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Consumable Hemp: HF 2605 FAQ – What it Means, Draft Rules

On May 17, 2024, Governor Reynolds signed <u>HF2605</u> into law. This FAQ is provided to current Consumable Hemp Registrants to help them understand regulatory changes to the program that will be in effect on July 1, 2024. In addition to this FAQ, further clarification and opportunities for comment from Registrants will be provided leading up to the effective date.

Potency Limits, Synthetic Cannabinoids, and Packaging & Labeling

- What products are prohibited for sale in Iowa on July 1?
 - Consumable hemp products containing more than 4 mg total tetrahydrocannabinol (THC) per serving and more than 10 mg total THC per container will be prohibited from sale in Iowa on July 1. As of July 1, products in excess of these THC limits are considered a controlled substance under Iowa law and not legal for sale in the state.
 - Synthetic consumable hemp products in any form.
 - "Flower" or "raw bud" consumable hemp product.

• How will total THC be calculated and reviewed by HHS?

- The formula used by HHS to calculate THC per serving and per container shall be the following:
 - 4 mg per serving \geq Delta-9 THC + (0.877 \times THCa)
 - 10 mg per container \geq Delta-9 THC + (0.877 \times THCa)
 - NOTE: Products containing "synthetic cannabinoids," including but not limited to Delta-8, Delta-10, THC-P, HHC, THC-O etc., may no longer be sold in Iowa.
- Examples:
 - A <u>gummy</u> product contains 3 mg per serving of Delta-9 THC and 1 mg THCa per serving. There are 2 gummies per package, and the serving size is designated as 1 gummy per serving. The total THC per serving would be 3.877 mg. The total THC per container would be 7.754 mg. This product would be permissible.
 - A <u>tablet</u> contains 1 mg of Delta-9 THC, and the serving size is designated as 1 tablet per serving. There are 10 tablets per bottle. The total THC per serving would be 1 mg, and the total THC per container would be 10 mg. This product would be permissible.
 - A <u>chocolate bar</u> contains 4 mg of Delta-9 THC per square, and there are 12 squares per chocolate bar. The serving size designated is 1 square per serving. The total THC per serving would be 4 mg. The total THC per container would be 48 mg. This chocolate bar would NOT be permissible.



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• What packaging and labeling rules will HHS propose for beverages?

- HF2605 provides authority for HHS to further clarify rules for the packaging and labeling of consumable hemp products, including beverages. HHS will propose the following regulatory language for beverage packaging:
 - "a closed-container beverage shall be defined as one serving per container, regardless of its ability to be re-sealed or the total fluid ounces it contains."
- This means that any consumable hemp beverage must contain <4 mg Total THC per serving and per container. Any beverage with >4 mg Total THC will be prohibited and denied on a Registrant's proposed product list.
- How will HHS define a "synthetic consumable hemp product?" Can I still sell them?
 - "Synthetic consumable hemp products" are products containing synthetic or semi-synthetic cannabinoids. Synthetic and semi-synthetic cannabinoids refer to a class of cannabinoids created through a chemical process, and are structurally similar to naturally occurring cannabinoids, or cannabinoids that may occur in very small amounts naturally. Examples of synthetic consumable hemp products include, but may not be limited to:
 - Delta-8 THC
 - Delta-10 THC
 - Hexahydrocannabinol (HHC)
 - Tetrahydrocannabiphorol (THC-P)
 - Tetrahydrocannabinol-O-acetate (THC-O)
 - On July 1, synthetic consumable hemp products will be prohibited and may no longer be sold in Iowa. Any product containing these cannabinoids will not be approved for sale, and Registrants must remove such products from their product lists and from sale at their establishments.

• Can I sell any form of "flower" or "raw bud" product?

- Raw or dried flower marketed or distributed for the purposes of inhalation is prohibited in Iowa's consumable hemp program.
- Any raw or dried flower form marketed or distributed in Iowa shall contain a notice stating "this is a raw or dried agricultural commodity is not suitable or intended for human consumption in conjunction with Iowa code section 204.14A, subsection 1, paragraph "b" or "c"."
- HHS will evaluate proposed and marketed flower products to determine whether, despite having the required notice affixed, such product is being sold with the intent that it be used for human consumption or for inhalation.



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• Will there be changes to the Registrant Portal and how I submit my product list?

 There will be minimal changes to the Registrant Portal and the product list process. The Product List Upload Template will have minor changes to reflect "mg Total THC per serving" and "mg total THC per container" reporting for each product.

• When will the language for the required warning label be finalized?

- HHS is in the process of drafting administrative rules for the implementation of HF2605 and the required warning label and standard administrative rule adoption procedures will apply. HHS intends to propose the warning label information below:
- "This product has not been analyzed or approved by the United States Food and Drug Administration. There is limited information on the side effects of using this product, and there may be associated health risks and medication interactions. This product may cause the consumer to fail a drug test for THC. Products containing THC may cause impairment and a consumer's ability to operate a vehicle. This product is not recommended for use by pregnant or breastfeeding women. KEEP THIS PRODUCT OUT OF REACH OF CHILDREN"

Registrant Preparation

- As a Retail establishment, how should I be communicating with my product vendors?
 - Retail Registrants should inform their product vendors of lowa's new law, particularly the ban on synthetic consumable hemp products and the per serving and per container total THC limits. Retail Registrants should inquire with their vendors about the opportunity to return non-conforming product prior to July 1.
- As an in-state or out-of-state Manufacturing Registrant, how should I prepare and be communicating with Retailers?
 - Out-of-state Manufacturing Registrants should prepare to no longer distribute non-conforming products to Iowa retailers prior to July 1, and should communicate with their retail partners about these changes.
 - In-state Manufacturing Registrants should prepare to no longer manufacture or distribute non-conforming products to lowa retailers prior to July 1, and should communicate with their retail partners about these changes.
- How should I verify that I am not selling products to persons under 21?
 - Registrants should check photo IDs of every individual purchasing consumable hemp products to verify they are 21 years of age or older prior to making a sale.
- What should I do with the non-conforming products that I have on-hand?
 - Registrants should inquire with product vendors to determine if non-conforming products can be returned to the vendor. If this is not possible, Registrants should work with local law enforcement to destroy the product.



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- Can I store or warehouse non-conforming products in Iowa if I am not selling them directly to consumers?
 - No, consumable hemp products not conforming with these regulations are prohibited in Iowa, whether they are distributed, exported, imported, or offered for sale pursuant to Iowa code section 204.2, subsection 2, paragraph c.
- How should I prepare for these changes?
 - HHS encourages registrants to contact their product vendors regarding updated regulations, remove non-conforming products from sale, and update their product lists to prepare for these changes. Registrants may also want to understand vendor and manufacturer processes for updating packaging and labeling pursuing to the forthcoming administrative rules on labeling.
 - It is the Registrant's responsibility to ensure they are compliant with all changes pursuant to HF 2605.

Penalties and Enforcement

- What are the penalties if I sell or distribute products to persons under 21?
 - Individuals or business owners found selling, giving, or otherwise distributing consumable hemp products to a person under age 21 may be found guilty of a simple misdemeanor pursuant to Iowa code section 204.14D.
- What are the penalties if I sell non-conforming or illegal products?
 - Selling non-conforming or illegal products in Iowa may result in civil and criminal penalties. Products which contain tetrahydrocannabinols and do not conform with Iowa's Consumable Hemp law are "controlled substances" pursuant to Iowa Code sections 124.101(20), 124.202, and 124.204(4)(m). Those possessing, manufacturing, or distributing controlled substances in Iowa may be criminally prosecuted.
 - Additionally, HHS may order confiscation and disposal of any non-conforming hemp product or product sold by a person who is not registered with HHS. Reasonable costs incurred for destroying non-conforming products may be assessed to the Registrant or unregistered individual.
- What are the penalties for selling products without a registration?
 - Penalties for selling consumable hemp products without a registration are severe. Businesses selling consumable hemp products without a registration may be subject to civil penalties of up to \$10,000 per day and/or criminal penalties pursuant to Iowa code sections 204.14B and C.



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Expectations of HHS

- How will HHS communicate with me and provide support before July 1?
 - HHS will be scheduling Virtual Town Hall meetings to collect and answer questions prior to July 1. Additional information will be forthcoming, and any preliminary questions can be sent to <u>consumable.hemp@idph.iowa.gov</u>.
- Will there be additional administrative rules and clarifications about these changes?
 - Yes, administrative rules will be promulgated as a result of the passage of this legislation. To support registrant preparation for the implementation of HF2605, draft rules have been posted to the Consumable Hemp website.
 - Standard administrative rule adoption procedures will apply and Registrants will be able to provide comments on proposed and noticed rules throughout the process and before the rules become effective.
- What should Registrants expect from HHS regarding inspection and enforcement?
 - Registrants should be aware that the penalties for non-compliance implemented by HF 2605 are severe and HHS intends to enforce these new regulations when they become effective on July 1. Registrants should expect enforcement activities on and on behalf of HHS.
 - If Registrants are unsure of the legality of the products they intend to sell or manufacture, they are strongly encouraged to contact HHS or seek private legal counsel.