North Carolina Advisory Council on Cannabis
Public Safety Subcommittee
Co-Chairs:
Colonel Freddy Johnson, State Highway Patrol
Sheriff Keith Stone, Sheriffs' Association

Meeting Minutes

September 23, 2026, 2:00-3:00pm
Virtual via Teams

Attendees

Council Members Present – Colonel Freddy Johnson; Sheriff Keith Stone; Mark Ezzell; David Hess; Scottie Shoaf; Sen. Kandie Smith; Carrie Brown

Council Members Absent – Brian Harris; Kimberly McDonald; Matt Scott; Deonte Thomas

Staff Present – Kaycee Dean; Charles Mitchell; Marybryan Wolak

Agenda

I. Welcome, Roll Call, and Ethics Statement
II. Presentation: Tennessee ABC Commission
III. Discussion and Questions
IV. Other Business and Next Steps

Presentation: Tennessee ABC

- Ebony Connor, Deputy General Counsel for the Tennessee Alcoholic Beverage Commission
- Pritesh Kumar, Hemp Regulatory Advisor
- Tabitha Blackwell, Assistant Director

Program Structure (Ebony Conner)

- **Three-tier system:** Hemp is regulated much like alcohol in non-control states, with a supplier/manufacturer tier, a distributor/wholesaler tier, and a retail tier.
- **Vertical integration:** Unlike alcohol, one entity may hold supplier, wholesaler, and retailer licenses. The tiers must be clearly separated on any shared premises.
- **Grower licenses** are issued by the Tennessee Department of Agriculture (TDA), outside TABC's authority.
- **Program history:** The program began in 2023 under TDA. 2025 legislation moved authority to TABC, effective January of this year. TDA-issued licenses stayed valid until they expired on June 30, so TABC took full control in July.
- **Suppliers:** This tier covers anyone bringing product to the Tennessee market, including re-packagers. All products must be tested by a lab. TABC does not certify or license labs but runs a registration process, and only registered labs may issue COAs for products sold in Tennessee.

- **Wholesalers:** Wholesalers buy from suppliers or other wholesalers and are the only tier that may sell to retailers. Licensees are a mix of existing alcohol distributors and businesses new to TABC.
- **Retailers:** Retailers include anyone selling to the public. All sales must be face-to-face with a cashier who verifies age.

Licensing Software (Tabitha Blackwell)

- Ms. Blackwell said developing the software system may have been harder than the legislative process.
- TABC's alcohol licensing has run on a vendor system since 2018. After internal discussions, TABC chose to build its own system in-house. Only hemp licenses are issued from it now, but the plan is to move all license types over.
- An in-house IT team lets TABC make changes much faster than a large vendor would, though IT work can still move slowly at times.
- **Example:** The system originally required out-of-state entities to enter a Tennessee Secretary of State control number before they could continue. TABC removed that requirement within a day or two.
- The industry is young and legislatures tend to be reactive, so she expects requirements to keep changing. Being able to adjust the application quickly, without waiting on a vendor, has been very helpful.

Concerns About the Existing Vendor (Tabitha Blackwell)

- No licensing system is built specifically for alcohol, so the current vendor system was designed for another industry and adapted. She noted these remarks were not meant as criticism of the vendor.
- TABC was concerned the same limitations would affect hemp applicants, and the existing system is not very customer friendly.
- Many hemp applicants are laypeople working with a government agency for the first time, so accessibility was a priority.
- Using the system and working with staff on missing documents has helped applicants learn to operate as legitimate businesses and may have shown them a friendlier side of government.

Lab Testing and Law Enforcement Perspective (Dr. Pritesh Kumar)

- **Background:** Dr. Kumar holds a PhD in pharmacology and has a toxicology background. Most of his career was in Canada's federally legal framework. He said the principles are the same here even though the law differs.
- **Law enforcement training:** He spends about 80% of his time training police, sheriffs, drug task forces, and ABC agents to read lab reports and judge product compliance quickly.
- **Rule of thumb for agents:** Legitimate full-panel reports are generally about five pages. If a scanned product leads to a one-page lab report, the product is not legitimate.
- **Tennessee's full panel requires:**
    - Potency (THC, CBD, and other cannabinoids, on a percentage basis)
    - Microbiology (E. coli, salmonella)

    - Heavy metals (lead, mercury, cadmium, arsenic)
    - Residual solvents. Agents mainly check ethanol, since TABC rules prohibit mixing THC products with alcohol.
    - Pesticides (about 40–45 compounds). Residues concentrate at every stage of processing, so low levels in the plant can become high levels in the finished product.
- **Field observations:** The main problem is quality control, not cannabis itself.
- **Recommendations:**
    - Hold labs accountable through strict registration standards, audit authority, and the ability to inspect at any time. Labs can be influenced by their largest customers, and contaminated products pose a public health risk.
    - Invest in law enforcement training on reading lab reports.

Lab Rules Framework (Ebony Conner)

- The statute gave TABC general authority to create rules for labs, so this framework was less developed than the licensing tiers.
- Ms. Conner drafted the rules with heavy input from Dr. Kumar on permitted products, acceptable testing variables, and required COA contents.
- TABC regulates inhalable (smokable), topical, ingestible, and edible products, and testing variables differ by product type.
- COA requirements are available to labs, and registered labs are expected to know what a Tennessee-compliant full panel is. However, labs test what the manufacturer pays for, which may be a full panel or potency only.
- When TABC finds a COA invalid, it notifies the lab, while recognizing that the lab delivered what it was hired to do.

Lesson Learned: Uniform Reporting (Dr. Pritesh Kumar)

- Dr. Kumar recommended requiring all labs to use the same reporting format. Labs currently report differently (percent vs. mg/g, for example), so agents must do conversions in the field, which he called a nightmare for enforcement.

Lab Registration Requirements (Ebony Conner)

Labs must submit an application to TABC that includes identity verification for the lab manager and for ownership, supporting documentation, and proof that they can run a complete panel for each product type TABC licenses.

Lab Application Review (Dr. Pritesh Kumar)

- Lab applications typically run 80–120 pages, far more than alcohol license applications. Legal staff reviews ownership, and scientific staff reviews the data.
- Method validation documents are the most important part, because they show the lab can test every compound reliably and consistently.

- **Lesson learned:** Reviewers should look closely at delta-8 vs. delta-9 THC separation data. If the peaks overlap on the chromatograph and are reported as one, the lab's method is not adequate to report either compound.
- The person who signs a COA is attesting to its results and should have credentials in analytical chemistry or a related science. TABC requires resumes for lab directors and managers. It has seen COAs signed by CEOs with no scientific background, and by "lab managers" whose education did not support that role.

Discussion and Questions

- Can you send us an example of what a lab sample should look like? This would help because we could understand what it will look like and what elements it contains?
    - Page 1 should have a photo of the final product, a batch number, the date it was processed, the expiration date
    - In best interest to require total THC content on Page 1 (be able to find it easily on the first page)
    - Pass/fail reporting on the first page (not necessarily just the numbers, make it simple for agents in the field)
- The requirements for the lab report. Is it administratively regulated or statutorily required in Tennessee?
    - It is a rule that has gone through the entirely of the process, but not a statute, but is recognized in court in Tennessee.
    - Will be shared with the subcommittee
- How long has this process been in place in Tennessee?
    - Current rules have been effective since March 2026
    - Try to get your rules as close as possible to what you want before because it's more difficult to make changes after the fact
- Do your TABC agents specialize or are they doing everything (cannabis and alcohol).
    - Everyone is cross trained for alcohol and cannabis.
- What is the enforcement looking like when they don't go get those licenses?
    - We started with few licenses in January. We started the first couple of months going through establishments that we found (ones that paid taxes, one's who had not renewed, etc.) to confirm that they had a license. If they had a license, they were taken off the list. If they did not have a license, they were given a notice that they were non-compliant with state law and required to get a license.
        - Not cease and desist notices (two rounds of general notices first)
            - Total of around 90 cease and desists
    - There was a statute passed this year that allows ABC to issue civil penalties to those who are essentially selling products to minors without a license. But if they do not have a license with us, we don't necessarily have the business or the ability to do much beyond

issuing essentially a criminal citation.

- How much has the TABC staff increased?
    - Staff grew around 50%. Originally around 90 before and now about 130.
- Has TABC built some kind of plan or have anything in place for online illicit sales of these products in Tennessee?
    - We don't have one that's specific to this, but we have successfully handled these with direct shippers, those who are both shipping spirits into Tennessee, which is not lawful, as well as those who are selling wine unlawfully in TN. We do things just like everything else and we'll do them online. So, if we find that someone has an availability on their website to purchase products. Then, we'll go through the process and see if we're able to purchase. If they're licensed, we will issue a citation. If they're not licensed, we send a cease and desist. But also notify them that they're not able to do this specific activity, and even if they were, and we find that they continue to do so, we hand those cases over to our AGS Office.
- Would we be able to discuss the loopholes that have allowed the synthetics to be available, especially to youth?
    - Not in writing, but that can be arranged.
- Cost of retail license?
    - Non-refundable application fee $500
    - Retailer license is $1,000
    - Wholesale license is $2,500
- Do you have consumption lounges available for the public? Or do you allow smoking inside of your retail establishments?
    - We do have consumption lounges.

Adjournment

Meeting concluded at 2:54 pm.
Next Meeting Date: Wednesday, October 14