

LFC Requestor: Self Assigned

2025 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS

Section I: General

Chamber: House
Number: 346

Category: Bill
Type: Introduced

Date (of THIS analysis): 02/12/25

Sponsor(s): Andrea Romero and Derrick J. Lente

Short Title: Hemp Products & Synthetic Cannabinoids

Reviewing Agency: Agency 665 - Department of Health

Analysis Contact Person: Arya Lamb

Phone Number: 505-470-4141

e-Mail: Arya.Lamb@doh.nm.gov

Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 25	FY 26		
\$0	\$0	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 25	FY 26	FY 27		
\$0	\$0	\$0	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 25	FY 26	FY 27	3 Year Total Cost	Recurring or Non-recurring	Fund Affected
Total	\$0	\$0	\$0	\$0	N/A	N/A

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: Senate Bill 264 (SB264)

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

House Bill 346 (HB346) would amend NMSA 1978 Section 76-24-8 to expand the Department of Environment's hemp permitting abilities to include hemp extract products. HB346 also creates regulations regarding semi-synthetic cannabinoids, and synthetic cannabinoids. HB346 provides a definition for both semi-synthetic cannabinoids and synthetic cannabinoids.

HB346 would require the environmental improvement board to adopt rules for hemp retailers, regarding hemp derived products beginning July 1st, 2025.

HB346 adds new language to the Hemp Manufacturing Act regarding hemp derived food products, which specifies that the provisions of the Hemp Manufacturing Act do not apply to hemp derived food products, rather those products are regulated under the Food Service Sanitation Act and the New Mexico Food Act. HB346 would prohibit a hemp manufacturer from receiving, possessing, offering, advertising, marketing or selling products containing semi-synthetic or synthetic cannabinoids. The bill also adds a new section to the Hemp Manufacturing Act to create a petty misdemeanor penalty for persons who violate the Hemp Manufacturing Act or the rules of the environmental improvement board.

Is this an amendment or substitution? Yes No

Is there an emergency clause? Yes No

b) Significant Issues

Hemp products have become more common since the passage of the Farm Bill in 2018 which removed hemp products with concentrations of less than 0.3% delta-9-tetrahydrocannabinol (THC) on a dry weight basis from the definition of marijuana in the Controlled Substances Act ([Farm Bill 2018](#)). After the passage of this bill, hemp-derived cannabidiol (CBD) products became widespread in interstate commerce. While these

products are required to have extremely low delta-9 THC, many products have been synthesized with other forms of THC including delta-8, delta-10, and THC-O acetate. These semi-synthetic THC isomer products can have similar psychoactive effects to THC and can also pose risks to health, as they may contain harmful chemicals. ([FDA – 5 Things to Know About Delta-8 THC](#)).

In 2021, the CDC issued a health advisory due to increasing reports of adverse events due to semi-synthetic delta-8 THC products ([CDC – HAN Delta-8 THC Products](#)). Poison Control Center data cited on CDC’s HAN revealed that 660 delta-8 THC cases were reported from January 1 to July 31, 2021, and 18% of those cases required hospitalization. Consumers may not be aware of the psychoactive effects of delta-8 THC, leading to unexpected adverse health events. These CBD-derived products can be found sold online, where the only age restriction is a check box for the purchaser to verify that they are 21 years old, making these products easy to obtain for youth. These products have also been found sold at local smoke shops in NM ([KOAT Report](#)).

Synthetic cannabinoids also pose a risk to public health. Synthetic cannabinoids can be up to 100 times more potent than delta-9 THC. The CDC has reported hundreds of cases of synthetic cannabinoid intoxication, some of which resulted in death ([Acute Poisonings from Synthetic Cannabinoids — 50 U.S. Toxicology Investigators Consortium Registry Sites, 2010–2015 | MMWR](#)). Synthetic cannabinoids can cause a broad range of adverse effects including psychosis, respiratory depression, cardiac arrest, gastrointestinal problems and seizures. Withdrawal from synthetic cannabinoids can be severe and can require inpatient care. ([Adverse Effects of Synthetic Cannabinoids: Management of Acute Toxicity and Withdrawal - PMC](#)).

It is important to close the loophole that has allowed for widespread sale of these hemp-derived products, particularly semi-synthetic and synthetic cannabinoids. The Cannabis Regulators Association supports the regulation of cannabinoids ([CANNRA Best Practices and Guidance for Regulating Cannabinoids for Safety](#)). Many states have now banned or heavily restricted delta-8 products ([Marijuana Policy Project – Delta-8](#)). Most recently, the Ohio state legislature introduced legislation to regulate and tax intoxicating hemp products ([Ohio Senate Bill 86](#)).

2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?
 Yes No
- Is this proposal related to the NMDOH Strategic Plan? Yes No
 - Goal 1:** We expand equitable access to services for all New Mexicans
 - Goal 2:** We ensure safety in New Mexico healthcare environments
 - Goal 3:** We improve health status for all New Mexicans
 - Goal 4:** We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals

3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?
 Yes No N/A
- If there is an appropriation, is it included in the LFC Budget Request?
 Yes No N/A
- Does this bill have a fiscal impact on NMDOH? Yes No

4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH? Yes No

5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

House Bill 346 (HB346) relates to Senate Bill 264 (SB264), as HB346 amends the Hemp Manufacturing Act, and SB264 also amends the Hemp Manufacturing Act in relation to the cost of fees for permits issued to hemp manufacturers.

6. TECHNICAL ISSUES

Are there technical issues with the bill? Yes No

House Bill 346 (HB346) must carefully carve out regulatory authority so that the Regulation and Licensing Department's, Cannabis Control Division's authority over the adult use cannabis market is not impacted by the regulatory authority granted here to Department of Environment for the hemp-derived products and synthetic cannabinoids. THC is currently defined in this legislation as "delta-9-tetrahydrocannabinol" on Page 4 line 21 which may create definition issues throughout the text. The definitions for hemp extract (Page 2 line 21), semi-synthetic cannabinoid (Page 4 line 3), and synthetic cannabinoid (Page 4 line 13) should all be carefully examined to ensure no issues arise in enacting this legislation.

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written? Yes No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? Yes No
- Does this bill conflict with federal grant requirements or associated regulations?
 Yes No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? Yes No

8. DISPARITIES ISSUES

Youth are more likely to be negatively impacted by these products due to easier access to products that are not regulated. Cannabis products available through dispensaries are age-restricted and laboratory tested.

9. HEALTH IMPACT(S)

The widespread availability of intoxicating hemp products online and in gas stations, convenience stores, and other unregulated markets is a significant public health concern, as these unregulated products are not subject to requirements such as warning labels, packaging protections, age restrictions, or laboratory analysis for contaminants and potency ([New Mexico](#)

[Public Health and Safety Advisory Committee Report – Page 30](#)). Online, the only verification for many delta-8 retailers is a checkbox for the purchaser to verify they are 21 years old. These products are more easily accessible to youth, and a recent national survey found 11% of 12th grade students reporting using delta-8 products in the past year ([National Institute on Drug Abuse – Delta-8-THC Use Reported by 11% of 12th Graders in 2023](#)). Adolescent cannabis use is associated with negative impacts on learning, attention, and memory, higher risks for developing substance use disorders and psychiatric disorders, and higher risk of suicidality.

10. ALTERNATIVES

None.

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If House Bill 346 is not enacted, the Department of Environment’s permitting abilities will not be expanded to include hemp extract products, and the sale of semi-synthetic and synthetic cannabinoids will not be prohibited.

12. AMENDMENTS

None.