liability company organized under RSA 304-C, or a not-for-profit [entity] voluntary corporation organized under RSA 292 that is* registered under RSA 126-X:7 that acquires, possesses, cultivates, manufactures, delivers, transfers, transports, sells, supplies, and dispenses cannabis, and related supplies and educational materials, to qualifying patients, designated caregivers, other alternative treatment centers, and visiting qualifying patients.
18. Use of Cannabis for Therapeutic Purposes; Departmental Administration. Amend RSA 126-X:7, IV(a)(4) to read as follows:
(4) The name, address, and date of birth of each principal officer and board member of the alternative treatment center. The board of *directors, or board of managers as applicable*, for the ~~[nonprofit]~~ *alternative treatment center* shall include at least one physician, advance practice registered nurse, or pharmacist licensed to practice in New Hampshire and at least one patient qualified to register as a qualifying patient. The majority of board members, *or managers as applicable*, shall be New Hampshire residents. A medical professional listed in this subparagraph may be a member of the alternative treatment center board *or directors, or managers as applicable*, but shall not maintain an ownership interest in the center.
19. Use of Cannabis for Therapeutic Purposes; Alternative Treatment Center Requirements. Amend RSA 126-X:8, I to read as follows:

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

4
5 20. New Paragraphs; Use of Cannabis for Therapeutic Purposes; Alternative Treatment Center
6 Requirements. Amend RSA 126-X:8 by inserting after paragraph XVIII the following new
7 paragraphs:

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

11 XX. An alternative treatment center organized as a voluntary corporation under RSA 292 may,
12 on or before December 31, 2024, convert from a voluntary corporation under RSA 292 to either
13 a domestic business corporation organized under RSA 293-A or a limited liability company
14 organized under RSA 304-C in any of the following ways:

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

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

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

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

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

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

43 XXIV.(a) Any alternative treatment center choosing to convert or merge pursuant to this
44 section shall obtain an independent fair market valuation of its total assets as of June 30,
45 2024. The valuation of the total assets of such alternative treatment center, if positive, shall be
46 distributed to one or more charitable organizations solely for charitable purposes. The director

1 of charitable trusts shall receive a copy of the valuation and may file any objection relating
2 thereto with the court within 60 days. Except as set forth in this section and notwithstanding
3 any other law to the contrary, no portion of the assets of such alternative treatment center after
4 the conversion or merger, as applicable, shall be deemed to be charitable assets.

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

8 (c) Any alternative treatment center that has converted or merged pursuant to this section shall,
9 on December 31, 2024 and thereafter for 2 years, annually file a letter with the director of
10 charitable trusts certifying compliance with the requirements of RSA 126-X:8, XX.

11
12 21. Voluntary Corporations; Change of Name. Amend RSA 292:7 to read as follows:
13 292:7 Change of Name; Amending Articles.

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

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

32
33 22. New Subparagraph; New Hampshire Business Corporations Act; Entity Conversion
34 Authorized. Amend RSA 293-A:9.50 by inserting after subparagraph (f) the following new
35 subparagraph:

36 (g) Alternative treatment centers registered pursuant to RSA 126-X and organized pursuant to
37 RSA 292 may become a domestic corporation pursuant to a plan of conversion in accordance
38 with RSA 126-X:8, XX and this subdivision. The alternative treatment center shall be deemed
39 to be a domestic unincorporated entity for purposes of applying RSA 293-A:9.50 through RSA
40 293-A:9.56, except that approval of the conversion shall be as outlined in RSA 126-X:8, XX.

41
42 23. Limited Liability Companies; Statutory Conversions. Amend RSA 304-C:149, I to read as
43 follows:

44 *I.* Any other business entity, *including alternative treatment centers pursuant to RSA 126-*
45 *X:8, XX,* may make a statutory conversion of its business organization form to the limited
46 liability company business organization form under this act by complying with the

1 requirements of this section and with applicable law governing the other business
2 entity. *Approval of a conversion of an alternative treatment center pursuant to this*
3 *paragraph shall be as outlined in RSA 126-X:8, XX.*
4

5 24. New Paragraph; Limited Liability Companies; Statutory Conversions. Amend RSA 304-
6 C:149 by inserting after paragraph VIII the following new paragraph:

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

10
11 25. Liquor Investigation; Training. Amend RSA 176:9 to read as follows:

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

15 II. Any new liquor investigator employed by the commission under this section after August
16 13, 1985, shall, within 6 months of employment, satisfactorily complete a preparatory police
17 training program as provided by RSA 106-L:6, unless he or she has already completed such a
18 program.

19 III. The commissioner, deputy commissioner, assistant, or liquor investigator may enter any
20 place where liquor, beverages, tobacco products, e-cigarettes, *or cannabis* are sold, [ø] *or*
21 *manufactured, or cultivated* at any time, and may examine any license or permit issued or
22 purported to have been issued under the terms of this title. They shall make complaints for
23 violations of this title.

24
25 26. Liquor Commission; Assistants and Employees. Amend RSA 176:7 to read as follows:
26 176:7 Assistants and Employees.

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

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

35
36 27. Prosecutions. Amend RSA 179:59 to read as follows:

37 179:59 Prosecutions. The commission shall appoint liquor investigators whose primary
38 function shall be the proper prosecution of this title *and RSA 318-F.* The liquor investigators
39 shall have statewide jurisdiction, with reference to enforcement of all laws either in
40 cooperation with, or independently of, the officers of any county or town. The commission
41 shall have the primary responsibility for the enforcement of all liquor and beverage laws *and*
42 *cannabis laws* upon premises where liquor, [and] beverages, *and cannabis* are lawfully sold,
43 stored, distributed, or manufactured *or cultivated.* Any person violating the provisions of any
44 law may be prosecuted by the commission or any of its investigators as provided in this section,
45 or by county or city attorneys, or by sheriffs or their deputies, or by police officials of towns.
46

DRAFT

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

3 III. In the event that the commission determines New Hampshire cannabis revenues are being
4 diverted by actions taken by persons holding any type of cannabis license, the commission may
5 take such marketing or merchandising action, or both, as it deems necessary, including
6 sanctions against the competing entities.
7

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

10 VI. A retail tobacco license is authorized to sell cannabis accessories and cannabis
11 paraphernalia as defined in RSA 318-F.
12
13

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

16 IX-a. Cannabis licenses, including:

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

19 (b) License operations for each cannabis license type.

20 (c) Collection of additional fees as required by statute.
21
22

23 **31. Appropriations.**

24 *I. The sum of \$100,000 for the fiscal year ending June 30, 2025 is hereby appropriated to*
25 *the department of safety, information and analysis center, drug monitoring initiative, for the*
26 *purpose of collecting baseline data to be used in the reports required pursuant to RSA 318-*
27 *F:21. The governor is authorized to draw a warrant for said sum out of any money in the*
28 *treasury not otherwise appropriated.*

29 *II. The sum of \$9,645,920 for the fiscal year ending June 30, 2024 is appropriated to the*
30 *liquor commission for the cost of administration of RSA 318-F. The governor is authorized*
31 *to draw a warrant for said sum from any money in the treasury not otherwise appropriated.*

32 *III. The sum of \$8,000,000 for the fiscal year ending June 30, 2025 is hereby appropriated*
33 *to the liquor commission for deposit into the cannabis fund established in RSA 318-F:22 for*
34 *the administration of RSA 318-F. The governor is authorized to draw a warrant for said*
35 *sum out of any money in the treasury not otherwise appropriated.*

36 *IV. The sum of \$500,000 for the biennium ending June 30, 2025 is hereby appropriated to*
37 *the substance use prevention and recovery fund established in RSA 318-F:23 for the cost of*
38 *developing and implementing a public education campaign prior to initiation of retail sales.*
39

40 **32. Repeal.** *RSA 318-B:1, X-a(g), relative to separation gins and sifters used or intended for*
41 *use with cannabis, is repealed.*
42

43 **33. New Section:**
44

45 **I. Title**

46 **II. Charge of Commission**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47

1. *Enforcement and oversight of existing laws;*
2. *Public health; and*
3. *Business and economic issues including*
4. *Members*

- a. *Public health*
- b. *A Member of the New Hampshire Association of the Chiefs of Police Association*
- c. *Member of the NH Medical Society*
- d. *Franchisee*
- e. *NH Liquor Commission Designee*

34. Effective Date.

I. RSA 318-F:15, IX, as inserted by section 7 of this act, shall take effect upon certification by the attorney general of New Hampshire to the director of the office of legislative services and the secretary of state that the conduct allowed by that paragraph has become legal under the United States Code.

II. The remainder of this act shall take effect upon its passage.

New Section: Establishing the Cannabis Advisory Board

There shall be a Cannabis Advisory Board (CAB) to study and make recommendations to the NHLC on the regulation, public health issues, and business operations of marijuana.

The CAB shall consist of the following appointees:

1. *The chair of the NHLC or their designee*
2. *The president of the NH Chiefs Assn or their designee*
3. *A Certified Public Health Official appointed by the chairman of Governor’s Commission on Alcohol & Other Drugs*
4. *Medical Provider as appointed by the president of their NH Medical Society*
5. *Commissioner of the Department of Health and Human Services of their designee*
6. *The Commissioner of the Department of Education or their designee*
7. *A Mental Health professionals appointed by the the Executive Director of NH NAMI.*
8. *Member of the public appointed by the Governor*
9. *a State Senator appointed by the Senate President*
10. *2 State Representatives appointed by the Speaker of the House.*

Purpose: The cannabis advisory board shall:

- (i) *consider all matters submitted to it by the commission;*
- (ii) *on its own initiative, recommend to the commission guidelines, rules and regulations and any changes to guidelines, rules and regulations that the advisory*

DRAFT

- 1 board considers important or necessary for the commission's review and
- 2 consideration, and
- 3 (iii) advise on the preparation of regulations
- 4 (iv) Review any new science based evidence of public health issues on the use of
- 5 Cannabis, and make recommendations to the Commission if necessary for
- 6 regulations changes, or make recommendations to possible any necessary legal
- 7 changes needed.

8

9 *The CAB will elect a chair from among its members, the Chair will call meetings as*

10 *needed, as long as at least one meeting a year is called.*

11

12

DRAFT

**COMMISSION TO STUDY WITH THE PURPOSE OF PROPOSING LEGISLATION, STATE-CONTROLLED SALES
OF CANNABIS AND CANNABIS PRODUCTS**

Meeting Minutes 9/8/23

Members Present

Daryl Abbas - Senate

Bill Gannon - Senate

Lou D'Allesandro - Senate

Jared Sullivan - House

John Hunt - House

Jordan Ulery - House

Tim Cahill - House

David Mara - Governor's Designee

John Bryfonski - NHACOP

Ryan Hale - NH Bankers Assoc.

Joseph Mollica - Chair NH Liquor Comm.

James Vara - NH Liquor Comm.

Frank Knaack - ACLU

Debra Naro - CADY

Members Absent

Timothy Lang - Senate

Rebecca Whitley - Senate

Shaun Filiault - House

Nominations and appointments of Chair, Vice Chair, and Clerk of the Committee

Senator Abbas was nominated to be the Chair of the Committee by Representative Hunt. The Motion was seconded by Representative Ulery. The Committee voted unanimously for Senator Abbas to be Chair.

Representative Hunt was appointed Vice Chair of the Committee. The committee unanimously agreed.

Senator Whitley was appointed Clerk of the Committee. The committee unanimously agreed.

Discussion of future meeting topics

- The Liquor commission will give a presentation at the next meeting of the committee on the feasibility of regulating cannabis through the Liquor Commission.
- Issues regarding public use of cannabis and sobriety tests.
- Whether to have a Cannabis Control model through the State or a retail model.
- Issues regarding possession limits of cannabis and cannabis manufactured products.
- Licensing issues and transportation.
- Pricing and revenue impact and where cannabis revenue would go.
- Labeling of products and age requirements.
- Issues regarding the storage of cannabis.
- Therapeutic cannabis use vs recreational cannabis use.
- Cannabis advertising and promotion.
- Issues concerning the health and safety of children.
- Mental health issues associated with cannabis such as cannabis use disorder.
- The committee plans to look at other states that have legalized cannabis and investigate issues that have arisen there. The Committee plans to invite people from those states and Quebec to do presentations on how cannabis legalization has affected their states.
- Issues regarding law enforcement. Motor vehicle accidents, public use, packaging requirements, and transporting cannabis.
- Issues regarding banking.

The Committee agreed to have the next meeting be on Monday, September 18th at 10AM.

The Committee Adjourned

Committee Meeting Minutes

Date: 9/18/23

Attendance – All members present except David Mara

10:10 - Meeting called to order

- A. Senator Whitley declined being appointed Clerk of the Commission.
- B. Senator Whitley nominated Senator Lang to be Clerk of the Commission.
- C. Senator Lang accepted the duty of clerk for the days meeting.

10:13 – Approval of meeting minutes of 9/8/23 – Unanimous

10:15 – Q: Livestream options – A: IT services was setting up livestream as we were speaking.

10:16 Presentation by NHLC – Executive Director Joseph M (See attached Presentation)

Topic and questions:

- a. 3-tiered licensing model – Cultivator – Manufacturer - Franchised retail
- b. Topic: Franchisee will be Private employers/employees
- c. Topic: Pricing Models are left to Franchisee
- d. Number of Cannabis Franchises + to # of State Liquor stores (65)
- e. Growers and Manufacturers would be New Hampshire based. They are inspected and licensed by NHLC Division of Enforcement and Licensing.
- f. Childproof packaging – yes – same as other states is expected.
- g. State will approve and control packaging.
- h. Testing would be done though NHLC division of enforcement and licensing by NHLC licensed 3rd party testing facilities.
- i. Q: Require of Franchises to off for sale 'lockboxes' for product – A: NHLC is open to that.
- j. Q: Can Vape shops become a Franchise – NHLC no position – would be legislative decided.
- k. Q: Franchise Signage – Controlled and approved by NHLC
- l. NHLC Employee (29 Positions) cost all in (Full 65 stores) is approx. \$2.56M – this will be a graduating cost over 5 yrs.
- m. State revenue share is 15% of gross, of that local municipalities will get 1%

- n. Municipalities will need to OPT-IN to allow a franchisee in its jurisdiction.
- o. Municipalities will have Zoning rights for those that opt-in.
- p. NHLC will have enforcement powers including suspension and pulling of licenses – based on regulatory controls that consider Offense severity as well as frequency.
- q. License costs – 1st year \$25,000 slowly lowering over 5 years to \$2,500.
- r. Cultivators and Manufacturer can apply for franchise retail license – not guaranteed approval.
- s. Policy goal is to re-capture sales/revenue that are currently occurring out of state.

Requested Data from NHCL –

1. Change the \$ of sale into how much base plant product (acreage) needed to meet demand. Or change \$ = # of product

Next meeting:

10/5 @ 10AM

Topics:

1. DHHS Medical Cannabis Program representative to discuss how we can allow Franchise model into the ATC without jeopardizing the ATC Medical Cannabis licensure.
2. AG office to discuss State legal liability with the proposed model. Recommendations for language to limit that liability.
3. Add/Change discussion for HB1598.

Senator Lang – Clerk

**COMMISSION TO STUDY WITH THE PURPOSE OF PROPOSING LEGISLATION, STATE-CONTROLLED SALES
OF CANNABIS AND CANNABIS PRODUCTS**

Meeting Minutes 10/5/23

All Members Present

Daryl Abbas - Senate (Chair)

Bill Gannon – Senate

Timothy Lang – Senate

Lou D’Allesandro - Senate

Rebecca Whitley – Senate

Jared Sullivan - House

John Hunt - House

Jordan Ulery - House

Tim Cahill - House

Shaun Filiault - House

John Bryfonski - NHACOP

Ryan Hale - NH Bankers Assoc.

Joseph Mollica - Chair NH Liquor Comm.

James Vara - NH Liquor Comm. Designee

Frank Knaack - ACLU

Debra Naro - CADY here

David Mara - Governor's Designee

Kimberly Youngren - NH Medical Soc.

Myles Matteson - Attorney General, Designee

Approval of Minutes

The Commission amended the previous meetings minutes to reflect that the committee had discussed the possibility of merging the language of HB 1598 with a franchise model.

The Commission approved the adoption of the previous meeting minutes 18-0 with one member abstaining.

Presentation by the Department of Health and Human Services on the Therapeutic Cannabis Program

- The three most important pillars for DHHS regarding the therapeutic cannabis program are patient safety, patient access, and affordability.
- No general fund dollars go to the program. Program is 100% supported by patient fees and license fees. There are 13,866 qualifying patients, 945 designated caregivers, 1,339 certifying medical providers.
- ATC's employ more than 100 people in New Hampshire. State law allows for a maximum of four ATC licenses. They are required to be not-for-profit entities registered with the state charitable trust unit.
- The program has been growing steadily but has slowed in recent years. Patient registration falls in states that legalize adult use. 15 out of 17 states have seen a decline of 31% registration on average. It is expected that people will leave the program if recreational cannabis is legalized.
- There are several reasons patients leave therapeutic programs including choosing to self-medicate, not having to talk to their doctor or pay for a doctor's visit, no state application process or fee, not being in a state registry, recreational cannabis is more affordable.
- People choose to stay in therapeutic programs because of the products themselves, therapeutic education destigmatized use, and it is less expensive. Therapeutic products are cheaper because they are not taxed.
- The franchise model could welcome integrating ATCs into the market.
- Therapeutic markets sell different products than adult use markets. Strains of cannabis that have under 10% THC is not a recreational product. Suppository and topicals are not recreational either.
- DHHS suggests that policy makers could consider opportunities and accommodations for ATC's such as harmonizing lab testing requirements to ensure safety, exempting ATCs from the 15% franchise fee, a dual regulatory structure or a separate integrated license may be considered.
- Remove barriers and area of conflict for ATC's so they can enter the market. Give them an opportunity to have input whatever the draft legislation language is.
- DHHS would recommend the establishment of an advisory board, a public education campaign, support of prevention and treatment efforts, and data collection and monitoring.
- Qualifying medical conditions are established in statute.
- Medical providers certify a medical condition; they do not prescribe or recommend cannabis.
- Qualifying conditions are chronic pain, PTSD, cancer, autism spectrum disorder, opioid use disorder, ALS, MS, epilepsy, HIV/ aides, Crohn's disease, Parkinson's, Alzheimer's.
- Qualifying symptoms are severe pain, muscle spasms, nausea, vomiting, seizures, insomnia, wasting syndrome.
- ATC's products do not have THC limits on because some people need very high doses to relieve pain. Patients are allowed 2 ounces every 10 days.
- Applicants who complete an application with a provider's a signature rarely are denied into the program. However, there are people who apply and never finish the application.
- The Commission could consider Vermont's integrated model.
- The Commission may invite the ATCs in to testify.

Next meeting Date's

10/19 at 9:30. Presentations by the Attorney general and ATC's

10/24 at 10:00 Public Comment

11/3 10:00 AM

11/9 10:00 AM

11/16 at 10:00 AM

11/27 at 9:00 AM

**COMMISSION TO STUDY WITH THE PURPOSE OF PROPOSING LEGISLATION, STATE-CONTROLLED SALES
OF CANNABIS AND CANNABIS PRODUCTS**

Meeting Minutes 10/19/23

Members Present:

Daryl Abbas - Senate (Chair)

Timothy Lang – Senate

Rebecca Whitley – Senate

Jared Sullivan - House

John Hunt - House

Jordan Ulery - House

Tim Cahill - House

Shaun Filiault - House

John Bryfonski - NHACOP

Ryan Hale - NH Bankers Assoc.

Joseph Mollica - Chair NH Liquor Comm.

James Vara - NH Liquor Comm. Designee

Debra Naro - CADY here

Kimberly Youngren - NH Medical Soc.

Myles Matteson - Attorney General, Designee

Members Absent:

Bill Gannon – Senate

Lou D'Allesandro - Senate

David Mara - Governor's Designee

Frank Knaack - ACLU

Approval of Minutes

Minutes approved.

Attorney General Designee Myles Matteson Testimony

- Marijuana is Schedule 1 substance. This carries consequences. Convictions result in one not being able to participate in Federal Housing Programs, to procure certain visas, to have federal employment, or participate in military service.
- There may also be complications for banking and financial institutions. There may be limitations access to Federal Grants and monies.
- The posture of the Federal Law depends on two sources. There is the US DOJ policy relating to the enforcement of the Controlled Substances Act and the annual Appropriations Riders passed by Congress that controls expenditures for the enforcement of certain marijuana related laws.
- Essentially, there is a congressional prohibition against federal resource expenditures to enforce the controlled substance act against medical marijuana state programs.
- The US DOJ has repeatedly reaffirmed its position that the growing, manufacturing, distribution, and sale of marijuana is federally illegal and enforceable. The US DOJ typically focuses resources on certain types of violations of the controlled substances act. Notably those relating to the illicit marijuana trade.
- At different times there have been different objections put forward that concentrate federal resources on the prosecutions that do occur. The Federal interests have been:
 - Preventing usage by minors.
 - Preventing revenue from marijuana from going to criminal organizations.
 - Preventing marijuana as a cover for other drug dealing.
 - Preventing violence around marijuana cultivation and distribution.
 - Preventing drugged driving.
 - Preventing marijuana cultivation or use on Federal lands.
- Since 2015, the Congressional Appropriations Rider has been prohibiting US DOJ from using appropriated funds to prevent certain states, territories, or the District of Columbia from implementing their own laws that authorize the use, distribution, possession, or cultivation of medical marijuana. This has been used as a defense in some cases.
- There are 1000 marijuana federal cases a year. This number is declining. The average prison sentence is 33 months.
- In some cases, the US DOJ has prosecuted people for violating the boundaries of a well-regulated state regime.
- In August, a complaint was filed in Federal Court. The case is the Cannabis Impact Prevention Coalition et al; vs The New York Cannabis Control Board, the New York Office of Cannabis Management, and a number of different state officials including the Governor and other Senior State Officials. The plaintiffs are arguing that the legalization and state regime of marijuana amounts to one of the largest drug trafficking organizations in the country.
- The most unique and permissive state marijuana regime may be the first target of civil lawsuits like in New York and subsequently federal prosecution.
- Adopting a state-controlled system will create liabilities. Both criminal and civil. The Attorney Generals office cannot predict the likelihood or extent of these liabilities. They cannot predict the changes in policy on the federal level that could result in liabilities for state actors.
- The Attorney Generals office does not know what the funding is for enforcing cross-border movements of marijuana. However, it is something that the US DOJ takes note of.

- The allocation of resources is a prosecutorial discretion. The US DOJ may consider it a poor allocation of prosecutorial resources when there is a state control regime in place for many of the controlled substances act violations that they could be prosecuting. This does not necessarily mean that that would eliminate all enforcement activities in the state, it may just mean a reallocation of resources to focus on what prosecutions or investigations may happen. This could mean the US DOJ prosecuting individuals are outside the bounds of the state regime.
- The US DOJ's policy for enforcing the controlled substances act has been modified numerous times.
- If the State was a defendant in a case similar to the one in New York, the Attorney General would represent the State.
- Monies related to the sale of marijuana may be subject to seizure if the US DOJ decided to bring up charges. The Office of the Attorney General may be able to provide an example of how to segregate funds in order to isolate any liabilities impacting any non-marijuana related funding sources.
- Franchises are regulated at the federal level so the commission may take a deeper look into potential issues surrounding that.
- Someone could potentially challenge the regulatory structure of a franchise system in the form of a "flawed regime" if they are seeking relief for an injury that occurred under a certain regulation or statute.
- Noncompliance with a state regime has been a factor in cases the US DOJ has chosen to prosecute.
- It is common for civil cases to be brought forward when groups try to stop state entities from pursuing or enforcing statute. This is common across many different policy areas.
- The uniqueness of the proposed franchise model in New Hampshire would be one of the reasons the US DOJ would choose to go after the State. Unique systems create unique liabilities.
- The Attorney General's Office may give the commission suggestions on sufficient warning labels to limit liability.
- Anyone who participates in the growing, possession, manufacturing, distribution, or sales of recreational cannabis under state law, or aids, facilitates, or finances such actions is at risk of Federal prosecution or other liability from harmed parties.
- The Attorney General will send information regarding the civil case in New York.

Representatives of the Alternative Treatment Center Testimony:

Matt Simon-Director of Government and Public Relations at GraniteLeaf Cannabis

Brandon Pollock- Board Chair of Temescal Wellness

Doctor David Syrek- Medical Director of Sanctuary ATC

Keenan Blum- CEO of GraniteLeaf Cannabis

Dan Smith- Vice President of VS Strategies

- The ATCs provided joint testimony in agree that a franchise model can work in New Hampshire. They also believe the franchise model can be successfully integrated into the Therapeutic Cannabis Program.
- They believe that successful integration between the two programs would help enable a timely and efficient rollout of the adult-use market while maintaining and potentially improving service to registered patients.
- They believe that allowing ATCs to be for-profit organizations is essential to their successful participation in the adult-use market.
- They believe that ATCs can operate within two regulatory structures as long as the rules allow for the ATCs to transition smoothly and serve both markets without facing unnecessary burdens.
- Based on previous commission discussions on ways to integrate ATCs into the adult use market, the ATCs believe that:
 - 1. The most recent draft bill would allow ATCs to operate dual-use “cannabis retail stores” that would exist alongside the franchise model, but the ATC’s themselves would not be franchise stores; or
 - 2. the possibility of dual-use stores being “co-branded” and included in the franchise model. This would be similar to the “mirror the outlet model” for adult-use sales while continuing to dispense to patients under the rules of TCP.
- They believe that if the Liquor Commission regulated the TCP, it may compromise the “medical” aspect of the program, but it could still work.
- They believe one aspect of a workable model is dual-use stores that are cobranded. One being the state brand and the other being the ATC brand.
- ATCs frequently see patients who are battling serious medical conditions and have little to no experience with cannabis. The ATCs believe that these individuals need guidance and support. All three ATCs have medical doctors serving on their boards of directors. Sanctuary ATC has a medical doctor on staff: Dr. David Syrek. They do not want to send patients with serious medical conditions to adult-use stores without support and guidance.
- The ATCs believe that there could be two separate counters in a retail store. Rules could be put in place to require that ATCs prioritize patients before anyone else.
- In dual use stores in Massachusetts, some have different entrances and counters for adult-use vs medical. The main difference in the products is higher strength edible products. The staff are trained differently, and medical marijuana carries no sales tax.
- Since adult-use was legalized in 2018 in Massachusetts, the cost of medical marijuana has gone down 50%.
- Dr. David Syrek is the only certified medical doctor on sight at the ATC’s. He works at Sanctuary ATC.
- The ATCs are required to follow a Doctor’s recommendation when giving a patient cannabis. The ATC’s have an open fax line and their contact information is on the DHHS website. They will get calls and emails from Medical Doctors. However, as long as a patient has a medical card, they can legally buy medical cannabis.
- NH DHHS monitors the database of patients who qualify for medical cannabis. If they see that someone is receiving more than they are allowed, they will revoke their card.
- Data shows that medical cannabis sales and the number of patients decreases after adult-use is legalized. 15 states saw a drop of 30% of their patients.

- Some of the products that are sold medically are the same products being sold recreationally.
- The reason why New Hampshire therapeutic products are more expensive than in surrounding states is because other states have less regulation. In New Hampshire, cultivators have to grow cannabis indoors under lights which is the most expensive method of growing cannabis in rather than outdoors or in a green house.
- The ATCs are in favor of a regulated system to test products for contaminants. All medical products in New Hampshire are tested for contaminants. There is one lab in New Hampshire that tests products.
- Mold is the most common contaminate. It is very common, and a batch of cannabis could be rejected for it. It is as high as 8%-10% of product is rejected for contaminants.
- The Commission requested that the ATCs provide how many times they have self-reported a person who is suspected of circumventing the established medical cannabis rules.
- Chief Bryfonski asked if the ATCs were aware of a study of U.S Veterans from 2005-2019 that showed comorbidity with cannabis use disorder and legalization. They were not aware of the study.
- The ATCs believe that the longer recreational marijuana stays illegal, the longer it will take to displace the illicit market.
- Data shows that in states that legalize adult use cannabis, people are more likely to buy from a dispensary rather than the illicit market if the dispensary is near them.
- The ATCs do not see NH being an exporting cannabis state.
- Price is a factor for people buying marijuana illegally rather than in a regulated system.
- In a franchise model, the ATCs believe that the sale of therapeutic products should be exempt from the 15% franchise fee. They would also like more clarity on how the Liquor Commission would consult on prices.
- The ATCs believe that if the costs for adult-use is the same as medical marijuana, there is no incentive for people to take extra steps to get medical marijuana. This may simply lead to people going to adult-use stores rather than medical stores.
- The ATCs believe that, in keeping with the Governor's desire to avoid a concentration of retail stores in any given area, it may be a good idea to require a minimum distance between retail stores.
- The ATCs do not believe that illicit products will always cost less than regulated products.
- The ATCs believe that Oregon saw a spike in the illicit market because more cannabis was grown than what the state could reasonably sell. Cannabis was being grown in Oregon under the guise of legalization and being shipped to states like New Hampshire.
- The ATCs are willing to collaborate and provide feedback on draft legislation.

Next Meeting: October 24th at 10:00 AM

**COMMISSION TO STUDY WITH THE PURPOSE OF PROPOSING LEGISLATION, STATE-CONTROLLED SALES
OF CANNABIS AND CANNABIS PRODUCTS**

10-24-2023

Amended Minutes

Members Present:

Daryl Abbas - Senate (Chair)

Timothy Lang – Senate

Rebecca Whitley – Senate

Jordan Ulery - House here

Tim Cahill - House

Shaun Filiault - House

John Bryfonski – NHACOP Designee

Ryan Hale - NH Bankers Assoc.

Joseph Mollica - Chair NH Liquor Comm.

James Vara - NH Liquor Comm. Designee

Debra Naro - CADY

Kimberly Youngren - NH Medical Soc.

Myles Matteson - Attorney General, Designee

Lou D'Allesandro - Senate

David Mara - Governor's Designee

Frank Knaack – ACLU

Members Absent:

Jared Sullivan - House

John Hunt - House

Shaun Filiault - House

Bill Gannon – Senate

Adoption of Minutes:

- Minutes adopted.

- Deb Naro Abstained.

Dr. Omar Shah, Child Psychiatrist (Boston Childrens Hospital)

- Dr. Shah is an adult, child, and adolescent psychiatrist and addiction medicine specialist. He is a clinical instructor at Harvard Medical School. He works in the Adolescent Substance Use and Addiction Program in the Division of Addiction Medicine at Boston Childrens Hospital. Dr. Shah previously served as a legislative liaison for the NH Psychiatric Society during his child psychology training at Dartmouth. He currently serves on the Massachusetts Mental Health and Addiction Committee.
- Marijuana use by teens is at its highest point in three decades.
- THC is an addictive psychoactive substance that negatively affects brain development in teens.
- THC products are illegal at the federal level, so the Federal Government does not provide support with regulation or oversight of THC based products as it does with alcohol and tobacco. New Hampshire lacks the infrastructure to do this currently.
- State-based legalization of marijuana exposes the population of states to public health harm.
- THC impacts many areas of the brain that regulate decision making, impulse control, emotional regulation, pleasure, perception of time, cognition, and physical coordination.
- There is a strong association between the use of products that contain THC and psychiatric disorders, notably psychotic disorders.
- Use of cannabis products in youth is associated with poor functional outcomes, even in adulthood. It lowers educational and vocational achievement. It is associated with higher rates of mental health disorders such as anxiety, depression, and psychosis.
- Cannabis use affects the cardiovascular system and other organs.
- At Boston Childrens Hospital, they are seeing increases in breathing issues like shortness of breath and decreased exercise tolerance. X-rays of these youths' lungs are comparable to people with COPD and the elderly who have smoked for decades.
- Lung injury is increasingly common due to vaping. Dr. Shah has personally treated patients with lung injury due to cannabis use.
- While young people are prohibited to use cannabis in all states that have legalized cannabis, legalization increases the availability of products making it easier for young people to get it.
- A recent study published in the Journal of Addiction shows that in states that have legalized marijuana, people use cannabis up to 24% more frequently than in states where it remains illegal.
- Permissive attitudes by parents towards cannabis and parental substance abuse contribute to higher use rates in youth while parental disapproval of cannabis use and school connectedness help stop youth from using.
- Cannabis use is associated with poor school performance and skipping class.
- A recent article in JAMA shows that some people who have pain, anxiety, or depression who obtain a medical marijuana card often overuse and develop marijuana use disorder. 10% develop the disorder within 12 weeks of obtaining the card.
- There is little regulation of CBD Products and studies have found that many CBD products are mislabeled and contain less CBD than advertised. One study group of 84 CBD products found

that more than ¼ of the products contained less CBD than advertised. THC was found in 18 of the products. The age range was mostly young adults ages 22-24.

- High doses of CBD are associated with dry mouth, diarrhea, poor appetite, drowsiness, and fatigue. It can also interact with medications like blood thinners.
- CBD has not been studied on the developing brain.
- Medical marijuana is approved for two conditions: severe seizure disorders and for people who are dying and in pain.
- Legalization is pushed by financial gain.
- People use marijuana to self-medicate, but it does not solve people's problems.
- Nicotine and cannabis are the most common substances that kids use.
- Dr. Shah would support enhanced penalties for those who provide marijuana to minors.
- The FDA should take a look at these products before they are prescribed. There needs to be more testing on them. After that, they may be able to prescribe marijuana for certain conditions, but it should not be available on the open market.
- Theoretically, 25 is the age when the brain stops developing. It is not as common for people after the age of 25 to develop a use disorder. Kids are not developing coping skills instead they are just using drugs.
- We need to make sure kids do not get their hands on it. There needs to be consequences for people who give it to kids.
- If cannabis is legalized in New Hampshire, protections should be in place to prevent kids from getting it, such as regulating marketing, packaging, and putting penalties in place for those who provide marijuana to kids.

Dr. Amy Turncliff (neuroscientist on THC)

- THC can lead to psychosis.
- THC amounts in legal products are very high.
- Dr. Turncliff specializes in mental health and substance use disorders with a focus in cannabis use and cannabis policy and its effect on young adult and adolescent behavioral health.
- She has testified in Massachusetts for the past eight years. A public health framework has not been implemented in any state that has legalized recreational cannabis.
- There are many negative consequences associated with marijuana use in adolescents.
- Adults can also experience marijuana induced psychosis. 35%-50% of people who use will experience this.
- Adolescents who experience cannabis induced psychosis and do not stop are likely to convert to schizophrenia as a consequence of continued cannabis use. People who experience cannabis induced psychosis and continue to use and experience psychosis symptoms are more likely to develop a psychotic disorder. 50% go on to develop a psychotic disorder. It is probably less likely for adults.
- Warning labels should include cannabis induced psychosis, suicidal thoughts and behaviors, anxiety, paranoia, hallucinations, and delusions.
- Including an insert in packaging that clearly outlines the risks of use and where to find help if they experience any adverse effects.

- There should be public awareness campaigns could be utilized but are not that effective. Requiring a rotating warning like tobacco.
- For a warning label, prioritizing that pregnant women should not use, psychosis and psychosis symptoms, paranoia, anxiety, mental health issues.
- THC can induce acute psychosis. It is not just those who are predisposed to developing a psychotic disorder.
- The Commission needs to think about who is going to be held accountable for increases in psychotic disorders due to legalized cannabis. Dr. Turncliff does not believe liability can be completely mitigated. Using a public health framework could possibly mitigate harm.
- The tobacco industry was ultimately held accountable through settlements. Tobacco policy was changed as a result. She believes something similar will happen for the cannabis industry.
- Youth will undoubtedly gain access. Youth use more in states where cannabis is legal. Social sources provide access such as friends and parties. They pay people to go get it for them.
- Clinicians would like to see medical marijuana go away. It propagates the idea that marijuana is safe. There are FDA approved THC medications, our medical marijuana program does not follow any of the guidelines or warnings. 28 milligrams is the maximum recommended daily dose. Most cannabis products are much higher than that.
- The Massachusetts Cannabis Control Commission has been tasked with putting out a public awareness campaign. They did not consult any prevention experts.
- New Hampshire should utilize prevention experts.
- New Hampshire's best prevention strategy is keeping recreational cannabis illegal.
- Dr. Turncliff read testimony from a Doctor at Boston Childrens Hospital that stated that this Doctor sees kids using high potency THC products at 15 years old and developing psychosis at age 22. Early age use, frequent use, and higher THC potency are well known risk factors in developing psychosis. Some people are lucky and recover, but many are not so lucky.
- Substance use is not the only cause of mental health issues with young people. Scientists believe mental health in adolescents is worsening and marijuana is not helping the problem.
- Not having any dispensaries in a town is a protective factor.
- Western Mass has as county-based prevention system. They survey kids across an entire county. More dispensaries mean more harm.
- Do not allow advertising to young people.
- The majority of communities in Colorado opted out of having recreational dispensaries.
- "No amount of cannabis use is safe" could be on a label.
- Kids are not seeing warning labels because its being sold second hand and not in the package.
- Be cautious with percentages. 5%-10% should be the max.

Scott Gagnon (Maine Cannabis Advisory Commission, prevention specialist)

- Mr. Gagnon has worked in the prevention field for 18 years. he has been involved in cannabis policy and politics in Maine for over 10 years.
- He led the coalition of healthcare officials who opposed legalization in Maine.
- In his experience, the legislature in Maine does not take cannabis seriously enough, especially when it comes to the risks. An example of this is how Maine has two industries, one is medical,

and one is recreational. The recreational cannabis requires testing and track and trace, but the medical does not.

- Mr. Gagnon believes that even the best cannabis legislation will not mitigate the harms that will come with it.
- Something that Mr. Gagnon advocated for in Maine was a public health and safety fund. 12% of tax revenues went to the public health and safety fund. The original intent was for it to be split between law enforcement and prevention. The funding ended up going to the Office of Cannabis Policy which does not have public health expertise. The only thing they have funded is a public health and safety campaign which is not very effective. Mr. Gagnon and his colleagues have advocated to have funding go to actual public health and prevention experts, but the Maine legislature has not acted.
- Most states have not implemented potency caps. 10% seems to be the cutoff. It is difficult to find products that are of that potency.
- Originally, Maine did not allow for delivery or drive through sales. However, this is being slowly watered down. They just allowed delivery sales which includes delivery to municipalities that have not opted in to allowing dispensaries. Most municipalities have not opted in.
- The font on packages in Maine is small so most people end up not seeing the warnings.
- The biggest risk to young people is adults not taking cannabis policy seriously when the risks are obvious.
- Funding prevention coalitions is key. They will have more work to do after legalization. The federal government cannot help fund them. In Mr. Gagnon's opinion, the funding in Maine is not being used properly. It should go to Maine CDC.
- Legalization has impacted young people and their families. Going to the emergency room, getting suspended or expelled from school.
- SAMSA came out with an evidence-based resource guide for preventing youth (18 and under) marijuana use. One of the sections explained specific risk and protective factors. There are individual, family, school, and community risk factors. Community risk factors are widespread availability of cannabis, greater cannabis outlet density, more days and hours of cannabis sales, exposure to cannabis marketing, youth exposure to cannabis marketing on social media, and products such as candy edibles that are attractive to youth. The existence of a cannabis market is a risk factor.

Jim Riddle, USDA Licensed Hemp Grower from Hillsborough

- Mr. Riddle testified in support of HB 639 earlier this year.
- Mr. Riddle worked with the NH Cannabis Association, NH Farm Bureau, NOFA-NH, and several other farm groups to survey farmers and see how many were interested in becoming cannabis growers. 69 people took the survey and 89% of farmers who currently farm support legalization while 78% are interested in becoming cannabis growers. 11% of NH farmers support the State being the sole buyer and seller of cannabis with 63% opposed and 26% undecided.
- Farmers who took the survey support allowing licensed growers to sell cannabis directly to consumers, with 70% support, 13% opposed, and 17% undecided. 89% of respondents support allowing NH residents to grow 6-8 plants for personal use.

- Mr. Riddle put the survey together using questions he believed legislators would like to know based on his previous testimony on HB 639. There is a detailed blog post on the NH Cannabis Association website with graphs and data.
- Mr. Riddle found a scholarly article titled “Suppressing Illicit Cannabis Markets After State Marijuana Legalization” from the Washington Institute for Public Policy. The report says, “We found numerous factors in the competition between markets that may allow illicit supply of cannabis to survive. Many of these factors can be directly influenced by regulation of the legal system”. Factors include excise taxes, limits on cultivation capacity, and traceable monitoring of legal production may reduce the competitive advantage of legal markets.
- The more barriers to being a legal player, the more illicit players there will be.
- Ending prohibition and allowing home cultivation of cannabis is key.
- People buy illegal cannabis because it costs less, it’s convenient, it’s a private transaction, it is also tradition.
- Keeping licensing fees low will encourage people to participate in the legal market.
- Keeping regulatory burdens simple is also key. It should be easy to be legal.
- Knowing the dangers of illegal cannabis will help. It is not tested while legal cannabis is.
- Mr. Riddle proposed that the state should use the existing medical marijuana program as the basis for adult use by expanding the number of locations of licensed dispensaries and adding criteria such as insomnia, anxiety, appetite, and self-care to qualify. Cards could be sold through the state liquor stores and licensed dispensaries.
- Cannabis cards could be purchased by residents and out-of-state shoppers to purchase NH grown tax-free cannabis.
- For \$25-\$50, shoppers could purchase cards which would allow them to buy legal cannabis from a licensed cannabis operation. This would be self-funded.
- When shoppers purchase cards, they would need to agree to the State’s licensing requirements which would include agreement to follow all laws and rules; agreement to not provide cannabis to persons under age 21; agreement not to drive while impaired; warnings about possible negative health impacts, including g for pregnant and nursing women; and attestation to hold the State harmless. A significant fine could be imposed for those who violate the program and sell or purchase cannabis without having a license or cannabis card.

Commission Work on Draft Legislation

- The Commission discussed several changes to the draft legislation.
- The Commission removed the statement of purpose by removing paragraph 1 on page 1. According to Attorney Matteson, a statement of purpose may not mitigate legal risk.
- The Commission changed section II, f to read “shall”.
- The Commission added a section G to section II on page 1 to ensure that marketing and advertising to minors shall remain illegal.
- “Substance Abuse Prevention and Recovery Fund” was changed to read “Substance Abuse Prevention, Treatment, and Recovery Fund”.
- Eliminated page 3 section 5.
- Page 3 Section 6 to mirror RSA 3:18 B2

- Eliminate Section IV on page 4.
- Change “registered” to “licensed” on page 4 line 8.
- Eliminate section IX on page 4.
- Remove “Alternative treatment centers cannot be licensed at a franchise cannabis retail outlet” on page 5 lines 11 and 12.
- Eliminate section XVII on page 5.
- Eliminate section XVIII on page 5.
- Eliminate section XIX on page 5.

Commission Adjourned

Next Meeting on November 3rd.

**COMMISSION TO STUDY WITH THE PURPOSE OF PROPOSING LEGISLATION, STATE-CONTROLLED SALES
OF CANNABIS AND CANNABIS PRODUCTS**

Minutes 11-3-2023

Members Present:

Daryl Abbas - Senate (Chair)

Timothy Lang – Senate

Rebecca Whitley – Senate

Jordan Ulery - House here

Tim Cahill - House

John Bryfonski – NHACOP Designee

Ryan Hale - NH Bankers Assoc.

Joseph Mollica - Chair NH Liquor Comm.

James Vara - NH Liquor Comm. Designee

Debra Naro - CADY

Myles Matteson - Attorney General, Designee

David Mara - Governor's Designee

Frank Knaack – ACLU

Members Absent:

Jared Sullivan - House

John Hunt - House

Shaun Filiault - House

Bill Gannon – Senate

Lou D'Allesandro - Senate

Kimberly Youngren - NH Medical Soc.

Alexandria Tapia and Ron Brooks: Aardwolf Laboratories

- Many states have at least one reference lab that acts as a “spot checker” on independent third-party labs. They see success in third parties as long as they are held accountable.
- They do not recommend housing a state lab. New Hampshire is a smaller state and would likely not need too many independent labs. They recommend adding an additional lab if the state decides to legalize recreational cannabis.
- It could cost the state 5 million dollars to build a state-run lab plus any ongoing costs to run the lab. This is the typical cost in other states for purchasing all the necessary equipment, building costs, etc. It depends on the level of expansion.
- Oklahoma has decided to in-house a lab. It costs over 10 million dollars a year to contract a vendor in Oklahoma.
- They do not believe that in-housing a state lab is the best way to go. They recommend that a testing regime include a third-party vendor that would be certified by the state to specific standards with a separate reference or verification lab that is state-run or also a third-party vendor.
- Third party labs go through an accreditation program. Most cannabis testing labs are ISO 17025 accredited. Data is usually kept between 3 and 7 years.
- It is most beneficial to have a rigorous testing process to detect contaminants. Due to the limited research available, not much is known about what happens to the body when contaminants are combusted during consumption.
- The Canadian list of what contaminants they test for is more extensive than most if not all U.S. States. Each state tests for pesticides or residual solvents differently.
- When Mr. Brooks ran a lab out in California and he had very few heavy metal violations once it was required to test both medical and recreational cannabis for heavy metals.
- Depending on the standards for testing set by the legislature, they do not know how much it would cost the state to have a contract with a third-party lab. Each state has different testing standards on batch size. They estimate about 450 dollars per sample for testing by a third party. They will provide the fiscal impact report for Oklahoma.
- Aardwolf will generate a contaminate list and the relevant trigger level for each contaminant as well as a sample size recommendation for different forms of product (flower/edibles).

Dr. Lynn Silver, Pediatrician: Getting it Right from the Start

- Dr. Silver provided written testimony to the commission.
- The products that are sold today are much stronger than in the past. Many are very high in THC content. Many are in the range of 80%, 90%, or 100% THC.
- Between 1-2 users out of 10 are developing dependency. This number rises the younger the person is when they start.
- Vaping cannabis by 12th graders has tripled since 2017 - often before or at school, disrupting education.
- One in ten 19 to 30-year-olds is walking around high almost every day.

- Daily use of cannabis above 10% THC is associated with a three to fivefold increase in risk of psychosis.
- Cannabis use is now being associated with suicidality, car accidents, and possibly heart attacks.
- Poisonings of young children are up 1400% nationally. Cannabis ER visits in California by seniors rose 1800% in a decade.
- Cannabis use interferes with adolescent cognition and likelihood of graduating high school.
- Use during pregnancy is associated with low birth weight and other health issues. It is sometimes like fetal alcohol syndrome. It is also associated with long term neurological harms and psychopathology in children exposed in utero according to major new NIH studies. Cannabis use during pregnancy has doubled in California.
- One of the strongest arguments for decriminalization has been the longstanding history of discriminatory arrests against minorities. This is an issue that needs to be addressed, but creating a giant for profit industry is not needed to fix this.
- Decriminalizing possession and expunging past nonviolent possession crimes is a way to relieve past and present inequity. California has expunged 93% of eligible convictions, benefiting over 200,000 people. This can be done with or without legalization. Penalties for minors could be community service and not life altering consequences.
- Whatever revenue or jobs legalization creates, it will be offset by healthcare costs and social expenditures.
- Cannabis should not be a new tobacco industry. Allow legal sale in a very careful system without driving up consumption. Avoid aggressive marketing to drive up sales and attract children. A franchise system naturally encourages franchisees to make money.
- One of the best examples of safer legalization is how Quebec handled it. They used their existing public alcohol system to create an exclusive province-owned cannabis retail sale system. They operate attractive stores and provide online access and collect revenue without driving up consumption with aggressive marketing and strongly limits the types of products sold to avoid high potency concentrates and products that are more attractive to children. Quebec has the most successful cannabis businesses in Canada.
- Dr. Silver recommends using a state-run not for profit model instead of a for profit franchise system.
- Dr. Silver recommends having a cannabis store for not more than every 20,000 residents.
- Keep it far away from schools and residential areas.
- Conflicts of interest should be strongly prohibited. Do not let the cannabis industry write the regulations. There should be an oversight and regulatory body that is composed of scientists, doctors, educators, economists, and law enforcement, but no one from the cannabis industry.
- Lab testing is important, but regulating what types of products are sold is far more impactful.
- Having a potency cap would be smart. The state should start with low potency and go from there. We don't need 99% shatter for vapes. Starting off slow and cautious is better.
- Dr. Silver believes that the draft legislation allows for too much possession. 20 milligrams is far too high. NIH recommends 5 milligrams and California uses 10 milligrams.
- Hemp and cannabis are the same plant. The regulation of both should be integrated.
- The State should prohibit artificial cannabinoids.

- Packaging matters. Plain packaging is a good idea to avoid creating the idea that the product is healthy or marketed to children. Health warnings should be in a good size font and rotating warnings like tobacco. Advertising should be restricted and do not allow billboards.
- Local control should be preserved. This could mean the legalization process is slower and not uniform. 63% of Californians live in legalized counties and this is growing every year.
- Taxation should be 20-40 percent and tiered to THC content. 15 percent is too low to fund everything the state wants to fund. Low taxes have not solved the issue of the illicit market. Prohibiting over production will be better to help fight the illicit market.
- The most important ways to avoid creating a problem are implementing potency limits. The state should start conservatively. Product regulation is also important. Agricultural overproduction is a problem. Dr. Silver recommended not having too many stores.
- Dr. Silver believes having an oversight control commission would be wise. Including substance abuse experts, educators, law enforcement on a control board would be best. Not allowing people with a direct financial interest is key. The oversight board should have control over regulation decisions because public health and kids should come first.
- CBD and delta 9 THC are the two primary cannabinoids in cannabis. There are over 100 different cannabinoids in cannabis. Chemists have taken the CBD in hemp and modified it chemically to create different compounds like THCP which is 30 times as potent as Delta 9 THC. Delta 8 THC exists in nature in small amounts, but the industry is synthesizing it from CBD. Most of these synthesized compounds are farm bill workarounds and there is basically no safety data for them. The farm bill states that a plant is hemp if it contains less than 0.3% delta 9 THC.
- Most states have set an ounce as the possession limit. The possession amount in the draft legislation is quite high.
- There are several ways to raise the perception of risk. Having strong health warnings on both hemp and cannabis products is very important to invest in as well as regulating advertising. At the end of the day, these products are out there, and people are being exposed. The benefit of legalization is it can mitigate the illicit market if done correctly. The rest of the country needs a good model to go off and New Hampshire could provide that model.
- The revenues in Quebec go to substance abuse and mitigating the illicit market. Other states are varied. Tax revenue in California, which was \$817 million, went to community reinvestments but the largest amount goes to childcare and youth prevention funds.
- Raising taxes on the products is a good way of driving down consumption while keeping revenues stable.
- Overproduction is a problem and contributes to the illicit market. The illicit market has grown in California due to declines in enforcement.
- Dr. Silver believes that decriminalizing cannabis and living with ambiguity like Portugal is better than creating a large for-profit industry.

Michael Holt, Administrator of the Therapeutic Cannabis Program, DHHS

- The therapeutic cannabis law grants rule making authority that allows DHHS to set testing standards and requires the testing labs be licensed by the health facility administration per RSA 151.

- There is one independent testing lab in Manchester, Nelson Analytical, which is licensed by another organizational unit within the department.
- The rules require that every batch of cannabis be tested for contaminants such as mold, microbials, heavy metals, and more. The threshold levels have not been updated since its inception in 2014. DHHS is working on updating the levels.
- There are no limits on the number of labs that are allowed to test, but no other labs have come forward to do testing for ATCs.
- Reference testing is not required by law. The labs are ISO accredited.
- Some batches of cannabis do fail testing. It is around 10%. They do allow some remediation by extraction. The draft legislation allows for remediation protocols.
- The ATCs pay 100% of the costs for each testing.
- The ATCs and the patients of the program pay for things such as heating and office space.
- The commission requested that DHHS provide a list of the contaminants that they test for as well as how many batches failed in a testing cycle during a given year. However, DHHS keeps this list confidential to prevent the ATCs from knowing what they test for. Their reasoning is that if the ATCs would be able to use pesticides that they know are not being tested for. DHHS will provide a list.

Approval of Minutes

- The Commission agreed to amend Page 2 of the minutes due to an incomplete sentence in Amy Tunncliffe's testimony.
- Minutes adopted. Chief Bryfonski abstained.
- The Commission will request that the NH Treasury testify at a future meeting.
- The Commission will request a representative of the Cannabis industry in Quebec testify at a future meeting.

Commission Work on Draft Legislation

- The Commission amended line 15 on page 6 by adding the word "licensed". Line 15 now reads, "capacity as a staffer of a licensed cannabis product manufacturer may perform extractions".
- There was extensive discussion on the section II on page 6. There is concern that this section would prohibit local law enforcement from cooperating with federal agencies. There is also concern that eliminating this section could allow local law enforcement to cooperate with federal agencies if they decide to shut down cannabis operations that are legal under state law. The commission will likely revisit this section.
- There was extensive discussion on the issue of public consumption of cannabis and the penalties associated with that. There was discussion on increasing or decreasing fines and/or making public consumption a misdemeanor offense. There was concern that if penalties are not strong enough, it may not deter public consumption, however there is also concern about creating new criminal penalties. The Commission will continue discussing this topic at future meetings.

Next meeting is scheduled for November 9th

**COMMISSION TO STUDY WITH THE PURPOSE OF PROPOSING LEGISLATION, STATE-CONTROLLED SALES
OF CANNABIS AND CANNABIS PRODUCTS**

Amended

Minutes 11-9-2023

Members Present:

Daryl Abbas - Senate (Chair)

Timothy Lang – Senate

Rebecca Whitley – Senate

Tim Cahill - House

John Bryfonski – NHACOP Designee

Ryan Hale - NH Bankers Assoc.

Joseph Mollica - Chair NH Liquor Comm.

James Vara - NH Liquor Comm. Designee

Myles Matteson - Attorney General, Designee

David Mara - Governor's Designee

Frank Knaack – ACLU

Kimberly Youngren - NH Medical Soc.

John Hunt - House

Lou D'Allesandro - Senate

Members Absent:

Jared Sullivan - House

Shaun Filiault - House

Bill Gannon – Senate

Debra Naro - CADY

Jordan Ulery - House here

Tim Cahill - House

Jordan Ulery - House here

Adoption of Minutes

- Minutes adopted unanimously.

Testimony of the New Hampshire Coalition for Responsible Cannabis Legalization- Ari Pollack

- If New Hampshire is going to legalize recreational cannabis, many of the same controlled substance issues and priorities that now affect beer and alcohol distribution will come to the surface in the regulation and transportation of cannabis in the market.
- Recommended that the commission consider a definition of “cannabis distributor”. This could allow for a licensed distributor to move product from multiple cultivators to and between multiple cannabis establishments. This would not deprive those that are cultivating and moving products to their own centers from being a transporter as the current draft definition says.
- Mr. Pollack gave the committee suggested language for this definition.

Work on Draft Legislation

- The Commission removed section II on page 6.
- There was extensive discussion regarding the issue of prohibiting smoking or vaping cannabis in public on page 7 lines 1-4. The Commission did not come to an agreement on penalties for violating this section.
- Section III on page 7 was changed from a fine not exceeding \$150 to a misdemeanor.
- Section V on page 7 was removed.
- Sections I and II lines 27-38 on page 7 was removed.
- “State Police” was added to line section II line 11 on page 8.
- Section I line 26 on page 9 was changed from 24 months to 30 months.
- Section II line 30 on page 9 was changed from 24 months to 30 months.
- Subsection g on page 11 was changed to read “The qualifications and disqualifications for licensure that are directly and demonstrably related to the operation of a cannabis establishment.”
- Added the terms “transportation, warehousing, and distributed” to subsection j on page 11.
- Section III line 31 on page 12 was changed to 30 months.
- Section IV on page 13 line 34 was changed to 30 months.
- Added “but not limited to” to section IV on page 13 line 37.
- Changed 20 milligrams to 5 milligrams in section c on page 14. Added language provided to the committee by New Futures regarding establishment of a cannabis advisory committee charged with making public health recommendations.
- The Commission struck the language regarding the term “resident” on page 5.

Public Testimony- Jim Riddle

- Mr. Riddle is a USDA certified hemp grower from Hillsborough, NH.

- In Ohio, 57% of the public voted to support adult use cannabis, including home-grow of up to 12 plants.
- He is concerned that cannabis seed is not being addressed in the draft legislation. Minnesota was the 23rd state to legalize cannabis and they established reasonable regulations for cannabis seed production. Seed producers need to have a state permit and properly label the seeds. The seeds would also need a certificate of analysis of the mother plant.
- Mr. Riddle would like for the commission to consider the regulation of cannabis seed.
- Mr. Riddle believes that citizens should have the right to home-grow cannabis and advocated that this would cut down the illicit market.
- Mr. Riddle advocated for an independent regulatory body outside the Liquor Commission due to the Liquor Commission being both the manufacturer and regulatory.
- Mr. Riddle advocated that cultivation tiers should be based on square footage of flowering space.

Testimony of DHHS and ATC's

- Michael Holt, the director of the Therapeutic Cannabis Program testified on behalf of DHHS. Brandon Pollock, the Chair of the Board for Temescal Wellness testified on behalf of the ATCs.
- Mr. Holt stated that the working draft that has been circulated is a workable model that allows ATCs to have a separate license type that is not a franchise. Essentially this is dual licensure that requires cooperation and collaboration between DHHS and the Liquor Commission. It allows a dual regulatory model.
- Mr. Pollock stated that removing the requirement that the ATCs be non-profit is essential to them being competitive. They recommend an expanded ATC license to provide some certainty of licensing for manufacturing, cultivation, and retail. The faster there is a licensing infrastructure, the faster the program can launch.
- Mr. Pollock stated that having two separate locations would be difficult to keep afloat as purely therapeutic stores decline in the future.
- DHHS requires that the ATCs provide initial and annual training to their employees. DHHS does not prescribe the type of training or the courses that must be taken. The ATCs decide what is appropriate for their employees to be trained on. DHHS inspects the ATCs to ensure they are compliant with their administrative rules.
- Education will be essential if a dual licensure model is adopted due to their being a 5-milligram limit for recreational cannabis and no milligram limit for medical cannabis.
- The ATCs would like to see greater patient access to products. Consumers are becoming more aware of the standards. The community is more aware now of safety with cannabis consumption. The ATCs can provide safety documentation to patients as well as additional services.

Next Meeting November 16th

- The NH Treasury will testify.

**COMMISSION TO STUDY WITH THE PURPOSE OF PROPOSING LEGISLATION, STATE-CONTROLLED SALES
OF CANNABIS AND CANNABIS PRODUCTS**

Minutes 11-16-2023

Members Present:

Daryl Abbas - Senate (Chair)

Bill Gannon - Senate

Timothy Lang - Senate

Lou D'Allesandro - Senate

Rebecca Whitley - Senate

Jared Sullivan - House

Jordan Ulery - House

Tim Cahill - House

Myles Matteson - Attorney General, Designee

David Mara - Governor's Designee

John Bryfonski - NHACOP

Ryan Hale - NH Bankers Assoc.

Joseph Mollica - Chair NH Liquor Comm.

James Vara - NH Liquor Comm. Designee

Frank Knaack - ACLU Kimberly Youngren - NH Medical Soc.

Debra Naro – CADY

Members Absent:

Shaun Filiault – House

John Hunt – House

Approval of Previous Minutes

- Minutes Amended to reflect that Dr. Youngren was present.
- Minutes approved.

Testimony of Treasurer Monica Mezzapelle and Rachel Miller- NH State Treasury

- Banking may be a challenge for franchisees, although there appear to be some out of state banks and state-chartered banks that are willing to establish banking relationships with cannabis retail businesses. Challenges may continue until cannabis is legalized at the federal level (SAFE Banking Act). Guidance will be needed from the Banking Department.
- The State may face similar challenges because there are some banks that do not want to be associated with the cannabis industry or funds generated by it.
- The State Treasury has banking relationships with many banks, however, they conduct most of their business with three federally -chartered banks. Due to their large footprint and infrastructure, they can better accommodate the needs of the State.
- If legislation were to pass, these relationships will need to be evaluated and confirm whether these banks can accept and transact funds generated from the cannabis industry. Agreements will need to be reviewed and perhaps segregating revenue that is derived from the cannabis program.
- From a cash flow perspective, the State may benefit from monthly revenue collections. Since the franchise fee will be based on monthly gross sales collecting the 15% franchise fee monthly could be reasonable, similar to the collection of the Rooms and Meals Tax. Transfers for the respective funds and agencies could occur less frequently (i.e. quarterly).
- FDIC has issued guidance for business with cannabis.
- The State would effectively be engaging in state-sanctioned money laundering due to cannabis being federally illegal.
- There are different tiers of cannabis business, 1,2, and 3. Tier 1 is directly touching the product. Because this is the collection of fees, it will be a lower tier. The Banking Association is aware of many banks that are interested in getting into the cannabis business.
- The Liquor Commission is fine with a monthly collection of fees.

Work on Draft Legislation

- Grammatical errors corrected on page 15.
- Guidelines on packaging to be given to the Liquor Commission.
- Section VII on page 16 changed to 30 months.
- Section IX added on page 16 regarding recall procedures.
- Risk of legal penalties under section II on page 17.
- Cannabis Use Disorder added to subsection d on page 17.
- The phrase "cannabis retail outlets" was changed in Section III on page 18 to reflect definitional changes.
- The word "Opaque" removed from subsection d on page 18.
- Language clarified in section I on page 19 changed to reflect that municipalities that have a cannabis store will receive a full 1% on the 15% fee imposed on the cannabis franchise.
- Policy committees will discuss the fee.
- Line 26 on page 19 was changed to say, "Product Tracking System".

- The Liquor Commission will advise the Commission on where to include language regarding a “medication lock box”.
- The phrase “held in November 2024” on line 43 on page 19 was removed.
- The language beginning with “Shall we allow” on line 45 on page 19 and ending with “July 1, 2025” on line 4 on page 20 was removed.
- Language in section I on line 26 of page 20 was changed to 200 feet instead of 2000 feet.
- On page 20, the phrase “cannabis cultivation facility” was changed to “licensed cannabis cultivation facility” in Section I, subsection a.
- The Liquor Commission will review Section 1, subsection a on page 20.
- Language under “Proof of Purchasers Identity” on page 22 will reflect liquor laws.
- Section II on line 18 on page 23 was changed to permit people under the age of 21 who are medical card holders to still receive cannabis.
- The Commission would like to invite OPLC to advise on section 318-F:20.
- The Commission would like to ask DCYF about section V on page 25.
- The Attorney Generals office will advise on section VI on page 25.
- The language in section IX on page 26 was changed to include cultivation.
- The term “substance use disorder” will replace terms such as “substance abuse” in the legislation.
- Line 35 on page 26 was amended to say “non-personally identifiable data”.
- New Futures provided language that was added to section 318-F:22 on page 27. The language taken from the New Futures document from October 30th. The language taken from the document is sections 9 and 10 on page 3 of the New Futures document. The language establishes a fund of \$500,000 for an information campaign administered by DHHS. The language also establishes the “Justice Reinvestment Fund” with the purpose to fund communities and individuals impacted by poverty, unemployment, underemployment, and cannabis enforcement.
- Lines 8-14 on page 30 was replaced with the definition of cannabis found on page 3 of the draft legislation.
- “2024” was changed to “2025” on line 40 of page 36.
- Section IV on page 37 was removed.
- After extensive discussion the commission was unable to come to a consensus on an appropriate nanogram measurement for THC intoxication.
- There was discussion on how to integrate the ATCs into the franchise model. The ATCs believe that the most logical approach is to have DHHS maintain a roll in issuing medical cards and the patient registry along with informational aspects, but all the business regulation would move to the liquor commission. The ATCs would like to advise on the current statute to help that process go smoothly. There will need to be a separate source of funding for the Therapeutic Cannabis Program if the ATCs are moved to the Liquor Commission. The ATCs are a major funding source for the program.
- There was discussion on writing a final report of the commission. There will be a majority report and a minority report included in the final report.

Meeting Adjourned

**COMMISSION TO STUDY WITH THE PURPOSE OF PROPOSING LEGISLATION, STATE-CONTROLLED SALES
OF CANNABIS AND CANNABIS PRODUCTS**

11-27-2023

Members Present:

Daryl Abbas - Senate (Chair)

Bill Gannon – Senate

Timothy Lang - Senate

Lou D'Allesandro - Senate

Rebecca Whitley – Senate

John Hunt – House

Tim Cahill – House

Myles Matteson - Attorney General, Designee

David Mara - Governor's Designee

John Bryfonski – NHACOP designee

Ryan Hale - NH Bankers Assoc.

Joseph Mollica - Chair NH Liquor Comm.

James Vara - NH Liquor Comm. Designee

Frank Knaack - ACLU

Kimberly Youngren - NH Medical Soc.

Debra Naro - CADY designee

Members Absent:

Jared Sullivan - House

Jordan Ulery - House

Shaun Filiault - House

Approval of Minutes:

- Minutes approved unanimously.

Testimony of OPLC-Lindsey Courtney

- It is difficult to deny a license based on a criminal conviction alone.
- The Commission may want to clarify professional malpractice versus professional misconduct under section 318-F:20. The Commission agreed to changing the term in the bill to misconduct.
- There may be issues with DEA registrations. There could be cases where Federal Law trumps state law for preemptions.
- The licensing authority would have the ability to take action against people who are under the influence while on the job (under the draft legislation).
- There is a difference between employment decisions and licensing decisions. Licensing shows that a person has the basic skills to perform a job. A license does not guarantee employment.

Commission Work on Draft Legislation

- The Commission went over the draft legislation in its entirety. The Commission clarified certain sections of the draft legislation and held debate on unresolved issues.
- Clarified adding section g to section II on page one of the bill prohibiting advertising and marketing to minors.
- The Commission agreed to use the term “substance use disorder” in place of “substance abuse” throughout the legislation.
- Language provided by NAMI was added to page 2 line 34 of the legislation replacing the definition of “mental health treatment”.
- Clarified that the legislation will allow for online ordering of cannabis but will only allow in-store pickup.
- Removed the language on page 5 lines 13-14 beginning with “alternative” and ending with “outlet”.
- The Commission changed section XXI subsection c to be 500 milligrams of THC instead of 2000.
- The Commission eliminated section XXIV on page 6.
- Added the word “licensed” into line 18 so it reads “licensed cannabis product manufacturer”.
- The Commission agreed that a policy committee will decide on what the penalty for public consumption will be.
- Eliminated section V on page 7.
- Clarified under 318: F-7 that it is 30 months instead of 24. This was changed throughout the draft legislation.
- Added the term “or disqualifications” to line 21 of page 11.
- Added “but not limited to” to line 37 of page 13.
- Changed section c on page 14 to 5 milligrams instead of 20 and eliminated the commissions rulemaking authority to change the amount.
- The Commission added a section 9 on page 17 to include a recall procedure.
- Edited line 35 on page 18 to take out “up to 2 hours”.
- Took out the word “derived” on line 1 of page 19.
- Changed the word “fee” to “tax on line 4 of page 19.
- Excluded cannabis products under section I of 318: F-9.

- Clarified that the inventory tracking system is electronic on line 31 of page 19.
- Inserted the phrase “from seedling to sale” on line 35 of page 19.
- Eliminated “held in November 2024” on line 2 of page 20.
- Eliminated the language starting with “and” and ending with “July 1, 2025” on lines 5-8 on page 20.
- Changed 318-F:14 section I to reflect current liquor laws.
- Changed the language on line 36 of page 20 to say, “shall be legal”.
- Added the word “licensed” on line 41 of page 20 to say, “licensed cannabis cultivation facility”.
- Excluded medical card holders in section II under 318-F:18.
- Eliminated subsection a under section IV on line 23.
- Added a commission to study to study 318: -F:20.
- Eliminated “to minors” on line 9 of page 25.
- Clarified that the information collected under 318: -F:21 is non identifiable data.
- Changed the percentage in subsection ii on page 28 to 20 percent.
- Changed the percentage in subsection iii on page 28 to 20 percent.
- Inserted language provided by NAMI into section iii on page 28.
- Changed the definition of marijuana to reflect the definition of cannabis on page 30.
- Removed section 15 on page 31.
- Eliminated sections I, II, and III on page 32 under 651: 5-c.
- The Commission discussed establishing a Cannabis Use Advisory Committee that will consist of members of the House of Representatives, the Senate, a member of the Liquor Commission, the Chiefs Association, a public health official appointed by the Governor, a member of the NH Medical Society, a certified public health specialist appointed by DHHS, a member of the Department of Education, a member of the public, and a member of DHHS.
- The Commission discussed recommendations from the Governor including the amount of cannabis stores to be not more than 15 stores and not allowing members of the cannabis industry to lobby cannabis legislation.

Vote of the Commission on Recommending Legislation

- Representative Hunt moved to recommend that the draft legislation that the Commission worked on be used as legislation in the next session. The motion was seconded by Frank Knaack.
- The motion was defeated by a vote of 5-4.
- Representative Cahill moved that the Commission make no recommendation on legislation. The Motion was seconded by the Chiefs Association proxy.
- The motion passed by a vote of 7-2.

Commission Adjourned

