

Effective 3/2/2020

Part 1 Industrial Hemp

4-41-101 Title.

- (1) This chapter is known as the "Hemp and Cannabinoid Act."
- (2) This part is known as "Industrial Hemp."

Amended by Chapter 14, 2020 General Session

4-41-102 Definitions.

As used in this chapter:

- (1) "Adulterant" means any poisonous or deleterious substance in a quantity that may be injurious to human health, including:
 - (a) pesticides;
 - (b) heavy metals;
 - (c) solvents;
 - (d) microbial life;
 - (e) artificially derived cannabinoids;
 - (f) toxins; or
 - (g) foreign matter.
- (2)
 - (a) "Artificially derived cannabinoid" means a chemical substance that is created by a chemical reaction that changes the molecular structure of any chemical substances derived from the cannabis plant.
 - (b) "Artificially derived cannabinoid" does not include:
 - (i) a naturally occurring chemical substance that is separated from the cannabis plant by a chemical or mechanical extraction process; or
 - (ii) cannabinoids that are produced by decarboxylation from a naturally occurring cannabinoid acid without the use of a chemical catalyst.
- (3) "Cannabidiol" or "CBD" means the cannabinoid identified as CAS# 13956-29-1.
- (4) "Cannabidiolic acid" or "CBDA" means the cannabinoid identified as CAS# 1244-58-2.
- (5) "Cannabinoid processor license" means a license that the department issues to a person for the purpose of processing a cannabinoid product.
- (6) "Cannabinoid product" means a product that:
 - (a) contains or is represented to contain one or more naturally occurring cannabinoids;
 - (b) contains less than the cannabinoid product THC level, by dry weight;
 - (c) contains a combined amount of total THC and any THC analog that does not exceed 10% of the total cannabinoid content;
 - (d) does not exceed a total of THC and any THC analog that is greater than:
 - (i) 5 milligrams per serving; and
 - (ii) 150 milligrams per package; and
 - (e) unless the product is in an oil based suspension, has a serving size that:
 - (i) is an integer; and
 - (ii) is a discrete unit of the cannabinoid product.
- (7) "Cannabinoid product class" means a group of cannabinoid products that:
 - (a) have all ingredients in common; and

- (b) are produced by or for the same company.
- (8) "Cannabinoid product THC level" means a combined concentration of total THC and any THC analog of less than 0.3% on a dry weight basis if laboratory testing confirms a result within a measurement of uncertainty that includes the combined concentration of 0.3%.
- (9) "Cannabis" means the same as that term is defined in Section 26B-4-201.
- (10) "Delta-9-tetrahydrocannabinol" or "delta-9-THC" means the cannabinoid identified as CAS# 1972-08-3, the primary psychotropic cannabinoid in cannabis.
- (11) "Industrial hemp" means any part of a cannabis plant, whether growing or not, with a concentration of less than 0.3% tetrahydrocannabinol by dry weight.
- (12) "Industrial hemp producer registration" means a registration that the department issues to a person for the purpose of processing industrial hemp or an industrial hemp product.
- (13)
 - (a) "Industrial hemp product" means a product made by processing industrial hemp plants or industrial hemp parts.
 - (b) "Industrial hemp product" does not include cannabinoid material or a cannabinoid product.
- (14) "Industrial hemp retailer permit" means a permit that the department issues to a retailer who sells any viable industrial hemp seed or cannabinoid product.
- (15) "Key participant" means any of the following:
 - (a) a licensee;
 - (b) an operation manager;
 - (c) a site manager; or
 - (d) an employee who has access to any industrial hemp material with a THC concentration above 0.3%.
- (16) "Licensee" means a person possessing a cannabinoid processor license that the department issues under this chapter.
- (17) "Newly identified cannabinoid" means a cannabinoid that:
 - (a) is not expressly identified by chemical name or CAS number in this chapter; and
 - (b) is identified by the department under Section 4-41-405.
- (18) "Non-compliant material" means:
 - (a) a hemp plant that does not comply with this chapter, including a cannabis plant with a concentration of 0.3% tetrahydrocannabinol or greater by dry weight;
 - (b) a cannabinoid product, chemical, or compound with a concentration that exceeds the cannabinoid product THC level; and
 - (c) a cannabinoid product containing any of the following:
 - (i) delta-9-tetrahydrocannabiphorol (THCP), the cannabinoid identified as CAS# 54763-99-4;
 - (ii) delta-8-tetrahydrocannabiphorol (THCP), the cannabinoid identified as CAS# 51768-60-6;
 - (iii) delta-9-tetrahydrocannabinol (THC) acetate, the cannabinoid identified as CAS# 23132-17-4;
 - (iv) delta-8-tetrahydrocannabinol (THC) acetate, the cannabinoid identified as CAS# 23050-54-6;
 - (v) 9(s)-hexahydrocannabinol (HHC), the cannabinoid identified as CAS# 36403-91-5; or
 - (vi) 9(r)-hexahydrocannabinol (HHC), the cannabinoid identified as CAS# 36403-90-4.
- (19) "Permittee" means a person possessing a permit that the department issues under this chapter.
- (20) "Person" means:
 - (a) an individual, partnership, association, firm, trust, limited liability company, or corporation; and
 - (b) an agent or employee of an individual, partnership, association, firm, trust, limited liability company, or corporation.

- (21) "Retailer permittee" means a person possessing an industrial hemp retailer permit that the department issues under this chapter.
- (22) "Tetrahydrocannabinol" or "THC" means a delta-9-tetrahydrocannabinol, the cannabinoid identified as CAS# 1972-08-3.
- (23)
 - (a) "THC analog" means a substance that is structurally or pharmacologically substantially similar to, or is represented as being similar to, delta-9-THC.
 - (b) "THC analog" does not include the following substances or the naturally occurring acid forms of the following substances:
 - (i) cannabichromene (CBC), the cannabinoid identified as CAS# 20675-51-8;
 - (ii) cannabicyclol (CBL), the cannabinoid identified as CAS# 21366-63-2;
 - (iii) cannabidiol (CBD), the cannabinoid identified as CAS# 13956-29-1;
 - (iv) cannabidivanol (CBDV), the cannabinoid identified as CAS# 24274-48-4;
 - (v) cannabielsoin (CBE), the cannabinoid identified as CAS# 52025-76-0;
 - (vi) cannabigerol (CBG), the cannabinoid identified as CAS# 25654-31-3;
 - (vii) cannabigerovarin (CBGV), the cannabinoid identified as CAS# 55824-11-8;
 - (viii) cannabinol (CBN), the cannabinoid identified as CAS# 521-35-7;
 - (ix) cannabivarin (CBV), the cannabinoid identified as CAS# 33745-21-0; or
 - (x) delta-9-tetrahydrocannabivarin (THCV), the cannabinoid identified as CAS# 31262-37-0.
- (24) "Total cannabidiol" or "total CBD" means the combined amounts of cannabidiol and cannabidiolic acid, calculated as "total CBD = CBD + (CBDA x 0.877)".
- (25) "Total tetrahydrocannabinol" or "total THC" means the sum of the determined amounts of delta-9-THC, tetrahydrocannabinolic acid, calculated as "total THC = delta-9-THC + (THCA x 0.877)".
- (26) "Transportable industrial hemp concentrate" means any amount of a natural cannabinoid in a purified state that:
 - (a) is the product of any chemical or physical process applied to naturally occurring biomass that concentrates or isolates the cannabinoids contained in the biomass;
 - (b) is derived from a cannabis plant that, based on sampling that was collected no more than 30 days before the day on which the cannabis plant was harvested, contains a combined concentration of total THC and any THC analog of less than 0.3% on a dry weight basis;
 - (c) has a THC and THC analog concentration total that is less than 20% when concentrated from the cannabis plant to the purified state; and
 - (d) is intended to be processed into a cannabinoid product.

Amended by Chapter 114, 2025 General Session

4-41-103.1 Authority to regulate production, sale, and testing of cannabinoid products and industrial hemp -- Information sharing with the State Tax Commission.

- (1) The department shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to:
 - (a) establish requirements for a cannabinoid processor license to process cannabinoid products;
 - (b) establish requirements for an industrial hemp retailer permit to market or sell industrial hemp products;
 - (c) establish the standards, methods, practices, and procedures a laboratory must use when:
 - (i) testing industrial hemp, transportable industrial hemp concentrate, and cannabinoid products; and
 - (ii) disposing of non-compliant material;

- (d) establish requirements for registration of processors of non-cannabinoid industrial hemp products; and
 - (e) establish standards for transporting transportable industrial hemp concentrate into and out of the state.
- (2) The department shall maintain a list of each licensee and permittee.
- (3) Beginning January 1, 2025, the department shall provide to the State Tax Commission:
- (a) a regularly updated list of every retailer permittee that sells a cannabinoid product;
 - (b) any information obtained by the department regarding a person who is not a retailer permittee and is selling a cannabinoid product; and
 - (c) the tax identification number:
 - (i) for a retailer permittee described in Subsection (3)(a); and
 - (ii) a person described in Subsection (3)(b).

Amended by Chapter 35, 2024 General Session

4-41-103.2 Cannabinoid processor license.

- (1) The department or a licensee of the department may process a cannabinoid product.
- (2) A person seeking a cannabinoid processor license shall provide to the department:
- (a) the legal description and global positioning coordinates sufficient for locating the facility the person uses to process industrial hemp; and
 - (b) written consent allowing a representative of the department and local law enforcement to enter all premises where the person processes or stores industrial hemp for the purpose of:
 - (i) conducting a physical inspection; or
 - (ii) ensuring compliance with the requirements of this chapter.
- (3) The department may set a fee in accordance with Subsection 4-2-103(2) for the application for a cannabinoid processor license.
- (4) A licensee may only market a cannabinoid product that the licensee processes.
- (5)
- (a) An applicant for a cannabinoid processor license shall:
 - (i) be at least 18 years old; and
 - (ii) submit a nationwide criminal history from the Federal Bureau of Investigation to the department.
 - (b) The department shall reject an individual's application for a cannabinoid processor license if the criminal history described in Subsection (5)(a)(ii) was not completed in the previous 90 days before the day the applicant submits the license application to the department.
- (6) An applicant is not eligible to receive a cannabinoid processor license if the applicant has:
- (a) been convicted of a felony; or
 - (b) been convicted of a drug-related misdemeanor within the previous 10 years.

Amended by Chapter 114, 2025 General Session

4-41-103.3 Industrial hemp retailer permit.

- (1) Except as provided in Subsection (5), a retailer permittee of the department may market or sell a cannabinoid product or a viable industrial hemp seed.
- (2) A person seeking an industrial hemp retailer permit shall provide to the department:
- (a) the name of the person that is seeking to market or sell a cannabinoid product or a viable industrial hemp seed;

- (b) the address of each location where a cannabinoid product or a viable industrial hemp seed will be sold; and
 - (c) written consent allowing a representative of the department to enter all premises where the person is selling a cannabinoid product or a viable industrial hemp seed for the purpose of:
 - (i) conducting a physical inspection; or
 - (ii) ensuring compliance with the requirements of this chapter.
- (3) Beginning January 1, 2026, an industrial hemp retailer permittee shall:
- (a) maintain a video surveillance system that:
 - (i) is able to monitor who purchases a cannabinoid product from the permittee;
 - (ii) is tamper proof; and
 - (iii) stores a video record for at least 45 days; and
 - (b) provide the department access to the video surveillance system upon request.
- (4) The department may set a fee in accordance with Subsection 4-2-103(2) for the application for an industrial hemp retailer permit.
- (5) Any marketing for a cannabinoid product or a viable industrial hemp seed shall include a notice to consumers that the product is hemp and is not cannabis or medical cannabis, as those terms are defined in Section 26B-4-201.

Amended by Chapter 114, 2025 General Session

4-41-103.4 Industrial hemp laboratory testing.

- (1) The department or a laboratory contracted with the department may test industrial hemp and cannabinoid products.
- (2) The department or a laboratory contracted with the department may dispose of non-compliant material.

Amended by Chapter 35, 2024 General Session

4-41-103.5 Industrial hemp producer registration -- Limitation on industrial hemp product use.

- (1) A person may produce an industrial hemp product if the person has registered with the department as an industrial hemp producer.
- (2) A person seeking to register under Subsection (1) shall provide to the department:
 - (a) the name of the person that is seeking to produce an industrial hemp product;
 - (b) the address of each location where the industrial hemp product will be manufactured; and
 - (c) written consent allowing a representative of the department to enter any premise where the person is manufacturing industrial hemp product for:
 - (i) conducting a physical inspection; or
 - (ii) ensuring compliance with the requirements of this chapter.
- (3) An industrial hemp product or byproduct may not be used for production of a cannabinoid product.

Enacted by Chapter 146, 2023 General Session

4-41-104 Product registration required for distribution -- Application -- Fees -- Renewal.

- (1) A cannabinoid product class or cannabinoid product that is not registered with the department may not be distributed in this state.

- (2) A person seeking registration for a cannabinoid product class or cannabinoid product shall apply to the department on forms provided by the department for a registration for each cannabinoid product class or cannabinoid product the person intends to distribute in the state.
- (3) The department may conduct tests, or require test results, to ensure that any claim made by an applicant about a cannabinoid product class or cannabinoid product is accurate.
- (4) Upon receipt by the department of a proper application, as described in Subsection (2), the department shall issue a registration to the applicant allowing the applicant to distribute the registered cannabinoid product class or cannabinoid product in the state for one year from the date on which the application is approved, subject to suspension or revocation for cause.
- (5) The department shall mail, either through the postal service or electronically, forms for the renewal of a registration to a registrant at least 30 days before the day on which the registrant's registration expires.

Amended by Chapter 35, 2024 General Session

4-41-105 Unlawful acts.

- (1) It is unlawful for a person to handle, process, or market living industrial hemp plants, viable hemp seeds, leaf materials, or floral materials derived from industrial hemp without the appropriate license or permit issued by the department under this chapter.
- (2)
 - (a) It is unlawful for any person to:
 - (i) distribute, sell, or market a cannabinoid product that is:
 - (A) not registered with the department under Section 4-41-104; or
 - (B) noncompliant material;
 - (ii) except as provided in Subsection (2)(b), transport into or out of the state extracted material or final product that contains 0.3% or more of total THC and any THC analog;
 - (iii) sell or use a cannabinoid product that is:
 - (A) added to a conventional food or beverage, as the department further defines in rules described in Section 4-41-403;
 - (B) marketed or manufactured to be enticing to children, as further defined in rules described in Section 4-41-403; or
 - (C) smokable flower; or
 - (iv) knowingly or intentionally sell or give a cannabinoid product that contains THC or a THC analog in the course of business to an individual who is not at least 21 years old.
 - (b) A person may transport transportable industrial hemp concentrate if the person:
 - (i) complies with rules created by the department under Section 4-41-103.1 related to transportable industrial hemp concentrate; and
 - (ii)
 - (A) has a cannabinoid processor license; or
 - (B) the equivalent to a cannabinoid processor license from another state.
- (3) The department may seize and destroy non-compliant material.
- (4) Nothing in this chapter authorizes any person to violate federal law, regulation, or any provision of this title.

Amended by Chapter 114, 2025 General Session

4-41-106 Enforcement -- Fine -- Citation.

- (1) If a person violates this part, the department may:

- (a) revoke the person's license or permit;
 - (b) decline to renew the person's license or permit; or
 - (c) assess the person a civil penalty that the department establishes in accordance with Section 4-2-304.
- (2) Except for a fine that the department assesses for an unlicensed processor, an unregistered product, or the sale of a cannabinoid product to an individual younger than 21 years old, the department shall deposit a penalty imposed under this section into the General Fund.
- (3) The department may take an action described in Subsection (4) if the department concludes, upon investigation, that a person has violated this chapter, a rule made under this chapter, or an order issued under this chapter.
- (4) If the department makes the conclusion described in Subsection (3), the department shall:
- (a) issue the person a written administrative citation;
 - (b) attempt to negotiate a stipulated settlement;
 - (c) seize, embargo, or destroy the industrial hemp batch or unregistered product;
 - (d) order the person to cease the violation; and
 - (e) if a stipulated settlement cannot be reached, conduct an adjudicative proceeding under Title 63G, Chapter 4, Administrative Procedures Act.
- (5) The department may, for a person, other than an individual, that is subject to an uncontested citation, a stipulated settlement, or a finding of a violation in an adjudicative proceeding under this section, for a fine amount not already specified in law, assess the person a fine of up to \$5,000 per violation, in accordance with a fine schedule that the department establishes by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (6) The department may not revoke a cannabinoid processor license or an industrial hemp retailer's permit without first giving the person the opportunity to appear before an adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative Procedures Act.
- (7) If, within 30 calendar days after the day on which a department serves a citation for a violation of this chapter, the person that is the subject of the citation fails to request a hearing to contest the citation, the citation becomes the department's final order.
- (8) The department may, for a person who fails to comply with a citation under this section:
- (a) refuse to issue or renew the person's processor license or retailer permit; or
 - (b) suspend, revoke, or place on probation the person's processor license or retailer permit.

Amended by Chapter 35, 2024 General Session