



## 2022 Legislative Session Halftime Report

**TL;DR:** HB 1043 helps stabilize the hemp industry and ensure consumers have access to safe craft hemp flower products. Contact the Senate Committee on Commerce and Technology and ask that they support HB 1043. SB 209 contains language that is a direct attack on small businesses across the state. Contact the House Committee on Courts and Criminal Code and ask that they remove the low THC hemp extract language from the bill.

It's the legislative halftime for the Indiana General Assembly. This is a time when legislators take a breath to examine the legislative landscape for the second half of session. Bills that did not overcome the various deadlines the first half of session are now considered dead. Those bills that did meet the deadlines will restart the legislative

process in the other chamber. In other words, House bills go to the Senate and Senate bills go to the House. Legislators return from the break on Monday, February 7 to start the second half of session. The mandated last day of session is March 14, but we anticipate legislators to finish their work a week or two early.

<i>HOUSE</i>	<i>DEADLINES</i>	<i>SENATE</i>	<i>DEADLINES</i>
<b>February 22</b>	Senate Bills must advance out of committee	February 24	House Bills must advance out of committee
<b>February 24</b>	2 <sup>nd</sup> Reading Deadline for Senate Bills	<b>February 28</b>	2 <sup>nd</sup> Reading Deadline for House Bills
<b>February 28</b>	3 <sup>rd</sup> Reading Deadline for Senate Bills	<b>March 1</b>	3 <sup>rd</sup> Reading Deadline for House Bills

So how did cannabis-related bills fair the first half of session? It's a mixed bag of cautious optimism and unmitigated disappointment. The bottom line is the industry and general public need to continue to speak up and participate in the legislative process. We need your help!

First, let's cover the good news. [Representative Eberhart](#) filed [HB 1043](#) to help stabilize the hemp industry in Indiana in several ways. Under current Indiana

law, craft hemp flower is free to move in continuous transit through the state so long as a Hoosier farmer didn't grow it, a Hoosier small business didn't sell it and a Hoosier consumer didn't possess it. To add insult to injury, untested craft hemp flower products are being sold all around the state with zero enforcement actions from law enforcement. This means that those willing to break the law are taking market share with no consequences from those that are unwilling to break the law.

Furthermore, HB 1043 provides certainty to small businesses by clarifying that low THC hemp extract and craft hemp flower are not considered adulterants as it relates to our food safety laws. This encourages small businesses like craft breweries and restaurants to partner with farmers and other hemp companies to bring innovative products to market.

Finally, HB 1043 codifies testing and labeling requirements to ensure consumers have access to a safe product. This bill requires craft hemp flower products to be tested by an independent lab to verify compliance with various standards to ensure Hoosier consumers have access to a safe product. These products also must meet certain labeling requirements just like other CBD markets that have been on the market in Indiana since 2018.

HB 1043 passed out of the House Chamber [71-20](#) last week. This is more votes than a similar bill got last year, but we face an uphill battle in the Senate. [Senators Doriot](#), [Messmer](#) and [Taylor](#) are sponsoring the bill in the Senate. We anticipate that this bill will be sent to the [Senate Committee on Commerce and Technology](#). This is the same committee that killed the bill last year. The bill must get out of committee on or before February 24. **In short, this bill will not pass unless we have active, consistent and respectful engagement from Hoosiers on this issue.**

Now, onto the bad news. [SB 209](#) is the latest version of a sneak attack on the hemp industry in Indiana. An amendment was added to this bill on 2<sup>nd</sup> Reading last week—meaning there was never an opportunity for public input on the language. The amendment narrows the definition of a low THC hemp extract in Indiana and will result in the loss of several hundred jobs across the state. [Senator Brown](#) justified the need for such drastic action based on a news article that covered an alleged rapist blaming Delta-8 for his actions.

SB 209 passed the Senate on Tuesday with a final vote of 36-12. How did your Senator vote? Check out the Roll Call [here](#). We need your help in removing the offensive language in SB 209 to ensure we keep the lights on in small

businesses around the state and that Hoosiers have access to safe and consistent hemp products that they have enjoyed since 2018.

[Representative Steuerwald](#) is sponsoring the bill in the House and it will likely be assigned to the [House Committee on Courts and Criminal Code](#). Be sure to reach out to Representative Steuerwald and [Chairwoman McNamara](#) and the rest of the committee members and ask that they not make drastic changes to our hemp laws without industry input. This bill will be heard on or before February 22.

### **Honorable Mentions**

**Cannabis:** We saw a record number of bills filed this year that provide a regulated medical and/or adult use cannabis program in Indiana. While the momentum continues to grow each year for such a policy move, none of the cannabis bills received a hearing this year. We are working on getting a summer study committee to examine the benefits of a regulated market and will be sure to keep our members in the loop. Did you know? There is currently a \$2B cannabis market in Indiana that is being controlled by organized crime. According to a poll conducted in September 2021, 78% of Hoosiers support medical marijuana and 68% support both a medical and adult use market.

**Hemp as Animal Feed:** [Representative Baird](#) filed [HB 1345](#), which amends the definition of “commercial animal feed” to include hemp or a substance derived from hemp. The practical impact of this simple bill is to provide regulatory certainty to small business owners and allow Hoosiers to develop domestic feed supply chain for pets, specialty pets, horses or other livestock using the nutritional byproduct of various hemp products like grain and fiber. This bill is modeled off of our friends in Montana who passed a similar bill last year. Unfortunately, this bill did not receive committee hearing before the deadline but we made good progress on educating lawmakers on the merits of the bill.