

April 3, 2025

Representative Michelle Salzman Housing, Agriculture & Tourism Subcommittee, Chair Florida House of Representatives

Re: U.S. Hemp Roundtable – Concerns Regarding PCB HAT 25-01

Chair Salzman:

The U.S. Hemp Roundtable applauds the efforts of the House of Representatives and the Housing, Agriculture & Tourism Subcommittee to develop Proposed Committee Bill HAT 25-01, which we think represents a more balanced alternative to hemp legislation being considered by the Senate. We commend your leadership in engaging with hemp industry stakeholders and hearing their feedback. And we sincerely appreciate the opportunity to meet with you to discuss our members' viewpoints.

There are many aspects of the bill that our members strongly support. For example, we agree with the bill's overarching goals to explicitly protect the sale of hemp consumable THC products and to ensure that such products are safe and not available to children, as does the vast majority of the hemp industry. But while the bill is a solid starting point, we have identified concerning parts of the bill that we fear, if implemented, will hurt hemp businesses in Florida and throughout the country, cause confusion and disruption in interstate commercial markets, increase compliance costs, and possibly subject manufacturers and sellers to overly harsh penalties.

Specifically, we are focused on the three priority issues detailed below. We are enclosing a redlined version of the bill with suggested language that we hope you and your colleagues will consider.

I. Meaningful protections for direct-to-consumer ("DTC") sales

It is essential that DTC and e-commerce sales be protected. That is why, in general, we support section 3's provisions for mail order, Internet, and remote sales by out-of-state sellers to Florida consumers. However, we are very concerned about the requirement that "[a] retailer must obtain a food permit from the department under chapter 500 before accepting an order for a delivery sale of hemp consumable THC products" (lines 510-512).

Our understanding is that the Department of Agriculture and Consumer Services ("FDACS") will **not** issue a food permit to any out-of-state seller that does not have a brick-and-mortar presence in Florida. In fact, FDACS has stated this to our members in writing. As a result, the bill's purported protections for DTC and e-commerce



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sales may be illusory. We recommend that the bill be amended to explicitly provide that out-of-state sellers may obtain a food permit from FDACS or that the food permit requirement be limited to in-state sellers only.

Relatedly, we have concerns about certain delivery sale restrictions, including requiring strict age verification that is more onerous than digital acknowledgements and standard e-commerce age verification practices that are commonplace in the industry and allowed by other states (lines 544-550); requiring the seller to make a telephone call after 5 p.m. to the purchaser to confirm the order prior to shipment (lines 565-570); and requiring adult signature on delivery (lines 595-598). These restrictions will increase costs for consumers, to be sure, but they are secondary to the threshold issue of ensuring that DTC and e-commerce sales are explicitly protected.

II. Standardized THC milligram limits

We support THC milligram limits for hemp consumable THC products, but there should be parity for beverages and edibles. Currently, the bill limits beverages to 5 milligrams of THC per six ounces and 10 milligrams maximum and limits edibles to 2.5 milligrams per gram and 5 milligrams maximum (lines 244-247 and 260-264). We recommend that the limits for beverages and edibles be standardized, which is consistent with industry standards. We recommend that beverages and edibles be limited to 10 milligrams maximum—per 12 ounces for beverages and per piece for edibles.

We are unsure why the bill decreases the THC limits for beverages, inhalables, edibles, and tinctures by half—starting January 1, 2029 (lines 274-306). We have not seen this approach used in any other state. Lowering THC limits over time is not supported by industry standards, unnecessarily restricts consumer choice, discourages business competition and product innovation, and stagnates growth. We recommend that these lines be deleted.

The restriction that a person or entity may not sell more than 100 milligrams of THC to a person in a 24hour period (lines 338-343) is ambiguous and will be difficult to enforce. It is unclear whether the restriction applies only to a seller's sales to a person over 24 hours or to all sales to a person by any seller over 24 hours. Additionally, there are no liability exceptions for a seller who unknowingly exceeds the 24-hour limit because the purchaser lied to the seller about how many milligrams he or she already purchased that day. We recommend that these lines be deleted.

III. Fair and reasonable labeling and packaging requirements

We support fair and reasonable labeling and packaging requirements, and we would prefer that new requirements beyond those that already exist under section 581.217(7) not be imposed. First, the requirement that a hemp consumable THC product be sold in a container and package that "[i]s a single color and not transparent" is costly and difficult to manage for businesses (lines 217-220). Colors are necessary for brands to distinguish their products from competitors' products. And at a minimum, the requirement would mean that a brand with a multi-colored logo or that uses packaging of a different color than its logo is noncompliant. Brands



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would then be forced to create new logos, labeling, and/or packaging just to sell their products in Florida, which diminishes market position and product recognizability, will increase costs for consumers, and could lead to brands choosing to no longer sell their products in Florida.

Second, the restriction that a product may "not contain any pictures or images other than a single logo, which may not be attractive to children and may not cover more than 20 percent of the container or package" is ambiguous (lines 221-223). The bill's amended definition of "attractive to children" (lines 64-74) does not give sufficient enforcement guidance to regulators and leaves brands left to guess whether their labeling or packaging will be considered attractive to children. By way of example, many brands use images of fruit to reflect a beverage product's flavoring—not to attract children to buy the product. At the very least, we recommend that images of fruit be allowed to reflect flavoring.

These new labeling and packaging requirements are burdensome, expensive, and potentially unnecessary for non-intoxicating products such as CBD. And in any event, Florida law already restricts hemp consumable THC products to adults, which the bill reinforces. New requirements aimed at preventing attractiveness to children are therefore unnecessary, because safety risks posed to children are already mitigated by age limits and point-of-sale restrictions.

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We are grateful to you for your focus on the important topic of appropriately regulating hemp consumable THC products. Given the pace at which the bill is moving, we have prioritized raising the concerns discussed above, which involve threshold issues for the hemp industry. Still, we have concerns with other parts of the bill, including the sections restricting sales at food permit establishments that allow persons under 21 years old, even though those persons cannot lawfully buy or be served hemp consumable THC products (lines 309-313); restricting sales at public events and pop-up establishments (lines 327-330); and imposing excessive criminal penalties for minor violations (lines 349-358). We hope to have a future opportunity to more fully discuss those additional concerns with you.

Thank you for your consideration.

Sincerely,

Jonathan Miller General Counsel U.S. Hemp Roundtable

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