

HCS HB 350 -- KRATOM PRODUCTS

SPONSOR: Christofanelli

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on General Laws by a vote of 14 to 0. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 9 to 0.

The following is a summary of the House Committee Substitute for HB 350.

This bill establishes the "Kratom Consumer Protection Act", which requires dealers who prepare, distribute, sell, or expose for sale a food that is represented to be a kratom product to disclose on the product label the basis on which this representation is made. A dealer is prohibited from preparing, distributing, selling, or exposing for sale a kratom product that does not conform to these labeling requirements.

A dealer may not prepare, distribute, sell or expose for sale a kratom product that is adulterated or contaminated with a dangerous non-kratom substance, contains a level of 7-hydroxymitragynine in the alkaloid fraction that is greater than 2% composition of the product, containing any synthetic alkaloids, or does not include on its package or label the amount of mitragynine, 7-hydroxymitragynine, or other synthetically derived compounds of the plant *Mitragyna speciosa*.

A dealer may not distribute, sell or expose for sale a kratom product to anyone under 18 years of age. The bill specifies penalties for a violation of the labeling requirements and allows for a person who is aggrieved by a violation of the labeling requirements to bring a cause of action for damages resulting from the violation.

This bill is similar to HB 2061 (2020).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that kratom is beneficial for fighting opioid and other painkiller addiction. This bill allows regulation of kratom as the industry currently struggles to combat individuals who cut kratom with lethal, illegal substances. Supporters also say the bill protects small businesses who struggle more than larger corporations that also sell kratom products. Supporters further state that financial institutions should not inhibit

businesses that sell legal products.

Testifying for the bill were Representative Christofanelli; Allie Faver, CBD Kratom; Mac Haddow, American Kraton Association; and David Palatnik.

OPPONENTS: Those who oppose the bill say that they do not want to mandate financial institutions to provide banking services to kratom suppliers or any business entity. Opponents want to maintain a banks' ability to evaluate and choose customers. The provisions of the bill related to banking were removed by amendment and are not present in the house committee substitute.

Testifying against the bill were Heartland Credit Union Association; Missouri Bankers Association; American Express; and Missouri Independent Bankers Association.