

AMENDMENTS TO LB316

(Amendments to Standing Committee amendments, AM944)

Introduced by Cavanaugh, J., 9.

1 1. Strike the original sections and all amendments thereto and
2 insert the following new sections:

3 **Section 1.** Section 2-501, Revised Statutes Cumulative Supplement,
4 2024, is amended to read:

5 2-501 Sections 2-501 to 2-518 and section 5 of this act shall be
6 known and may be cited as the Nebraska Hemp Farming Act.

7 **Sec. 2.** Section 2-503, Revised Statutes Cumulative Supplement, 2024,
8 is amended to read:

9 2-503 For purposes of the Nebraska Hemp Farming Act:

10 (1) Agriculture Improvement Act of 2018 means section 10113 of the
11 federal Agriculture Improvement Act of 2018, Public Law 115-334, and any
12 regulations adopted and promulgated under such section, as such section,
13 act, and regulations existed on January 1, 2024;

14 (2) Cultivate or cultivating means planting, watering, growing, and
15 harvesting a hemp plant or crop. The presence of plants of the plant
16 Cannabis sativa L. growing as uncultivated, naturalized plants in the
17 environment is not cultivating hemp for purposes of the Nebraska Hemp
18 Farming Act;

19 (3) Federally compliant hemp means hemp that complies with the
20 requirements of the Agriculture Improvement Act of 2018;

21 (4)(a) ~~(3)~~ Hemp means the plant Cannabis sativa L. and any part of
22 such plant, including the viable seeds of such plant and all derivatives,
23 extracts, cannabinoids, isomers, acids, salts, and salts of isomers,
24 whether growing or not, with a delta-9 THC ~~tetrahydrocannabinol~~
25 concentration of not more than 0.3 percent on a dry weight basis.

26 (b) Hemp includes hemp products.

1 (c) Hemp does not include the mature stalks of the plant Cannabis
2 sativa L.; fiber produced from such stalks; oil or cake made from the
3 seeds of such plant; any other compound, manufacture, salt, derivative,
4 mixture, or preparation of such mature stalks; or the sterilized seed of
5 such plant that is incapable of germination. Hemp shall be considered an
6 agricultural commodity. Notwithstanding any other provision of law, hemp
7 shall not be considered a controlled substance under the Uniform
8 Controlled Substances Act;

9 (5) Hemp product means a finished hemp consumer product that:

10 (a) Contains, as a primary ingredient, cannabinoids extracted or
11 derived from hemp;

12 (b) Complies with the THC limits provided in subdivision (4)(a) of
13 this section; and

14 (c) Does not contain any synthetic cannabinoids or any cannabinoids
15 not naturally occurring in the plant;

16 (6) (4) Person means an individual, partnership, corporation,
17 limited liability company, association, postsecondary institution, or
18 other legal entity;

19 (7) (5) State-program-licensed hemp producer means a person licensed
20 under a USDA-approved state or tribal program as authorized under the
21 Agriculture Improvement Act of 2018 and includes the authorized employees
22 or agents of such person;

23 (8) Synthetic cannabinoid means a cannabinoid synthesized using non-
24 plant-derived chemicals as starting materials;

25 (9) THC means tetrahydrocannabinol;

26 (10) (6) USDA means the United States Department of Agriculture; and

27 (11) (7) USDA-licensed hemp producer means a person licensed by the
28 USDA to produce hemp as provided in 7 C.F.R. part 990, subpart C, as such
29 regulations existed on January 1, 2024, and includes the authorized
30 employees or agents of such person.

31 **Sec. 3.** Section 2-505, Revised Statutes Cumulative Supplement, 2024,

1 is amended to read:

2 2-505 (1)(a) This subsection applies to hemp other than hemp
3 products.

4 (b) Hemp shall not be cultivated, possessed, handled, transported,
5 processed, used, sold, or consumed in this state, except as provided in
6 this subsection.

7 (c) Federally compliant hemp ~~(1) Hemp~~ may be cultivated in this
8 state by a USDA-licensed hemp producer, in accordance with such
9 producer's USDA-issued license, or by a state-program-licensed hemp
10 producer, in accordance with such producer's license under a USDA-
11 approved tribal program.

12 (d) ~~(2)~~ Hemp may ~~only~~ be transported pursuant to section 2-515.

13 (2)(a) For purposes of this subsection:

14 (i) Consumer safe harbor period means the period of time beginning
15 on the operative date of this act and ending on March 31, 2026; and

16 (ii) Illegal hemp means hemp or hemp products that do not comply
17 with the THC limits provided in subdivision (4)(a) of section 2-503 or,
18 except as provided in subdivision (3)(d) of this section, that are
19 otherwise not lawful under the Nebraska Hemp Farming Act.

20 (b) An individual consumer shall not be subject to prosecution for
21 possession of illegal hemp during the consumer safe harbor period.

22 (c) The Attorney General may coordinate with law enforcement
23 agencies to establish appropriate locations where, during the consumer
24 safe harbor period, consumers may drop off illegal hemp for destruction
25 without prosecution for transporting or handling such illegal hemp for
26 destruction.

27 (d) This subsection does not prevent prosecution for the
28 cultivation, possession, handling, transportation, processing, use, sale,
29 or other distribution of raw materials or products with a delta-9 THC
30 concentration of more than 0.3 percent on a dry weight basis.

31 **Sec. 4.** Section 2-515, Revised Statutes Cumulative Supplement, 2024,

1 is amended to read:

2 2-515 (1) Except as provided in subsection (3) of this section, any
3 USDA-licensed hemp producer or state-program-licensed hemp producer
4 transporting hemp shall carry with the hemp being transported a copy of
5 the USDA license or state program license under which it was cultivated
6 and a copy of the test results pertaining to each lot of hemp being
7 transported.

8 (2) A USDA-licensed hemp producer or state-program-licensed hemp
9 producer under a USDA-approved tribal program cultivating hemp in this
10 state shall maintain a record of shipments of hemp shipped from or
11 received by such producer. Such record shall, for each shipment of hemp,
12 indicate the date of shipment, identify the point of origin and
13 destination, identify the name of the person sending and receiving the
14 shipment, and include the vehicle identification number of the vehicle
15 transporting the hemp.

16 (3) Any USDA-licensed hemp producer or state-program-licensed hemp
17 producer transporting hemp cultivated under such producer's USDA license
18 or state program license shall not be required to carry a copy of the
19 test results relating to such hemp as provided in subsection (1) of this
20 section if such producer carries with the hemp being transported a copy
21 of the applicable USDA license or state program license and is
22 transporting:

23 (a) Hemp between two registered sites listed on the producer's USDA
24 or state program license application;

25 (b) Samples of hemp for testing to determine the
26 tetrahydrocannabinol level; or

27 (c) Live hemp plants to a registered site listed on the producer's
28 USDA or state program license application prior to cultivating such hemp
29 plants.

30 (4) Federally compliant hemp may be transported in interstate
31 commerce for any lawful purpose ~~(4) Any person who is carrying or~~

1 ~~transporting hemp who is not a USDA-licensed hemp producer or state-~~
2 ~~program-licensed hemp producer shall only carry or transport hemp if such~~
3 ~~hemp meets the following requirements:~~

4 (a) The hemp is carried or transported with a bill of lading stating
5 the owner of the hemp, the point of origin of the hemp, and the
6 destination of the hemp; and

7 ~~(b) The hemp is carried or transported with a copy of the valid USDA~~
8 ~~or state program license under which the hemp was cultivated;~~

9 ~~(c) The hemp is carried or transported with a copy of the test~~
10 ~~results pertaining to each lot of hemp being transported; and~~

11 ~~(b) (d)~~ The hemp is not unloaded or in any way removed from the
12 vehicle transporting such hemp unless authorized by state or federal law
13 enforcement.

14 ~~(5) No person shall transport or carry hemp in this state~~
15 ~~concurrently with any other plant material that is not hemp.~~

16 **Sec. 5.** The Nebraska Hemp Farming Act does not apply to conduct
17 protected by the Nebraska Medical Cannabis Patient Protection Act or the
18 Nebraska Medical Cannabis Regulation Act.

19 **Sec. 6.** Section 28-401, Revised Statutes Cumulative Supplement,
20 2024, is amended to read:

21 28-401 As used in the Uniform Controlled Substances Act, unless the
22 context otherwise requires:

23 (1) Administer means to directly apply a controlled substance by
24 injection, inhalation, ingestion, or any other means to the body of a
25 patient or research subject;

26 (2) Agent means an authorized person who acts on behalf of or at the
27 direction of another person but does not include a common or contract
28 carrier, public warehouse keeper, or employee of a carrier or warehouse
29 keeper;

30 (3) Administration means the Drug Enforcement Administration of the
31 United States Department of Justice;

1 (4) Controlled substance means a drug, biological, substance, or
2 immediate precursor in Schedules I through V of section 28-405.
3 Controlled substance does not include distilled spirits, wine, malt
4 beverages, tobacco, hemp, or any nonnarcotic substance if such substance
5 may, under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 301 et
6 seq., as such act existed on January 1, 2014, and the law of this state,
7 be lawfully sold over the counter without a prescription;

8 (5) Counterfeit substance means a controlled substance which, or the
9 container or labeling of which, without authorization, bears the
10 trademark, trade name, or other identifying mark, imprint, number, or
11 device, or any likeness thereof, of a manufacturer, distributor, or
12 dispenser other than the person or persons who in fact manufactured,
13 distributed, or dispensed such substance and which thereby falsely
14 purports or is represented to be the product of, or to have been
15 distributed by, such other manufacturer, distributor, or dispenser;

16 (6) Department means the Department of Health and Human Services;

17 (7) Division of Drug Control means the personnel of the Nebraska
18 State Patrol who are assigned to enforce the Uniform Controlled
19 Substances Act;

20 (8) Dispense means to deliver a controlled substance to an ultimate
21 user or a research subject pursuant to a medical order issued by a
22 practitioner authorized to prescribe, including the packaging, labeling,
23 or compounding necessary to prepare the controlled substance for such
24 delivery;

25 (9) Distribute means to deliver other than by administering or
26 dispensing a controlled substance;

27 (10) Prescribe means to issue a medical order;

28 (11) Drug means (a) articles recognized in the official United
29 States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United
30 States, official National Formulary, or any supplement to any of them,
31 (b) substances intended for use in the diagnosis, cure, mitigation,

1 treatment, or prevention of disease in human beings or animals, and (c)
2 substances intended for use as a component of any article specified in
3 subdivision (a) or (b) of this subdivision, but does not include devices
4 or their components, parts, or accessories;

5 (12) Deliver or delivery means the actual, constructive, or
6 attempted transfer from one person to another of a controlled substance,
7 whether or not there is an agency relationship;

8 (13) Hemp has the same meaning as in section 2-503;

9 (14)(a) Marijuana means all parts of the plant of the genus
10 cannabis, whether growing or not, the seeds thereof, and every compound,
11 manufacture, salt, derivative, mixture, or preparation of such plant or
12 its seeds.

13 (b) Marijuana does not include:

14 (i) The the mature stalks of such plant; ~~τ~~

15 (ii) Hashish;

16 (iii) Tetrahydrocannabinols hashish, ~~tetrahydrocannabinols~~ extracted
17 or isolated from the plant; ~~τ~~

18 (iv) Fiber fiber produced from such stalks; ~~τ~~

19 (v) Oil oil or cake made from the seeds of such plant; ~~τ~~

20 (vi) Any any other compound, manufacture, salt, derivative, mixture,
21 or preparation of such mature stalks; ~~τ~~

22 (vii) The the sterilized seed of such plant which is incapable of
23 germination; or ~~τ~~ ~~or~~

24 (viii) Cannabidiol cannabidiol contained in a drug product approved
25 by the federal Food and Drug Administration.

26 (c) Marijuana does not include hemp or a hemp product.

27 (d) When the weight of marijuana is referred to in the Uniform
28 Controlled Substances Act, it means its weight at or about the time it is
29 seized or otherwise comes into the possession of law enforcement
30 authorities, whether cured or uncured at that time;

31 (15) Manufacture means the production, preparation, propagation,

1 conversion, or processing of a controlled substance, either directly or
2 indirectly, by extraction from substances of natural origin,
3 independently by means of chemical synthesis, or by a combination of
4 extraction and chemical synthesis, and includes any packaging or
5 repackaging of the substance or labeling or relabeling of its container.
6 Manufacture does not include the preparation or compounding of a
7 controlled substance by an individual for his or her own use, except for
8 the preparation or compounding of components or ingredients used for or
9 intended to be used for the manufacture of methamphetamine, or the
10 preparation, compounding, conversion, packaging, or labeling of a
11 controlled substance: (a) By a practitioner as an incident to his or her
12 prescribing, administering, or dispensing of a controlled substance in
13 the course of his or her professional practice; or (b) by a practitioner,
14 or by his or her authorized agent under his or her supervision, for the
15 purpose of, or as an incident to, research, teaching, or chemical
16 analysis and not for sale;

17 (16) Narcotic drug means any of the following, whether produced
18 directly or indirectly by extraction from substances of vegetable origin,
19 independently by means of chemical synthesis, or by a combination of
20 extraction and chemical synthesis: (a) Opium, opium poppy and poppy
21 straw, coca leaves, and opiates; (b) a compound, manufacture, salt,
22 derivative, or preparation of opium, coca leaves, or opiates; or (c) a
23 substance and any compound, manufacture, salt, derivative, or preparation
24 thereof which is chemically equivalent to or identical with any of the
25 substances referred to in subdivisions (a) and (b) of this subdivision,
26 except that the words narcotic drug as used in the Uniform Controlled
27 Substances Act does not include decocainized coca leaves or extracts of
28 coca leaves, which extracts do not contain cocaine or ecgonine, or
29 isoquinoline alkaloids of opium;

30 (17) Opiate means any substance having an addiction-forming or
31 addiction-sustaining liability similar to morphine or being capable of

1 conversion into a drug having such addiction-forming or addiction-
2 sustaining liability. Opiate does not include the dextrorotatory isomer
3 of 3-methoxy-n methylmorphinan and its salts. Opiate includes its racemic
4 and levorotatory forms;

5 (18) Opium poppy means the plant of the species *Papaver somniferum*
6 L., except the seeds thereof;

7 (19) Poppy straw means all parts, except the seeds, of the opium
8 poppy after mowing;

9 (20) Person means any corporation, association, partnership, limited
10 liability company, or one or more persons;

11 (21) Practitioner means a physician, a physician assistant, a
12 dentist, a veterinarian, a pharmacist, a podiatrist, an optometrist, a
13 certified nurse midwife, a certified registered nurse anesthetist, a
14 nurse practitioner, a scientific investigator, a pharmacy, a hospital, or
15 any other person licensed, registered, or otherwise permitted to
16 distribute, dispense, prescribe, conduct research with respect to, or
17 administer a controlled substance in the course of practice or research
18 in this state, including an emergency medical service as defined in
19 section 38-1207;

20 (22) Production includes the manufacture, planting, cultivation, or
21 harvesting of a controlled substance;

22 (23) Immediate precursor means a substance which is the principal
23 compound commonly used or produced primarily for use and which is an
24 immediate chemical intermediary used or likely to be used in the
25 manufacture of a controlled substance, the control of which is necessary
26 to prevent, curtail, or limit such manufacture;

27 (24) State means the State of Nebraska;

28 (25) Ultimate user means a person who lawfully possesses a
29 controlled substance for his or her own use, for the use of a member of
30 his or her household, or for administration to an animal owned by him or
31 her or by a member of his or her household;

1 (26) Hospital has the same meaning as in section 71-419;

2 (27) Cooperating individual means any person, other than a
3 commissioned law enforcement officer, who acts on behalf of, at the
4 request of, or as agent for a law enforcement agency for the purpose of
5 gathering or obtaining evidence of offenses punishable under the Uniform
6 Controlled Substances Act;

7 (28) Hemp product has the same meaning as in section 2-503;

8 (29)(a) ~~(28)(a)~~ Hashish or concentrated cannabis means (i) the
9 separated resin, whether crude or purified, obtained from a plant of the
10 genus cannabis or (ii) any material, preparation, mixture, compound, or
11 other substance which contains ten percent or more by weight of
12 tetrahydrocannabinols.

13 (b) When resins extracted from hemp as defined in section 2-503 are
14 in the possession of a person as authorized under the Nebraska Hemp
15 Farming Act, they are not considered hashish or concentrated cannabis for
16 purposes of the Uniform Controlled Substances Act.

17 (c) Hashish or concentrated cannabis does not include any hemp
18 product or cannabidiol contained in a drug product approved by the
19 federal Food and Drug Administration;

20 (30) ~~(29)~~ Exceptionally hazardous drug means (a) a narcotic drug,
21 (b) thiophene analog of phencyclidine, (c) phencyclidine, (d)
22 amobarbital, (e) secobarbital, (f) pentobarbital, (g) amphetamine, or (h)
23 methamphetamine;

24 (31) ~~(30)~~ Imitation controlled substance means a substance which is
25 not a controlled substance or controlled substance analogue but which, by
26 way of express or implied representations and consideration of other
27 relevant factors including those specified in section 28-445, would lead
28 a reasonable person to believe the substance is a controlled substance or
29 controlled substance analogue. A placebo or registered investigational
30 drug manufactured, distributed, possessed, or delivered in the ordinary
31 course of practice or research by a health care professional shall not be

1 deemed to be an imitation controlled substance;

2 (32)(a) ~~(31)(a)~~ Controlled substance analogue means a substance (i)
3 the chemical structure of which is substantially similar to the chemical
4 structure of a Schedule I or Schedule II controlled substance as provided
5 in section 28-405 or (ii) which has a stimulant, depressant, analgesic,
6 or hallucinogenic effect on the central nervous system that is
7 substantially similar to or greater than the stimulant, depressant,
8 analgesic, or hallucinogenic effect on the central nervous system of a
9 Schedule I or Schedule II controlled substance as provided in section
10 28-405. A controlled substance analogue shall, to the extent intended for
11 human consumption, be treated as a controlled substance under Schedule I
12 of section 28-405 for purposes of the Uniform Controlled Substances Act;
13 and

14 (b) Controlled substance analogue does not include (i) a controlled
15 substance, (ii) any substance generally recognized as safe and effective
16 within the meaning of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C.
17 301 et seq., as such act existed on January 1, 2014, (iii) any substance
18 for which there is an approved new drug application, or (iv) with respect
19 to a particular person, any substance if an exemption is in effect for
20 investigational use for that person, under section 505 of the Federal
21 Food, Drug, and Cosmetic Act, 21 U.S.C. 355, as such section existed on
22 January 1, 2014, to the extent conduct with respect to such substance is
23 pursuant to such exemption;

24 (33) ~~(32)~~ Anabolic steroid means any drug or hormonal substance,
25 chemically and pharmacologically related to testosterone (other than
26 estrogens, progestins, and corticosteroids), that promotes muscle growth
27 and includes any controlled substance in Schedule III(d) of section
28 28-405. Anabolic steroid does not include any anabolic steroid which is
29 expressly intended for administration through implants to cattle or other
30 nonhuman species and has been approved by the Secretary of Health and
31 Human Services for such administration, but if any person prescribes,

1 dispenses, or distributes such a steroid for human use, such person shall
2 be considered to have prescribed, dispensed, or distributed an anabolic
3 steroid within the meaning of this subdivision;

4 (34) ~~(33)~~ Chart order means an order for a controlled substance
5 issued by a practitioner for a patient who is in the hospital where the
6 chart is stored or for a patient receiving detoxification treatment or
7 maintenance treatment pursuant to section 28-412. Chart order does not
8 include a prescription;

9 (35) ~~(34)~~ Medical order means a prescription, a chart order, or an
10 order for pharmaceutical care issued by a practitioner;

11 (36) ~~(35)~~ Prescription means an order for a controlled substance
12 issued by a practitioner. Prescription does not include a chart order;

13 (37) ~~(36)~~ Registrant means any person who has a controlled
14 substances registration issued by the state or the Drug Enforcement
15 Administration of the United States Department of Justice;

16 (38) ~~(37)~~ Reverse distributor means a person whose primary function
17 is to act as an agent for a pharmacy, wholesaler, manufacturer, or other
18 entity by receiving, inventorying, and managing the disposition of
19 outdated, expired, or otherwise nonsaleable controlled substances;

20 (39) ~~(38)~~ Signature means the name, word, or mark of a person
21 written in his or her own hand with the intent to authenticate a writing
22 or other form of communication or a digital signature which complies with
23 section 86-611 or an electronic signature;

24 (40) ~~(39)~~ Facsimile means a copy generated by a system that encodes
25 a document or photograph into electrical signals, transmits those signals
26 over telecommunications lines, and reconstructs the signals to create an
27 exact duplicate of the original document at the receiving end;

28 (41) ~~(40)~~ Electronic signature has the definition found in section
29 86-621;

30 (42) ~~(41)~~ Electronic transmission means transmission of information
31 in electronic form. Electronic transmission includes computer-to-computer

1 transmission or computer-to-facsimile transmission;

2 ~~(43)~~ ~~(42)~~ Long-term care facility means an intermediate care
3 facility, an intermediate care facility for persons with developmental
4 disabilities, a long-term care hospital, a mental health substance use
5 treatment center, a nursing facility, or a skilled nursing facility, as
6 such terms are defined in the Health Care Facility Licensure Act;

7 ~~(44)~~ ~~(43)~~ Compounding has the same meaning as in section 38-2811;

8 ~~(45)~~ ~~(44)~~ Cannabinoid receptor agonist means any chemical compound
9 or substance that, according to scientific or medical research, study,
10 testing, or analysis, demonstrates the presence of binding activity at
11 one or more of the CB1 or CB2 cell membrane receptors located within the
12 human body. Cannabinoid receptor agonist does not include any hemp
13 product or cannabidiol contained in a drug product approved by the
14 federal Food and Drug Administration; and

15 ~~(46)~~ ~~(45)~~ Lookalike substance means a product or substance, not
16 specifically designated as a controlled substance in section 28-405, that
17 is either portrayed in such a manner by a person to lead another person
18 to reasonably believe that it produces effects on the human body that
19 replicate, mimic, or are intended to simulate the effects produced by a
20 controlled substance or that possesses one or more of the following
21 indicia or characteristics:

22 (a) The packaging or labeling of the product or substance suggests
23 that the user will achieve euphoria, hallucination, mood enhancement,
24 stimulation, or another effect on the human body that replicates or
25 mimics those produced by a controlled substance;

26 (b) The name or packaging of the product or substance uses images or
27 labels suggesting that it is a controlled substance or produces effects
28 on the human body that replicate or mimic those produced by a controlled
29 substance;

30 (c) The product or substance is marketed or advertised for a
31 particular use or purpose and the cost of the product or substance is

1 disproportionately higher than other products or substances marketed or
2 advertised for the same or similar use or purpose;

3 (d) The packaging or label on the product or substance contains
4 words or markings that state or suggest that the product or substance is
5 in compliance with state and federal laws regulating controlled
6 substances;

7 (e) The owner or person in control of the product or substance uses
8 evasive tactics or actions to avoid detection or inspection of the
9 product or substance by law enforcement authorities;

10 (f) The owner or person in control of the product or substance makes
11 a verbal or written statement suggesting or implying that the product or
12 substance is a synthetic drug or that consumption of the product or
13 substance will replicate or mimic effects on the human body to those
14 effects commonly produced through use or consumption of a controlled
15 substance;

16 (g) The owner or person in control of the product or substance makes
17 a verbal or written statement to a prospective customer, buyer, or
18 recipient of the product or substance implying that the product or
19 substance may be resold for profit; or

20 (h) The product or substance contains a chemical or chemical
21 compound that does not have a legitimate relationship to the use or
22 purpose claimed by the seller, distributor, packer, or manufacturer of
23 the product or substance or indicated by the product name, appearing on
24 the product's packaging or label or depicted in advertisement of the
25 product or substance.

26 **Sec. 7.** Section 28-401.01, Revised Statutes Cumulative Supplement,
27 2024, is amended to read:

28 28-401.01 Sections 28-401 to 28-456.01 and 28-458 to 28-476 and
29 section 8 of this act shall be known and may be cited as the Uniform
30 Controlled Substances Act.

31 **Sec. 8.** The Uniform Controlled Substances Act does not apply to

1 conduct protected by the Nebraska Medical Cannabis Patient Protection Act
2 or the Nebraska Medical Cannabis Regulation Act.

3 **Sec. 9.** Section 28-1701, Revised Statutes Cumulative Supplement,
4 2024, is amended to read:

5 28-1701 (1) A person shall not be arrested or prosecuted for an
6 eligible alcohol or drug offense if such person witnessed or was the
7 victim of a sexual assault and such person:

8 (a) Either:

9 (i) In good faith, reported such sexual assault to law enforcement;
10 or

11 (ii) Requested emergency medical assistance for the victim of the
12 sexual assault; and

13 (b) Evidence supporting the arrest or prosecution of the eligible
14 alcohol or drug offense was obtained or discovered as a result of such
15 person reporting such sexual assault to law enforcement or requesting
16 emergency medical assistance.

17 (2) A person shall not be arrested or prosecuted for an eligible
18 alcohol or drug offense if:

19 (a) Evidence supporting the arrest or prosecution of the person for
20 the offense was obtained or discovered as a result of the investigation
21 or prosecution of a sexual assault; and

22 (b) Such person cooperates with law enforcement in the investigation
23 or prosecution of the sexual assault.

24 (3) For purposes of this section:

25 (a) Eligible alcohol or drug offense means:

26 (i) A violation of subsection (3) or (13) of section 28-416 or of
27 section 28-441;

28 (ii) A violation of section 53-180.02 committed by a person older
29 than eighteen years of age and under the age of twenty-one years, as
30 described in subdivision (4)(a) of section 53-180.05;

31 (iii) A violation of subsection (2) of section 26 of this act;

1 ~~(iv)~~ ~~(iii)~~ A violation of a city or village ordinance similar to
2 subdivision (3)(a)(i), ~~or (ii), or (iii)~~ of this section; or

3 ~~(v)~~ ~~(iv)~~ Attempt, conspiracy, solicitation, being an accessory to,
4 aiding and abetting, aiding the consummation of, or compounding a felony
5 with any of the offenses in subdivision (3)(a)(i), (ii), ~~or (iii), or~~
6 ~~(iv)~~ of this section as the underlying offense; and

7 (b) Sexual assault means:

8 (i) A violation of section 28-316.01, 28-319, 28-319.01, 28-320,
9 28-320.01, 28-320.02, 28-322.01, 28-322.02, 28-322.03, 28-322.04,
10 28-322.05, 28-703, or 28-1463.03, sex trafficking or sex trafficking of a
11 minor under section 28-831, or subdivision (1)(c) or (g) of section
12 28-386 or subdivision (1)(d), (e), or (f) of section 28-707; or

13 (ii) Attempt, conspiracy, solicitation, being an accessory to,
14 aiding and abetting, aiding the consummation of, or compounding a felony
15 with any of the offenses listed in subdivision (3)(b)(i) of this section
16 as the underlying offense.

17 **Sec. 10.** Sections 10 to 38 of this act shall be known and may be
18 cited as the Nebraska Hemp Products Control Act.

19 **Sec. 11.** For purposes of the Nebraska Hemp Products Control Act:

20 (1) Cancel means to discontinue all rights and privileges of a
21 license;

22 (2) Commission means the Nebraska Liquor Control Commission;

23 (3) Conviction includes a plea or verdict of guilty or a conviction
24 following a plea of nolo contendere;

25 (4) Hemp has the same meaning as in section 2-503;

26 (5) Hemp product has the same meaning as in section 2-503;

27 (6) Identification document means any of the following:

28 (a) Driver's or operator's license;

29 (b) State identification card;

30 (c) Military identification card;

31 (d) Alien registration card;

1 (e) Passport; or

2 (f) Tribal enrollment card;

3 (7) Licensee means a person licensed as a retailer under the
4 Nebraska Hemp Products Control Act;

5 (8) Local governing body means (a) the city council or village board
6 of trustees of a city or village within which the licensed premises are
7 located or (b) if the licensed premises are not within the corporate
8 limits of a city or village, the county board of the county within which
9 the licensed premises are located;

10 (9) Manager means a person appointed by a corporation or limited
11 liability company to oversee the daily operation of a business licensed
12 in Nebraska. A manager shall meet all the requirements of the Nebraska
13 Hemp Products Control Act as though such person were the applicant,
14 including residency;

15 (10) Minor means any individual under twenty-one years of age;

16 (11) Ordinance means any ordinance, resolution, rule, or regulation
17 of a local governing body;

18 (12) Retailer means a person who sells or offers for sale hemp
19 products for use or consumption and not for resale in any form;

20 (13) Revoke means to permanently void and recall all rights and
21 privileges of a license;

22 (14) Sale means any transfer, exchange, or barter in any manner or
23 by any means for consideration and includes any sale made by any person,
24 whether principal, proprietor, agent, servant, or employee;

25 (15) Sell means to solicit or receive an order for, to keep or
26 expose for sale, or to keep with intent to sell;

27 (16) Sell at retail and sale at retail means sale for use or
28 consumption and not for resale in any form;

29 (17) Suspend means to cause a temporary interruption of all rights
30 and privileges of a license; and

31 (18) Tribal enrollment card means an identification document:

1 (a) Issued by a tribe which is recognized by a state or the federal
2 government; and

3 (b) Which contains a photograph of the person identified and such
4 person's date of birth.

5 **Sec. 12.** The commission has the following powers, functions, and
6 duties:

7 (1) To receive applications for and to issue licenses to and
8 suspend, cancel, and revoke licenses of retailers in accordance with the
9 Nebraska Hemp Products Control Act;

10 (2) To call upon other administrative departments of the state,
11 county and municipal governments, county sheriffs, city police
12 departments, village marshals, peace officers, and prosecuting officers
13 for such information and assistance as the commission deems necessary in
14 the performance of its duties;

15 (3) To recommend to local governing bodies ordinances not
16 inconsistent with the law for the distribution and sale of hemp products
17 throughout the state;

18 (4) To inspect or cause to be inspected any premises where hemp
19 products are sold at retail and, when sold on unlicensed premises or on
20 any premises in violation of law, to bring an action to enjoin the use of
21 the property for such purpose;

22 (5) To conduct or cause to be conducted an audit to inspect any
23 licensee's records and books;

24 (6) In the conduct of any hearing or audit authorized to be held by
25 the commission (a) to examine or cause to be examined, under oath, any
26 licensee and to examine or cause to be examined the books and records of
27 such licensee, (b) to hear testimony and take proof material for its
28 information in the discharge of its duties under the act, and (c) to
29 administer or cause to be administered oaths;

30 (7) To investigate the administration of laws in relation to hemp
31 products in this and other states and to recommend to the Governor and

1 through the Governor to the Legislature amendments to the Nebraska Hemp
2 Products Control Act;

3 (8) To receive, account for, and remit to the State Treasurer state
4 license fees and taxes provided for in the Nebraska Hemp Products Control
5 Act; and

6 (9) When the commission finds that the administration of the
7 Nebraska Hemp Products Control Act might be more efficiently and
8 economically conducted, the commission may require or allow for rounding
9 of all amounts on returns or reports, including amounts of tax. Amounts
10 shall be rounded to the nearest dollar with amounts ending in fifty cents
11 or more rounded to the next highest dollar.

12 **Sec. 13.** The commission may adopt and promulgate rules and
13 regulations to carry out the Nebraska Hemp Products Control Act. The
14 rules and regulations may include, among such other things as the
15 commission may determine, provisions:

16 (1) Prescribing conditions as to the issuance of duplicate licenses
17 in lieu of those lost or destroyed;

18 (2) Determining for which violations of the rules and regulations
19 licenses shall be suspended, canceled, or revoked; and

20 (3) Covering any and all the other details which are necessary or
21 convenient to the enforcement of the intent, purpose, and requirements of
22 the act.

23 **Sec. 14.** (1) In the discharge of any duty under the Nebraska Hemp
24 Products Control Act the commission may issue subpoenas and compel the
25 attendance of witnesses and the production of any papers, books,
26 accounts, documents, and testimony.

27 (2) In case of disobedience on the part of any person to any
28 subpoena issued by the commission or the refusal of any witness to
29 testify on any matters regarding which such witness may be lawfully
30 interrogated, it shall be the duty of the district court for the county
31 in which such hearing was convened, on the application of a member of the

1 commission, to compel obedience by proceedings for contempt as in the
2 case of disobedience to the requirements of a subpoena issued from such
3 court or a refusal to testify therein.

4 **Sec. 15.** (1) The commission may issue a retailer license to any
5 person to sell and offer for sale at retail either in the original
6 package or otherwise, as prescribed in the retail license, on the
7 premises specified in the retail license, any hemp product. This shall
8 not authorize resale in any form.

9 (2) An applicant for a license shall submit an application to the
10 commission in a form and manner prescribed by the commission. The
11 application shall contain:

12 (a) The name and residence of the applicant;

13 (b) The particular premises for which a license is desired
14 designating the same by street and number if practicable or, if not, by
15 such other description as definitely locates the premises;

16 (c) The name of the owner of the premises upon which the business
17 licensed is to be carried on;

18 (d)(i) Except as provided in subdivision (2)(d)(ii) of this section,
19 a statement that the applicant and the spouse of the applicant are not
20 less than twenty-one years of age, and that such applicant has not been
21 convicted of a disqualifying offense as defined in section 16 of this act
22 within the preceding ten years.

23 (ii) The manager of a corporation applying for a license shall
24 comply with subdivision (2)(d)(i) of this section as though the manager
25 were the applicant, except that such subdivision shall not apply to the
26 spouse of the manager-applicant;

27 (e) A statement that no officer, director, stockholder, or owner of
28 the applicant has been convicted of a disqualifying offense within the
29 preceding five years;

30 (f) A statement that no person who has financed the applicant, in
31 whole or in part, has been convicted of a disqualifying offense within

1 the preceding ten years;

2 (g) A statement that the applicant intends to carry on the business
3 authorized by the license for the applicant and not as the agent of any
4 other persons and that, if licensed, the applicant will carry on such
5 business for the applicant and not as the agent for any other person;

6 (h) A statement that the applicant intends to superintend in person
7 the management of the business licensed and that, if so licensed, the
8 applicant will superintend in person the management of the business; and

9 (i) Such other information as the commission may from time to time
10 direct.

11 (3) The applicant shall submit a complete set of his or her
12 fingerprints to the Nebraska State Patrol. The Nebraska State Patrol
13 shall transmit a copy of the applicant's fingerprints to the Federal
14 Bureau of Investigation for a national criminal history record
15 information check.

16 (4) The application for initial issuance shall also be accompanied
17 by the following fees:

18 (a) A licensing fee of five hundred dollars which shall be returned
19 if the application is denied; and

20 (b) A nonrefundable application fee of four hundred dollars.

21 (5) If any false statement is made in any part of such application,
22 the applicant shall be deemed guilty of perjury, and upon conviction
23 thereof the license shall be denied or revoked and the applicant
24 subjected to the penalties provided by law for that crime.

25 (6) The license year shall commence on May 1 of each year and shall
26 end on the following April 30.

27 (7) A licensee may renew a license by filing with the commission an
28 application and the following fees:

29 (a) A licensing fee of five hundred dollars which shall be returned
30 if the application is denied; and

31 (b) A nonrefundable application fee of forty-five dollars.

1 (8) When delivering any type of license under the Nebraska Hemp
2 Products Control Act to a licensee, the commission may use mail or
3 electronic delivery.

4 **Sec. 16.** (1) Disqualifying offense means a felony that is:

5 (a) A violent offense; or

6 (b) A violation of subdivision (4)(a)(i) or subsection (5) of
7 section 28-416 or a violation of a substantially equivalent law of
8 another jurisdiction in the United States.

9 (2) An offense is not a disqualifying offense if it has been
10 pardoned, expunged, or set aside.

11 (3) For purposes of this section:

12 (a) Serious bodily injury has the same meaning as in section 28-109;

13 (b) Sexual contact and sexual penetration have the same meanings as
14 in section 28-318; and

15 (c) Violent offense means:

16 (i) A felony violation of any of the following: Section 28-303,
17 28-304, 28-305, 28-306, 28-308, 28-309, 28-310.01, 28-311, 28-311.01,
18 28-311.03, 28-311.08, 28-313, 28-314, 28-316.01, 28-319, 28-319.01,
19 28-320, 28-320.01, 28-320.02, 28-322.02, 28-322.03, 28-322.04, 28-322.05,
20 28-323, 28-324, 28-386, 28-391, 28-392, 28-393, 28-394, 28-397, 28-398,
21 28-502, 28-503, 28-507, 28-703, 28-707, 28-813.01, 28-831, 28-833,
22 28-904, 28-905, 28-912, 28-929, 28-930, 28-931, 28-931.01, 28-932,
23 28-933, 28-934, 28-1005, 28-1009, 28-1105.01, 28-1205, 28-1212.02,
24 28-1212.04, 28-1221, 28-1222, 28-1223, 28-1224, 28-1351, 28-1463.03,
25 28-1463.05, or 42-924;

26 (ii) An offense which is a Class IIIA felony or higher which
27 includes, as an element of the offense:

28 (A) Sexual contact or sexual penetration; or

29 (B) The threat to inflict serious bodily injury or death on another
30 person, the infliction of serious bodily injury on another person, or
31 causing the death of another person;

1 (iii) Consists of attempt, conspiracy, being an accessory to, or
2 aiding and abetting a felony with any of the offenses described in
3 subdivision (3)(c)(i) or (ii) of this section as the underlying offense;
4 or

5 (iv) A felony offense that is substantially equivalent to an offense
6 described in subdivision (3)(c)(i), (ii), or (iii) of this section under
7 the laws of another jurisdiction in the United States.

8 **Sec. 17.** A license provided by the Nebraska Hemp Products Control
9 Act shall not be issued to or held by:

10 (1) Any person who has been convicted of a disqualifying offense as
11 defined in section 16 of this act within the preceding ten years;

12 (2) A person if any of its officers, directors, stockholders, or
13 owners have been convicted of a disqualifying offense within the
14 preceding five years;

15 (3) A person financed in whole or in part by any other person who
16 has been convicted of a disqualifying offense within the preceding ten
17 years;

18 (4) A person under twenty-one years of age;

19 (5) A licensee or former licensee who, during a period of licensure
20 or at the time of application, has failed to:

21 (a) File any tax return related to a licensee; or

22 (b) Pay any taxes, interest, or penalties due, as determined by
23 final agency action, relating to a licensee;

24 (6) Any state, county, municipality, or other political subdivision,
25 any branch, department, agency, or subdivision of any of the foregoing,
26 or any corporation or other body established by law to carry out any
27 governmental function;

28 (7) A peace officer, an employee of a jail or the Department of
29 Correctional Services, or an official or employee of a local governing
30 body;

31 (8) A person who is not legally able to work in Nebraska; or

1 (9) A publicly traded company.

2 **Sec. 18.** (1) A retail license shall apply only to that part of the
3 premises described in the application approved by the commission and in
4 the license issued on the application.

5 (2) After such license has been granted for the particular premises,
6 the commission, upon proper showing, may endorse upon the license
7 permission to add to, delete from, or abandon the premises described in
8 such license and, if applicable, to move from the premises to other
9 premises. In order to obtain such approval, the licensee shall file with
10 the commission a written request and a statement under oath which shows
11 that the premises, as added to or deleted from or to which such move is
12 to be made, comply in all respects with the requirements of the Nebraska
13 Hemp Products Control Act.

14 **Sec. 19.** (1) A retail license may be issued to any qualified
15 applicant if the commission finds that:

16 (a) The applicant is fit, willing, and able to properly provide the
17 service proposed within the city, village, or county where the premises
18 described in the application are located;

19 (b) The applicant can conform to all provisions and requirements of
20 and rules and regulations adopted pursuant to the Nebraska Hemp Products
21 Control Act;

22 (c) The applicant has demonstrated that the type of management and
23 control to be exercised over the premises described in the application
24 will be sufficient to ensure that the licensed business can conform to
25 all provisions and requirements of and rules and regulations adopted
26 pursuant to the act; and

27 (d) The issuance of the license is or will be required by the
28 present or future public convenience and necessity.

29 (2)(a) This subsection only applies to applications for businesses
30 not in operation as of the operative date of this act.

31 (b) In making its determination pursuant to subsection (1) of this

1 section, the commission may consider:

2 (i) The nature of the neighborhood or community of the location of
3 the proposed licensed premises;

4 (ii) The existence or absence of other retail licensees within the
5 neighborhood or community of the location of the proposed licensed
6 premises and whether, as evidenced by substantive, corroborative
7 documentation, the issuance of such license would result in or add to an
8 undue concentration of licenses;

9 (iii) Zoning restrictions;

10 (iv) The sanitation or sanitary conditions on or about the proposed
11 licensed premises; and

12 (v) Whether the type of business or activity proposed to be operated
13 in conjunction with the proposed license is and will be consistent with
14 the public interest.

15 (3) Each license shall designate the name of the licensee and the
16 place of business licensed.

17 **Sec. 20.** (1)(a) A retail license issued by the commission and
18 outstanding may be automatically renewed by the commission without formal
19 application upon payment of the fees required under subsection (7) of
20 section 15 of this act prior to or within thirty days after the
21 expiration of the license. The payment shall be an affirmative
22 representation and certification by the licensee that all answers
23 contained in an application, if submitted, would be the same in all
24 material respects as the answers contained in the last previous
25 application.

26 (b) The renewal privilege provided for in this section shall not be
27 construed as a vested right and shall not prevent the commission from
28 decreasing the number of licenses.

29 (2)(a) The commission may renew the license if the licensee is
30 qualified to receive a license, the location of the licensed premises has
31 not changed, and the licensed premises remain suitable to be used as

1 such.

2 (b) The commission may also at any time require a licensee wishing
3 to renew to submit an application.

4 **Sec. 21.** (1) A license issued under the Nebraska Hemp Products
5 Control Act terminates immediately upon the sale of the licensed premises
6 named in such license. The purchaser or transferee may submit an
7 application for a license prior to closing such sale or transfer. While
8 such application is pending, the purchaser may request and obtain a
9 temporary operating permit from the commission which shall authorize the
10 purchaser to continue the business which was conducted on the purchased
11 premises under the terms and conditions of the terminated license for
12 ninety days or until the purchaser has obtained a license in the
13 purchaser's own name, whichever occurs sooner.

14 (2) In the absence of such temporary operating permit, the purchaser
15 shall not store or sell hemp products on the premises until the purchaser
16 has obtained a license in the purchaser's own name.

17 (3) If the application is withdrawn by the applicant or is denied by
18 the commission, the previous license may be reinstated at the discretion
19 of the commission upon request by the previous licensee.

20 **Sec. 22.** A retail license shall be purely a personal privilege,
21 valid for one year after issuance unless sooner revoked as provided in
22 the Nebraska Hemp Products Control Act.

23 **Sec. 23.** A licensee shall display at all times in a prominent place
24 a printed card with a minimum height of twenty inches and a width of
25 fourteen inches, with each letter to be a minimum of one-fourth inch in
26 height, which shall read as follows:

27 WARNING TO PERSONS UNDER 21: It is a crime for a person younger than
28 21 years of age to consume, purchase, attempt to purchase, or possess any
29 hemp product. Violation of this law may result in a fine of up to \$500, 3
30 months in jail, or both. Your parents or guardian will be notified of
31 this violation.

1 WARNING TO ADULTS: It is a crime to provide hemp products to a
2 person younger than 21 years of age. Violation of this law may result in
3 a fine of up to \$1000, 6 months in jail, or both.

4 **Sec. 24.** To establish proof of age for the purpose of purchasing
5 hemp products, a person shall present or display only a valid
6 identification document.

7 **Sec. 25.** (1) No person shall knowingly sell, furnish, give away,
8 exchange, or deliver, or permit the sale, gift, or procuring of, any hemp
9 product to a minor.

10 (2) It is an affirmative defense to a violation of this section if
11 the minor was a purchaser who provided a licensee with an identification
12 document showing the purchaser to be of age and bearing a physical
13 description or depiction reasonably describing or depicting the
14 purchaser.

15 (3) A violation of this section is a Class II misdemeanor unless the
16 violation is also a minor, in which case it is a Class III misdemeanor.

17 **Sec. 26.** (1) Except as provided in subsection (3) of this section,
18 a minor shall not obtain, or attempt to obtain, hemp products by
19 misrepresenting such minor's age or by any other method. A violation of
20 this subsection is a Class III misdemeanor.

21 (2) Except as provided in subsection (3) of this section, no minor
22 may sell, dispense, consume, or have in such minor's possession or
23 physical control any hemp product. Except as provided in section 28-1701,
24 a violation of this subsection is a Class III misdemeanor.

25 (3) An individual who is at least nineteen years of age may be
26 employed by a retail licensee.

27 **Sec. 27.** A parent or guardian of a minor shall not knowingly suffer
28 or permit such minor to violate section 26 of this act. A violation of
29 this section is a Class III misdemeanor.

30 **Sec. 28.** A person shall not knowingly manufacture, create, or alter
31 any form of identification to falsely represent a person's age for the

1 purpose of selling or delivering such identification to a minor. A
2 violation of this section is a Class I misdemeanor. For purposes of this
3 section, form of identification means any card, paper, or legal document
4 that may be used to establish the age of the person named thereon for the
5 purpose of purchasing hemp products.

6 **Sec. 29.** When a minor is arrested for a violation of section 26 or
7 28 of this act, the law enforcement agency employing the arresting peace
8 officer shall make a reasonable attempt to notify such minor's parent or
9 guardian of the arrest.

10 **Sec. 30.** (1) A licensee shall not market, advertise, sell, or cause
11 to be sold a hemp product if the product's container, packaging, or
12 advertising:

13 (a) Depicts a cartoon-like fictional character that mimics a
14 character primarily aimed at entertaining minors;

15 (b) Imitates or mimics trademarks or trade dress of products that
16 are or have been primarily marketed to minors;

17 (c) Includes a symbol that is primarily used to market products to
18 minors; or

19 (d) Includes an image of a celebrity.

20 (2) A violation of this section is a Class II misdemeanor.

21 **Sec. 31.** (1) A person shall not:

22 (a) Sell hemp products at retail without a valid retail license
23 under the Nebraska Hemp Products Control Act; or

24 (b) Make any false statement or otherwise violates any of the
25 provisions of the act in obtaining any license under the act.

26 (2) A licensee shall not violate any provision of the Nebraska Hemp
27 Products Control Act with respect to the possession, distribution, or
28 sale of hemp products or with respect to the maintenance of the licensed
29 premises.

30 (3) A violation of this section or of any provision of the Nebraska
31 Hemp Products Control Act for which a penalty is not otherwise provided

1 shall be a Class IV misdemeanor for a first offense and a Class II
2 misdemeanor for any subsequent offense.

3 (4) Each day any person engages in business as a retailer in
4 violation of the act shall constitute a separate offense.

5 (5) In any prosecution in which a person is charged with an offense
6 arising out of the failure to obtain a valid license, the fact that such
7 person failed to produce such license upon demand is prima facie proof
8 that the commission has not issued a license to such person.

9 **Sec. 32.** Any licensee who permits, assents, or is a party in any
10 way to any violation or infringement of the Nebraska Hemp Products
11 Control Act shall be deemed guilty of a violation of the act. Any money
12 loaned contrary to a provision of the act shall not be recovered back.
13 Any note, mortgage, or other evidence of indebtedness, any security, or
14 any lease or contract obtained or made contrary to the act shall be
15 unenforceable and void.

16 **Sec. 33.** If the owner of the licensed premises or any person from
17 whom the licensee derives the right to possession of such premises, or
18 the agent of such owner or person, knowingly permits the licensee to use
19 such licensed premises in violation of the terms of the Nebraska Hemp
20 Products Control Act, such owner, agent, or other person shall be deemed
21 guilty of a violation of the act to the same extent as such licensee and
22 be subject to the same punishment.

23 **Sec. 34.** Every act or omission of whatsoever nature constituting a
24 violation of any of the provisions of the Nebraska Hemp Products Control
25 Act by any officer, director, manager, or other agent or employee of any
26 licensee, if such act is committed or omission is made with the
27 authorization, knowledge, or approval of the licensee, shall be deemed
28 and held to be the act of such employer or licensee, and such employer or
29 licensee shall be punishable in the same manner as if such act or
30 omission had been done or omitted by him or her personally.

31 **Sec. 35.** (1) The commission may, after notice and hearing, suspend,

1 cancel, or revoke the license of any person who violates:

2 (a) The Nebraska Hemp Products Control Act; or

3 (b) Any rules and regulations adopted and promulgated by the
4 commission.

5 (2) If any licensee is convicted of a violation of the act, the
6 court shall immediately notify the local governing body and the
7 commission.

8 **Sec. 36.** Any order or decision of the commission granting, denying,
9 suspending, canceling, revoking, or renewing or refusing to suspend,
10 cancel, revoke, or renew a license may be appealed, and the appeal shall
11 be in accordance with the Administrative Procedure Act.

12 **Sec. 37.** Any license fees collected by the commission shall be
13 credited to the Hemp Products Control Cash Fund, which fund is hereby
14 created. The purpose of the fund shall be to cover any administrative
15 costs, including salary and benefits, incurred by the commission in
16 carrying out the Nebraska Hemp Products Control Act. Transfers may be
17 made from the fund to the General Fund at the direction of the
18 Legislature. Any money in the Hemp Products Control Cash Fund available
19 for investment shall be invested by the state investment officer pursuant
20 to the Nebraska Capital Expansion Act and the Nebraska State Funds
21 Investment Act.

22 **Sec. 38.** (1) An excise tax shall be levied on the retail sale of
23 hemp products to consumers. The tax shall be at a rate of twenty percent
24 of the retail purchase price.

25 (2) The excise tax imposed by this section shall be in addition to
26 all other occupation or privilege taxes imposed by this state or by any
27 political subdivision of the state.

28 (3) Each licensee shall maintain complete and accurate electronic
29 records of sales of hemp products, in the manner prescribed by the
30 Department of Revenue. Such seller shall provide such records to the
31 department upon request.

1 (4)(a) Each licensee shall file a return with the department by the
2 twentieth day of the month following the month reported and with the
3 report shall remit the amount of excise tax due.

4 (b) The return, which shall be upon forms prescribed and furnished
5 by the department, shall contain, among other things, the total amount of
6 hemp products sold or transferred during the preceding month and the
7 amount of tax due thereon.

8 (c) The department may require licensees to file tax returns
9 electronically and to remit payments due by electronic funds transfers.

10 (5) The department shall collect the excise tax and shall account
11 for and remit to the State Treasurer at least once each month all money
12 collected pursuant to such tax for credit to the Property Tax Credit Cash
13 Fund.

14 **Sec. 39.** Section 53-110, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 53-110 (1) For purposes of this section:

17 (a) Conviction includes a plea or verdict of guilty or a conviction
18 following a plea of nolo contendere, payment of a fine or penalty in
19 settlement of any prosecution, or forfeiture of a bond to appear in court
20 to answer charges;

21 (b) Covered offense means:

22 (i) A felony; or

23 (ii) A violation of any federal or state law concerning the
24 manufacture or sale of alcoholic liquor, hemp products, or marijuana;

25 (c) Hemp product has the same meaning as in section 2-503; and

26 (d) Marijuana has the same meaning as in section 28-401.

27 (2) ~~(1)~~ No person shall be appointed as a commissioner, the
28 executive director of the commission, or an employee of the commission
29 who is not a citizen of the United States and who has not resided within
30 the State of Nebraska successively for two years next preceding the date
31 of his or her appointment.

1 ~~(3) (2)~~ No person ~~(a)~~ convicted of a covered offense ~~or who has~~
2 ~~pleaded guilty to a felony or any violation of any federal or state law~~
3 ~~concerning the manufacture or sale of alcoholic liquor prior or~~
4 ~~subsequent to the passage of the Nebraska Liquor Control Act,~~ (b) who has
5 ~~paid a fine or penalty in settlement of any prosecution against him or~~
6 ~~her for any violation of such laws,~~ or (c) who has forfeited his or her
7 bond to appear in court to answer charges for any such violation shall be
8 appointed commissioner.

9 ~~(4)(a) (3)(a)~~ Except as otherwise provided in subdivision (b) of
10 this subsection, ~~a~~ ~~no~~ commissioner or employee of the commission shall
11 not ~~may~~, directly or indirectly, individually, as a member of a
12 partnership, as a member of a limited liability company, or as a
13 shareholder of a corporation; ~~have~~

14 ~~(i)~~ Have any interest whatsoever in the manufacture, sale, or
15 distribution of alcoholic liquor or hemp products; ~~have~~

16 ~~(ii)~~ Receive ~~receive~~ any compensation or profit from such
17 manufacture, sale, or distribution; ~~have~~

18 ~~(iii)~~ Have ~~or have~~ any interest whatsoever in the purchases or sales
19 made by the persons authorized by the Nebraska Liquor Control Act ~~and~~ to
20 purchase or to sell alcoholic liquor; or ~~have~~

21 ~~(iv)~~ Have any interest whatsoever in the purchases or sales made by
22 the persons authorized by the Nebraska Hemp Products Control Act to
23 purchase or to sell hemp products.

24 (b) With the written approval of the executive director, an employee
25 of the commission, other than the executive director or a division
26 manager, may accept part-time or seasonal employment with a person
27 licensed or regulated by the commission. No such employment shall be
28 approved if the licensee receives more than fifty percent of the
29 licensee's gross revenue from the sale or dispensing of alcoholic liquor
30 or hemp products.

31 ~~(5) (4)~~ This section shall not prevent any commissioner, the

1 executive director, or any employee from purchasing and keeping in his or
2 her possession for the use of himself, herself, or members of his or her
3 family or guests any:

4 (a) Alcoholic alcoholic liquor which may be purchased or kept by any
5 person pursuant to the Nebraska Liquor Control Act; or act.

6 (b) Hemp products which may be purchased or kept by any person
7 pursuant to the Nebraska Hemp Products Control Act.

8 **Sec. 40.** Section 53-111, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 53-111 (1) A commissioner, the executive director of the commission,
11 or any person appointed or employed by the commission shall not solicit
12 or accept any gift, gratuity, emolument, or employment from any person
13 subject to the Nebraska Liquor Control Act or the Nebraska Hemp Products
14 Control Act or from any officer, agent, or employee thereof or solicit,
15 request from, or recommend, directly or indirectly, to any such person or
16 to any officer, agent, or employee thereof the appointment of any person
17 to any place or position. Any such person and every officer, agent, or
18 employee thereof may not offer to any commissioner, the executive
19 director, or any person appointed or employed by the commission any gift,
20 gratuity, emolument, or employment. If a commissioner, the executive
21 director, or any person appointed or employed by the commission violates
22 this section, he or she shall be removed from his or her office or
23 employment. Every person violating this section shall be guilty of a
24 Class II misdemeanor.

25 **Sec. 41.** This act becomes operative on January 1, 2026.

26 **Sec. 42.** Original sections 53-110 and 53-111, Reissue Revised
27 Statutes of Nebraska, and sections 2-501, 2-503, 2-505, 2-515, 28-401,
28 and 28-1701, Revised Statutes Cumulative Supplement, 2024, are repealed.