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# Notice of Rulemaking Hearing

*Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204. For questions and copies of the notice, contact the person listed below.*

| | |
|---|---|
| **Agency/Board/Commission:** | Tennessee Alcoholic Beverage Commission |
| **Division:** | |
| **Contact Person:** | Ebony Connor |
| **Address:** | Davy Crockett Tower, 3rd Floor, 500 James Robertson Pkwy, Nashville, TN |
| **Zip:** | 37243 |
| **Phone:** | 615-741-8930 |
| **Email:** | TABC.Rules@tn.gov |

*Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:*

| | |
|---|---|
| **ADA Contact:** | Ebony Connor |
| **Address:** | Davy Crockett Tower, 3rd Floor, 500 James Robertson Pkwy, Nashville, TN |
| **Phone:** | 615-741-8930 |
| **Email:** | TABC.Rules@tn.gov |

**Hearing Location(s)** (for additional locations, copy and paste table)

| | | | |
|---|---|---|---|
| Address 1: | Davy Crockett Tower, 500 James Robertson Pkwy, Nashville, TN | | |
| Address 2: | 3rd Floor | | |
| City: | Nashville | | |
| Zip: | 37243 | | |
| Hearing Date: | 09/26/2025 | | |
| Hearing Time: | 1:30 P.M. | __X_CST/CDT<br>___EST/EDT | |

**Additional Hearing Information:**

Virtual Attendance:
https://teams.microsoft.com/l/meetup-join/19%3ameeting_MjBiM2JiNTEtYTEwYy00MTRlLThhMTgtNjUxYzEzYjJhMWM4%40thread.v2/0?context=%7b%22Tid%22%3a%22f345bebf-0d71-4337-9281-24b941616c36%22%2c%22Oid%22%3a%22e667b2d0-f64e-44d3-8a06-6dc339e5e514%22%7d

Meeting ID: 251 776 084 565 5
Passcode: kL3PX72N

**Dial in by phone**
+1 629-209-4396,,421428000# United States, Triune
Find a local number
Phone conference ID: 421 428 000#

**Join on a video conferencing device**
Tenant key: stateoftn@m.webex.com
Video ID: 113 816 044 2

**Revision Type (check all that apply):**

___ Amendment
_X_ New
___ Repeal

**Rule(s)** (**ALL** chapters and rules contained in filing must be listed. If needed, copy and paste additional tables to accommodate more than one chapter. Please enter only **ONE** Rule Number/Rule Title per row.)

| **Chapter Number** | **Chapter Title** |
|---|---|
| 0100-15 | Rules for Suppliers and Wholesalers of Hemp-Derived Cannabinoid Products |
| **Rule Number** | **Rule Title** |
| 0100-15-.01 | Scope |
| 0100-15-.02 | Definitions |
| 0100-15-.03 | License Application and Fees |
| 0100-15-.04 | Suppliers |
| 0100-15-.05 | Distributors |
| 0100-15-.06 | Sampling and Testing |
| 0100-15-.07 | Labels |
| 0100-15-.08 | Transportation |
| 0100-15-.09 | Records |
| 0100-15-.10 | Inspections |
| 0100-15-.11 | Violations |

| **Chapter Number** | **Chapter Title** |
|---|---|
| 0100-16 | Rules for Retail Sale of Hemp-Derived Cannabinoid Products |
| **Rule Number** | **Rule Title** |
| 0100-16-.01 | Scope |
| 0100-16-.02 | Definitions |
| 0100-16-.03 | License Application and Fees |
| 0100-16-.04 | Manner of Sale |
| 0100-16-.05 | Records |
| 0100-16-.06 | Inspections and Testing |
| 0100-16-.07 | Violations |

Place substance of rules and other info here. Please be sure to include a detailed explanation of the changes being made to the listed rule(s). Statutory authority must be given for each rule change. For information on formatting rules go to https://sos.tn.gov/publications/services/rulemaking-guidelines.

Rule 0100-15- and all of its parts are added as new rules to comply with Public Chapter 526, which will become Tenn. Code Ann. §§ 57-7-101 et. seq.

RULES OF THE TENNESSEE ALCOHOLIC BEVERAGE COMMISSION
CHAPTER 0100-15
RULES FOR SUPPLIERS AND WHOLESALERS OF HEMP-DERIVED CANNABINOID PRODUCTS
TABLE OF CONTENTS



0100-15-.01 SCOPE.

(1) This chapter applies to any person who supplies or distributes in commerce any hemp derived cannabinoid ("HDC") product.

(2) Persons that supply or distribute HDC products are subject to all requirements and regulatory authority applicable to the type of product sold, including but not limited to regulation under the Act and this chapter, and T.C.A. Title 57, Chapter 7, and Title 39, Chapter 17, Part 15. HDC products are excluded from all regulatory exemptions including, but not limited to those afforded under the Food Freedom Act at T.C.A. § 53-1-118

(3) The Commission will not refund fees for early termination of any license issued under this chapter.

(4) Licenses under this chapter are not transferable from person to person or location to location.

Authority: T.C.A. §§ 57-7-101, et. seq.

0100-15-.02 DEFINITIONS.

(1) Terms in this chapter share those meanings of terms in T.C.A. Title 57, Chapter 7.

(2) When used in this chapter, unless the context requires otherwise:

(a) Act means T.C.A. §§ 57-7-01, et. seq.

(b) Batch, in addition to its definition under the Act, is an individual production lot of manufactured product.

(c) Cannabis is any plant or any part of a plant of the genera Cannabis and includes hemp.

(d) Certificate of Analysis (COA) means a written document from a laboratory approved by the department for testing samples under this chapter, and which communicates the results of those tests performed.

(e) Commerce or similar words mean involving payment for an item or payment for services incident to production of the item.

(f) Distribute means to transport or to introduce into commerce and includes delivery for sale, manufacturing, or holding for subsequent sale or manufacturing.

(g) Food means articles used for food or drink for humans or other animals, chewing gum, and articles used for components of food or drink or chewing gum.

(h) Hemp Derived Cannabinoid ("HDC") is a product that contains or is labeled to reflect it contains a hemp-derived cannabinoid that is produced, marketed, or otherwise intended to be consumed orally ("ingestible"), inhaled ("inhalable"), or absorbed through the skin ("transdermal"). HDC products also include intermediate products intended for subsequent use as a component in a later finished ingestible, inhalable, or transdermal HDC product.

(i) In a manner similarly reliable to post-decarboxylation means a manner sufficient to quantify by percentage the resulting THC of a sample if carboxyl groups are removed from all molecules containing THC within the sample. A manner similarly reliable to postdecarboxylation is shown by a post-decarboxylation THC value equal to the sum of the sample's THC percentage plus the product of its delta-9 tetrahydrocannabinolic acid (THCa) percentage and 0.877.

(j) Manufacture, in addition to its definition under the Act, includes actions that physically or chemically transform cannabis beyond its principal form as a farm product or filters, cleans, or trims that product to isolate any of its particular parts or components.

(k) Move, transport, or similar words mean to relocate in any manner an item from one location to another.

(l) Person means an individual, partnership, corporation, or any other form of legal entity.

(m) Sample means to take material or the material taken from a location used to manufacture or distribute HDC products.

(n) Serving, in addition to its definition under the Act, means an amount of product designated by its manufacturer as reasonably understood to be a single unit of the product for consumption.

Authority: T.C.A. §§ 57-7-102; T.C.A. § 57-7-104(2); T.C.A. § 57-7-109

0100-15-.03 LICENSE APPLICATIONS AND FEES.

(1) A HDC supplier license is required per person per location for any person that manufactures or distributes HDC product in commerce.

(2) HDC supplier license applications must be submitted in a manner specified by the Commission. In addition to submitting to a physical inspection of the address seeking licensure, if located in Tennessee, applicants must provide the Commission with the following:

(a) Legal Name and D/B/A for the business seeking licensure;

(b) Physical and mailing address for the business seeking licensure;

(c) Name, biographic information, and contact information of any person in a business seeking licensure;

(d) Tennessee Bureau of Investigation or Federal Bureau of Investigation criminal background check that includes fingerprint checks for any person legally responsible for the management of Applicant's operations;

(e) Proof of registration in its state of incorporation for any applicant that is a formalized business entity;

(f) Sufficient information to establish that Applicant is registered with the Tennessee Department of Revenue to pay applicable taxes;

(g) Architectural diagram of the physical space, which includes square footage and dimensions;

(h) Verification that the applicant has a legal right to the premises seeking licensure;

(i) Business hours;

(j) Acknowledgement that business will operate in accordance with state law;

(k) Compliance with the Eligibility Verification for Entitlements Act as codified in T.C.A. §§ 4-58- 101, et seq; and

(l) Any other information, required by the Commission, to determine an applicant's eligibility for the licensure sought.

(3) A HDC wholesaler license is required per person per location for any person who distributes HDC product into retail commerce.

(4) HDC wholesaler license applications must be submitted in a manner specified by the Commission. In addition to submitting to a physical inspection of the address seeking licensure, applicants must provide the Commission with the following:

(a) Legal Name and D/B/A for the business seeking licensure;

(b) Physical and mailing address for the business seeking licensure;

(c) Name, biographic information, and contact information of any person in a business seeking licensure;

(d) Tennessee Bureau of Investigation or Federal Bureau of Investigation criminal background check that includes fingerprint checks for any person legally responsible for the management of Applicant's operations;

(e) Proof of registration in its state of incorporation for any applicant that is a formalized business entity;

(f) Sufficient information to establish that Applicant is registered with the Tennessee Department of Revenue to pay applicable taxes;

(g) Security plan;

(h) Architectural diagram of the physical space, which includes square footage, dimensions, and a description of how product will be received, inventoried, stored, and/or packaged;

(i) Owner affidavit confirming warehouse space meets the requirements set forth in T.C.A. § 57-7-106(f)(1)(E)(i);

(j) Verification that the applicant has a legal right to the premises seeking licensure;

(k) Business hours;

(l) Records storage and records security policy;

(m) Certificate of Occupancy;

(n) Detailed business plan;

(o) Proof of financial eligibility as set forth in T.C.A. § 57-7-106(f)(1)(E)(iv); and,

(p) Any other information, required by the Commission, to determine an applicant's eligibility for the licensure sought.

(5) Licensees must notify the Agency, in a manner approved by the Commission, of any changes to the contents of their approved application within thirty (30) days of the change, including any change in contact information.

(6) Payment of an annual HDC supplier and/or wholesaler license fee is due upon approval of an application and must be paid in full prior to a license being issued. The license fee may be prorated in the initial year of licensure or following the business obtaining additional licenses, provided the total prorated fee does not exceed the annual license fee.

(7) HDC supplier and/or wholesaler licenses expire one (1) year from the date of issuance, unless the licensee holds more than one (1) TABC issued license, and the Commission prorated the license fee to permit the business to align license expiration dates.

(8) It is the responsibility of the licensee to submit to an annual inspection, if applicable, provide a complete renewal application in a manner specified by the Commission, provide an updated criminal background check for each applicable individual, and remit payment of the annual license fee prior to the expiration of the license. The expiration date printed on the license serves as notice of the need to renew the license by the expiration date, and no additional notice is required. HDC licenses will be closed on the business day after expiration if both a renewal application and a license fee have not been received. If the Commission receives an application and license fee prior to the license expiration date, the Commission will toll closing the license, and the license will remain valid until the Commission reviews the application. The applicant shall resolve any outstanding issues and submit any additional documentation to the Commission no later than 30 days after the license expiration date for renewal application processing. Licenses that the Commission does not renew within thirty (30) days of the license expiration date will be closed. The renewal process is complete when the Tennessee Alcoholic Beverage Commission issues an updated license.

(9) The Commission may deny any application for licensure that it deems incomplete because it lacks required documents or information or that is not completed in conformance with this rule.

Authority: T.C.A. §§ 57-7-106; 57-7-116

0100-15-.04 SUPPLIERS.

(1) General requirements:

(a) Suppliers are prohibited from offering HDC products for sale in Tennessee if the products fail to meet the following requirements:

1. Each product offered must contain a unique batch number;

2. HDC products may not contain nicotine; and,

3. Dimethylsulfoxide may not be used in any HDC product.

(2) Inhalable HDC products:

(a) Suppliers may not supply an inhalable HDC product made with a non-hemp derived cannabinoid ingredient unless the ingredient is listed in, and the concentration and route of the ingredient is authorized under, the federal Food and Drug Administration (FDA) inactive ingredient database at https://www.accessdata.fda.gov/scripts/cder/iig/index.cfm

(b) Suppliers may not supply inhalable HDC product in which any of the following substances are used in its manufacture.

1. Vitamin E acetate;

2. Medium-chain triglycerides;

3. Polyethylene glycol;

4. Propylene glycol; or,

5. 2, 3-butanedione.

(c) Suppliers are prohibited from supplying inhalable HDC product unless its water activity is less than 0.65 and its total combined yeast and mold count is less than 100,000 colony forming units per gram.

(3) Solvents. Suppliers are barred from providing HDC products in Tennessee in which solvents were used in its manufacture. Use of the following substances are allowable exceptions: water, vegetable glycerin, vegetable oils, animal fats, butane, propane, carbon dioxide, ethanol, isopropanol, acetone, heptane, ethyl acetate, and pentane.

(a) If butane, propane, heptane, or pentane is used as a solvent, the solvent must be documented on its COA as at least 99 percent purity.

(b) If water, vegetable glycerin, vegetable oil, animal fat, carbon dioxide, ethanol, isopropanol, acetone, or ethyl acetate is used as a solvent, the solvent must be food grade according to FDA standards under 21 CFR Part 174.

(4) Manner of Sale. HDC product suppliers are prohibited from selling HDC products for resell in Tennessee to any person that is not a HDC licensed wholesaler.

Authority: T.C.A. §§ 57-7-102; 57-7-106, 21 CFR Part 174

0100-15-.05 WHOLESALERS.

(1) General requirements:

(a) Wholesalers are prohibited from offering HDC products for sale in Tennessee if the products do meet the following requirements:

1. Each product offered must contain a unique batch number;

2. HDC products may not contain nicotine; and,

3. Dimethylsulfoxide may not be used in any HDC product.

(2) Inhalable HDC products:

(a) Wholesalers may not distribute inhalable HDC products that are made with a non-hemp derived cannabinoid ingredient unless the ingredient is listed in, and the concentration and route of the ingredient is authorized under, the federal Food and Drug Administration (FDA) inactive ingredient database at https://www.accessdata.fda.gov/scripts/cder/iig/index.cfm

(b) Wholesalers may not supply inhalable HDC products in which any of the following substances are used in its manufacture.

1. Vitamin E acetate;

2. Medium-chain triglycerides;

3. Polyethylene glycol;

4. Propylene glycol; or,

5. 2, 3-butanedione.

(c) Wholesalers may not distribute HDC products unless its water activity is less than 0.65 and its total combined yeast and mold count is less than 100,000 colony forming units per gram.

(3) Solvents. Wholesalers are not permitted to dispense HDC product in Tennessee in which solvents were used in its manufacture. Use of the following substances are allowable exceptions: water, vegetable glycerin, vegetable oils, animal fats, butane, propane, carbon dioxide, ethanol, isopropanol, acetone, heptane, ethyl acetate, and pentane.

(a) If butane, propane, heptane, or pentane is used as a solvent, the solvent must be documented on its COA as at least 99 percent purity.

(b) If water, vegetable glycerin, vegetable oil, animal fat, carbon dioxide, ethanol, isopropanol, acetone, or ethyl acetate is used as a solvent, the solvent must be food grade according to FDA standards under 21 CFR Part 174.

(4) Manner of Sale. HDC product wholesalers are prohibited from selling or offering to sell HDC products for resell in Tennessee to any person that is not a HDC product licensed retailer.

Authority: T.C.A. §§ 57-7-102; 57-7-106, 57-7-107, 21 CFR Part 174

0100-15-.06 RECORDS SAMPLING AND TESTING.

(1) Frequencies.

(a) HDC product supplier licensees must sample and test each batch of product created from hemp or hemp products for conformance with this rule. Once full panel testing required by this rule is conducted on hemp or a hemp product, additional testing in downstream commerce is not required except as provided:

1. After the initial HDC product in commerce conforms to testing under subparagraph (a), if a downstream HDC product supplier uses the product as an input to make a new HDC product and during production of the new product the HDC product input underwent either a chemical change (e.g. through exposure to heat or solvents) or a reconstitution through addition or removal of other components, the supplier must cause each batch of new HDC product to be sampled and tested for conformance with this rule.

2. After the initial HDC product in commerce conforms to testing under subparagraph (a), if a downstream HDC supplier uses the product as an input to make a new HDC product

but does not alter the chemical composition or formulation of the HDC product compared to the input used (e.g. raw flower that is only physically changed through cutting and filtering or bulk orders that are repackaged into smaller units of like product), additional sampling and testing of the resulting product batches are not required and prior test results in commerce of HDC within the product are presumptively valid. This part shall not limit the Commission's authority to test any cannabis products for compliance with the Act and this chapter.

(b) Prior to transport of any HDC product in commerce, HDC product suppliers must confirm conformance of the batch to all testing requirements under this rule.

(2) Standards. Tolerances for each required testing analyte are listed below. Any test result exceeding allowable limits is grounds for embargo, recall, remediation, and/or destruction of the entire batch represented by the sample, regardless of whether the test result is discovered through manufacturing testing or subsequent sampling and testing of retail HDC product.

(a) For all HDC products:

1. Hemp-derived cannabinoids:

(i) Delta-8 tetrahydrocannabinol;

(ii) Delta-10 tetrahydrocannabinol;

(iii) Hexahydrocannabinol;

(iv) Tetrahydrocannabiphorol (THCp);

(v) Tetrahydrocannabivarin (THCv); and,

(vi) Tetrahydrocannabivarin (THCv).

2. Microbial contaminants:

(i) Shiga toxin-producing Escherichia coli (undetectable in at least one gram);

(ii) Salmonella spp. (undetectable in at least one gram);

3. Mycotoxins:

(i) Aflatoxin B1 (total aflatoxin B1, B2, G1, and G2 ≤ 20 µg/kg);

(ii) Aflatoxin B2 (total aflatoxin B1, B2, G1, and G2 ≤ 20 µg/kg);

(iii) Aflatoxin G1 (total aflatoxin B1, B2, G1, and G2 ≤ 20 µg/kg);

(iv) Aflatoxin G2 (total aflatoxin B1, B2, G1, and G2 ≤ 20 µg/kg);

(v) Ochratoxin A (≤ 20 µg/kg);

4. Residual pesticides:

| Residual pesticide | Chemical Abstract Service (CAS) assigned number | Maximum allowable concentration stated in parts per million (ppm) |
|---|---|---|
| Abamectin | 71751-41-2 | 0.5 ppm |

| | | |
|---|---|---|
| Acephate | 30560-19-1 | 0.4 ppm |
| Acequincoyl | 57960-19-7 | 2.0 ppm |
| Acetamiprid | 135410-20-7 | 0.2 ppm |
| Aldicarb | 116-06-3 | 0.4 ppm |
| Azoxystrobin | 131860-33-8 | 0.2 ppm |
| Bifenazate | 149877-41-8 | 0.2 ppm |
| Boscalid | 188425-85-6 | 0.2 ppm |
| Carbaryl | 63-25-2 | 0.4 ppm |
| Carbofuran | 1563-66-2 | 0.2 ppm |
| Chlorantraniliprole | 500008-45-7 | 0.2 ppm |
| Chlorfenapyr | 122453-73-0 | 1.0 ppm |
| Chlormequat chloride | 7003-89-6 | 0.2 ppm |
| Chlorpyrifos | 2921-88-2 | 0.2 ppm |
| Clofentezine | 74115-24-5 | 0.2 ppm |
| Cyfluthrin | 68359-37-5 | 1.0 ppm |
| Cypermethrin | 52315-07-8 | 1.0 ppm |
| Daminozide | 1596-84-5 | 1.0 ppm |
| DDVP (Dichlorvos) | 62-73-7 | 0.1 ppm |
| Diazinon | 333-41-5 | 0.2 ppm |
| Dimethoate | 60-51-5 | 0.2 ppm |
| Ethoprophos | 13194-48-4 | 0.2 ppm |
| Etofenprox | 80844-07-1 | 0.4 ppm |
| Etoxazole | 153233-91-1 | 0.2 ppm |
| Fenoxycarb | 134098-61-6 | 0.4 ppm |
| Fipronil | 120068-37-3 | 0.4 ppm |
| Flonicamid | 158062-67-0 | 1.0 ppm |
| Fludioxonil | 131341-86-1 | 0.4 ppm |
| Hexythiazox | 78587-05-0 | 1.0 ppm |
| Imazalil | 35554-44-0 | 0.2 ppm |
| Imidacloprid | 138261-41-3 | 0.4 ppm |
| Kresoxim-methy | 143390-89-0 | 0.4 ppm |
| Malathion | 121-75-5 | 0.2 ppm |
| Metalaxyl | 57837-19-1 | 0.2 ppm |

| | | |
|---|---|---|
| Methiocarb | 2032-65-7 | 0.2 ppm |
| Methomyl | 16752-77-5 | 0.4 ppm |
| Methyl parathion | 298-00-0 | 0.2 ppm |
| Myclobutanil | 88671-89-0 | 0.2 ppm (prohibited at any concentration for inhalation) |
| Naled | 300-76-5 | 0.5 ppm |
| Oxamyl | 23135-22-0 | 1.0 ppm |
| Paclobutrazol | 76738-62-0 | 0.4 ppm |
| Permethrins (measured as the cumulative residue of cis- and trans-isomers) | 52645-531 (54774-45-7 and 51877-74-8) | 0.2 ppm |
| Phosmet | 732-11-6 | 0.2 ppm |
| Piperonyl butoxide | 51-03-6 | 2.0 ppm |
| Prallethrin | 23031-36-9 | 0.2 ppm |
| Propiconazole | 60207-90-1 | 0.4 ppm |
| Propoxur | 114-26-1 | 0.2 ppm |
| Pyrethrins (measured as the cumulative residue of pyrethrin 1, cinerin 1 and jasmolin 1) | 8003-34-7(121-21-1,25402-06-6 and 4466-14-2) | 1.0 ppm |
| Pyridaben | 96489-71-3 | 0.2 ppm |
| Spinosad | 168316-95-8 | 0.2 ppm |
| Spiromesifen | 283594-90-1 | 0.2 ppm |
| Spirotetramat | 203313-25-1 | 0.2 ppm |
| Spiroxamine | 118134-30-8 | 0.4 ppm |
| Tebuconazole | 107534-96-3 | 0.4 ppm |
| Thiacloprid | 111988-49-9 | 0.2 ppm |
| Thiamethoxam | 153719-23-4 | 0.2 ppm |
| Trifloxystrobin | 141517-21-7 | 0.2 ppm |

5. Heavy Metals:

    (i) Arsenic (≤ 0.4 ppm);

    (ii) Cadmium (≤ 0.4 ppm);

    (iii) Lead (≤ 1 ppm);

    (iv) Mercury (≤ 1.2 ppm);

6. Residual solvents and manufacturing chemicals:

| Solvent or manufacturing chemical | CAS assigned number | Maximum allowable concentration (ppm) |
|---|---|---|
| Acetone | 67-64-1 | 1,000 ppm |
| Benzene* | 71-43-2 | 2 ppm |
| Butanes, (measured as the cumulative residue of n-butane and iso-but) | 106-97-8 and 75-28-5 | 1,000 ppm |
| Ethanol | 64-17-5 | 5,000 ppm |
| Ethyl Acetate | 141-78-6 | 1,000 ppm |
| Heptanes | 142-82-5 | 1,000 ppm |
| Hexanes* (measured as the cumulative residue of n-hexane, 2-methylpentane, 3-methylpentane, 2,2-dimethylbutane, and 2,3-dimethylbutane) | 110-54-3, 107-83-5 and 79-29-8 | 60 ppm |
| Methanol* | 67-56-1 | 600 ppm |
| Pentanes (measured as the cumulative residue of n-pentane, iso-pentane, and neo-pentane) | 109-66-0, 78-78-4 and 463-82-1 | 1,000 ppm |
| 2-Propanol (IPA) | 67-63-0 | 1,000 ppm |
| Propane | 74-98-6 | 1,000 ppm |
| Toluene* | 108-88-3 | 180 ppm |
| Total Xylenes* (measured as the cumulative residue of 1,2-dimethylbenzene, 1,3-dimethylbenzene, and 1,4-dimethylbenzene, and the non-xylene, ethylbenzene) | 1330-20-7 (95-47-6, 108-38-3 and 106-42- 3 and 100-41-4) | 430 ppm |
| Any other solvent not permitted for use | | undetected |
| *These solvents are not individually approved for use. Due to their possible presence in other solvents that are approved for use, limits have been listed here for concentrations in final products | | |

(b) Additional testing requirements for inhalable HDC products:

1. Microbial contaminants:

(i) Aspergillus A. fumigatus (undetectable in at least one gram);

(ii) Aspergillus A. flavus (undetectable in at least one gram);

(iii) Aspergillus A. niger (undetectable in at least one gram);

(iv) Aspergillus A. terreus (undetectable in at least one gram);

2. Heavy metals:

(i) Arsenic (≤ 0.2 ppm);

(ii) Cadmium (≤ 0.2 ppm);

(iii) Lead (≤ 0.5 ppm);

(iv) Mercury (≤ 0.1 ppm).

(3) Sampling. HDC product manufacturers must draw samples for testing that are representative of each batch.

(4) Testing.

(a) Third-party laboratories.

1. COAs required under this chapter may be supplied by a third-party laboratory provided the laboratory is registered with the Commission.

2. To register and to maintain registration with the Commission, a third-party laboratory applicant must:

(i) Complete in full an application in a manner specified by the Commission;

(ii) Host and notify the Commission of one (1) landing page for retrieval of all COAs;

(iii) For any test method conducted pursuant to this rule, be fully accredited to standards established under International Organization for Standardization (ISO) 17025 by an International Laboratory Accreditation Cooperation recognized accreditation body;

(iv) Maintain ISO 17025 accreditation;

(v) Test and report analyte(s) using limits of detection and quantitation no greater than the respective tolerance(s) under this chapter for the tested analyte(s);

(vi) Test and report hemp-derived cannabinoids under this chapter using a limit of quantitation ≤ 1 mg/g;

(vii) Perform and report component testing as detailed under this rule;

(viii) Store all samples in a secure manner that reasonably protects them from degradation, contamination, and tampering; and, prior to its disposal, render all sample material unusable;

(ix) If available, produce reserve sample material to the Commission upon request; and,

(x) Provide other information as required by the Commission.

3. Failure to adhere to these requirements or requirements for issuance of COAs under this rule is grounds for denial or revocation of any registration or license issued by the Commission.

(b) COAs.

1. Third-party laboratories must include at a minimum the following on each COA issued:

   (i) The laboratory's name and address as it is registered with the Commission;

   (ii) The HDC product manufacturer's name and address;

   (iii) The batch number of HDC product represented by the sample;

   (iv) Unique identifying information for the sample, if applicable;

   (v) Sample history including date received and date range of each test conducted on the sample;

   (vi) Analytical methods, limits of detection, limits of quantitation, and test results for each analyte evaluated for the sample, regardless of whether the testing conducted is required by this rule; and,

   (vii) A collective "pass"/"fail" assessment for the entire batch that accounts for either passage of all or failure of any one test conducted on the sample.

2. When reporting quantitative results, third-party laboratories must include in the COA the corresponding units of measurement as required for tolerances under this rule, as well as measurement uncertainties.

3. A result of "< LOQ" for any analyte detected below the limit of quantification (LOQ).

4. A result of "ND" for any analyte that was tested for and not detected.

(c) Failed Testing.

1. Retesting. Any sample failure may be re-submitted as follows for confirmation of testing failure.

   (i) If a reserve sample was retained by the same third-party registered laboratory that produced the COA exhibiting a test failure, that laboratory may re-test the reserve sample following the failed test to confirm component compliance.

   (ii) If the re-tested sample passes for the suspect component(s), a new sample from the same batch must be drawn and submitted to a second third-party registered laboratory for complete re-testing of all components listed under this rule. If the second re-testing conforms to all required tolerances, the batch is deemed compliant with testing requirements and may be transported and distributed in commerce.

   (iii) If a reserve sample is not available from the initial third-party registered laboratory or if a sample fails either of the re-tests, the batch is deemed nonconforming with regulatory requirements.

2. Remedy.

   (i) Microbial contaminants. A HDC product supplier is prohibited from transporting or allowing transport of a batch that has failed microbial contaminant testing unless:

      (I) The batch is further processed by a method that effectively sterilizes the batch, is re-tested, and those test results show conformance with required tolerances;

      (II) The supplier submits a corrective action plan for effective sterilization of the batch by another licensed HDC product supplier, receives written approval of the plan

from the Commission, and places the batch under immediate transport to the approved HDC product supplier; or,

(III) The batch is rendered unusable.

(ii) Over-concentrated product. A HDC product supplier is prohibited from transporting or allowing transport of a batch that has failed THC concentration testing unless:

(I) The batch is further processed by a method that effectively dilutes the batch, is retested, and those results show conformance with required tolerances;

(II) The manufacturer submits a corrective action plan for effective dilution of the batch by another licensed HDC product supplier, receives written approval of the plan from the Commission, and places the batch under immediate transport to the approved HDC product supplier; or,

(III) The batch is rendered unusable.

(iii) For all other component testing failures, a HDC product manufacturer must render the batch unusable prior to disposition.

Authority: T.C.A. §§ 57-7-102, 57-7-107, 57-7-110

0100-15-.07 LABELS.

(1) HDC product suppliers must, in addition to labeling requirements under the Act, label each HDC product with the following:

(a) Batch number;

(b) Name and address of the HDC product manufacturer or distributor;

(c) A list of all ingredients, ordered by weight, including direct and indirect additives;

(d) A separate allergen statement, stating common name of allergen, if product contains any of the following ingredients: eggs; fish; milk; tree nuts; peanuts; sesame; shellfish; soy; or wheat;

(e) A QR code that links the viewer to COA testing results conducted as specified under this chapter. A QR code that does not link to a valid COA, including the product's batch number, date received, date of testing completion, and method of analysis, as established in T.C.A. § 57-7-107, will be considered invalid and a violation of this rule;

(f) Serving size of the product and the total number of servings per package of the product (applicable only for ingestible HDC products); and,

(g) The numerical count, net weight, or net volume of the product per package. Net weight and net volume must be reported in both standard and metric measurements.

(2) Warning statements. HDC product manufacturers must include the following warning statement(s), printed in at least eleven (11) point font, easily legible font on the label panel of associated HDC products, and shall be conspicuous and in distinct contrast (e.g. by typography, layout, color, or embossing) to other information on the package.

(a) For all HDC products.

1. "Warning: Keep out of reach of children. Must be 21 or older to possess or consume. May be harmful to those who are pregnant or breastfeeding. May impair ability to drive or operate

machinery. This product is not approved by FDA for cure, mitigation, treatment, or prevention of any disease."

2. The word "Warning" must be printed in bold font, all capital letters

(b) Additional warning statement for inhalable HDC products.

1. "Warning: Inhalation of cannabis smoke has been associated with lung injury."

2. The word "Warning" must be printed in bold font, all capital letters.

(3) A person shall not manufacture or distribute any HDC product labeled as a dietary supplement.

Authority: T.C.A. §§ 57-7-106, 57-7-107; 57-7-110

0100-15-.08 TRANSPORTATION

(1) In addition to transportation requirements under the Act, HDC product supplier licensees must make immediately available, upon request, COAs for any HDC product, including raw product, that is transported in commerce.

Authority: T.C.A. § 57-7-109

0100-15-.09 RECORDS.

(1) For each batch of HDC product manufactured or distributed, HDC product supplier licensees shall maintain the following for two years;

(a) COAs, copies of which shall be submitted to all immediate downstream purchasers of the product;

(b) A current copy of safety data sheets for all solvents used in manufacturing the HDC product; and,

(c) Invoices and bills of lading for all HDC product distribution conducted by the HDC supplier licensee.

(2) For any HDC product rendered unusable or disposed pursuant to this chapter, HDC product supplier licensees must maintain documentation of the following for two years following disposal:

(a) Date(s) and manner(s) in which the product was rendered unusable and disposed;

(b) Batch number; and,

(c) Total volume of product that was disposed.

(3) Any licensee, licensee's agent, or licensee's employee subjects the licensee to suspension or revocation of the HDC product supplier and/or wholesaler license if they refuse access to the premises, refuse to open or disclose records, refuse to furnish information, or furnish false and/or misleading records/information to an agent or representative of the Tennessee Alcoholic Beverage Commission.

Authority: T.C.A. §§ 57-7-106, 57-7-110

0100-15-.10 INSPECTIONS.

(1) Scope. The Commission may enter any licensed premises or conveyance for purposes of inspecting and sampling any cannabis, HDC product, product lists, and labels, or other material and copying records necessary to determine compliance with the Act and this chapter.

(2) Frequency. The Commission may conduct inspections as often as necessary to determine compliance with the Act and this chapter.

Authority: T.C.A. §§ 39-17-1509, 57-7-105; 57-7-106;

0100-15-.11 VIOLATIONS.

(1) In addition to other requirements of the Act and this chapter, persons subject to this chapter must:

(a) Maintain areas and vehicles where HDC products are manufactured or distributed so as to be readily accessible for inspection;

(b) Provide adequate lighting necessary for inspection of all HDC products manufactured or distributed;

(c) Provide full access to facilities, inventory, records, and invoices necessary for the Commission's inspection without a warrant;

(d) Give full information as to the source of any cannabis or HDC product currently or previously held in their possession;

(e) Consent to sampling of all HDC product manufactured or distributed by the licensee;

(f) Consent to recall of all associated HDC product batches when subsequent testing of HDC product in commerce indicates a failure of testing requirements under this chapter, or a foodborne outbreak or other illness is causally linked by federal authorities or the Department of Health to particular HDC product batches;

(g) Maintain the licensed establishment in a decent, orderly, and respectable manner and in full compliance with federal statutes, Tennessee laws, Commission rules and regulations, and local ordinances in the municipality or county where licensed premises are located. Licensees remain responsible for complying with this rule if the licensed owner or operator rents, leases, or otherwise permits another to occupy the licensed premises; and,

(h) Furnish information that is not false and/or misleading to an agent or representative of the Commission.

(2) In addition to other requirements of the Act and this chapter, persons subject to this chapter must not:

(a) Manufacture or distribute HDC products without first securing a license from the Commission;

(b) Manufacture or distribute HDC products that do not meet manufacturing and testing requirements under this chapter;

(c) Transport or allow transport of HDC products without a COA issued by a third-party laboratory registered with the Commission;

(d) Interfere with an authorized representative of the Commission in performance of their duties;

(e) Violate any federal or state law related to quarantine of plants, regulated articles, or other material;

(f) Sell, offer for sale, move, or allow movement of any apparently infested material; or,

(g) Violate any Commission order issued under the Act or this chapter, including but not limited to orders for embargo or destruction of HDC product.

(3) Violation of any workplace safety or environmental protection standard enforced by state or federal authorities is grounds for denial of program inspection and denial or revocation of any license issued by the Commission.

(4) A person is responsible for violations of the Act or this chapter when committed by either the person, their agent, or their employee.

(5) Each violation of the Act or this chapter is grounds for issuance of embargo or destruction orders for any HDC product held by the violator or their agent, denial or revocation of any license or registration issued by the Commission, actions for injunction, imposition of civil penalties, and/or pursuit of criminal charges against the violator.

Authority: T.C.A. §§ 57-7-103, 57-7-106

Rule 0100-16- and all of its parts are added as new rules to comply with Public Chapter 526, which will become Tenn. Code Ann. §§ 57-7-101 et. seq.

RULES OF THE TENNESSEE ALCOHOLIC BEVERAGE COMMISSION
CHAPTER 0100-16
RULES FOR RETAIL SALE OF HEMP-DERIVED CANNABINOID PRODUCTS
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0100-16-.01 SCOPE.

(1) This chapter applies to any person who sells or offers to sell at retail any hemp derived cannabinoid ("HDC") product.

(2) Persons that sell or offer to sell HDC products are subject to all requirements and regulatory authority applicable to the type of product sold, including but not limited to regulation under the Act and this chapter, T.C.A. Title 57, Chapter 7, and Title 39, Chapter 17, Part 15. HDC products are excluded from all regulatory exemptions including but not limited to those afforded under the Food Freedom Act at T.C.A. § 53-1-118.

(3) The Commission will not refund fees for early termination of any license issued under this chapter.

(4) Licenses under this chapter are not transferable from person to person or location to location.

Authority: T.C.A. § 57-7-101, et. seq.

0100-16-.02 DEFINITIONS.

(1) Terms in this chapter share those meanings of terms in T.C.A. Title 57, Chapter 7.

(2) When used in this chapter, unless the context requires otherwise:

(a) Act means T.C.A. §§ 57-7-01, et. seq.

(b) Batch, in addition to its definition under the Act, is an individual production lot of manufactured product.

(c) Business for which entry is limited to individuals twenty-one (21) years of age or older means a legal establishment that affirmatively restricts access to its buildings or facilities at all times to persons that are twenty-one (21) years of age or older by requiring each person, who attempts to gain entry to those buildings or facilities, to submit for inspection a valid government issued photo identification, which demonstrates by proof of age that the person is at least twenty-one (21) years of age.

(d) Cannabis is any plant or any part of a plant of the genera Cannabis and includes hemp.

(e) Certificate of Analysis (COA) means a written document from a laboratory approved by the department for testing samples under this chapter, and which communicates the results of those tests performed.

(f) Commerce or similar words mean involving payment for an item or payment for services incident to production of the item.

(g) Counter is a physical barrier that necessitates the seller's assistance to access product prior to its sale.

(h) Food means articles used for food or drink for humans or other animals; chewing gum; and articles used for components of food or drink or chewing gum.

(i) Hemp Derived Cannabinoid ("HDC") is a product that contains or is labeled to reflect it contains a hemp-derived cannabinoid that is produced, marketed, or otherwise intended to be consumed orally ("ingestible"), inhaled ("inhalable"), or absorbed through the skin ("transdermal"). HDC products also include intermediate products intended for subsequent use as a component in a later finished ingestible, inhalable, or transdermal HDC product.

(j) In a manner similarly reliable to post-decarboxylation means a manner sufficient to quantify by percentage the resulting THC of a sample if carboxyl groups are removed from all molecules containing THC within the sample. A manner similarly reliable to post-decarboxylation is shown by a post-decarboxylation THC value equal to the sum of the sample's THC percentage plus the product of its delta-9 tetrahydrocannabinolic acid (THCa) percentage and 0.877 products solely intended to be applied to the skin or hair and are not intended to be absorbed through transdermal application.

(k) Manufacture, in addition to its definition under the Act, includes actions that physically or chemically transform cannabis beyond its principal form as a farm product or filters, cleans, or trims that product to isolate any of its particular parts or components.

(l) Move, transport, or similar words mean to relocate in any manner an item from one location to another.

(m) Person means an individual, partnership, corporation, or any other form of legal entity.

(n) Proof of age means a valid driver's license or other unexpired government issued identification that describes the individual, indicates his or her age, contains a photograph or other likeness of the individual, and appears on its face to be valid.

(o) Sample means to take material or the material taken from a location where HDC products are sold or offered for sale at retail.

Authority: T.C.A. § 57-7-102; T.C.A. § 57-7-104(2); T.C.A. § 57-7-109

0100-16-.03 LICENSE APPLICATIONS AND FEES.

(1) A HDC retail license is required per person per location for any person that sells or offers for sale a HDC product at retail. Licensed locations must be fixed address facilities, but may include temporary locations such as fairs, flea markets, and farmers markets, provided that license fees for temporary locations cannot be prorated on the basis of temporary use.

(2) HDC product retail license applications must be submitted in a manner specified by the Commission. In addition to submitting to a physical inspection of the address seeking licensure, applicants must provide the Commission with the following:

(a) Legal Name and D/B/A for the business seeking licensure;

(b) Physical and mailing address for the business seeking licensure;

(c) Name, biographic information, and contact information of any person in a business seeking licensure;

(d) Tennessee Bureau of Investigation or Federal Bureau of Investigation criminal background check that includes fingerprint checks for any person legally responsible for the management of Applicant's operations;

(e) Proof of registration in its state of incorporation for any applicant that is a formalized business entity;

(f) Sufficient information to establish that Applicant is registered with the Tennessee Department of Revenue to pay applicable taxes;

(g) Identification of nearest school serving any grades K-12 and the distance from that school to the location to be licensed, in feet measured as a straight line along the shortest route;

(h) Architectural diagram of the physical space, which includes square footage and dimensions;

(i) Verification that the applicant has a legal right to the premises seeking licensure;

(j) Business hours;

(k) Compliance with the Eligibility Verification for Entitlements Act as codified in T.C.A. §§ 4-58-101, et seq; and,

(l) Any other information, required by the Commission, to determine an applicant's eligibility for the licensure sought.

(3) Licensees must notify the Agency, in a manner approved by the Commission, of any changes to the contents of their approved application within thirty (30) days of the change, including any change in contact information.

(4) Payment of an annual HDC product retail license fee is due upon approval of an application and must be paid in full prior to a license being issued. The license fee may be prorated in the initial year of licensure or following the business obtaining additional licenses, provided the total prorated fee does not exceed the annual license fee.

(5) HDC product retail licenses expire one (1) year from the date of issuance, unless the licensee holds more than one (1) TABC issued license, and the Commission prorated the license fee to permit the businesses to align license expiration dates.

(6) It is the responsibility of the licensee to submit to an annual inspection, provide a complete renewal application in a manner specified by the Commission, provide an updated criminal background check for each applicable individual, and remit payment of the annual license fee prior to the expiration of the license. The expiration date printed on the license serves as notice of the need to renew the license by the expiration date, and no additional notice is required. HDC licenses will be closed on the business day after expiration if both a renewal application and a license fee have not been received. If the Commission receives an application and license fee prior to the license expiration date, the Commission will toll closing the license, and the license will remain valid until the Commission reviews the application. The applicant shall resolve any outstanding issues and submit any additional documentation to the Commission no later than 30 days after the license expiration date for renewal application processing. Licenses that the Commission does not renew within thirty (30) days of the license expiration date will be closed. The renewal process is complete when the Tennessee Alcoholic Beverage Commission issues an updated license.

(7) The Commission may deny any application for licensure that it deems incomplete because it lacks required documents or information or that is not completed in conformance with this section.

Authority: T.C.A. §§ 57-7-106; 57-7-116;

0100-16-.04 MANNER OF SALE.

(1) HDC product retail licensees must not sell any HDC product to a purchaser unless the purchaser has provided proof of age showing the purchaser is, at least, twenty-one (21) years of age.

(2) HDC product retail licensees may not offer HDC products for sale through use of vending machines or unstaffed kiosks or self-checkout.

(3) HDC product retail licensees may offer HDC products for sale only if the product is maintained behind a barrier, in a location or manner that requires physical assistance from the licensee for the customer to access the product, except as authorized in T.C.A. § 57-7-104(d).

(4) HDC product retail licensees must post, in a conspicuous location, a warning sign that informs customers HDC products may be intoxicating and cause impairment. The letters comprising the word “WARNING” shall be highlighted black lettering, and “WARNING” should be larger than all other lettering on the sign. The size of the sign shall be approximately thirteen inches (13″) by nine and one-half inches (9½″).

(5) HDC product retailers are prohibited from purchasing HDC products from any person that is not a HDC licensed wholesaler.

Authority: T.C.A. §§ 57-7-103; 39-17-1507(a); 57-7-104, 57-7-106

0100-16-.05 RECORDS

(1) For each HDC product offered for sale, HDC product retail licensees shall maintain for two (2) years and readily produce upon request:

(a) COAs received from their immediate upstream seller of the product;

(b) Invoices and bills of lading for the licensee’s purchase or receipt of the product;

(2) For any HDC product rendered unusable or disposed pursuant to this chapter, HDC product retail licensees must maintain documentation of the following for two (2) years following disposal:

(a) Date(s) and manner(s) in which the product was rendered unusable or disposed;

(b) Batch number; and,

(c) Total volume of product that was disposed.

Authority: T.C.A. §57-7-101; 57-7-105; 57-7-106

0100-16-.06 INSPECTION AND TESTING.

(1) Scope. The Commission may enter any part of the licensed premises to inspect and sample any cannabis, HDC product, or other material, to examine and copy records, and to conduct random checks for manner of sale of HDC products, as necessary to determine compliance with the Act and this chapter.

(2) Frequency. The Commission may conduct inspections as often as necessary to determine compliance with the Act and this chapter.

(3) Product testing:

(a) Upon purchase of HDC products offered for retail sale, the Commission may sample and test or cause to be sampled and tested the product for compliance with the Act and the applicable Commission rules. Any test result exceeding allowable limits is grounds for embargo, recall, and remediation pursuant to provisions applicable under Tenn. Comp. R. & Regs. 0100-15-.06, and/or destruction of the batch of HDC product represented by the sample.

(b) A sample collected and tested according to Commission protocols is deemed representative of the HDC product batch from which the sample was obtained.

Authority: T.C.A. §§ 57-7-107; 57-7-106; 57-7-117

0100-16-.07 VIOLATIONS.

(1) In addition to other requirements of the Act and this chapter, persons subject to this chapter must:

(a) Maintain areas where HDC products are sold, offered for sale, or held for inventory so as to be readily accessible for inspection;

(b) Provide adequate lighting necessary for inspection of all HDC products offered or held for retail sale;

(c) Provide full access to facilities, inventory, records, and invoices necessary for Commission inspection without a warrant;

(d) Give full information as to the source of any cannabis or HDC product currently or previously held in their possession during the previous two (2) years;

(e) Consent to sampling of all HDC product offered or held for retail sale by the licensee;

(f) Consent to recall of all associated HDC product batches when testing of the product indicates a failure under Tenn. Comp. R. & Regs. 0100-15-.06 or a foodborne outbreak or other illness is causally linked by federal authorities or the Department of Health to particular HDC product batches.

(g) Maintain the licensed establishment in a decent, orderly, and respectable manner and in full compliance with federal statutes, Tennessee laws, Commission rules and regulations, and local ordinances in the municipality or county where licensed premises are located. Licensees remain responsible for complying with this rule if the licensed owner or operator rents, leases, or otherwise permits another to occupy the licensed premises.

(h) Furnish information that is not false and/or misleading to an agent or representative of the Commission.

(2) In addition to other requirements of the Act and this chapter, persons subject to this chapter must not:

(a) Sell or offer for sale HDC products at retail without first securing a license from the Commission;

(b) Sell or offer for sale HDC products at retail, including raw products, unless they meet manufacturing, labeling, and testing requirements under Tenn. Comp. R. & Regs. 0100-15-.06 and 0100-15-.07;

(c) Interfere with an authorized representative of the Commission in performance of their duties;

(d) Violate any federal or state laws related to quarantine of plants, regulated articles, or other material; or,

(e) Violate any Commission order issued under the Act or this chapter, including but not limited to orders to hold or dispose of HDC product.

(3) Violation of any workplace safety or environmental protection standard enforced by state or federal authorities is grounds for denial of program inspection and denial or revocation of any license issued by the Commission.

(4) A person is responsible for violations of the Act or this chapter when committed by either the person, their agent, or their employee.

(5) Each violation of the Act or this chapter is grounds for issuance of hold or destruction orders for any HDC product held by the violator or their agent, denial or revocation of any license or registration issued by the Commission, actions for injunction, imposition of civil penalties, and/or pursuit of criminal charges against the violator.

Authority: T.C.A. §§ 57-7-107; 57-7-105, 57-7-106; 57-7-117

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.

Date: 8/14/25

Signature: Russell F. Thomas

Name of Officer: Russell F. Thomas

Title of Officer: Director

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Tre Hargett

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