

Senate Amendments to House Bill No. 119

TO THE CLERK OF THE HOUSE:

THIS IS TO INFORM YOU THAT THE SENATE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

57 **SECTION 1.** Section 41-29-136, Mississippi Code of 1972, is
58 amended as follows:

59 41-29-136. (1) "CBD solution" means a pharmaceutical
60 preparation consisting of processed cannabis plant extract in oil
61 or other suitable vehicle.

62 (2) (a) CBD solution prepared from (i) Cannabis plant
63 extract that is provided by the National Center for Natural
64 Products Research at the University of Mississippi under
65 appropriate federal and state regulatory approvals, or (ii)
66 Cannabis extract from hemp produced pursuant to Sections 69-25-201
67 through 69-25-221, which is prepared and tested to meet compliance
68 with regulatory specifications, may be dispensed by the Department
69 of Pharmacy Services at the University of Mississippi Medical
70 Center (UMMC Pharmacy) after mixing the extract with a suitable
71 vehicle. The CBD solution may be prepared by the UMMC Pharmacy or
72 by another pharmacy or laboratory in the state under appropriate
73 federal and state regulatory approvals and registrations.

74 (b) The patient or the patient's parent, guardian or
75 custodian must execute a hold-harmless agreement that releases
76 from liability the state and any division, agency, institution or
77 employee thereof involved in the research, cultivation,
78 processing, formulating, dispensing, prescribing or administration
79 of CBD solution obtained from entities authorized under this
80 section to produce or possess cannabidiol for research under
81 appropriate federal and state regulatory approvals and
82 registrations.

83 (c) The National Center for Natural Products Research
84 at the University of Mississippi and the Mississippi Agricultural
85 and Forestry Experiment Station at Mississippi State University
86 are the only entities authorized to produce cannabis plants for
87 cannabidiol research.

88 (d) Research of CBD solution under this section must
89 comply with the provisions of Section 41-29-125 regarding lawful
90 possession of controlled substances, of Section 41-29-137
91 regarding record-keeping requirements relative to the dispensing,
92 use or administration of controlled substances, and of Section
93 41-29-133 regarding inventory requirements, insofar as they are
94 applicable. Authorized entities may enter into public-private
95 partnerships to facilitate research.

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

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

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

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

113 (c) An employee of the state or any division, agency,
114 institution thereof involved in the research, cultivation,
115 processing, formulation, dispensing, prescribing or administration
116 of CBD solution shall not be subject to prosecution for unlawful
117 possession, use, distribution or prescription of marijuana under
118 the laws of this state for activities arising from or related to
119 the use of CBD solution in the treatment of individuals diagnosed
120 with a debilitating epileptic condition.

121 (4) This section shall be known as "Harper Grace's Law."

122 (5) This section shall stand repealed from and after July
123 1, * * * 2024.

124 **SECTION 2.** **Title.** Sections 2 through 26 of this act shall
125 be known and may be cited as the "Mississippi Medical Cannabis
126 Act."

127 **SECTION 3.** **Definitions.** For purposes of this act, unless
128 the context requires otherwise, the following terms shall have the
129 meanings ascribed herein:

130 (a) "Allowable amount of cannabis" means a dispensary
131 shall not provide to a qualifying patient, during any one (1)
132 fourteen-day period, an amount of medical cannabis that exceeds
133 two and one-half (2.5) ounces by weight. At no one (1) time shall
134 a qualified patient possess more than two and one-half (2.5)
135 ounces of medical cannabis. The weight limitation herein shall
136 not include any ingredients combined with medical cannabis to
137 prepare edible products, topical products, ointments, oils,
138 tinctures, or other products.

139 (b) "Bona fide practitioner-patient relationship"
140 means:

141 (i) A practitioner and patient have a treatment or
142 consulting relationship, during the course of which the
143 practitioner has completed an assessment of the patient's medical
144 history and current medical condition;

145 (ii) The practitioner has consulted with the
146 patient with respect to the patient's debilitating medical
147 condition; and

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

150 (c) "Cannabis" means all parts of the plant of the
151 genus cannabis, the flower, the seeds thereof, the resin extracted
152 from any part of the plant, and every compound, manufacture, salt,
153 derivative, mixture, or preparation of the plant, its seeds, or
154 its resin, including whole plant extracts.

155 (d) "Cannabis products" means concentrated cannabis,
156 cannabis extracts, and products that are infused with cannabis or
157 an extract thereof and are intended for use or consumption by
158 humans. The term includes, without limitation, edible cannabis
159 products, beverages, topical products, ointments, oils, and
160 tinctures that contain tetrahydrocannabinol except those excluded
161 from control under Sections 41-29-113 and 41-29-136.

162 (e) "Cannabis research facility" or "research facility"
163 means an independent entity registered with MDAC pursuant to this
164 act that acquires cannabis from cultivation-processing facilities
165 in order to possess, deliver, transfer, and transport medical
166 cannabis products during the process of investigating and
167 analyzing cannabis in order to develop best practices for specific
168 medical conditions, develop medicines, and provide commercial
169 access for medical use.

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

173 (g) "Cardholder" means a qualifying patient or a
174 designated caregiver who has been issued and possesses a valid
175 registry identification card.

176 (h) "Cultivation-processing facility" means an entity
177 licensed by MDAC and registered with the Department of Revenue
178 that acquires, possesses, grows, cultivates, harvests, processes,
179 manufactures, delivers, transfers, transports, supplies, and sells
180 cannabis and related supplies to medical cannabis establishments,
181 pharmacies, and hospitals.

182 (i) "Debilitating medical condition" means:

183 (i) Cancer, Parkinson's disease, Huntington's
184 disease, muscular dystrophy, glaucoma, spastic quadriplegia,
185 positive status for human immunodeficiency virus (HIV), acquired
186 immune deficiency syndrome (AIDS), hepatitis, amyotrophic lateral
187 sclerosis (ALS), Crohn's disease, ulcerative colitis, sickle-cell
188 anemia, Alzheimer's disease, agitation of dementia, post-traumatic
189 stress disorder, autism with self-injurious or aggressive
190 behavior, pain refractory to appropriate opioid management, spinal
191 cord disease or severe injury, or the treatment of these
192 conditions;

193 (ii) A chronic or debilitating disease or medical
194 condition, or its treatment, that produces one or more of the
195 following: cachexia or wasting syndrome; chronic or debilitating
196 pain; severe or intractable nausea; seizures; or severe and
197 persistent muscle spasms, including, but not limited to, those
198 characteristic of multiple sclerosis; or

199 (iii) Any other serious medical condition or its
200 treatment added by the department, as provided for in Section 7 of
201 this act.

202 (j) "Department" means the Mississippi State Department
203 of Health.

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

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

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

210 (iii) Has not been convicted of a disqualifying
211 felony offense; and

212 (iv) Assists no more than the number of qualifying
213 patients allowed by department regulations with their medical use
214 of cannabis, unless the designated caregiver's qualifying patients
215 each reside in or are admitted to a health care facility or
216 residential care facility where the designated caregiver is
217 employed.

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

220 (l) "Disqualifying felony offense" means:

221 (i) A crime of violence, as defined in Section
222 97-3-2, or that was defined as a violent crime in the law of the
223 jurisdiction in which the offense was committed, and that was
224 classified as a felony in the jurisdiction where the person was
225 convicted;

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

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

232 2. An offense that consisted of conduct for
233 which this act would likely have prevented a conviction, but the
234 conduct either occurred before the effective date of this act or
235 was prosecuted by an authority other than the State of
236 Mississippi; or

237 (iii) Embezzlement.

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

239 (i) Contain or are infused with cannabis or an
240 extract thereof;

241 (ii) Are intended for human consumption by oral
242 ingestion; and

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

245 (n) "MDAC" means the Mississippi Department of
246 Agriculture and Commerce.

247 (o) "Medical cannabis" means cannabis, cannabis
248 products, and edible cannabis.

249 (p) "Medical cannabis dispensary" or "dispensary" means
250 an entity registered with the Department of Revenue that acquires,
251 possesses, stores, delivers, transfers, transports, sells,

252 supplies, or dispenses medical cannabis, paraphernalia, or related
253 supplies and educational materials to cardholders.

254 (q) "Medical cannabis establishment" means a
255 cultivation facility or processing facility, a cannabis testing
256 facility, dispensary, cannabis research facility, or other medical
257 cannabis entity licensed by the appropriate agency and registered
258 with the Department of Revenue.

259 (r) "Medical cannabis establishment agent" means an
260 owner, officer, board member, employee, volunteer, or agent of a
261 medical cannabis establishment.

262 (s) "Medical use" includes the acquisition,
263 administration, cultivation, manufacture, delivery, harvest,
264 possession, preparation, transfer, transportation, or use of
265 medical cannabis or paraphernalia relating to the administration
266 of medical cannabis to treat or alleviate a registered qualifying
267 patient's debilitating medical condition or symptoms associated
268 with the patient's debilitating medical condition. The term does
269 not include:

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

272 (ii) The extraction of resin from cannabis by
273 solvent extraction unless the extraction is done by a cannabis
274 product cultivation-processing facility.

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

276 (i) Has been diagnosed with a debilitating medical
277 condition by a practitioner, or is the parent, guardian,

278 conservator, or other person with authority to consent to the
279 medical treatment of a person who has been diagnosed with a
280 debilitating medical condition;

281 (ii) Is not a resident of Mississippi or who has
282 been a resident of Mississippi for less than forty-five (45) days;
283 and

284 (iii) Has submitted any documentation required by
285 department regulations and has received confirmation of
286 registration.

287 (u) "Other minority group" shall mean an individual who
288 is: (a) Hispanic American; (b) American Indian; (c) Asian
289 American; (d) Pacific Islander American; (e) a woman; or (f) a
290 service-connected veteran with a service-connected disability as
291 designated by the United States Department of Veterans Affairs.

292 (v) "Practitioner" or "licensed medical provider" means
293 a physician, nurse practitioner, optometrist, dentist, or other
294 medical professional who is licensed to practice with authority to
295 prescribe drugs to humans. In relation to a nonresident
296 cardholder, the terms mean a physician, nurse practitioner,
297 optometrist, dentist or chiropractor or other medical professional
298 who is licensed with authority to prescribe drugs to humans in the
299 state of the patient's residence.

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

303 (x) "Registry identification card" means a document
304 issued by the department that identifies a person as a registered
305 qualifying patient or registered designated caregiver, or
306 documentation that is deemed a registry identification card under
307 Section 12 of this act.

308 (y) "Written certification" means a form approved by
309 the department, signed and dated by a practitioner, certifying
310 that a person suffers from a debilitating medical condition. The
311 certification shall remain current for twelve (12) months, unless
312 the practitioner specifies a shorter period of time, and shall be
313 issued only after an assessment of the patient by a practitioner.
314 A certification shall only be issued on behalf of a minor when the
315 minor's parent or guardian is present and provides signed consent.
316 Nothing herein shall require a practitioner to issue a
317 certification.

318 **SECTION 4. Protections for the medical use of cannabis.** (1)

319 A cardholder who possesses a valid registry identification card is
320 not subject to arrest, prosecution, or penalty in any manner, or
321 denial of any right or privilege, including any civil penalty or
322 disciplinary action by a court or occupational or professional
323 licensing board or bureau for:

324 (a) The medical use of cannabis under this act, if the
325 cardholder does not possess more than the allowable amount of
326 cannabis;

327 (b) Reimbursement by a registered qualifying patient to
328 the patient's registered designated caregiver for direct costs

329 incurred by the registered designated caregiver for assisting with
330 the registered qualifying patient's medical use of cannabis;

331 (c) Transferring cannabis to a testing facility for
332 testing;

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

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

338 (2) A nonresident cardholder shall not be subject to arrest,
339 prosecution, or penalty in any manner, or denied any right or
340 privilege, including, but not limited to, civil penalty or
341 disciplinary action by a business or occupational or professional
342 licensing board or entity, for transporting, purchasing,
343 possessing, or using medical cannabis pursuant to this act if the
344 nonresident cardholder does not possess more than the allowable
345 amount of cannabis.

346 (3) There is a presumption that a qualifying patient or
347 designated caregiver is engaged in the medical use of cannabis
348 under this act if the person is in possession of a registry
349 identification card and an amount of cannabis that does not exceed
350 the allowable amount. The presumption may be rebutted by evidence
351 that conduct related to cannabis was not for the purpose of
352 treating or alleviating a qualifying patient's debilitating
353 medical condition or symptoms associated with the qualifying
354 patient's debilitating medical condition under this act.

355 (4) A practitioner shall not be subject to arrest,
356 prosecution, or penalty in any manner, or denied any right or
357 privilege, including, but not limited to, civil penalty or
358 disciplinary action by the State Board of Medical Licensure or by
359 any other occupational or professional licensing board or bureau,
360 for providing written certifications or for otherwise stating
361 that, in the practitioner's professional opinion, a patient is
362 likely to receive medical or palliative benefit from the medical
363 use of cannabis to treat or alleviate the patient's serious or
364 debilitating medical condition or symptoms associated with the
365 serious or debilitating medical condition, provided that nothing
366 in this act shall prevent a practitioner from being sanctioned
367 for:

368 (a) Issuing a written certification to a patient with
369 whom the practitioner does not have a bona fide
370 practitioner-patient relationship; or

371 (b) Failing to properly evaluate a patient's medical
372 condition.

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

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

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

384 (a) Providing or selling paraphernalia to a cardholder,
385 nonresident cardholder, or to a medical cannabis establishment;

386 (b) Being in the presence or vicinity of the medical
387 use of cannabis that is exempt from criminal penalties under this
388 act;

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

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

394 (8) A medical cannabis establishment or a medical cannabis
395 establishment agent is not subject to prosecution, search, or
396 inspection, except by its licensing agency, under Section 18 of
397 this act, or to seizure, or to penalty in any manner, and may not
398 be denied any right or privilege, including civil penalty or
399 disciplinary action by a court or business licensing board or
400 entity, for acting pursuant to this act and rules authorized by
401 this act to engage in activities related to medical cannabis that
402 are allowed by its registration.

403 (9) A dispensary, a dispensary agent, pharmacy, pharmacy
404 agent, hospital, or hospital agent is not subject to prosecution,
405 search, or inspection, except by the licensing agency, under

406 Section 18 of this act, or to seizure, or to penalty in any
407 manner, and may not be denied any right or privilege, including
408 civil penalty or disciplinary action by a court or business
409 licensing board or entity, for acting pursuant to this act and
410 rules authorized by this act to:

411 (a) Possess, transport, and store medical cannabis
412 products;

413 (b) Deliver, transfer, and transport medical cannabis
414 to testing facilities and compensate testing facilities for
415 services provided;

416 (c) Accept medical cannabis products offered by a
417 cardholder or nonresident cardholder if nothing of value is
418 exchanged in return;

419 (d) Purchase or otherwise acquire medical cannabis
420 products from cultivation-processing facilities, dispensaries,
421 pharmacies, or hospitals; and

422 (e) Deliver, sell, supply, transfer, or transport
423 medical cannabis products, and paraphernalia, and related supplies
424 and educational materials to cardholders, nonresident cardholders,
425 dispensaries, pharmacies, and hospitals.

426 (10) A cultivation-processing facility or a
427 cultivation-processing facility agent is not subject to
428 prosecution, search, or inspection, except by MDAC pursuant to
429 Section 18 of this act, seizure, or penalty in any manner, and may
430 not be denied any right or privilege, including civil penalty or
431 disciplinary action by a court or business licensing board or

432 entity, for acting pursuant to this act and rules authorized by
433 this act to:

434 (a) Possess, plant, propagate, cultivate, grow,
435 harvest, produce, process, manufacture, compound, convert,
436 prepare, pack, repack, or store medical cannabis;

437 (b) Deliver, transfer, or transport medical cannabis
438 and cannabis products to testing facilities and compensate testing
439 facilities for services provided;

440 (c) Accept medical cannabis products offered by a
441 cardholder or nonresident cardholder if nothing of value is
442 exchanged in return;

443 (d) Purchase or otherwise acquire medical cannabis and
444 cannabis products from medical cannabis establishments;

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

448 (f) Deliver, sell, supply, transfer, or transport
449 medical cannabis products, paraphernalia, and related supplies and
450 educational materials to cultivation-processing facilities,
451 dispensaries, pharmacies, and hospitals.

452 (11) A cannabis research facility or a cannabis research
453 facility agent is not subject to prosecution, search, or
454 inspection, except by MDAC as authorized under this act, seizure,
455 or penalty in any manner, and may not be denied any right or
456 privilege, including civil penalty or disciplinary action by a

457 court or business licensing board or entity, for acting pursuant
458 to this act and rules authorized by this act to:

459 (a) Purchase or otherwise acquire medical cannabis from
460 cultivation-processing facilities;

461 (b) Possess, produce, manufacture, compound, convert,
462 prepare, pack, repack, and store medical cannabis and cannabis
463 products;

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

467 (d) Deliver, transfer, or transport medical cannabis to
468 testing facilities and compensate testing facilities for services
469 provided;

470 (e) Deliver, sell, supply, transfer, or transport
471 medical cannabis, paraphernalia, and related supplies and
472 educational materials to cannabis cultivation-processing
473 facilities.

474 (12) A testing facility or testing facility agent is not
475 subject to prosecution, search, or inspection, except by MDAC
476 pursuant to Section 18 of this act, seizure, or penalty in any
477 manner, and may not be denied any right or privilege, including
478 civil penalty or disciplinary action by a court or business
479 licensing board or entity, for acting pursuant to this act and
480 rules authorized by this act to:

481 (a) Acquire, possess, transport, and store medical
482 cannabis and cannabis products obtained from cardholders,
483 nonresident cardholders, and medical cannabis establishments;

484 (b) Return the cannabis and cannabis products to the
485 cardholders, nonresident cardholders, and medical cannabis
486 establishments from whom it was obtained;

487 (c) Test cannabis, including for potency, pesticides,
488 mold, or contaminants; and

489 (d) Receive compensation for those services.

490 (13) A cardholder, nonresident cardholder, or the equivalent
491 of a medical cannabis establishment that is registered in another
492 jurisdiction may sell or donate cannabis seeds to
493 cultivation-processing facilities.

494 (14) Any medical cannabis, cannabis product, paraphernalia,
495 or other interest in or right to property that is possessed,
496 owned, or used in connection with the medical use of cannabis as
497 allowed under this act, or acts incidental to such use, shall not
498 be seized or forfeited. This act shall not prevent the seizure or
499 forfeiture of cannabis exceeding the amounts allowed under this
500 act, nor shall it prevent seizure or forfeiture if the basis for
501 the action is unrelated to the cannabis that is possessed,
502 manufactured, transferred, or used pursuant to this act.

503 (15) Possession of, or application for, a registry
504 identification card does not constitute probable cause or
505 reasonable suspicion, nor shall it be used to support a search of
506 the person or property of the person possessing or applying for

507 the registry identification card, or otherwise subject the person
508 or property of the person to inspection by any governmental
509 agency.

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

513 (17) No law enforcement officer employed by an agency which
514 receives state or local government funds shall expend any state or
515 local resources, including the officer's time, to effect any
516 arrest or seizure of medical cannabis, or conduct any
517 investigation, on the sole basis of activity the officer believes
518 to constitute a violation of federal law if the officer has reason
519 to believe that such activity is in compliance with state medical
520 cannabis laws, nor shall any such officer expend any state or
521 local resources, including the officer's time, to provide any
522 information or logistical support related to such activity to any
523 federal law enforcement authority or prosecuting entity.

524 (18) It is the public policy of the State of Mississippi
525 that contracts related to medical cannabis that are entered into
526 by cardholders, medical cannabis establishments, or medical
527 cannabis establishment agents, and those who allow property to be
528 used by those persons, should be enforceable. It is the public
529 policy of the State of Mississippi that no contract entered into
530 by a cardholder, a medical cannabis establishment, or a medical
531 cannabis establishment agent, or by a person who allows property
532 to be used for activities that are exempt from state criminal

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

535 (19) Before sale, food or drink that has been combined with
536 usable cannabis or cannabis products shall not exceed twenty
537 milligrams (20mg) of active tetrahydrocannabinol (THC) per portion
538 and shall be physically demarked. If portions of the food or
539 drink cannot be physically demarked, the entirety of the food or
540 drink that has been combined with usable cannabis or cannabis
541 products shall not contain more than twenty milligrams (20mg) of
542 active tetrahydrocannabinol (THC).

543 **SECTION 5. Limitations.** This act does not authorize any
544 person to engage in, and does not prevent the imposition of any
545 civil, criminal, or other penalties for engaging in, the following
546 conduct:

547 (a) Undertaking any task under the influence of
548 cannabis, when doing so would constitute negligence or
549 professional malpractice;

550 (b) Possessing cannabis or otherwise engaging in the
551 medical use of cannabis in any correctional facility, unless the
552 correctional facility has elected to allow the cardholder to
553 engage in the use of medical cannabis;

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

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

558 **SECTION 6. Discrimination prohibited.** (1) No school or
559 landlord may refuse to enroll or lease to and may not otherwise
560 penalize a person solely for the person's status as a cardholder,
561 unless failing to do so would violate federal law or regulations
562 or cause the school or landlord to lose a monetary or
563 licensing-related benefit under federal law or regulations.

564 (2) For the purposes of medical care, including organ and
565 tissue transplants, a registered qualifying patient's use of
566 cannabis according to this act is considered the equivalent of the
567 authorized use of any other medication used at the discretion of a
568 practitioner and does not constitute the use of an illicit
569 substance or otherwise disqualify a qualifying patient from needed
570 medical care.

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

578 (4) The rights provided by this section do not apply to the
579 extent that they conflict with an employer's obligations under
580 federal law or regulations or to the extent that they would
581 disqualify an employer from a monetary or licensing-related
582 benefit under federal law or regulations.

583 (5) No employer is required to allow the ingestion of
584 cannabis in any workplace or to allow any employee to work while
585 under the influence of cannabis. A registered qualifying patient
586 shall not be considered to be under the influence of cannabis
587 solely because of the presence of metabolites or components of
588 cannabis that appear in insufficient concentration to cause
589 impairment.

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

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

596 **SECTION 7. Addition of debilitating medical conditions.** Any
597 resident of Mississippi may petition the department to add serious
598 medical conditions or their treatments to the list of debilitating
599 medical conditions listed in Section 3 of this act. The
600 department shall consider petitions in accordance with its
601 regulations, including public notice and hearing. The department
602 shall approve or deny a petition within sixty (60) days of its
603 submission. The approval or denial of any petition is a final
604 decision of the department, subject to judicial review.
605 Jurisdiction and venue for judicial review are vested in the
606 circuit court.

607 **SECTION 8. Acts not required and acts not prohibited.** (1)
608 Nothing in this act requires a government medical assistance

609 program or private insurer to reimburse a person for costs
610 associated with the medical use of cannabis.

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

614 **SECTION 9. Facility restrictions.** (1) Any nursing care
615 institution, hospice, assisted living center, assisted living
616 facility, assisted living home, residential care institution,
617 adult day health care facility, or adult foster care home may
618 adopt reasonable restrictions on the use of cannabis by their
619 residents or persons receiving inpatient services, including:

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

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

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

627 (2) Nothing in this section requires a facility listed in
628 subsection (1) of this section to adopt restrictions on the
629 medical use of cannabis.

630 (3) A facility listed in subsection (1) of this section may
631 not unreasonably limit a registered qualifying patient's access to
632 or use of cannabis authorized under this act unless failing to do
633 so would cause the facility to lose a monetary or
634 licensing-related benefit under federal law or regulations.

635 **SECTION 10. Issuance and denial of registry identification**

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

640 (a) Medical records evidencing a diagnosis of a
641 debilitating medical condition or a written certification issued
642 by a practitioner within ninety (90) days immediately preceding
643 the date of the application;

644 (b) The application or renewal fee;

645 (c) The name, address, and date of birth of the
646 qualifying patient, except that if the applicant is homeless, no
647 address is required;

648 (d) The name, address, and telephone number of the
649 qualifying patient's practitioner issuing the written
650 certification;

651 (e) The name, address, and date of birth of the
652 designated caregiver, or designated caregivers, chosen by the
653 qualifying patient; and

654 (f) If more than one (1) designated caregiver is
655 designated at any given time, documentation demonstrating that a
656 greater number of designated caregivers is needed due to the
657 patient's age or medical condition.

658 (2) If the qualifying patient is unable to submit the
659 information required by subsection (1) of this section due to the
660 person's age or medical condition, the person responsible for

661 making medical decisions for the qualifying patient may do so on
662 behalf of the qualifying patient.

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

665 (a) Verify the information contained in an application
666 or renewal submitted under this act and approve or deny an
667 application or renewal within thirty (30) days of receiving a
668 completed application or renewal application;

669 (b) Issue registry identification cards to a qualifying
670 patient and his or her designated caregiver(s), if any, within
671 five (5) days of approving the application or renewal. A
672 designated caregiver must have a registry identification card for
673 each of his or her qualifying patients; and

674 (c) Enter the registry identification number of the
675 dispensary, dispensaries, pharmacy or pharmacies the patient
676 designates into the verification system.

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

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

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

687 (b) The custodial parent or legal guardian with
688 responsibility for health care decisions for the qualifying
689 patient consents in writing to:

690 (i) Allow the qualifying patient's use of medical
691 cannabis;

692 (ii) Serve as the qualifying patient's designated
693 caregiver; and

694 (iii) Control the acquisition of the medical
695 cannabis, the dosage, and the frequency of the use of medical
696 cannabis by the qualifying patient.

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

700 (a) Did not provide the required information or
701 materials;

702 (b) Previously had a registry identification card
703 revoked; or

704 (c) Provided false information.

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

708 (a) The designated caregiver does not meet the
709 definition under Section 3 of this act;

710 (b) The applicant did not provide the information
711 required;

712 (c) The designated caregiver previously had a registry
713 identification card revoked; or

714 (d) The applicant or the designated caregiver provided
715 false information.

716 (8) The department shall give written notice to the
717 qualifying patient of the reason for denying a registry
718 identification card to the qualifying patient or to the qualifying
719 patient's designated caregiver.

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

723 (10) Until a qualifying patient who has submitted an
724 application to the department receives a registry identification
725 card or a rejection, a copy of the individual's application,
726 written certification, and proof that the application was
727 submitted to the department shall be deemed a registry
728 identification card.

729 (11) Until a designated caregiver whose qualifying patient
730 has submitted an application and the required fees receives a
731 registry identification card or a rejection, a copy of the
732 qualifying patient's application, written certification, and proof
733 that the application was submitted to the department shall be
734 deemed a registry identification card.

735 **SECTION 11. Registry identification cards.** (1) Registry
736 identification cards must contain all of the following:

737 (a) The name of the cardholder;

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

740 (c) The date of issuance and expiration date of the
741 registry identification card;

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

745 (e) If the cardholder is a designated caregiver, the
746 random identification number of the qualifying patient the
747 designated caregiver will assist;

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

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

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

754 (3) If the practitioner stated in the written certification
755 that the qualifying patient would benefit from cannabis until a
756 specified earlier date, then the registry identification card
757 shall expire on that date.

758 **SECTION 12. Temporary registry identification cards.** (1)
759 Until sixty (60) days after the department makes applications
760 available, a valid, written certification issued within the
761 previous year shall be deemed a registry identification card for a
762 qualifying patient.

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

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

768 (b) A signed affidavit attesting that the person has
769 significant responsibility for managing the well-being of the
770 patient and that the person has been chosen to assist the
771 qualifying patient.

772 **SECTION 13. Verification system.** (1) The department shall
773 maintain a confidential list of the persons to whom the department
774 has issued registry identification cards and their addresses,
775 phone numbers, and registry identification numbers. This
776 confidential list shall not be combined or linked in any manner
777 with any other list or database, nor shall it be used for any
778 purpose not provided for in this act.

779 (2) All records containing the identity of qualifying
780 patients, caregivers or practitioners shall be confidential and
781 exempt from disclosure under the Mississippi Public Records Act of
782 any related statute, rule or regulation pertaining to public
783 disclosure of records. Within ninety (90) days after the
784 effective date of this act, the department shall establish a
785 secure phone or internet-based verification system. The
786 verification system must allow law enforcement personnel and
787 medical cannabis establishments to enter a registry identification

788 number to determine whether the number corresponds with a current,
789 valid registry identification card. The system may disclose only:

790 (a) Whether the identification card is valid;

791 (b) The name of the cardholder;

792 (c) Whether the cardholder is a qualifying patient or a
793 designated caregiver;

794 (d) The registry identification number of any
795 affiliated registered qualifying patient; and

796 (e) The registry identification of the qualifying
797 patient's dispensary, dispensaries, pharmacy or pharmacies, if
798 any.

799 **SECTION 14. Notifications to department and responses.** (1)

800 The following notifications and department responses are required:

801 (a) A registered qualifying patient shall notify the
802 department of any change in his or her name or address, or if the
803 registered qualifying patient ceases to have his or her
804 debilitating medical condition, within twenty (20) days of the
805 change.

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

810 (c) Before a registered qualifying patient changes his
811 or her designated caregiver, the qualifying patient must notify
812 the department.

813 (d) When a registered qualifying patient changes his or
814 her preference as to the cultivation-processing facility that may
815 cultivate medical cannabis unique to specific needs for the
816 qualifying patient, the qualifying patient must notify the
817 department.

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

821 (f) Before a registered qualifying patient changes his
822 or her designated dispensary, the qualifying patient must notify
823 the department.

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

828 (3) When a cardholder notifies the department of items
829 listed in subsection (1) of this section but remains eligible
830 under this act, the department shall issue the cardholder a new
831 registry identification card with a new random ten-digit
832 alphanumeric identification number within ten (10) days of
833 receiving the updated information. If the person notifying the
834 department is a registered qualifying patient, the department
835 shall also issue his or her registered designated caregiver, if
836 any, a new registry identification card within ten (10) days of
837 receiving the updated information.

838 (4) If the registered qualifying patient's certifying
839 practitioner notifies the department in writing that either the
840 registered qualifying patient has ceased to suffer from a
841 debilitating medical condition or that the practitioner no longer
842 believes the patient would receive medical or palliative benefit
843 from the use of medical cannabis, the card shall become null and
844 void. However, the registered qualifying patient has fifteen (15)
845 days to return any unused cannabis to the dispensing dispensary or
846 pharmacy.

847 (5) A medical cannabis establishment shall notify the
848 department within one (1) business day of any theft or loss of
849 cannabis.

850 **SECTION 15. Affirmative defense and dismissal for medical**

851 **cannabis.** (1) Except as provided in Section 5 of this act and
852 this section, a person may assert the medical purpose for using
853 cannabis as a defense to any prosecution involving cannabis, and
854 such defense shall be presumed valid where the evidence shows
855 that:

856 (a) A practitioner has stated that, in the
857 practitioner's professional opinion, after having completed a full
858 assessment of the person's medical history and current medical
859 condition made in the course of a bona fide practitioner-patient
860 relationship, the patient has a debilitating medical condition and
861 the potential benefits of using medical cannabis would likely
862 outweigh the health risks for the person;

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

865 (c) The person was engaged in the acquisition,
866 possession, use, or transportation of cannabis, paraphernalia, or
867 both, relating to the administration of cannabis to treat or
868 alleviate the individual's debilitating medical condition or
869 symptoms associated with the individual's debilitating medical
870 condition.

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

873 (a) The person had a registry identification card
874 revoked for misconduct; or

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

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

881 (4) If an individual demonstrates the individual's medical
882 purpose for using cannabis pursuant to this section, except as
883 provided in Section 5 of this act, the individual shall not be
884 subject to the following for the individual's use of cannabis for
885 medical purposes:

886 (a) Disciplinary action by an occupational or
887 professional licensing board or bureau; or

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

890 **SECTION 16. Licensing of medical cannabis establishments.**

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

894 (2) The cultivation-processing facility license application
895 fee shall be a nonrefundable fee of Fifteen Thousand Dollars
896 (\$15,000.00), and the initial medical cannabis dispensary license
897 fee shall be a nonrefundable fee of Five Thousand Dollars
898 (\$5,000.00). Each cultivation-processing facility shall be
899 subject to an annual license renewal fee of Eight Thousand Dollars
900 (\$8,000.00). Each medical cannabis dispensary shall be subject to
901 an annual license renewal fee of Two Thousand Five Hundred Dollars
902 (\$2,500.00).

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

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

910 (5) A dispensary shall appoint a pharmacist consultant who
911 is a pharmacist licensed with the Mississippi State Board of
912 Pharmacy.

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

915 (7) Minimum qualifications for applicants for a
916 cultivation-processing facility and/or dispensary license(s) are
917 as follows:

918 (a) An individual applicant for a medical cannabis
919 cultivation facility or medical cannabis dispensary license shall
920 be a natural person who:

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

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

925 (iii) Has not previously held a license for a
926 cultivation-processing facility or dispensary that has been
927 revoked;

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

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

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

934 (vii) Has no outstanding tax delinquencies owed to
935 the State of Mississippi.

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

- 939 (i) Be legally authorized to submit an application
940 on behalf of the entity;
- 941 (ii) Serve as the primary point of contact with
942 MDAC;
- 943 (iii) Submit sufficient proof that:
- 944 1. The entity has no owner, board member,
945 officer, or anyone with an economic interest in the entity who is
946 under the age of twenty-one (21);
- 947 2. At least sixty percent (60%) of the equity
948 ownership interests in the entity are held by individuals who have
949 been residents of the State of Mississippi for at least five (5)
950 consecutive years prior to the application date and any attempt to
951 avoid this provision may result in denial of an application and
952 revocation of a license;
- 953 3. The entity has at least one (1) owner who
954 is an African American or one (1) owner who is a member of any
955 other minority group as defined herein;
- 956 4. The entity has no owner, board member,
957 officer, or anyone with an economic interest in the entity who has
958 previously been an owner of a dispensary or cultivation-processing
959 facility that has had its license revoked;
- 960 5. The entity has no owner, board member,
961 officer, or anyone with an economic interest in the entity who has
962 ownership in any other medical cannabis cultivation facility or
963 more than five (5) medical cannabis dispensaries in the State of
964 Mississippi;

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

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

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

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

977 1. Mississippi Tax Return Form 80-105 or Form
978 80-205 for each of the five (5) years preceding the application
979 without schedules, worksheets, or attachments, and redacted to
980 remove all financial information and all but the last four (4)
981 digits of the individual's social security number for the five (5)
982 years preceding the application;

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

985 3. Ownership, lease, or rental documents for
986 place of primary domicile for the five (5) years preceding the
987 application;

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

990 5. Vehicle registration for the five (5)
991 years preceding the application.

992 (8) Ownership in a medical cannabis cultivation-processing
993 facility license or a dispensary license or investment in a
994 business that supports or benefits from such a license shall not
995 disqualify or otherwise negatively impact the license or finding
996 of suitability of such owner who is otherwise engaged in any other
997 form of business operation in the state, should such business
998 require the owner to hold a license or be found suitable under
999 state law.

1000 (9) The number of test facilities, pharmacies, hospitals,
1001 and research facilities shall not be limited. MDAC shall begin
1002 accepting and processing applications under this subsection upon
1003 the passage of this act. All test facilities, pharmacies,
1004 hospitals and research facilities shall be subject to an
1005 application fee of Five Thousand Dollars (\$5,000.00), and an
1006 annual license renewal fee of Three Thousand Dollars (\$3,000.00).
1007 No later than sixty (60) days after receiving an application for
1008 any medical cannabis establishment other than a cultivation
1009 processing facility or dispensary, MDAC shall register the
1010 prospective medical cannabis establishment and issue a
1011 registration certificate and a random ten-digit alphanumeric
1012 identification number if all of the conditions in Section 18(2) of
1013 this act are satisfied. The research facility at the University
1014 of Mississippi shall be exempt from all fees imposed under this
1015 subsection.

1016 (10) All business or state entities applying for
1017 registration as a medical cannabis establishment must meet all the
1018 requirements specified in Section 18(2) of this act.

1019 (11) A prospective medical cannabis establishment shall
1020 submit all of the following:

1021 (a) An application, including:

1022 (i) The legal name of the prospective medical
1023 cannabis establishment;

1024 (ii) The physical address of the prospective
1025 medical cannabis establishment that is not within one thousand
1026 five hundred (1,500) feet of a public or private school, church in
1027 which regular services are held, or daycare existing before the
1028 date of the medical cannabis establishment application;

1029 (iii) The name of each principal officer and board
1030 member of the proposed medical cannabis establishment; and

1031 (iv) Any additional information requested by MDAC.

1032 (b) Operating procedures consistent with rules for
1033 oversight of the proposed medical cannabis establishment,
1034 including procedures to ensure accurate recordkeeping and adequate
1035 security measures.

1036 (c) If the city or county where the proposed medical
1037 cannabis establishment would be located has enacted zoning
1038 restrictions, a sworn statement certifying that the proposed
1039 medical cannabis establishment is in compliance with the
1040 restrictions.

1041 (d) If the city or county where the proposed medical
1042 cannabis establishment requires a local registration, license, or
1043 permit, a copy of the registration, license, or permit.

1044 (e) Verification that none of the principal officers or
1045 board members has served as a principal officer or board member
1046 for a medical cannabis establishment that has had its registration
1047 certificate revoked.

1048 (f) Verification that none of the principal officers or
1049 board members is under twenty-one (21) years of age.

1050 (12) MDAC shall issue a renewal registration certificate
1051 within ten (10) days of receipt of the prescribed renewal
1052 application and renewal fee from a medical cannabis establishment
1053 if its registration certificate is not under suspension and has
1054 not been revoked.

1055 (13) A cultivation-processing facility shall collect and
1056 remit an excise tax of four percent (4%) of the list price of
1057 medical cannabis on forms and in a manner specified by the
1058 Commissioner of Revenue. A dispensary shall collect and remit a
1059 sales tax of seven percent (7%) from the gross receipts or gross
1060 proceeds derived from each sale of medical cannabis on forms and
1061 in a manner specified by the Commissioner of Revenue.

1062 (14) No county or municipality shall impose a tax on the
1063 sale of medical cannabis or on any cannabis facilities.

1064 **SECTION 17. Local ordinances.** (1) A local government may
1065 enact ordinances or regulations not in conflict with this act, or
1066 with regulations enacted under this act, governing the time,

1067 place, and manner of medical cannabis establishment operations in
1068 the locality. A local government may establish penalties for
1069 violation of an ordinance or regulations governing the time,
1070 place, and manner of a medical cannabis establishment that may
1071 operate in the locality.

1072 (2) No local government may prohibit dispensaries, either
1073 expressly or through the enactment of ordinances or regulations
1074 that make their operation impracticable in the jurisdiction.

1075 (3) A local government may require a medical cannabis
1076 establishment to obtain a local license, permit, or registration
1077 to operate, and may charge a normal fee for the local license,
1078 permit, or registration.

1079 (4) A local government may not impose a tax on the sale of
1080 medical cannabis or on cannabis establishments.

1081 **SECTION 18. Requirements, prohibitions and penalties.** (1)
1082 Medical cannabis establishments shall conduct a background check
1083 into the criminal history of every person seeking to become a
1084 principal officer, board member, agent, volunteer, or employee
1085 before the person begins working at the medical cannabis
1086 establishment.

1087 (2) A medical cannabis establishment may not employ any
1088 person who:

- 1089 (a) Was convicted of a disqualifying felony offense; or
1090 (b) Is under twenty-one (21) years of age.

1091 (3) The operating documents of a medical cannabis
1092 establishment must include procedures for the oversight of the

1093 medical cannabis establishment and procedures to ensure accurate
1094 recordkeeping.

1095 (4) A medical cannabis establishment shall implement
1096 appropriate security measures designed to deter and prevent the
1097 theft of cannabis and unauthorized entrance into areas containing
1098 cannabis.

1099 (5) Each cultivation-processing facility and dispensary
1100 shall provide a reliable and ongoing supply of medical cannabis
1101 needed for the registry program.

1102 (6) All cultivation, harvesting, manufacture, and packaging
1103 of cannabis must take place in a secure facility with a physical
1104 address provided to MDAC during the registration process. The
1105 secure facility may only be accessed by agents of the medical
1106 cannabis establishment, emergency personnel, and adults who are
1107 twenty-one (21) years of age and older and who are accompanied by
1108 medical cannabis establishment agents.

1109 (7) No medical cannabis establishment other than a cannabis
1110 cultivation-processing facility or research facility may produce
1111 cannabis concentrates, cannabis extractions, or other cannabis
1112 products.

1113 (8) A medical cannabis establishment may not share office
1114 space with or refer patients to a practitioner.

1115 (9) Medical cannabis establishments are subject to
1116 inspection by MDAC during business hours.

1117 (10) Before cannabis may be dispensed to a cardholder, a
1118 dispensary agent must:

1119 (a) Make a diligent effort to verify that the registry
1120 identification card or registration presented to the dispensary or
1121 pharmacy is valid;

1122 (b) Make a diligent effort to verify that the person
1123 presenting the documentation is the person identified on the
1124 document presented to the dispensary or pharmacy agent;

1125 (c) Not believe that the amount dispensed would cause
1126 the person to possess more than the allowable amount of cannabis;
1127 and

1128 (d) Make a diligent effort to verify that the
1129 dispensary or pharmacy is the current dispensary or pharmacy that
1130 was designated by the cardholder.

1131 (11) A dispensary or pharmacy may not dispense more than the
1132 allowable amount of cannabis to a nonresident cardholder or a
1133 registered qualifying patient, directly or via a designated
1134 caregiver in any twenty-four-day period. Dispensaries and
1135 pharmacies shall ensure compliance with this limitation by
1136 maintaining internal, confidential records that include records
1137 specifying how much cannabis is being dispensed to the nonresident
1138 cardholder or registered qualifying patient and whether it was
1139 dispensed directly to a registered qualifying patient or to the
1140 designated caregiver.

1141 (12) A medical cannabis establishment agent shall not issue
1142 a written certification.

1143 **SECTION 19. Agencies to issue regulations.** (1) It is the
1144 intent of the Legislature that the department, MDAC, and the

1145 Department of Revenue jointly work together to accomplish the
1146 purposes of this act. Upon the passage of this act, the
1147 department, MDAC, and the Department of Revenue shall each, where
1148 relevant to the role of that particular agency, establish and
1149 promulgate rules and regulations:

1150 (a) Governing the manner in which the department shall
1151 consider petitions from the public to add debilitating medical
1152 conditions or treatments to the list of debilitating medical
1153 conditions set forth in Section 3 of this act, including public
1154 notice of and opportunities to comment in public hearings on the
1155 petitions;

1156 (b) Establishing the form and content of registration
1157 and renewal applications submitted under this act;

1158 (c) Governing the manner in which it shall consider
1159 applications for and renewals of registry identification cards,
1160 which may include creating a standardized written certification
1161 form;

1162 (d) Governing medical cannabis establishments with the
1163 goals of ensuring the health and safety of qualifying patients and
1164 preventing diversion and theft without imposing an undue burden or
1165 compromising the confidentiality of cardholders, including:

1166 (i) Oversight requirements;

1167 (ii) Recordkeeping requirements;

1168 (iii) Qualifications that are directly and

1169 demonstrably related to the operation of cannabis establishments;

- 1170 (iv) Security requirements, including lighting,
1171 physical security, and alarm requirements;
- 1172 (v) Health and safety regulations, including
1173 restrictions on the use of pesticides that are injurious to human
1174 health;
- 1175 (vi) Standards for the manufacture of cannabis
1176 products and the indoor cultivation of cannabis by
1177 cultivation-processing facilities;
- 1178 (vii) Requirements for the transportation and
1179 storage of cannabis by medical cannabis establishments;
- 1180 (viii) Employment and training requirements,
1181 including requiring that each medical cannabis establishment
1182 create an identification badge for each agent;
- 1183 (ix) Standards for the safe manufacture of medical
1184 cannabis products, including extracts and concentrates;
- 1185 (x) Restrictions on the advertising, signage, and
1186 display of medical cannabis, provided that the restrictions may
1187 not prevent appropriate signs on the property of a dispensary or
1188 pharmacy, listings in business directories, including phone books,
1189 listings in cannabis-related or medical publications, or the
1190 sponsorship of health or not-for-profit charity or advocacy
1191 events;
- 1192 (xi) Requirements and procedures for the safe and
1193 accurate packaging and labeling of medical cannabis;
- 1194 (xii) Standards for testing facilities, including
1195 requirements for equipment and qualifications for personnel;

1196 (xiii) Protocol development for the safe delivery
1197 of cannabis from dispensaries to cardholders; and

1198 (xiv) Reasonable requirements to ensure the
1199 applicant has sufficient property or capital to operate the
1200 applicant's proposed medical cannabis establishment;

1201 (xv) Procedures for suspending or terminating the
1202 registration certificates or registry identification cards of
1203 cardholders and medical cannabis establishments that commit
1204 multiple or serious violations of the provisions of this act or
1205 the regulations promulgated pursuant to this section;

1206 (xvi) Procedures for establishing a seed to sale
1207 tracking a program;

1208 (xvii) Requirements for labeling cannabis and
1209 cannabis products, including requiring cannabis product labels to
1210 include the following:

1211 1. The length of time it typically takes for
1212 the product to take effect;

1213 2. Disclosure of ingredients and possible
1214 allergens;

1215 3. A nutritional fact panel; and

1216 4. For edible cannabis products, when
1217 practicable, a standard symbol indicating that the product
1218 contains cannabis;

1219 (xviii) Procedures for the registration of
1220 nonresident cardholders and their designation of no more than two
1221 (2) dispensaries, which must require the submission of:

1222 1. A practitioner's statement confirming that
1223 the patient has a debilitating medical condition; and

1224 2. Documentation demonstrating that the
1225 nonresident cardholder is allowed to possess cannabis or cannabis
1226 preparations in the jurisdiction where he or she resides;

1227 (xix) The amount of cannabis products, including
1228 the amount of concentrated cannabis, each cardholder and
1229 nonresident cardholder can possess;

1230 (xx) Reasonable application and renewal fees for
1231 registry identification cards and registration certificates,
1232 according to the following:

1233 1. The total fees collected must generate
1234 revenues sufficient to offset all expenses of implementing and
1235 administering this act;

1236 2. The department may establish a sliding
1237 scale of patient application and renewal fees based upon a
1238 qualifying patient's household income provided that the initial
1239 fee schedule shall be set as follows:

1240 a. The patient medical cannabis card
1241 application fee shall be Fifty Dollars (\$50.00);

1242 b. The caregiver medical cannabis card
1243 application fee shall be Fifty Dollars (\$50.00);

1244 c. The caregiver criminal background fee
1245 shall be Thirty-Seven Dollars (\$37.00);

1246 d. The fee for a renewal of card shall
1247 be Fifty Dollars (\$50.00);

1248 e. The fee for a visiting patient shall
1249 be Fifty Dollars (\$50.00)

1250 3. The department may accept donations from
1251 private sources to reduce application and renewal fees;

1252 4. The department may adjust the fee schedule
1253 at its discretion;

1254 5. Fees collected by the department on
1255 applications, renewals, and the fees in this item shall be used to
1256 manage the program; and

1257 (2) No later than one (1) year from the implementation of
1258 this article, and every one (1) year thereafter, the department,
1259 MDAC, and the Department of Revenue shall provide to the
1260 Legislature a comprehensive public report of the operation of this
1261 act. The Department of Revenue shall also provide quarterly
1262 reports for all sales of medical cannabis sold by dispensaries to
1263 qualified patients.

1264 (4) The price of medical cannabis shall not be set by law or
1265 regulation.

1266 **SECTION 20. Public registry.** (1) MDAC and the Department
1267 of Revenue shall jointly create and maintain a public registry of
1268 medical cannabis establishments, which shall include, but shall
1269 not be limited to, the following information:

1270 (a) The name of the establishment;

1271 (b) The owner and, if applicable, the beneficial owner
1272 of the establishment;

1273 (c) The physical address, including city and zip code,
1274 of the establishment;
1275 (d) The mailing address, including city and zip code,
1276 of the establishment;
1277 (e) The county in which the establishment is domiciled;
1278 (f) The phone number of the establishment;
1279 (g) The electronic mail address of the establishment;
1280 (h) The license number of the establishment;
1281 (i) The issuance date of the establishment's license;
1282 (j) The expiration date of the establishment's license;
1283 (k) The NAICS code of the establishment;
1284 (l) Any changes to the license holder's status; and
1285 (m) Any other information determined necessary by MDAC
1286 and the Department of Revenue.

1287 (2) The public registry shall not include personal
1288 information of an owner of a medical cannabis establishment.

1289 (3) The registry shall be maintained electronically and
1290 shall be easily accessible to the public.

1291 **SECTION 21. Violations.** (1) A cardholder or medical
1292 cannabis establishment that willfully fails to provide a notice
1293 required by Section 14 of this act is guilty of a civil offense,
1294 punishable by a fine of no more than One Thousand Five Hundred
1295 Dollars (\$1,500.00), which may be assessed and collected by the
1296 licensing agency.

1297 (2) In addition to any other penalty provided by law, a
1298 medical cannabis establishment or an agent of a medical cannabis

1299 establishment that intentionally sells or otherwise transfers
1300 cannabis in exchange for anything of value to a person other than
1301 a cardholder, a nonresident cardholder, or to a medical cannabis
1302 establishment or its agent is guilty of a felony punishable by a
1303 fine of not more than Five Thousand Dollars (\$5,000.00), or by
1304 commitment to the custody of the Department of Corrections for not
1305 more than two (2) years, or both. A person convicted under this
1306 subsection may not continue to be affiliated with the medical
1307 cannabis establishment and is disqualified from further
1308 participation under this act.

1309 (3) In addition to any other penalty provided by law, a
1310 cardholder or nonresident cardholder who intentionally sells or
1311 otherwise transfers cannabis in exchange for anything of value to
1312 a person other than a cardholder or to a medical cannabis
1313 establishment or its agent is guilty of a felony punishable by a
1314 fine of not more than Three Thousand Dollars (\$3,000.00), or by
1315 commitment to the Department of Corrections for not more than two
1316 (2) years, or both.

1317 (4) A person who intentionally makes a false statement to a
1318 law enforcement official about any fact or circumstance relating
1319 to the medical use of cannabis to avoid arrest or prosecution is
1320 guilty of a misdemeanor punishable by a fine of not more than One
1321 Thousand Dollars (\$1,000.00), by imprisonment in the county jail
1322 for not more than ninety (90) days, or both. This penalty is in
1323 addition to any other penalties that may apply for making a false
1324 statement or for the possession, cultivation, or sale of cannabis

1325 not protected by this act. If a person convicted of violating
1326 this subsection is a cardholder, the person is disqualified from
1327 further participation under this act.

1328 (5) A person who knowingly submits false records or
1329 documentation to certify a medical cannabis establishment under
1330 this act is guilty of a felony punishable by a fine of not more
1331 than Three Thousand Dollars (\$3,000.00), or by commitment to the
1332 Department of Corrections for not more than two (2) years, or
1333 both.

1334 (6) A practitioner who knowingly refers patients to a
1335 medical cannabis establishment or to a designated caregiver, who
1336 advertises in a medical cannabis establishment, or who issues
1337 written certifications while holding a financial interest in a
1338 medical cannabis establishment, is guilty of a civil offense for
1339 every false certification and shall be fined up to Five Thousand
1340 Dollars (\$5,000.00) by the department.

1341 (7) Any person, including an employee or official of an
1342 agency or local government, who breaches the confidentiality of
1343 information obtained under this act is guilty of a misdemeanor
1344 punishable by a fine of not more than One Thousand Dollars
1345 (\$1,000.00), or by imprisonment for not more than one hundred
1346 eighty (180) days in the county jail, or both.

1347 (8) No person, other than a cultivation-processing facility
1348 or its agents complying with this act and regulations promulgated
1349 under it, may extract compounds from cannabis using solvents other
1350 than water, glycerin, propylene glycol, vegetable oil, or

1351 food-grade ethanol (ethyl alcohol). No person may extract
1352 compounds from cannabis using ethanol in the presence or vicinity
1353 of open flame. It shall be a felony punishable by up to three (3)
1354 years in prison and a Ten Thousand Dollar (\$10,000.00) fine for
1355 any person to violate this subsection.

1356 (9) A medical cannabis establishment is guilty of a civil
1357 offense for any violation of this act or the regulations issued
1358 under this act where no penalty has been specified, and shall be
1359 fined not more than Three Thousand Dollars (\$3,000.00) for each
1360 such violation by its licensing agency. This penalty is in
1361 addition to any other penalties provided by law.

1362 **SECTION 22. Suspension and revocation.** (1) The licensing
1363 agency may on its own motion or on complaint, after investigation
1364 and opportunity for a public hearing at which the medical cannabis
1365 establishment has been afforded an opportunity to be heard,
1366 suspend or revoke a registration certificate for multiple
1367 negligent or knowing violations or for a serious and knowing
1368 violation of this act or any rules under this act by the
1369 registrant or any of its agents.

1370 (2) The licensing agency shall provide notice of suspension,
1371 revocation, fine, or other sanction, as well as the required
1372 notice of the hearing, by mailing or personal delivery the same in
1373 writing by certified mail, signature required, to the medical
1374 cannabis establishment at the address on the registration
1375 certificate. A suspension shall not be for a longer period than
1376 six (6) months.

1377 (3) A medical cannabis establishment may continue to possess
1378 and cultivate cannabis, as the case may be, during a suspension,
1379 but it may not dispense, transfer, or sell cannabis.

1380 (4) The department shall immediately revoke the registry
1381 identification card of any cardholder who sells cannabis to a
1382 person who is not allowed to possess cannabis for medical purposes
1383 under this act. The cardholder shall be disqualified from further
1384 participation under this act.

1385 (5) The department may revoke the registry identification
1386 card of any cardholder who knowingly commits multiple
1387 unintentional violations or a serious knowing violation of this
1388 act.

1389 (6) Revocation is a final decision of the applicable agency
1390 subject to judicial review. Jurisdiction and venue for judicial
1391 review are vested in the circuit court.

1392 **SECTION 23. Confidentiality.** (1) Data in registration
1393 applications and supporting data submitted by qualifying patients,
1394 designated caregivers and medical cannabis establishments,
1395 nonresident cardholders, pharmacies, hospitals and medical
1396 cannabis establishments, including data on designated caregivers
1397 and practitioners, are private data on individuals that is
1398 confidential and exempt from disclosure under the Mississippi
1399 Public Records Act of 1983, Sections 25-61-1 through 25-61-17.

1400 (2) Data kept or maintained by an agency may not be used for
1401 any purpose not provided for in this act and may not be combined
1402 or linked in any manner with any other list or database.

1403 (3) Data kept or maintained by an agency may be disclosed as
1404 necessary for:

1405 (a) The verification of registration certificates and
1406 registry identification cards under Section 13 of this act;

1407 (b) Submission of the annual report required by Section
1408 25 of this act;

1409 (c) Notification of state or local law enforcement of
1410 apparent criminal violations of this act;

1411 (d) Notification of state and local law enforcement
1412 about falsified or fraudulent information submitted for purposes
1413 of obtaining or renewing a registry identification card; or

1414 (e) Notification of the State Board of Medical
1415 Licensure if there is reason to believe that a practitioner
1416 provided a written certification in violation of this act, or if
1417 the department has reason to believe the practitioner otherwise
1418 violated the standard of care for evaluating medical conditions.

1419 (4) Any information kept or maintained by medical cannabis
1420 establishments must identify cardholders by their registry
1421 identification numbers and must not contain names or other
1422 personally identifying information.

1423 (5) At the cardholder's request, the department may confirm
1424 the cardholder's status as a registered qualifying patient or a
1425 registered designated caregiver to a third party, such as a
1426 landlord, school, medical professional, or court.

1427 (6) Any agency hard drives or other data-recording media
1428 that are no longer in use and that contain cardholder information
1429 shall be destroyed.

1430 **SECTION 24. Business expenses, deductions.** Notwithstanding
1431 any federal tax law to the contrary, in computing net income for
1432 medical cannabis establishments, there shall be allowed as a
1433 deduction from state taxes all the ordinary and necessary expenses
1434 paid or incurred during the taxable year in carrying on a trade or
1435 business as a medical cannabis establishment, including reasonable
1436 allowance for salaries or other compensation for personal services
1437 actually rendered.

1438 **SECTION 25. Annual reports.** (1) The department shall
1439 report every year to the Legislature on the number of applications
1440 for registry identification cards received, the number of
1441 qualifying patients and designated caregivers approved, and the
1442 number of registry identification cards revoked. The department
1443 shall not include identifying information on qualifying patients,
1444 designated caregivers, or practitioners in the report.

1445 (2) The Department of Revenue shall report every year to the
1446 Legislature on the number of each type of medical cannabis
1447 establishment that is registered, and the expenses incurred and
1448 revenues generated from the medical cannabis program.

1449 **SECTION 26. Banks to be held harmless.** A bank may provide
1450 any services to any person or establishment licensed in this state
1451 to engage in the business of medical cannabis, or with any person
1452 or establishment engaging in business dealings with such licensee,

1453 provided the bank may otherwise provide those services to any
1454 other business.

1455 **SECTION 27.** Not applicable to CBD oil. This act does not
1456 apply to or supersede any of the provisions of Section 41-29-136.

1457 **SECTION 28.** The following shall be codified as Section
1458 27-65-28, Mississippi Code of 1972:

1459 27-65-28. Upon every person engaging or continuing within
1460 this state in the business of selling cannabis products, the sales
1461 of which are legal under the provisions of the Mississippi Medical
1462 Cannabis Act, there is hereby levied, assessed and shall be
1463 collected a tax equal to seven percent (7%) of the gross proceeds
1464 of the retail sales of the business.

1465 **SECTION 29.** There is hereby imposed, levied and assessed an
1466 excise tax on each person or dealer in medical cannabis, upon the
1467 sale, use, consumption, handling or distribution in the State of
1468 Mississippi, at the rate of four percent (4%) of the
1469 manufacturer's list price. This tax is levied upon the sale, use,
1470 gift, possession or consumption of medical cannabis in this state,
1471 and the impact of the tax levied by this section is declared to be
1472 on the vendee, user, consumer or possessor of tobacco in this
1473 state; and when this tax is paid by any other person, such payment
1474 shall be considered as an advance payment and shall thereafter be
1475 added to the price of the medical cannabis and recovered from the
1476 ultimate consumer or user.

1477 **SECTION 30.** (1) There is hereby created a Workforce and
1478 College Opportunity Scholarship Fund in the State Treasury.

1479 Revenue generated from the seven percent (7%) retail sales tax
1480 imposed by Section 27-65-28, after the distribution to
1481 municipalities provided for in Section 27-65-75(1) (a), and from
1482 the four percent (4%) excise tax on the sale of cannabis products
1483 in the state shall be deposited into the fund by the State Fiscal
1484 Officer for the purpose of providing scholarships to students in
1485 Mississippi, and providing funds to Early Childhood Learning
1486 Collaboratives and a Standardized Dual Enrollment Program.

1487 (2) The monies in the Workforce and College Opportunity
1488 Scholarship Fund shall be allocated as follows:

1489 (a) The first twenty-five percent (25%) of revenue
1490 generated shall be distributed to the State Department of
1491 Education for the state share for Early Learning Collaboratives as
1492 established in Section 37-21-51;

1493 (b) The next twenty-five percent (25%) of revenue
1494 generated shall be distributed to the State Department of
1495 Education to provide funding for a standardized dual enrollment
1496 program; and

1497 (c) Remaining funds shall be allocated to the
1498 Postsecondary Education Financial Assistance Board as established
1499 in Section 37-106-9 to create a "last-dollar" scholarship program
1500 for community college students, university students, academic or
1501 career and technical, with the goal of providing tuition, room and
1502 board, books and materials to Mississippi students. The
1503 Postsecondary Education Financial Assistance Board shall present
1504 regulations for administering the scholarship program to the

1505 Mississippi Higher for Education Corporation Board for final
1506 approval. Participating students may not receive more than Four
1507 Thousand Dollars (\$4,000.00) per year in scholarship funds.
1508 Participating students must complete eight (8) hours of community
1509 service for each semester during which they receive scholarship
1510 funds.

1511 **SECTION 31.** Section 27-65-75, Mississippi Code of 1972, is
1512 amended as follows:

1513 27-65-75. On or before the fifteenth day of each month, the
1514 revenue collected under the provisions of this chapter during the
1515 preceding month shall be paid and distributed as follows:

1516 (1) (a) On or before August 15, 1992, and each succeeding
1517 month thereafter through July 15, 1993, eighteen percent (18%) of
1518 the total sales tax revenue collected during the preceding month
1519 under the provisions of this chapter, except that collected under
1520 the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
1521 business activities within a municipal corporation shall be
1522 allocated for distribution to the municipality and paid to the
1523 municipal corporation. Except as otherwise provided in this
1524 paragraph (a), on or before August 15, 1993, and each succeeding
1525 month thereafter, eighteen and one-half percent (18-1/2%) of the
1526 total sales tax revenue collected during the preceding month under
1527 the provisions of this chapter, except that collected under the
1528 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
1529 27-65-24, on business activities within a municipal corporation
1530 shall be allocated for distribution to the municipality and paid

1531 to the municipal corporation. However, in the event the State
1532 Auditor issues a certificate of noncompliance pursuant to Section
1533 21-35-31, the Department of Revenue shall withhold ten percent
1534 (10%) of the allocations and payments to the municipality that
1535 would otherwise be payable to the municipality under this
1536 paragraph (a) until such time that the department receives written
1537 notice of the cancellation of a certificate of noncompliance from
1538 the State Auditor.

1539 A municipal corporation, for the purpose of distributing the
1540 tax under this subsection, shall mean and include all incorporated
1541 cities, towns and villages.

1542 Monies allocated for distribution and credited to a municipal
1543 corporation under this paragraph may be pledged as security for a
1544 loan if the distribution received by the municipal corporation is
1545 otherwise authorized or required by law to be pledged as security
1546 for such a loan.

1547 In any county having a county seat that is not an
1548 incorporated municipality, the distribution provided under this
1549 subsection shall be made as though the county seat was an
1550 incorporated municipality; however, the distribution to the
1551 municipality shall be paid to the county treasury in which the
1552 municipality is located, and those funds shall be used for road,
1553 bridge and street construction or maintenance in the county.

1554 (b) On or before August 15, 2006, and each succeeding
1555 month thereafter, eighteen and one-half percent (18-1/2%) of the
1556 total sales tax revenue collected during the preceding month under

1557 the provisions of this chapter, except that collected under the
1558 provisions of Sections 27-65-15, 27-65-19(3) * * *, 27-65-21 and
1559 27-65-28, on business activities on the campus of a state
1560 institution of higher learning or community or junior college
1561 whose campus is not located within the corporate limits of a
1562 municipality, shall be allocated for distribution to the state
1563 institution of higher learning or community or junior college and
1564 paid to the state institution of higher learning or community or
1565 junior college.

1566 (c) On or before August 15, 2018, and each succeeding
1567 month thereafter until August 14, 2019, two percent (2%) of the
1568 total sales tax revenue collected during the preceding month under
1569 the provisions of this chapter, except that collected under the
1570 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
1571 27-65-24, on business activities within the corporate limits of
1572 the City of Jackson, Mississippi, shall be deposited into the
1573 Capitol Complex Improvement District Project Fund created in
1574 Section 29-5-215. On or before August 15, 2019, and each
1575 succeeding month thereafter until August 14, 2020, four percent
1576 (4%) of the total sales tax revenue collected during the preceding
1577 month under the provisions of this chapter, except that collected
1578 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
1579 and 27-65-24, on business activities within the corporate limits
1580 of the City of Jackson, Mississippi, shall be deposited into the
1581 Capitol Complex Improvement District Project Fund created in
1582 Section 29-5-215. On or before August 15, 2020, and each

1583 succeeding month thereafter, six percent (6%) of the total sales
1584 tax revenue collected during the preceding month under the
1585 provisions of this chapter, except that collected under the
1586 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 * * *,
1587 27-65-24 and 27-65-28, on business activities within the corporate
1588 limits of the City of Jackson, Mississippi, shall be deposited
1589 into the Capitol Complex Improvement District Project Fund created
1590 in Section 29-5-215.

1591 (d) (i) On or before the fifteenth day of the month
1592 that the diversion authorized by this section begins, and each
1593 succeeding month thereafter, eighteen and one-half percent
1594 (18-1/2%) of the total sales tax revenue collected during the
1595 preceding month under the provisions of this chapter, except that
1596 collected under the provisions of Sections 27-65-15,
1597 27-65-19(3) * * *, 27-65-21 and 27-65-28, on business activities
1598 within a redevelopment project area developed under a
1599 redevelopment plan adopted under the Tax Increment Financing Act
1600 (Section 21-45-1 et seq.) shall be allocated for distribution to
1601 the county in which the project area is located if:

- 1602 1. The county borders on the Mississippi
1603 Sound and the State of Alabama;
- 1604 2. The county has issued bonds under Section
1605 21-45-9 to finance all or a portion of a redevelopment project in
1606 the redevelopment project area;
- 1607 3. Any debt service for the indebtedness
1608 incurred is outstanding; and

1609 4. A development with a value of Ten Million
1610 Dollars (\$10,000,000.00) or more is, or will be, located in the
1611 redevelopment area.

1612 (ii) Before any sales tax revenue may be allocated
1613 for distribution to a county under this paragraph, the county
1614 shall certify to the Department of Revenue that the requirements
1615 of this paragraph have been met, the amount of bonded indebtedness
1616 that has been incurred by the county for the redevelopment project
1617 and the expected date the indebtedness incurred by the county will
1618 be satisfied.

1619 (iii) The diversion of sales tax revenue
1620 authorized by this paragraph shall begin the month following the
1621 month in which the Department of Revenue determines that the
1622 requirements of this paragraph have been met. The diversion shall
1623 end the month the indebtedness incurred by the county is
1624 satisfied. All revenue received by the county under this
1625 paragraph shall be deposited in the fund required to be created in
1626 the tax increment financing plan under Section 21-45-11 and be
1627 utilized solely to satisfy the indebtedness incurred by the
1628 county.

1629 (2) On or before September 15, 1987, and each succeeding
1630 month thereafter, from the revenue collected under this chapter
1631 during the preceding month, One Million One Hundred Twenty-five
1632 Thousand Dollars (\$1,125,000.00) shall be allocated for
1633 distribution to municipal corporations as defined under subsection
1634 (1) of this section in the proportion that the number of gallons

1635 of gasoline and diesel fuel sold by distributors to consumers and
1636 retailers in each such municipality during the preceding fiscal
1637 year bears to the total gallons of gasoline and diesel fuel sold
1638 by distributors to consumers and retailers in municipalities
1639 statewide during the preceding fiscal year. The Department of
1640 Revenue shall require all distributors of gasoline and diesel fuel
1641 to report to the department monthly the total number of gallons of
1642 gasoline and diesel fuel sold by them to consumers and retailers
1643 in each municipality during the preceding month. The Department
1644 of Revenue shall have the authority to promulgate such rules and
1645 regulations as is necessary to determine the number of gallons of
1646 gasoline and diesel fuel sold by distributors to consumers and
1647 retailers in each municipality. In determining the percentage
1648 allocation of funds under this subsection for the fiscal year
1649 beginning July 1, 1987, and ending June 30, 1988, the Department
1650 of Revenue may consider gallons of gasoline and diesel fuel sold
1651 for a period of less than one (1) fiscal year. For the purposes
1652 of this subsection, the term "fiscal year" means the fiscal year
1653 beginning July 1 of a year.

1654 (3) On or before September 15, 1987, and on or before the
1655 fifteenth day of each succeeding month, until the date specified
1656 in Section 65-39-35, the proceeds derived from contractors' taxes
1657 levied under Section 27-65-21 on contracts for the construction or
1658 reconstruction of highways designated under the highway program
1659 created under Section 65-3-97 shall, except as otherwise provided
1660 in Section 31-17-127, be deposited into the State Treasury to the

1661 credit of the State Highway Fund to be used to fund that highway
1662 program. The Mississippi Department of Transportation shall
1663 provide to the Department of Revenue such information as is
1664 necessary to determine the amount of proceeds to be distributed
1665 under this subsection.

1666 (4) On or before August 15, 1994, and on or before the
1667 fifteenth day of each succeeding month through July 15, 1999, from
1668 the proceeds of gasoline, diesel fuel or kerosene taxes as
1669 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
1670 (\$4,000,000.00) shall be deposited in the State Treasury to the
1671 credit of a special fund designated as the "State Aid Road Fund,"
1672 created by Section 65-9-17. On or before August 15, 1999, and on
1673 or before the fifteenth day of each succeeding month, from the
1674 total amount of the proceeds of gasoline, diesel fuel or kerosene
1675 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million
1676 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
1677 one-fourth percent (23-1/4%) of those funds, whichever is the
1678 greater amount, shall be deposited in the State Treasury to the
1679 credit of the "State Aid Road Fund," created by Section 65-9-17.
1680 Those funds shall be pledged to pay the principal of and interest
1681 on state aid road bonds heretofore issued under Sections 19-9-51
1682 through 19-9-77, in lieu of and in substitution for the funds
1683 previously allocated to counties under this section. Those funds
1684 may not be pledged for the payment of any state aid road bonds
1685 issued after April 1, 1981; however, this prohibition against the
1686 pledging of any such funds for the payment of bonds shall not

1687 apply to any bonds for which intent to issue those bonds has been
1688 published for the first time, as provided by law before March 29,
1689 1981. From the amount of taxes paid into the special fund under
1690 this subsection and subsection (9) of this section, there shall be
1691 first deducted and paid the amount necessary to pay the expenses
1692 of the Office of State Aid Road Construction, as authorized by the
1693 Legislature for all other general and special fund agencies. The
1694 remainder of the fund shall be allocated monthly to the several
1695 counties in accordance with the following formula:

1696 (a) One-third (1/3) shall be allocated to all counties
1697 in equal shares;

1698 (b) One-third (1/3) shall be allocated to counties
1699 based on the proportion that the total number of rural road miles
1700 in a county bears to the total number of rural road miles in all
1701 counties of the state; and

1702 (c) One-third (1/3) shall be allocated to counties
1703 based on the proportion that the rural population of the county
1704 bears to the total rural population in all counties of the state,
1705 according to the latest federal decennial census.

1706 For the purposes of this subsection, the term "gasoline,
1707 diesel fuel or kerosene taxes" means such taxes as defined in
1708 paragraph (f) of Section 27-5-101.

1709 The amount of funds allocated to any county under this
1710 subsection for any fiscal year after fiscal year 1994 shall not be
1711 less than the amount allocated to the county for fiscal year 1994.

1712 Any reference in the general laws of this state or the
1713 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
1714 construed to refer and apply to subsection (4) of Section
1715 27-65-75.

1716 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
1717 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
1718 the special fund known as the "State Public School Building Fund"
1719 created and existing under the provisions of Sections 37-47-1
1720 through 37-47-67. Those payments into that fund are to be made on
1721 the last day of each succeeding month hereafter.

1722 (6) An amount each month beginning August 15, 1983, through
1723 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
1724 1983, shall be paid into the special fund known as the
1725 Correctional Facilities Construction Fund created in Section 6,
1726 Chapter 542, Laws of 1983.

1727 (7) On or before August 15, 1992, and each succeeding month
1728 thereafter through July 15, 2000, two and two hundred sixty-six
1729 one-thousandths percent (2.266%) of the total sales tax revenue
1730 collected during the preceding month under the provisions of this
1731 chapter, except that collected under the provisions of Section
1732 27-65-17(2), shall be deposited by the department into the School
1733 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
1734 or before August 15, 2000, and each succeeding month thereafter,
1735 two and two hundred sixty-six one-thousandths percent (2.266%) of
1736 the total sales tax revenue collected during the preceding month
1737 under the provisions of this chapter, except that collected under

1738 the provisions of Sections 27-65-17(2) and 27-65-28, shall be
1739 deposited into the School Ad Valorem Tax Reduction Fund created
1740 under Section 37-61-35 until such time that the total amount
1741 deposited into the fund during a fiscal year equals Forty-two
1742 Million Dollars (\$42,000,000.00). Thereafter, the amounts
1743 diverted under this subsection (7) during the fiscal year in
1744 excess of Forty-two Million Dollars (\$42,000,000.00) shall be
1745 deposited into the Education Enhancement Fund created under
1746 Section 37-61-33 for appropriation by the Legislature as other
1747 education needs and shall not be subject to the percentage
1748 appropriation requirements set forth in Section 37-61-33.

1749 (8) On or before August 15, 1992, and each succeeding month
1750 thereafter, nine and seventy-three one-thousandths percent
1751 (9.073%) of the total sales tax revenue collected during the
1752 preceding month under the provisions of this chapter, except that
1753 collected under the provisions of Sections 27-65-17(2) and
1754 27-65-28, shall be deposited into the Education Enhancement Fund
1755 created under Section 37-61-33.

1756 (9) On or before August 15, 1994, and each succeeding month
1757 thereafter, from the revenue collected under this chapter during
1758 the preceding month, Two Hundred Fifty Thousand Dollars
1759 (\$250,000.00) shall be paid into the State Aid Road Fund.

1760 (10) On or before August 15, 1994, and each succeeding month
1761 thereafter through August 15, 1995, from the revenue collected
1762 under this chapter during the preceding month, Two Million Dollars

1763 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
1764 Valorem Tax Reduction Fund established in Section 27-51-105.

1765 (11) Notwithstanding any other provision of this section to
1766 the contrary, on or before February 15, 1995, and each succeeding
1767 month thereafter, the sales tax revenue collected during the
1768 preceding month under the provisions of Section 27-65-17(2) and
1769 the corresponding levy in Section 27-65-23 on the rental or lease
1770 of private carriers of passengers and light carriers of property
1771 as defined in Section 27-51-101 shall be deposited, without
1772 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
1773 established in Section 27-51-105.

1774 (12) Notwithstanding any other provision of this section to
1775 the contrary, on or before August 15, 1995, and each succeeding
1776 month thereafter, the sales tax revenue collected during the
1777 preceding month under the provisions of Section 27-65-17(1) on
1778 retail sales of private carriers of passengers and light carriers
1779 of property, as defined in Section 27-51-101 and the corresponding
1780 levy in Section 27-65-23 on the rental or lease of these vehicles,
1781 shall be deposited, after diversion, into the Motor Vehicle Ad
1782 Valorem Tax Reduction Fund established in Section 27-51-105.

1783 (13) On or before July 15, 1994, and on or before the
1784 fifteenth day of each succeeding month thereafter, that portion of
1785 the avails of the tax imposed in Section 27-65-22 that is derived
1786 from activities held on the Mississippi State Fairgrounds Complex
1787 shall be paid into a special fund that is created in the State
1788 Treasury and shall be expended upon legislative appropriation

1789 solely to defray the costs of repairs and renovation at the Trade
1790 Mart and Coliseum.

1791 (14) On or before August 15, 1998, and each succeeding month
1792 thereafter through July 15, 2005, that portion of the avails of
1793 the tax imposed in Section 27-65-23 that is derived from sales by
1794 cotton compresses or cotton warehouses and that would otherwise be
1795 paid into the General Fund shall be deposited in an amount not to
1796 exceed Two Million Dollars (\$2,000,000.00) into the special fund
1797 created under Section 69-37-39. On or before August 15, 2007, and
1798 each succeeding month thereafter through July 15, 2010, that
1799 portion of the avails of the tax imposed in Section 27-65-23 that
1800 is derived from sales by cotton compresses or cotton warehouses
1801 and that would otherwise be paid into the General Fund shall be
1802 deposited in an amount not to exceed Two Million Dollars
1803 (\$2,000,000.00) into the special fund created under Section
1804 69-37-39 until all debts or other obligations incurred by the
1805 Certified Cotton Growers Organization under the Mississippi Boll
1806 Weevil Management Act before January 1, 2007, are satisfied in
1807 full. On or before August 15, 2010, and each succeeding month
1808 thereafter through July 15, 2011, fifty percent (50%) of that
1809 portion of the avails of the tax imposed in Section 27-65-23 that
1810 is derived from sales by cotton compresses or cotton warehouses
1811 and that would otherwise be paid into the General Fund shall be
1812 deposited into the special fund created under Section 69-37-39
1813 until such time that the total amount deposited into the fund
1814 during a fiscal year equals One Million Dollars (\$1,000,000.00).

1815 On or before August 15, 2011, and each succeeding month
1816 thereafter, that portion of the avails of the tax imposed in
1817 Section 27-65-23 that is derived from sales by cotton compresses
1818 or cotton warehouses and that would otherwise be paid into the
1819 General Fund shall be deposited into the special fund created
1820 under Section 69-37-39 until such time that the total amount
1821 deposited into the fund during a fiscal year equals One Million
1822 Dollars (\$1,000,000.00).

1823 (15) Notwithstanding any other provision of this section to
1824 the contrary, on or before September 15, 2000, and each succeeding
1825 month thereafter, the sales tax revenue collected during the
1826 preceding month under the provisions of Section
1827 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
1828 without diversion, into the Telecommunications Ad Valorem Tax
1829 Reduction Fund established in Section 27-38-7.

1830 (16) (a) On or before August 15, 2000, and each succeeding
1831 month thereafter, the sales tax revenue collected during the
1832 preceding month under the provisions of this chapter on the gross
1833 proceeds of sales of a project as defined in Section 57-30-1 shall
1834 be deposited, after all diversions except the diversion provided
1835 for in subsection (1) of this section, into the Sales Tax
1836 Incentive Fund created in Section 57-30-3.

1837 (b) On or before August 15, 2007, and each succeeding
1838 month thereafter, eighty percent (80%) of the sales tax revenue
1839 collected during the preceding month under the provisions of this
1840 chapter from the operation of a tourism project under the

1841 provisions of Sections 57-26-1 through 57-26-5, shall be
1842 deposited, after the diversions required in subsections (7) and
1843 (8) of this section, into the Tourism Project Sales Tax Incentive
1844 Fund created in Section 57-26-3.

1845 (17) Notwithstanding any other provision of this section to
1846 the contrary, on or before April 15, 2002, and each succeeding
1847 month thereafter, the sales tax revenue collected during the
1848 preceding month under Section 27-65-23 on sales of parking
1849 services of parking garages and lots at airports shall be
1850 deposited, without diversion, into the special fund created under
1851 Section 27-5-101(d).

1852 (18) [Repealed]

1853 (19) (a) On or before August 15, 2005, and each succeeding
1854 month thereafter, the sales tax revenue collected during the
1855 preceding month under the provisions of this chapter on the gross
1856 proceeds of sales of a business enterprise located within a
1857 redevelopment project area under the provisions of Sections
1858 57-91-1 through 57-91-11, and the revenue collected on the gross
1859 proceeds of sales from sales made to a business enterprise located
1860 in a redevelopment project area under the provisions of Sections
1861 57-91-1 through 57-91-11 (provided that such sales made to a
1862 business enterprise are made on the premises of the business
1863 enterprise), shall, except as otherwise provided in this
1864 subsection (19) and Section 27-65-28, be deposited, after all
1865 diversions, into the Redevelopment Project Incentive Fund as
1866 created in Section 57-91-9.

1867 (b) For a municipality participating in the Economic
1868 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
1869 the diversion provided for in subsection (1) of this section
1870 attributable to the gross proceeds of sales of a business
1871 enterprise located within a redevelopment project area under the
1872 provisions of Sections 57-91-1 through 57-91-11, and attributable
1873 to the gross proceeds of sales from sales made to a business
1874 enterprise located in a redevelopment project area under the
1875 provisions of Sections 57-91-1 through 57-91-11 (provided that
1876 such sales made to a business enterprise are made on the premises
1877 of the business enterprise), shall be deposited into the
1878 Redevelopment Project Incentive Fund as created in Section
1879 57-91-9, as follows:

1880 (i) For the first six (6) years in which payments
1881 are made to a developer from the Redevelopment Project Incentive
1882 Fund, one hundred percent (100%) of the diversion shall be
1883 deposited into the fund;

1884 (ii) For the seventh year in which such payments
1885 are made to a developer from the Redevelopment Project Incentive
1886 Fund, eighty percent (80%) of the diversion shall be deposited
1887 into the fund;

1888 (iii) For the eighth year in which such payments
1889 are made to a developer from the Redevelopment Project Incentive
1890 Fund, seventy percent (70%) of the diversion shall be deposited
1891 into the fund;

1892 (iv) For the ninth year in which such payments are
1893 made to a developer from the Redevelopment Project Incentive Fund,
1894 sixty percent (60%) of the diversion shall be deposited into the
1895 fund; and

1896 (v) For the tenth year in which such payments are
1897 made to a developer from the Redevelopment Project Incentive Fund,
1898 fifty percent (50%) of the funds shall be deposited into the fund.

1899 (20) On or before January 15, 2007, and each succeeding
1900 month thereafter, eighty percent (80%) of the sales tax revenue
1901 collected during the preceding month under the provisions of this
1902 chapter from the operation of a tourism project under the
1903 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,
1904 after the diversions required in subsections (7) and (8) of this
1905 section, into the Tourism Sales Tax Incentive Fund created in
1906 Section 57-28-3.

1907 (21) (a) On or before April 15, 2007, and each succeeding
1908 month thereafter through June 15, 2013, One Hundred Fifty Thousand
1909 Dollars (\$150,000.00) of the sales tax revenue collected during
1910 the preceding month under the provisions of this chapter shall be
1911 deposited into the MMEIA Tax Incentive Fund created in Section
1912 57-101-3.

1913 (b) On or before July 15, 2013, and each succeeding
1914 month thereafter, One Hundred Fifty Thousand Dollars (\$150,000.00)
1915 of the sales tax revenue collected during the preceding month
1916 under the provisions of this chapter shall be deposited into the

1917 Mississippi Development Authority Job Training Grant Fund created
1918 in Section 57-1-451.

1919 (22) Notwithstanding any other provision of this section to
1920 the contrary, on or before August 15, 2009, and each succeeding
1921 month thereafter, the sales tax revenue collected during the
1922 preceding month under the provisions of Section 27-65-201 shall be
1923 deposited, without diversion, into the Motor Vehicle Ad Valorem
1924 Tax Reduction Fund established in Section 27-51-105.

1925 (23) (a) On or before August 15, 2019, and each month
1926 thereafter through July 15, 2020, one percent (1%) of the total
1927 sales tax revenue collected during the preceding month from
1928 restaurants and hotels shall be allocated for distribution to the
1929 Mississippi Development Authority Tourism Advertising Fund
1930 established under Section 57-1-64, to be used exclusively for the
1931 purpose stated therein. On or before August 15, 2020, and each
1932 month thereafter through July 15, 2021, two percent (2%) of the
1933 total sales tax revenue collected during the preceding month from
1934 restaurants and hotels shall be allocated for distribution to the
1935 Mississippi Development Authority Tourism Advertising Fund
1936 established under Section 57-1-64, to be used exclusively for the
1937 purpose stated therein. On or before August 15, 2021, and each
1938 month thereafter, three percent (3%) of the total sales tax
1939 revenue collected during the preceding month from restaurants and
1940 hotels shall be allocated for distribution to the Mississippi
1941 Development Authority Tourism Advertising Fund established under
1942 Section 57-1-64, to be used exclusively for the purpose stated

1943 therein. The revenue diverted pursuant to this subsection shall
1944 not be available for expenditure until February 1, 2020.

1945 (b) The Joint Legislative Committee on Performance
1946 Evaluation and Expenditure Review (PEER) must provide an annual
1947 report to the Legislature indicating the amount of funds deposited
1948 into the Mississippi Development Authority Tourism Advertising
1949 Fund established under Section 57-1-64, and a detailed record of
1950 how the funds are spent.

1951 (24) The remainder of the amounts collected under the
1952 provisions of this chapter shall be paid into the State Treasury
1953 to the credit of the General Fund.

1954 (25) (a) It shall be the duty of the municipal officials of
1955 any municipality that expands its limits, or of any community that
1956 incorporates as a municipality, to notify the commissioner of that
1957 action thirty (30) days before the effective date. Failure to so
1958 notify the commissioner shall cause the municipality to forfeit
1959 the revenue that it would have been entitled to receive during
1960 this period of time when the commissioner had no knowledge of the
1961 action.

1962 (b) (i) Except as otherwise provided in subparagraph
1963 (ii) of this paragraph, if any funds have been erroneously
1964 disbursed to any municipality or any overpayment of tax is
1965 recovered by the taxpayer, the commissioner may make correction
1966 and adjust the error or overpayment with the municipality by
1967 withholding the necessary funds from any later payment to be made
1968 to the municipality.

1969 (ii) Subject to the provisions of Sections
1970 27-65-51 and 27-65-53, if any funds have been erroneously
1971 disbursed to a municipality under subsection (1) of this section
1972 for a period of three (3) years or more, the maximum amount that
1973 may be recovered or withheld from the municipality is the total
1974 amount of funds erroneously disbursed for a period of three (3)
1975 years beginning with the date of the first erroneous disbursement.
1976 However, if during such period, a municipality provides written
1977 notice to the Department of Revenue indicating the erroneous
1978 disbursement of funds, then the maximum amount that may be
1979 recovered or withheld from the municipality is the total amount of
1980 funds erroneously disbursed for a period of one (1) year beginning
1981 with the date of the first erroneous disbursement.

1982 **SECTION 32.** Section 41-29-125, Mississippi Code of 1972, is
1983 amended as follows:

1984 41-29-125. (1) The State Board of Pharmacy may promulgate
1985 rules and regulations relating to the registration and control of
1986 the manufacture, distribution and dispensing of controlled
1987 substances within this state and the distribution and dispensing
1988 of controlled substances into this state from an out-of-state
1989 location.

1990 (a) Every person who manufactures, distributes or
1991 dispenses any controlled substance within this state or who
1992 distributes or dispenses any controlled substance into this state
1993 from an out-of-state location, or who proposes to engage in the
1994 manufacture, distribution or dispensing of any controlled

1995 substance within this state or the distribution or dispensing of
1996 any controlled substance into this state from an out-of-state
1997 location, must obtain a registration issued by the State Board of
1998 Pharmacy, the State Board of Medical Licensure, the State Board of
1999 Dental Examiners, the Mississippi Board of Nursing or the
2000 Mississippi Board of Veterinary Medicine, as appropriate, in
2001 accordance with its rules and the law of this state. Such
2002 registration shall be obtained annually or biennially, as
2003 specified by the issuing board, and a reasonable fee may be
2004 charged by the issuing board for such registration.

2005 (b) Persons registered by the State Board of Pharmacy,
2006 with the consent of the United States Drug Enforcement
2007 Administration and the State Board of Medical Licensure, the State
2008 Board of Dental Examiners, the Mississippi Board of Nursing or the
2009 Mississippi Board of Veterinary Medicine to manufacture,
2010 distribute, dispense or conduct research with controlled
2011 substances may possess, manufacture, distribute, dispense or
2012 conduct research with those substances to the extent authorized by
2013 their registration and in conformity with the other provisions of
2014 this article.

2015 (c) The following persons need not register and may
2016 lawfully possess controlled substances under this article:

2017 (1) An agent or employee of any registered
2018 manufacturer, distributor or dispenser of any controlled substance
2019 if he is acting in the usual course of his business or employment;

2020 (2) A common or contract carrier or warehouse, or
2021 an employee thereof, whose possession of any controlled substance
2022 is in the usual course of business or employment;

2023 (3) An ultimate user or a person in possession of
2024 any controlled substance pursuant to a valid prescription or in
2025 lawful possession of a Schedule V substance as defined in Section
2026 41-29-121.

2027 (d) The State Board of Pharmacy may waive by rule the
2028 requirement for registration of certain manufacturers,
2029 distributors or dispensers if it finds it consistent with the
2030 public health and safety.

2031 (e) A separate registration is required at each
2032 principal place of business or professional practice where an
2033 applicant within the state manufactures, distributes or dispenses
2034 controlled substances and for each principal place of business or
2035 professional practice located out-of-state from which controlled
2036 substances are distributed or dispensed into the state.

2037 (f) The State Board of Pharmacy, the Mississippi Bureau
2038 of Narcotics, the State Board of Medical Licensure, the State
2039 Board of Dental Examiners, the Mississippi Board of Nursing and
2040 the Mississippi Board of Veterinary Medicine may inspect the
2041 establishment of a registrant or applicant for registration in
2042 accordance with the regulations of these agencies as approved by
2043 the board.

2044 (2) Whenever a pharmacy ships, mails or delivers any
2045 Schedule II controlled substance listed in Section 41-29-115 to a

2046 private residence in this state, the pharmacy shall arrange with
2047 the entity that will actually deliver the controlled substance to
2048 a recipient in this state that the entity will: (a) deliver the
2049 controlled substance only to a person who is eighteen (18) years
2050 of age or older; and (b) obtain the signature of that person
2051 before delivering the controlled substance. The requirements of
2052 this subsection shall not apply to a pharmacy serving a nursing
2053 facility or to a pharmacy owned and/or operated by a hospital,
2054 nursing facility or clinic to which the general public does not
2055 have access to purchase pharmaceuticals on a retail basis.

2056 (3) This section does not apply to any of the acts regarding
2057 the medical use of cannabis that are lawful under the Mississippi
2058 Medical Cannabis Act. This subsection shall stand repealed three
2059 (3) years after the effective date of this act.

2060 **SECTION 33.** Section 41-29-127, Mississippi Code of 1972, is
2061 amended as follows:

2062 41-29-127. (a) The State Board of Pharmacy shall register
2063 an applicant to manufacture or distribute controlled substances
2064 included in Sections 41-29-113 through 41-29-121 unless it
2065 determines that the issuance of that registration would be
2066 inconsistent with the public interest. In determining the public
2067 interest, the State Board of Pharmacy shall consider the following
2068 factors:

2069 (1) Maintenance of effective controls against diversion
2070 of controlled substances into other than legitimate medical,
2071 scientific, or industrial channels;

- 2072 (2) Compliance with applicable state and local law;
- 2073 (3) Any convictions of the applicant under any federal
2074 and state laws relating to any controlled substance;
- 2075 (4) Past experience in the manufacture or distribution
2076 of controlled substances and the existence in the applicant's
2077 establishment of effective controls against diversion;
- 2078 (5) Furnishing by the applicant of false or fraudulent
2079 material in any application filed under this article;
- 2080 (6) Suspension or revocation of the applicant's federal
2081 registration to manufacture, distribute, or dispense controlled
2082 substances as authorized by federal law; and
- 2083 (7) Any other factors relevant to and consistent with
2084 the public health and safety.

2085 (b) Registration under subsection (a) does not entitle a
2086 registrant to manufacture and distribute controlled substances in
2087 Schedule I or II, as set out in Sections 41-29-113 and 41-29-115,
2088 other than those specified in the registration.

2089 (c) Practitioners must be registered to dispense any
2090 controlled substances or to conduct research with controlled
2091 substances in Schedules II through V, as set out in Sections
2092 41-29-115 through 41-29-121, if they are authorized to dispense or
2093 conduct research under the law of this state. The State Board of
2094 Pharmacy need not require separate registration under this section
2095 for practitioners engaging in research with nonnarcotic controlled
2096 substances in the said Schedules II through V where the registrant
2097 is already registered therein in another capacity. Practitioners

2098 registered under federal law to conduct research with Schedule I
2099 substances, as set out in Section 41-29-113, may conduct research
2100 with Schedule I substances within this state upon furnishing the
2101 State Board of Health evidence of that federal registration.

2102 (d) Compliance by manufacturers and distributors with the
2103 provisions of the federal law respecting registration (excluding
2104 fees) entitles them to be registered under this article.

2105 (e) This section does not apply to any of the acts regarding
2106 the medical use of cannabis that are lawful under the Mississippi
2107 Medical Cannabis Act. This subsection shall stand repealed three
2108 (3) years after the effective date of this act.

2109 **SECTION 34.** Section 41-29-136, Mississippi Code of 1972, is
2110 amended as follows:

2111 41-29-136. (1) "CBD solution" means a pharmaceutical
2112 preparation consisting of processed cannabis plant extract in oil
2113 or other suitable vehicle.

2114 (2) (a) CBD solution prepared from (i) cannabis plant
2115 extract that is provided by the National Center for Natural
2116 Products Research at the University of Mississippi under
2117 appropriate federal and state regulatory approvals, or (ii)
2118 cannabis extract from hemp produced pursuant to Sections 69-25-201
2119 through 69-25-221, which is prepared and tested to meet compliance
2120 with regulatory specifications, may be dispensed by the Department
2121 of Pharmacy Services at the University of Mississippi Medical
2122 Center (UMMC Pharmacy) after mixing the extract with a suitable
2123 vehicle. The CBD solution may be prepared by the UMMC Pharmacy or

2124 by another pharmacy or laboratory in the state under appropriate
2125 federal and state regulatory approvals and registrations.

2126 (b) The patient or the patient's parent, guardian or
2127 custodian must execute a hold-harmless agreement that releases
2128 from liability the state and any division, agency, institution or
2129 employee thereof involved in the research, cultivation,
2130 processing, formulating, dispensing, prescribing or administration
2131 of CBD solution obtained from entities authorized under this
2132 section to produce or possess cannabidiol for research under
2133 appropriate federal and state regulatory approvals and
2134 registrations.

2135 (c) The National Center for Natural Products Research
2136 at the University of Mississippi and the Mississippi Agricultural
2137 and Forestry Experiment Station at Mississippi State University
2138 are the only entities authorized to produce cannabis plants for
2139 cannabidiol research.

2140 (d) Research of CBD solution under this section must
2141 comply with the provisions of Section 41-29-125 regarding lawful
2142 possession of controlled substances, of Section 41-29-137
2143 regarding record-keeping requirements relative to the dispensing,
2144 use or administration of controlled substances, and of Section
2145 41-29-133 regarding inventory requirements, insofar as they are
2146 applicable. Authorized entities may enter into public-private
2147 partnerships to facilitate research.

2148 (3) (a) In a prosecution for the unlawful possession of
2149 marijuana under the laws of this state, it is an affirmative and
2150 complete defense to prosecution that:

2151 (i) The defendant suffered from a debilitating
2152 epileptic condition or related illness and the use or possession
2153 of CBD solution was pursuant to the order of a physician as
2154 authorized under this section; or

2155 (ii) The defendant is the parent, guardian or
2156 custodian of an individual who suffered from a debilitating
2157 epileptic condition or related illness and the use or possession
2158 of CBD solution was pursuant to the order of a physician as
2159 authorized under this section.

2160 (b) An agency of this state or a political subdivision
2161 thereof, including any law enforcement agency, may not initiate
2162 proceedings to remove a child from the home based solely upon the
2163 possession or use of CBD solution by the child or parent, guardian
2164 or custodian of the child as authorized under this section.

2165 (c) An employee of the state or any division, agency,
2166 institution thereof involved in the research, cultivation,
2167 processing, formulation, dispensing, prescribing or administration
2168 of CBD solution shall not be subject to prosecution for unlawful
2169 possession, use, distribution or prescription of marijuana under
2170 the laws of this state for activities arising from or related to
2171 the use of CBD solution in the treatment of individuals diagnosed
2172 with a debilitating epileptic condition.

2173 (4) This section does not apply to any of the acts regarding
2174 the medical use of cannabis that are lawful under the Mississippi
2175 Medical Cannabis Act. This subsection shall stand repealed three
2176 (3) years after the effective date of this act.

2177 (* * *5) This section shall be known as "Harper Grace's
2178 Law."

2179 (* * *6) This section shall stand repealed from and after
2180 July 1, * * * 2025.

2181 **SECTION 35.** Section 41-29-137, Mississippi Code of 1972, is
2182 amended as follows:

2183 41-29-137. (a) (1) Except when dispensed directly by a
2184 practitioner, other than a pharmacy, to an ultimate user, no
2185 controlled substance in Schedule II, as set out in Section
2186 41-29-115, may be dispensed without the written valid prescription
2187 of a practitioner. A practitioner shall keep a record of all
2188 controlled substances in Schedule I, II and III administered,
2189 dispensed or professionally used by him otherwise than by
2190 prescription.

2191 (2) In emergency situations, as defined by rule of the
2192 State Board of Pharmacy, Schedule II drugs may be dispensed upon
2193 the oral valid prescription of a practitioner, reduced promptly to
2194 writing and filed by the pharmacy. Prescriptions shall be
2195 retained in conformity with the requirements of Section 41-29-133.
2196 No prescription for a Schedule II substance may be refilled unless
2197 renewed by prescription issued by a licensed medical doctor.

2198 (b) Except when dispensed directly by a practitioner, other
2199 than a pharmacy, to an ultimate user, a controlled substance
2200 included in Schedule III or IV, as set out in Sections 41-29-117
2201 and 41-29-119, shall not be dispensed without a written or oral
2202 valid prescription of a practitioner. The prescription shall not
2203 be filled or refilled more than six (6) months after the date
2204 thereof or be refilled more than five (5) times, unless renewed by
2205 the practitioner.

2206 (c) A controlled substance included in Schedule V, as set
2207 out in Section 41-29-121, shall not be distributed or dispensed
2208 other than for a medical purpose.

2209 (d) An optometrist certified to prescribe and use
2210 therapeutic pharmaceutical agents under Sections 73-19-153 through
2211 73-19-165 shall be authorized to prescribe oral analgesic
2212 controlled substances in Schedule IV or V, as pertains to
2213 treatment and management of eye disease by written prescription
2214 only.

2215 (e) Administration by injection of any pharmaceutical
2216 product authorized in this section is expressly prohibited except
2217 when dispensed directly by a practitioner other than a pharmacy.

2218 (f) (1) For the purposes of this article, Title 73, Chapter
2219 21, and Title 73, Chapter 25, Mississippi Code of 1972, as it
2220 pertains to prescriptions for controlled substances, a "valid
2221 prescription" means a prescription that is issued for a legitimate
2222 medical purpose in the usual course of professional practice by:

2223 (A) A practitioner who has conducted at least one
2224 (1) in-person medical evaluation of the patient, except as
2225 otherwise authorized by Section 41-29-137.1 through June 30, 2021;
2226 or

2227 (B) A covering practitioner.

2228 (2) (A) "In-person medical evaluation" means a medical
2229 evaluation that is conducted with the patient in the physical
2230 presence of the practitioner, without regard to whether portions
2231 of the evaluation are conducted by other health professionals.

2232 (B) "Covering practitioner" means a practitioner
2233 who conducts a medical evaluation other than an in-person medical
2234 evaluation at the request of a practitioner who has conducted at
2235 least one (1) in-person medical evaluation of the patient or an
2236 evaluation of the patient through the practice of telemedicine
2237 within the previous twenty-four (24) months and who is temporarily
2238 unavailable to conduct the evaluation of the patient.

2239 (3) A prescription for a controlled substance based
2240 solely on a consumer's completion of an online medical
2241 questionnaire is not a valid prescription.

2242 (4) Nothing in this subsection (f) shall apply to:

2243 (A) A prescription issued by a practitioner
2244 engaged in the practice of telemedicine as authorized under state
2245 or federal law; or

2246 (B) The dispensing or selling of a controlled
2247 substance pursuant to practices as determined by the United States
2248 Attorney General by regulation.

2249 (g) This section does not apply to any of the acts regarding
2250 the medical use of cannabis that are lawful under the Mississippi
2251 Medical Cannabis Act. This subsection shall stand repealed three
2252 (3) years after the effective date of this act.

2253 **SECTION 36.** Section 41-29-139, Mississippi Code of 1972, is
2254 amended as follows:

2255 41-29-139. (a) **Transfer and possession with intent to**
2256 **transfer.** Except as authorized by this article, it is unlawful
2257 for any person knowingly or intentionally:

2258 (1) To sell, barter, transfer, manufacture, distribute,
2259 dispense or possess with intent to sell, barter, transfer,
2260 manufacture, distribute or dispense, a controlled substance; or

2261 (2) To create, sell, barter, transfer, distribute,
2262 dispense or possess with intent to create, sell, barter, transfer,
2263 distribute or dispense, a counterfeit substance.

2264 (b) **Punishment for transfer and possession with intent to**
2265 **transfer.** Except as otherwise provided in Section 41-29-142, any
2266 person who violates subsection (a) of this section shall be, if
2267 convicted, sentenced as follows:

2268 (1) For controlled substances classified in Schedule I
2269 or II, as set out in Sections 41-29-113 and 41-29-115, other than
2270 marijuana or synthetic cannabinoids:

2271 (A) If less than two (2) grams or ten (10) dosage
2272 units, by imprisonment for not more than eight (8) years or a fine
2273 of not more than Fifty Thousand Dollars (\$50,000.00), or both.

2274 (B) If two (2) or more grams or ten (10) or more
2275 dosage units, but less than ten (10) grams or twenty (20) dosage
2276 units, by imprisonment for not less than three (3) years nor more
2277 than twenty (20) years or a fine of not more than Two Hundred
2278 Fifty Thousand Dollars (\$250,000.00), or both.

2279 (C) If ten (10) or more grams or twenty (20) or
2280 more dosage units, but less than thirty (30) grams or forty (40)
2281 dosage units, by imprisonment for not less than five (5) years nor
2282 more than thirty (30) years or a fine of not more than Five
2283 Hundred Thousand Dollars (\$500,000.00), or both.

2284 (2) (A) For marijuana:

2285 1. If thirty (30) grams or less, by
2286 imprisonment for not more than three (3) years or a fine of not
2287 more than Three Thousand Dollars (\$3,000.00), or both;

2288 2. If more than thirty (30) grams but less
2289 than two hundred fifty (250) grams, by imprisonment for not more
2290 than five (5) years or a fine of not more than Five Thousand
2291 Dollars (\$5,000.00), or both;

2292 3. If two hundred fifty (250) or more grams
2293 but less than five hundred (500) grams, by imprisonment for not
2294 less than three (3) years nor more than ten (10) years or a fine
2295 of not more than Fifteen Thousand Dollars (\$15,000.00), or both;

2296 4. If five hundred (500) or more grams but
2297 less than one (1) kilogram, by imprisonment for not less than five
2298 (5) years nor more than twenty (20) years or a fine of not more
2299 than Twenty Thousand Dollars (\$20,000.00), or both.

2300 (B) For synthetic cannabinoids:

2301 1. If ten (10) grams or less, by imprisonment

2302 for not more than three (3) years or a fine of not more than Three

2303 Thousand Dollars (\$3,000.00), or both;

2304 2. If more than ten (10) grams but less than

2305 twenty (20) grams, by imprisonment for not more than five (5)

2306 years or a fine of not more than Five Thousand Dollars

2307 (\$5,000.00), or both;

2308 3. If twenty (20) or more grams but less than

2309 forty (40) grams, by imprisonment for not less than three (3)

2310 years nor more than ten (10) years or a fine of not more than

2311 Fifteen Thousand Dollars (\$15,000.00), or both;

2312 4. If forty (40) or more grams but less than

2313 two hundred (200) grams, by imprisonment for not less than five

2314 (5) years nor more than twenty (20) years or a fine of not more

2315 than Twenty Thousand Dollars (\$20,000.00), or both.

2316 (3) For controlled substances classified in Schedules

2317 III and IV, as set out in Sections 41-29-117 and 41-29-119:

2318 (A) If less than two (2) grams or ten (10) dosage

2319 units, by imprisonment for not more than five (5) years or a fine

2320 of not more than Five Thousand Dollars (\$5,000.00), or both;

2321 (B) If two (2) or more grams or ten (10) or more

2322 dosage units, but less than ten (10) grams or twenty (20) dosage

2323 units, by imprisonment for not more than eight (8) years or a fine

2324 of not more than Fifty Thousand Dollars (\$50,000.00), or both;

2325 (C) If ten (10) or more grams or twenty (20) or
2326 more dosage units, but less than thirty (30) grams or forty (40)
2327 dosage units, by imprisonment for not more than fifteen (15) years
2328 or a fine of not more than One Hundred Thousand Dollars
2329 (\$100,000.00), or both;

2330 (D) If thirty (30) or more grams or forty (40) or
2331 more dosage units, but less than five hundred (500) grams or two
2332 thousand five hundred (2,500) dosage units, by imprisonment for
2333 not more than twenty (20) years or a fine of not more than Two
2334 Hundred Fifty Thousand Dollars (\$250,000.00), or both.

2335 (4) For controlled substances classified in Schedule V,
2336 as set out in Section 41-29-121:

2337 (A) If less than two (2) grams or ten (10) dosage
2338 units, by imprisonment for not more than one (1) year or a fine of
2339 not more than Five Thousand Dollars (\$5,000.00), or both;

2340 (B) If two (2) or more grams or ten (10) or more
2341 dosage units, but less than ten (10) grams or twenty (20) dosage
2342 units, by imprisonment for not more than five (5) years or a fine
2343 of not more than Ten Thousand Dollars (\$10,000.00), or both;

2344 (C) If ten (10) or more grams or twenty (20) or
2345 more dosage units, but less than thirty (30) grams or forty (40)
2346 dosage units, by imprisonment for not more than ten (10) years or
2347 a fine of not more than Twenty Thousand Dollars (\$20,000.00), or
2348 both;

2349 (D) For thirty (30) or more grams or forty (40) or
2350 more dosage units, but less than five hundred (500) grams or two

2351 thousand five hundred (2,500) dosage units, by imprisonment for
2352 not more than fifteen (15) years or a fine of not more than Fifty
2353 Thousand Dollars (\$50,000.00), or both.

2354 (c) **Simple possession.** It is unlawful for any person
2355 knowingly or intentionally to possess any controlled substance
2356 unless the substance was obtained directly from, or pursuant to, a
2357 valid prescription or order of a practitioner while acting in the
2358 course of his professional practice, or except as otherwise
2359 authorized by this article. The penalties for any violation of
2360 this subsection (c) with respect to a controlled substance
2361 classified in Schedules I, II, III, IV or V, as set out in Section
2362 41-29-113, 41-29-115, 41-29-117, 41-29-119 or 41-29-121, including
2363 marijuana or synthetic cannabinoids, shall be based on dosage unit
2364 as defined herein or the weight of the controlled substance as set
2365 forth herein as appropriate:

2366 "Dosage unit (d.u.)" means a tablet or capsule, or in the
2367 case of a liquid solution, one (1) milliliter. In the case of
2368 lysergic acid diethylamide (LSD) the term, "dosage unit" means a
2369 stamp, square, dot, microdot, tablet or capsule of a controlled
2370 substance.

2371 For any controlled substance that does not fall within the
2372 definition of the term "dosage unit," the penalties shall be based
2373 upon the weight of the controlled substance.

2374 The weight set forth refers to the entire weight of any
2375 mixture or substance containing a detectable amount of the
2376 controlled substance.

2377 If a mixture or substance contains more than one (1)
2378 controlled substance, the weight of the mixture or substance is
2379 assigned to the controlled substance that results in the greater
2380 punishment.

2381 A person shall be charged and sentenced as follows for a
2382 violation of this subsection with respect to:

2383 (1) A controlled substance classified in Schedule I or
2384 II, except marijuana and synthetic cannabinoids:

2385 (A) If less than one-tenth (0.1) gram or two (2)
2386 dosage units, the violation is a misdemeanor and punishable by
2387 imprisonment for not more than one (1) year or a fine of not more
2388 than One Thousand Dollars (\$1,000.00), or both.

2389 (B) If one-tenth (0.1) gram or more or two (2) or
2390 more dosage units, but less than two (2) grams or ten (10) dosage
2391 units, by imprisonment for not more than three (3) years or a fine
2392 of not more than Fifty Thousand Dollars (\$50,000.00), or both.

2393 (C) If two (2) or more grams or ten (10) or more
2394 dosage units, but less than ten (10) grams or twenty (20) dosage
2395 units, by imprisonment for not more than eight (8) years or a fine
2396 of not more than Two Hundred Fifty Thousand Dollars (\$250,000.00),
2397 or both.

2398 (D) If ten (10) or more grams or twenty (20) or
2399 more dosage units, but less than thirty (30) grams or forty (40)
2400 dosage units, by imprisonment for not less than three (3) years
2401 nor more than twenty (20) years or a fine of not more than Five
2402 Hundred Thousand Dollars (\$500,000.00), or both.

2403 (2) (A) Marijuana and synthetic cannabinoids:
2404 1. If thirty (30) grams or less of marijuana
2405 or ten (10) grams or less of synthetic cannabinoids, by a fine of
2406 not less than One Hundred Dollars (\$100.00) nor more than Two
2407 Hundred Fifty Dollars (\$250.00). The provisions of this paragraph
2408 (2) (A) may be enforceable by summons if the offender provides
2409 proof of identity satisfactory to the arresting officer and gives
2410 written promise to appear in court satisfactory to the arresting
2411 officer, as directed by the summons. A second conviction under
2412 this section within two (2) years is a misdemeanor punishable by a
2413 fine of Two Hundred Fifty Dollars (\$250.00), not more than sixty
2414 (60) days in the county jail, and mandatory participation in a
2415 drug education program approved by the Division of Alcohol and
2416 Drug Abuse of the State Department of Mental Health, unless the
2417 court enters a written finding that a drug education program is
2418 inappropriate. A third or subsequent conviction under this
2419 paragraph (2) (A) within two (2) years is a misdemeanor punishable
2420 by a fine of not less than Two Hundred Fifty Dollars (\$250.00) nor
2421 more than One Thousand Dollars (\$1,000.00) and confinement for not
2422 more than six (6) months in the county jail.

2423 Upon a first or second conviction under this paragraph
2424 (2) (A), the courts shall forward a report of the conviction to the
2425 Mississippi Bureau of Narcotics which shall make and maintain a
2426 private, nonpublic record for a period not to exceed two (2) years
2427 from the date of conviction. The private, nonpublic record shall
2428 be solely for the use of the courts in determining the penalties

2429 which attach upon conviction under this paragraph (2)(A) and shall
2430 not constitute a criminal record for the purpose of private or
2431 administrative inquiry and the record of each conviction shall be
2432 expunged at the end of the period of two (2) years following the
2433 date of such conviction;

2434 2. Additionally, a person who is the operator
2435 of a motor vehicle, who possesses on his person or knowingly keeps
2436 or allows to be kept in a motor vehicle within the area of the
2437 vehicle normally occupied by the driver or passengers, more than
2438 one (1) gram, but not more than thirty (30) grams of marijuana or
2439 not more than ten (10) grams of synthetic cannabinoids is guilty
2440 of a misdemeanor and, upon conviction, may be fined not more than
2441 One Thousand Dollars (\$1,000.00) or confined for not more than
2442 ninety (90) days in the county jail, or both. For the purposes of
2443 this subsection, such area of the vehicle shall not include the
2444 trunk of the motor vehicle or the areas not normally occupied by
2445 the driver or passengers if the vehicle is not equipped with a
2446 trunk. A utility or glove compartment shall be deemed to be
2447 within the area occupied by the driver and passengers;

2448 (B) Marijuana:

2449 1. If more than thirty (30) grams but less
2450 than two hundred fifty (250) grams, by a fine of not more than One
2451 Thousand Dollars (\$1,000.00), or confinement in the county jail
2452 for not more than one (1) year, or both; or by a fine of not more
2453 than Three Thousand Dollars (\$3,000.00), or imprisonment in the

2454 custody of the Department of Corrections for not more than three
2455 (3) years, or both;

2456 2. If two hundred fifty (250) or more grams
2457 but less than five hundred (500) grams, by imprisonment for not
2458 less than two (2) years nor more than eight (8) years or by a fine
2459 of not more than Fifty Thousand Dollars (\$50,000.00), or both;

2460 3. If five hundred (500) or more grams but
2461 less than one (1) kilogram, by imprisonment for not less than four
2462 (4) years nor more than sixteen (16) years or a fine of not more
2463 than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both;

2464 4. If one (1) kilogram or more but less than
2465 five (5) kilograms, by imprisonment for not less than six (6)
2466 years nor more than twenty-four (24) years or a fine of not more
2467 than Five Hundred Thousand Dollars (\$500,000.00), or both;

2468 5. If five (5) kilograms or more, by
2469 imprisonment for not less than ten (10) years nor more than thirty
2470 (30) years or a fine of not more than One Million Dollars
2471 (\$1,000,000.00), or both.

2472 (C) Synthetic cannabinoids:

2473 1. If more than ten (10) grams but less than
2474 twenty (20) grams, by a fine of not more than One Thousand Dollars
2475 (\$1,000.00), or confinement in the county jail for not more than
2476 one (1) year, or both; or by a fine of not more than Three
2477 Thousand Dollars (\$3,000.00), or imprisonment in the custody of
2478 the Department of Corrections for not more than three (3) years,
2479 or both;

2480 2. If twenty (20) or more grams but less than
2481 forty (40) grams, by imprisonment for not less than two (2) years
2482 nor more than eight (8) years or by a fine of not more than Fifty
2483 Thousand Dollars (\$50,000.00), or both;

2484 3. If forty (40) or more grams but less than
2485 two hundred (200) grams, by imprisonment for not less than four
2486 (4) years nor more than sixteen (16) years or a fine of not more
2487 than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both;

2488 4. If two hundred (200) or more grams, by
2489 imprisonment for not less than six (6) years nor more than
2490 twenty-four (24) years or a fine of not more than Five Hundred
2491 Thousand Dollars (\$500,000.00), or both.

2492 (3) A controlled substance classified in Schedule III,
2493 IV or V as set out in Sections 41-29-117 through 41-29-121, upon
2494 conviction, may be punished as follows:

2495 (A) If less than fifty (50) grams or less than one
2496 hundred (100) dosage units, the offense is a misdemeanor and
2497 punishable by not more than one (1) year or a fine of not more
2498 than One Thousand Dollars (\$1,000.00), or both.

2499 (B) If fifty (50) or more grams or one hundred
2500 (100) or more dosage units, but less than one hundred fifty (150)
2501 grams or five hundred (500) dosage units, by imprisonment for not
2502 less than one (1) year nor more than four (4) years or a fine of
2503 not more than Ten Thousand Dollars (\$10,000.00), or both.

2504 (C) If one hundred fifty (150) or more grams or
2505 five hundred (500) or more dosage units, but less than three

2506 hundred (300) grams or one thousand (1,000) dosage units, by
2507 imprisonment for not less than two (2) years nor more than eight
2508 (8) years or a fine of not more than Fifty Thousand Dollars
2509 (\$50,000.00), or both.

2510 (D) If three hundred (300) or more grams or one
2511 thousand (1,000) or more dosage units, but less than five hundred
2512 (500) grams or two thousand five hundred (2,500) dosage units, by
2513 imprisonment for not less than four (4) years nor more than
2514 sixteen (16) years or a fine of not more than Two Hundred Fifty
2515 Thousand Dollars (\$250,000.00), or both.

2516 (d) **Paraphernalia.** (1) It is unlawful for a person who is
2517 not authorized by the State Board of Medical Licensure, State
2518 Board of Pharmacy, or other lawful authority to use, or to possess
2519 with intent to use, paraphernalia to plant, propagate, cultivate,
2520 grow, harvest, manufacture, compound, convert, produce, process,
2521 prepare, test, analyze, pack, repack, store, contain, conceal,
2522 inject, ingest, inhale or otherwise introduce into the human body
2523 a controlled substance in violation of the Uniform Controlled
2524 Substances Law. Any person who violates this subsection (d)(1) is
2525 guilty of a misdemeanor and, upon conviction, may be confined in
2526 the county jail for not more than six (6) months, or fined not
2527 more than Five Hundred Dollars (\$500.00), or both; however, no
2528 person shall be charged with a violation of this subsection when
2529 such person is also charged with the possession of thirty (30)
2530 grams or less of marijuana under subsection (c)(2)(A) of this
2531 section.

2532 (2) It is unlawful for any person to deliver, sell,
2533 possess with intent to deliver or sell, or manufacture with intent
2534 to deliver or sell, paraphernalia, knowing, or under circumstances
2535 where one reasonably should know, that it will be used to plant,
2536 propagate, cultivate, grow, harvest, manufacture, compound,
2537 convert, produce, process, prepare, test, analyze, pack, repack,
2538 store, contain, conceal, inject, ingest, inhale, or otherwise
2539 introduce into the human body a controlled substance in violation
2540 of the Uniform Controlled Substances Law. Except as provided in
2541 subsection (d) (3), a person who violates this subsection (d) (2) is
2542 guilty of a misdemeanor and, upon conviction, may be confined in
2543 the county jail for not more than six (6) months, or fined not
2544 more than Five Hundred Dollars (\$500.00), or both.

2545 (3) Any person eighteen (18) years of age or over who
2546 violates subsection (d) (2) of this section by delivering or
2547 selling paraphernalia to a person under eighteen (18) years of age
2548 who is at least three (3) years his junior is guilty of a
2549 misdemeanor and, upon conviction, may be confined in the county
2550 jail for not more than one (1) year, or fined not more than One
2551 Thousand Dollars (\$1,000.00), or both.

2552 (4) It is unlawful for any person to place in any
2553 newspaper, magazine, handbill, or other publication any
2554 advertisement, knowing, or under circumstances where one
2555 reasonably should know, that the purpose of the advertisement, in
2556 whole or in part, is to promote the sale of objects designed or
2557 intended for use as paraphernalia. Any person who violates this

2558 subsection is guilty of a misdemeanor and, upon conviction, may be
2559 confined in the county jail for not more than six (6) months, or
2560 fined not more than Five Hundred Dollars (\$500.00), or both.

2561 (e) It shall be unlawful for any physician practicing
2562 medicine in this state to prescribe, dispense or administer any
2563 amphetamine or amphetamine-like anorectics and/or central nervous
2564 system stimulants classified in Schedule II, pursuant to Section
2565 41-29-115, for the exclusive treatment of obesity, weight control
2566 or weight loss. Any person who violates this subsection, upon
2567 conviction, is guilty of a misdemeanor and may be confined for a
2568 period not to exceed six (6) months, or fined not more than One
2569 Thousand Dollars (\$1,000.00), or both.

2570 (f) **Trafficking.** (1) Any person trafficking in controlled
2571 substances shall be guilty of a felony and, upon conviction, shall
2572 be imprisoned for a term of not less than ten (10) years nor more
2573 than forty (40) years and shall be fined not less than Five
2574 Thousand Dollars (\$5,000.00) nor more than One Million Dollars
2575 (\$1,000,000.00). The ten-year mandatory sentence shall not be
2576 reduced or suspended. The person shall not be eligible for
2577 probation or parole, the provisions of Sections 41-29-149,
2578 47-5-139, 47-7-3 and 47-7-33, to the contrary notwithstanding.

2579 (2) "Trafficking in controlled substances" as used
2580 herein means:

2581 (A) A violation of subsection (a) of this section
2582 involving thirty (30) or more grams or forty (40) or more dosage

2583 units of a Schedule I or II controlled substance except marijuana
2584 and synthetic cannabinoids;

2585 (B) A violation of subsection (a) of this section
2586 involving five hundred (500) or more grams or two thousand five
2587 hundred (2,500) or more dosage units of a Schedule III, IV or V
2588 controlled substance;

2589 (C) A violation of subsection (c) of this section
2590 involving thirty (30) or more grams or forty (40) or more dosage
2591 units of a Schedule I or II controlled substance except marijuana
2592 and synthetic cannabinoids;

2593 (D) A violation of subsection (c) of this section
2594 involving five hundred (500) or more grams or two thousand five
2595 hundred (2,500) or more dosage units of a Schedule III, IV or V
2596 controlled substance; or

2597 (E) A violation of subsection (a) of this section
2598 involving one (1) kilogram or more of marijuana or two hundred
2599 (200) grams or more of synthetic cannabinoids.

2600 (g) **Aggravated trafficking.** Any person trafficking in
2601 Schedule I or II controlled substances, except marijuana and
2602 synthetic cannabinoids, of two hundred (200) grams or more shall
2603 be guilty of aggravated trafficking and, upon conviction, shall be
2604 sentenced to a term of not less than twenty-five (25) years nor
2605 more than life in prison and shall be fined not less than Five
2606 Thousand Dollars (\$5,000.00) nor more than One Million Dollars
2607 (\$1,000,000.00). The twenty-five-year sentence shall be a
2608 mandatory sentence and shall not be reduced or suspended. The

2609 person shall not be eligible for probation or parole, the
2610 provisions of Sections 41-29-149, 47-5-139, 47-7-3 and 47-7-33, to
2611 the contrary notwithstanding.

2612 (h) **Sentence mitigation.** (1) Notwithstanding any provision
2613 of this section, a person who has been convicted of an offense
2614 under this section that requires the judge to impose a prison
2615 sentence which cannot be suspended or reduced and is ineligible
2616 for probation or parole may, at the discretion of the court,
2617 receive a sentence of imprisonment that is no less than
2618 twenty-five percent (25%) of the sentence prescribed by the
2619 applicable statute. In considering whether to apply the departure
2620 from the sentence prescribed, the court shall conclude that:

2621 (A) The offender was not a leader of the criminal
2622 enterprise;

2623 (B) The offender did not use violence or a weapon
2624 during the crime;

2625 (C) The offense did not result in a death or
2626 serious bodily injury of a person not a party to the criminal
2627 enterprise; and

2628 (D) The interests of justice are not served by the
2629 imposition of the prescribed mandatory sentence.

2630 The court may also consider whether information and
2631 assistance were furnished to a law enforcement agency, or its
2632 designee, which, in the opinion of the trial judge, objectively
2633 should or would have aided in the arrest or prosecution of others
2634 who violate this subsection. The accused shall have adequate

2635 opportunity to develop and make a record of all information and
2636 assistance so furnished.

2637 (2) If the court reduces the prescribed sentence
2638 pursuant to this subsection, it must specify on the record the
2639 circumstances warranting the departure.

2640 (i) Mississippi Medical Cannabinoids. This section does not
2641 apply to any of the acts regarding the medical use of cannabis
2642 that are lawful under the Mississippi Medical Cannabis Act. This
2643 subsection shall stand repealed three (3) years after the
2644 effective date of this act.

2645 **SECTION 37.** Section 41-29-141, Mississippi Code of 1972, is
2646 amended as follows:

2647 41-29-141. (a) It is unlawful for any person:

2648 (1) Who is subject to Section 41-29-125 to distribute
2649 or dispense a controlled substance in violation of Section
2650 41-29-137;

2651 (2) Who is a registrant under Section 41-29-125 to
2652 manufacture a controlled substance not authorized by his
2653 registration, or to distribute or dispense a controlled substance
2654 not authorized by his registration to another registrant or other
2655 authorized person;

2656 (3) To refuse or fail to make, keep or furnish any
2657 record, notification, order form, statement, invoice or
2658 information required under this article;

2659 (4) To refuse a lawful entry into any premises for any
2660 inspection authorized by this article; or

2661 (5) Knowingly to keep or maintain any store, shop,
2662 warehouse, dwelling, building, vehicle, boat, aircraft, or other
2663 structure or place, which is resorted to by persons using
2664 controlled substances in violation of this article for the purpose
2665 of using these substances, or which is used for keeping or selling
2666 them in violation of this article.

2667 Any person who violates this section shall, with respect to
2668 such violation, be subject to a civil penalty payable to the State
2669 of Mississippi of not more than Twenty-five Thousand Dollars
2670 (\$25,000.00).

2671 In addition to the civil penalty provided in the preceding
2672 paragraph, any person who knowingly or intentionally violates this
2673 section shall be guilty of a crime and upon conviction thereof may
2674 be confined for a period of not more than one (1) year or fined
2675 not more than One Thousand Dollars (\$1,000.00), or both.

2676 (b) This section does not apply to any of the acts regarding
2677 the medical use of cannabis that are lawful under the Mississippi
2678 Medical Cannabis Act. This subsection (b) shall stand repealed
2679 three (3) years after the effective date of this act.

2680 **SECTION 38.** Section 41-29-143, Mississippi Code of 1972, is
2681 amended as follows:

2682 41-29-143. (a) It is unlawful for any person knowingly or
2683 intentionally:

2684 (1) To distribute as a registrant a controlled
2685 substance classified in Schedule I or II, as set out in Sections

2686 41-29-113 and 41-29-115, except pursuant to an order form as
2687 required by Section 41-29-135;

2688 (2) To use in the course of the manufacture or
2689 distribution of a controlled substance a registration number which
2690 is fictitious, revoked, suspended, or issued to another
2691 person * * *;

2692 (3) To furnish false or fraudulent material information
2693 in, or omit any material information from, any application,
2694 report, or other document required to be kept or filed under this
2695 article, or any record required to be kept by this article; or

2696 (4) To make, distribute, or possess any punch, die,
2697 plate, stone, or other thing designed to print, imprint, or
2698 reproduce the trademark, trade name, or other identifying mark,
2699 imprint or device of another or any likeness of any of the
2700 foregoing upon any drug or container or labeling thereof so as to
2701 render the drug a counterfeit substance.

2702 Any person who violates this section is guilty of a crime and
2703 upon conviction may be confined for not more than one (1) year or
2704 fined not more than One Thousand Dollars (\$1,000.00) or both.

2705 (b) This section does not apply to any of the acts regarding
2706 the medical use of cannabis that are lawful under the Mississippi
2707 Medical Cannabis Act. This subsection (b) shall stand repealed
2708 three (3) years after the effective date of this act.

2709 **SECTION 39.** Sections 2 through 39 of this act shall stand
2710 repealed three (3) years after its effective date.

2711 **SECTION 40.** Section 1 of this act shall take effect and be
2712 in force from and after July 1, 2021. Sections 2 through 39 of
2713 this act shall take effect and be in force from and after the
2714 date, if any, that the provisions of Initiative Measure Number 65
2715 of 2020 are enjoined or otherwise ruled of no legal force and
2716 effect.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 41-29-136, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE DATE OF THE REPEALER ON HARPER GRACE'S LAW, WHICH
3 AUTHORIZES RESEARCH AND THE DISPENSING, POSSESSION AND USE OF
4 CANNABIDIOL (CBD OIL) FOR MEDICAL PURPOSES; TO ENACT THE
5 MISSISSIPPI MEDICAL CANNABIS ACT; TO AUTHORIZE MEDICAL CANNABIS
6 USE BY CERTAIN PATIENTS WHO HAVE DEBILITATING MEDICAL CONDITIONS;
7 TO PROVIDE CERTAIN PROTECTIONS TO PATIENTS, CAREGIVERS, MEDICAL
8 PROVIDERS, MEDICAL CANNABIS ESTABLISHMENTS, DISPENSARIES,
9 PHARMACIES AND TESTING FACILITIES FOR THE MEDICAL USE OF CANNABIS;
10 TO PROVIDE THAT THE STATE DEPARTMENT OF HEALTH WILL ISSUE REGISTRY
11 IDENTIFICATION CARDS TO QUALIFYING PATIENTS AND REGISTRATIONS TO
12 QUALIFYING FACILITIES; TO PROVIDE FOR THE LICENSING OF CANNABIS
13 RESEARCH FACILITIES, TESTING FACILITIES AND CULTIVATION-PROCESSING
14 FACILITIES BY THE DEPARTMENT OF AGRICULTURE AND COMMERCE; TO
15 EXEMPT THE RESEARCH FACILITY AT THE UNIVERSITY OF MISSISSIPPI FROM
16 THE APPLICATION AND ANNUAL LICENSE RENEWAL FEES; TO AUTHORIZE
17 LOCAL GOVERNMENTS TO ENACT CERTAIN ORDINANCES NOT IN CONFLICT WITH
18 THIS ACT; TO PROHIBIT LOCAL TAXES ON CANNABIS OR CANNABIS
19 ESTABLISHMENTS; TO REQUIRE THE DEPARTMENT OF HEALTH, THE
20 DEPARTMENT OF AGRICULTURE AND COMMERCE, AND THE DEPARTMENT OF
21 REVENUE TO PROMULGATE RULES AND REGULATIONS SPECIFIC TO THE ROLE
22 OF EACH DEPARTMENT IN ACCOMPLISHING THE PURPOSES OF THIS ACT; TO
23 REQUIRE THE DEPARTMENT OF AGRICULTURE AND COMMERCE AND THE
24 DEPARTMENT OF REVENUE TO MAINTAIN A PUBLIC REGISTRY OF MEDICAL
25 CANNABIS ESTABLISHMENTS; TO PROVIDE CIVIL AND CRIMINAL PENALTIES
26 FOR VIOLATIONS OF THIS ACT; TO REQUIRE THE DEPARTMENT OF HEALTH
27 AND THE DEPARTMENT OF REVENUE TO MAKE ANNUAL REPORTS TO THE
28 LEGISLATURE; TO PROVIDE THAT BANKS MAY PROVIDE THE SERVICES TO
29 MEDICAL CANNABIS LICENSEES THAT MAY BE PROVIDED TO ANY OTHER
30 BUSINESS; TO CREATE NEW SECTION 27-65-28, MISSISSIPPI CODE OF
31 1972, TO PROVIDE THAT THE RETAIL SALES OF MEDICAL CANNABIS
32 PRODUCTS SHALL BE TAXED AT 7%; TO IMPOSE AN EXCISE TAX OF 4% ON
33 MEDICAL CANNABIS PRODUCTS; TO CREATE THE WORKFORCE AND COLLEGE
34 OPPORTUNITY SCHOLARSHIP FUND IN THE STATE TREASURY; TO PROVIDE

35 THAT REVENUE GENERATED FROM THE SALES TAX AND EXCISE TAX ON
36 MEDICAL CANNABIS PRODUCTS, ASIDE FROM THE 18.5% SALES TAX
37 DIVERSION FOR MUNICIPALITIES, SHALL BE DEPOSITED INTO THE FUND; TO
38 PROVIDE THAT THE FIRST 25% OF THE REVENUE IN THE FUND SHALL BE
39 ALLOCATED TO THE DEPARTMENT OF EDUCATION FOR THE STATE SHARE FOR
40 EARLY LEARNING COLLABORATIVES AS ESTABLISHED IN SECTION 37-21-51,
41 THE NEXT 25% SHALL BE ALLOCATED TO THE DEPARTMENT OF EDUCATION FOR
42 A STANDARDIZED DUAL ENROLLMENT PROGRAM, AND THE REMAINING FUNDS
43 SHALL BE ALLOCATED TO THE POSTSECONDARY EDUCATION FINANCIAL
44 ASSISTANCE BOARD AS ESTABLISHED IN SECTION 37-106-9 TO CREATE A
45 "LAST-DOLLAR" SCHOLARSHIP PROGRAM FOR COMMUNITY COLLEGE STUDENTS,
46 UNIVERSITY STUDENTS, ACADEMIC OR CAREER AND TECHNICAL, WITH THE
47 GOAL OF PROVIDING TUITION, ROOM AND BOARD, BOOKS AND MATERIALS TO
48 MISSISSIPPI STUDENTS; TO AMEND SECTIONS 27-65-75, 41-29-125,
49 41-29-127, 41-29-136, 41-29-137, 41-29-139, 41-29-141 AND
50 41-29-143, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PRECEDING
51 PROVISIONS; TO PROVIDE THAT THE ACT SHALL REPEAL THREE YEARS FROM
52 ITS EFFECTIVE DATE; TO PROVIDE THAT THE ACT SHALL TAKE EFFECT ON
53 THE DATE, IF ANY, THAT THE PROVISIONS OF INITIATIVE 65 OF 2020 ARE
54 ENJOINED OR OTHERWISE RULED OF NO LEGAL FORCE AND EFFECT; AND FOR
55 RELATED PURPOSES.

SS26\HB119PS.J

Eugene S. Clarke
Secretary of the Senate