

Newsletter May 2025

There are many changes in the hemp industry for 2025 that you need to be aware of.

On March 23, 2023 Governor Beshear signed HB 544 directing the Cabinet for Health & Family Services to regulate hemp products under the Food Safety Branch. The Cabinet began accepting applications for licenses and products in 2024. The link below will provide all of the information for stores carrying hemp-derived products.

https://www.chfs.ky.gov/agencies/dph/dphps/fsb/Pages/HDCP.aspx

Key Points:

All hemp-derived cannabinoid products sold in the state must be on the Kentucky registry. This includes non-intoxicating hemp products. You do not need a hemp license to carry non-intoxicating products, but any business selling adult-use cannabinoid products must have a license. Adult-use cannabinoids include, but aren't limited to: Delta 8, Delta 9, Delta 10, THCA, THCV, HHC, THCp & THCM. There are over 300 products currently approved on the registry. We always recommend supporting local Kentucky businesses and carrying their products in your stores.

Please note that inspections by the Cabinet are happening, so make sure your business is registered and your products are approved for sale.

2025 Bill Updates:

We fought hard to keep cannabis beverages available for sale in hemp retail businesses, but unfortunately Governor Beshear signed SB 202 into law.

Senate Bill 202 significantly changes the regulation of hemp-derived beverages containing THC in Kentucky. Here's how hemp beverages are now treated under the Kentucky Department of Alcoholic Beverage Control (ABC):

1. THC Limits and Regulation:



THC Cap: Hemp beverages are limited to a maximum of 5 milligrams of THC per 12-ounce serving.

ABC Oversight: The Kentucky Department of Alcoholic Beverage Control (ABC) now regulates these beverages, previously regulated by the Cabinet for Health and Family Services.

Retailer Licensing: Retailers selling these drinks require an ABC liquor license, as well as, an additional hemp beverage license which currently does not exist. Once a license is obtained, retailers can only buy these products from a 3-Tier licensed alcohol distributor and not directly from the manufacturer.

Age Restrictions: Only adults aged 21 and over can purchase hemp-derived THC beverages.

2. Prohibited Sales:

Restaurants and Bars: The sale of cannabis-infused drinks in restaurants and bars is banned.

Exceptions: Sales at festivals are permitted until 2026.

Dry Counties: No products may be sold in dry counties.

3. Other Key Aspects:

Labeling and Fees: The law clarifies product labeling, defines oversight responsibilities, and establishes fee structures for licensees.

Study on Cannabinoids: The University of Kentucky Cannabis Center is conducting a study on cannabinoid beverages, with findings expected in 2026.

4. Potential Future Changes:

Ongoing Study: The University of Kentucky study may lead to future adjustments in regulations.



New ABC Regulations: The ABC is expected to release new regulations on or before July 1, 2026.

HB775 Increased the license to a <u>full retail liquor license</u> and added the supplemental hemp beverage license as well. Costing approximately \$2000 or more for each license, if you are lucky enough to get a liquor license. Many counties have limits to how many liquor licenses are available. It would be best to contact an attorney on how to go about obtaining the proper permits to sell hemp beverages in your location.

SB100 Removed Hemp products from the vape restrictions. However, other language still applies to nicotine and tobacco vapes.

See below for the actual language in the bills.

https://apps.legislature.ky.gov/recorddocuments/bill/25RS/sb100/bill.pdf

https://apps.legislature.ky.gov/recorddocuments/bill/25RS/sb202/bill.pdf

https://abcportal.ky.gov/BelleExternal/

How You Can Help:

What can you do to help in the interim? Meet with your legislators! Tell them to stop the war on hemp and keep all of our products legal. It seems like every session we are fighting to stop bills that will hurt our industry. This is where you can help now. Meet with your Representative and your Senators. Tell them how much of an economic impact it would have on you and your employees if hemp products are banned or capped on the milligrams or moved to only being sold in medical marijuana dispensaries. This threat is real. Other states have filed laws to do just this. We need to be proactive in talking with our legislators so we aren't fighting on the defensive when it comes to the legislative sessions. They need to hear from you, their constituent, or they just vote how leadership tells them to vote.

Lobbying Efforts:

We recently hired a seasoned lobbyist to help with our efforts in Frankfort and to keep moving our industry forward, whether you are a retailer, processor, or farmer, we are



working to help everyone in the industry. However, it requires funding in order to do this. Please consider donating to the Kentucky Hemp Association so we can continue to grow Kentucky's hemp industry together.

https://kyhempassociation.org/donations/

Send checks to The Kentucky Hemp Association, 11609 Dawsons Spring Rd., Crofton, KY 42217.

If you have let your membership cancel, now is a great time to renew! You can renew your membership at https://kyhempassociation.org/

Upcoming Events:

We will have a table at the Lucky Leaf Expo held in Louisville at the end of May. Our Board President, Dee Dee Taylor, will be speaking on May 30, 2025 at 3:50 p.m. about the new rules and regulations surrounding the hemp industry in Kentucky. You can purchase your tickets at

https://www.eventbrite.com/e/lucky-leaf-expo-louisville-ky-2025-tickets-1038669698027

Please reach out with any questions you may have. We appreciate your valued opinion and help in achieving our goals of moving this industry forward.

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