

MELSON VS. SMITHERMAN THC BILL COMPARISON CHART

Both Alabama Senate Bill 237 (SB237) and Senate Bill 255 (SB255) from the 2025 Regular Session aim to regulate products containing <u>psychoactive</u> and <u>addictive synthetic</u> <u>cannabinoids</u> <u>derived from hemp in conflict with Code Section 20-2-23.</u> However, they differ in their regulatory approaches, responsible agencies, and specific provisions. Below is a comparison of the two bills:

Bill	SB237 (Sen. Melson)	SB255 (Sen. Smitherman)
Description	Regulates hemp beverages and psychoactive hemp products.	Regulates novel cannabinoid products.
Regulatory Authority	Alcoholic Beverage Control (ABC) Board.	Department of Revenue and Department of Agriculture and Industries.
Licensing Requirements	Requires licenses for manufacturers, distributors, and retailers of hemp beverages and psychoactive hemp products.	Requires retailers of novel cannabinoid products to obtain a license from the Department of Revenue.
Product Definitions	Hemp Beverages: Beverages containing hemp derivatives. Psychoactive Hemp Products: Consumable products containing psychoactive cannabinoids other than beverages. Includes THC delta 8,9,10. Other delta variants allowed. Also limits nicotine exposure.	Novel Cannabinoid Products: Products containing psychoactive compounds found in or derived from hemp, including CBD, THCa, HHC, and any THC.
Potency*	No THC potency cap. THC dosage cap of 10mg per 12oz container.	' '

Method of Delivery

Beverage (12oz and keg), vapes, vape pens, gummies, candies, liquids, tinctures, oils. Child packaging. restricted No smokable plant matter.

Age Restrictions

Prohibits the sale of hemp- Upholds current ban of sale derived and nicotine products to individuals under 21 years of age.

to minors.

Testing and Labeling

Establishes labeling and testing requirements for safety.

Requires the Department of Agriculture and Industries to approve testing and labeling before products can be sold. Will only charge a \$20 testing fee (AG requires \$500)

Taxation

Imposes a 10% excise tax on the retail sales price of hemp beverages, in addition to any state or local sales tax.

Imposes a 6% tax on the sales price of all novel cannabinoid products.

Restrictions on Sales Locations

Prohibits the sale psychoactive hemp products in certain areas of stores; bans smokable hemp products statewide. On site consumption Municipalities allowed. and counties may opt-out. Banned areas within 1,000 feet of child focused.

of Prohibits businesses that sell or serve alcoholic beverages from obtaining a license to novel cannabinoid sell products. No simultaneous ABC and Cannabis licenses.

Penalties for Violations

Provides civil and criminal Provides civil penalties for penalties for violations.

violations.

Revenue Allocation

Taxes will be distributed: 40% to the State General Fund. 35% shall be retained by the board for regulatory and administrative purposes. 15% divided equally between the board and ALEA to be retained by each for purposes of enforcement. 10% to the treasury of the municipality in which the hemp beverages were sold within its corporate limits. (See bill for more specifics.)

Creates the Novel Cannabinoid Safety Fund for depositing license fees, civil penalties, and tax proceeds to be used for administration and public protection.