



## ARIZONA STATE SENATE

### Fifty-Fifth Legislature, First Regular Session

#### FACT SHEET FOR S.B. 1339

##### kratom products; enforcement; financial institutions

###### Purpose

Prohibits a financial institution, service or entity from refusing or terminating service to a kratom retailer.

###### Background

*Mitragyna speciosa*, commonly known as kratom, is a tropical plant native to southeast Asia whose main constituent alkaloids are mitragynine and 7-hydroxymitragynine. The kratom plant's leaves, if consumed or ingested, can produce both stimulant and sedative effects in different doses ([U.S. DEA](#)).

Kratom qualifies as a dietary ingredient under the Federal Food, Drug and Cosmetic Act and is regulated by the Food and Drug Administration (FDA) as a dietary supplement. Kratom has not been approved by the FDA for any medical use and is not scheduled as a controlled substance by the U.S. Drug Enforcement Administration (U.S. DEA) ([FDA Import Alert 54-15](#); 21 U.S.C. §§ [321](#); [342](#); and [350](#)).

[Laws 2019, Chapter 156](#), known as the *Kratom Consumer Protection Act*, established regulations for the retail sale of kratom products and outlines prohibitions and penalties for kratom dealers who prepare, distribute or sell kratom products that do not meet specified requirements.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

###### Provisions

1. Prohibits a state agency from taking any enforcement action against a person who sells kratom products when such products are sold as a food or dietary ingredient, unless the U.S. DEA classifies kratom as a schedule I controlled substance.
2. Precludes a financial institution, service or entity, including a credit card network or processing company, from refusing or terminating service to a retailer because the retailer prepares, distributes or sells kratom products.
3. Obligates a financial institution, service or entity that refuses service to a kratom retailer to reestablish or accept service with the retailer upon request and regardless of the retailer's inclusion on any report generated by a financial institution data match program.

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4. Replaces the term *dealer* with the term *retailer*.
5. Makes technical changes.
6. Becomes effective on the general effective date.

Prepared by Senate Research

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