To: Members of the House Health Committee

From: Meredith Buettner, Executive Director - The Pennsylvania Cannabis Coalition (PCC)

Re: Unregulated Intoxicants

Date: April 25, 2023

## Chairman Frankel and Members of the House Health Committee:

Thank you for the opportunity to submit testimony regarding the impact of unregulated intoxicants on the Commonwealth. The Pennsylvania Cannabis Coalition, or PCC is the Commonwealth's cannabis industry trade association. PCC represents 75% of the medical marijuana operators who hold grower/processor, dispensary, and clinical research permits in Pennsylvania's medical marijuana program.

Pennsylvania's Medical Marijuana program has delivered safe and effective cannabis medicine to almost a million patients and caregivers since 2018, yet a loophole in the 2018 Federal Farm Bill has allowed for the unregulated sale of intoxicating cannabinoids such as Delta-8, synthetic Delta-9 and THC-O by unscrupulous actors putting consumers at risk every day. Despite the <u>U.S. Drug Enforcement Administration's recent announcement</u> that these synthetic substances designed to mimic the effects of natural THC are considered illegal, unlicensed and unregulated retail shops are setting up all over Pennsylvania—and the nation--donning signs with statements such as "No medical card needed" or "No doctors visit required." The result is rampant consumer confusion, as patients and consumers purchase highly intoxicating, often chemically synthesized THC products marketed as legal hemp under the guise that they are regulated and safe for human consumption. Of course, the unregulated nature of these businesses without age verification, without regard for public health, and without appropriate tax revenue to support their associated public health risks.

The lack of regulatory oversight at the Federal and state level has led to the widespread availability of inaccurately labeled products often laced with contaminants in smoke shops, gas stations, local pharmacies and over the internet. Laboratory testing of these unregulated products has demonstrated that they often contain heavy metals, residual solvents and even ingredients that are not currently found in the <u>NIST mass spectral library</u>. The State of Maryland recently conducted a task force investigation and following lab tests for potency, found that none of the dozens of products sampled from unregulated shops were accurately labeled.

Just like the unregulated vape pen crisis, the current status quo within the unregulated delta-8 market stands to continue to negatively impact the well-established reputations for consumer safety within the hemp and cannabis industries alike. Albeit the most popular, delta-8 is not the only THC isomer being produced and sold without regulatory oversight, testing, or approval, as hemp-derived cannabinoids such as delta-10, THCP, HHC, THCO, and other newly discovered chemical compounds have begun to circumvent the legal, regulated cannabis marketplace as well.

Thirteen states have fully prohibited Delta-8 while nine others have established regulations to promote public safety. Comprehensive laws and regulations in the states that have elected to undertake the regulatory path cover the following major policy areas:

- 1. Clear Definitions and Distinctions for Non-psychoactive Industrial Hemp vs Psychoactive THC-Cannabis, including definitional standards that cover all THC isomers including but not limited to delta-8, delta-10, THCO, or THCP. Clear definitions for psychoactive THC isomers are combined with statutory or regulatory "Total THC" limits over final hemp products, and ensure psychoactive THC-cannabis products are distinguished from non-psychoactive industrial hemp.
- 2. Third-Party Testing, Labeling, and Consumer Safety Standards; and
- 3. **Regulatory Enforcement and Oversight Authority**, including assigned agencies to ensure safety standards are adhered to, and civil enforcement authority for noncompliance. Some state laws also grant additional rulemaking authority for assigned agencies to have the flexibility to adapt enforcement methods for noncompliance, or enter in to MOUs with other state agencies to provide additional and appropriate resources.

To establish basic public health and consumer safety standards the Pennsylvania legislature should contemplate the following:

- The swift establishment of a new and independent regulatory body to bring focused oversight to all cannabis and cannabinoid consumer products including medical cannabis.
- Create a clear definition and delineation between consumable and non-consumable (industrial) cannabinoid products.
- Prohibiting all synthetic cannabinoids and isomers manufactured outside the regulated marketplace, including those intoxicating THC compounds marketed as federally legal hemp.
- The legislature should require age or patient verification, advertising and marketing standards and third-party lab testing for contaminants and dangerous chemicals.
- The legislature should explicitly make unlawful methods of skirting the regulated market that have become widespread in jurisdictions like New York and Washington D.C., such as gifting, membership fees, or selling unregulated cannabis and "hemp-derived" THC products online should.

The legislature should consider the following when establishing a new regulatory body to oversee all consumable cannabinoids:

- The new regulatory body should be required to quickly develop a regulatory framework to bring all intoxicating THC products and novel cannabinoids into the safeguards of the regulated market. The agency should also be given the discretion to ban certain synthetic cannabinoid derivatives outright in the interest of public safety.
- In the absence of adequate federal regulation over hemp-derived products, the regulatory body should also oversee safety standards for non-intoxicating consumer hemp products,

such as CBD, CBN, and CBG. Industrial hemp (non-consumer products manufactured from hemp) should remain under the Department of Agriculture. The agency should work to protect the market for hemp fibers and non-intoxicating hemp products, distinguishing these businesses from the bad actors exploiting a perceived regulatory loophole.

• The new regulatory body should be given the authority to regulate the licensed labs that conduct testing for the cannabis products allowed on the market.