# **SENATE, No. 3549**

# **STATE OF NEW JERSEY**

# 220th LEGISLATURE

INTRODUCED FEBRUARY 2, 2023

**Sponsored by:** 

Senator JOSEPH A. LAGANA District 38 (Bergen and Passaic) Senator JON M. BRAMNICK

**District 21 (Morris, Somerset and Union)** 

### **SYNOPSIS**

Creates "New Jersey Kratom Protection Act."

#### **CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 2/2/2023)

1 AN ACT creating the "New Jersey Kratom Consumer Protection 2 Act;" and establishing chapter 6O of Title 24 of the New Jersey 3 Statutes.

**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

1. Short Title.

This act shall be known and may be cited as the "New Jersey Kratom Consumer Protection Act."

2. Definitions relative to the regulation and use of Kratom.

As used in this act:

"Department" means the Department of Health.

"Food" means any food, food product, food ingredient, dietary ingredient, dietary supplement, or beverage intended for human consumption.

"Kratom" means the tropical evergreen known as the Mitragyna speciose that is native to Southeast Asia that contains the alkaloid mitragynine, which has stimulant and opioid-like properties.

"Kratom extract" means a food product or dietary ingredient containing any part of the leaf of the plant Mitragyna Speciosa that has been extracted and concentrated in order to provide more standardized dosing.

"Kratom retailer" means any individual, partnership, limited liability company, corporation, joint venture, association, trust, estate or any other legal entity, and any officer, member, shareholder, director, employee, agent or representative of any such entity who sells, maintains, distributes kratom products, or advertises, represents, or holds itself out to be selling or maintaining kratom products.

"Kratom product" means a food product or dietary ingredient containing any part of the leaf of the plant Mitragyna speciose or an extract of it; or is manufactured as a powder, capsule, pill, beverage, or other edible form; and all kratom products are foods.

"Manufacture" means the production, preparation, compounding, or processing of kratom, either directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis, and includes, but is not limited to, any packaging or repackaging of such substance or labeling or relabeling of its container.

"Transaction scan" means the process by which a person checks, by means of a transaction scan device, the age and identity of the identification holder.

46 "Transaction scan device" means any commercial device or 47 combination of devices used at a point of sale that is capable of 48 deciphering in an electronically readable format the information enclosed on the magnetic strip or bar code of a driver's license or other governmental identity card.

### 3. Product Labeling.

Any retailer who prepares, distributes, sells, or exposes for sale a food that is represented to be kratom product shall disclose on the label of such kratom product the factual basis upon which such representation is made.

#### 4. Product Limitations.

A retailer shall not prepare, distribute, sell, or expose for sale any of the following:

- a. any kratom product that is adulterated with a dangerous non-kratom substance. A kratom product is adulterated with a dangerous non-kratom substance if the kratom product is mixed or packed with a non-kratom substance and that substance affects the quality or strength of the kratom product to such a degree as to render the kratom product injurious to a consumer.
- b. any kratom product that is contaminated with a dangerous non-kratom substance. A kratom product is contaminated with a dangerous non-kratom substance if the kratom product contains a poisonous or otherwise deleterious non-kratom ingredient, including, but not limited to, any substance specifically listed in N.J.S.2C:35-3, section 3 of P.L.1997, c.194 (C.2C:35-5.2), section 5 of P.L.1997, c.194 (C.2C:35-5.3), section 2 of P.L.2011, c.120 (C.2C:35-5.3a) or in section 2 of P.L. 2013, c.35 (C.2C:35-5.3b), and any other drug or non-kratom substance which, when ingested, is metabolized or otherwise becomes a controlled dangerous substance in the human body.
- c. any kratom product containing a level of 7-hydroxymitragynine in the alkaloid fraction that is greater than 2% of the overall alkaloid composition of the product.
- d. any kratom extract that contains levels of residual solvents higher than is allowed in USP-NF chapter 467.
- e. any kratom product containing any synthetic alkaloids including synthetic mitragynine, synthetic 7-hydroxymitragynine, or any other synthetically derived compounds of the kratom plant.
- f. any kratom product that does not include on its package or label the amount of mitragynine and 7-hydroxymitragynine contained in such product, and does not provide adequate labeling directions necessary for safe and effective use by consumers, including a recommended serving size.

## 5. Age Limits.

- a. No retailer shall knowingly distribute or sell any kratom product to any individual under 21 years of age.
- b. Any person operating a place of business or kratom retailer wherein kratom is sold or offered for sale is prohibited from selling

- 1 such kratom products to individuals under the age of 21, and shall
- 2 post in a conspicuous place a sign upon which there shall be
- 3 imprinted the following statement. "SALE OF KRATOM TO
- PERSONS UNDER 21 YEARS OF AGE IS PROHIBITED BY 4
- 5 LAW."

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- c. Sales of kratom shall be made only to an individual who demonstrates, through (i) a valid driver's license or non-driver's identification card issued by the New Jersey Motor Vehicle 9 Commission, the federal government, any United States territory, 10 commonwealth, the District of Columbia, or (ii) a valid passport 11 issued by the United States government or any other country, or (iii) 12 an identification card issued by the armed forces of the United
- 13 States, or (iv) any other photographic identification card issued by a 14
- governmental entity or educational institution indicating that the
- 15 individual is at least 21 years of age.
  - d. (1) Any person operating a place of business or retailer where kratom is sold or offered for sale may perform a transaction scan of the identification as a precondition for such purchases.
  - (2) In any instance where the information presented by the transaction scan fails to match the information printed on the identification provided, the attempted transaction shall be denied.
  - (3) It shall be an affirmative defense that such person produced a valid form of identification, successfully completed a transaction scan, and that the kratom was sold in reasonable reliance upon such identification and transaction scan.
  - (4) a retailer or operator of a business where kratom is sold may electronically record or maintain only the information from a transaction scan necessary to effectuate this section. information shall be limited to the (i) name, (ii) date of birth, (iii) driver's license or non-driver identification number, and (iv) the expiration date.

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- 6. Penalties.
- A retailer found to be in violation of section 3 or 4 of P.L. ,
- 35 )(pending before the Legislature as this bill) shall be 36 subject to a civil penalty up to \$500 for the first offense and up to \$1,000 for a second offense. All penalties shall be payable to the 37 38 State Treasurer and may be recovered by the Department of Health
- 39 in a proceeding under the "Penalty Enforcement Law of 1999,"
- 40 P.L.1999, c.274 (C.2A:58-10 et seq.).
- 41 b. For a third violation of section or
- 42 P.L., c (C. )(pending before the Legislature as this bill) the
- 43 retailer shall be prohibited from selling kratom products for three
- 44 years. If the department received a complaint that the owner or
- 45 manager of a vendor is selling kratom products during the period of
- 46 suspension, the Department shall forward the information to the
- 47 applicable county prosecutor of the county where the transaction
- 48 occurred.

- 1 c. For a third violation of section 3 or 4 of P.L., c. (C. )(pending before the Legislature as this bill) the operator of a kratom retail establishment shall be guilty of a disorderly persons offense.
- d. Any person aggrieved by a violation of this article may, in addition to and distinct from any other remedy at law or equity, bring a private cause of action in a competent court of jurisdiction, for any damages resulting from such violation, including, but not limited to, economic, noneconomic, and consequential damages.
- e. A retailer does not violate section 3 or section 4 of P.L., c. (C.) (pending before the legislature as this bill) if it is shown by a preponderance of the evidence that the retailer relied in good faith upon the representation of the manufacturer, processor, packer, or distributor of food represented to be a kratom product.
- 15 f. A kratom retailer that violates section 5 of 16 P.L., c. (C. )(pending before the legislature as this bill) is guilty 17 of a petty disorderly persons offense.

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- 7. Rules and Regulations.
- a. The department shall adopt rules for the administration and enforcement of this act establishing:
- (1) Standards for testing to ensure a kratom product is safe for human consumption;
- 24 (2) Standards for accurate labeling, as required by section 3 of P.L., c. (C. )(pending before the Legislature as this bill), to ensure safe and effective use of a kratom product by consumers, including a recommended serving size;
  - (3) Any other rules necessary to effectuate the purposes of P.L., c. (C. )(pending before the Legislature as this bill), including, but not limited to, determining product registration.
- 31 b. The department may set a fee to register a kratom product. 32 The fee may be paid by a producer, manufacturer, or distributor of a 33 kratom product.
  - (1) The department shall require the kratom product registrant to sign, under penalty of perjury, an affidavit certifying compliance with sections 3, 4, and 5 of P.L. , c. (C. )(pending before the Legislature as this bill), and any rules adopted by the department under this section;
- 39 (2) The department shall create a model form for the affidavit 40 certifying compliance.
  - c. The department may establish penalties for any person who sells a kratom product that is not registered with the department and may assess the penalty against any person who offers an unregistered kratom product for sale in this state.
- d. All penalties received pursuant to this section shall be payable to the State Treasurer and shall be recovered by the Department of Health in a proceeding under the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

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8. The commissioner of the Department of Health shall conduct a study relating to kratom. The study shall include, but not be limited to, the potential health risks, benefits and effects of kratom and shall review all available data relating to such. The department shall publish and submit a report of the commissioner's findings and recommendations to the Governor on or before one year from the effective date of this act.

9. This act shall take effect immediately.

#### **STATEMENT**

This bill establishes the New Jersey Kratom Consumer Protection Act. The bill regulates the safe distribution and sale of kratom products and provides the necessary definitions for purposes of effectuating the act. The bill defines "kratom" as the tropical evergreen known as the Mitragyna speciose that is native to Southeast Asia that contains the alkaloid mitragynine, which has stimulant and opioid-like properties.

The bill establishes that a kratom retailer shall disclose on the label that the product is a kratom product. The information disclosed on the label shall be regulated by the Department of Health. The Department of Health may also establish fees for registration of kratom products and may establish administrative penalties for any person who sells a kratom product with out product registration.

Lastly, the bill establishes penalties and prohibitions on kratom retailers. Retailers shall not distribute or sell any kratom product to an individual under 21 years of age. If a retailer so distributes to an individual less than 21 years of age, the retailer shall be guilty of a petty disorderly offense. A petty disorderly persons offense is punishable by up to 30 days in prison, or up to a \$500 penalty, or both Further, a kratom retailer shall not prepare, distribute, sell, or expose for sale: (i) any kratom product that is adulterated with a dangerous non-kratom substance; (ii) any kratom product that is contaminated with a dangerous non-kratom substance, including, but not limited to, a controlled dangerous substance as defined in the New Jersey Statutes; (iii) any kratom product containing a level of 7-hydroxymitragynine in the alkaloid fraction that is greater than 2% of the overall alkaloid composition; (iv) any kratom extract that surpasses the standards in USP-NF chapter 467; (v) any kratom product containing any synthetic alkaloids; (vi) any kratom product that does not include on its package or label the amount of mitragynine and 7-hydroxymitragynine contained in such product. Violators of these rules are subject to a \$500 civil penalty for the first offense, \$1,000 penalty for the second offense, and in the instance of a third offense, a retailer shall be prohibited from selling

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1 kratom products for a period of 3 years. If a retailer sells kratom 2 products during this period, the person shall be guilty of a disorderly persons offense. A disorderly persons offense is 3 4 punishable by up to 30 days in prison, a penalty up to \$1,000, or 5 both. 6 Any retailer shall have the right to request a hearing to challenge 7 a penalty. A retailer shall not be subject to penalty or imprisonment 8 if it is shown by a preponderance of the evidence that the retailer 9 relied in good faith upon the representation of the manufacturer,

processor, packer, or distributor that the product represented was a

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kratom product.