1 VMC4VP-1
2 By Senator Melson
3 RFD: Healthcare
4 First Read: 21-Mar-23
SYNOPSIS:

Under existing law, hemp and products derived from hemp may be sold at retail in Alabama.

This bill would prohibit the sale, distribution, marketing, or possession of psychoactive cannabinoids derived from or found in hemp to any individual under 21 years of age.

This bill would also levy a five percent tax on the gross proceeds of the sale of products containing psychoactive cannabinoids.

Section 111.05 of the Constitution of Alabama of 2022, prohibits a general law whose purpose or effect would be to require a new or increased expenditure of local funds from becoming effective with regard to a local governmental entity without enactment by a 2/3 vote unless: it comes within one of a number of specified exceptions; it is approved by the affected entity; or the Legislature appropriates funds, or provides a local source of revenue, to the entity for the purpose.

The purpose or effect of this bill would be to require a new or increased expenditure of local funds within the meaning of the amendment. However, the bill does not require approval of a local governmental entity or enactment by a 2/3 vote to become effective.
because it comes within one of the specified exceptions contained in the amendment.

A BILL

TO BE ENTITLED

AN ACT

Relating to cannabis; to prohibit the sale, distribution, marketing, or possession of psychoactive cannabinoids found in hemp for certain age groups; to levy a five percent tax on the gross proceeds of products containing psychoactive cannabinoids sold at retail; and in connection therewith would have as its purpose or effect the requirement of a new or increased expenditure of local funds within the meaning of Section 111.05 of the Constitution of Alabama of 2022.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) Except as provided in Chapter 2A of Title 20, Code of Alabama 1975, psychoactive cannabinoids derived from or found in hemp as defined in Section 2-8-381, Code of Alabama 1975, including, but not limited to, delta-8-tetrahydrocannabinol and delta-10-tetrahydrocannabinol, shall not be sold, distributed, marketed to, or possessed by an individual who is under 21 years of age.

(b) A violation of subsection (a) shall be a Class B misdemeanor.
Section 2. Commencing October 1, 2023, there is levied, in addition to all other taxes of every kind now imposed by law, and shall be collected and remitted in accordance with Article 1, commencing with Section 40-23-1, of Chapter 23 of Title 40, Code of Alabama 1975, a tax on the gross proceeds of the sales of any product containing psychoactive cannabinoids when sold at retail in this state at the rate of five percent of the gross proceeds of the sales. For purposes of this section, "psychoactive cannabinoids" means psychoactive cannabinoids derived from or found in hemp as defined in Section 2-8-381, Code of Alabama 1975, including, but not limited to, delta-8-tetrahydrocannabinol and delta-10-tetrahydrocannabinol, but does not include medical cannabis regulated under Chapter 2A of Title 20, Code of Alabama 1975.

Section 3. Although this bill would have as its purpose or effect the requirement of a new or increased expenditure of local funds, the bill is excluded from further requirements and application under Section 111.05 of the Constitution of Alabama of 2022, because the bill defines a new crime or amends the definition of an existing crime.

Section 4. This act shall become effective on the first day of the third month, following its passage and approval by the Governor or its otherwise becoming law.