

REGULATORY BULLETIN

Revised July 13, 2022

THC and CBD in Alcoholic Beverages

INTRODUCTION

The purpose of this bulletin is to provide clarification to license and permit holders selling and serving alcoholic beverages about the applicable state regulations and federal guidance regarding the use of Tetrahydrocannabinol (THC) and Cannabidiol (CBD) products in alcoholic beverages.

BACKGROUND

The recent popularity of THC and CBD, substances extracted from the plants of the genus Cannabis, has led to inquiries regarding the legality of these substances in alcoholic beverages products. The use of THC and CBD is restricted in Iowa.

DISCUSSION

THC is considered a schedule I substance and is illegal in Iowa.

- Iowa Code section 124.204 lists THC as a schedule I hallucinogenic substance. CBD is only legal under the Medical Cannabidiol Act.
- lowa Code section 124.401 states that a person may recommend, possess, use, dispense, deliver, transport, or administer CBD if in accordance with the provisions of lowa Code chapter 124E, Medical Cannabidiol Act.

A person holding an alcohol license/permit and the licensed premises must adhere to all laws.

- A license/permit holder must be a person of good moral character. A person of good moral character will comply with all laws, ordinances, and regulations in Iowa Code chapter 123.
- The licensed premises must conform to all applicable laws, ordinances, resolutions, and health and fire regulations.
- A person holding an alcohol license/permit shall not knowingly permit or engage in any criminal activity on the premises covered by a license/permit.
- Mixed drinks or cocktails shall not include hallucinogenic or controlled substances.

CONCLUSION:

THC and CBD are prohibited in alcoholic beverages sold by license/permit holders in the state
of lowa.

VIOLATIONS:

 An alcohol license/permit holder who is found to be in violation of lowa laws or rules may be subject to criminal penalties and administrative sanctions including, but not limited to civil penalty, license/permit suspension, or license/permit revocation. **REFERENCES BY OTHER AGENCIES:**

Iowa Department of Public Health (IDPH)

IDPH is responsible for administering and enforcing Iowa Code section 124E, the Medical Cannabidiol Act.

IDPH issued a position statement on December 1, 2018, addressing the use of medical and non-medical

CBD products in the state of Iowa.

Iowa Department of Inspections and Appeals (DIA)

The Food and Consumer Safety Bureau with the DIA is responsible for administering and enforcing the Iowa Food Code, Iowa Code Section 137F, by conducting food safety inspections at food establishments

and food processing plants. For more information, please refer to the <u>DIA Consumable Hemp Fact Sheet</u>.

Food and Drug Administration (FDA)

The FDA offers an FAQ that states that it is unlawful under the Federal Food, Drug, and Cosmetic Act (FD&C

Act) to introduce food containing added THC or CBD into interstate commerce, or to market THC or CBD

products as, or in, dietary supplements, regardless of whether the substances are hemp-derived.

Tax and Trade Bureau (TTB)

The TTB issued an industry circular on April 25, 2019, stating it remains TTB's policy that it will not approve

any formulas for alcohol beverages that contain ingredients that are controlled substances under the

Controlled Substances Act (CSA). Even if an ingredient derived from cannabis is not a controlled substance

because it meets the 2018 farm bill definition of "hemp," TTB continues to consult with the FDA to determine if the use of hemp ingredients would violate the FD&C Act. The FDA has issued public

statements explaining why some "hemp" ingredients are not permitted in food/drinks under the FD&C

Act, which FDA administers.

Drug Enforcement Administration (DEA)

The DEA issued a statement clarifying the new drug code 7350 for marijuana extract. This clarifying

statement indicates, cannabinoids, such as THC, cannabinols (CBN) and CBD, are found in the parts of the cannabis plant that fall within the Controlled Substance Act definition of marijuana, such as the flowering

tops, resin, and leaves.

References and useful information:

State Law: 123.1, 123.2, 123.3, 123.30, 123.49, 124.204, 124.401

State Rules: 185 Iowa Administrative Code section 4.2(123)

Website Links: https://abd.iowa.gov/alcohol/abd-regulatory-bulletins

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