

By: Senator(s) Blackwell

To: Finance

SENATE BILL NO. 2765  
(As Passed the Senate)

1 AN ACT TO ENACT THE MISSISSIPPI MEDICAL CANNABIS ACT; TO  
2 AUTHORIZE MEDICAL CANNABIS USE BY CERTAIN PATIENTS WHO HAVE  
3 DEBILITATING MEDICAL CONDITIONS; TO PROVIDE CERTAIN PROTECTIONS TO  
4 PATIENTS, CAREGIVERS, MEDICAL PROVIDERS, MEDICAL CANNABIS  
5 ESTABLISHMENTS, DISPENSARIES, PHARMACIES AND TESTING FACILITIES  
6 FOR THE MEDICAL USE OF CANNABIS; TO PROVIDE THAT THE STATE  
7 DEPARTMENT OF HEALTH WILL ISSUE REGISTRY IDENTIFICATION CARDS TO  
8 QUALIFYING PATIENTS AND REGISTRATIONS TO QUALIFYING FACILITIES; TO  
9 PROVIDE FOR THE LICENSING OF CANNABIS RESEARCH FACILITIES, TESTING  
10 FACILITIES AND CULTIVATION-PROCESSING FACILITIES BY THE DEPARTMENT  
11 OF AGRICULTURE AND COMMERCE; TO EXEMPT THE RESEARCH FACILITY AT  
12 THE UNIVERSITY OF MISSISSIPPI FROM THE APPLICATION AND ANNUAL  
13 LICENSE RENEWAL FEES; TO AUTHORIZE LOCAL GOVERNMENTS TO ENACT  
14 CERTAIN ORDINANCES NOT IN CONFLICT WITH THIS ACT; TO PROHIBIT  
15 LOCAL TAXES ON CANNABIS OR CANNABIS ESTABLISHMENTS; TO REQUIRE THE  
16 DEPARTMENT OF HEALTH, THE DEPARTMENT OF AGRICULTURE AND COMMERCE,  
17 AND THE DEPARTMENT OF REVENUE TO PROMULGATE RULES AND REGULATIONS  
18 SPECIFIC TO THE ROLE OF EACH DEPARTMENT IN ACCOMPLISHING THE  
19 PURPOSES OF THIS ACT; TO REQUIRE THE DEPARTMENT OF AGRICULTURE AND  
20 COMMERCE AND THE DEPARTMENT OF REVENUE TO MAINTAIN A PUBLIC  
21 REGISTRY OF MEDICAL CANNABIS ESTABLISHMENTS; TO PROVIDE CIVIL AND  
22 CRIMINAL PENALTIES FOR VIOLATIONS OF THIS ACT; TO REQUIRE THE  
23 DEPARTMENT OF HEALTH AND THE DEPARTMENT OF REVENUE TO MAKE ANNUAL  
24 REPORTS TO THE LEGISLATURE; TO PROVIDE THAT BANKS MAY PROVIDE THE  
25 SERVICES TO MEDICAL CANNABIS LICENSEES THAT MAY BE PROVIDED TO ANY  
26 OTHER BUSINESS; TO CREATE NEW SECTION 27-65-28, MISSISSIPPI CODE  
27 OF 1972, TO PROVIDE THAT THE RETAIL SALES OF MEDICAL CANNABIS  
28 PRODUCTS SHALL BE TAXED AT 7%; TO IMPOSE AN EXCISE TAX OF 4% ON  
29 MEDICAL CANNABIS PRODUCTS; TO CREATE THE WORKFORCE AND COLLEGE  
30 OPPORTUNITY SCHOLARSHIP FUND IN THE STATE TREASURY; TO PROVIDE  
31 THAT REVENUE GENERATED FROM THE SALES TAX AND EXCISE TAX ON  
32 MEDICAL CANNABIS PRODUCTS, ASIDE FROM THE 18.5% SALES TAX  
33 DIVERSION FOR MUNICIPALITIES, SHALL BE DEPOSITED INTO THE FUND; TO  
34 PROVIDE THAT THE FIRST 25% OF THE REVENUE IN THE FUND SHALL BE



35 ALLOCATED TO THE DEPARTMENT OF EDUCATION FOR THE STATE SHARE FOR  
36 EARLY LEARNING COLLABORATIVES AS ESTABLISHED IN SECTION 37-21-51,  
37 THE NEXT 25% SHALL BE ALLOCATED TO THE DEPARTMENT OF EDUCATION FOR  
38 A STANDARDIZED DUAL ENROLLMENT PROGRAM, AND THE REMAINING FUNDS  
39 SHALL BE ALLOCATED TO THE POSTSECONDARY EDUCATION FINANCIAL  
40 ASSISTANCE BOARD AS ESTABLISHED IN SECTION 37-106-9 TO CREATE A  
41 "LAST-DOLLAR" SCHOLARSHIP PROGRAM FOR COMMUNITY COLLEGE STUDENTS,  
42 UNIVERSITY STUDENTS, ACADEMIC OR CAREER AND TECHNICAL, WITH THE  
43 GOAL OF PROVIDING TUITION, ROOM AND BOARD, BOOKS AND MATERIALS TO  
44 MISSISSIPPI STUDENTS; TO AMEND SECTIONS 27-65-75, 41-29-125,  
45 41-29-127, 41-29-136, 41-29-137, 41-29-139, 41-29-141 AND  
46 41-29-143, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PRECEDING  
47 PROVISIONS; TO PROVIDE THAT THE ACT SHALL REPEAL THREE YEARS FROM  
48 ITS EFFECTIVE DATE; TO PROVIDE THAT THE ACT SHALL TAKE EFFECT ON  
49 THE DATE, IF ANY, THAT THE PROVISIONS OF INITIATIVE 65 OF 2020 ARE  
50 ENJOINED OR OTHERWISE RULED OF NO LEGAL FORCE AND EFFECT; AND FOR  
51 RELATED PURPOSES.

52 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

53 **SECTION 1. Title.** Sections 1 through 25 of this act shall  
54 be known and may be cited as the "Mississippi Medical Cannabis  
55 Act."

56 **SECTION 2. Definitions.** For purposes of this act, unless  
57 the context requires otherwise, the following terms shall have the  
58 meanings ascribed herein:

59 (a) "Allowable amount of cannabis" means a dispensary  
60 shall not provide to a qualifying patient, during any one (1)  
61 fourteen-day period, an amount of medical cannabis that exceeds  
62 two and one-half (2.5) ounces by weight. At no one (1) time shall  
63 a qualified patient possess more than two and one-half (2.5)  
64 ounces of medical cannabis. The weight limitation herein shall  
65 not include any ingredients combined with medical cannabis to  
66 prepare edible products, topical products, ointments, oils,  
67 tinctures, or other products.



68 (b) "Bona fide practitioner-patient relationship"

69 means:

70 (i) A practitioner and patient have a treatment or  
71 consulting relationship, during the course of which the  
72 practitioner has completed an assessment of the patient's medical  
73 history and current medical condition;

74 (ii) The practitioner has consulted with the  
75 patient with respect to the patient's debilitating medical  
76 condition; and

77 (iii) The practitioner is available to or offers  
78 to provide follow-up care and treatment to the patient.

79 (c) "Cannabis" means all parts of the plant of the  
80 genus cannabis, the flower, the seeds thereof, the resin extracted  
81 from any part of the plant, and every compound, manufacture, salt,  
82 derivative, mixture, or preparation of the plant, its seeds, or  
83 its resin, including whole plant extracts.

84 (d) "Cannabis products" means concentrated cannabis,  
85 cannabis extracts, and products that are infused with cannabis or  
86 an extract thereof and are intended for use or consumption by  
87 humans. The term includes, without limitation, edible cannabis  
88 products, beverages, topical products, ointments, oils, and  
89 tinctures that contain tetrahydrocannabinol except those excluded  
90 from control under Sections 41-29-113 and 41-29-136.

91 (e) "Cannabis research facility" or "research facility"  
92 means an independent entity registered with MDAC pursuant to this



93 act that acquires cannabis from cultivation-processing facilities  
94 in order to possess, deliver, transfer, and transport medical  
95 cannabis products during the process of investigating and  
96 analyzing cannabis in order to develop best practices for specific  
97 medical conditions, develop medicines, and provide commercial  
98 access for medical use.

99 (f) "Cannabis testing facility" or "testing facility"  
100 means an independent entity registered with MDAC pursuant to this  
101 act to analyze the safety and potency of cannabis.

102 (g) "Cardholder" means a qualifying patient or a  
103 designated caregiver who has been issued and possesses a valid  
104 registry identification card.

105 (h) "Cultivation-processing facility" means an entity  
106 licensed by MDAC and registered with the Department of Revenue  
107 that acquires, possesses, grows, cultivates, harvests, processes,  
108 manufactures, delivers, transfers, transports, supplies, and sells  
109 cannabis and related supplies to medical cannabis establishments,  
110 pharmacies, and hospitals.

111 (i) "Debilitating medical condition" means:

112 (i) Cancer, Parkinson's disease, Huntington's  
113 disease, muscular dystrophy, glaucoma, spastic quadriplegia,  
114 positive status for human immunodeficiency virus (HIV), acquired  
115 immune deficiency syndrome (AIDS), hepatitis, amyotrophic lateral  
116 sclerosis (ALS), Crohn's disease, ulcerative colitis, sickle-cell  
117 anemia, Alzheimer's disease, agitation of dementia, post-traumatic



118 stress disorder, autism with self-injurious or aggressive  
119 behavior, pain refractory to appropriate opioid management, spinal  
120 cord disease or severe injury, or the treatment of these  
121 conditions;

122 (ii) A chronic or debilitating disease or medical  
123 condition, or its treatment, that produces one or more of the  
124 following: cachexia or wasting syndrome; chronic or debilitating  
125 pain; severe or intractable nausea; seizures; or severe and  
126 persistent muscle spasms, including, but not limited to, those  
127 characteristic of multiple sclerosis; or

128 (iii) Any other serious medical condition or its  
129 treatment added by the department, as provided for in Section 6 of  
130 this act.

131 (j) "Department" means the Mississippi State Department  
132 of Health.

133 (k) "Designated caregiver" means a person who:

134 (i) Is at least twenty-one (21) years of age  
135 unless the person is the parent or legal guardian of each  
136 qualifying patient the person assists;

137 (ii) Has agreed to assist with a qualifying  
138 patient's medical use of cannabis;

139 (iii) Has not been convicted of a disqualifying  
140 felony offense; and

141 (iv) Assists no more than the number of qualifying  
142 patients allowed by department regulations with their medical use



143 of cannabis, unless the designated caregiver's qualifying patients  
144 each reside in or are admitted to a health care facility or  
145 residential care facility where the designated caregiver is  
146 employed.

147 A designated caregiver is prohibited from consuming cannabis  
148 provided for use to a qualified patient.

149 (1) "Disqualifying felony offense" means:

150 (i) A crime of violence, as defined in Section  
151 97-3-2, or that was defined as a violent crime in the law of the  
152 jurisdiction in which the offense was committed, and that was  
153 classified as a felony in the jurisdiction where the person was  
154 convicted;

155 (ii) A violation of a state- or federal-controlled  
156 substances law that was classified as a felony in the jurisdiction  
157 where the person was convicted, not including:

158 1. An offense for which the sentence,  
159 including any term of probation, incarceration, or supervised  
160 release, was completed ten (10) or more years earlier; or

161 2. An offense that consisted of conduct for  
162 which this act would likely have prevented a conviction, but the  
163 conduct either occurred before the effective date of this act or  
164 was prosecuted by an authority other than the State of  
165 Mississippi; or

166 (iii) Embezzlement.

167 (m) "Edible cannabis products" means products that:



168 (i) Contain or are infused with cannabis or an  
169 extract thereof;

170 (ii) Are intended for human consumption by oral  
171 ingestion; and

172 (iii) Are presented in the form of foodstuffs,  
173 beverages, extracts, oils, tinctures, and other similar products.

174 (n) "MDAC" means the Mississippi Department of  
175 Agriculture and Commerce.

176 (o) "Medical cannabis" means cannabis, cannabis  
177 products, and edible cannabis.

178 (p) "Medical cannabis dispensary" or "dispensary" means  
179 an entity registered with the Department of Revenue that acquires,  
180 possesses, stores, delivers, transfers, transports, sells,  
181 supplies, or dispenses medical cannabis, paraphernalia, or related  
182 supplies and educational materials to cardholders.

183 (q) "Medical cannabis establishment" means a  
184 cultivation facility or processing facility, a cannabis testing  
185 facility, dispensary, cannabis research facility, or other medical  
186 cannabis entity licensed by the appropriate agency and registered  
187 with the Department of Revenue.

188 (r) "Medical cannabis establishment agent" means an  
189 owner, officer, board member, employee, volunteer, or agent of a  
190 medical cannabis establishment.

191 (s) "Medical use" includes the acquisition,  
192 administration, cultivation, manufacture, delivery, harvest,



193 possession, preparation, transfer, transportation, or use of  
194 medical cannabis or paraphernalia relating to the administration  
195 of medical cannabis to treat or alleviate a registered qualifying  
196 patient's debilitating medical condition or symptoms associated  
197 with the patient's debilitating medical condition. The term does  
198 not include:

199 (i) The cultivation of cannabis unless the  
200 cultivation is done by a cultivation-processing facility; or

201 (ii) The extraction of resin from cannabis by  
202 solvent extraction unless the extraction is done by a cannabis  
203 product cultivation-processing facility.

204 (t) "Nonresident cardholder" means a person who:

205 (i) Has been diagnosed with a debilitating medical  
206 condition by a practitioner, or is the parent, guardian,  
207 conservator, or other person with authority to consent to the  
208 medical treatment of a person who has been diagnosed with a  
209 debilitating medical condition;

210 (ii) Is not a resident of Mississippi or who has  
211 been a resident of Mississippi for less than forty-five (45) days;  
212 and

213 (iii) Has submitted any documentation required by  
214 department regulations and has received confirmation of  
215 registration.

216 (u) "Other minority group" shall mean an individual who  
217 is: (a) Hispanic American; (b) American Indian; (c) Asian





218 American; (d) Pacific Islander American; (e) a woman; or (f) a  
219 service-connected veteran with a service-connected disability as  
220 designated by the United States Department of Veterans Affairs.

221 (v) "Practitioner" or "licensed medical provider" means  
222 a physician, nurse practitioner, optometrist, dentist, or other  
223 medical professional who is licensed to practice with authority to  
224 prescribe drugs to humans. In relation to a nonresident  
225 cardholder, the terms mean a physician, nurse practitioner,  
226 optometrist, dentist or chiropractor or other medical professional  
227 who is licensed with authority to prescribe drugs to humans in the  
228 state of the patient's residence.

229 (w) "Qualifying patient" means a person who has been  
230 diagnosed by a practitioner as having a debilitating medical  
231 condition or has been issued a written certification.

232 (x) "Registry identification card" means a document  
233 issued by the department that identifies a person as a registered  
234 qualifying patient or registered designated caregiver, or  
235 documentation that is deemed a registry identification card under  
236 Section 11 of this act.

237 (y) "Written certification" means a form approved by  
238 the department, signed and dated by a practitioner, certifying  
239 that a person suffers from a debilitating medical condition. The  
240 certification shall remain current for twelve (12) months, unless  
241 the practitioner specifies a shorter period of time, and shall be  
242 issued only after an assessment of the patient by a practitioner.



243 A certification shall only be issued on behalf of a minor when the  
244 minor's parent or guardian is present and provides signed consent.  
245 Nothing herein shall require a practitioner to issue a  
246 certification.

247 **SECTION 3. Protections for the medical use of cannabis.** (1)

248 A cardholder who possesses a valid registry identification card is  
249 not subject to arrest, prosecution, or penalty in any manner, or  
250 denial of any right or privilege, including any civil penalty or  
251 disciplinary action by a court or occupational or professional  
252 licensing board or bureau for:

253 (a) The medical use of cannabis under this act, if the  
254 cardholder does not possess more than the allowable amount of  
255 cannabis;

256 (b) Reimbursement by a registered qualifying patient to  
257 the patient's registered designated caregiver for direct costs  
258 incurred by the registered designated caregiver for assisting with  
259 the registered qualifying patient's medical use of cannabis;

260 (c) Transferring cannabis to a testing facility for  
261 testing;

262 (d) Compensating a dispensary, pharmacy, hospital, or a  
263 testing facility for goods or services provided; or

264 (e) Selling, transferring, or delivering cannabis seeds  
265 intended to target their specific medical condition to a  
266 cultivation-processing facility or dispensary.



267 (2) A nonresident cardholder shall not be subject to arrest,  
268 prosecution, or penalty in any manner, or denied any right or  
269 privilege, including, but not limited to, civil penalty or  
270 disciplinary action by a business or occupational or professional  
271 licensing board or entity, for transporting, purchasing,  
272 possessing, or using medical cannabis pursuant to this act if the  
273 nonresident cardholder does not possess more than the allowable  
274 amount of cannabis.

275 (3) There is a presumption that a qualifying patient or  
276 designated caregiver is engaged in the medical use of cannabis  
277 under this act if the person is in possession of a registry  
278 identification card and an amount of cannabis that does not exceed  
279 the allowable amount. The presumption may be rebutted by evidence  
280 that conduct related to cannabis was not for the purpose of  
281 treating or alleviating a qualifying patient's debilitating  
282 medical condition or symptoms associated with the qualifying  
283 patient's debilitating medical condition under this act.

284 (4) A practitioner shall not be subject to arrest,  
285 prosecution, or penalty in any manner, or denied any right or  
286 privilege, including, but not limited to, civil penalty or  
287 disciplinary action by the State Board of Medical Licensure or by  
288 any other occupational or professional licensing board or bureau,  
289 for providing written certifications or for otherwise stating  
290 that, in the practitioner's professional opinion, a patient is  
291 likely to receive medical or palliative benefit from the medical



292 use of cannabis to treat or alleviate the patient's serious or  
293 debilitating medical condition or symptoms associated with the  
294 serious or debilitating medical condition, provided that nothing  
295 in this act shall prevent a practitioner from being sanctioned  
296 for:

297 (a) Issuing a written certification to a patient with  
298 whom the practitioner does not have a bona fide  
299 practitioner-patient relationship; or

300 (b) Failing to properly evaluate a patient's medical  
301 condition.

302 (5) A holder of a professional or occupational license may  
303 not be subject to professional discipline solely for providing  
304 advice or services related to medical cannabis activities that are  
305 allowed under this act.

306 (6) An applicant for a professional or occupational license  
307 may not be denied a license based on previous employment related  
308 to medical cannabis activities that are allowed under this act.

309 (7) No person may be subject to arrest, prosecution, or  
310 penalty in any manner, or denied any right or privilege, including  
311 any civil penalty or disciplinary action by a court or  
312 occupational or professional licensing board or bureau, for:

313 (a) Providing or selling paraphernalia to a cardholder,  
314 nonresident cardholder, or to a medical cannabis establishment;



315           (b) Being in the presence or vicinity of the medical  
316 use of cannabis that is exempt from criminal penalties under this  
317 act;

318           (c) Allowing the person's property to be used for  
319 activities that are exempt from criminal penalties under this act;  
320 or

321           (d) Assisting a registered qualifying patient with the  
322 act of using or administering cannabis.

323           (8) A medical cannabis establishment or a medical cannabis  
324 establishment agent is not subject to prosecution, search, or  
325 inspection, except by its licensing agency, under Section 17 of  
326 this act, or to seizure, or to penalty in any manner, and may not  
327 be denied any right or privilege, including civil penalty or  
328 disciplinary action by a court or business licensing board or  
329 entity, for acting pursuant to this act and rules authorized by  
330 this act to engage in activities related to medical cannabis that  
331 are allowed by its registration.

332           (9) A dispensary, a dispensary agent, pharmacy, pharmacy  
333 agent, hospital, or hospital agent is not subject to prosecution,  
334 search, or inspection, except by the licensing agency, under  
335 Section 17 of this act, or to seizure, or to penalty in any  
336 manner, and may not be denied any right or privilege, including  
337 civil penalty or disciplinary action by a court or business  
338 licensing board or entity, for acting pursuant to this act and  
339 rules authorized by this act to:



340 (a) Possess, transport, and store medical cannabis  
341 products;

342 (b) Deliver, transfer, and transport medical cannabis  
343 to testing facilities and compensate testing facilities for  
344 services provided;

345 (c) Accept medical cannabis products offered by a  
346 cardholder or nonresident cardholder if nothing of value is  
347 exchanged in return;

348 (d) Purchase or otherwise acquire medical cannabis  
349 products from cultivation-processing facilities, dispensaries,  
350 pharmacies, or hospitals; and

351 (e) Deliver, sell, supply, transfer, or transport  
352 medical cannabis products, and paraphernalia, and related supplies  
353 and educational materials to cardholders, nonresident cardholders,  
354 dispensaries, pharmacies, and hospitals.

355 (10) A cultivation-processing facility or a  
356 cultivation-processing facility agent is not subject to  
357 prosecution, search, or inspection, except by MDAC pursuant to  
358 Section 17 of this act, seizure, or penalty in any manner, and may  
359 not be denied any right or privilege, including civil penalty or  
360 disciplinary action by a court or business licensing board or  
361 entity, for acting pursuant to this act and rules authorized by  
362 this act to:



363 (a) Possess, plant, propagate, cultivate, grow,  
364 harvest, produce, process, manufacture, compound, convert,  
365 prepare, pack, repack, or store medical cannabis;

366 (b) Deliver, transfer, or transport medical cannabis  
367 and cannabis products to testing facilities and compensate testing  
368 facilities for services provided;

369 (c) Accept medical cannabis products offered by a  
370 cardholder or nonresident cardholder if nothing of value is  
371 exchanged in return;

372 (d) Purchase or otherwise acquire medical cannabis and  
373 cannabis products from medical cannabis establishments;

374 (e) Purchase cannabis seeds from cardholders,  
375 nonresident cardholders, and the equivalent of a medical cannabis  
376 establishment that is registered in another jurisdiction; and

377 (f) Deliver, sell, supply, transfer, or transport  
378 medical cannabis products, paraphernalia, and related supplies and  
379 educational materials to cultivation-processing facilities,  
380 dispensaries, pharmacies, and hospitals.

381 (11) A cannabis research facility or a cannabis research  
382 facility agent is not subject to prosecution, search, or  
383 inspection, except by MDAC as authorized under this act, seizure,  
384 or penalty in any manner, and may not be denied any right or  
385 privilege, including civil penalty or disciplinary action by a  
386 court or business licensing board or entity, for acting pursuant  
387 to this act and rules authorized by this act to:



388 (a) Purchase or otherwise acquire medical cannabis from  
389 cultivation-processing facilities;

390 (b) Possess, produce, manufacture, compound, convert,  
391 prepare, pack, repack, and store medical cannabis and cannabis  
392 products;

393 (c) Deliver, transfer, or transport medical cannabis,  
394 paraphernalia, and related supplies and educational materials to  
395 cultivation-processing facilities and other research facilities;

396 (d) Deliver, transfer, or transport medical cannabis to  
397 testing facilities and compensate testing facilities for services  
398 provided;

399 (e) Deliver, sell, supply, transfer, or transport  
400 medical cannabis, paraphernalia, and related supplies and  
401 educational materials to cannabis cultivation-processing  
402 facilities.

403 (12) A testing facility or testing facility agent is not  
404 subject to prosecution, search, or inspection, except by MDAC  
405 pursuant to Section 17 of this act, seizure, or penalty in any  
406 manner, and may not be denied any right or privilege, including  
407 civil penalty or disciplinary action by a court or business  
408 licensing board or entity, for acting pursuant to this act and  
409 rules authorized by this act to:

410 (a) Acquire, possess, transport, and store medical  
411 cannabis and cannabis products obtained from cardholders,  
412 nonresident cardholders, and medical cannabis establishments;





413 (b) Return the cannabis and cannabis products to the  
414 cardholders, nonresident cardholders, and medical cannabis  
415 establishments from whom it was obtained;

416 (c) Test cannabis, including for potency, pesticides,  
417 mold, or contaminants; and

418 (d) Receive compensation for those services.

419 (13) A cardholder, nonresident cardholder, or the equivalent  
420 of a medical cannabis establishment that is registered in another  
421 jurisdiction may sell or donate cannabis seeds to  
422 cultivation-processing facilities.

423 (14) Any medical cannabis, cannabis product, paraphernalia,  
424 or other interest in or right to property that is possessed,  
425 owned, or used in connection with the medical use of cannabis as  
426 allowed under this act, or acts incidental to such use, shall not  
427 be seized or forfeited. This act shall not prevent the seizure or  
428 forfeiture of cannabis exceeding the amounts allowed under this  
429 act, nor shall it prevent seizure or forfeiture if the basis for  
430 the action is unrelated to the cannabis that is possessed,  
431 manufactured, transferred, or used pursuant to this act.

432 (15) Possession of, or application for, a registry  
433 identification card does not constitute probable cause or  
434 reasonable suspicion, nor shall it be used to support a search of  
435 the person or property of the person possessing or applying for  
436 the registry identification card, or otherwise subject the person



437 or property of the person to inspection by any governmental  
438 agency.

439 (16) For the purposes of Mississippi state law, activities  
440 related to medical cannabis shall be considered lawful if done in  
441 accordance with this act.

442 (17) No law enforcement officer employed by an agency which  
443 receives state or local government funds shall expend any state or  
444 local resources, including the officer's time, to effect any  
445 arrest or seizure of medical cannabis, or conduct any  
446 investigation, on the sole basis of activity the officer believes  
447 to constitute a violation of federal law if the officer has reason  
448 to believe that such activity is in compliance with state medical  
449 cannabis laws, nor shall any such officer expend any state or  
450 local resources, including the officer's time, to provide any  
451 information or logistical support related to such activity to any  
452 federal law enforcement authority or prosecuting entity.

453 (18) It is the public policy of the State of Mississippi  
454 that contracts related to medical cannabis that are entered into  
455 by cardholders, medical cannabis establishments, or medical  
456 cannabis establishment agents, and those who allow property to be  
457 used by those persons, should be enforceable. It is the public  
458 policy of the State of Mississippi that no contract entered into  
459 by a cardholder, a medical cannabis establishment, or a medical  
460 cannabis establishment agent, or by a person who allows property  
461 to be used for activities that are exempt from state criminal



462 penalties by this act, shall be unenforceable on the basis that  
463 activities related to cannabis are prohibited by federal law.

464 (19) Before sale, food or drink that has been combined with  
465 usable cannabis or cannabis products shall not exceed twenty  
466 milligrams (20mg) of active tetrahydrocannabinol (THC) per portion  
467 and shall be physically demarked. If portions of the food or  
468 drink cannot be physically demarked, the entirety of the food or  
469 drink that has been combined with usable cannabis or cannabis  
470 products shall not contain more than twenty milligrams (20mg) of  
471 active tetrahydrocannabinol (THC).

472 **SECTION 4. Limitations.** This act does not authorize any  
473 person to engage in, and does not prevent the imposition of any  
474 civil, criminal, or other penalties for engaging in, the following  
475 conduct:

476 (a) Undertaking any task under the influence of  
477 cannabis, when doing so would constitute negligence or  
478 professional malpractice;

479 (b) Possessing cannabis or otherwise engaging in the  
480 medical use of cannabis in any correctional facility, unless the  
481 correctional facility has elected to allow the cardholder to  
482 engage in the use of medical cannabis;

483 (c) Smoking cannabis in a public place; or

484 (d) Operating, navigating, or being in actual physical  
485 control of any motor vehicle, aircraft, train, or motorboat while  
486 under the influence of cannabis.



487           **SECTION 5. Discrimination prohibited.**   (1) No school or  
488 landlord may refuse to enroll or lease to and may not otherwise  
489 penalize a person solely for the person's status as a cardholder,  
490 unless failing to do so would violate federal law or regulations  
491 or cause the school or landlord to lose a monetary or  
492 licensing-related benefit under federal law or regulations.

493           (2) For the purposes of medical care, including organ and  
494 tissue transplants, a registered qualifying patient's use of  
495 cannabis according to this act is considered the equivalent of the  
496 authorized use of any other medication used at the discretion of a  
497 practitioner and does not constitute the use of an illicit  
498 substance or otherwise disqualify a qualifying patient from needed  
499 medical care.

500           (3) A person shall not be denied custody of or visitation  
501 rights or parenting time with a minor solely for the person's  
502 status as a cardholder, and there shall be no presumption of  
503 neglect or child endangerment for conduct allowed under this act,  
504 unless the person's behavior is such that it creates an  
505 unreasonable danger to the safety of the minor as established by  
506 clear and convincing evidence.

507           (4) The rights provided by this section do not apply to the  
508 extent that they conflict with an employer's obligations under  
509 federal law or regulations or to the extent that they would  
510 disqualify an employer from a monetary or licensing-related  
511 benefit under federal law or regulations.



512 (5) No employer is required to allow the ingestion of  
513 cannabis in any workplace or to allow any employee to work while  
514 under the influence of cannabis. A registered qualifying patient  
515 shall not be considered to be under the influence of cannabis  
516 solely because of the presence of metabolites or components of  
517 cannabis that appear in insufficient concentration to cause  
518 impairment.

519 (6) No school, landlord, or employer may be penalized or  
520 denied any benefit under state law for enrolling, leasing to, or  
521 employing a cardholder.

522 (7) Facilities such as schools and daycares, and temporary  
523 care providers shall be allowed to administer medical cannabis as  
524 in the same manner as with medical prescriptions.

525 **SECTION 6. Addition of debilitating medical conditions.** Any  
526 resident of Mississippi may petition the department to add serious  
527 medical conditions or their treatments to the list of debilitating  
528 medical conditions listed in Section 2 of this act. The  
529 department shall consider petitions in accordance with its  
530 regulations, including public notice and hearing. The department  
531 shall approve or deny a petition within sixty (60) days of its  
532 submission. The approval or denial of any petition is a final  
533 decision of the department, subject to judicial review.  
534 Jurisdiction and venue for judicial review are vested in the  
535 circuit court.



536           **SECTION 7. Acts not required and acts not prohibited.**   (1)

537 Nothing in this act requires a government medical assistance  
538 program or private insurer to reimburse a person for costs  
539 associated with the medical use of cannabis.

540           (2) Nothing in this act prohibits an employer from  
541 disciplining an employee for ingesting cannabis in the workplace  
542 or for working while under the influence of cannabis.

543           **SECTION 8. Facility restrictions.**   (1) Any nursing care  
544 institution, hospice, assisted living center, assisted living  
545 facility, assisted living home, residential care institution,  
546 adult day health care facility, or adult foster care home may  
547 adopt reasonable restrictions on the use of cannabis by their  
548 residents or persons receiving inpatient services, including:

549           (a) That the facility will not store or maintain the  
550 patient's supply of cannabis;

551           (b) That the facility, caregivers, or hospice agencies  
552 serving the facility's residents are not responsible for providing  
553 the cannabis for qualifying patients;

554           (c) That cannabis be consumed only in a place specified  
555 by the facility.

556           (2) Nothing in this section requires a facility listed in  
557 subsection (1) of this section to adopt restrictions on the  
558 medical use of cannabis.

559           (3) A facility listed in subsection (1) of this section may  
560 not unreasonably limit a registered qualifying patient's access to



561 or use of cannabis authorized under this act unless failing to do  
562 so would cause the facility to lose a monetary or  
563 licensing-related benefit under federal law or regulations.

564 **SECTION 9. Issuance and denial of registry identification**

565 **cards.** (1) No later than sixty (60) days after the effective  
566 date of this act, the department shall begin issuing registry  
567 identification cards to qualifying patients who submit the  
568 following:

569 (a) Medical records evidencing a diagnosis of a  
570 debilitating medical condition or a written certification issued  
571 by a practitioner within ninety (90) days immediately preceding  
572 the date of the application;

573 (b) The application or renewal fee;

574 (c) The name, address, and date of birth of the  
575 qualifying patient, except that if the applicant is homeless, no  
576 address is required;

577 (d) The name, address, and telephone number of the  
578 qualifying patient's practitioner issuing the written  
579 certification;

580 (e) The name, address, and date of birth of the  
581 designated caregiver, or designated caregivers, chosen by the  
582 qualifying patient; and

583 (f) If more than one (1) designated caregiver is  
584 designated at any given time, documentation demonstrating that a



585 greater number of designated caregivers is needed due to the  
586 patient's age or medical condition.

587 (2) If the qualifying patient is unable to submit the  
588 information required by subsection (1) of this section due to the  
589 person's age or medical condition, the person responsible for  
590 making medical decisions for the qualifying patient may do so on  
591 behalf of the qualifying patient.

592 (3) Except as provided in subsection (5) of this section,  
593 the department shall:

594 (a) Verify the information contained in an application  
595 or renewal submitted under this act and approve or deny an  
596 application or renewal within thirty (30) days of receiving a  
597 completed application or renewal application;

598 (b) Issue registry identification cards to a qualifying  
599 patient and his or her designated caregiver(s), if any, within  
600 five (5) days of approving the application or renewal. A  
601 designated caregiver must have a registry identification card for  
602 each of his or her qualifying patients; and

603 (c) Enter the registry identification number of the  
604 dispensary, dispensaries, pharmacy or pharmacies the patient  
605 designates into the verification system.

606 (4) The department may conduct a background check of the  
607 prospective designated caregiver in order to carry out the  
608 provisions of this section.





609 (5) The department shall not issue a registry identification  
610 card to a qualifying patient who is younger than eighteen (18)  
611 years of age unless:

612 (a) The qualifying patient's practitioner has explained  
613 the potential risks and benefits of the use of medical cannabis to  
614 the custodial parent or legal guardian with responsibility for  
615 health care decisions for the qualifying patient; and

616 (b) The custodial parent or legal guardian with  
617 responsibility for health care decisions for the qualifying  
618 patient consents in writing to:

619 (i) Allow the qualifying patient's use of medical  
620 cannabis;

621 (ii) Serve as the qualifying patient's designated  
622 caregiver; and

623 (iii) Control the acquisition of the medical  
624 cannabis, the dosage, and the frequency of the use of medical  
625 cannabis by the qualifying patient.

626 (6) The department may deny an application or renewal of a  
627 qualifying patient's registry identification card only if the  
628 applicant:

629 (a) Did not provide the required information or  
630 materials;

631 (b) Previously had a registry identification card  
632 revoked; or

633 (c) Provided false information.



634 (7) The department may deny an application or renewal for a  
635 designated caregiver chosen by a qualifying patient whose registry  
636 identification card was granted only if:

637 (a) The designated caregiver does not meet the  
638 definition under Section 2 of this act;

639 (b) The applicant did not provide the information  
640 required;

641 (c) The designated caregiver previously had a registry  
642 identification card revoked; or

643 (d) The applicant or the designated caregiver provided  
644 false information.

645 (8) The department shall give written notice to the  
646 qualifying patient of the reason for denying a registry  
647 identification card to the qualifying patient or to the qualifying  
648 patient's designated caregiver.

649 (9) Denial of an application or renewal is considered a  
650 final department action, subject to judicial review. Jurisdiction  
651 and venue for judicial review are vested in the circuit court.

652 (10) Until a qualifying patient who has submitted an  
653 application to the department receives a registry identification  
654 card or a rejection, a copy of the individual's application,  
655 written certification, and proof that the application was  
656 submitted to the department shall be deemed a registry  
657 identification card.



658 (11) Until a designated caregiver whose qualifying patient  
659 has submitted an application and the required fees receives a  
660 registry identification card or a rejection, a copy of the  
661 qualifying patient's application, written certification, and proof  
662 that the application was submitted to the department shall be  
663 deemed a registry identification card.

664 **SECTION 10. Registry identification cards.** (1) Registry  
665 identification cards must contain all of the following:

666 (a) The name of the cardholder;

667 (b) A designation of whether the cardholder is a  
668 qualifying patient or a designated caregiver;

669 (c) The date of issuance and expiration date of the  
670 registry identification card;

671 (d) A random ten-digit alphanumeric identification  
672 number, containing at least four (4) numbers and at least four (4)  
673 letters, that is unique to the cardholder;

674 (e) If the cardholder is a designated caregiver, the  
675 random identification number of the qualifying patient the  
676 designated caregiver will assist;

677 (f) A photograph of the cardholder, if the department's  
678 regulations require one; and

679 (g) The phone number or internet address where the card  
680 can be verified.

681 (2) Except as provided in this section, the expiration date  
682 shall be one (1) year after the date of issuance.



683 (3) If the practitioner stated in the written certification  
684 that the qualifying patient would benefit from cannabis until a  
685 specified earlier date, then the registry identification card  
686 shall expire on that date.

687 **SECTION 11. Temporary registry identification cards.** (1)  
688 Until sixty (60) days after the department makes applications  
689 available, a valid, written certification issued within the  
690 previous year shall be deemed a registry identification card for a  
691 qualifying patient.

692 (2) Until sixty (60) days after the department makes  
693 applications available, the following shall be deemed a designated  
694 caregiver registry identification card:

695 (a) A copy of a qualifying patient's valid written  
696 certification issued within the previous year; and

697 (b) A signed affidavit attesting that the person has  
698 significant responsibility for managing the well-being of the  
699 patient and that the person has been chosen to assist the  
700 qualifying patient.

701 **SECTION 12. Verification system.** (1) The department shall  
702 maintain a confidential list of the persons to whom the department  
703 has issued registry identification cards and their addresses,  
704 phone numbers, and registry identification numbers. This  
705 confidential list shall not be combined or linked in any manner  
706 with any other list or database, nor shall it be used for any  
707 purpose not provided for in this act.



708 (2) All records containing the identity of qualifying  
709 patients, caregivers or practitioners shall be confidential and  
710 exempt from disclosure under the Mississippi Public Records Act of  
711 any related statute, rule or regulation pertaining to public  
712 disclosure of records. Within ninety (90) days after the  
713 effective date of this act, the department shall establish a  
714 secure phone or internet-based verification system. The  
715 verification system must allow law enforcement personnel and  
716 medical cannabis establishments to enter a registry identification  
717 number to determine whether the number corresponds with a current,  
718 valid registry identification card. The system may disclose only:

- 719 (a) Whether the identification card is valid;  
720 (b) The name of the cardholder;  
721 (c) Whether the cardholder is a qualifying patient or a  
722 designated caregiver;  
723 (d) The registry identification number of any  
724 affiliated registered qualifying patient; and  
725 (e) The registry identification of the qualifying  
726 patient's dispensary, dispensaries, pharmacy or pharmacies, if  
727 any.

728 **SECTION 13. Notifications to department and responses.** (1)

729 The following notifications and department responses are required:

- 730 (a) A registered qualifying patient shall notify the  
731 department of any change in his or her name or address, or if the  
732 registered qualifying patient ceases to have his or her



733 debilitating medical condition, within twenty (20) days of the  
734 change.

735 (b) A registered designated caregiver shall notify the  
736 department of any change in his or her name or address, or if the  
737 designated caregiver becomes aware the qualifying patient passed  
738 away, within twenty (20) days of the change.

739 (c) Before a registered qualifying patient changes his  
740 or her designated caregiver, the qualifying patient must notify  
741 the department.

742 (d) When a registered qualifying patient changes his or  
743 her preference as to the cultivation-processing facility that may  
744 cultivate medical cannabis unique to specific needs for the  
745 qualifying patient, the qualifying patient must notify the  
746 department.

747 (e) If a cardholder loses his or her registry  
748 identification card, he or she shall notify the department within  
749 ten (10) days of becoming aware that the card has been lost.

750 (f) Before a registered qualifying patient changes his  
751 or her designated dispensary, the qualifying patient must notify  
752 the department.

753 (2) Each notification that a registered qualifying patient  
754 is required to make shall instead be made by the patient's  
755 designated caregiver if the qualifying patient is unable to make  
756 the notification due to his or her age or medical condition.



757 (3) When a cardholder notifies the department of items  
758 listed in subsection (1) of this section but remains eligible  
759 under this act, the department shall issue the cardholder a new  
760 registry identification card with a new random ten-digit  
761 alphanumeric identification number within ten (10) days of  
762 receiving the updated information. If the person notifying the  
763 department is a registered qualifying patient, the department  
764 shall also issue his or her registered designated caregiver, if  
765 any, a new registry identification card within ten (10) days of  
766 receiving the updated information.

767 (4) If the registered qualifying patient's certifying  
768 practitioner notifies the department in writing that either the  
769 registered qualifying patient has ceased to suffer from a  
770 debilitating medical condition or that the practitioner no longer  
771 believes the patient would receive medical or palliative benefit  
772 from the use of medical cannabis, the card shall become null and  
773 void. However, the registered qualifying patient has fifteen (15)  
774 days to return any unused cannabis to the dispensing dispensary or  
775 pharmacy.

776 (5) A medical cannabis establishment shall notify the  
777 department within one (1) business day of any theft or loss of  
778 cannabis.

779 **SECTION 14. Affirmative defense and dismissal for medical**  
780 **cannabis.** (1) Except as provided in Section 4 of this act and  
781 this section, a person may assert the medical purpose for using



782 cannabis as a defense to any prosecution involving cannabis, and  
783 such defense shall be presumed valid where the evidence shows  
784 that:

785           (a) A practitioner has stated that, in the  
786 practitioner's professional opinion, after having completed a full  
787 assessment of the person's medical history and current medical  
788 condition made in the course of a bona fide practitioner-patient  
789 relationship, the patient has a debilitating medical condition and  
790 the potential benefits of using medical cannabis would likely  
791 outweigh the health risks for the person;

792           (b) The person was in possession of no more than the  
793 allowable amount of cannabis;

794           (c) The person was engaged in the acquisition,  
795 possession, use, or transportation of cannabis, paraphernalia, or  
796 both, relating to the administration of cannabis to treat or  
797 alleviate the individual's debilitating medical condition or  
798 symptoms associated with the individual's debilitating medical  
799 condition.

800           (2) The defense and motion to dismiss shall not prevail if  
801 the prosecution proves that:

802           (a) The person had a registry identification card  
803 revoked for misconduct; or

804           (b) The purposes for the possession of cannabis were  
805 not solely for palliative or medical use by the individual with a  
806 debilitating medical condition who raised the defense.





807 (3) An individual is not required to possess a registry  
808 identification card to raise the affirmative defense set forth in  
809 this section.

810 (4) If an individual demonstrates the individual's medical  
811 purpose for using cannabis pursuant to this section, except as  
812 provided in Section 4 of this act, the individual shall not be  
813 subject to the following for the individual's use of cannabis for  
814 medical purposes:

815 (a) Disciplinary action by an occupational or  
816 professional licensing board or bureau; or

817 (b) Forfeiture of any interest in or right to any  
818 property other than cannabis.

819 **SECTION 15. Licensing of medical cannabis establishments.**

820 (1) MDAC shall issue licenses for cultivation-processing  
821 facilities. MDAC shall issue at least one (1) dispensary license  
822 for each county in which there is an application.

823 (2) The cultivation-processing facility license application  
824 fee shall be a nonrefundable fee of Fifteen Thousand Dollars  
825 (\$15,000.00), and the initial medical cannabis dispensary license  
826 fee shall be a nonrefundable fee of Five Thousand Dollars  
827 (\$5,000.00). Each cultivation-processing facility shall be  
828 subject to an annual license renewal fee of Eight Thousand Dollars  
829 (\$8,000.00). Each medical cannabis dispensary shall be subject to  
830 an annual license renewal fee of Two Thousand Five Hundred Dollars  
831 (\$2,500.00).



832 (3) Upon the passage of this act, MDAC shall begin accepting  
833 applications for licenses to operate a cultivation-processing  
834 facility and dispensaries, and MDAC shall award the licenses set  
835 forth in this subsection (2) of this section.

836 (4) No individual shall have an economic interest in more  
837 than one (1) cultivation-processing license and more than five (5)  
838 dispensary licenses.

839 (5) A dispensary shall appoint a pharmacist consultant who  
840 is a pharmacist licensed with the Mississippi State Board of  
841 Pharmacy.

842 (6) Upon the passage of this act, MDAC shall begin accepting  
843 applications for prospective medical cannabis establishments.

844 (7) Minimum qualifications for applicants for a  
845 cultivation-processing facility and/or dispensary license(s) are  
846 as follows:

847 (a) An individual applicant for a medical cannabis  
848 cultivation facility or medical cannabis dispensary license shall  
849 be a natural person who:

850 (i) Is at least twenty-one (21) years of age;

851 (ii) Is a current resident of the State of  
852 Mississippi and has been a resident for five (5) consecutive years  
853 prior to the date of application as determined by this section;

854 (iii) Has not previously held a license for a  
855 cultivation-processing facility or dispensary that has been  
856 revoked;



857 (iv) Has no ownership in any other medical  
858 cannabis cultivation-processing facility or more than five (5)  
859 dispensaries in the State of Mississippi;

860 (v) Has not been convicted of a felony offense;

861 (vi) If possessing a professional license, that  
862 the license is in good standing; and

863 (vii) Has no outstanding tax delinquencies owed to  
864 the State of Mississippi.

865 (b) If the applicant is applying on behalf of an  
866 entity, in addition to paragraph (a) of this subsection, the  
867 individual applicant shall:

868 (i) Be legally authorized to submit an application  
869 on behalf of the entity;

870 (ii) Serve as the primary point of contact with  
871 MDAC;

872 (iii) Submit sufficient proof that:

873 1. The entity has no owner, board member,  
874 officer, or anyone with an economic interest in the entity who is  
875 under the age of twenty-one (21);

876 2. At least sixty percent (60%) of the equity  
877 ownership interests in the entity are held by individuals who have  
878 been residents of the State of Mississippi for at least five (5)  
879 consecutive years prior to the application date and any attempt to  
880 avoid this provision may result in denial of an application and  
881 revocation of a license;



882                   3. The entity has at least one (1) owner who  
883 is an African American or one (1) owner who is a member of any  
884 other minority group as defined herein;

885                   4. The entity has no owner, board member,  
886 officer, or anyone with an economic interest in the entity who has  
887 previously been an owner of a dispensary or cultivation-processing  
888 facility that has had its license revoked;

889                   5. The entity has no owner, board member,  
890 officer, or anyone with an economic interest in the entity who has  
891 ownership in any other medical cannabis cultivation facility or  
892 more than five (5) medical cannabis dispensaries in the State of  
893 Mississippi;

894                   6. The entity has no owner, board member,  
895 officer, or anyone with an economic interest in the entity who has  
896 been convicted of a disqualifying felony offense;

897                   7. If an owner, board member, officer, or  
898 anyone with an economic interest in the entity who has or had a  
899 professional license, that the license is in good standing; and

900                   8. The entity has no owner, board member,  
901 officer, or anyone with an economic interest in the entity who  
902 owes delinquent taxes to the State of Mississippi.

903                   (iv) For purposes of this section, it shall be  
904 sufficient to prove Mississippi residency for the individual(s) to  
905 submit one (1) of the following source documents:



906                   1. Mississippi Tax Return Form 80-105 or Form  
907 80-205 for each of the five (5) years preceding the application  
908 without schedules, worksheets, or attachments, and redacted to  
909 remove all financial information and all but the last four (4)  
910 digits of the individual's social security number for the five (5)  
911 years preceding the application;

912                   2. Evidence of voter registration for the  
913 five (5) years preceding the application;

914                   3. Ownership, lease, or rental documents for  
915 place of primary domicile for the five (5) years preceding the  
916 application;

917                   4. Billing statements, including utility  
918 bills for the five (5) years preceding the application; or

919                   5. Vehicle registration for the five (5)  
920 years preceding the application.

921           (8) Ownership in a medical cannabis cultivation-processing  
922 facility license or a dispensary license or investment in a  
923 business that supports or benefits from such a license shall not  
924 disqualify or otherwise negatively impact the license or finding  
925 of suitability of such owner who is otherwise engaged in any other  
926 form of business operation in the state, should such business  
927 require the owner to hold a license or be found suitable under  
928 state law.

929           (9) The number of test facilities, pharmacies, hospitals,  
930 and research facilities shall not be limited. MDAC shall begin



931 accepting and processing applications under this subsection upon  
932 the passage of this act. All test facilities, pharmacies,  
933 hospitals and research facilities shall be subject to an  
934 application fee of Five Thousand Dollars (\$5,000.00), and an  
935 annual license renewal fee of Three Thousand Dollars (\$3,000.00).  
936 No later than sixty (60) days after receiving an application for  
937 any medical cannabis establishment other than a cultivation  
938 processing facility or dispensary, MDAC shall register the  
939 prospective medical cannabis establishment and issue a  
940 registration certificate and a random ten-digit alphanumeric  
941 identification number if all of the conditions in Section 17(2) of  
942 this act are satisfied. The research facility at the University  
943 of Mississippi shall be exempt from all fees imposed under this  
944 subsection.

945 (10) All business or state entities applying for  
946 registration as a medical cannabis establishment must meet all the  
947 requirements specified in Section 17(2) of this act.

948 (11) A prospective medical cannabis establishment shall  
949 submit all of the following:

950 (a) An application, including:

951 (i) The legal name of the prospective medical  
952 cannabis establishment;

953 (ii) The physical address of the prospective  
954 medical cannabis establishment that is not within one thousand  
955 five hundred (1,500) feet of a public or private school, church in



956 which regular services are held, or daycare existing before the  
957 date of the medical cannabis establishment application;

958 (iii) The name of each principal officer and board  
959 member of the proposed medical cannabis establishment; and

960 (iv) Any additional information requested by MDAC.

961 (b) Operating procedures consistent with rules for  
962 oversight of the proposed medical cannabis establishment,  
963 including procedures to ensure accurate recordkeeping and adequate  
964 security measures.

965 (c) If the city or county where the proposed medical  
966 cannabis establishment would be located has enacted zoning  
967 restrictions, a sworn statement certifying that the proposed  
968 medical cannabis establishment is in compliance with the  
969 restrictions.

970 (d) If the city or county where the proposed medical  
971 cannabis establishment requires a local registration, license, or  
972 permit, a copy of the registration, license, or permit.

973 (e) Verification that none of the principal officers or  
974 board members has served as a principal officer or board member  
975 for a medical cannabis establishment that has had its registration  
976 certificate revoked.

977 (f) Verification that none of the principal officers or  
978 board members is under twenty-one (21) years of age.

979 (12) MDAC shall issue a renewal registration certificate  
980 within ten (10) days of receipt of the prescribed renewal



981 application and renewal fee from a medical cannabis establishment  
982 if its registration certificate is not under suspension and has  
983 not been revoked.

984 (13) A cultivation-processing facility shall collect and  
985 remit an excise tax of four percent (4%) of the list price of  
986 medical cannabis on forms and in a manner specified by the  
987 Commissioner of Revenue. A dispensary shall collect and remit a  
988 sales tax of seven percent (7%) from the gross receipts or gross  
989 proceeds derived from each sale of medical cannabis on forms and  
990 in a manner specified by the Commissioner of Revenue.

991 (14) No county or municipality shall impose a tax on the  
992 sale of medical cannabis or on any cannabis facilities.

993 **SECTION 16. Local ordinances.** (1) A local government may  
994 enact ordinances or regulations not in conflict with this act, or  
995 with regulations enacted under this act, governing the time,  
996 place, and manner of medical cannabis establishment operations in  
997 the locality. A local government may establish penalties for  
998 violation of an ordinance or regulations governing the time,  
999 place, and manner of a medical cannabis establishment that may  
1000 operate in the locality.

1001 (2) No local government may prohibit dispensaries, either  
1002 expressly or through the enactment of ordinances or regulations  
1003 that make their operation impracticable in the jurisdiction.

1004 (3) A local government may require a medical cannabis  
1005 establishment to obtain a local license, permit, or registration





1006 to operate, and may charge a normal fee for the local license,  
1007 permit, or registration.

1008 (4) A local government may not impose a tax on the sale of  
1009 medical cannabis or on cannabis establishments.

1010 **SECTION 17. Requirements, prohibitions and penalties.** (1)

1011 Medical cannabis establishments shall conduct a background check  
1012 into the criminal history of every person seeking to become a  
1013 principal officer, board member, agent, volunteer, or employee  
1014 before the person begins working at the medical cannabis  
1015 establishment.

1016 (2) A medical cannabis establishment may not employ any  
1017 person who:

1018 (a) Was convicted of a disqualifying felony offense; or

1019 (b) Is under twenty-one (21) years of age.

1020 (3) The operating documents of a medical cannabis  
1021 establishment must include procedures for the oversight of the  
1022 medical cannabis establishment and procedures to ensure accurate  
1023 recordkeeping.

1024 (4) A medical cannabis establishment shall implement  
1025 appropriate security measures designed to deter and prevent the  
1026 theft of cannabis and unauthorized entrance into areas containing  
1027 cannabis.

1028 (5) Each cultivation-processing facility and dispensary  
1029 shall provide a reliable and ongoing supply of medical cannabis  
1030 needed for the registry program.



1031 (6) All cultivation, harvesting, manufacture, and packaging  
1032 of cannabis must take place in a secure facility with a physical  
1033 address provided to MDAC during the registration process. The  
1034 secure facility may only be accessed by agents of the medical  
1035 cannabis establishment, emergency personnel, and adults who are  
1036 twenty-one (21) years of age and older and who are accompanied by  
1037 medical cannabis establishment agents.

1038 (7) No medical cannabis establishment other than a cannabis  
1039 cultivation-processing facility or research facility may produce  
1040 cannabis concentrates, cannabis extractions, or other cannabis  
1041 products.

1042 (8) A medical cannabis establishment may not share office  
1043 space with or refer patients to a practitioner.

1044 (9) Medical cannabis establishments are subject to  
1045 inspection by MDAC during business hours.

1046 (10) Before cannabis may be dispensed to a cardholder, a  
1047 dispensary agent must:

1048 (a) Make a diligent effort to verify that the registry  
1049 identification card or registration presented to the dispensary or  
1050 pharmacy is valid;

1051 (b) Make a diligent effort to verify that the person  
1052 presenting the documentation is the person identified on the  
1053 document presented to the dispensary or pharmacy agent;



1054 (c) Not believe that the amount dispensed would cause  
1055 the person to possess more than the allowable amount of cannabis;  
1056 and

1057 (d) Make a diligent effort to verify that the  
1058 dispensary or pharmacy is the current dispensary or pharmacy that  
1059 was designated by the cardholder.

1060 (11) A dispensary or pharmacy may not dispense more than the  
1061 allowable amount of cannabis to a nonresident cardholder or a  
1062 registered qualifying patient, directly or via a designated  
1063 caregiver in any twenty-four-day period. Dispensaries and  
1064 pharmacies shall ensure compliance with this limitation by  
1065 maintaining internal, confidential records that include records  
1066 specifying how much cannabis is being dispensed to the nonresident  
1067 cardholder or registered qualifying patient and whether it was  
1068 dispensed directly to a registered qualifying patient or to the  
1069 designated caregiver.

1070 (12) A medical cannabis establishment agent shall not issue  
1071 a written certification.

1072 **SECTION 18. Agencies to issue regulations.** (1) It is the  
1073 intent of the Legislature that the department, MDAC, and the  
1074 Department of Revenue jointly work together to accomplish the  
1075 purposes of this act. Upon the passage of this act, the  
1076 department, MDAC, and the Department of Revenue shall each, where  
1077 relevant to the role of that particular agency, establish and  
1078 promulgate rules and regulations:



1079           (a) Governing the manner in which the department shall  
1080 consider petitions from the public to add debilitating medical  
1081 conditions or treatments to the list of debilitating medical  
1082 conditions set forth in Section 2 of this act, including public  
1083 notice of and opportunities to comment in public hearings on the  
1084 petitions;

1085           (b) Establishing the form and content of registration  
1086 and renewal applications submitted under this act;

1087           (c) Governing the manner in which it shall consider  
1088 applications for and renewals of registry identification cards,  
1089 which may include creating a standardized written certification  
1090 form;

1091           (d) Governing medical cannabis establishments with the  
1092 goals of ensuring the health and safety of qualifying patients and  
1093 preventing diversion and theft without imposing an undue burden or  
1094 compromising the confidentiality of cardholders, including:

1095                   (i) Oversight requirements;

1096                   (ii) Recordkeeping requirements;

1097                   (iii) Qualifications that are directly and  
1098 demonstrably related to the operation of cannabis establishments;

1099                   (iv) Security requirements, including lighting,  
1100 physical security, and alarm requirements;

1101                   (v) Health and safety regulations, including  
1102 restrictions on the use of pesticides that are injurious to human  
1103 health;



1104 (vi) Standards for the manufacture of cannabis  
1105 products and the indoor cultivation of cannabis by  
1106 cultivation-processing facilities;

1107 (vii) Requirements for the transportation and  
1108 storage of cannabis by medical cannabis establishments;

1109 (viii) Employment and training requirements,  
1110 including requiring that each medical cannabis establishment  
1111 create an identification badge for each agent;

1112 (ix) Standards for the safe manufacture of medical  
1113 cannabis products, including extracts and concentrates;

1114 (x) Restrictions on the advertising, signage, and  
1115 display of medical cannabis, provided that the restrictions may  
1116 not prevent appropriate signs on the property of a dispensary or  
1117 pharmacy, listings in business directories, including phone books,  
1118 listings in cannabis-related or medical publications, or the  
1119 sponsorship of health or not-for-profit charity or advocacy  
1120 events;

1121 (xi) Requirements and procedures for the safe and  
1122 accurate packaging and labeling of medical cannabis;

1123 (xii) Standards for testing facilities, including  
1124 requirements for equipment and qualifications for personnel;

1125 (xiii) Protocol development for the safe delivery  
1126 of cannabis from dispensaries to cardholders; and



1127 (xiv) Reasonable requirements to ensure the  
1128 applicant has sufficient property or capital to operate the  
1129 applicant's proposed medical cannabis establishment;

1130 (xv) Procedures for suspending or terminating the  
1131 registration certificates or registry identification cards of  
1132 cardholders and medical cannabis establishments that commit  
1133 multiple or serious violations of the provisions of this act or  
1134 the regulations promulgated pursuant to this section;

1135 (xvi) Procedures for establishing a seed to sale  
1136 tracking a program;

1137 (xvii) Requirements for labeling cannabis and  
1138 cannabis products, including requiring cannabis product labels to  
1139 include the following:

1140 1. The length of time it typically takes for  
1141 the product to take effect;

1142 2. Disclosure of ingredients and possible  
1143 allergens;

1144 3. A nutritional fact panel; and

1145 4. For edible cannabis products, when  
1146 practicable, a standard symbol indicating that the product  
1147 contains cannabis;

1148 (xviii) Procedures for the registration of  
1149 nonresident cardholders and their designation of no more than two  
1150 (2) dispensaries, which must require the submission of:



1151 1. A practitioner's statement confirming that  
1152 the patient has a debilitating medical condition; and

1153 2. Documentation demonstrating that the  
1154 nonresident cardholder is allowed to possess cannabis or cannabis  
1155 preparations in the jurisdiction where he or she resides;

1156 (xix) The amount of cannabis products, including  
1157 the amount of concentrated cannabis, each cardholder and  
1158 nonresident cardholder can possess;

1159 (xx) Reasonable application and renewal fees for  
1160 registry identification cards and registration certificates,  
1161 according to the following:

1162 1. The total fees collected must generate  
1163 revenues sufficient to offset all expenses of implementing and  
1164 administering this act;

1165 2. The department may establish a sliding  
1166 scale of patient application and renewal fees based upon a  
1167 qualifying patient's household income provided that the initial  
1168 fee schedule shall be set as follows:

1169 a. The patient medical cannabis card  
1170 application fee shall be Fifty Dollars (\$50.00);

1171 b. The caregiver medical cannabis card  
1172 application fee shall be Fifty Dollars (\$50.00);

1173 c. The caregiver criminal background fee  
1174 shall be Thirty-Seven Dollars (\$37.00);



1175 d. The fee for a renewal of card shall  
1176 be Fifty Dollars (\$50.00);

1177 e. The fee for a visiting patient shall  
1178 be Fifty Dollars (\$50.00)

1179 3. The department may accept donations from  
1180 private sources to reduce application and renewal fees;

1181 4. The department may adjust the fee schedule  
1182 at its discretion;

1183 5. Fees collected by the department on  
1184 applications, renewals, and the fees in this item shall be used to  
1185 manage the program; and

1186 (2) No later than one (1) year from the implementation of  
1187 this article, and every one (1) year thereafter, the department,  
1188 MDAC, and the Department of Revenue shall provide to the  
1189 Legislature a comprehensive public report of the operation of this  
1190 act. The Department of Revenue shall also provide quarterly  
1191 reports for all sales of medical cannabis sold by dispensaries to  
1192 qualified patients.

1193 (4) The price of medical cannabis shall not be set by law or  
1194 regulation.

1195 **SECTION 19. Public registry.** (1) MDAC and the Department  
1196 of Revenue shall jointly create and maintain a public registry of  
1197 medical cannabis establishments, which shall include, but shall  
1198 not be limited to, the following information:

1199 (a) The name of the establishment;





1200 (b) The owner and, if applicable, the beneficial owner  
1201 of the establishment;  
1202 (c) The physical address, including city and zip code,  
1203 of the establishment;  
1204 (d) The mailing address, including city and zip code,  
1205 of the establishment;  
1206 (e) The county in which the establishment is domiciled;  
1207 (f) The phone number of the establishment;  
1208 (g) The electronic mail address of the establishment;  
1209 (h) The license number of the establishment;  
1210 (i) The issuance date of the establishment's license;  
1211 (j) The expiration date of the establishment's license;  
1212 (k) The NAICS code of the establishment;  
1213 (l) Any changes to the license holder's status; and  
1214 (m) Any other information determined necessary by MDAC  
1215 and the Department of Revenue.

1216 (2) The public registry shall not include personal  
1217 information of an owner of a medical cannabis establishment.

1218 (3) The registry shall be maintained electronically and  
1219 shall be easily accessible to the public.

1220 **SECTION 20. Violations.** (1) A cardholder or medical  
1221 cannabis establishment that willfully fails to provide a notice  
1222 required by Section 13 of this act is guilty of a civil offense,  
1223 punishable by a fine of no more than One Thousand Five Hundred



1224 Dollars (\$1,500.00), which may be assessed and collected by the  
1225 licensing agency.

1226 (2) In addition to any other penalty provided by law, a  
1227 medical cannabis establishment or an agent of a medical cannabis  
1228 establishment that intentionally sells or otherwise transfers  
1229 cannabis in exchange for anything of value to a person other than  
1230 a cardholder, a nonresident cardholder, or to a medical cannabis  
1231 establishment or its agent is guilty of a felony punishable by a  
1232 fine of not more than Five Thousand Dollars (\$5,000.00), or by  
1233 commitment to the custody of the Department of Corrections for not  
1234 more than two (2) years, or both. A person convicted under this  
1235 subsection may not continue to be affiliated with the medical  
1236 cannabis establishment and is disqualified from further  
1237 participation under this act.

1238 (3) In addition to any other penalty provided by law, a  
1239 cardholder or nonresident cardholder who intentionally sells or  
1240 otherwise transfers cannabis in exchange for anything of value to  
1241 a person other than a cardholder or to a medical cannabis  
1242 establishment or its agent is guilty of a felony punishable by a  
1243 fine of not more than Three Thousand Dollars (\$3,000.00), or by  
1244 commitment to the Department of Corrections for not more than two  
1245 (2) years, or both.

1246 (4) A person who intentionally makes a false statement to a  
1247 law enforcement official about any fact or circumstance relating  
1248 to the medical use of cannabis to avoid arrest or prosecution is



1249 guilty of a misdemeanor punishable by a fine of not more than One  
1250 Thousand Dollars (\$1,000.00), by imprisonment in the county jail  
1251 for not more than ninety (90) days, or both. This penalty is in  
1252 addition to any other penalties that may apply for making a false  
1253 statement or for the possession, cultivation, or sale of cannabis  
1254 not protected by this act. If a person convicted of violating  
1255 this subsection is a cardholder, the person is disqualified from  
1256 further participation under this act.

1257 (5) A person who knowingly submits false records or  
1258 documentation to certify a medical cannabis establishment under  
1259 this act is guilty of a felony punishable by a fine of not more  
1260 than Three Thousand Dollars (\$3,000.00), or by commitment to the  
1261 Department of Corrections for not more than two (2) years, or  
1262 both.

1263 (6) A practitioner who knowingly refers patients to a  
1264 medical cannabis establishment or to a designated caregiver, who  
1265 advertises in a medical cannabis establishment, or who issues  
1266 written certifications while holding a financial interest in a  
1267 medical cannabis establishment, is guilty of a civil offense for  
1268 every false certification and shall be fined up to Five Thousand  
1269 Dollars (\$5,000.00) by the department.

1270 (7) Any person, including an employee or official of an  
1271 agency or local government, who breaches the confidentiality of  
1272 information obtained under this act is guilty of a misdemeanor  
1273 punishable by a fine of not more than One Thousand Dollars



1274 (\$1,000.00), or by imprisonment for not more than one hundred  
1275 eighty (180) days in the county jail, or both.

1276 (8) No person, other than a cultivation-processing facility  
1277 or its agents complying with this act and regulations promulgated  
1278 under it, may extract compounds from cannabis using solvents other  
1279 than water, glycerin, propylene glycol, vegetable oil, or  
1280 food-grade ethanol (ethyl alcohol). No person may extract  
1281 compounds from cannabis using ethanol in the presence or vicinity  
1282 of open flame. It shall be a felony punishable by up to three (3)  
1283 years in prison and a Ten Thousand Dollar (\$10,000.00) fine for  
1284 any person to violate this subsection.

1285 (9) A medical cannabis establishment is guilty of a civil  
1286 offense for any violation of this act or the regulations issued  
1287 under this act where no penalty has been specified, and shall be  
1288 fined not more than Three Thousand Dollars (\$3,000.00) for each  
1289 such violation by its licensing agency. This penalty is in  
1290 addition to any other penalties provided by law.

1291 **SECTION 21. Suspension and revocation.** (1) The licensing  
1292 agency may on its own motion or on complaint, after investigation  
1293 and opportunity for a public hearing at which the medical cannabis  
1294 establishment has been afforded an opportunity to be heard,  
1295 suspend or revoke a registration certificate for multiple  
1296 negligent or knowing violations or for a serious and knowing  
1297 violation of this act or any rules under this act by the  
1298 registrant or any of its agents.



1299 (2) The licensing agency shall provide notice of suspension,  
1300 revocation, fine, or other sanction, as well as the required  
1301 notice of the hearing, by mailing or personal delivery the same in  
1302 writing by certified mail, signature required, to the medical  
1303 cannabis establishment at the address on the registration  
1304 certificate. A suspension shall not be for a longer period than  
1305 six (6) months.

1306 (3) A medical cannabis establishment may continue to possess  
1307 and cultivate cannabis, as the case may be, during a suspension,  
1308 but it may not dispense, transfer, or sell cannabis.

1309 (4) The department shall immediately revoke the registry  
1310 identification card of any cardholder who sells cannabis to a  
1311 person who is not allowed to possess cannabis for medical purposes  
1312 under this act. The cardholder shall be disqualified from further  
1313 participation under this act.

1314 (5) The department may revoke the registry identification  
1315 card of any cardholder who knowingly commits multiple  
1316 unintentional violations or a serious knowing violation of this  
1317 act.

1318 (6) Revocation is a final decision of the applicable agency  
1319 subject to judicial review. Jurisdiction and venue for judicial  
1320 review are vested in the circuit court.

1321 **SECTION 22. Confidentiality.** (1) Data in registration  
1322 applications and supporting data submitted by qualifying patients,  
1323 designated caregivers and medical cannabis establishments,



1324 nonresident cardholders, pharmacies, hospitals and medical  
1325 cannabis establishments, including data on designated caregivers  
1326 and practitioners, are private data on individuals that is  
1327 confidential and exempt from disclosure under the Mississippi  
1328 Public Records Act of 1983, Sections 25-61-1 through 25-61-17.

1329 (2) Data kept or maintained by an agency may not be used for  
1330 any purpose not provided for in this act and may not be combined  
1331 or linked in any manner with any other list or database.

1332 (3) Data kept or maintained by an agency may be disclosed as  
1333 necessary for:

1334 (a) The verification of registration certificates and  
1335 registry identification cards under Section 12 of this act;

1336 (b) Submission of the annual report required by Section  
1337 24 of this act;

1338 (c) Notification of state or local law enforcement of  
1339 apparent criminal violations of this act;

1340 (d) Notification of state and local law enforcement  
1341 about falsified or fraudulent information submitted for purposes  
1342 of obtaining or renewing a registry identification card; or

1343 (e) Notification of the State Board of Medical  
1344 Licensure if there is reason to believe that a practitioner  
1345 provided a written certification in violation of this act, or if  
1346 the department has reason to believe the practitioner otherwise  
1347 violated the standard of care for evaluating medical conditions.



1348 (4) Any information kept or maintained by medical cannabis  
1349 establishments must identify cardholders by their registry  
1350 identification numbers and must not contain names or other  
1351 personally identifying information.

1352 (5) At the cardholder's request, the department may confirm  
1353 the cardholder's status as a registered qualifying patient or a  
1354 registered designated caregiver to a third party, such as a  
1355 landlord, school, medical professional, or court.

1356 (6) Any agency hard drives or other data-recording media  
1357 that are no longer in use and that contain cardholder information  
1358 shall be destroyed.

1359 **SECTION 23. Business expenses, deductions.** Notwithstanding  
1360 any federal tax law to the contrary, in computing net income for  
1361 medical cannabis establishments, there shall be allowed as a  
1362 deduction from state taxes all the ordinary and necessary expenses  
1363 paid or incurred during the taxable year in carrying on a trade or  
1364 business as a medical cannabis establishment, including reasonable  
1365 allowance for salaries or other compensation for personal services  
1366 actually rendered.

1367 **SECTION 24. Annual reports.** (1) The department shall  
1368 report every year to the Legislature on the number of applications  
1369 for registry identification cards received, the number of  
1370 qualifying patients and designated caregivers approved, and the  
1371 number of registry identification cards revoked. The department



1372 shall not include identifying information on qualifying patients,  
1373 designated caregivers, or practitioners in the report.

1374 (2) The Department of Revenue shall report every year to the  
1375 Legislature on the number of each type of medical cannabis  
1376 establishment that is registered, and the expenses incurred and  
1377 revenues generated from the medical cannabis program.

1378 **SECTION 25. Banks to be held harmless.** A bank may provide  
1379 any services to any person or establishment licensed in this state  
1380 to engage in the business of medical cannabis, or with any person  
1381 or establishment engaging in business dealings with such licensee,  
1382 provided the bank may otherwise provide those services to any  
1383 other business.

1384 **SECTION 26. Not applicable to CBD oil.** This act does not  
1385 apply to or supersede any of the provisions of Section 41-29-136.

1386 **SECTION 27.** The following shall be codified as Section  
1387 27-65-28, Mississippi Code of 1972:

1388 27-65-28. Upon every person engaging or continuing within  
1389 this state in the business of selling cannabis products, the sales  
1390 of which are legal under the provisions of the Mississippi Medical  
1391 Cannabis Act, there is hereby levied, assessed and shall be  
1392 collected a tax equal to seven percent (7%) of the gross proceeds  
1393 of the retail sales of the business.

1394 **SECTION 28.** There is hereby imposed, levied and assessed an  
1395 excise tax on each person or dealer in medical cannabis, upon the  
1396 sale, use, consumption, handling or distribution in the State of





1397 Mississippi, at the rate of four percent (4%) of the  
1398 manufacturer's list price. This tax is levied upon the sale, use,  
1399 gift, possession or consumption of medical cannabis in this state,  
1400 and the impact of the tax levied by this section is declared to be  
1401 on the vendee, user, consumer or possessor of tobacco in this  
1402 state; and when this tax is paid by any other person, such payment  
1403 shall be considered as an advance payment and shall thereafter be  
1404 added to the price of the medical cannabis and recovered from the  
1405 ultimate consumer or user.

1406       **SECTION 29.** (1) There is hereby created a Workforce and  
1407 College Opportunity Scholarship Fund in the State Treasury.  
1408 Revenue generated from the seven percent (7%) retail sales tax  
1409 imposed by Section 27-65-28, after the distribution to  
1410 municipalities provided for in Section 27-65-75(1) (a), and from  
1411 the four percent (4%) excise tax on the sale of cannabis products  
1412 in the state shall be deposited into the fund by the State Fiscal  
1413 Officer for the purpose of providing scholarships to students in  
1414 Mississippi, and providing funds to Early Childhood Learning  
1415 Collaboratives and a Standardized Dual Enrollment Program.

1416       (2) The monies in the Workforce and College Opportunity  
1417 Scholarship Fund shall be allocated as follows:

1418               (a) The first twenty-five percent (25%) of revenue  
1419 generated shall be distributed to the State Department of  
1420 Education for the state share for Early Learning Collaboratives as  
1421 established in Section 37-21-51;



1422 (b) The next twenty-five percent (25%) of revenue  
1423 generated shall be distributed to the State Department of  
1424 Education to provide funding for a standardized dual enrollment  
1425 program; and

1426 (c) Remaining funds shall be allocated to the  
1427 Postsecondary Education Financial Assistance Board as established  
1428 in Section 37-106-9 to create a "last-dollar" scholarship program  
1429 for community college students, university students, academic or  
1430 career and technical, with the goal of providing tuition, room and  
1431 board, books and materials to Mississippi students. The  
1432 Postsecondary Education Financial Assistance Board shall present  
1433 regulations for administering the scholarship program to the  
1434 Mississippi Higher for Education Corporation Board for final  
1435 approval. Participating students may not receive more than Four  
1436 Thousand Dollars (\$4,000.00) per year in scholarship funds.  
1437 Participating students must complete eight (8) hours of community  
1438 service for each semester during which they receive scholarship  
1439 funds.

1440 **SECTION 30.** Section 27-65-75, Mississippi Code of 1972, is  
1441 amended as follows:

1442 27-65-75. On or before the fifteenth day of each month, the  
1443 revenue collected under the provisions of this chapter during the  
1444 preceding month shall be paid and distributed as follows:

1445 (1) (a) On or before August 15, 1992, and each succeeding  
1446 month thereafter through July 15, 1993, eighteen percent (18%) of



1447 the total sales tax revenue collected during the preceding month  
1448 under the provisions of this chapter, except that collected under  
1449 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on  
1450 business activities within a municipal corporation shall be  
1451 allocated for distribution to the municipality and paid to the  
1452 municipal corporation. Except as otherwise provided in this  
1453 paragraph (a), on or before August 15, 1993, and each succeeding  
1454 month thereafter, eighteen and one-half percent (18-1/2%) of the  
1455 total sales tax revenue collected during the preceding month under  
1456 the provisions of this chapter, except that collected under the  
1457 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
1458 27-65-24, on business activities within a municipal corporation  
1459 shall be allocated for distribution to the municipality and paid  
1460 to the municipal corporation. However, in the event the State  
1461 Auditor issues a certificate of noncompliance pursuant to Section  
1462 21-35-31, the Department of Revenue shall withhold ten percent  
1463 (10%) of the allocations and payments to the municipality that  
1464 would otherwise be payable to the municipality under this  
1465 paragraph (a) until such time that the department receives written  
1466 notice of the cancellation of a certificate of noncompliance from  
1467 the State Auditor.

1468 A municipal corporation, for the purpose of distributing the  
1469 tax under this subsection, shall mean and include all incorporated  
1470 cities, towns and villages.



1471 Monies allocated for distribution and credited to a municipal  
1472 corporation under this paragraph may be pledged as security for a  
1473 loan if the distribution received by the municipal corporation is  
1474 otherwise authorized or required by law to be pledged as security  
1475 for such a loan.

1476 In any county having a county seat that is not an  
1477 incorporated municipality, the distribution provided under this  
1478 subsection shall be made as though the county seat was an  
1479 incorporated municipality; however, the distribution to the  
1480 municipality shall be paid to the county treasury in which the  
1481 municipality is located, and those funds shall be used for road,  
1482 bridge and street construction or maintenance in the county.

1483 (b) On or before August 15, 2006, and each succeeding  
1484 month thereafter, eighteen and one-half percent (18-1/2%) of the  
1485 total sales tax revenue collected during the preceding month under  
1486 the provisions of this chapter, except that collected under the  
1487 provisions of Sections 27-65-15, 27-65-19(3) \* \* \*, 27-65-21 and  
1488 27-65-28, on business activities on the campus of a state  
1489 institution of higher learning or community or junior college  
1490 whose campus is not located within the corporate limits of a  
1491 municipality, shall be allocated for distribution to the state  
1492 institution of higher learning or community or junior college and  
1493 paid to the state institution of higher learning or community or  
1494 junior college.



1495 (c) On or before August 15, 2018, and each succeeding  
1496 month thereafter until August 14, 2019, two percent (2%) of the  
1497 total sales tax revenue collected during the preceding month under  
1498 the provisions of this chapter, except that collected under the  
1499 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and  
1500 27-65-24, on business activities within the corporate limits of  
1501 the City of Jackson, Mississippi, shall be deposited into the  
1502 Capitol Complex Improvement District Project Fund created in  
1503 Section 29-5-215. On or before August 15, 2019, and each  
1504 succeeding month thereafter until August 14, 2020, four percent  
1505 (4%) of the total sales tax revenue collected during the preceding  
1506 month under the provisions of this chapter, except that collected  
1507 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21  
1508 and 27-65-24, on business activities within the corporate limits  
1509 of the City of Jackson, Mississippi, shall be deposited into the  
1510 Capitol Complex Improvement District Project Fund created in  
1511 Section 29-5-215. On or before August 15, 2020, and each  
1512 succeeding month thereafter, six percent (6%) of the total sales  
1513 tax revenue collected during the preceding month under the  
1514 provisions of this chapter, except that collected under the  
1515 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 \* \* \*,  
1516 27-65-24 and 27-65-28, on business activities within the corporate  
1517 limits of the City of Jackson, Mississippi, shall be deposited  
1518 into the Capitol Complex Improvement District Project Fund created  
1519 in Section 29-5-215.



1520                   (d)   (i)   On or before the fifteenth day of the month  
1521 that the diversion authorized by this section begins, and each  
1522 succeeding month thereafter, eighteen and one-half percent  
1523 (18-1/2%) of the total sales tax revenue collected during the  
1524 preceding month under the provisions of this chapter, except that  
1525 collected under the provisions of Sections 27-65-15,  
1526 27-65-19(3) \* \* \*, 27-65-21 and 27-65-28, on business activities  
1527 within a redevelopment project area developed under a  
1528 redevelopment plan adopted under the Tax Increment Financing Act  
1529 (Section 21-45-1 et seq.) shall be allocated for distribution to  
1530 the county in which the project area is located if:

- 1531                               1. The county borders on the Mississippi  
1532 Sound and the State of Alabama;
- 1533                               2. The county has issued bonds under Section  
1534 21-45-9 to finance all or a portion of a redevelopment project in  
1535 the redevelopment project area;
- 1536                               3. Any debt service for the indebtedness  
1537 incurred is outstanding; and
- 1538                               4. A development with a value of Ten Million  
1539 Dollars (\$10,000,000.00) or more is, or will be, located in the  
1540 redevelopment area.

1541                   (ii) Before any sales tax revenue may be allocated  
1542 for distribution to a county under this paragraph, the county  
1543 shall certify to the Department of Revenue that the requirements  
1544 of this paragraph have been met, the amount of bonded indebtedness



1545 that has been incurred by the county for the redevelopment project  
1546 and the expected date the indebtedness incurred by the county will  
1547 be satisfied.

1548 (iii) The diversion of sales tax revenue  
1549 authorized by this paragraph shall begin the month following the  
1550 month in which the Department of Revenue determines that the  
1551 requirements of this paragraph have been met. The diversion shall  
1552 end the month the indebtedness incurred by the county is  
1553 satisfied. All revenue received by the county under this  
1554 paragraph shall be deposited in the fund required to be created in  
1555 the tax increment financing plan under Section 21-45-11 and be  
1556 utilized solely to satisfy the indebtedness incurred by the  
1557 county.

1558 (2) On or before September 15, 1987, and each succeeding  
1559 month thereafter, from the revenue collected under this chapter  
1560 during the preceding month, One Million One Hundred Twenty-five  
1561 Thousand Dollars (\$1,125,000.00) shall be allocated for  
1562 distribution to municipal corporations as defined under subsection  
1563 (1) of this section in the proportion that the number of gallons  
1564 of gasoline and diesel fuel sold by distributors to consumers and  
1565 retailers in each such municipality during the preceding fiscal  
1566 year bears to the total gallons of gasoline and diesel fuel sold  
1567 by distributors to consumers and retailers in municipalities  
1568 statewide during the preceding fiscal year. The Department of  
1569 Revenue shall require all distributors of gasoline and diesel fuel



1570 to report to the department monthly the total number of gallons of  
1571 gasoline and diesel fuel sold by them to consumers and retailers  
1572 in each municipality during the preceding month. The Department  
1573 of Revenue shall have the authority to promulgate such rules and  
1574 regulations as is necessary to determine the number of gallons of  
1575 gasoline and diesel fuel sold by distributors to consumers and  
1576 retailers in each municipality. In determining the percentage  
1577 allocation of funds under this subsection for the fiscal year  
1578 beginning July 1, 1987, and ending June 30, 1988, the Department  
1579 of Revenue may consider gallons of gasoline and diesel fuel sold  
1580 for a period of less than one (1) fiscal year. For the purposes  
1581 of this subsection, the term "fiscal year" means the fiscal year  
1582 beginning July 1 of a year.

1583 (3) On or before September 15, 1987, and on or before the  
1584 fifteenth day of each succeeding month, until the date specified  
1585 in Section 65-39-35, the proceeds derived from contractors' taxes  
1586 levied under Section 27-65-21 on contracts for the construction or  
1587 reconstruction of highways designated under the highway program  
1588 created under Section 65-3-97 shall, except as otherwise provided  
1589 in Section 31-17-127, be deposited into the State Treasury to the  
1590 credit of the State Highway Fund to be used to fund that highway  
1591 program. The Mississippi Department of Transportation shall  
1592 provide to the Department of Revenue such information as is  
1593 necessary to determine the amount of proceeds to be distributed  
1594 under this subsection.





1595 (4) On or before August 15, 1994, and on or before the  
1596 fifteenth day of each succeeding month through July 15, 1999, from  
1597 the proceeds of gasoline, diesel fuel or kerosene taxes as  
1598 provided in Section 27-5-101(a)(ii)1, Four Million Dollars  
1599 (\$4,000,000.00) shall be deposited in the State Treasury to the  
1600 credit of a special fund designated as the "State Aid Road Fund,"  
1601 created by Section 65-9-17. On or before August 15, 1999, and on  
1602 or before the fifteenth day of each succeeding month, from the  
1603 total amount of the proceeds of gasoline, diesel fuel or kerosene  
1604 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million  
1605 Dollars (\$4,000,000.00) or an amount equal to twenty-three and  
1606 one-fourth percent (23-1/4%) of those funds, whichever is the  
1607 greater amount, shall be deposited in the State Treasury to the  
1608 credit of the "State Aid Road Fund," created by Section 65-9-17.  
1609 Those funds shall be pledged to pay the principal of and interest  
1610 on state aid road bonds heretofore issued under Sections 19-9-51  
1611 through 19-9-77, in lieu of and in substitution for the funds  
1612 previously allocated to counties under this section. Those funds  
1613 may not be pledged for the payment of any state aid road bonds  
1614 issued after April 1, 1981; however, this prohibition against the  
1615 pledging of any such funds for the payment of bonds shall not  
1616 apply to any bonds for which intent to issue those bonds has been  
1617 published for the first time, as provided by law before March 29,  
1618 1981. From the amount of taxes paid into the special fund under  
1619 this subsection and subsection (9) of this section, there shall be



1620 first deducted and paid the amount necessary to pay the expenses  
1621 of the Office of State Aid Road Construction, as authorized by the  
1622 Legislature for all other general and special fund agencies. The  
1623 remainder of the fund shall be allocated monthly to the several  
1624 counties in accordance with the following formula:

1625 (a) One-third (1/3) shall be allocated to all counties  
1626 in equal shares;

1627 (b) One-third (1/3) shall be allocated to counties  
1628 based on the proportion that the total number of rural road miles  
1629 in a county bears to the total number of rural road miles in all  
1630 counties of the state; and

1631 (c) One-third (1/3) shall be allocated to counties  
1632 based on the proportion that the rural population of the county  
1633 bears to the total rural population in all counties of the state,  
1634 according to the latest federal decennial census.

1635 For the purposes of this subsection, the term "gasoline,  
1636 diesel fuel or kerosene taxes" means such taxes as defined in  
1637 paragraph (f) of Section 27-5-101.

1638 The amount of funds allocated to any county under this  
1639 subsection for any fiscal year after fiscal year 1994 shall not be  
1640 less than the amount allocated to the county for fiscal year 1994.

1641 Any reference in the general laws of this state or the  
1642 Mississippi Code of 1972 to Section 27-5-105 shall mean and be  
1643 construed to refer and apply to subsection (4) of Section  
1644 27-65-75.



1645 (5) One Million Six Hundred Sixty-six Thousand Six Hundred  
1646 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into  
1647 the special fund known as the "State Public School Building Fund"  
1648 created and existing under the provisions of Sections 37-47-1  
1649 through 37-47-67. Those payments into that fund are to be made on  
1650 the last day of each succeeding month hereafter.

1651 (6) An amount each month beginning August 15, 1983, through  
1652 November 15, 1986, as specified in Section 6, Chapter 542, Laws of  
1653 1983, shall be paid into the special fund known as the  
1654 Correctional Facilities Construction Fund created in Section 6,  
1655 Chapter 542, Laws of 1983.

1656 (7) On or before August 15, 1992, and each succeeding month  
1657 thereafter through July 15, 2000, two and two hundred sixty-six  
1658 one-thousandths percent (2.266%) of the total sales tax revenue  
1659 collected during the preceding month under the provisions of this  
1660 chapter, except that collected under the provisions of Section  
1661 27-65-17(2), shall be deposited by the department into the School  
1662 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On  
1663 or before August 15, 2000, and each succeeding month thereafter,  
1664 two and two hundred sixty-six one-thousandths percent (2.266%) of  
1665 the total sales tax revenue collected during the preceding month  
1666 under the provisions of this chapter, except that collected under  
1667 the provisions of Sections 27-65-17(2) and 27-65-28, shall be  
1668 deposited into the School Ad Valorem Tax Reduction Fund created  
1669 under Section 37-61-35 until such time that the total amount



1670 deposited into the fund during a fiscal year equals Forty-two  
1671 Million Dollars (\$42,000,000.00). Thereafter, the amounts  
1672 diverted under this subsection (7) during the fiscal year in  
1673 excess of Forty-two Million Dollars (\$42,000,000.00) shall be  
1674 deposited into the Education Enhancement Fund created under  
1675 Section 37-61-33 for appropriation by the Legislature as other  
1676 education needs and shall not be subject to the percentage  
1677 appropriation requirements set forth in Section 37-61-33.

1678 (8) On or before August 15, 1992, and each succeeding month  
1679 thereafter, nine and seventy-three one-thousandths percent  
1680 (9.073%) of the total sales tax revenue collected during the  
1681 preceding month under the provisions of this chapter, except that  
1682 collected under the provisions of Sections 27-65-17(2) and  
1683 27-65-28, shall be deposited into the Education Enhancement Fund  
1684 created under Section 37-61-33.

1685 (9) On or before August 15, 1994, and each succeeding month  
1686 thereafter, from the revenue collected under this chapter during  
1687 the preceding month, Two Hundred Fifty Thousand Dollars  
1688 (\$250,000.00) shall be paid into the State Aid Road Fund.

1689 (10) On or before August 15, 1994, and each succeeding month  
1690 thereafter through August 15, 1995, from the revenue collected  
1691 under this chapter during the preceding month, Two Million Dollars  
1692 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad  
1693 Valorem Tax Reduction Fund established in Section 27-51-105.



1694           (11) Notwithstanding any other provision of this section to  
1695 the contrary, on or before February 15, 1995, and each succeeding  
1696 month thereafter, the sales tax revenue collected during the  
1697 preceding month under the provisions of Section 27-65-17(2) and  
1698 the corresponding levy in Section 27-65-23 on the rental or lease  
1699 of private carriers of passengers and light carriers of property  
1700 as defined in Section 27-51-101 shall be deposited, without  
1701 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund  
1702 established in Section 27-51-105.

1703           (12) Notwithstanding any other provision of this section to  
1704 the contrary, on or before August 15, 1995, and each succeeding  
1705 month thereafter, the sales tax revenue collected during the  
1706 preceding month under the provisions of Section 27-65-17(1) on  
1707 retail sales of private carriers of passengers and light carriers  
1708 of property, as defined in Section 27-51-101 and the corresponding  
1709 levy in Section 27-65-23 on the rental or lease of these vehicles,  
1710 shall be deposited, after diversion, into the Motor Vehicle Ad  
1711 Valorem Tax Reduction Fund established in Section 27-51-105.

1712           (13) On or before July 15, 1994, and on or before the  
1713 fifteenth day of each succeeding month thereafter, that portion of  
1714 the avails of the tax imposed in Section 27-65-22 that is derived  
1715 from activities held on the Mississippi State Fairgrounds Complex  
1716 shall be paid into a special fund that is created in the State  
1717 Treasury and shall be expended upon legislative appropriation



1718 solely to defray the costs of repairs and renovation at the Trade  
1719 Mart and Coliseum.

1720 (14) On or before August 15, 1998, and each succeeding month  
1721 thereafter through July 15, 2005, that portion of the avails of  
1722 the tax imposed in Section 27-65-23 that is derived from sales by  
1723 cotton compresses or cotton warehouses and that would otherwise be  
1724 paid into the General Fund shall be deposited in an amount not to  
1725 exceed Two Million Dollars (\$2,000,000.00) into the special fund  
1726 created under Section 69-37-39. On or before August 15, 2007, and  
1727 each succeeding month thereafter through July 15, 2010, that  
1728 portion of the avails of the tax imposed in Section 27-65-23 that  
1729 is derived from sales by cotton compresses or cotton warehouses  
1730 and that would otherwise be paid into the General Fund shall be  
1731 deposited in an amount not to exceed Two Million Dollars  
1732 (\$2,000,000.00) into the special fund created under Section  
1733 69-37-39 until all debts or other obligations incurred by the  
1734 Certified Cotton Growers Organization under the Mississippi Boll  
1735 Weevil Management Act before January 1, 2007, are satisfied in  
1736 full. On or before August 15, 2010, and each succeeding month  
1737 thereafter through July 15, 2011, fifty percent (50%) of that  
1738 portion of the avails of the tax imposed in Section 27-65-23 that  
1739 is derived from sales by cotton compresses or cotton warehouses  
1740 and that would otherwise be paid into the General Fund shall be  
1741 deposited into the special fund created under Section 69-37-39  
1742 until such time that the total amount deposited into the fund



1743 during a fiscal year equals One Million Dollars (\$1,000,000.00).  
1744 On or before August 15, 2011, and each succeeding month  
1745 thereafter, that portion of the avails of the tax imposed in  
1746 Section 27-65-23 that is derived from sales by cotton compresses  
1747 or cotton warehouses and that would otherwise be paid into the  
1748 General Fund shall be deposited into the special fund created  
1749 under Section 69-37-39 until such time that the total amount  
1750 deposited into the fund during a fiscal year equals One Million  
1751 Dollars (\$1,000,000.00).

1752 (15) Notwithstanding any other provision of this section to  
1753 the contrary, on or before September 15, 2000, and each succeeding  
1754 month thereafter, the sales tax revenue collected during the  
1755 preceding month under the provisions of Section  
1756 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,  
1757 without diversion, into the Telecommunications Ad Valorem Tax  
1758 Reduction Fund established in Section 27-38-7.

1759 (16) (a) On or before August 15, 2000, and each succeeding  
1760 month thereafter, the sales tax revenue collected during the  
1761 preceding month under the provisions of this chapter on the gross  
1762 proceeds of sales of a project as defined in Section 57-30-1 shall  
1763 be deposited, after all diversions except the diversion provided  
1764 for in subsection (1) of this section, into the Sales Tax  
1765 Incentive Fund created in Section 57-30-3.

1766 (b) On or before August 15, 2007, and each succeeding  
1767 month thereafter, eighty percent (80%) of the sales tax revenue



1768 collected during the preceding month under the provisions of this  
1769 chapter from the operation of a tourism project under the  
1770 provisions of Sections 57-26-1 through 57-26-5, shall be  
1771 deposited, after the diversions required in subsections (7) and  
1772 (8) of this section, into the Tourism Project Sales Tax Incentive  
1773 Fund created in Section 57-26-3.

1774 (17) Notwithstanding any other provision of this section to  
1775 the contrary, on or before April 15, 2002, and each succeeding  
1776 month thereafter, the sales tax revenue collected during the  
1777 preceding month under Section 27-65-23 on sales of parking  
1778 services of parking garages and lots at airports shall be  
1779 deposited, without diversion, into the special fund created under  
1780 Section 27-5-101(d).

1781 (18) [Repealed]

1782 (19) (a) On or before August 15, 2005, and each succeeding  
1783 month thereafter, the sales tax revenue collected during the  
1784 preceding month under the provisions of this chapter on the gross  
1785 proceeds of sales of a business enterprise located within a  
1786 redevelopment project area under the provisions of Sections  
1787 57-91-1 through 57-91-11, and the revenue collected on the gross  
1788 proceeds of sales from sales made to a business enterprise located  
1789 in a redevelopment project area under the provisions of Sections  
1790 57-91-1 through 57-91-11 (provided that such sales made to a  
1791 business enterprise are made on the premises of the business  
1792 enterprise), shall, except as otherwise provided in this





1793 subsection (19) and Section 27-65-28, be deposited, after all  
1794 diversions, into the Redevelopment Project Incentive Fund as  
1795 created in Section 57-91-9.

1796 (b) For a municipality participating in the Economic  
1797 Redevelopment Act created in Sections 57-91-1 through 57-91-11,  
1798 the diversion provided for in subsection (1) of this section  
1799 attributable to the gross proceeds of sales of a business  
1800 enterprise located within a redevelopment project area under the  
1801 provisions of Sections 57-91-1 through 57-91-11, and attributable  
1802 to the gross proceeds of sales from sales made to a business  
1803 enterprise located in a redevelopment project area under the  
1804 provisions of Sections 57-91-1 through 57-91-11 (provided that  
1805 such sales made to a business enterprise are made on the premises  
1806 of the business enterprise), shall be deposited into the  
1807 Redevelopment Project Incentive Fund as created in Section  
1808 57-91-9, as follows:

1809 (i) For the first six (6) years in which payments  
1810 are made to a developer from the Redevelopment Project Incentive  
1811 Fund, one hundred percent (100%) of the diversion shall be  
1812 deposited into the fund;

1813 (ii) For the seventh year in which such payments  
1814 are made to a developer from the Redevelopment Project Incentive  
1815 Fund, eighty percent (80%) of the diversion shall be deposited  
1816 into the fund;



1817 (iii) For the eighth year in which such payments  
1818 are made to a developer from the Redevelopment Project Incentive  
1819 Fund, seventy percent (70%) of the diversion shall be deposited  
1820 into the fund;

1821 (iv) For the ninth year in which such payments are  
1822 made to a developer from the Redevelopment Project Incentive Fund,  
1823 sixty percent (60%) of the diversion shall be deposited into the  
1824 fund; and

1825 (v) For the tenth year in which such payments are  
1826 made to a developer from the Redevelopment Project Incentive Fund,  
1827 fifty percent (50%) of the funds shall be deposited into the fund.

1828 (20) On or before January 15, 2007, and each succeeding  
1829 month thereafter, eighty percent (80%) of the sales tax revenue  
1830 collected during the preceding month under the provisions of this  
1831 chapter from the operation of a tourism project under the  
1832 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,  
1833 after the diversions required in subsections (7) and (8) of this  
1834 section, into the Tourism Sales Tax Incentive Fund created in  
1835 Section 57-28-3.

1836 (21) (a) On or before April 15, 2007, and each succeeding  
1837 month thereafter through June 15, 2013, One Hundred Fifty Thousand  
1838 Dollars (\$150,000.00) of the sales tax revenue collected during  
1839 the preceding month under the provisions of this chapter shall be  
1840 deposited into the MMEIA Tax Incentive Fund created in Section  
1841 57-101-3.



1842 (b) On or before July 15, 2013, and each succeeding  
1843 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)  
1844 of the sales tax revenue collected during the preceding month  
1845 under the provisions of this chapter shall be deposited into the  
1846 Mississippi Development Authority Job Training Grant Fund created  
1847 in Section 57-1-451.

1848 (22) Notwithstanding any other provision of this section to  
1849 the contrary, on or before August 15, 2009, and each succeeding  
1850 month thereafter, the sales tax revenue collected during the  
1851 preceding month under the provisions of Section 27-65-201 shall be  
1852 deposited, without diversion, into the Motor Vehicle Ad Valorem  
1853 Tax Reduction Fund established in Section 27-51-105.

1854 (23) (a) On or before August 15, 2019, and each month  
1855 thereafter through July 15, 2020, one percent (1%) of the total  
1856 sales tax revenue collected during the preceding month from  
1857 restaurants and hotels shall be allocated for distribution to the  
1858 Mississippi Development Authority Tourism Advertising Fund  
1859 established under Section 57-1-64, to be used exclusively for the  
1860 purpose stated therein. On or before August 15, 2020, and each  
1861 month thereafter through July 15, 2021, two percent (2%) of the  
1862 total sales tax revenue collected during the preceding month from  
1863 restaurants and hotels shall be allocated for distribution to the  
1864 Mississippi Development Authority Tourism Advertising Fund  
1865 established under Section 57-1-64, to be used exclusively for the  
1866 purpose stated therein. On or before August 15, 2021, and each



1867 month thereafter, three percent (3%) of the total sales tax  
1868 revenue collected during the preceding month from restaurants and  
1869 hotels shall be allocated for distribution to the Mississippi  
1870 Development Authority Tourism Advertising Fund established under  
1871 Section 57-1-64, to be used exclusively for the purpose stated  
1872 therein. The revenue diverted pursuant to this subsection shall  
1873 not be available for expenditure until February 1, 2020.

1874 (b) The Joint Legislative Committee on Performance  
1875 Evaluation and Expenditure Review (PEER) must provide an annual  
1876 report to the Legislature indicating the amount of funds deposited  
1877 into the Mississippi Development Authority Tourism Advertising  
1878 Fund established under Section 57-1-64, and a detailed record of  
1879 how the funds are spent.

1880 (24) The remainder of the amounts collected under the  
1881 provisions of this chapter shall be paid into the State Treasury  
1882 to the credit of the General Fund.

1883 (25) (a) It shall be the duty of the municipal officials of  
1884 any municipality that expands its limits, or of any community that  
1885 incorporates as a municipality, to notify the commissioner of that  
1886 action thirty (30) days before the effective date. Failure to so  
1887 notify the commissioner shall cause the municipality to forfeit  
1888 the revenue that it would have been entitled to receive during  
1889 this period of time when the commissioner had no knowledge of the  
1890 action.



1891                   (b) (i) Except as otherwise provided in subparagraph  
1892 (ii) of this paragraph, if any funds have been erroneously  
1893 disbursed to any municipality or any overpayment of tax is  
1894 recovered by the taxpayer, the commissioner may make correction  
1895 and adjust the error or overpayment with the municipality by  
1896 withholding the necessary funds from any later payment to be made  
1897 to the municipality.

1898                   (ii) Subject to the provisions of Sections  
1899 27-65-51 and 27-65-53, if any funds have been erroneously  
1900 disbursed to a municipality under subsection (1) of this section  
1901 for a period of three (3) years or more, the maximum amount that  
1902 may be recovered or withheld from the municipality is the total  
1903 amount of funds erroneously disbursed for a period of three (3)  
1904 years beginning with the date of the first erroneous disbursement.  
1905 However, if during such period, a municipality provides written  
1906 notice to the Department of Revenue indicating the erroneous  
1907 disbursement of funds, then the maximum amount that may be  
1908 recovered or withheld from the municipality is the total amount of  
1909 funds erroneously disbursed for a period of one (1) year beginning  
1910 with the date of the first erroneous disbursement.

1911                   **SECTION 31.** Section 41-29-125, Mississippi Code of 1972, is  
1912 amended as follows:

1913                   41-29-125. (1) The State Board of Pharmacy may promulgate  
1914 rules and regulations relating to the registration and control of  
1915 the manufacture, distribution and dispensing of controlled



1916 substances within this state and the distribution and dispensing  
1917 of controlled substances into this state from an out-of-state  
1918 location.

1919           (a) Every person who manufactures, distributes or  
1920 dispenses any controlled substance within this state or who  
1921 distributes or dispenses any controlled substance into this state  
1922 from an out-of-state location, or who proposes to engage in the  
1923 manufacture, distribution or dispensing of any controlled  
1924 substance within this state or the distribution or dispensing of  
1925 any controlled substance into this state from an out-of-state  
1926 location, must obtain a registration issued by the State Board of  
1927 Pharmacy, the State Board of Medical Licensure, the State Board of  
1928 Dental Examiners, the Mississippi Board of Nursing or the  
1929 Mississippi Board of Veterinary Medicine, as appropriate, in  
1930 accordance with its rules and the law of this state. Such  
1931 registration shall be obtained annually or biennially, as  
1932 specified by the issuing board, and a reasonable fee may be  
1933 charged by the issuing board for such registration.

1934           (b) Persons registered by the State Board of Pharmacy,  
1935 with the consent of the United States Drug Enforcement  
1936 Administration and the State Board of Medical Licensure, the State  
1937 Board of Dental Examiners, the Mississippi Board of Nursing or the  
1938 Mississippi Board of Veterinary Medicine to manufacture,  
1939 distribute, dispense or conduct research with controlled  
1940 substances may possess, manufacture, distribute, dispense or



1941 conduct research with those substances to the extent authorized by  
1942 their registration and in conformity with the other provisions of  
1943 this article.

1944 (c) The following persons need not register and may  
1945 lawfully possess controlled substances under this article:

1946 (1) An agent or employee of any registered  
1947 manufacturer, distributor or dispenser of any controlled substance  
1948 if he is acting in the usual course of his business or employment;

1949 (2) A common or contract carrier or warehouse, or  
1950 an employee thereof, whose possession of any controlled substance  
1951 is in the usual course of business or employment;

1952 (3) An ultimate user or a person in possession of  
1953 any controlled substance pursuant to a valid prescription or in  
1954 lawful possession of a Schedule V substance as defined in Section  
1955 41-29-121.

1956 (d) The State Board of Pharmacy may waive by rule the  
1957 requirement for registration of certain manufacturers,  
1958 distributors or dispensers if it finds it consistent with the  
1959 public health and safety.

1960 (e) A separate registration is required at each  
1961 principal place of business or professional practice where an  
1962 applicant within the state manufactures, distributes or dispenses  
1963 controlled substances and for each principal place of business or  
1964 professional practice located out-of-state from which controlled  
1965 substances are distributed or dispensed into the state.



1966 (f) The State Board of Pharmacy, the Mississippi Bureau  
1967 of Narcotics, the State Board of Medical Licensure, the State  
1968 Board of Dental Examiners, the Mississippi Board of Nursing and  
1969 the Mississippi Board of Veterinary Medicine may inspect the  
1970 establishment of a registrant or applicant for registration in  
1971 accordance with the regulations of these agencies as approved by  
1972 the board.

1973 (2) Whenever a pharmacy ships, mails or delivers any  
1974 Schedule II controlled substance listed in Section 41-29-115 to a  
1975 private residence in this state, the pharmacy shall arrange with  
1976 the entity that will actually deliver the controlled substance to  
1977 a recipient in this state that the entity will: (a) deliver the  
1978 controlled substance only to a person who is eighteen (18) years  
1979 of age or older; and (b) obtain the signature of that person  
1980 before delivering the controlled substance. The requirements of  
1981 this subsection shall not apply to a pharmacy serving a nursing  
1982 facility or to a pharmacy owned and/or operated by a hospital,  
1983 nursing facility or clinic to which the general public does not  
1984 have access to purchase pharmaceuticals on a retail basis.

1985 (3) This section does not apply to any of the acts regarding  
1986 the medical use of cannabis that are lawful under the Mississippi  
1987 Medical Cannabis Act. This subsection shall stand repealed three  
1988 (3) years after the effective date of this act.

1989 **SECTION 32.** Section 41-29-127, Mississippi Code of 1972, is  
1990 amended as follows:





1991           41-29-127. (a) The State Board of Pharmacy shall register  
1992 an applicant to manufacture or distribute controlled substances  
1993 included in Sections 41-29-113 through 41-29-121 unless it  
1994 determines that the issuance of that registration would be  
1995 inconsistent with the public interest. In determining the public  
1996 interest, the State Board of Pharmacy shall consider the following  
1997 factors:

1998                   (1) Maintenance of effective controls against diversion  
1999 of controlled substances into other than legitimate medical,  
2000 scientific, or industrial channels;

2001                   (2) Compliance with applicable state and local law;

2002                   (3) Any convictions of the applicant under any federal  
2003 and state laws relating to any controlled substance;

2004                   (4) Past experience in the manufacture or distribution  
2005 of controlled substances and the existence in the applicant's  
2006 establishment of effective controls against diversion;

2007                   (5) Furnishing by the applicant of false or fraudulent  
2008 material in any application filed under this article;

2009                   (6) Suspension or revocation of the applicant's federal  
2010 registration to manufacture, distribute, or dispense controlled  
2011 substances as authorized by federal law; and

2012                   (7) Any other factors relevant to and consistent with  
2013 the public health and safety.

2014           (b) Registration under subsection (a) does not entitle a  
2015 registrant to manufacture and distribute controlled substances in



2016 Schedule I or II, as set out in Sections 41-29-113 and 41-29-115,  
2017 other than those specified in the registration.

2018 (c) Practitioners must be registered to dispense any  
2019 controlled substances or to conduct research with controlled  
2020 substances in Schedules II through V, as set out in Sections  
2021 41-29-115 through 41-29-121, if they are authorized to dispense or  
2022 conduct research under the law of this state. The State Board of  
2023 Pharmacy need not require separate registration under this section  
2024 for practitioners engaging in research with nonnarcotic controlled  
2025 substances in the said Schedules II through V where the registrant  
2026 is already registered therein in another capacity. Practitioners  
2027 registered under federal law to conduct research with Schedule I  
2028 substances, as set out in Section 41-29-113, may conduct research  
2029 with Schedule I substances within this state upon furnishing the  
2030 State Board of Health evidence of that federal registration.

2031 (d) Compliance by manufacturers and distributors with the  
2032 provisions of the federal law respecting registration (excluding  
2033 fees) entitles them to be registered under this article.

2034 (e) This section does not apply to any of the acts regarding  
2035 the medical use of cannabis that are lawful under the Mississippi  
2036 Medical Cannabis Act. This subsection shall stand repealed three  
2037 (3) years after the effective date of this act.

2038 **SECTION 33.** Section 41-29-136, Mississippi Code of 1972, is  
2039 amended as follows:



2040 41-29-136. (1) "CBD solution" means a pharmaceutical  
2041 preparation consisting of processed cannabis plant extract in oil  
2042 or other suitable vehicle.

2043 (2) (a) CBD solution prepared from (i) cannabis plant  
2044 extract that is provided by the National Center for Natural  
2045 Products Research at the University of Mississippi under  
2046 appropriate federal and state regulatory approvals, or (ii)  
2047 cannabis extract from hemp produced pursuant to Sections 69-25-201  
2048 through 69-25-221, which is prepared and tested to meet compliance  
2049 with regulatory specifications, may be dispensed by the Department  
2050 of Pharmacy Services at the University of Mississippi Medical  
2051 Center (UMMC Pharmacy) after mixing the extract with a suitable  
2052 vehicle. The CBD solution may be prepared by the UMMC Pharmacy or  
2053 by another pharmacy or laboratory in the state under appropriate  
2054 federal and state regulatory approvals and registrations.

2055 (b) The patient or the patient's parent, guardian or  
2056 custodian must execute a hold-harmless agreement that releases  
2057 from liability the state and any division, agency, institution or  
2058 employee thereof involved in the research, cultivation,  
2059 processing, formulating, dispensing, prescribing or administration  
2060 of CBD solution obtained from entities authorized under this  
2061 section to produce or possess cannabidiol for research under  
2062 appropriate federal and state regulatory approvals and  
2063 registrations.



2064 (c) The National Center for Natural Products Research  
2065 at the University of Mississippi and the Mississippi Agricultural  
2066 and Forestry Experiment Station at Mississippi State University  
2067 are the only entities authorized to produce cannabis plants for  
2068 cannabidiol research.

2069 (d) Research of CBD solution under this section must  
2070 comply with the provisions of Section 41-29-125 regarding lawful  
2071 possession of controlled substances, of Section 41-29-137  
2072 regarding record-keeping requirements relative to the dispensing,  
2073 use or administration of controlled substances, and of Section  
2074 41-29-133 regarding inventory requirements, insofar as they are  
2075 applicable. Authorized entities may enter into public-private  
2076 partnerships to facilitate research.

2077 (3) (a) In a prosecution for the unlawful possession of  
2078 marijuana under the laws of this state, it is an affirmative and  
2079 complete defense to prosecution that:

2080 (i) The defendant suffered from a debilitating  
2081 epileptic condition or related illness and the use or possession  
2082 of CBD solution was pursuant to the order of a physician as  
2083 authorized under this section; or

2084 (ii) The defendant is the parent, guardian or  
2085 custodian of an individual who suffered from a debilitating  
2086 epileptic condition or related illness and the use or possession  
2087 of CBD solution was pursuant to the order of a physician as  
2088 authorized under this section.



2089 (b) An agency of this state or a political subdivision  
2090 thereof, including any law enforcement agency, may not initiate  
2091 proceedings to remove a child from the home based solely upon the  
2092 possession or use of CBD solution by the child or parent, guardian  
2093 or custodian of the child as authorized under this section.

2094 (c) An employee of the state or any division, agency,  
2095 institution thereof involved in the research, cultivation,  
2096 processing, formulation, dispensing, prescribing or administration  
2097 of CBD solution shall not be subject to prosecution for unlawful  
2098 possession, use, distribution or prescription of marijuana under  
2099 the laws of this state for activities arising from or related to  
2100 the use of CBD solution in the treatment of individuals diagnosed  
2101 with a debilitating epileptic condition.

2102 (4) This section does not apply to any of the acts regarding  
2103 the medical use of cannabis that are lawful under the Mississippi  
2104 Medical Cannabis Act. This subsection shall stand repealed three  
2105 (3) years after the effective date of this act.

2106 ( \* \* \*5) This section shall be known as "Harper Grace's  
2107 Law."

2108 ( \* \* \*6) This section shall stand repealed from and after  
2109 July 1, \* \* \* 2025.

2110 **SECTION 34**. Section 41-29-137, Mississippi Code of 1972, is  
2111 amended as follows:

2112 41-29-137. (a) (1) Except when dispensed directly by a  
2113 practitioner, other than a pharmacy, to an ultimate user, no



2114 controlled substance in Schedule II, as set out in Section  
2115 41-29-115, may be dispensed without the written valid prescription  
2116 of a practitioner. A practitioner shall keep a record of all  
2117 controlled substances in Schedule I, II and III administered,  
2118 dispensed or professionally used by him otherwise than by  
2119 prescription.

2120 (2) In emergency situations, as defined by rule of the  
2121 State Board of Pharmacy, Schedule II drugs may be dispensed upon  
2122 the oral valid prescription of a practitioner, reduced promptly to  
2123 writing and filed by the pharmacy. Prescriptions shall be  
2124 retained in conformity with the requirements of Section 41-29-133.  
2125 No prescription for a Schedule II substance may be refilled unless  
2126 renewed by prescription issued by a licensed medical doctor.

2127 (b) Except when dispensed directly by a practitioner, other  
2128 than a pharmacy, to an ultimate user, a controlled substance  
2129 included in Schedule III or IV, as set out in Sections 41-29-117  
2130 and 41-29-119, shall not be dispensed without a written or oral  
2131 valid prescription of a practitioner. The prescription shall not  
2132 be filled or refilled more than six (6) months after the date  
2133 thereof or be refilled more than five (5) times, unless renewed by  
2134 the practitioner.

2135 (c) A controlled substance included in Schedule V, as set  
2136 out in Section 41-29-121, shall not be distributed or dispensed  
2137 other than for a medical purpose.



2138 (d) An optometrist certified to prescribe and use  
2139 therapeutic pharmaceutical agents under Sections 73-19-153 through  
2140 73-19-165 shall be authorized to prescribe oral analgesic  
2141 controlled substances in Schedule IV or V, as pertains to  
2142 treatment and management of eye disease by written prescription  
2143 only.

2144 (e) Administration by injection of any pharmaceutical  
2145 product authorized in this section is expressly prohibited except  
2146 when dispensed directly by a practitioner other than a pharmacy.

2147 (f) (1) For the purposes of this article, Title 73, Chapter  
2148 21, and Title 73, Chapter 25, Mississippi Code of 1972, as it  
2149 pertains to prescriptions for controlled substances, a "valid  
2150 prescription" means a prescription that is issued for a legitimate  
2151 medical purpose in the usual course of professional practice by:

2152 (A) A practitioner who has conducted at least one  
2153 (1) in-person medical evaluation of the patient, except as  
2154 otherwise authorized by Section 41-29-137.1 through June 30, 2021;  
2155 or

2156 (B) A covering practitioner.

2157 (2) (A) "In-person medical evaluation" means a medical  
2158 evaluation that is conducted with the patient in the physical  
2159 presence of the practitioner, without regard to whether portions  
2160 of the evaluation are conducted by other health professionals.

2161 (B) "Covering practitioner" means a practitioner  
2162 who conducts a medical evaluation other than an in-person medical



2163 evaluation at the request of a practitioner who has conducted at  
2164 least one (1) in-person medical evaluation of the patient or an  
2165 evaluation of the patient through the practice of telemedicine  
2166 within the previous twenty-four (24) months and who is temporarily  
2167 unavailable to conduct the evaluation of the patient.

2168 (3) A prescription for a controlled substance based  
2169 solely on a consumer's completion of an online medical  
2170 questionnaire is not a valid prescription.

2171 (4) Nothing in this subsection (f) shall apply to:

2172 (A) A prescription issued by a practitioner  
2173 engaged in the practice of telemedicine as authorized under state  
2174 or federal law; or

2175 (B) The dispensing or selling of a controlled  
2176 substance pursuant to practices as determined by the United States  
2177 Attorney General by regulation.

2178 (g) This section does not apply to any of the acts regarding  
2179 the medical use of cannabis that are lawful under the Mississippi  
2180 Medical Cannabis Act. This subsection shall stand repealed three  
2181 (3) years after the effective date of this act.

2182 **SECTION 35.** Section 41-29-139, Mississippi Code of 1972, is  
2183 amended as follows:

2184 41-29-139. (a) **Transfer and possession with intent to**  
2185 **transfer.** Except as authorized by this article, it is unlawful  
2186 for any person knowingly or intentionally:





2187 (1) To sell, barter, transfer, manufacture, distribute,  
2188 dispense or possess with intent to sell, barter, transfer,  
2189 manufacture, distribute or dispense, a controlled substance; or

2190 (2) To create, sell, barter, transfer, distribute,  
2191 dispense or possess with intent to create, sell, barter, transfer,  
2192 distribute or dispense, a counterfeit substance.

2193 (b) **Punishment for transfer and possession with intent to**  
2194 **transfer.** Except as otherwise provided in Section 41-29-142, any  
2195 person who violates subsection (a) of this section shall be, if  
2196 convicted, sentenced as follows:

2197 (1) For controlled substances classified in Schedule I  
2198 or II, as set out in Sections 41-29-113 and 41-29-115, other than  
2199 marijuana or synthetic cannabinoids:

2200 (A) If less than two (2) grams or ten (10) dosage  
2201 units, by imprisonment for not more than eight (8) years or a fine  
2202 of not more than Fifty Thousand Dollars (\$50,000.00), or both.

2203 (B) If two (2) or more grams or ten (10) or more  
2204 dosage units, but less than ten (10) grams or twenty (20) dosage  
2205 units, by imprisonment for not less than three (3) years nor more  
2206 than twenty (20) years or a fine of not more than Two Hundred  
2207 Fifty Thousand Dollars (\$250,000.00), or both.

2208 (C) If ten (10) or more grams or twenty (20) or  
2209 more dosage units, but less than thirty (30) grams or forty (40)  
2210 dosage units, by imprisonment for not less than five (5) years nor



2211 more than thirty (30) years or a fine of not more than Five  
2212 Hundred Thousand Dollars (\$500,000.00), or both.

2213 (2) (A) For marijuana:

2214 1. If thirty (30) grams or less, by  
2215 imprisonment for not more than three (3) years or a fine of not  
2216 more than Three Thousand Dollars (\$3,000.00), or both;

2217 2. If more than thirty (30) grams but less  
2218 than two hundred fifty (250) grams, by imprisonment for not more  
2219 than five (5) years or a fine of not more than Five Thousand  
2220 Dollars (\$5,000.00), or both;

2221 3. If two hundred fifty (250) or more grams  
2222 but less than five hundred (500) grams, by imprisonment for not  
2223 less than three (3) years nor more than ten (10) years or a fine  
2224 of not more than Fifteen Thousand Dollars (\$15,000.00), or both;

2225 4. If five hundred (500) or more grams but  
2226 less than one (1) kilogram, by imprisonment for not less than five  
2227 (5) years nor more than twenty (20) years or a fine of not more  
2228 than Twenty Thousand Dollars (\$20,000.00), or both.

2229 (B) For synthetic cannabinoids:

2230 1. If ten (10) grams or less, by imprisonment  
2231 for not more than three (3) years or a fine of not more than Three  
2232 Thousand Dollars (\$3,000.00), or both;

2233 2. If more than ten (10) grams but less than  
2234 twenty (20) grams, by imprisonment for not more than five (5)



2235 years or a fine of not more than Five Thousand Dollars

2236 (\$5,000.00), or both;

2237 3. If twenty (20) or more grams but less than

2238 forty (40) grams, by imprisonment for not less than three (3)

2239 years nor more than ten (10) years or a fine of not more than

2240 Fifteen Thousand Dollars (\$15,000.00), or both;

2241 4. If forty (40) or more grams but less than

2242 two hundred (200) grams, by imprisonment for not less than five

2243 (5) years nor more than twenty (20) years or a fine of not more

2244 than Twenty Thousand Dollars (\$20,000.00), or both.

2245 (3) For controlled substances classified in Schedules

2246 III and IV, as set out in Sections 41-29-117 and 41-29-119:

2247 (A) If less than two (2) grams or ten (10) dosage

2248 units, by imprisonment for not more than five (5) years or a fine

2249 of not more than Five Thousand Dollars (\$5,000.00), or both;

2250 (B) If two (2) or more grams or ten (10) or more

2251 dosage units, but less than ten (10) grams or twenty (20) dosage

2252 units, by imprisonment for not more than eight (8) years or a fine

2253 of not more than Fifty Thousand Dollars (\$50,000.00), or both;

2254 (C) If ten (10) or more grams or twenty (20) or

2255 more dosage units, but less than thirty (30) grams or forty (40)

2256 dosage units, by imprisonment for not more than fifteen (15) years

2257 or a fine of not more than One Hundred Thousand Dollars

2258 (\$100,000.00), or both;



2259 (D) If thirty (30) or more grams or forty (40) or  
2260 more dosage units, but less than five hundred (500) grams or two  
2261 thousand five hundred (2,500) dosage units, by imprisonment for  
2262 not more than twenty (20) years or a fine of not more than Two  
2263 Hundred Fifty Thousand Dollars (\$250,000.00), or both.

2264 (4) For controlled substances classified in Schedule V,  
2265 as set out in Section 41-29-121:

2266 (A) If less than two (2) grams or ten (10) dosage  
2267 units, by imprisonment for not more than one (1) year or a fine of  
2268 not more than Five Thousand Dollars (\$5,000.00), or both;

2269 (B) If two (2) or more grams or ten (10) or more  
2270 dosage units, but less than ten (10) grams or twenty (20) dosage  
2271 units, by imprisonment for not more than five (5) years or a fine  
2272 of not more than Ten Thousand Dollars (\$10,000.00), or both;

2273 (C) If ten (10) or more grams or twenty (20) or  
2274 more dosage units, but less than thirty (30) grams or forty (40)  
2275 dosage units, by imprisonment for not more than ten (10) years or  
2276 a fine of not more than Twenty Thousand Dollars (\$20,000.00), or  
2277 both;

2278 (D) For thirty (30) or more grams or forty (40) or  
2279 more dosage units, but less than five hundred (500) grams or two  
2280 thousand five hundred (2,500) dosage units, by imprisonment for  
2281 not more than fifteen (15) years or a fine of not more than Fifty  
2282 Thousand Dollars (\$50,000.00), or both.



2283           (c) **Simple possession.** It is unlawful for any person  
2284 knowingly or intentionally to possess any controlled substance  
2285 unless the substance was obtained directly from, or pursuant to, a  
2286 valid prescription or order of a practitioner while acting in the  
2287 course of his professional practice, or except as otherwise  
2288 authorized by this article. The penalties for any violation of  
2289 this subsection (c) with respect to a controlled substance  
2290 classified in Schedules I, II, III, IV or V, as set out in Section  
2291 41-29-113, 41-29-115, 41-29-117, 41-29-119 or 41-29-121, including  
2292 marijuana or synthetic cannabinoids, shall be based on dosage unit  
2293 as defined herein or the weight of the controlled substance as set  
2294 forth herein as appropriate:

2295           "Dosage unit (d.u.)" means a tablet or capsule, or in the  
2296 case of a liquid solution, one (1) milliliter. In the case of  
2297 lysergic acid diethylamide (LSD) the term, "dosage unit" means a  
2298 stamp, square, dot, microdot, tablet or capsule of a controlled  
2299 substance.

2300           For any controlled substance that does not fall within the  
2301 definition of the term "dosage unit," the penalties shall be based  
2302 upon the weight of the controlled substance.

2303           The weight set forth refers to the entire weight of any  
2304 mixture or substance containing a detectable amount of the  
2305 controlled substance.

2306           If a mixture or substance contains more than one (1)  
2307 controlled substance, the weight of the mixture or substance is



2308 assigned to the controlled substance that results in the greater  
2309 punishment.

2310 A person shall be charged and sentenced as follows for a  
2311 violation of this subsection with respect to:

2312 (1) A controlled substance classified in Schedule I or  
2313 II, except marijuana and synthetic cannabinoids:

2314 (A) If less than one-tenth (0.1) gram or two (2)  
2315 dosage units, the violation is a misdemeanor and punishable by  
2316 imprisonment for not more than one (1) year or a fine of not more  
2317 than One Thousand Dollars (\$1,000.00), or both.

2318 (B) If one-tenth (0.1) gram or more or two (2) or  
2319 more dosage units, but less than two (2) grams or ten (10) dosage  
2320 units, by imprisonment for not more than three (3) years or a fine  
2321 of not more than Fifty Thousand Dollars (\$50,000.00), or both.

2322 (C) If two (2) or more grams or ten (10) or more  
2323 dosage units, but less than ten (10) grams or twenty (20) dosage  
2324 units, by imprisonment for not more than eight (8) years or a fine  
2325 of not more than Two Hundred Fifty Thousand Dollars (\$250,000.00),  
2326 or both.

2327 (D) If ten (10) or more grams or twenty (20) or  
2328 more dosage units, but less than thirty (30) grams or forty (40)  
2329 dosage units, by imprisonment for not less than three (3) years  
2330 nor more than twenty (20) years or a fine of not more than Five  
2331 Hundred Thousand Dollars (\$500,000.00), or both.

2332 (2) (A) Marijuana and synthetic cannabinoids:



2333                   1. If thirty (30) grams or less of marijuana  
2334 or ten (10) grams or less of synthetic cannabinoids, by a fine of  
2335 not less than One Hundred Dollars (\$100.00) nor more than Two  
2336 Hundred Fifty Dollars (\$250.00). The provisions of this paragraph  
2337 (2) (A) may be enforceable by summons if the offender provides  
2338 proof of identity satisfactory to the arresting officer and gives  
2339 written promise to appear in court satisfactory to the arresting  
2340 officer, as directed by the summons. A second conviction under  
2341 this section within two (2) years is a misdemeanor punishable by a  
2342 fine of Two Hundred Fifty Dollars (\$250.00), not more than sixty  
2343 (60) days in the county jail, and mandatory participation in a  
2344 drug education program approved by the Division of Alcohol and  
2345 Drug Abuse of the State Department of Mental Health, unless the  
2346 court enters a written finding that a drug education program is  
2347 inappropriate. A third or subsequent conviction under this  
2348 paragraph (2) (A) within two (2) years is a misdemeanor punishable  
2349 by a fine of not less than Two Hundred Fifty Dollars (\$250.00) nor  
2350 more than One Thousand Dollars (\$1,000.00) and confinement for not  
2351 more than six (6) months in the county jail.

2352                   Upon a first or second conviction under this paragraph  
2353 (2) (A), the courts shall forward a report of the conviction to the  
2354 Mississippi Bureau of Narcotics which shall make and maintain a  
2355 private, nonpublic record for a period not to exceed two (2) years  
2356 from the date of conviction. The private, nonpublic record shall  
2357 be solely for the use of the courts in determining the penalties



2358 which attach upon conviction under this paragraph (2)(A) and shall  
2359 not constitute a criminal record for the purpose of private or  
2360 administrative inquiry and the record of each conviction shall be  
2361 expunged at the end of the period of two (2) years following the  
2362 date of such conviction;

2363                   2. Additionally, a person who is the operator  
2364 of a motor vehicle, who possesses on his person or knowingly keeps  
2365 or allows to be kept in a motor vehicle within the area of the  
2366 vehicle normally occupied by the driver or passengers, more than  
2367 one (1) gram, but not more than thirty (30) grams of marijuana or  
2368 not more than ten (10) grams of synthetic cannabinoids is guilty  
2369 of a misdemeanor and, upon conviction, may be fined not more than  
2370 One Thousand Dollars (\$1,000.00) or confined for not more than  
2371 ninety (90) days in the county jail, or both. For the purposes of  
2372 this subsection, such area of the vehicle shall not include the  
2373 trunk of the motor vehicle or the areas not normally occupied by  
2374 the driver or passengers if the vehicle is not equipped with a  
2375 trunk. A utility or glove compartment shall be deemed to be  
2376 within the area occupied by the driver and passengers;

2377                   (B) Marijuana:

2378                   1. If more than thirty (30) grams but less  
2379 than two hundred fifty (250) grams, by a fine of not more than One  
2380 Thousand Dollars (\$1,000.00), or confinement in the county jail  
2381 for not more than one (1) year, or both; or by a fine of not more  
2382 than Three Thousand Dollars (\$3,000.00), or imprisonment in the





2383 custody of the Department of Corrections for not more than three  
2384 (3) years, or both;

2385                   2. If two hundred fifty (250) or more grams  
2386 but less than five hundred (500) grams, by imprisonment for not  
2387 less than two (2) years nor more than eight (8) years or by a fine  
2388 of not more than Fifty Thousand Dollars (\$50,000.00), or both;

2389                   3. If five hundred (500) or more grams but  
2390 less than one (1) kilogram, by imprisonment for not less than four  
2391 (4) years nor more than sixteen (16) years or a fine of not more  
2392 than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both;

2393                   4. If one (1) kilogram or more but less than  
2394 five (5) kilograms, by imprisonment for not less than six (6)  
2395 years nor more than twenty-four (24) years or a fine of not more  
2396 than Five Hundred Thousand Dollars (\$500,000.00), or both;

2397                   5. If five (5) kilograms or more, by  
2398 imprisonment for not less than ten (10) years nor more than thirty  
2399 (30) years or a fine of not more than One Million Dollars  
2400 (\$1,000,000.00), or both.

2401                   (C) Synthetic cannabinoids:

2402                   1. If more than ten (10) grams but less than  
2403 twenty (20) grams, by a fine of not more than One Thousand Dollars  
2404 (\$1,000.00), or confinement in the county jail for not more than  
2405 one (1) year, or both; or by a fine of not more than Three  
2406 Thousand Dollars (\$3,000.00), or imprisonment in the custody of



2407 the Department of Corrections for not more than three (3) years,  
2408 or both;

2409                   2. If twenty (20) or more grams but less than  
2410 forty (40) grams, by imprisonment for not less than two (2) years  
2411 nor more than eight (8) years or by a fine of not more than Fifty  
2412 Thousand Dollars (\$50,000.00), or both;

2413                   3. If forty (40) or more grams but less than  
2414 two hundred (200) grams, by imprisonment for not less than four  
2415 (4) years nor more than sixteen (16) years or a fine of not more  
2416 than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both;

2417                   4. If two hundred (200) or more grams, by  
2418 imprisonment for not less than six (6) years nor more than  
2419 twenty-four (24) years or a fine of not more than Five Hundred  
2420 Thousand Dollars (\$500,000.00), or both.

2421                   (3) A controlled substance classified in Schedule III,  
2422 IV or V as set out in Sections 41-29-117 through 41-29-121, upon  
2423 conviction, may be punished as follows:

2424                   (A) If less than fifty (50) grams or less than one  
2425 hundred (100) dosage units, the offense is a misdemeanor and  
2426 punishable by not more than one (1) year or a fine of not more  
2427 than One Thousand Dollars (\$1,000.00), or both.

2428                   (B) If fifty (50) or more grams or one hundred  
2429 (100) or more dosage units, but less than one hundred fifty (150)  
2430 grams or five hundred (500) dosage units, by imprisonment for not



2431 less than one (1) year nor more than four (4) years or a fine of  
2432 not more than Ten Thousand Dollars (\$10,000.00), or both.

2433 (C) If one hundred fifty (150) or more grams or  
2434 five hundred (500) or more dosage units, but less than three  
2435 hundred (300) grams or one thousand (1,000) dosage units, by  
2436 imprisonment for not less than two (2) years nor more than eight  
2437 (8) years or a fine of not more than Fifty Thousand Dollars  
2438 (\$50,000.00), or both.

2439 (D) If three hundred (300) or more grams or one  
2440 thousand (1,000) or more dosage units, but less than five hundred  
2441 (500) grams or two thousand five hundred (2,500) dosage units, by  
2442 imprisonment for not less than four (4) years nor more than  
2443 sixteen (16) years or a fine of not more than Two Hundred Fifty  
2444 Thousand Dollars (\$250,000.00), or both.

2445 (d) **Paraphernalia.** (1) It is unlawful for a person who is  
2446 not authorized by the State Board of Medical Licensure, State  
2447 Board of Pharmacy, or other lawful authority to use, or to possess  
2448 with intent to use, paraphernalia to plant, propagate, cultivate,  
2449 grow, harvest, manufacture, compound, convert, produce, process,  
2450 prepare, test, analyze, pack, repack, store, contain, conceal,  
2451 inject, ingest, inhale or otherwise introduce into the human body  
2452 a controlled substance in violation of the Uniform Controlled  
2453 Substances Law. Any person who violates this subsection (d)(1) is  
2454 guilty of a misdemeanor and, upon conviction, may be confined in  
2455 the county jail for not more than six (6) months, or fined not



2456 more than Five Hundred Dollars (\$500.00), or both; however, no  
2457 person shall be charged with a violation of this subsection when  
2458 such person is also charged with the possession of thirty (30)  
2459 grams or less of marijuana under subsection (c) (2) (A) of this  
2460 section.

2461 (2) It is unlawful for any person to deliver, sell,  
2462 possess with intent to deliver or sell, or manufacture with intent  
2463 to deliver or sell, paraphernalia, knowing, or under circumstances  
2464 where one reasonably should know, that it will be used to plant,  
2465 propagate, cultivate, grow, harvest, manufacture, compound,  
2466 convert, produce, process, prepare, test, analyze, pack, repack,  
2467 store, contain, conceal, inject, ingest, inhale, or otherwise  
2468 introduce into the human body a controlled substance in violation  
2469 of the Uniform Controlled Substances Law. Except as provided in  
2470 subsection (d) (3), a person who violates this subsection (d) (2) is  
2471 guilty of a misdemeanor and, upon conviction, may be confined in  
2472 the county jail for not more than six (6) months, or fined not  
2473 more than Five Hundred Dollars (\$500.00), or both.

2474 (3) Any person eighteen (18) years of age or over who  
2475 violates subsection (d) (2) of this section by delivering or  
2476 selling paraphernalia to a person under eighteen (18) years of age  
2477 who is at least three (3) years his junior is guilty of a  
2478 misdemeanor and, upon conviction, may be confined in the county  
2479 jail for not more than one (1) year, or fined not more than One  
2480 Thousand Dollars (\$1,000.00), or both.



2481           (4) It is unlawful for any person to place in any  
2482 newspaper, magazine, handbill, or other publication any  
2483 advertisement, knowing, or under circumstances where one  
2484 reasonably should know, that the purpose of the advertisement, in  
2485 whole or in part, is to promote the sale of objects designed or  
2486 intended for use as paraphernalia. Any person who violates this  
2487 subsection is guilty of a misdemeanor and, upon conviction, may be  
2488 confined in the county jail for not more than six (6) months, or  
2489 fined not more than Five Hundred Dollars (\$500.00), or both.

2490           (e) It shall be unlawful for any physician practicing  
2491 medicine in this state to prescribe, dispense or administer any  
2492 amphetamine or amphetamine-like anorectics and/or central nervous  
2493 system stimulants classified in Schedule II, pursuant to Section  
2494 41-29-115, for the exclusive treatment of obesity, weight control  
2495 or weight loss. Any person who violates this subsection, upon  
2496 conviction, is guilty of a misdemeanor and may be confined for a  
2497 period not to exceed six (6) months, or fined not more than One  
2498 Thousand Dollars (\$1,000.00), or both.

2499           (f) **Trafficking.** (1) Any person trafficking in controlled  
2500 substances shall be guilty of a felony and, upon conviction, shall  
2501 be imprisoned for a term of not less than ten (10) years nor more  
2502 than forty (40) years and shall be fined not less than Five  
2503 Thousand Dollars (\$5,000.00) nor more than One Million Dollars  
2504 (\$1,000,000.00). The ten-year mandatory sentence shall not be  
2505 reduced or suspended. The person shall not be eligible for



2506 probation or parole, the provisions of Sections 41-29-149,  
2507 47-5-139, 47-7-3 and 47-7-33, to the contrary notwithstanding.

2508 (2) "Trafficking in controlled substances" as used  
2509 herein means:

2510 (A) A violation of subsection (a) of this section  
2511 involving thirty (30) or more grams or forty (40) or more dosage  
2512 units of a Schedule I or II controlled substance except marijuana  
2513 and synthetic cannabinoids;

2514 (B) A violation of subsection (a) of this section  
2515 involving five hundred (500) or more grams or two thousand five  
2516 hundred (2,500) or more dosage units of a Schedule III, IV or V  
2517 controlled substance;

2518 (C) A violation of subsection (c) of this section  
2519 involving thirty (30) or more grams or forty (40) or more dosage  
2520 units of a Schedule I or II controlled substance except marijuana  
2521 and synthetic cannabinoids;

2522 (D) A violation of subsection (c) of this section  
2523 involving five hundred (500) or more grams or two thousand five  
2524 hundred (2,500) or more dosage units of a Schedule III, IV or V  
2525 controlled substance; or

2526 (E) A violation of subsection (a) of this section  
2527 involving one (1) kilogram or more of marijuana or two hundred  
2528 (200) grams or more of synthetic cannabinoids.

2529 (g) **Aggravated trafficking.** Any person trafficking in  
2530 Schedule I or II controlled substances, except marijuana and



2531 synthetic cannabinoids, of two hundred (200) grams or more shall  
2532 be guilty of aggravated trafficking and, upon conviction, shall be  
2533 sentenced to a term of not less than twenty-five (25) years nor  
2534 more than life in prison and shall be fined not less than Five  
2535 Thousand Dollars (\$5,000.00) nor more than One Million Dollars  
2536 (\$1,000,000.00). The twenty-five-year sentence shall be a  
2537 mandatory sentence and shall not be reduced or suspended. The  
2538 person shall not be eligible for probation or parole, the  
2539 provisions of Sections 41-29-149, 47-5-139, 47-7-3 and 47-7-33, to  
2540 the contrary notwithstanding.

2541 (h) **Sentence mitigation.** (1) Notwithstanding any provision  
2542 of this section, a person who has been convicted of an offense  
2543 under this section that requires the judge to impose a prison  
2544 sentence which cannot be suspended or reduced and is ineligible  
2545 for probation or parole may, at the discretion of the court,  
2546 receive a sentence of imprisonment that is no less than  
2547 twenty-five percent (25%) of the sentence prescribed by the  
2548 applicable statute. In considering whether to apply the departure  
2549 from the sentence prescribed, the court shall conclude that:

2550 (A) The offender was not a leader of the criminal  
2551 enterprise;

2552 (B) The offender did not use violence or a weapon  
2553 during the crime;



2554 (C) The offense did not result in a death or  
2555 serious bodily injury of a person not a party to the criminal  
2556 enterprise; and

2557 (D) The interests of justice are not served by the  
2558 imposition of the prescribed mandatory sentence.

2559 The court may also consider whether information and  
2560 assistance were furnished to a law enforcement agency, or its  
2561 designee, which, in the opinion of the trial judge, objectively  
2562 should or would have aided in the arrest or prosecution of others  
2563 who violate this subsection. The accused shall have adequate  
2564 opportunity to develop and make a record of all information and  
2565 assistance so furnished.

2566 (2) If the court reduces the prescribed sentence  
2567 pursuant to this subsection, it must specify on the record the  
2568 circumstances warranting the departure.

2569 (i) **Mississippi Medical Cannabinoids.** This section does not  
2570 apply to any of the acts regarding the medical use of cannabis  
2571 that are lawful under the Mississippi Medical Cannabis Act. This  
2572 subsection shall stand repealed three (3) years after the  
2573 effective date of this act.

2574 **SECTION 36.** Section 41-29-141, Mississippi Code of 1972, is  
2575 amended as follows:

2576 41-29-141. (a) It is unlawful for any person:





2577 (1) Who is subject to Section 41-29-125 to distribute  
2578 or dispense a controlled substance in violation of Section  
2579 41-29-137;

2580 (2) Who is a registrant under Section 41-29-125 to  
2581 manufacture a controlled substance not authorized by his  
2582 registration, or to distribute or dispense a controlled substance  
2583 not authorized by his registration to another registrant or other  
2584 authorized person;

2585 (3) To refuse or fail to make, keep or furnish any  
2586 record, notification, order form, statement, invoice or  
2587 information required under this article;

2588 (4) To refuse a lawful entry into any premises for any  
2589 inspection authorized by this article; or

2590 (5) Knowingly to keep or maintain any store, shop,  
2591 warehouse, dwelling, building, vehicle, boat, aircraft, or other  
2592 structure or place, which is resorted to by persons using  
2593 controlled substances in violation of this article for the purpose  
2594 of using these substances, or which is used for keeping or selling  
2595 them in violation of this article.

2596 Any person who violates this section shall, with respect to  
2597 such violation, be subject to a civil penalty payable to the State  
2598 of Mississippi of not more than Twenty-five Thousand Dollars  
2599 (\$25,000.00).

2600 In addition to the civil penalty provided in the preceding  
2601 paragraph, any person who knowingly or intentionally violates this



2602 section shall be guilty of a crime and upon conviction thereof may  
2603 be confined for a period of not more than one (1) year or fined  
2604 not more than One Thousand Dollars (\$1,000.00), or both.

2605 (b) This section does not apply to any of the acts regarding  
2606 the medical use of cannabis that are lawful under the Mississippi  
2607 Medical Cannabis Act. This subsection (b) shall stand repealed  
2608 three (3) years after the effective date of this act.

2609 **SECTION 37.** Section 41-29-143, Mississippi Code of 1972, is  
2610 amended as follows:

2611 41-29-143. (a) It is unlawful for any person knowingly or  
2612 intentionally:

2613 (1) To distribute as a registrant a controlled  
2614 substance classified in Schedule I or II, as set out in Sections  
2615 41-29-113 and 41-29-115, except pursuant to an order form as  
2616 required by Section 41-29-135;

2617 (2) To use in the course of the manufacture or  
2618 distribution of a controlled substance a registration number which  
2619 is fictitious, revoked, suspended, or issued to another  
2620 person \* \* \*;

2621 (3) To furnish false or fraudulent material information  
2622 in, or omit any material information from, any application,  
2623 report, or other document required to be kept or filed under this  
2624 article, or any record required to be kept by this article; or

2625 (4) To make, distribute, or possess any punch, die,  
2626 plate, stone, or other thing designed to print, imprint, or



2627 reproduce the trademark, trade name, or other identifying mark,  
2628 imprint or device of another or any likeness of any of the  
2629 foregoing upon any drug or container or labeling thereof so as to  
2630 render the drug a counterfeit substance.

2631 Any person who violates this section is guilty of a crime and  
2632 upon conviction may be confined for not more than one (1) year or  
2633 fined not more than One Thousand Dollars (\$1,000.00) or both.

2634 (b) This section does not apply to any of the acts regarding  
2635 the medical use of cannabis that are lawful under the Mississippi  
2636 Medical Cannabis Act. This subsection (b) shall stand repealed  
2637 three (3) years after the effective date of this act.

2638 **SECTION 38.** This act shall stand repealed three (3) years  
2639 after its effective date.

2640 **SECTION 39.** This act shall take effect and be in force from  
2641 and after the date, if any, that the provisions of Initiative  
2642 Measure Number 65 of 2020 are enjoined or otherwise ruled of no  
2643 legal force and effect, and shall stand repealed on January 1,  
2644 2021.

