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| BILL ANALYSIS |

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| C.S.H.B. 4918 |
| By: Rosenthal |
| Agriculture & Livestock |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE**  A loophole currently exists in state law where a person may grow and sell low-to-no THC smokable hemp products but may not manufacture or process these products in Texas. This has forced suppliers and manufacturers of these products to ship their products that need processing to other states, such as Oklahoma, to be processed and manufactured, only to have the products shipped back to Texas for sale. This results in a loss of potential investment and business in Texas. C.S.H.B. 4918 seeks to address this issue by authorizing a state agency to authorize a person to manufacture a product containing hemp for smoking. |
| **CRIMINAL JUSTICE IMPACT**  It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **RULEMAKING AUTHORITY**  It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution. |
| **ANALYSIS**  C.S.H.B. 4918 amends the Agriculture Code to replace the prohibition against a state agency authorizing a person to manufacture a product containing hemp for smoking with an authorization for a state agency to do so.  C.S.H.B. 4918 amends the Health and Safety Code to remove the requirement that rules adopted by the executive commissioner of the Health and Human Services Commission regulating the sale of consumable hemp products reflect, to the extent allowable by federal law, the principle that the processing or manufacturing of a consumable hemp product for smoking is prohibited.  C.S.H.B. 4918 repeals Section 443.001(11), Health and Safety Code. |
| **EFFECTIVE DATE**  September 1, 2023. |
| **COMPARISON OF INTRODUCED AND SUBSTITUTE**  C.S.H.B. 4918 differs from the introduced in minor or nonsubstantive ways by conforming to certain bill drafting conventions. |