By: Representatives Harness, Summers To: Drug Policy; Business

and Commerce; Ways and Means

## HOUSE BILL NO. 615

AN ACT TO BE KNOWN AS THE MISSISSIPPI RETAIL MARIJUANA ACT; TO AUTHORIZE THE PERSONAL USE OF MARIJUANA BY PERSONS 21 YEARS OF AGE AND OLDER AND PROVIDE FOR THE REGULATION OF THE PERSONAL USE OF MARIJUANA BY THE STATE DEPARTMENT OF HEALTH; TO PROVIDE FOR THE 5 LAWFUL OPERATION OF RETAIL MARIJUANA-RELATED FACILITIES; TO DIRECT THE DEPARTMENT TO ADOPT REGULATIONS NECESSARY FOR THE 7 IMPLEMENTATION OF THIS ACT; TO PROVIDE FOR THE MISSISSIPPI MARIJUANA CODE, WHICH PROVIDES FOR THE STATUTORY REGULATION OF THE PERSONAL USE OF MARIJUANA; TO PROVIDE DEFINITIONS FOR THE CODE; TO PROVIDE FOR THE APPLICABILITY OF THE CODE TO RETAIL MARIJUANA; TO 10 PROVIDE THAT THE STATE DEPARTMENT OF HEALTH IS THE STATE LICENSING 11 12 AUTHORITY FOR THE CODE; TO PROVIDE FOR A SEED-TO-SALE TRACKING SYSTEM THAT TRACKS RETAIL MARIJUANA FROM EITHER THE SEED OR IMMATURE PLANT STAGE UNTIL THE RETAIL MARIJUANA PRODUCT IS SOLD TO 14 A CUSTOMER AT A RETAIL MARIJUANA STORE; TO PROVIDE FOR LICENSING 15 16 PROCEDURES BY THE STATE LICENSING AUTHORITY AND BY LOCAL LICENSING 17 AUTHORITIES; TO PROVIDE WHICH PERSONS ARE PROHIBITED TO BE 18 LICENSEES; TO PRESCRIBE REQUIREMENTS FOR RETAIL MARIJUANA 19 BUSINESSES AND OWNERS; TO PROVIDE FOR DISCLOSURE OF FINANCIAL 20 INTERESTS BY RETAIL MARIJUANA BUSINESS OWNERS; TO PROVIDE THE PROCEDURE FOR THE TRANSFER OF LICENSES; TO PROVIDE THE PROCEDURES 21 22 FOR LICENSING AND LICENSE RENEWALS; TO PROVIDE THE DIFFERENT 23 CLASSES OF RETAIL MARIJUANA BUSINESS LICENSES; TO PROVIDE FOR 24 RETAIL MARIJUANA STORE LICENSES; TO PROVIDE FOR RETAIL MARIJUANA 25 CULTIVATION FACILITY LICENSES; TO PROVIDE FOR RETAIL MARIJUANA 26 PRODUCTS MANUFACTURER LICENSES; TO PROVIDE FOR RETAIL MARIJUANA 27 TESTING FACILITY LICENSES; TO PROVIDE FOR RETAIL MARIJUANA 28 TRANSPORTER LICENSES; TO PROVIDE FOR RETAIL MARIJUANA BUSINESS OPERATOR LICENSES; TO PROVIDE FOR RETAIL MARIJUANA ACCELERATOR 29 30 CULTIVATOR LICENSES; TO PROVIDE FOR RETAIL MARIJUANA ACCELERATOR 31 MANUFACTURER LICENSES; TO PROVIDE FOR MARIJUANA HOSPITALITY 32 BUSINESS LICENSES; TO PROVIDE FOR RETAIL MARIJUANA ACCELERATOR 33 STORE LICENSES; TO PRESCRIBE UNLAWFUL ACTS UNDER THE CODE; TO 34 PROHIBIT THE OPEN AND PUBLIC CONSUMPTION OF MARIJUANA; TO CREATE

- 35 THE MARIJUANA CASH FUND AS A SPECIAL FUND IN THE STATE TREASURY
- 36 AND REQUIRE THE STATE LICENSING AUTHORITY TO DEPOSIT ALL MONEY
- 37 COLLECTED UNDER THIS ACT INTO THE FUND; TO PROVIDE THAT THE STATE
- 38 LICENSING AUTHORITY SHALL ESTABLISH FEES FOR PROCESSING THE
- 39 APPLICATIONS, LICENSES, NOTICES OR REPORTS REQUIRED TO BE
- 40 SUBMITTED TO THE STATE LICENSING AUTHORITY; TO PROVIDE THAT THE
- 41 STATE LICENSING AUTHORITY MAY FINE A LICENSEE OR SUSPEND OR REVOKE
- 42 A LICENSE FOR VIOLATIONS OF THIS ACT; TO PROVIDE FOR THE
- 43 DISPOSITION OF UNAUTHORIZED MARIJUANA OR MARIJUANA PRODUCTS AND
- 44 RELATED MATERIALS; TO PROVIDE FOR THE INSPECTION OF BOOKS AND
- 45 RECORDS OF LICENSEES; TO PROVIDE FOR A RESPONSIBLE RETAIL
- 46 MARIJUANA VENDOR SERVER AND SELLER TRAINING PROGRAM; TO AMEND
- 47 SECTIONS 27-104-203, 33-13-520, 37-11-29, 41-29-125, 41-29-127,
- 48 41-29-136, 41-29-137, 41-29-139, 41-29-141, 41-29-143, 59-23-7 AND
- 49 63-11-30, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PROVISIONS
- 50 OF THIS ACT; AND FOR RELATED PURPOSES.
- 51 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 52 <u>SECTION 1.</u> Title Personal use and regulation of marijuana.
- 53 (1) **Title.** This act shall be known and may be cited as the
- 54 Mississippi Retail Marijuana Act.
- 55 (2) **Purpose and findings.** (a) In the interest of the
- 56 efficient use of law enforcement resources, enhancing revenue for
- 57 public purposes, and individual freedom, the people of the State
- 58 of Mississippi find and declare that the use of marijuana should
- 59 be legal for persons twenty-one (21) years of age or older and
- 60 taxed in a manner similar to alcohol.
- 61 (b) In the interest of the health and public safety of
- 62 our citizenry, the people of the State of Mississippi further find
- 63 and declare that marijuana should be regulated in a manner similar
- 64 to alcohol so that:
- 65 (i) Individuals will have to show proof of age
- 66 before purchasing marijuana;

67 (ii) Selling, distributing, or transferrin
---

- 68 marijuana to minors and other individuals under the age of
- 69 twenty-one (21) shall remain illegal;
- 70 (iii) Driving under the influence of marijuana
- 71 shall remain illegal;
- 72 (iv) Legitimate, taxpaying business people, and
- 73 not criminal actors, will conduct sales of marijuana; and
- 74 (v) Marijuana sold in this state will be labeled
- 75 and subject to additional regulations to ensure that consumers are
- 76 informed and protected.
- 77 (c) In the interest of enacting rational policies for
- 78 the treatment of all variations of the cannabis plant, the people
- 79 of Mississippi further find and declare that industrial hemp
- 80 should be regulated separately from strains of cannabis with
- 81 higher delta-9 tetrahydrocannabinol (THC) concentrations.
- 82 (d) The people of the State of Mississippi further find
- 83 and declare that it is necessary to ensure consistency and
- 84 fairness in the application of this section throughout the state
- 85 and that, therefore, the matters addressed by this section are,
- 86 except as specified herein, matters of statewide concern.
- 87 (3) **Definitions.** As used in this section, unless the
- 88 context otherwise requires:
- 89 (a) "Mississippi Marijuana Code" means Chapter 138,
- 90 Title 41, Mississippi Code of 1972.

91	(b)	"Consumer"	means	а	person	twenty	v-one	(21)	vears	of
<i>J</i>	(2)	COILD GILLCE	IIIC arro	a	PCIDOII	CVVCIIC	y Olic	( /	ycarb	$\circ$

- 92 age or older who purchases marijuana or marijuana products for
- 93 personal use by persons twenty-one (21) years of age or older, but
- 94 not for resale to others.
- 95 (c) "Department" means the State Department of Health
- 96 or its successor agency.
- 97 (d) "Hemp" has the same meaning as it is defined in
- 98 federal law or as the term is defined in Section 69-25-203.
- 99 (e) "Locality" means a county, municipality, or a
- 100 municipality and county.
- 101 (f) "Marijuana" means all parts of the plant of the
- 102 genus cannabis whether growing or not, the seeds thereof, the
- 103 resin extracted from any part of the plant, and every compound,
- 104 manufacture, salt, derivative, mixture, or preparation of the
- 105 plant, its seeds, or its resin, including marijuana concentrate.
- 106 "Marijuana" does not include hemp as defined in and regulated by
- 107 Sections 69-25-201 through 69-25-221, nor does it include fiber
- 108 produced from the stalks, oil, or cake made from the seeds of the
- 109 plant, sterilized seed of the plant which is incapable of
- 110 germination, or the weight of any other ingredient combined with
- 111 marijuana to prepare topical or oral administrations, food, drink,
- 112 or other product.
- 113 (g) "Marijuana accessories" means any equipment,
- 114 products, or materials of any kind which are used, intended for
- 115 use, or designed for use in planting, propagating, cultivating,

116	arowina.	harvesting.	composting.	manufacturing,	compounding.
<del>_</del> O	GIOWING,	TIGE VCSCITIGE	COMPOSCING	manuracturing,	Compounding,

- 117 converting, producing, processing, preparing, testing, analyzing,
- 118 packaging, repackaging, storing, vaporizing, or containing
- 119 marijuana, or for ingesting, inhaling, or otherwise introducing
- 120 marijuana into the human body.
- 121 (h) "Marijuana cultivation facility" means an entity
- 122 licensed to cultivate, prepare, and package marijuana and sell
- 123 marijuana to retail marijuana stores, to marijuana product
- 124 manufacturing facilities, and to other marijuana cultivation
- 125 facilities, but not to consumers.
- 126 (i) "Marijuana establishment" means a marijuana
- 127 cultivation facility, a marijuana testing facility, a marijuana
- 128 product manufacturing facility, or a retail marijuana store.
- 129 (j) "Marijuana product manufacturing facility" means an
- 130 entity licensed to purchase marijuana; manufacture, prepare, and
- 131 package marijuana products; and sell marijuana and marijuana
- 132 products to other marijuana product manufacturing facilities and
- 133 to retail marijuana stores, but not to consumers.
- 134 (k) "Marijuana products" means concentrated marijuana
- 135 products and marijuana products that are comprised of marijuana
- 136 and other ingredients and are intended for use or consumption,
- 137 such as, but not limited to, edible products, ointments, and
- 138 tinctures.

139		(]	L) "Mari	ijuan	na testir	ng fa	acility"	' mea	ıns	an	entit	У
140	licensed	to	analyze	and	certify	the	safety	and	pot	enc	y of	
141	marijuana	ā.										

- 142 (m) "Retail marijuana store" means an entity licensed 143 to purchase marijuana from marijuana cultivation facilities and 144 marijuana and marijuana products from marijuana product 145 manufacturing facilities and to sell marijuana and marijuana 146 products to consumers.
- (n) "Unreasonably impracticable" means that the
  measures necessary to comply with the regulations require such a
  high investment of risk, money, time, or any other resource or
  asset that the operation of a marijuana establishment is not
  worthy of being carried out in practice by a reasonably prudent
  businessperson.
- 153 (4) **Personal use of marijuana.** The following acts are not unlawful and shall not be an offense under Mississippi law or the law of any locality within Mississippi or be a basis for seizure or forfeiture of assets under Mississippi law for persons twenty-one (21) years of age or older:
- 158 (a) Possessing, using, displaying, purchasing, or
  159 transporting marijuana accessories or one (1) ounce or less of
  160 marijuana.
- 161 (b) Possessing, growing, processing, or transporting no 162 more than six (6) marijuana plants, with three (3) or fewer being 163 mature, flowering plants, and possession of the marijuana produced

- 164 by the plants on the premises where the plants were grown,
- 165 provided that the growing takes place in an enclosed, locked
- 166 space, is not conducted openly or publicly, and is not made
- 167 available for sale.
- 168 (c) Transfer of one (1) ounce or less of marijuana
- 169 without remuneration to a person who is twenty-one (21) years of
- 170 age or older.
- 171 (d) Consumption of marijuana, provided that nothing in
- 172 this section shall permit consumption that is conducted openly and
- 173 publicly or in a manner that endangers others.
- (e) Assisting another person who is twenty-one (21)
- 175 years of age or older in any of the acts described in paragraphs
- 176 (a) through (d) of this subsection.
- 177 (5) Lawful operation of marijuana-related facilities. The
- 178 following acts are not unlawful and shall not be an offense under
- 179 Mississippi law or be a basis for seizure or forfeiture of assets
- 180 under Mississippi law for persons twenty-one (21) years of age or
- 181 older:
- 182 (a) Manufacture, possession, or purchase of marijuana
- 183 accessories or the sale of marijuana accessories to a person who
- 184 is twenty-one (21) years of age or older.
- 185 (b) Possessing, displaying, or transporting marijuana
- 186 or marijuana products; purchase of marijuana from a marijuana
- 187 cultivation facility; purchase of marijuana or marijuana products
- 188 from a marijuana product manufacturing facility; or sale of

marijuana or marijuana products to consumers, if the person

conducting the activities described in this paragraph has obtained

a current, valid license to operate a retail marijuana store or is

acting in his or her capacity as an owner, employee or agent of a

licensed retail marijuana store.

- (c) Cultivating, harvesting, processing, packaging, transporting, displaying, or possessing marijuana; delivery or transfer of marijuana to a marijuana testing facility; selling marijuana to a marijuana cultivation facility, a marijuana product manufacturing facility, or a retail marijuana store; or the purchase of marijuana from a marijuana cultivation facility, if the person conducting the activities described in this paragraph has obtained a current, valid license to operate a marijuana cultivation facility or is acting in his or her capacity as an owner, employee, or agent of a licensed marijuana cultivation facility.
- (d) Packaging, processing, transporting, manufacturing, displaying, or possessing marijuana or marijuana products; delivery or transfer of marijuana or marijuana products to a marijuana testing facility; selling marijuana or marijuana product to a retail marijuana store or a marijuana product manufacturing facility; the purchase of marijuana from a marijuana cultivation facility; or the purchase of marijuana or marijuana products from a marijuana product manufacturing facility, if the person conducting the activities described in this paragraph has



- 214 obtained a current, valid license to operate a marijuana product
- 215 manufacturing facility or is acting in his or her capacity as an
- 216 owner, employee, or agent of a licensed marijuana product
- 217 manufacturing facility.
- (e) Possessing, cultivating, processing, repackaging,
- 219 storing, transporting, displaying, transferring or delivering
- 220 marijuana or marijuana products if the person has obtained a
- 221 current, valid license to operate a marijuana testing facility or
- 222 is acting in his or her capacity as an owner, employee, or agent
- 223 of a licensed marijuana testing facility.
- 224 (f) Leasing or otherwise allowing the use of property
- 225 owned, occupied or controlled by any person, corporation or other
- 226 entity for any of the activities conducted lawfully in accordance
- 227 with paragraphs (a) through (e) of this subsection.
- 228 (6) Regulation of marijuana. (a) Not later than July 1,
- 229 2025, the department shall adopt regulations necessary for
- 230 implementation of this section. Such regulations shall not
- 231 prohibit the operation of marijuana establishments, either
- 232 expressly or through regulations that make their operation
- 233 unreasonably impracticable. Such regulations shall include:
- 234 (i) Procedures for the issuance, renewal,
- 235 suspension, and revocation of a license to operate a marijuana
- 236 establishment;
- 237 (ii) A schedule of application, licensing and
- 238 renewal fees, provided that application fees shall not exceed Five

H. B. No. 615 24/HR26/R630 PAGE 9 (RF\KW)



~ OFFICIAL ~

239	Thousand	Dollars	(\$5,000.	.00).	with	this	upper	limit	adiuste	d
	IIIOabana	DOTTALD	(40)000	• • • , ,			apper		aajabcc	Q.

- 240 annually for inflation, unless the department determines a greater
- 241 fee is necessary to carry out its responsibilities under this
- 242 section;
- 243 (iii) Qualifications for licensure that are
- 244 directly and demonstrably related to the operation of a marijuana
- 245 establishment;
- 246 (iv) Security requirements for marijuana
- 247 establishments;
- 248 (v) Requirements to prevent the sale or diversion
- 249 of marijuana and marijuana products to persons under twenty-one
- 250 (21) years of age;
- 251 (vi) Labeling requirements for marijuana and
- 252 marijuana products sold or distributed by a marijuana
- 253 establishment:
- 254 (vii) Health and safety regulations and standards
- 255 for the manufacture of marijuana products and the cultivation of
- 256 marijuana;
- 257 (viii) Restrictions on the advertising and display
- 258 of marijuana and marijuana products; and
- 259 (ix) Civil penalties for the failure to comply
- 260 with regulations made pursuant to this section.
- 261 (b) In order to ensure that individual privacy is
- 262 protected, notwithstanding paragraph (a) of this subsection, the
- 263 department shall not require a consumer to provide a retail

264	marijuana store with personal information other than
265	government-issued identification to determine the consumer's age,
266	and a retail marijuana store shall not be required to acquire and
267	record personal information about consumers other than information
268	typically acquired in a financial transaction conducted at a

- 270 Not later than October 1, 2025, each locality shall 271 enact an ordinance or regulation specifying the entity within the 272 locality that is responsible for processing applications submitted for a license to operate a marijuana establishment within the 273 274 boundaries of the locality and for the issuance of such licenses 275 if the issuance by the locality become necessary because of a 276 failure by the department to adopt regulations pursuant to 277 paragraph (a) or because of a failure by the department to process 278 and issue licenses as required by paragraph (e).
- 279 A locality may enact ordinances or regulations, not 280 in conflict with this section or with regulations or legislation 281 enacted pursuant to this section, governing the time, place, 282 manner and number of marijuana establishment operations; 283 establishing procedures for the issuance, suspension, and 284 revocation of a license issued by the locality in accordance with 285 paragraph (f) or (g); establishing a schedule of annual operating, 286 licensing, and application fees for marijuana establishments, 287 provided that the application fee shall only be due if an 288 application is submitted to a locality in accordance with

retail liquor store.



289	paragraph (g) and a licensing fee shall only be due if a license
290	is issued by a locality in accordance with paragraph (f) or (g);
291	and establishing civil penalties for violation of an ordinance or
292	regulation governing the time, place, and manner of a marijuana
293	establishment that may operate in such locality. A locality may
294	prohibit the operation of marijuana cultivation facilities,
295	marijuana product manufacturing facilities, marijuana testing
296	facilities, or retail marijuana stores through the enactment of an
297	ordinance.
298	(e) Each application for an annual license to operate a
299	marijuana establishment shall be submitted to the department. The
300	department shall:
301	(i) Begin accepting and processing applications on
302	October 1, 2025;
303	(ii) Immediately forward a copy of each
304	application and half of the license application fee to the
305	locality in which the applicant desires to operate the marijuana
306	establishment;

307 (iii) Issue an annual license to the applicant 308 between forty-five (45) and ninety (90) days after receipt of an 309 application unless the department finds the applicant is not in 310 compliance with regulations enacted pursuant to paragraph (a) or the department is notified by the relevant locality that the 311 312 applicant is not in compliance with ordinances and regulations 313 made pursuant to paragraph (d) and in effect at the time of

H. B. No. 615 24/HR26/R630 PAGE 12 (RF\KW)



314	application, provided that where a locality has enacted a
315	numerical limit on the number of marijuana establishments and a
316	greater number of applicants seek licenses, the department shall
317	solicit and consider input from the locality as to the locality's
318	preference or preferences for licensure; and
319	(iv) Upon denial of an application, notify the
320	applicant in writing of the specific reason for its denial.
321	(f) If the department does not issue a license to an
322	applicant within ninety (90) days of receipt of the application
323	filed in accordance with paragraph (e) and does not notify the
324	applicant of the specific reason for its denial, in writing and
325	within such time period, or if the department has adopted
326	regulations pursuant to paragraph (a) and has accepted
327	applications pursuant to paragraph (e) but has not issued any
328	licenses by January 1, 2026, the applicant may resubmit its
329	application directly to the locality, pursuant to paragraph (c),
330	and the locality may issue an annual license to the applicant. A
331	locality issuing a license to an applicant shall do so within
332	ninety (90) days of receipt of the resubmitted application unless
333	the locality finds and notifies the applicant that the applicant
334	is not in compliance with ordinances and regulations made pursuant
335	to paragraph (d) in effect at the time the application is
336	resubmitted and the locality shall notify the department if an
337	annual license has been issued to the applicant. If an
338	application is submitted to a locality under this paragraph, the

339	department shall forward to the locality the application fee paid
340	by the applicant to the department upon request by the locality.
341	A license issued by a locality in accordance with this paragraph
342	shall have the same force and effect as a license issued by the
343	department in accordance with paragraph (e) and the holder of such
344	license shall not be subject to regulation or enforcement by the
345	department during the term of that license. A subsequent or
346	renewed license may be issued under this paragraph on an annual
347	basis only upon resubmission to the locality of a new application
348	submitted to the department pursuant to paragraph (e).

(g) If the department does not adopt regulations required by paragraph (a), an applicant may submit an application directly to a locality after October 1, 2025, and the locality may issue an annual license to the applicant. A locality issuing a license to an applicant shall do so within ninety (90) days of receipt of the application unless it finds and notifies the applicant that the applicant is not in compliance with ordinances and regulations made pursuant to paragraph (d) in effect at the time of application and shall notify the department if an annual license has been issued to the applicant. A license issued by a locality in accordance with this paragraph shall have the same force and effect as a license issued by the department in accordance with paragraph (e) and the holder of such license shall not be subject to regulation or enforcement by the department during the term of that license. A subsequent or renewed license

364	may be issued under this paragraph on an annual basis if the
365	department has not adopted regulations required by paragraph (a)
366	at least ninety (90) days prior to the date upon which such
367	subsequent or renewed license would be effective or if the
368	department has adopted regulations pursuant to paragraph (a) but
369	has not, at least ninety (90) days after the adoption of such
370	regulations, issued licenses pursuant to paragraph (e).

- 371 (7) Employers, driving, minors and control of property. (a)
  372 Nothing in this section is intended to require an employer to
  373 permit or accommodate the use, consumption, possession, transfer,
  374 display, transportation, sale or growing of marijuana in the
  375 workplace or to affect the ability of employers to have policies
  376 restricting the use of marijuana by employees.
- 377 (b) Nothing in this section is intended to allow
  378 driving under the influence of marijuana or driving while impaired
  379 by marijuana or to supersede any laws related to driving under the
  380 influence of marijuana or driving while impaired by marijuana.
- 381 (c) Nothing in this section is intended to permit the 382 transfer of marijuana, with or without remuneration, to a person 383 under the age of twenty-one (21) or to allow a person under the 384 age of twenty-one (21) to purchase, possess, use, transport, grow, 385 or consume marijuana.
- 386 (d) Nothing in this section shall prohibit a person,
  387 employer, school, hospital, detention facility, corporation or any
  388 other entity who occupies, owns or controls a property from

H. B. No. 615
24/HR26/R630
PAGE 15 (RF\KW)



389	prohibiting or otherwise regulating the possession, consumption,
390	use, display, transfer, distribution, sale, transportation, or
391	growing of marijuana on or in that property.
392	SECTION 2. The following sections shall be codified as a new
393	Chapter 138 in Title 41, Mississippi Code of 1972:
394	ARTICLE 1
395	MISSISSIPPI MARIJUANA CODE
396	101. Short title. This chapter shall be known and may be
397	cited as the "Mississippi Marijuana Code".
398	102. Legislative declaration. (1) The Legislature declares
399	that this chapter is deemed an exercise of the police powers of
400	the state for the protection of the economic and social welfare
401	and the health, peace, and morals of the people of this state.
402	(2) The Legislature further declares that it is unlawful
403	under state law to cultivate, manufacture, distribute, or sell
404	retail marijuana and retail marijuana products, except in
405	compliance with the terms, conditions, limitations, and
406	restrictions in Section 1 of this act and this chapter.
407	103. Definitions. As used in this chapter, unless the
408	context otherwise requires:
409	(a) "Accelerator cultivator" means a social equity
410	licensee qualified to participate in the accelerator program
411	established pursuant to this chapter and authorized pursuant to
412	rule, to exercise the privileges of a retail marijuana cultivation

- facility on the premises of an accelerator-endorsed retail
  marijuana cultivation facility licensee.
- (b) "Accelerator-endorsed licensee" means a retail
  marijuana cultivation facility licensee, retail marijuana products
  manufacturer licensee, or retail marijuana store who has, pursuant
  to rule, been endorsed to host and offer technical and capital
  support to a social equity licensee pursuant to the requirements
  of the accelerator program established pursuant to this chapter.
- (c) "Accelerator manufacturer" means a social equity
  licensee qualified to participate in the accelerator program
  established pursuant to this chapter and authorized pursuant to
  rule, to exercise the privileges of a retail marijuana products
  manufacturer on the premises of an accelerator-endorsed retail
  marijuana products manufacturing licensee.
  - (d) "Accelerator store" means a social equity licensee qualified to participate in the accelerator program established pursuant to this chapter and authorized pursuant to rule, to exercise the privileges of a retail marijuana store on the premises of an accelerator-endorsed retail marijuana store licensee.
- 433 (e) "Acquire", when used in connection with the
  434 acquisition of an owner's interest of a retail marijuana business,
  435 means obtaining ownership, control, power to vote, or sole power
  436 of disposition of the owner's interest, directly or indirectly or
  437 through one or more transactions or subsidiaries, through

428

429

430

431



438 purchase, assignment, transfer, exchange, succession, or ot	438	purchase,	assignment,	transfer,	exchange,	succession,	or	oth
---	-----	-----------	-------------	-----------	-----------	-------------	----	-----

- 439 means.
- (f) "Acting in concert" means knowing participation in
- 441 a joint activity or interdependent conscious parallel action
- 442 toward a common goal, whether or not pursuant to an express
- 443 agreement.
- 444 (q) "Adverse weather event" means:
- 445 (a) Damaging weather, which involves a drought, a
- 446 freeze, hail, excessive moisture, excessive wind, or a tornado;
- 447 (b) An adverse natural occurrence, which involves
- 448 an earthquake, wildfire, or flood; or
- 449 (c) Any additional adverse weather event or
- 450 adverse natural occurrence as the state licensing authority may
- 451 define by rule.
- (h) "Advertising" means the act of providing
- 453 consideration for the publication, dissemination, solicitation, or
- 454 circulation of visual, oral, or written communication to directly
- 455 induce any person to patronize a particular retail marijuana
- 456 business or purchase particular regulated marijuana.
- 457 "Advertising" does not include packaging and labeling, consumer
- 458 education materials, or branding.
- (i) "Affiliate" of, or person "affiliated with", has
- 460 the same meaning as defined in 17 CFR 230.405.

461	(j) "Beneficial owner of", "beneficial ownership of"
462	or "beneficially owns an" owner's interest is determined in
463	accordance with 17 CFR 240.13d-3.

- 464 (k) "Branding" means promotion of a business's brand
  465 through publicizing the retail marijuana business's name, logo, or
  466 distinct design features of the brand.
- 467 (1) "Consumer education materials" means any
  468 informational materials that seek to educate consumers about
  469 regulated marijuana generally, including, but not limited to,
  470 education regarding the safe consumption of marijuana, regulated
  471 marijuana concentrate, or regulated marijuana products, provided
  472 they are not distributed or made available to individuals under
  473 twenty-one (21) years of age.
- (m) "Control", "controls", "controlled", "controlling",

  "controlled by", and "under common control with", means the

  possession, direct or indirect, of the power to direct or cause

  the direction of the management or policies of a person, whether

  through the ownership of voting owner's interests, by contract, or

  otherwise.
- (n) "Department" means the State Department of Health.
- 481 (o) "Escorted" means appropriately checked into a
  482 limited access area and accompanied by a person licensed by the
  483 state licensing authority; except that trade craftspeople not
  484 normally engaged in the business of cultivating, processing,



485 selling, or testing regulated marijuana need no	t be accompanied on
---	---------------------

- 486 a full-time basis, but only reasonably monitored.
- 487 (p) "Fibrous waste" means any roots, stalks, and stems
- 488 from a retail marijuana plant.
- (q) "Good cause", for purposes of refusing or denying a
- 490 license renewal, reinstatement, or initial license issuance,
- 491 means:
- 492 (i) The licensee or applicant has violated, does
- 493 not meet, or has failed to comply with any of the terms,
- 494 conditions, or provisions of this chapter; any rules promulgated
- 495 pursuant to this chapter; or any supplemental local law, rules, or
- 496 regulations;
- 497 (ii) The licensee or applicant has failed to
- 498 comply with any special terms or conditions that were placed on
- 499 its license pursuant to an order of the state or local licensing
- 500 authority;
- 501 (iii) The licensed premises have been operated in
- 502 a manner that adversely affects the public health or welfare or
- 503 the safety of the immediate neighborhood in which the
- 504 establishment is located.
- 505 (r) "Immature plant" means a nonflowering marijuana
- 506 plant that is no taller than eight (8) inches and no wider than
- 507 eight (8) inches; is produced from a cutting, clipping, or
- 508 seedling; and is in a cultivating container.

509	(s) "Industrial fiber products" means intermediate or
510	finished products made from fibrous waste that are not intended
511	for human or animal consumption and are not usable or recognizable
512	as retail marijuana. Industrial fiber products include, but are
513	not limited to, cordage, paper, fuel, textiles, bedding,
514	insulation, construction materials, compost materials, and
515	industrial materials.
516	(t) "Industrial hemp" means a plant of the genus
517	cannabis and any part of the plant, whether growing or not,
518	containing a delta-9 tetrahydrocannabinol concentration of no more
519	than three-tenths of one percent (0.3%) on a dry weight basis.
520	(u) "Industrial hemp product" means a finished product
521	containing industrial hemp that:
522	(i) Is a cosmetic, food, food additive, or herb;
523	(ii) Is for human use or consumption;
524	(iii) Contains any part of the hemp plant,
525	including naturally occurring cannabinoids, compounds,
526	concentrates, extracts, isolates, resins, or derivatives; and
527	(iv) Contains a delta-9 tetrahydrocannabinol
528	concentration of no more than three-tenths of one percent (0.3%)
529	on a dry weight basis.
530	(v) "License" means to grant a license, permit, or
531	registration pursuant to this chapter.
532	(w) "Licensed premises" means the premises specified in
533	an application for a license under this chapter that are owned or

H. B. No. 615 24/HR26/R630 PAGE 21 (RF\KW)



534	in possession of the licensee and within which the licensee is
535	authorized to cultivate, manufacture, distribute, sell, or test
536	regulated marijuana and regulated marijuana products in accordance
537	with this chapter.

- 538 (x) "Licensee" means a person licensed or registered 539 pursuant to this chapter.
- 540 "Limited access areas", subject to the provisions 541 of Section 1001, means a building, room, or other contiguous area 542 upon the licensed premises where regulated marijuana and regulated marijuana products are cultivated, manufactured, stored, weighed, 543 544 packaged, sold, possessed for sale, or tested, under control of 545 the licensee, with access limited to only those persons licensed 546 by the state licensing authority and those visitors escorted by a person licensed by the state licensing authority. All areas of 547 548 ingress or egress to limited access areas must be clearly 549 identified as such by a sign as designated by the state licensing 550 authority.
- 551 (z) "Local jurisdiction" means a locality as defined in 552 Section 1(3)(e) of this act.
- 553 (aa) "Local licensing authority" means an authority
  554 designated by municipal or county charter, ordinance, or
  555 resolution, or the governing body of a municipality or county.
- 556 (bb) "Location" means a particular parcel of land that
  557 may be identified by an address or other descriptive means.

558			(cc) "	Marijuana	accesso	ries"	has	the	same	meaning	as
559	defined	in	Sectio	n 1(3)(g)	of this	act.					

- (dd) "Marijuana-based workforce development or training program" means a program designed to train individuals to work in the regulated marijuana industry operated by an entity licensed under this chapter or by a school that is authorized by state law to do such training.
- (ee) "Marijuana consumer waste" means any component
  left after the consumption of a regulated marijuana product,
  including, but not limited to, containers, packages, cartridges,
  pods, cups, batteries, all-in-one disposable devices, and any
  other waste component left after the regulated marijuana is
  consumed as defined by rules promulgated by the state licensing
  authority.
- (ff) "Marijuana hospitality business" means a facility,
  which may be mobile, licensed to permit the consumption of
  marijuana pursuant to chapter; rules promulgated pursuant to this
  chapter; and the provisions of an ordinance or resolution of the
  local jurisdiction in which the licensee operates.
- 577 (gg) "Mobile distribution center" means any vehicle
  578 other than a common passenger light-duty vehicle with a short
  579 wheel base used to carry a quantity of marijuana greater than one
  580 (1) ounce.
- 581 (hh) "Opaque" means that the packaging does not allow 582 the product to be seen without opening the packaging material.

H. B. No. 615 24/HR26/R630 PAGE 23 (RF\KW)



~ OFFICIAL ~

583	(ii) "Operating fees", as referred to in Section
584	1(6)(d) of this act, means fees that may be charged by a local
585	jurisdiction for costs, including, but not limited to, inspection,
586	administration, and enforcement of retail marijuana businesses
587	authorized pursuant to this chapter.

- (jj) "Passive beneficial owner" means any person
  acquiring any owner's interest in a retail marijuana business that
  is not otherwise a controlling beneficial owner or in control.
- "Permitted economic interest" means any unsecured 591 (kk) 592 convertible debt instrument, option agreement, warrant, or any 593 other right to obtain an ownership interest when the holder of 594 such interest is a natural person who is a lawful United States 595 resident and whose right to convert into an ownership interest is 596 contingent on the holder qualifying and obtaining a license as an 597 owner under this chapter, or such other agreements as may be 598 permitted by rule of the state licensing authority.
  - (ll) "Premises" means a distinctly identified, as required by the state licensing authority, and definite location, which may include a building, a part of a building, a room, or any other definite contiguous area.
- (mm) "Publicly traded corporation" means any person
  other than an individual that is organized under the laws of and
  for which its principal place of business is located in one of the
  states or territories of the United States or District of Columbia
  or another country that authorizes the sale of marijuana and that:

600

601

608	(i) Has a class of securities registered pursuant
609	to 15 USC Section 77a et seq., that:
610	1. Constitutes "covered securities" pursuant
611	to 15 USC Section 77r(b)(1)(A); or
612	2. Is qualified and quoted on the OTCQX or
613	OTCQB tier of the OTC markets if:
614	a. The person is then required to file
615	reports and is filing reports on a current basis with the federal
616	Securities and Exchange Commission pursuant to 15 USC Section 78a
617	et seq., as if the securities constituted "covered securities" as
618	described in item 1 of this subparagraph (i); and
619	b. The person has established and is in
620	compliance with corporate governance measures pursuant to
621	corporate governance obligations imposed on securities qualified
622	and quoted on the OTCQX tier of the OTC markets;
623	(ii) Is an entity that has a class of securities
624	listed on the Canadian securities exchange, Toronto stock
625	exchange, TSX venture exchange, or other equity securities
626	exchange recognized by the state licensing authority, if:
627	1. The entity constitutes a "foreign private
628	issuer", as defined in 17 CFR 230.405, whose securities are exempt
629	from registration pursuant to 15 USC Section 78a et seq., pursuant
630	to 17 CFR 240.12g3-2; and
631	2. The entity has been, for the preceding
632	three hundred sixty-five (365) days or since the formation of the

H. B. No. 615 24/HR26/R630 PAGE 25 (RF\KW)

## ~ OFFICIAL ~

633	entity, in compliance with all governance and reporting
634	obligations imposed by the relevant exchange on such entity; or
635	(iii) Is reasonably identified as a publicly
636	traded corporation by rule.
637	(nn) "Qualified institutional investor" means:
638	(i) A bank, as defined in 15 USC Section
639	78c(a)(6), if the bank is current in all applicable reporting and
640	record-keeping requirements under such act and rules promulgated
641	thereunder;
642	(ii) A bank holding company, as defined in 12 USC
643	Section 1841(a)(1), if the bank holding company is registered and
644	current in all applicable reporting and record-keeping
645	requirements under such act and rules promulgated thereunder;
646	(iii) An insurance company, as defined in 15 USC
647	Section 80a-2(a)(17), if the insurance company is current in all
648	applicable reporting and record-keeping requirements under such
649	act and rules promulgated thereunder;
650	(iv) An investment company registered and subject
651	to 15 USC Section 80a-1 et seq., if the investment company is
652	current in all applicable reporting and record-keeping
653	requirements under such act and rules promulgated thereunder;
654	(v) An employee benefit plan or pension fund
655	subject to 29 USC Section 1001 et seq., excluding an employee
656	benefit plan or pension fund sponsored by a licensee or an

657	intermediary holding company licensee that directly or indirectly
658	owns ten percent (10%) or more of a licensee;
659	(vi) A state or federal government pension plan;
660	(vii) A group comprised entirely of persons
661	specified in subparagraph (i) through (vi) of this paragraph; or
662	(viii) Any other entity identified by rule by the
663	state licensing authority.
664	(00) "Qualified private fund" means an issuer that
665	would be an investment company, as defined in, but for the
666	exclusions provided under, 15 USC Section 80a-3, and that:
667	(i) Is advised or managed by an investment
668	adviser, as defined and registered pursuant to 15 USC Section
669	80b-1 et seq., and for which the registered investment adviser is
670	current in all applicable reporting and record-keeping
671	requirements under such act and rules promulgated thereunder; and
672	(ii) Satisfies one or more of the following:
673	1. Is organized under the law of a state or
674	the United States;
675	2. Is organized, operated, or sponsored by a
676	"U.S. person", as defined under 17 CFR 230.902(k), as amended; or
677	3. Sells securities to a "U.S. person", as
678	defined under 17 CFR 230.902(k), as amended.
679	(pp) "Reasonable cause" means just or legitimate

grounds based in law and in fact to believe that the particular

681	requested	action	furthers	the	purposes	of	this	chapter	or	protects

- 682 public safety.
- 683 (qq) "Regulated marijuana" means retail marijuana. If
- 684 the context requires, regulated marijuana includes retail
- 685 marijuana concentrate and retail marijuana products.
- 686 (rr) "Regulated marijuana products" means retail
- 687 marijuana products.
- 688 (ss) "Resealable" means that the package continues to
- 689 function within effectiveness specifications, which shall be
- 690 established by the state licensing authority similar to the
- 691 federal "Poison Prevention Packaging Act of 1970", 15 USC Section
- 692 1471 et seq., for the number of openings and closings customary
- 693 for its size and contents, which shall be determined by the state
- 694 licensing authority.
- (tt) "Retail marijuana" means "marijuana", as defined
- 696 in Section 1(3)(f) of this act, that is cultivated, manufactured,
- 697 distributed, or sold by a licensed retail marijuana business. If
- 698 the context requires, retail marijuana includes retail marijuana
- 699 concentrate and retail marijuana products.
- 700 (uu) "Retail marijuana business" means a retail
- 701 marijuana store, a retail marijuana cultivation facility, a retail
- 702 marijuana products manufacturer, a marijuana hospitality business,
- 703 a retail marijuana hospitality and sales business, a retail
- 704 marijuana testing facility, a retail marijuana business operator,

- 705 or a retail marijuana transporter licensed pursuant to this 706 chapter.
- 707 (vv) "Retail marijuana business operator" means an
- 708 entity or person that is not an owner and that is licensed to
- 709 provide professional operational services to a retail marijuana
- 710 business for direct remuneration from the retail marijuana
- 711 business.
- 712 (ww) "Retail marijuana concentrate" means a subset of
- 713 retail marijuana that is separated from the retail marijuana plant
- 714 and results in matter with a higher concentration of cannabinoids
- 715 than naturally occur in the plant. Retail marijuana concentrate
- 716 contains cannabinoids and may contain terpenes and other chemicals
- 717 that are naturally occurring in retail marijuana plants that have
- 718 been separated from retail marijuana. Retail marijuana
- 719 concentrate may also include residual amounts of the types of
- 720 solvents, as permitted by the marijuana rules. The state
- 721 licensing authority may further define by rule subcategories of
- 722 retail marijuana concentrate and authorize limited ingredients
- 723 based on the method of production of retail marijuana concentrate.
- 724 Unless the context otherwise requires, retail marijuana
- 725 concentrate is included when this chapter refers to retail
- 726 marijuana product.
- 727 (xx) "Retail marijuana cultivation facility" has the
- 728 same meaning as "marijuana cultivation facility" as defined in
- 729 Section 1(3)(h) of this act.

H. B. No. 615 24/HR26/R630 PAGE 29 (RF\KW)



## ~ OFFICIAL ~

730	(yy) "Retail marijuana hospitality and sales business"
731	means a facility, which cannot be mobile, licensed to permit the
732	consumption of only the retail marijuana or retail marijuana
733	products that it has sold pursuant to the provisions of an
734	ordinance of the local jurisdiction in which the licensee
735	operates.
736	(zz) "Retail marijuana products" means "marijuana
737	products" as defined in Section 1(3)(k) of this act that are
738	produced at a retail marijuana products manufacturer.
739	(aaa) "Retail marijuana products manufacturer" has the
740	same meaning as "marijuana product manufacturing facility" as
741	defined in Section 1(3)(j) of this act.

- 742 (bbb) "Retail marijuana store" has the same meaning as 743 defined in Section 1(3)(m) of this act.
- 744 (ccc) "Retail marijuana testing facility" means
  745 "marijuana testing facility" as defined in Section 1(3)(1) of this
  746 act that is licensed pursuant to this chapter.
- 747 (ddd) "Retail marijuana transporter" means an entity or 748 person licensed to transport retail marijuana and retail marijuana 749 products from one (1) retail marijuana business to another retail 750 marijuana business and to temporarily store the transported retail 751 marijuana and retail marijuana products at its licensed premises, 752 but is not authorized to sell retail marijuana or retail marijuana 753 products under any circumstances.



754	(eee)	"Sale"	or	"sell"	includes	to	exchange,	barter,	or

- 755 traffic in; to solicit or receive and order except through a
- 756 licensee licensed under this chapter; to deliver for value in any
- 757 way other than gratuitously; to peddle or possess with intent to
- 758 sell; or to traffic in for any consideration promised or obtained
- 759 directly or indirectly.
- 760 (fff) "School" means a public or private preschool or a
- 761 public or private elementary, middle, junior high, or high school
- 762 or institution of higher education.
- 763 (ggg) "Security" has the same meaning as defined in 15
- 764 USC Section 77b(a)(1) et seq.
- 765 (hhh) "Social equity licensee" means a natural person
- 766 who meets the criteria established pursuant to Section 308(3). A
- 767 person qualified as a social equity licensee may participate in
- 768 the accelerator program established pursuant to this chapter or
- 769 may hold a regulated marijuana business license or permit issued
- 770 pursuant to this chapter.
- 771 (iii) "State licensing authority" means the State
- 772 Department of Health.
- 773 **104.** Applicability retail marijuana. (1) (a) A person
- 774 applying for licensure pursuant to this chapter must complete
- 775 forms as provided by the state licensing authority and must pay
- 776 the application fee and the licensing fee, which must be credited
- 777 to the Marijuana Cash Fund established pursuant to Section 801.
- 778 The state licensing authority shall forward, within seven (7)

- 779 days, one-half (1/2) of the retail marijuana business license 780 application fee to the local jurisdiction unless the application 781 is for an accelerator cultivator, accelerator manufacturer, or 782 accelerator store license or unless the local jurisdiction has 783 prohibited the operation of retail marijuana businesses pursuant 784 to Section 1(6)(d) of this act. If the license is denied, the 785 state licensing authority shall refund the licensing fee to the 786 applicant.
- 787 The state licensing authority shall act upon a retail marijuana business license application made pursuant to 788 789 paragraph (a) of this subsection no sooner than forty-five (45) 790 days and no later than ninety (90) days after the date of the 791 retail marijuana business license application. 792 licensing authority shall process retail marijuana business 793 license applications in the order in which complete applications 794 are received by the state licensing authority.
- 795 (2) As provided in Section 1(6)(d) of this act, any local
  796 jurisdiction may enact ordinances or regulations governing the
  797 time, place, manner, and number of retail marijuana businesses,
  798 which may include a local licensing requirement, or may prohibit
  799 the operation of retail marijuana businesses through the enactment
  800 of an ordinance.
- 801 (3) This chapter sets forth the exclusive means by which 802 cultivation, manufacture, sale, distribution, dispensing, and

803	testing	of r	egula	ited ma	arij	uana	and	regulated	marijuana	products
804	may occu	r in	the	State	of	Missi	lssip	opi.		

- (4) (a) Nothing in this chapter is intended to require an employer to permit or accommodate the use, consumption, possession, transfer, display, transportation, sale, or cultivating of regulated marijuana in the workplace or to affect the ability of employers to have policies restricting the use of marijuana by employees.
  - (b) Nothing in this chapter prohibits a person, employer, school, hospital, detention facility, corporation, or any other entity that occupies, owns, or controls a property from prohibiting or otherwise regulating the possession, consumption, use, display, transfer, distribution, sale, transportation, or cultivating of regulated marijuana on or in that property.
  - (c) Notwithstanding any other provision of this subsection (4), holding or exercising the privileges of any license issued pursuant to this chapter shall not constitute an unsuitable or unlawful act or practice within the meaning of the statutes and rules governing the Mississippi Gaming Control Act.

822 ARTICLE 2

## 823 STATE LICENSING AUTHORITY

201. State licensing authority. (1) (a) The State

Department of Health is the state licensing authority for the

purpose of regulating and controlling the licensing of the

cultivation, manufacture, distribution, sale, and testing of

H. B. No. 615 24/HR26/R630 PAGE 33 (RF\KW)

811

812

813

814

815

816

817

818

819

820

821



828 regulated marijuana in this state, there is created the state licensing authority, which is the executive director or the deputy 829 830 director of the department if the executive director so 831 designates.

- The state licensing authority also has regulatory 832 833 authority for retail marijuana and retail marijuana products as 834 permitted in Section 1 of this act and this chapter.
- 835 A state licensing authority employee with regulatory 836 oversight responsibilities for marijuana businesses licensed by 837 the state licensing authority shall not work for, represent, or 838 provide consulting services to or otherwise derive pecuniary gain 839 from a retail marijuana business licensed by the state licensing 840 authority or other business entity established for the primary purpose of providing services to the marijuana industry for a 841 period of six (6) months following his or her last day of 842 843 employment with the state licensing authority.
- Any person who discloses confidential records or information in violation of the provisions of this chapter is 845 846 guilty of a misdemeanor and, upon conviction thereof, shall be 847 punished by a fine of not more than One Thousand Dollars 848 (\$1,000.00), or by imprisonment in the county jail for not more 849 than six (6) months, or both. Any criminal prosecution pursuant 850 to the provisions of this section must be brought within five (5) 851 years from the date the violation occurred.

852	202.	Powers	and	duties	of	state	lice	ensin	ng auth	nority	- rules	>
853	- report -	legisla	tive	e declar	rati	ion.	(1)	The	state	licens	sing	
854	authority s	shall:										

- 855 Develop and maintain a seed-to-sale tracking system 856 that tracks regulated marijuana from either the seed or immature 857 plant stage until the regulated marijuana or regulated marijuana 858 product is sold to a customer at a retail marijuana store or a 859 retail marijuana hospitality and sales business to ensure that no 860 regulated marijuana grown or processed by a retail marijuana business is sold or otherwise transferred except by a retail 861 862 marijuana store or a retail marijuana hospitality and sales 863 business;
- 864 (b) Grant or refuse state licenses for the cultivation, 865 manufacture, distribution, sale, hospitality, and testing of 866 regulated marijuana and regulated marijuana products as provided 867 by law; suspend, fine, restrict, or revoke such licenses, whether 868 active, expired, or surrendered, upon a violation of this chapter 869 or any rule promulgated pursuant to this chapter; and impose any 870 penalty authorized by this chapter or any rule promulgated 871 pursuant to this chapter. The state licensing authority may take 872 any action with respect to a registration or permit pursuant to 873 this chapter as it may with respect to a license pursuant to this 874 chapter, in accordance with the procedures established pursuant to 875 this chapter;

876	(c) Promulgate rules for the proper regulation and
877	control of the cultivation, manufacture, distribution, sale, and
878	testing of regulated marijuana and regulated marijuana products
879	and for the enforcement of this chapter and promulgate amended
880	rules and such special rulings and findings as necessary;
881	(d) Hear and determine at a public hearing any
882	contested state license denial and any complaints against a
883	licensee and administer oaths and issue subpoenas to require the
884	presence of persons and the production of papers, books, and
885	records necessary to the determination of any hearing so held.
886	The state licensing authority may, at its discretion, delegate to
887	the department hearing officers the authority to conduct
888	licensing, disciplinary, and rule-making hearings. When
889	conducting the hearings, the hearing officers are employees of the
890	state licensing authority under the direction and supervision of
891	the executive director and the state licensing authority;
892	(e) Develop such forms, licenses, identification cards,
893	and applications as are necessary or convenient in the discretion
894	of the state licensing authority for the administration of this
895	chapter or rules promulgated pursuant to this chapter;
896	(f) Prepare and transmit annually a report accounting
897	to the Legislature and the Governor for the efficient discharge of
898	all responsibilities assigned by law or directive to the state
899	licensing authority; and

900	(g)	Collec	ct and	d maintain	data	related	to	licensing
901	disqualificati	ons and	d all	sanctions	based	l on past	c c	riminal
902	history.							

- 903 (2) Nothing in this chapter delegates to the state licensing 904 authority the power to fix prices for regulated marijuana.
- 905 (3) Nothing in this chapter limits a law enforcement
  906 agency's ability to investigate unlawful activity in relation to a
  907 retail marijuana business. A law enforcement agency has the
  908 authority to run a criminal history records check of a licensee or
  909 employee of a licensee during an investigation of unlawful
  910 activity related to regulated marijuana and regulated marijuana
  911 products.
  - (4) (a) The state licensing authority has the authority to petition any court of competent jurisdiction for an investigative subpoena applicable to a person who is not licensed pursuant to this chapter to obtain documents or information necessary to enforce the provisions of this chapter and any rules promulgated pursuant to this chapter after reasonable efforts have been made to obtain requested documents or information without a subpoena.
  - (b) The state licensing authority may apply to any court of competent jurisdiction to temporarily restrain or preliminarily or permanently enjoin the act in question of a person who is not licensed pursuant to this chapter and to enforce compliance with this chapter or any rule or order issued pursuant to this chapter whenever it appears to the state licensing

913

914

915

916

917

918

919

920

921

922

923

924

925	authority upon sufficient evidence satisfactory to the state
926	licensing authority that any person has been or is committing an
927	act prohibited by this chapter, a rule promulgated pursuant to
928	this chapter, a rule or an order issued pursuant to this chapter,
929	and the act:
930	(i) Threatens public health or safety;
931	(ii) Constitutes an unlawful act for which the
932	person does not hold the required license under this chapter; or

- 933 (iii) Constitutes a violation of an order of the 934 state licensing authority.
- (5) The Legislature finds and declares that matters related to labeling as regulated pursuant to this section and Section 203(2)(f), packaging as regulated pursuant to this section and Section 203(3)(b), and testing as regulated pursuant to this section and section and Section 203(2)(d) are matters of statewide concern and the sole regulatory authority for labeling, packaging, and testing is Section 203.
- 942 <u>203.</u> State licensing authority rules definition. (1) 943 Permissive rule-making. Rules promulgated pursuant to Section 944 202(1)(c) may include, but need not be limited to, the following 945 subjects:
- 946 (a) Labeling guidelines concerning the total content of 947 THC per unit of weight;
- 948 (b) Control of informational and product displays on 949 licensed premises;



950	(0	;)	Records	to	be	kept	by	license	ees	and	the	red	qui	red	
951	availability	of	the rec	or	ds;										
952	(d	l)	Permitte	d e	ecor	nomic	int	terests	iss	ued	prio	r t	to	July	

- 1, 2025, including a process for a criminal history records check,
  a requirement that a permitted economic interest applicant submit
  to and pass a criminal history records check, a divestiture, and
  other agreements that would qualify as permitted economic
  interests;
- 958 (e) Specifications of duties of officers and employees 959 of the state licensing authority;
- 960 (f) Instructions for local licensing authorities and 961 law enforcement officers;
- 962 (g) Requirements for inspections, investigations,
  963 searches, seizures, forfeitures, and such additional activities as
  964 may become necessary from time to time;
- 965 (h) Prohibition of misrepresentation and unfair 966 practices;
- (i) Marijuana research and development licenses,

  including application requirements; renewal requirements,

  including whether additional research projects may be added or

  considered; conditions for license revocation; security measures

  to ensure marijuana is not diverted to purposes other than

  research or diverted outside of the regulated marijuana market;

  the amount of plants, usable marijuana, marijuana concentrates, or

974	marijuana	products	а	licensee	may	have	on	its	<pre>premises;</pre>	licensee
-----	-----------	----------	---	----------	-----	------	----	-----	----------------------	----------

- 975 reporting requirements; and any additional requirements;
- 976 (j) A definition for "disproportionate impacted area"
- 977 to the extent relevant State of Mississippi data exists, is
- 978 available, and is used for the purpose of determining eligibility
- 979 for a social equity licensee;
- 980 (k) The implementation of contingency plans pursuant to
- 981 Section 502(14), including the definition of outdoor cultivation,
- 982 adverse weather event, or adverse natural occurrence and the
- 983 process, procedures, requirements, and restrictions for
- 984 contingency plans; and
- 985 (1) Such other matters as are necessary for the fair,
- 986 impartial, stringent, and comprehensive administration of this
- 987 chapter.
- 988 (2) Mandatory rule-making. Rules promulgated pursuant to
- 989 Section 202(1)(c) must include, but need not be limited to, the
- 990 following subjects:
- 991 (a) Procedures consistent with this chapter for the
- 992 issuance, renewal, suspension, and revocation of licenses to
- 993 operate retail marijuana businesses;
- 994 (b) Subject to the limitations contained in Section
- 995 1(6)(a)(ii) of this act and consistent with this chapter, a
- 996 schedule of application, licensing, and renewal fees for retail
- 997 marijuana businesses;

998	(c) Qualifications for licensure pursuant to this
999	chapter, including, but not limited to, the requirement for a
1000	fingerprint-based criminal history records check for all
1001	controlling beneficial owners, passive beneficial owners,
1002	managers, contractors, employees, and other support staff of
1003	entities licensed pursuant to this chapter;
1004	(d) (i) Establishment of a marijuana and marijuana
1005	products independent testing and certification program for
1006	marijuana business licensees, within an implementation time frame
1007	established by the state licensing authority, requiring licensees
1008	to test marijuana and industrial hemp products to ensure, at a
1009	minimum, that products sold for human consumption by persons
1010	licensed pursuant to this chapter do not contain contaminants that
1011	are injurious to health and to ensure correct labeling.
1012	(ii) Testing may include analysis for microbial
1013	and residual solvents and chemical and biological contaminants
1014	deemed to be public health hazards by the state licensing
1015	authority based on medical reports and published scientific
1016	literature.
1017	(iii) 1. If test results indicate the presence of
1018	quantities of any substance determined to be injurious to health,

the retail marijuana licensee shall immediately quarantine the

licensing authority shall give the licensee an opportunity to

remediate the product if the test indicated the presence of a

products and notify the state licensing authority.

1019

1020

1021

1022

1023	microbial. If the licensee is unable to remediate the product,
1024	the licensee shall document and properly destroy the adulterated
1025	product.
1026	2. If retail marijuana product test results
1027	indicate the presence of quantities of any substance determined to
1028	be injurious to health, the state licensing authority shall give
1029	the licensee an opportunity to retest the retail marijuana or
1030	retail marijuana product.
1031	3. If two (2) additional tests of the retail
1032	marijuana or retail marijuana product do not indicate the presence
1033	of quantities of any substance determined to be injurious to
1034	health, the product may be used or sold by the retail marijuana
1035	licensee.
1036	(iv) 1. Testing must also verify THC potency
1037	representations and homogeneity for correct labeling and provide a
1038	cannabinoid profile for the regulated marijuana product.
1039	2. An individual retail marijuana piece of
1040	ten (10) milligrams or less that has gone through process
1041	validation is exempt from continued homogeneity testing.
1042	3. Homogeneity testing for one hundred (100)
1043	milligram servings of retail marijuana may use validation
1044	measures.
1045	(v) The state licensing authority shall determine
1046	an acceptable variance for potency representations and procedures
1047	to address potency misrepresentations. The state licensing

H. B. No. 615
24/HR26/R630
PAGE 42 (RF\KW)



1048	authority shall determine an acceptable variance of at least plus
1049	or minus fifteen percent (15%) for potency representations and
1050	procedures to address potency misrepresentations.
1051	(vi) The state licensing authority shall determine
1052	the protocols and frequency of regulated marijuana testing by
1053	licensees.
1054	(vii) A state, local, or municipal agency shall
1055	not employ or use the results of any test of regulated marijuana
1056	or regulated marijuana products conducted by an analytical
1057	laboratory that is not certified pursuant to this subparagraph
1058	(vii) for the particular testing category or that is not
1059	accredited to the International Organization for
1060	Standardization/International Electrotechnical Commission
1061	17025:2005 standard, or any subsequent superseding standard, in
1062	that field of testing.
1063	(viii) The state licensing authority shall require
1064	a retail marijuana testing facility to be accredited by a body
1065	that is itself recognized by the International Laboratory
1066	Accreditation Cooperation in a category of testing pursuant to the
1067	International Organization for Standardization/International
1068	Electrotechnical Commission 17025:2005 standard, or a subsequent
1069	superseding standard, in order to receive certification or
1070	maintain certification; except that the state licensing authority
1071	may by rule establish conditions for providing extensions to a
1072	newly licensed retail marijuana testing facility for a period not

marijuana.

H. B. No. 615

24/HR26/R630 PAGE 43 (RF\KW) ~ OFFICIAL ~

1073	to exceed twelve (12) months or a retail marijuana testing
1074	facility for good cause as defined by rules promulgated by the
1075	state licensing authority, which must include, but may not be
1076	limited to, when an application for accreditation has been
1077	submitted and is pending with a recognized accrediting body.
1078	(ix) The state licensing authority shall
1079	promulgate rules that prevent redundant testing of marijuana and
1080	marijuana concentrate, including, but not limited to, potency
1081	testing of marijuana allocated to extractions, and residual
1082	solvent testing of marijuana concentrate when all inputs of the
1083	marijuana concentrate have passed residual solvent testing
1084	pursuant to this paragraph (d);
1085	(e) Security requirements for any premises licensed
1086	pursuant to this chapter, including, at a minimum, lighting,
1087	physical security, video, and alarm requirements, and other
1088	minimum procedures for internal control as deemed necessary by the

(f) Labeling requirements for regulated marijuana and regulated marijuana products sold by a retail marijuana business that include, but are not limited to:

changes, alterations, or modifications to the premises;

state licensing authority to properly administer and enforce the

provisions of this chapter, including reporting requirements for

- 1095 (i) Warning labels;
- 1096 (ii) Amount of THC per serving and the number of 1097 servings per package for regulated marijuana products;

H. B. No. 615 24/HR26/R630 PAGE 44 (RF\KW)

1089

1090

1091



## ~ OFFICIAL ~

1098	(iii) A universal symbol indicating that the
1099	package contains marijuana; and
1100	(iv) Potency of the regulated marijuana and
1101	regulated marijuana products;
1102	(g) Health and safety regulations and standards for the
1103	manufacture of regulated marijuana products and the cultivation of
1104	regulated marijuana;
1105	(h) Regulation of the storage of, warehouses for, and
1106	transportation of regulated marijuana and regulated marijuana
1107	products;
1108	(i) Sanitary requirements for retail marijuana
1109	businesses, including, but not limited to, sanitary requirements
1110	for the preparation of regulated marijuana products;
1111	(j) The reporting and transmittal of monthly sales tax
1112	payments by retail marijuana stores and any applicable excise tax
1113	payments by retail marijuana cultivation facilities;
1114	(k) Authorization for the state licensing authority to
1115	have access to licensing information to ensure sales, excise, and
1116	income tax payment and the effective administration of this
1117	chapter;
1118	(1) Compliance with, enforcement of, or violation of
1119	any provision of this chapter, or any rule promulgated pursuant to
1120	this chapter, including procedures and grounds for denying,
1121	suspending, fining, restricting, or revoking a state license
1122	issued pursuant to this chapter;

H. B. No. 615
24/HR26/R630
PAGE 45 (RF\KW)

~ OFFICIAL ~

1123	(m) Establishing a schedule of penalties and procedures
1124	for issuing and appealing citations for violation of statutes and
1125	rules and issuing administrative citations;
1126	(n) Retail marijuana transporter licensed businesses,
1127	including requirements for drivers, including obtaining and
1128	maintaining a valid Mississippi driver's license; insurance
1129	requirements; acceptable time frames for transport, storage, and
1130	delivery; requirements for transport vehicles; requirements for
1131	deliveries; and requirements for licensed premises;
1132	(o) Retail marijuana business operator licensees,
1133	including the form and structure of allowable agreements between
1134	operators and the retail marijuana business;
1135	(p) Nonescorted visitors in limited access areas;
1136	(q) Temporary appointee registrations issued pursuant
1137	to Section 401(3), including occupational and business
1138	registration requirements; application time frames; notification
1139	requirements; issuance, expiration, renewal, suspension, and
1140	revocation of a temporary appointee registration; and conditions
1141	of registration;
1142	(r) Requirements for a centralized distribution permit
1143	for retail marijuana cultivation facilities issued pursuant to
1144	Section 502(6) or 602(7), including, but not limited to, permit
1145	application requirements and privileges and restrictions of a
1146	centralized distribution permit;

1147	(s) Requirements for issuance of colocation permits to
1148	a marijuana research and development licensee authorizing
1149	colocation with a retail marijuana products manufacturer licensed
1150	premises, including application requirements, eligibility,
1151	restrictions to prevent cross-contamination and to ensure physical
1152	separation of inventory and research activities, and other
1153	privileges and restrictions of permits;
1154	(t) Development of individual identification cards for
1155	natural persons who are controlling beneficial owners, and any
1156	person operating, working in, or having unescorted access to the
1157	limited access areas of the licensed premises of a retail
1158	marijuana business including a fingerprint-based criminal history
1159	records check as may be required by the state licensing authority
1160	prior to issuing a card;
1161	(u) Identification of state licensees and their
1162	controlling beneficial owners, passive beneficial owners,
1163	managers, and employees;
1164	(v) The specification of acceptable forms of picture
1165	identification that a retail marijuana store may accept when
1166	verifying a sale, including, but not limited to, government-issued
1167	identification cards;
1168	(w) State licensing procedures, including procedures
1169	for renewals, reinstatements, initial licenses, and the payment of
1170	licensing fees;

Т Т / Т	(x) The conditions under which a licensee is authorized
1172	to transfer fibrous waste to a person for the purpose of producing
1173	only industrial fiber products. The conditions must include
1174	contract requirements that stipulate that the fibrous waste will
1175	only be used to produce industrial fiber products; record-keeping
1176	requirements; security measures related to the transport and
1177	transfer of fibrous waste; requirements for handling contaminated
1178	fibrous waste; and processes associated with handling fibrous
1179	waste. The rules must not require licensees to alter fibrous
1180	waste from its natural state prior to transfer;
1181	(y) Requiring that edible regulated marijuana products
1182	be clearly identifiable, when practicable, with a standard symbol
1183	indicating that they contain marijuana and are not for consumption
1184	by children. The symbols promulgated by rule of the state
1185	licensing authority must not appropriate signs or symbols
1186	associated with another Mississippi business or industry;
1187	(z) Requirements to prevent the sale or diversion of
1188	retail marijuana and retail marijuana products to persons under
1189	twenty-one (21) years of age;
1190	(aa) The implementation of an accelerator program
1191	including, but not limited to, rules to establish requirements for
1192	social equity licensees operating on the same licensed premises or
1193	on separate premises possessed by an accelerator-endorsed
1194	licensee. The state licensing authority's rules establishing an
1195	accelerator program may include requirements for severed

1196	custodianship of regulated marijuana products, protections of the
1197	intellectual property of a social equity licensee, incentives for
1198	accelerator-endorsed licensees, and additional requirements if a
1199	person applying for an accelerator endorsement has less than two
1200	(2) years' experience operating a licensed facility pursuant to
1201	this chapter. An accelerator-endorsed licensee is not required to
1202	exercise the privileges of its license on the premises where a
1203	social equity licensee operates;
1204	(bb) Conditions under which a licensee is authorized to
1205	collect marijuana consumer waste and transfer it to a person for
1206	the purposes of reuse or recycling in accordance with all
1207	requirements established by the state licensing authority
1208	pertaining to waste disposal and recycling. The conditions must
1209	include:
1210	(i) That the person receiving marijuana consumer
1211	waste from a licensee is, to the extent required by law,
1212	registered with the state licensing authority;
1213	(ii) Record-keeping requirements;
1214	(iii) Security measures related to the collection
1215	and transfer of marijuana consumer waste;
1216	(iv) Health and safety requirements, including
1217	requirements for the handling of marijuana consumer waste; and
1218	(v) Processes associated with handling marijuana
1219	consumer waste, including destruction of any remaining regulated
1220	marijuana in the marijuana consumer waste;

H. B. No. 615
24/HR26/R630
PAGE 49 (RF\KW)



1221	(cc) Requirements for a transition permit for retail
1222	marijuana cultivation facilities issued pursuant to Section
1223	313(13)(c), including, but not limited to, permit application
1224	requirements and restrictions of a transition permit;
1225	(dd) Requirements for retail marijuana and retail
1226	marijuana products delivery as described in Section 501(13) and
1227	Section 505(5), including:
1228	(i) Training requirements for personnel of retail
1229	marijuana stores and retail marijuana transporters that hold a
1230	retail marijuana delivery permit who will deliver retail marijuana
1231	or retail marijuana products pursuant to this chapter and
1232	requirements that retail marijuana stores and retail marijuana
1233	transporters obtain a responsible vendor designation pursuant to
1234	Section 1001 prior to conducting a delivery;
1235	(ii) Security requirements;
1236	(iii) Delivery vehicle requirements, including
1237	requirements for surveillance;
1238	(iv) Record-keeping requirements;
1239	(v) Limits on the amount of retail marijuana and
1240	retail marijuana products that may be carried in a delivery
1241	vehicle and delivered to an individual, which cannot exceed limits
1242	placed on sales at retail marijuana stores;
1243	(vi) Health and safety requirements for retail
1244	marijuana and retail marijuana products delivered to an
1245	individual;

H. B. No. 615 24/HR26/R630 PAGE 50 (RF\KW)



1246	(v11) Confidentiality requirements to ensure that
1247	persons delivering retail marijuana and retail marijuana products
1248	pursuant to this chapter do not disclose personal identifying
1249	information to any person other than those who need that
1250	information in order to take, process, or deliver the order or as
1251	otherwise required or authorized by this chapter;
1252	(viii) An application fee and annual renewal fee
1253	for the retail marijuana delivery permit. The amount of the fee
1254	must reflect the expected costs of administering the retail
1255	marijuana delivery permit and may be adjusted by the state
1256	licensing authority to reflect the permit's actual direct and
1257	indirect costs;
1258	(ix) The permitted hours of delivery of retail
1259	marijuana and retail marijuana products;
1260	(x) Requirements for areas where retail marijuana
1261	and retail marijuana products orders are stored, weighed,
1262	packaged, prepared, and tagged, including requirements that retail
1263	marijuana and retail marijuana products cannot be placed into a
1264	delivery vehicle until after an order has been placed and that all
1265	delivery orders must be packaged on the licensed premises of a
1266	retail marijuana store or its associated state licensing
1267	authority-authorized storage facility as defined by rule after an
1268	order has been received; and
1269	(xi) Payment methods, including, but not limited
1270	to, the use of gift cards and prepayment accounts;

H. B. No. 615
24/HR26/R630
PAGE 51 (RF\KW)



## ~ OFFICIAL ~

1271	(ee) (i) 1. Ownership and financial disclosure
1272	procedures and requirements pursuant to this chapter;
1273	2. Records that a retail marijuana business
1274	is required to maintain regarding its controlling beneficial
1275	owners, passive beneficial owners, and indirect financial interest
1276	holders that may be subject to disclosure at renewal or as part of
1277	any other investigation following initial licensure of a retail
1278	marijuana business;
1279	3. Procedures and requirements for findings
1280	of suitability pursuant to this chapter, including fees necessary
1281	to cover the direct and indirect costs of any suitability
1282	investigation;
1283	4. Procedures and requirements concerning the
1284	divestiture of the beneficial ownership of a person found
1285	unsuitable by the state licensing authority;
1286	5. Procedures, processes, and requirements
1287	for transfers of ownership involving a publicly traded
1288	corporation, including, but not limited to, mergers with a
1289	publicly traded corporation, investment by a publicly traded
1290	corporation, and public offerings;
1291	6. Designation of persons that by virtue of
1292	common control constitute controlling beneficial owners;
1293	7. Modification of the percentage of owner's
1294	interests that may be held by a controlling beneficial owner and
1295	passive beneficial owner;

1296	8. Designation of persons that qualify for an
1297	exemption from an otherwise required finding of suitability; and
1298	9. Designation of indirect financial interest
1299	holders and qualified institutional investors.
1300	(ii) Rules promulgated pursuant to this paragraph
1301	(ee) must not be any more restrictive than the requirements
1302	expressly established under this chapter;
1303	(ff) The implementation of marijuana hospitality and
1304	retail marijuana hospitality and sales business licenses,
1305	including, but not limited to:
1306	(i) General insurance liability requirements;
1307	(ii) A sales limit per transaction for retail
1308	marijuana and retail marijuana products that may be sold to a
1309	patron of a retail marijuana hospitality and sales business;
1310	except that the sales limit established by the state licensing
1311	authority must not be an amount less than one (1) gram of retail
1312	marijuana flower, one-quarter $(1/4)$ of one $(1)$ gram of retail
1313	marijuana concentrate, or a retail marijuana product containing
1314	not more than ten (10) milligrams of active THC;
1315	(iii) Restrictions on the type of any retail
1316	marijuana or retail marijuana product authorized to be sold,
1317	including that the marijuana or product be meant for consumption
1318	in the licensed premises of the business;

1319	(iv) Prohibitions on activity that would require
1320	additional licensure on the licensed premises, including, but not
1321	limited to, sales, manufacturing, or cultivation activity;
1322	(v) Requirements for marijuana hospitality
1323	businesses and retail marijuana hospitality and sales businesses
1324	operating pursuant to Section 509 or 510 in a retail food
1325	business; and
1326	(vi) Requirements for marijuana hospitality
1327	businesses and retail marijuana hospitality and sales business
1328	licensees to destroy any unconsumed marijuana or marijuana
1329	products left behind by a patron;
1330	(gg) For marijuana hospitality businesses that are
1331	mobile, regulations including, but not limited to:
1332	(i) Registration of vehicles and proper
1333	designation of vehicles used as mobile licensed premises;
1334	(ii) Surveillance cameras inside the vehicles;
1335	(iii) Global positioning system tracking and route
1336	logging in an established route manifest system;
1337	(iv) Ensuring activity is not visible outside of
1338	the vehicle; and
1339	(v) Proper ventilation within the vehicle;
1340	(hh) The circumstances that constitute a significant
1341	physical or geographic hardship as used in Section 501(13);
1342	(ii) Requirements for retail marijuana concentrate to
1343	promote consumer health and awareness, which shall include a

H. B. No. 615 24/HR26/R630 PAGE 54 (RF\KW)

## ~ OFFICIAL ~

1344	recommended serving size, visual representation of one (1)
1345	recommended serving, and labeling requirements and may include a
1346	measuring device that may be used to measure one (1) recommended
1347	serving.
1348	(3) In promulgating rules pursuant to this section, the
1349	state licensing authority may seek the assistance of any other
1350	appropriate state agencies when necessary before promulgating
1351	rules on the following subjects:
1352	(a) Signage, marketing, and advertising, including, but
1353	not limited to, a prohibition on mass-market campaigns that have a
1354	high likelihood of reaching persons under twenty-one (21) years of
1355	age and other such rules that may include:
1356	(i) Allowing packaging and accessory branding;
1357	(ii) Prohibiting health or physical benefit claims
1358	in advertising, merchandising, and packaging;
1359	(iii) Prohibiting unsolicited pop-up advertising
1360	on the Internet;
1361	(iv) Prohibiting banner ads on mass-market
1362	websites;
1363	(v) Prohibiting opt-in marketing that does not
1364	permit an easy and permanent opt-out feature;
1365	(vi) Prohibiting marketing directed toward
1366	location-based devices, including, but not limited to, cellular
1367	phones, unless the marketing is a mobile device application

installed on the device by the owner of the device who is

1369	twenty-one (21) years of age or older and includes a permanent and
1370	easy opt-out feature;
1371	(vii) Prohibiting advertising and marketing by a
1372	retail marijuana business that is specifically directed at persons
1373	who are under twenty-one (21) years of age; and
1374	(viii) Requirements that any advertising or
1375	marketing specific to retail marijuana concentrate include a
1376	notice regarding the potential risks of retail marijuana
1377	concentrate overconsumption;
1378	(b) A prohibition on the sale of regulated marijuana
1379	and regulated marijuana products unless the product is:
1380	(i) Packaged in packaging meeting requirements
1381	established by the state licensing authority similar to the
1382	federal "Poison Prevention Packaging Act of 1970", 15 USC Section
1383	1471 et seq., as amended; and
1384	(ii) Placed in an opaque and resealable exit
1385	package or container meeting requirements established by the state
1386	licensing authority at the point of sale prior to exiting the
1387	store;
1388	(c) The safe and lawful transport of regulated
1389	marijuana and regulated marijuana products between the licensed
1390	business and testing laboratories;
1391	(d) A standardized marijuana serving size amount for
1392	edible retail marijuana products that does not contain more than

H. B. No. 615
24/HR26/R630
PAGE 56 (RF\KW)

1393



ten (10) milligrams of active THC, designed only to provide

1394	consumers with information about the total number of servings of
1395	active THC in a particular retail marijuana product, not as a
1396	limitation on the total amount of THC in any particular item;
1397	labeling requirements regarding servings for edible retail
1398	marijuana products; and limitations on the total amount of active
1399	THC in a sealed internal package that is no more than one hundred
1400	(100) milligrams of active THC;
1401	(e) Prohibition on or regulation of additives to any

- regulated marijuana product, including, but not limited to, those that are toxic, designed to make the product more addictive, designed to make the product more appealing to children, or misleading to consumers, but not including common baking and cooking items;
- 1407 (f) Permission for a local fire department to conduct 1408 an annual fire inspection of a retail marijuana cultivation 1409 facility;
- 1410 (g) A prohibition on the production and sale of edible
  1411 regulated marijuana products that are in the distinct shape of a
  1412 human, animal, or fruit. Geometric shapes and products that are
  1413 simply fruit flavored are not considered fruit. Products in the
  1414 shape of a marijuana leaf are permissible. Nothing in this
  1415 paragraph (g) applies to a company logo; and
- 1416 (h) A requirement that every retail marijuana store
  1417 post, at all times and in a prominent place, a warning that has a



1418	minimum	height	of	three	(3)	inches	and	а	width	of	six	(6)	inches
------	---------	--------	----	-------	-----	--------	-----	---	-------	----	-----	-----	--------

- 1419 and that reads:
- 1420 "Warning: Using marijuana, in any form, while you are pregnant or
- 1421 breastfeeding passes THC to your baby and may be harmful to your
- 1422 baby. There is no known safe amount of marijuana use during
- 1423 pregnancy or breastfeeding."
- 1424 (4) **Equivalency.** Rules promulgated pursuant to Section
- 1425 202(1)(c) must also include establishing the equivalent of one (1)
- 1426 ounce of retail marijuana flower in various retail marijuana
- 1427 products, including retail marijuana concentrate. Prior to
- 1428 promulgating the rules required by this subsection (4), the state
- 1429 licensing authority may contract for a scientific study to
- 1430 determine the equivalency of marijuana flower in retail marijuana
- 1431 products, including retail marijuana concentrate.
- 1432 (5) Statewide class system cultivation facility rules -
- 1433 **retail marijuana.** (a) The state licensing authority shall create
- 1434 a statewide licensure class system for retail marijuana
- 1435 cultivation facility licenses. The classifications may be based
- 1436 upon square footage of the facility; lights, lumens, or wattage;
- 1437 lit canopy; the number of cultivating plants; other reasonable
- 1438 metrics; or any combination thereof. The state licensing
- 1439 authority shall create a fee structure for the licensure class
- 1440 system.

1441	(b) The state licensing authority may establish
1442	limitations on retail marijuana production through one (1) or more
1443	of the following methods:
1444	(i) Placing or modifying a limit on the number of
1445	licenses that it issues, by class or overall, but in placing or
1446	modifying the limits, the authority shall consider the reasonable
1447	availability of new licenses after a limit is established or
1448	modified;
1449	(ii) Placing or modifying a limit on the amount of
1450	production permitted by a retail marijuana cultivation facility
1451	license or class of licenses based upon some reasonable metric or
1452	set of metrics including, but not limited to, those items detailed
1453	in paragraph (a) of this subsection, previous months' sales,
1454	pending sales, or other reasonable metrics as determined by the
1455	state licensing authority; and
1456	(iii) Placing or modifying a limit on the total
1457	amount of production by retail marijuana cultivation facility
1458	licensees in the state collectively, based upon some reasonable
1459	metric or set of metrics including, but not limited to, those
1460	items detailed in paragraph (a) of this subsection, as determined
1461	by the state licensing authority.
1462	(c) Notwithstanding anything contained in this chapter
1463	to the contrary, in considering any such limitations, the state
1464	licensing authority, in addition to any other relevant
1465	considerations, shall:

1466	(i) Consider the total current and anticipated
1467	demand for retail marijuana and retail marijuana products in
1468	Mississippi; and
1469	(ii) Attempt to minimize the market for unlawful
1470	marijuana.
1471	(6) The state licensing authority may deny, suspend, revoke,
1472	fine, or impose other sanctions against a person's license issued
1473	pursuant to this chapter if the state licensing authority finds
1474	the person or the person's controlling beneficial owner, passive
1475	beneficial owner, or indirect financial interest holder failed to
1476	timely file any report, disclosure, registration statement, or
1477	other submission required by any state or federal regulatory
1478	authority that is related to the conduct of their business.
1479	(7) The state licensing authority shall treat a metered-dose
1480	inhaler the same as a vaporized delivery device for purposes of
1481	regulation and testing.
1482	(8) (a) The state licensing authority may, by rule,
1483	establish procedures for the conditional issuance of an employee
1484	license identification card at the time of application.
1485	(b) (i) The state licensing authority shall base its
1486	issuance of an employee license identification card pursuant to
1487	this subsection (8) on the results of an initial investigation
1488	that demonstrate the applicant is qualified to hold such license.
1489	The employee license application for which an employee license
1490	identification card was issued pursuant to this subsection (8)

1491	remains subject to denial pending the complete results of the
1492	applicant's initial fingerprint-based criminal history record
1493	check.

- 1494 Results of a fingerprint-based criminal 1495 history record check that demonstrate that an applicant possessing 1496 an employee license identification card pursuant to this subsection (8) is not qualified to hold a license issued under 1497 1498 this chapter are grounds for denial of the employee license 1499 If the employee license application is denied, the application. 1500 applicant shall return the employee license identification card to 1501 the state licensing authority within a time period that the state 1502 licensing authority establishes by rule.
- 1503 **204. Confidentiality.** (1) The state licensing authority shall maintain the confidentiality of:
- 1505 Reports or other information obtained from a retail 1506 marijuana licensee or retail marijuana license applicant 1507 containing any individualized data, information, or records related to the applicant or licensee or its operation, including 1508 1509 sales information, leases, business organization records, 1510 financial records, tax returns, credit reports, cultivation 1511 information, testing results, and security information and plans, 1512 or revealing any customer information, or any other records that 1513 are exempt from public inspection pursuant to state law. reports or other information may be used only for a purpose 1514 1515 authorized by this chapter, for investigation or enforcement of



1516	any international, federal, state, or local securities law or
1517	regulations, or for any other state or local law enforcement
1518	purpose;
1519	(b) Investigative records and documents related to
1520	ongoing investigations. Those records and documents may be used
1521	only for a purpose authorized by this chapter or for any other
1522	state or local law enforcement purpose; and
1523	(c) Computer systems maintained by the state licensing
1524	authority and the vendors with which the state licensing authority
1525	has contracted.
1526	(2) The state licensing authority shall make available for
1527	<pre>public inspection:</pre>
1528	(a) Documents related to final agency actions and
1529	orders;
1530	(b) Records related to testing on an aggregated and
1531	de-identified basis;
1532	(c) Demographic information related to applicants and
1533	licensees available on an aggregated and de-identified basis; and
1534	(d) Enforcement forms and compliance checklists.
1535	PART 3
1536	LICENSING PROCEDURES
1537	301. Local licensing authority - applications - licenses.
1538	(1) When the state licensing authority receives an application
1539	for original licensing or renewal of an existing license or permit
1540	for any retail marijuana business, the state licensing authority

shall provide, within seven (7) days, a copy of the application to 1541 1542 the local jurisdiction in which the business is to be located unless the local jurisdiction has prohibited the operation of 1543 1544 retail marijuana businesses pursuant to Section 1(6)(d) of this 1545 The local jurisdiction shall determine whether the 1546 application complies with local restrictions on time, place, manner, and the number of retail marijuana businesses. 1547 1548 jurisdiction shall inform the state licensing authority whether 1549 the application complies with local restrictions on time, place, 1550 manner, and the number of retail marijuana businesses.

- 1551 (2) A local jurisdiction may impose a separate local
  1552 licensing requirement for retail marijuana businesses as a part of
  1553 its restrictions on time, place, manner, and the number of
  1554 marijuana businesses. A local jurisdiction may decline to impose
  1555 any local licensing requirements, but a local jurisdiction shall
  1556 notify the state licensing authority that it either approves or
  1557 denies each application forwarded to it.
- 1558 302. Public hearing notice - posting and publication. (1)1559 If a local jurisdiction issues local licenses for a retail 1560 marijuana business, a local jurisdiction may schedule a public 1561 hearing on the application. If the local jurisdiction schedules a 1562 hearing, it shall post and publish public notice thereof not less 1563 than ten (10) days prior to the hearing. The local jurisdiction shall give public notice by posting a sign in a conspicuous place 1564 1565 on the license applicant's premises for which a local license

H. B. No. 615 24/HR26/R630 PAGE 63 (RF\KW)



~ OFFICIAL ~

application has been made and by publication in a newspaper of general circulation in the county in which the applicant's premises are located.

- 1569 (2) If a local jurisdiction does not issue local retail
  1570 marijuana business licenses, the local jurisdiction may give
  1571 public notice of the state license application by posting a sign
  1572 in a conspicuous place on the state license applicant's premises
  1573 for which a state license application has been made and by
  1574 publication in a newspaper of general circulation in the county in
  1575 which the applicant's premises are located.
- 1576 State licensing authority - application and issuance Applications for a state retail marijuana 1577 procedures. (1)1578 business license under the provisions of this chapter must be made to the state licensing authority on forms prepared and furnished 1579 by the state licensing authority and must set forth such 1580 1581 information as the state licensing authority may require to enable 1582 the state licensing authority to determine whether a retail marijuana business license should be granted. The information 1583 1584 must include the name and address of the applicant, disclosures 1585 required by Section 307, and all other information deemed 1586 necessary by the state licensing authority. Each application must 1587 be verified by the oath or affirmation of such person or persons 1588 as the state licensing authority may prescribe.
- 1589 (2) The state licensing authority may issue a state license 1590 to an applicant pursuant to this section for a retail marijuana

H. B. No. 615 24/HR26/R630 PAGE 64 (RF\KW)



1591	business upon completion of the applicable criminal history
1592	records check associated with the application, and the state
1593	license is conditioned upon local jurisdiction approval. A
1594	license applicant is prohibited from operating a licensed retail
1595	marijuana business without state and local jurisdiction approval.
1596	If the applicant does not receive local jurisdiction approval
1597	within one (1) year from the date of state licensing authority
1598	approval, the state license expires and may not be renewed. If an
1599	application is denied by the local licensing authority, the state
1600	licensing authority shall revoke the state-issued license.

- 1601 (3) Nothing in this chapter preempts or otherwise impairs

  1602 the power of a local government to enact ordinances concerning

  1603 matters authorized to local governments.
- 1604 (4) Prior to accepting an application for a license,
  1605 registration, or permit, the state licensing authority shall
  1606 inform the applicant that having a retail marijuana license and
  1607 working in the retail marijuana industry may have adverse federal
  1608 immigration consequences.
- 304. Denial of application. (1) The state licensing
  authority shall deny a state license if the premises on which the
  applicant proposes to conduct its business does not meet the
  requirements of this chapter or for reasons set forth in Section
  103(17)(c) or 305, and the state licensing authority may refuse or
  deny a license, renewal, reinstatement, or initial license for
  good cause as defined by Section 103(17)(a) or (17)(b).

H. B. No. 615
24/HR26/R630
PAGE 65 (RF\kw)



1616	(2) If the state licensing authority denies a state license
1617	pursuant to subsection (1) of this section, the applicant is
1618	entitled to a hearing and judicial review. The state licensing
1619	authority shall provide written notice of the grounds for denial
1620	of the state license to the applicant and to the local licensing
1621	authority at least fifteen (15) days prior to the hearing.
1622	305. Persons prohibited as licensees - definition. (1) A
1623	license provided by this chapter shall not be issued to or held
1624	by:
1625	(a) A person until the fee therefore has been paid;
1626	(b) An individual whose criminal history indicates that
1627	he or she is not of good moral character;
1628	(c) A person other than an individual if the criminal
1629	history of any of its controlling beneficial owners indicates that
1630	a controlling beneficial owner is not of good moral character;
1631	(d) A person under twenty-one (21) years of age;
1632	(e) A person licensed pursuant to this chapter who,
1633	during a period of licensure, or who, at the time of application,
1634	has failed to:
1635	(i) File any tax return with a taxing agency
1636	related to a retail marijuana business; or
1637	(ii) Pay any taxes, interest, or penalties due as
1638	determined by final agency action related to a retail marijuana
1639	business;

1640	(f) A person who fails to meet qualifications for
1641	licensure that directly and demonstrably relate to the operation
1642	of a retail marijuana business;
1643	(g) (i) A person who was convicted of a felony in the
1644	three (3) years immediately preceding his or her application date
1645	or who is currently subject to a sentence for a felony conviction;
1646	except that, for a person applying to be a social equity licensee,
1647	a marijuana conviction shall not be the sole basis for license
1648	denial; or
1649	(ii) A person who is currently subject to a
1650	deferred judgment or sentence for a felony;
1651	(h) A person who employs another person at a retail
1652	marijuana business who has not submitted fingerprints for a
1653	criminal history records check or whose criminal history records
1654	check reveals that the person is ineligible;
1655	(i) A sheriff, deputy sheriff, police officer, or
1656	prosecuting officer, or an officer or employee of the state
1657	licensing authority or a local licensing authority;
1658	(j) A person applying for a license for a location that
1659	is currently licensed as a retail food establishment;
1660	(k) A publicly traded entity that does not constitute a
1661	publicly traded corporation as defined in this chapter;
1662	(1) A person that is or has a controlling beneficial
1663	owner, passive beneficial owner, or indirect financial interest
1664	holder that is organized or formed under the laws of a country

1665	determined	bv	the	United	States	Secretary	of	State	to	have

- 1666 repeatedly provided support for acts of international terrorism or
- 1667 is included among the list of "covered countries" in Section 1502
- 1668 of the federal "Dodd-Frank Wall Street Reform and Consumer
- 1669 Protection Act", Public Law 111-203;
- 1670 (m) A person that is or has a controlling beneficial
- 1671 owner that is disqualified as a "bad actor" pursuant to 17 CFR
- 1672 230.506(d)(1);
- 1673 (n) A person that is not a publicly traded corporation
- 1674 that is or has a passive beneficial owner or indirect financial
- 1675 interest holder that is disqualified as a "bad actor" pursuant to
- 1676 17 CFR 230.506(d)(1);
- 1677 (o) A person that is a publicly traded corporation that
- 1678 is or has a nonobjecting passive beneficial owner or indirect
- 1679 financial interest holder that is disqualified as a "bad actor"
- 1680 pursuant to 17 CFR 230.506(d)(1); or
- 1681 (p) A person that is or has a controlling beneficial
- 1682 owner, passive beneficial owner, or indirect financial interest
- 1683 holder that is prohibited from engaging in transactions pursuant
- 1684 to this chapter due to its designation on the "Specially
- 1685 Designated Nationals and Blocked Persons" list maintained by the
- 1686 federal Office of Foreign Assets Control.
- 1687 (2) The state licensing authority may deny or revoke a
- 1688 license if the applicant or licensee's criminal character or

1689 criminal record poses a threat to the regulation or control of 1690 marijuana.

- In investigating the qualifications of an applicant 1691 or a licensee, the state and local licensing authorities may have 1692 1693 access to criminal history records information furnished by a 1694 criminal justice agency subject to any restrictions imposed by such agency. If the state or local licensing authority considers 1695 1696 the applicant's criminal history record, the state or local 1697 licensing authority shall also consider any information provided 1698 by the applicant regarding such criminal history record, including, but not limited to, evidence of rehabilitation, 1699 1700 character references, and educational achievements, especially 1701 those items pertaining to the period of time between the applicant's last criminal conviction and the consideration of the 1702 1703 application for a state license.
- (b) As used in paragraph (a) of this subsection,

  "criminal justice agency" means any federal, state, or municipal

  court or any governmental agency or subunit of such agency that

  administers criminal justice pursuant to a statute or executive

  order and that allocates a substantial part of its annual budget

  to the administration of criminal justice.
- 1710 (c) At the time of filing an application for issuance 1711 or renewal of a state retail marijuana business license, an 1712 applicant shall submit a set of his or her fingerprints and file 1713 personal history information concerning the applicant's

H. B. No. 615
24/HR26/R630
PAGE 69 (RF\KW)



1714	qualifications for a state license on forms prepared by the state
1715	licensing authority. The state or local licensing authority or
1716	local jurisdiction shall submit the fingerprints to the Department
1717	of Public Safety for the purpose of conducting fingerprint-based
1718	criminal history records checks. The Department of Public Safety
1719	shall forward the fingerprints to the Federal Bureau of
1720	Investigation for the purpose of conducting fingerprint-based
1721	criminal history records checks. The state or local licensing
1722	authority or local jurisdiction may acquire a name-based criminal
1723	history records check for an applicant or a license holder who has
1724	twice submitted to a fingerprint-based criminal history records
1725	check and whose fingerprints are unclassifiable. An applicant who
1726	has previously submitted fingerprints for state or local licensing
1727	purposes may request that the fingerprints on file be used. The
1728	state or local licensing authority or local jurisdiction shall use
1729	the information resulting from the fingerprint-based criminal
1730	history records check to investigate and determine whether an
1731	applicant is qualified to hold a state or local license pursuant
1732	to this chapter. The state or local licensing authority or local
1733	jurisdiction may verify any of the information an applicant is
1734	required to submit.

1735 <u>306.</u> Business and owner requirements - legislative

1736 declaration - definition. (1) (a) The Legislature finds and

1737 declares that:

H. B. No. 615
24/HR26/R630
PAGE 70 (RF\KW)



1738	(i) Retail marijuana businesses need to be able to
1739	access capital in order to effectively grow their businesses and
1740	remain competitive in the marketplace;
1741	(ii) The current regulatory structure for
1742	regulated marijuana and regulated marijuana products creates a
1743	substantial barrier to investment from out-of-state interests and
1744	publicly traded corporations;
1745	(iii) There is insufficient capital in the state
1746	to properly fund the capital needs of Mississippi retail marijuana
1747	businesses;
1748	(iv) Mississippi retail marijuana businesses need
1749	to have ready access to capital from investors from outside of
1750	Mississippi;
1751	(v) Providing access to legitimate sources of
1752	capital helps prevent the opportunity for those who engage in
1753	illegal activity to gain entry into the state's regulated retail
1754	marijuana market;
1755	(vi) Publicly traded corporations offering
1756	securities for investment in retail marijuana businesses must tell
1757	the public the truth about their business, the securities they are
1758	selling, and the risks involved with investing in retail marijuana
1759	businesses, and persons that sell and trade securities related to
1760	retail marijuana businesses are prohibited from engaging in
1761	deceit, misrepresentations, and other fraud in the sale of the
1762	securities; and

H. B. No. 615
24/HR26/R630
PAGE 71 (RF\KW)



## ~ OFFICIAL ~

1763	(vii) Recognizing that participation by publicly
1764	traded corporations in Mississippi's retail marijuana industry
1765	creates an increased need to assess barriers of entry for
1766	minority- and woman-owned businesses, with such efforts being made
1767	to identify solutions to arrive at a greater balance and for
1768	further equity for minority- and woman-owned businesses, and in a
1769	manner that is consistent with the public safety and enforcement
1770	goals as stated in this subsection (1), it is therefore of
1771	substantive importance to address the lack of minority- and
1772	woman-owned businesses' inclusion in Mississippi's retail
1773	marijuana industry, social justice issues associated with
1774	marijuana prohibition, suitability issues relating to past
1775	convictions for potential licensees, licensing fees, and economic
1776	challenges that arise with the application processes.

- 1777 (b) Therefore, the Legislature is providing a mechanism 1778 for Mississippi retail marijuana businesses to access capital from 1779 investors in other states and from certain publicly traded 1780 corporations pursuant to this chapter.
- 1781 (2) (a) All natural persons with day-to-day operational control over the business must be Mississippi residents.
- 1783 (b) A person, other than an individual, that is a
  1784 retail marijuana business or a controlling beneficial owner shall
  1785 appoint and continuously maintain a registered agent. The retail
  1786 marijuana business shall inform the state licensing authority of a



1787	change	in	the	registered	agent	within	ten	(10)	days	after	the
1788	change.										

- 1789 (3) A person who qualifies as a social equity licensee may
  1790 apply for any regulated marijuana business license or permit,
  1791 including, but not limited to, accelerator store, accelerator
  1792 cultivator, and accelerator manufacturer licenses, issued pursuant
  1793 to this chapter. A person qualifies as a social equity licensee
  1794 if such person meets the following criteria, in addition to any
  1795 criteria established by rule of the state licensing authority:
  - (a) Is a Mississippi resident;
- 1797 (b) Has not been the beneficial owner of a license
  1798 subject to disciplinary or legal action from the state resulting
  1799 in the revocation of a license issued pursuant to this chapter;
- 1800 (c) Has demonstrated at least one (1) of the following:
- 1801 (i) The applicant has resided for at least fifteen 1802 (15) years between the years 2002 and 2024 in a census tract 1803 designated by the Mississippi Development Authority as an
- 1804 opportunity zone or designated as a disproportionate impacted area
- 1805 as defined by rule pursuant to Section 203(1)(j);
- 1806 (ii) The applicant or the applicant's parent,
- 1807 legal guardian, sibling, spouse, child, or minor in their
- 1808 guardianship was arrested for a marijuana offense, convicted of a
- 1809 marijuana offense, or was subject to civil asset forfeiture
- 1810 related to a marijuana investigation; or



1811	(iii) The applicant's household income in the year
1812	prior to application did not exceed an amount determined by rule
1813	of the state licensing authority; and
1814	(d) The social equity licensee, or collectively one (1)
1815	or more social equity licensees, holds at least fifty-one percent
1816	(51%) of the beneficial ownership of the regulated marijuana
1817	business license.
1818	(5) A person who meets the criteria in this section for a
1819	social equity licensee, pursuant to rule and agency discretion,
1820	may be eligible for incentives available through the Mississippi
1821	Development Authority, including but not limited to a reduction in
1822	application or license fees.
1823	307. Business owner and financial interest disclosure
1824	requirements. (1) Applicants for the issuance of a state license
1825	shall disclose to the state licensing authority the following:
1826	(a) A complete and accurate organizational chart of the
	(a) In complete and accurate organizational chart of the
1827	retail marijuana business reflecting the identity and ownership
1827 1828	
	retail marijuana business reflecting the identity and ownership
1828	retail marijuana business reflecting the identity and ownership percentages of its controlling beneficial owners;
1828 1829	retail marijuana business reflecting the identity and ownership percentages of its controlling beneficial owners;  (b) The following information regarding all controlling
1828 1829 1830	retail marijuana business reflecting the identity and ownership percentages of its controlling beneficial owners;  (b) The following information regarding all controlling beneficial owners of the retail marijuana business:
1828 1829 1830 1831	retail marijuana business reflecting the identity and ownership percentages of its controlling beneficial owners;  (b) The following information regarding all controlling beneficial owners of the retail marijuana business:  (i) If the controlling beneficial owner is a
1828 1829 1830 1831 1832	retail marijuana business reflecting the identity and ownership percentages of its controlling beneficial owners;  (b) The following information regarding all controlling beneficial owners of the retail marijuana business:  (i) If the controlling beneficial owner is a publicly traded corporation, the applicant shall disclose the

L836	(ii) If the controlling beneficial owner is not a
L837	publicly traded corporation and is not a qualified private fund,
L838	the applicant shall disclose the controlling beneficial owner's
L839	managers and any beneficial owners that directly or indirectly
L840	beneficially own ten percent (10%) or more of the owner's interest
L841	in the controlling beneficial owner.

- If the controlling beneficial owner is a 1842 (iii) 1843 qualified private fund, the applicant shall disclose a complete 1844 and accurate organizational chart of the qualified private fund 1845 reflecting the identity and ownership percentages of the qualified 1846 private fund's managers, investment advisers, investment adviser representatives, any trustee or equivalent, and any other person 1847 1848 that controls the investment in, or management or operations of, the retail marijuana business. 1849
- 1850 (iv) If the controlling beneficial owner is a
  1851 natural person, the applicant shall disclose the natural person's
  1852 identifying information;
- 1853 (c) A person that is both a passive beneficial owner
  1854 and an indirect financial interest holder in the retail marijuana
  1855 business; and
- (d) Any indirect financial interest holder that holds two (2) or more indirect financial interests in the retail marijuana business or that is contributing over fifty percent (50%) of the operating capital of the retail marijuana business.

1860	(2) The state licensing authority may request that the
1861	retail marijuana business disclose the following:
1862	(a) Each beneficial owner and affiliate of an app

- 1862 (a) Each beneficial owner and affiliate of an applicant
  1863 or retail marijuana business, or controlling beneficial owner that
  1864 is not a publicly traded corporation or a qualified private fund;
  1865 and
- 1866 (b) Each affiliate of a controlling beneficial owner 1867 that is a qualified private fund.
- 1868 (3) For reasonable cause, the state licensing authority may require disclosure of:
- 1870 (a) A complete and accurate list of each nonobjecting
  1871 beneficial interest owner of a retail marijuana business, or
  1872 controlling beneficial owner that is a publicly traded
  1873 corporation;
- (b) Passive beneficial owners of the retail marijuana business, and for any passive beneficial owner that is not a natural person, the members of the board of directors, general partners, managing members, or managers and ten percent (10%) or more owners of the passive beneficial owner;
- 1879 (c) A list of each beneficial owner in a qualified 1880 private fund that is a controlling beneficial owner;
- 1881 (d) All indirect financial interest holders of the
  1882 retail marijuana business, and for any indirect financial interest
  1883 holder that is not a natural person and ten percent (10%) or more
  1884 beneficial owners of the indirect financial interest holder.



1885	(4) An applicant or retail marijuana business that is not a
1886	publicly traded corporation shall affirm under penalty of perjury
1887	that it exercised reasonable care to confirm that its passive
1888	beneficial owners, indirect financial interest holders, and
1889	qualified institutional investors are not persons prohibited
1890	pursuant to Section 305, or otherwise restricted from holding an
1891	interest under this chapter. An applicant's or retail marijuana
1892	business's failure to exercise reasonable care is a basis for
1893	denial, fine, suspension, revocation, or other sanction by the
1894	state licensing authority.

- 1895 An applicant or retail marijuana business that is a publicly traded corporation shall affirm under penalty of perjury 1896 1897 that it exercised reasonable care to confirm that its nonobjecting passive beneficial owners, indirect financial interest holders, 1898 1899 and qualified institutional investors are not persons prohibited 1900 pursuant to Section 305, or otherwise restricted from holding an 1901 interest under this chapter. An applicant's or retail marijuana 1902 business's failure to exercise reasonable care is a basis for 1903 denial, fine, suspension, revocation, or other sanction by the 1904 state licensing authority.
- 1905 (6) This section does not restrict the state licensing
  1906 authority's ability to reasonably request information or records
  1907 at renewal or as part of any other investigation following initial
  1908 licensure of a retail marijuana business.

1909	(7) The Secretary of State may, by rule or order, require
1910	additional disclosures if such information is full and fair with
1911	respect to the investment or in the interest of investor
1912	protection

- 1913 <u>308.</u> Business owner and financial interest suitability
  1914 requirements. (1) This section applies to all persons required
  1915 to submit a finding of suitability.
- 1916 (2) Any person intending to become a controlling beneficial
  1917 owner of any retail marijuana business, except as otherwise
  1918 provided in Section 310(4), shall first submit a request to the
  1919 state licensing authority for a finding of suitability or an
  1920 exemption from an otherwise required finding of suitability.
- 1921 (3) For reasonable cause, any other person that was
  1922 disclosed or that should have been disclosed pursuant to Section
  1923 307, including but not limited to a passive beneficial owner,
  1924 shall submit a request for a finding of suitability.
- 1925 (4) Failure to provide all requested information in 1926 connection with a request for a finding of suitability is grounds 1927 for denial of that finding of suitability.
- 1928 (5) Failure to receive all required findings of suitability
  1929 is grounds for denial of an application or for suspension,
  1930 revocation, or other sanction against the license by the state
  1931 licensing authority. For initial applications, the finding of
  1932 suitability shall be required prior to submitting the application
  1933 for licensure.



1934	(6) Any person required to obtain a finding of suitability
1935	shall do so on forms provided by the state licensing authority,
1936	and the forms must contain such information as the state licensing
1937	authority may require. Each suitability application must be
1938	verified by the oath or affirmation of the persons prescribed by
1939	the state licensing authority.

- A person requesting a finding of suitability shall 1940 1941 provide the state licensing authority with a deposit to cover the 1942 direct and indirect costs of any investigation necessary to 1943 determine any required finding of suitability unless otherwise 1944 established by rule. The state licensing authority may make further rules regarding the deposit and direct and indirect costs 1945 1946 that must be billed against the deposit, unless otherwise established by rule. 1947
  - (8) When determining whether a person is suitable or unsuitable for licensure, the state licensing authority may consider the person's criminal character or record, licensing character or record, or financial character or record.
- 1952 (9) A person that would otherwise be required to obtain a 1953 finding of suitability may request an exemption from the state 1954 licensing authority as determined by rule.
- 1955 (10) Absent reasonable cause, the state licensing authority
  1956 shall approve or deny a request for a finding of suitability
  1957 within one hundred twenty (120) days from the date of submission
  1958 of the request for such finding.

1949

1950



1959	(11) The state licensing authority may deny, suspend,
1960	revoke, fine, or impose other sanctions against a person's license
1961	issued pursuant to this chapter if the state licensing authority
1962	finds the person or the person's controlling beneficial owner,
1963	passive beneficial owner, or indirect financial interest holder to
1964	be unsuitable pursuant to this section.

- 1965 Restrictions for applications for new licenses. The 1966 state licensing authority shall not approve an application for the 1967 issuance of a state retail marijuana business license pursuant to 1968 this chapter until it is established that the applicant is, or 1969 will be, entitled to possession of the premises for which application is made under a lease, rental agreement, or other 1970 1971 arrangement for possession of the premises or by virtue of ownership of the premises. 1972
- 310. 1973 Transfer of ownership. (1) A state or local license 1974 granted under the provisions of this chapter is not transferable 1975 except as provided in this section, but this section does not prevent a change of location as provided in Section 313(13). 1976
- 1977 For a transfer of ownership involving a controlling (2) beneficial owner, a license holder shall apply to the state and 1979 local licensing authorities on forms prepared and furnished by the 1980 state licensing authority. In determining whether to permit a 1981 transfer of ownership, the state and local licensing authorities shall consider only the requirements of this chapter, any rules 1982 promulgated by the state licensing authority, and any other local 1983



1984 restrictions. The local licensing authority or local jurisdiction 1985 may hold a hearing on the application for transfer of ownership. The local licensing authority or local jurisdiction shall not hold 1986 1987 a hearing pursuant to this subsection (2) until the local 1988 licensing authority or local jurisdiction has posted a notice of 1989 hearing in the manner described in Section 302 on the licensed premises for a period of ten (10) days and has provided notice of 1990 1991 the hearing to the applicant at least ten (10) days prior to the 1992 hearing. Any transfer of ownership hearing by the state licensing authority must be held in compliance with the requirements 1993 specified in Section 302. 1994

- 1995 (3) For a transfer of ownership involving a passive
  1996 beneficial owner, the license holder shall notify the state
  1997 licensing authority on forms prepared and furnished by the state
  1998 licensing authority within forty-five (45) days to the extent
  1999 disclosure is required by Section 307.
- 2000 A person that becomes a controlling beneficial owner of a publicly traded corporation that is a retail marijuana business 2001 2002 or that becomes a beneficial owner, through direct or indirect 2003 ownership of a controlling beneficial owner, of ten percent (10%) 2004 or more of a retail marijuana business that is a publicly traded 2005 corporation must disclose the information required by Section 307 2006 and apply to the state licensing authority for a finding of 2007 suitability or exemption from a finding of suitability pursuant to Section 308 within forty-five (45) days after becoming such a 2008



controlling beneficial owner. A retail marijuana business shall notify each person that is subject to this subsection (4) of its requirements as soon as the retail marijuana business becomes aware of the beneficial ownership triggering the requirement, provided that the obligations of the person subject to this subsection (4) are independent of, and unaffected by, the retail marijuana business's failure to give the notice.

- 311. Licensing in general. (1) Local jurisdictions are authorized to adopt and enforce regulations for retail marijuana businesses that are at least as restrictive as the provisions of this chapter and any rule promulgated pursuant to this chapter.
- (2) A retail marijuana business may not operate until it is licensed by the state licensing authority pursuant to this chapter and approved by the local jurisdiction. If an application is denied by the local licensing authority, the state licensing authority shall revoke the state-issued license. In connection with a license, the applicant shall provide a complete and accurate application as required by the state licensing authority.
- (3) A retail marijuana business that is not a publicly traded corporation shall notify the state licensing authority in writing of the name, address, and date of birth of a controlling beneficial owner, passive beneficial owner, or manager before the new controlling beneficial owner, passive beneficial owner, or manager begins managing or associating with the operation. Any controlling beneficial owner, passive beneficial owner, manager,



- or employee must pass a fingerprint-based criminal history record check as required by the state licensing authority and obtain the required identification prior to being associated with, managing, owning, or working at the operation.
- 2038 (4) A retail marijuana business shall not acquire, possess,
  2039 cultivate, deliver, transfer, transport, supply, or dispense
  2040 marijuana for any purpose except as authorized by Section 1 of
  2041 this act and this chapter.
- 2042 (5) (a) All employee licenses granted pursuant to this
  2043 chapter are valid for a period not to exceed two (2) years after
  2044 the date of issuance unless revoked or suspended pursuant to this
  2045 chapter or the rules promulgated pursuant to this chapter.
- 2046 (b) All regulated marijuana business licenses and
  2047 licenses granted to a controlling beneficial owner pursuant to
  2048 this chapter are valid for a period of one (1) year after the date
  2049 of issuance unless revoked or suspended pursuant to this chapter
  2050 or the rules promulgated pursuant to this chapter.
- 2051 (6) Before granting a local or state license, the respective
  2052 licensing authority may consider, except where this chapter
  2053 specifically provides otherwise, the requirements of this chapter
  2054 and any rules promulgated pursuant to this chapter, and all other
  2055 reasonable restrictions that are or may be placed upon the
  2056 licensee by the licensing authority.
- 2057 (7) (a) Each license issued under this chapter is separate 2058 and distinct. It is unlawful for a person to exercise any of the

H. B. No. 615 24/HR26/R630 PAGE 83 (RF\KW)



- 2059 privileges granted under a license other than the license that the
- 2060 person holds or for a licensee to allow any other person to
- 2061 exercise the privileges granted under the licensee's license. A
- 2062 separate license is required for each specific business or
- 2063 business entity and each geographical location.
- 2064 (b) At all times, a licensee shall possess and maintain
- 2065 possession of the premises for which the license is issued by
- 2066 ownership, lease, rental, or other arrangement for possession of
- 2067 the premises.
- 2068 (8) (a) The licenses provided pursuant to this chapter must
- 2069 specify the date of issuance, the period of licensure, the name of
- 2070 the licensee, and the premises licensed. The licensee shall
- 2071 conspicuously place the license at all times on the licensed
- 2072 premises.
- 2073 (b) The state licensing authority shall not transfer
- 2074 location of or renew a state license until the applicant provides
- 2075 verification that a license was issued and granted by the local
- 2076 licensing authority for the previous license term.
- 2077 (9) In computing any period of time prescribed by this
- 2078 chapter, the day of the act, event, or default from which the
- 2079 designated period of time begins to run is not included.
- 2080 Saturdays, Sundays, and legal holidays are counted as any other
- 2081 day.
- 2082 (10) Except for a publicly traded corporation, a retail
- 2083 marijuana business licensee shall report each transfer or change

of financial interest in the license to the state and local
licensing authorities and receive approval prior to any transfer
or change pursuant to Section 310. Except for a publicly traded
corporation, a report is required for transfers of an owner's
interest of any entity regardless of size.

- (11) Each licensee shall manage the licensed premises
  himself or herself or employ a separate and distinct manager on
  the premises and shall report the name of the manager to the state
  and local licensing authorities. The licensee shall report any
  change in manager to the state and local licensing authorities
  prior to the change pursuant to subsection (3) of this section.
  - (12) (a) A licensee may move the permanent location to any other place in Mississippi once permission to do so is granted by the state and local licensing authorities or local jurisdiction provided for in this chapter. Upon receipt of an application for change of location, the state licensing authority shall, within seven (7) days, submit a copy of the application to the local licensing authority or local jurisdiction to determine whether the transfer complies with all local restrictions on change of location.
- (b) In permitting a change of location, the state and local licensing authorities or local jurisdiction shall consider all reasonable restrictions that are or may be placed upon the new location by the governing board or local licensing authority of the municipality, county, or municipality and county, and any such

2089

2090

2091

2092

2093

2094

2095

2096

2097

2098

2099

2100

2101

2102



2109	change in location must be in accordance with all requirements of
2110	this chapter and rules promulgated pursuant to this chapter.
2111	(c) (i) A retail marijuana cultivation facility that
2112	has obtained an approved change of location from the state
2113	licensing authority may operate one license at two (2)
2114	geographical locations for the purpose of transitioning operations
2115	from one location to another if:
2116	1. The total plants cultivated at both
2117	locations do not exceed any plant count limit imposed on the
2118	license by this chapter and any rules promulgated by the state
2119	licensing authority;
2120	2. The licensed premises of both geographical
2121	locations comply with all surveillance, security, and inventory
2122	tracking requirements imposed by this chapter and any rules
2123	promulgated by the state licensing authority;
2124	3. Both the transferring location and the
2125	receiving location track all plants virtually in transition in the
2126	seed-to-sale tracking system to ensure proper tracking for
2127	taxation and tracking purposes;
2128	4. Operation at both geographical locations
2129	does not exceed one hundred eighty (180) days, unless for good
2130	cause shown, the one-hundred-eighty-day deadline may be extended
2131	for an additional one hundred twenty (120) days; and
2132	5. The retail marijuana cultivation facility
2133	licensee obtains the proper state permit and local permit or

2134	license. If the change of location is within the same local
2135	jurisdiction, the licensee must first obtain a transition permit
2136	from the state licensing authority and, if required by the local
2137	jurisdiction, a transition permit or other form of approval from
2138	the local licensing authority or local jurisdiction. If the
2139	change of location is to a different local jurisdiction, the
2140	licensee must first obtain a license from the local licensing
2141	authority or local jurisdiction where it intends to locate, a
2142	transition permit from the state licensing authority, and, if
2143	required by the local jurisdiction, a transition permit or other
2144	form of approval from the local licensing authority or local
2145	jurisdiction for the local jurisdiction where it intends to
2146	locate.

2147 (ii) Conduct at either location may be the basis
2148 for fine, suspension, revocation, or other sanction against the
2149 license.

License renewal. 2150 (1) Ninety (90) days prior to the 2151 expiration date of an existing retail marijuana business license, 2152 the state licensing authority shall notify the licensee of the 2153 expiration date by first-class mail at the licensee's address of 2154 record with the state licensing authority. A licensee must apply 2155 for the renewal of an existing license to the local licensing 2156 authority within the time frame required by local ordinance or 2157 regulation and to the state licensing authority prior to the 2158 expiration of the license. The licensee shall provide the state

~ OFFICIAL ~

2159	licensing authority with information establishing that the
2160	application complies with all local requirements for the renewal
2161	of a license. If a licensee submits a timely and sufficient
2162	renewal application, the licensee may continue to operate until
2163	the application is finally acted upon by the state licensing
2164	authority. The local licensing authority may refuse to renew any
2165	license for good cause, subject to judicial review.
2166	(2) The state licensing authority may require an additional
2167	fingerprint request when there is a demonstrated investigative
2168	need.
2169	313. Inactive licenses. The state or local licensing
2170	authority, in its discretion, may revoke or elect not to renew any
2171	license if it determines that the licensed premises have been
2172	inactive, without good cause, for at least one (1) year.
2173	314. Unlawful financial assistance. (1) The state
2174	licensing authority, by rule, shall require a complete disclosure
2175	pursuant to Section 307 in connection with each license issued
2176	under this chapter.
2177	(2) This section is intended to prohibit and prevent the
2178	control of the outlets for the sale of regulated marijuana and
2179	regulated marijuana products by a person or party other than the
2180	persons licensed pursuant to the provisions of this chapter.
2181	ARTICLE 4

LICENSE TYPES

2183	401. Classes of licenses. (1) For the purpose of
2184	regulating the cultivation, manufacture, distribution,
2185	hospitality, and sale of regulated marijuana and regulated
2186	marijuana products, the state licensing authority in its
2187	discretion, upon application in the prescribed form made to it,
2188	may issue and grant to the applicant a license from any of the
2189	classes listed in subsections (2) and (3) of this section, subject
2190	to the provisions and restrictions provided by this chapter.
2191	(2) The following are retail marijuana licenses:
2192	(a) Retail marijuana store license;
2193	(b) Retail marijuana cultivation facility license;
2194	(c) Retail marijuana products manufacturer license;
2195	(d) Retail marijuana testing facility license;
2196	(e) Retail marijuana transporter license;
2197	(f) Retail marijuana business operator license;
2198	(g) Accelerator cultivator license;
2199	(h) Accelerator manufacturer license;
2200	(i) Marijuana hospitality business license;
2201	(j) Retail marijuana hospitality and sales business
2202	license; and
2203	(k) Accelerator store license.
2204	(3) The following are regulated marijuana licenses or
2205	registrations: Occupational licenses and registrations for
2206	owners, managers, operators, employees, contractors, and other

H. B. No. 615 24/HR26/R630 PAGE 89 (RF\KW)

2206

2207

support staff employed by, working in, or having access to

2209	state licensing authority. The state licensing authority may take
2210	any action with respect to a registration or permit pursuant to
2211	this chapter as it may with respect to a license pursuant to this
2212	chapter, in accordance with the procedures established pursuant to
2213	this chapter.
2214	(4) All persons licensed pursuant to this chapter shall
2215	collect sales tax on all sales made pursuant to the licensing
2216	activities.
2217	(5) A state chartered bank or a credit union may loan money
2218	to any person licensed pursuant to this chapter for the operation
2219	of a licensed retail marijuana business.
2220	(6) For a person applying to be a social equity licensee,
2221	the state licensing authority shall not deny an application on the
2222	sole basis of the prior marijuana conviction of the applicant and
2223	at its discretion may waive other requirements.
2224	ARTICLE 5
2225	RETAIL MARIJUANA LICENSE TYPES
2226	501. Retail marijuana store license - rules - definitions.
2227	(1) (a) A retail marijuana store license may be issued only to a

person selling retail marijuana or retail marijuana products

retail marijuana if it obtains a retail marijuana cultivation

(b) A retail marijuana store may cultivate its own

pursuant to the terms and conditions of this chapter.

restricted areas of the licensed premises, as determined by the

2208

2228

2229

2230

2232	facility	license	e, or	it ma	ау	purchase	retail	marijuana	from	а
2233	licensed	retail	mari	juana	cu	ltivation	facil:	ity.		

- (c) A retail marijuana store shall not accept any retail marijuana purchased from a retail marijuana cultivation facility unless the retail marijuana store is provided with evidence that any applicable excise tax due was paid.
- 2238 (d) The retail marijuana store shall track all of its 2239 retail marijuana and retail marijuana products from the point that 2240 they are transferred from a retail marijuana cultivation facility 2241 or retail marijuana products manufacturer to the point of sale.
- 2242 (2) (a) Notwithstanding the provisions of this section, a
  2243 retail marijuana store licensee may also sell retail marijuana
  2244 products that are prepackaged and labeled as required by rules of
  2245 the state licensing authority pursuant to Section 203(2)(f) and
  2246 (3)(b).
- (b) A retail marijuana store licensee may transact with a retail marijuana products manufacturer licensee for the purchase of retail marijuana products upon a retail marijuana products manufacturer licensee's licensed premises or a retail marijuana store's licensed premises.
- (c) A retail marijuana store may sell retail marijuana and retail marijuana products to a retail marijuana hospitality and sales business licensee.
- 2255 (3) (a) (i) A retail marijuana store may not sell more
  2256 than one (1) ounce of retail marijuana or its equivalent in retail



2257	marijuana products, including retail marijuana concentrate, except
2258	for nonedible, nonpsychoactive retail marijuana products,
2259	including ointments, lotions, balms, and other nontransdermal
2260	topical products, during a single transaction to a person.
2261	(ii) As used in this paragraph (a), "equivalent in
2262	retail marijuana products" has the same meaning as established by
2263	the state licensing authority by rule pursuant to Section 203(4).
2264	(b) (i) Prior to initiating a sale, the employee of
2265	the retail marijuana store making the sale shall verify that the
2266	purchaser has a valid identification card showing the purchaser is
2267	twenty-one (21) years of age or older. If a person under
2268	twenty-one (21) years of age presents a fraudulent proof of age,
2269	any action relying on the fraudulent proof of age shall not be
2270	grounds for the revocation or suspension of any license issued
2271	under this chapter.
2272	(ii) 1. If a retail marijuana store licensee or
2273	employee has reasonable cause to believe that a person is under
2274	twenty-one (21) years of age and is exhibiting fraudulent proof of
2275	age in an attempt to obtain any retail marijuana or marijuana
2276	product, the licensee or employee is authorized to confiscate such
2277	fraudulent proof of age, if possible, and shall, within
2278	seventy-two (72) hours after the confiscation, remit to a state or
2279	local law enforcement agency. The failure to confiscate such
2280	fraudulent proof of age or to remit to a state or local law

2281 enforcement agency within seventy-two (72) hours after the 2282 confiscation does not constitute a criminal offense.

2283 2. If a retail marijuana store licensee or 2284 employee believes that a person is under twenty-one (21) years of 2285 age and is exhibiting fraudulent proof of age in an attempt to 2286 obtain any retail marijuana or retail marijuana product, the 2287 licensee or employee or any peace or police officer, acting in 2288 good faith and upon probable cause based upon reasonable grounds 2289 therefor, may detain and question such person in a reasonable 2290 manner for the purpose of ascertaining whether the person is 2291 quilty of any unlawful act regarding the purchase of retail 2292 marijuana. The questioning of a person by an employee or a peace 2293 or police officer does not render the licensee, the employee, or 2294 the peace or police officer civilly or criminally liable for 2295 slander, false arrest, false imprisonment, malicious prosecution, 2296 or unlawful detention.

2297 (i) A retail marijuana store that sells an (C) industrial hemp product shall ensure that the industrial hemp 2298 2299 product has passed all testing required by rules promulgated by 2300 the state licensing authority pursuant to Section 203(2)(d). 2301 Prior to taking possession of the industrial hemp product, a 2302 retail marijuana store shall verify the industrial hemp product passed all testing required for retail marijuana products at a 2303 2304 licensed retail marijuana testing facility and that the person 2305 transferring the industrial hemp product has received a license

2306	from	the	Department	of	Agriculture	and	Commerce	pursuant	to
2307	Secti	on 6	59-25-207.						

- established by the Department of Agriculture and Commerce for the sampling and testing of an industrial hemp product, a person transferring an industrial hemp product to a retail marijuana store pursuant to this section shall comply with sampling and testing standards consistent with those established by the state licensing authority pursuant to this chapter.
- (d) When completing a sale of retail marijuana concentrate, the retail marijuana store shall provide the customer with the tangible educational resource created by the state licensing authority through rule-making pursuant to Section 202(8) regarding the use of retail marijuana concentrate.
- 2320 (4) A retail marijuana store may provide, except as required 2321 by Section 203(2)(d), a sample of its products to a facility that 2322 has a marijuana testing facility license from the state licensing 2323 authority for testing and research purposes. A retail marijuana 2324 store shall maintain a record of what was provided to the testing 2325 facility, the identity of the testing facility, and the results of 2326 the testing.
- 2327 (5) All retail marijuana and retail marijuana products sold 2328 at a licensed retail marijuana store shall be packaged and labeled 2329 as required by rules of the state licensing authority pursuant to 2330 Section 203(2)(f) and (3)(b).

H. B. No. 615
24/HR26/R630
PAGE 94 (RF\KW)



2331	(6) (a) A licensed retail marijuana store may only sell
2332	retail marijuana, retail marijuana products, marijuana
2333	accessories, nonconsumable products such as apparel, and marijuana
2334	related products such as childproof packaging containers, but is
2335	prohibited from selling or giving away any consumable product,
2336	including but not limited to cigarettes or alcohol, or edible
2337	product that does not contain marijuana, including but not limited
2338	to sodas, candies, or baked goods; except that a retail marijuana
2339	store may sell industrial hemp products.

- 2340 (b) A licensed retail marijuana store may not sell any 2341 retail marijuana or retail marijuana products that contain 2342 nicotine or alcohol, if the sale of the alcohol would require a 2343 license pursuant to Chapter 1 or 3 of Title 67, Mississippi Code 2344 of 1972.
- 2345 (c) A licensed retail marijuana store shall not sell
  2346 retail marijuana or retail marijuana products over the Internet
  2347 nor deliver retail marijuana or retail marijuana products to a
  2348 person not physically present in the retail marijuana store's
  2349 licensed premises.
- 2350 (7) The premises of a licensed retail marijuana store is the
  2351 only place where an automatic dispensing machine that contains
  2352 retail marijuana or retail marijuana products may be located. If
  2353 a licensed retail marijuana store uses an automatic dispensing
  2354 machine that contains retail marijuana and retail marijuana



2355	products	, it mu	st comply	with	the	regulations	promulgated	bу	the
2356	state li	censing	authority	y for	its	use.			

- 2357 (8) Retail marijuana or retail marijuana products may not be 2358 consumed on the premises of a retail marijuana store.
- 2359 (9) Notwithstanding any other provision of state law, sales 2360 of retail marijuana and retail marijuana products are not exempt 2361 from state or local sales tax.
- 2362 (10) A display case containing marijuana concentrate must 2363 include the potency of the marijuana concentrate next to the name 2364 of the product.
- 2365 (11) Notwithstanding any other provision of law to the 2366 contrary, a licensed retail marijuana store may compensate its 2367 employees using performance-based incentives, including 2368 sales-based performance-based incentives.
- (12) (a) (i) There is authorized a retail marijuana
  delivery permit to a retail marijuana store license authorizing
  the permit holder to deliver retail marijuana and retail marijuana
  products.
- (ii) A retail marijuana delivery permit is valid for one (1) year and may be renewed annually upon renewal of the retail marijuana store license or retail marijuana transporter license.
- (iii) A retail marijuana delivery permit issued
  pursuant to this section applies to only one (1) retail marijuana
  store; however, a single retail marijuana delivery permit may

2380	apply to multiple retail marijuana stores if the retail marijuana
2381	stores are in the same local jurisdiction and are identically
2382	owned, as defined by the state licensing authority for purposes of
2383	this section.

2384	(iv) The state licensing authority may issue a
2385	retail marijuana delivery permit to a qualified applicant, as
2386	determined by the state licensing authority, that holds a retail
2387	marijuana store license issued pursuant to this chapter. A permit
2388	applicant is prohibited from delivering retail marijuana and
2389	retail marijuana products without state and local jurisdiction
2390	approval. If the applicant does not receive local jurisdiction
2391	approval within one (1) year from the date of the state licensing
2392	authority approval, the state permit expires and may not be
2393	renewed. If an application is denied by the local licensing
2394	authority, the state licensing authority shall revoke the
2395	state-issued permit. The state licensing authority has discretion
2396	in determining whether an applicant is qualified to receive a
2397	retail marijuana delivery permit. A retail marijuana delivery
2398	permit issued by the state licensing authority is deemed a
2399	revocable privilege of a licensed retail marijuana store or retail
2400	marijuana transporter licensee. A violation related to a retail
2401	marijuana delivery permit is grounds for a fine or suspension or
2402	revocation of the delivery permit or retail marijuana store
2403	license.

2404	(b) A retail marijuana store licensee shall not make
2405	deliveries of retail marijuana or retail marijuana products to
2406	individuals while also transporting retail marijuana or retail
2407	marijuana products between licensed premises in the same vehicle.
2408	(c) The licensed retail marijuana store shall charge a
2409	One Dollar (\$1.00) surcharge on each delivery. The licensed
2410	retail marijuana store shall remit the surcharges collected on a
2411	monthly basis to the municipality where the licensed retail
2412	marijuana store is located, or to the county if the licensed
2413	retail marijuana store is in an unincorporated area, for local law
2414	enforcement costs related to marijuana enforcement. Failure to
2415	comply with this paragraph (c) may result in nonrenewal of the
2416	retail marijuana delivery permit.
2417	(d) A licensed retail marijuana store with a retail
2418	marijuana delivery permit may deliver retail marijuana and retail
2419	marijuana products only to the individual who placed the order and
2420	who:
2421	(i) Is twenty-one (21) years of age or older;
2422	(ii) Receives the delivery of retail marijuana or
2423	retail marijuana products pursuant to rules; and
2424	(iii) Possesses an acceptable form of
2425	identification.
2426	(e) Any person delivering retail marijuana or retail
2427	marijuana products must possess a valid occupational license and

be a current employee of the licensed retail marijuana store or

2429	retail marijuana transporter licensee with a valid retail
2430	marijuana delivery permit; must have undergone training regarding
2431	proof-of-age identification and verification, including all forms
2432	of identification that are deemed acceptable by the state
2433	licensing authority; and must have any other training required by
2434	the state licensing authority.
2435	(f) In accordance with this subsection (12) and rules
2436	adopted to implement this subsection (12), a licensed retail
2437	marijuana store with a valid retail marijuana delivery permit may:
2438	(i) Receive an order through electronic or other
2439	means for the purchase and delivery of retail marijuana or retail
2440	marijuana products. When using an online platform for marijuana
2441	delivery, the platform must require the individual to choose a
2442	retail marijuana store before viewing the price;
2443	(ii) Deliver retail marijuana or retail marijuana
2444	products not in excess of the amounts established by the state
2445	licensing authority;
2446	(iii) Deliver only to an individual at the address
2447	provided in the order;
2448	(iv) Deliver no more than once per day to the same
2449	individual or residence;
2450	(v) Deliver only to private residences. For
2451	purposes of this subparagraph (v), "private residences" means
2452	private premises where a person lives, such as a private dwelling

place or place of habitation, and specifically excludes any

2454	premises located at a school or on the campus of an institution of
2455	higher education, or any other public property;
2456	(vi) Deliver retail marijuana or retail marijuana
2457	products only by a motor vehicle that complies with this section
2458	and the rules promulgated pursuant to this section and Section
2459	203(2)(dd); and
2460	(vii) Use an employee to conduct deliveries, or
2461	contract with a retail marijuana transporter that has a valid
2462	retail marijuana delivery permit to conduct deliveries on its
2463	behalf, from its retail marijuana store or its associated state
2464	licensing authority-authorized storage facility as defined by
2465	rule.
2466	(g) (i) At the time of the order, the retail marijuana
2467	store shall require the individual to provide information
2468	necessary to verify the individual is at least twenty-one (21)
2469	years of age. The provided information must, at a minimum,
2470	include the following:
2471	1. The individual's name and date of birth;
2472	2. The address of the residence where the
2473	order will be delivered; and
2474	3. Any other information required by state
2475	licensing authority rule.
2476	(ii) Prior to transferring possession of the order
2477	to an individual, the person delivering the order shall inspect
2478	the individual's identification and verify that the information

H. B. No. 615 24/HR26/R630 PAGE 100 (RF\KW)

2479	provided	at	the	time	of	the	order	matches	the	name	and	age	on	the
2480	individua	al's	s ide	entif	icat	tion								

- (h) (i) Unless otherwise provided by the state
  licensing authority by rules promulgated pursuant to this chapter,
  all requirements applicable to other licenses issued pursuant to
  this chapter apply to the delivery of retail marijuana and retail
  marijuana products, including but not limited to inventory
  tracking, transportation, and packaging and labeling requirements.
- 2487 (ii) The advertising regulations and prohibitions 2488 adopted pursuant to Section 203(3)(a) apply to retail marijuana 2489 delivery operations pursuant to this subsection (12).
- 2490 It is not a violation of any provision of state, (i) 2491 civil, or criminal law for a licensed retail marijuana store or retail marijuana transporter licensee with a valid retail 2492 marijuana delivery permit, or such person who has made timely and 2493 2494 sufficient application for the renewal of the permit, or its 2495 licensees to possess, transport, and deliver retail marijuana or 2496 retail marijuana products pursuant to a retail marijuana delivery 2497 permit in amounts that do not exceed amounts established by the 2498 state licensing authority.
- (j) A local law enforcement agency may request state
  licensing authority reports, including complaints, investigative
  action, and final agency action orders, related to criminal
  activity materially related to retail marijuana delivery in the
  law enforcement agency's jurisdiction, and the state licensing



2504	authority shall	promptly	provide	any	reports	in	its	possession	for
2505	the law enforce	ment agend	cv's iuri	isdic	ction.				

- 2506 Notwithstanding any provisions of this (k) 2507 section, delivery of retail marijuana or retail marijuana products 2508 is not permitted in any municipality, county, or municipality and 2509 county unless the municipality, county, or municipality and county, by either a majority of the registered electors of the 2510 2511 municipality, county, or municipality and county voting at a 2512 regular election or special election, or a majority of the members 2513 of the governing board for the municipality, county, or 2514 municipality and county, vote to allow the delivery of retail marijuana or retail marijuana products pursuant to this section. 2515
- (ii) An ordinance adopted pursuant to subparagraph

  (i) of this paragraph (k) may prohibit delivery of retail

  marijuana and retail marijuana products from a retail marijuana

  store that is outside a municipality's, county's, or municipality

  and county's jurisdictional boundaries to an address within its

  jurisdictional boundaries.
- (1) Notwithstanding any provisions of this section,

  delivery of retail marijuana or retail marijuana products is not

  permitted at any school or on the campus of any institution of

  higher education.
- 2526 (13) An accelerator store licensee may operate on the
  2527 premises of a retail marijuana store licensee if before each
  2528 accelerator store licensee operates, the retail marijuana store



2529	licensee has its premises endorsed pursuant to rule and each
2530	accelerator store licensee is approved to operate on that
2531	premises.

- 2532 (14) A retail marijuana store licensee that hosts an
  2533 accelerator store licensee may, pursuant to rule, provide
  2534 technical and compliance assistance to an accelerator store
  2535 licensee operating on its premises. A retail marijuana store
  2536 licensee that hosts an accelerator store licensee may, pursuant to
  2537 rule, provide capital assistance to an accelerator store licensee
  2538 operating on its premises.
- 2539 (15) A retail marijuana store or retail marijuana stores 2540 shall not sell any more than eight (8) grams of retail marijuana 2541 concentrate to a person in a single day.
- definitions. (1) A retail marijuana cultivation facility license may be issued only to a person who cultivates retail marijuana for sale and distribution to licensed retail marijuana stores, retail marijuana products manufacturer licensees, retail marijuana hospitality and sales business, or other retail marijuana cultivation facilities.
- (2) A retail marijuana cultivation facility shall remit any applicable excise tax due, based on the average wholesale prices set by the state licensing authority.
- 2552 (3) A retail marijuana cultivation facility shall track the 2553 marijuana it cultivates from seed or immature plant to wholesale



2554	purchase. Prior to delivery of any sold retail marijuana, the
2555	retail marijuana cultivation facility shall provide evidence that
2556	it paid any applicable excise tax on the retail marijuana that is
2557	due.

- 2558 (4) A retail marijuana cultivation facility may provide,
  2559 except as required by Section 203(2)(d), a sample of its products
  2560 to a facility that has a retail marijuana testing facility license
  2561 from the state licensing authority for testing and research
  2562 purposes. A retail marijuana cultivation facility shall maintain
  2563 a record of what was provided to the testing facility, the
  2564 identity of the testing facility, and the testing results.
- 2565 (5) Retail marijuana or retail marijuana products may not be 2566 consumed on the premises of a retail marijuana cultivation 2567 facility.
- 2568 A retail marijuana cultivation facility licensee (a) 2569 may provide a retail marijuana sample and a retail marijuana 2570 concentrate sample to no more than five (5) managers employed by the licensee for purposes of quality control and product 2571 2572 development. A retail marijuana cultivation facility licensee may 2573 designate no more than five (5) managers per calendar month as 2574 recipients of quality control and product development samples 2575 authorized pursuant to this paragraph (a).
- 2576 (b) An excise tax shall be levied and collected on the 2577 sample of unprocessed retail marijuana by a retail marijuana



2578	cultivation	facility.	The	excise	tax mus	t be	calculat	ed based	l on
2579	the average	market rat	e of	the un	processe	d re	tail mari	ljuana.	

- 2580 (c) A sample authorized pursuant to paragraph (a) of this subsection (6) is limited to one (1) gram of retail marijuana 2581 2582 per batch as defined in rules promulgated by the state licensing 2583 authority, and one-quarter (1/4) gram of a retail marijuana 2584 concentrate per batch as defined in rules promulgated by the state 2585 licensing authority; however, the limit is one-half (1/2) gram of 2586 retail marijuana concentrate if the intended use of the final product is to be used in a device that can be used to deliver 2587 2588 retail marijuana concentrate in a vaporized form to the person inhaling from the device. 2589
- 2590 (d) A sample authorized pursuant to paragraph (a) of 2591 this subsection (6) must be labeled and packaged pursuant to the 2592 rules promulgated pursuant to Section 203(2)(f) and (3)(b).
- 2593 A sample provided pursuant to paragraph (a) of this 2594 subsection (6) must be tracked with the seed-to-sale tracking system. Prior to a manager receiving a sample, a manager must be 2595 2596 designated in the seed-to-sale tracking system as a recipient of 2597 quality control and product development samples. A manager 2598 receiving a sample must make a voluntary decision to be tracked in 2599 the seed-to-sale tracking system and is not a consumer pursuant to Section 1(6)(b) of this act. The retail marijuana cultivation 2600 facility licensee shall maintain documentation of all samples and 2601

2602	shall	make	the	documentation	available	to	the	state	licensing
2603	authoi	ritv.							

- 2604 (f) Prior to a manager receiving a sample pursuant to
  2605 paragraph (a) of this subsection (6), a retail marijuana
  2606 cultivation facility licensee shall provide a standard operating
  2607 procedure to the manager explaining requirements pursuant to this
  2608 section and personal possession limits.
- 2609 (g) A manager shall not:
- 2610 (i) Receive more than one (1) ounce total of
  2611 retail marijuana or eight (8) grams of retail marijuana
  2612 concentrate samples per calendar month, regardless of the number
  2613 of licenses that the manager is associated with; or
- 2614 (ii) Provide to or resell the sample to another 2615 licensed employee, a customer, or any other individual.
- 2616 (h) A retail marijuana cultivation facility licensee 2617 shall not:
- 2618 (i) Allow a manager to consume the sample on the 2619 licensed premises; or
- 2620 (ii) Use the sample as a means of compensation to 2621 a manager.
- (i) The state licensing authority may establish additional inventory tracking and record keeping, including additional reporting required for implementation. The retail marijuana cultivation facility licensee shall maintain the information required by this paragraph (i) on the licensed

H. B. No. 615
24/HR26/R630
PAGE 106 (RF\KW)

## 

2627	premises	for	inspection	рÀ	the	state	and	local	licensing
2628	authoriti	ies.							

- (j) For purposes of this subsection (6) only, "manager"
  means an employee of the retail marijuana cultivation facility who
  holds a valid key license or associated key license and is
  currently designated pursuant to state licensing authority rules
  as the manager of the retail marijuana cultivation facility.
- 2634 The state licensing authority may issue a (7) 2635 centralized distribution permit to a retail marijuana cultivation 2636 facility authorizing temporary storage on its licensed premises of 2637 retail marijuana concentrate and retail marijuana products received from a retail marijuana business for the sole purpose of 2638 2639 transfer to the permit holder's commonly owned retail marijuana Prior to exercising the privileges of a centralized 2640 distribution permit, a retail marijuana cultivation facility 2641 2642 licensed pursuant to this section shall, at the time of 2643 application to the state licensing authority, send a copy of the application or supplemental application for a centralized 2644 2645 distribution permit to the local jurisdiction in which the 2646 centralized distribution permit is proposed. The state licensing 2647 authority shall notify the local jurisdiction of its decision regarding the centralized distribution permit. 2648
- 2649 (b) A retail marijuana cultivation facility shall not 2650 store retail marijuana concentrate or retail marijuana products

2651	pursuant	to	а	centralized	distribution	permit	for	more	than	ninety
2652	(90) days	5.								

- 2653 (c) A retail marijuana cultivation facility shall not
  2654 accept any retail marijuana concentrate or retail marijuana
  2655 products pursuant to a centralized distribution permit unless the
  2656 retail marijuana concentrate and retail marijuana products are
  2657 packaged and labeled for sale to a consumer as required by rules
  2658 promulgated by the state licensing authority pursuant to Section
  2659 203(2)(f) and (3)(b).
- 2660 (d) All retail marijuana concentrate and retail 2661 marijuana products stored and prepared for transport on a retail 2662 marijuana cultivation facility's licensed premises pursuant to a 2663 centralized distribution permit must only be transferred to a 2664 retail marijuana cultivation facility licensee's commonly owned retail marijuana stores. All transfers of retail marijuana 2665 2666 concentrate and retail marijuana products by a retail marijuana 2667 cultivation facility pursuant to a centralized distribution permit 2668 are without consideration.
- 2669 (e) All security and surveillance requirements that
  2670 apply to a retail marijuana cultivation facility apply to
  2671 activities conducted pursuant to the privileges of a centralized
  2672 distribution permit.
- 2673 (f) A retail marijuana cultivation facility shall track
  2674 all retail marijuana concentrate and retail marijuana products
  2675 possessed pursuant to a centralized distribution permit in the

H. B. No. 615
24/HR26/R630
PAGE 108 (RF\kw)



2676	seed-to-sale tracking system from the point it is received from a
2677	retail marijuana business to the point of transfer to a retail
2678	marijuana cultivation facility licensee's commonly owned retail
2679	marijuana stores.

- 2680 (g) For purposes of this section only, "commonly owned"
  2681 means licenses that have an ownership structure with at least one
  2682 (1) natural person with a minimum of five percent (5%) ownership
  2683 in each license.
- 2684 (8) Notwithstanding any other provision of law to the
  2685 contrary, a licensed retail marijuana cultivation facility may
  2686 compensate its employees using performance-based incentives,
  2687 including sales-based performance-based incentives.
- 2688 (9) An accelerator cultivator licensee may operate on the
  2689 premises of a retail marijuana cultivation facility licensee if
  2690 before each accelerator cultivator licensee operates, the retail
  2691 marijuana cultivation facility licensee has its premises endorsed
  2692 pursuant to rule and each accelerator cultivator licensee is
  2693 approved to operate on that premises.
- (10) A retail marijuana cultivation facility licensee that
  hosts an accelerator cultivator licensee may, pursuant to rule,
  provide technical and compliance assistance to an accelerator
  cultivator licensee operating on its premises. A retail marijuana
  products manufacturer licensee that hosts an accelerator
  cultivator licensee may, pursuant to rule, provide capital



2700 assistance to an accelerator cultivator licensee operating on its 2701 premises.

- (11) A retail marijuana cultivation facility shall only
  obtain retail marijuana seeds or immature plants from its own
  retail marijuana, or marijuana that is properly transferred from
  another retail marijuana business pursuant to the inventory
  tracking requirements imposed by rule.
- 2707 A retail marijuana cultivation facility licensee (a) 2708 that cultivates retail marijuana outdoors may file a contingency 2709 plan for its outdoor cultivation operation to address how the 2710 licensee will respond when there is an adverse weather event. Ιf the licensee files a contingency plan, the licensee shall also 2711 2712 submit a copy of the plan to the local licensing authority in the local jurisdiction where the licensee operates. 2713 2714 contingency plan is approved by the state licensing authority, the 2715 retail marijuana cultivation facility licensee may follow the 2716 contingency plan in the case of an adverse weather event.
- 2717 (b) After the state licensing authority approves a
  2718 contingency plan, it shall notify the local licensing authority of
  2719 the approval. The local licensing authority may enforce local
  2720 land use and zoning laws and regulations regarding the contingency
  2721 plan and may develop internal regulatory processes to evaluate
  2722 contingency plans.
- 2723 (c) A local licensing authority may require that an 2724 applicant for a retail marijuana cultivation facility license

H. B. No. 615
24/HR26/R630
PAGE 110 (RF\KW)



2725	include a	contingency	plan	with	the	application	for	the	local
2726	licensing	authority's	revie	ew and	l app	proval.			

503. Retail marijuana products manufacturer license - rules
- definition. (1) (a) A retail marijuana products manufacturer
license may be issued to a person who manufactures retail
marijuana products pursuant to the terms and conditions of this
chapter.

2732 A retail marijuana products manufacturer may 2733 cultivate its own retail marijuana if it obtains a retail 2734 marijuana cultivation facility license, or it may purchase retail 2735 marijuana from a licensed retail marijuana cultivation facility. 2736 A retail marijuana products manufacturer shall track all of its 2737 retail marijuana from the point it is either transferred from its retail marijuana cultivation facility or the point when it is 2738 delivered to the retail marijuana products manufacturer from a 2739 2740 licensed retail marijuana cultivation facility to the point of 2741 transfer to a licensed retail marijuana store, a licensed retail marijuana products manufacturer, a retail marijuana testing 2742 2743 facility, or a licensed retail marijuana cultivation facility with 2744 a centralized distribution permit pursuant to Section 502(7).

(c) A retail marijuana products manufacturer shall not accept any retail marijuana purchased from a retail marijuana cultivation facility unless the retail marijuana products manufacturer is provided with evidence that any applicable excise tax due was paid.

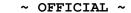
H. B. No. 615
24/HR26/R630
PAGE 111 (RF\KW)



2750	(d) A retail marijuana products manufacturer shall not:
2751	(i) Add any marijuana to a food product where the
2752	manufacturer of the food product holds a trademark to the food
2753	product's name; except that a retail marijuana products
2754	manufacturer may use a trademarked food product if the
2755	manufacturer uses the product as a component or as part of a
2756	recipe and where the retail marijuana products manufacturer does
2757	not state or advertise to the consumer that the final retail
2758	marijuana product contains a trademarked food product;
2759	(ii) Intentionally or knowingly label or package a
2760	retail marijuana product in a manner that would cause a reasonable
2761	consumer confusion as to whether the retail marijuana product was
2762	a trademarked food product; or
2763	(iii) Label or package a product in a manner that
2764	violates any federal trademark law or regulation.
2765	(e) A retail marijuana products manufacturer may sell
2766	retail marijuana and retail marijuana products to a retail
2767	marijuana hospitality and sales business.
2768	(2) Retail marijuana products must be prepared on a licensed
2769	premises that is used exclusively for the manufacture and
2770	preparation of retail marijuana or retail marijuana products and
2771	using equipment that is used exclusively for the manufacture and
2772	preparation of retail marijuana products; however, if permitted by
2773	the local jurisdiction and subject to rules of the state licensing

2774	authority,	а	retail	marijuana	products	manufacturer	licensee	may
2775	share the	san	ne premi	ises as:				

- 2776 (a) A commonly owned marijuana research and development 2777 licensee so long as virtual or physical separation of inventory 2778 and research activity is maintained; or
- (b) An accelerator manufacturer licensee if the retail
  marijuana products manufacturer has its premises endorsed pursuant
  to rule before each accelerator manufacturer licensee operates and
  each accelerator manufacturer licensee is approved to operate on
  that premises.
- 2784 (3) All licensed premises on which retail marijuana products
  2785 are manufactured must meet the sanitary standards for retail
  2786 marijuana product preparation promulgated pursuant to Section
  2787 203(2)(i).
- 2788 (4) (a) The retail marijuana product must be sealed and 2789 conspicuously labeled in compliance with this chapter and any 2790 rules promulgated pursuant to this chapter. The labeling of 2791 retail marijuana products is a matter of statewide concern.
- 2792 (b) The standard symbol requirements as promulgated
  2793 pursuant to Section 203(2)(y) do not apply to a multi-serving
  2794 liquid retail marijuana product, which is impracticable to mark,
  2795 if the product complies with all statutory and rule packaging
  2796 requirements for multi-serving edibles and complies with the
  2797 following enhanced requirements to reduce the risk of accidental
  2798 ingestion. A multi-serving liquid must:



2799	(i) Be packaged in a structure that uses a single
2800	mechanism to achieve both child-resistance and accurate pouring
2801	measurement of each liquid serving in increments equal to or less
2802	than ten (10) milligrams of active THC per serving, with no more
2803	than one hundred (100) milligrams of active THC total per package;
2804	and

- 2805 (ii) The measurement component is within the
  2806 child-resistant cap or closure of the bottle and is not a separate
  2807 component.
- 2808 (5) Retail marijuana or retail marijuana products may not be
  2809 consumed on the premises of a retail marijuana products
  2810 manufacturer.
- 2812 (6) A retail marijuana products manufacturer may provide,

  2812 except as required by Section 203(2)(d), a sample of its products

  2813 to a facility that has a retail marijuana testing facility license

  2814 from the state licensing authority for testing and research

  2815 purposes. A retail marijuana products manufacturer shall maintain

  2816 a record of what was provided to the testing facility, the

  2817 identity of the testing facility, and the results of the testing.
- 2818 (7) An edible retail marijuana product may list its 2819 ingredients and compatibility with dietary practices.
- 2820 (8) A licensed retail marijuana products manufacturer shall
  2821 package and label each product manufactured as required by rules
  2822 of the state licensing authority pursuant to Section 203(2)(f) and
  2823 (3)(b).

2824	(9) All retail marijuana products that require refrigeration
2825	to prevent spoilage must be stored and transported in a
2826	refrigerated environment.

- (a) A retail marijuana products manufacturer licensee 2827 2828 may provide a retail marijuana product sample and a retail 2829 marijuana concentrate sample to no more than five (5) managers employed by the licensee for purposes of quality control and 2830 2831 product development. A retail marijuana products manufacturer 2832 licensee may designate no more than five (5) managers per calendar 2833 month as recipients of quality control and product development 2834 samples authorized pursuant to this paragraph (a).
  - (b) A sample authorized pursuant to paragraph (a) of this subsection (10) is limited to one (1) serving size of an edible retail marijuana product not exceeding ten (10) milligrams of THC and its applicable equivalent serving size of nonedible retail marijuana product per batch as defined in rules promulgated by the state licensing authority and one-quarter (1/4) gram of retail marijuana concentrate per batch as defined in rules promulgated by the state licensing authority; however, the limit is one-half (1/2) gram of retail marijuana concentrate if the intended use of the final product is to be used in a device that can be used to deliver retail marijuana concentrate in a vaporized form to the person inhaling from the device.

2836

2837

2838

2839

2840

2841

2842

2843

2844

2845

2847	(c) A sample authorized pursuant to paragraph (a) of
2848	this subsection (10) must be labeled and packaged pursuant to the
2849	rules promulgated pursuant to Section 203(2)(f) and (3)(h)

- 2850 A sample provided pursuant to paragraph (a) of this 2851 subsection (10) must be tracked with the seed-to-sale tracking 2852 system. Prior to a manager receiving a sample, a manager must be 2853 designated in the seed-to-sale tracking system as a recipient of 2854 quality control and product development samples. A manager 2855 receiving a sample must make a voluntary decision to be tracked in 2856 the seed-to-sale tracking system and is not a consumer pursuant to 2857 Section 1(6)(b) of this act. The retail marijuana products 2858 manufacturer licensee shall maintain documentation of all samples 2859 and shall make the documentation available to the state licensing 2860 authority.
- (e) Prior to a manager receiving a sample pursuant to paragraph (a) of this subsection (10), a retail marijuana products manufacturer licensee shall provide a standard operating procedure to the manager explaining requirements pursuant to this section and personal possession limits.

### (f) A manager shall not:

(i) Receive more than a total of eight (8) grams
of retail marijuana concentrate or fourteen (14) individual
serving-size edibles or its applicable equivalent in nonedible
retail marijuana products per calendar month, regardless of the
number of licenses that the manager is associated with; or

H. B. No. 615
24/HR26/R630
PAGE 116 (RF\KW)

2866



2872	(ii) Provide to or resell the sample to another
2873	licensed employee, a customer, or any other individual.
2874	(g) A retail marijuana products manufacturing licensee
2875	shall not:
2876	(i) Allow a manager to consume the sample on the
2877	licensed premises; or
2878	(ii) Use the sample as a means of compensation to
2879	a manager.
2880	(h) The state licensing authority may establish
2881	additional inventory tracking and record keeping, including
2882	additional reporting required for implementation. The retail
2883	marijuana products manufacturer licensee shall maintain the
2884	information required by this paragraph (h) on the licensed
2885	premises for inspection by the state and local licensing
2886	authorities.
2887	(i) For purposes of this subsection (10) only,
2888	"manager" means an employee of the retail marijuana products
2889	manufacturer who holds a valid key license or associated key
2890	license and is currently designated pursuant to state licensing
2891	authority rules as the manager of the retail marijuana products
2892	manufacturer.
2893	(11) (a) A retail marijuana products manufacturer that uses
2894	an industrial hemp product as an ingredient in a retail marijuana
2895	product shall ensure that the industrial hemp product has passed

H. B. No. 615
24/HR26/R630
PAGE 117 (RF\KW)

2896

~ OFFICIAL ~

all testing required by rules promulgated by the state licensing

2897 authority pursuant to Section 203(2)(d). Prior to taking 2898 possession of the industrial hemp product, a retail marijuana products manufacturer shall verify that the industrial hemp 2899 2900 product passed all testing required for retail marijuana products 2901 at a licensed retail marijuana testing facility and that the 2902 person transferring the industrial hemp product has received a 2903 license from the Department of Agriculture and Commerce pursuant 2904 to Section 69-25-207.

- 2905 Absent sampling and testing standards established (b) by the Department of Agriculture and Commerce for the sampling and 2906 2907 testing of an industrial hemp product, a person transferring 2908 industrial hemp product to a retail marijuana products 2909 manufacturer pursuant to this section shall comply with sampling 2910 and testing standards consistent with those established by the state licensing authority pursuant to this chapter. 2911 2912 licensing authority shall report to the Department of Agriculture 2913 and Commerce any investigations or findings in violation of this section by a person licensed pursuant to Section 69-25-207. 2914
- 2915 (12) Notwithstanding any other provision of law to the
  2916 contrary, a licensed retail marijuana products manufacturer may
  2917 compensate its employees using performance-based incentives,
  2918 including sales-based performance-based incentives.
- 2919 (13) A retail marijuana products manufacturer licensee that
  2920 hosts an accelerator manufacturer licensee may, pursuant to rule,
  2921 provide technical and compliance assistance to an accelerator

H. B. No. 615 24/HR26/R630 PAGE 118 (RF\KW)



2922	ai	L .	T	-	1				ĺ	j	Ĺ	ć		_	t	t	t	t	t	t	t	C	C	C	C	C	_	_	-	-	-	-	_	_	_	_	_	_	-	-	_	_	t	t	t	C	t	t	t	t	t	t	C	t	t	t	t	t	C	t	t	t	t	C	t	t	C	C	C	C	J	_	_	_	t	t	t	t	t	t	t	t	t	t	t	t	t	t	1		2	(		_	ľ				L	7	Δ	7			•	s.	∋;	3 €	S	L	L	Υ	3		r	ľ	р	ŗ		,	3	S	S	- 5	t	ĺ			n	0		g	n	ĺ	t.
t	-	:ai	:ai.	:ail	:ai.	:ai.	ai	ai	a	:a	:a	-	•	_	t	t	t	t	t	t	t	J	J	J	J	J	_	-					-	-	-	-	-	-			-	_	t	t	t	C	t	t	t	t	t	t	C	t	t	t	t	t	C	t	t	t	t	C	t	t	C	C	C	C	Ū	-	-	_	t	t	t	t	t	t	t	t	t	t	t	t	t	t	ı		: 1	3	e	e	îe†	re	re	re	re	. re	re'	4 re	A ret	A re	A ret	. A ret	s. A ret	es. A ret	es. A ret	ses. A ret	ises. A ret	nises. A ret	mises. A re	emises. A ret	emises. A ret	remises. A ret	remises. A ref	premises. A re	premises. A ret	premises. A ret	premises. A ret	premises. A ret	s premises. A ret	s premises. A ret	s premises. A ret	ts premises. A re	its premises. A re	its premises. A ret	its premises. A ret	n its premises. A ret	on its premises. A ret	on its premises. A ret	g on its premises. A ret	ng on its premises. A ret	ing on its premises. A ret
t	-	:ai	:ai.	:ail	:ai.	:ai.	ai	ai	a	:a	:a	-	•	_	t	t	t	t	t	t	t	J	J	J	J	J	_	-					-	-	-	-	-	-			-	_	t	t	t	C	t	t	t	t	t	t	C	t	t	t	t	t	C	t	t	t	t	C	t	t	C	C	C	C	Ū	-	-	_	t	t	t	t	t	t	t	t	t	t	t	t	t	t	ı		: 1	3	e	e	îe†	re	re	re	re	. re	re'	4 re	A ret	A re	A ret	. A ret	s. A ret	es. A ret	es. A ret	ses. A ret	ises. A ret	nises. A ret	mises. A re	emises. A ret	emises. A ret	remises. A ret	remises. A ref	premises. A re	premises. A ret	premises. A ret	premises. A ret	premises. A ret	s premises. A ret	s premises. A ret	s premises. A ret	ts premises. A re	its premises. A re	its premises. A ret	its premises. A ret	n its premises. A ret	on its premises. A ret	on its premises. A ret	g on its premises. A ret	ng on its premises. A ret	ing on its premises. A ret
t	-	:ai	:ai.	:ail	:ai.	:ai.	:ai	:ai	:a:	:a	:a	-	•	_	t	t	t	t	t	t	t	C	C	C	C	C	_	-								-	-	-				_	t	t	t	C	t	t	t	t	t	t	C	t	t	t	t	t	C	t	t	t	t	C	t	t	C	C	C	C	Į	-	-	_	t	t	t	t	t	t	t	t	t	t	t	t	t	ţ			: -	∋.	e.	е.	ĵе:	re:	re:	re:	re	. re	re	4 re	A re	A re	A re	. Are	s. A re	es. A re	es. A re	ses. A re	ises. A re	uises. A re	mises. A re	∍mises. A re	emises. A re	remises. A re	remises. A re-	premises. A re	premises. A re-	premises. A re-	premises. A re-	premises. A re-	premises. A re	s premises. A re	s premises. A re	ts premises. A re	its premises. A re	its premises. A re-	its premises. A re-	n its premises. A re	on its premises. A re-	on its premises. A re-	g on its premises. A re-	ng on its premises. A re	ing on its premises. A re
t	_	:ai	:ai.	:ail	:ai.	:ai.	:ai	:ai	:a:	la.	la.	_	_	ļ	t	t	t	t	ţ	t	t	ζ	ζ	ζ	ζ	ζ	ļ															ļ	t	t	t	Ţ	t	t	t	t	t	t	Ţ	t	t	t	t	t	ĺ	t	t	t	t	Ţ	t	t	Ţ	ĺ	ĺ	ĺ	Į			ļ	t	t	t	t	t	t	t	t	t	t	t	t	t	ţ			:	€.	e.	е.	ĵе:	re:	re	re	re	. re	re	4 re	A re	A re	A re	. Are	s. A re	es. A re	es. A re	ses. A re	ises. A re	uises. A re	mises. A re	emises. A re	emises. A re	remises. A re	remises. A re	oremises. A re	premises. A re	premises. A re	premises. A re	premises. A re	premises. A re	s premises. A re	s premises. A re	ts premises. A re	its premises. A re	its premises. A re	its premises. A re	n its premises. A re	on its premises. A re-	on its premises. A re	g on its premises. A re-	ng on its premises. A re	ing on its premises. A re
t	_	:ai	:ai.	:ail	:ai.	:ai.	:ai	:ai	:a:	la.	Įа	_	_		t	t	t	t	t	t	t	į	į	į	į	į				-	-												t	t	t	Į	ţ	t	t	t	ţ	ţ	Į	ţ	ţ	t	ţ	ţ	ĺ	t	ţ	t	t	Į	t	t	Į	ĺ	ĺ	ĺ					t	t	t	t	t	t	t	t	t	t	t	t	t	t	+		:	Э	е	e	îе	re	re	re	re	. re	ı re	A re	A re	A re	A re	. Are	s. A re	es. A re	es. A re	ses. A re	ises. A re	uises. A re	mises. A re	emises. A re	emises. A re	remises. A re	remises. A re	premises. A re	premises. A re	premises. A re	premises. A re	premises. A re	premises. A re	s premises. A re	s premises. A re	ts premises. A re	its premises. A re	its premises. A re	its premises. A re	n its premises. A re	on its premises. A re	on its premises. A re	g on its premises. A re	ng on its premises. A re	ing on its premises. A re
t	_	cai	cai.	cail	cai.	tai.	cai	cai	:a:	ta.	īа	J	Ī		t	t	t	t	t	t	ţ	į	į	į	į	į			į	_	_	Ļ	ļ	ļ	ļ				Ļ	į	ļ		t	t	t	ľ	ţ	t	t	t	ţ	ţ	ľ	ţ	ţ	t	ţ	ţ	ĺ	t	ţ	t	t	ľ	t	t	ľ	ĺ	ĺ	ĺ					t	t	t	t	ţ	t	t	t	t	t	t	ţ	t	t	+			3	e	е	îe	re	re	re	re	. re	re	4 re	A re	A re	A re	. Are	s. A re	es. A re	es. A re	ses. A re	ises. A re	uises. A re	mises. A re	emises. A re	emises. A re	remises. A re	remises. A re	oremises. A re	premises. A re	premises. A re	premises. A re	premises. A re	premises. A re	s premises. A re	s premises. A re	ts premises. A re	its premises. A re	its premises. A re	its premises. A re	n its premises. A re	on its premises. A re-	on its premises. A re	g on its premises. A re-	ng on its premises. A re	ing on its premises. A re
t	_	cai	cai.	cail	cai.	tai.	cai	cai	:a:	ta.	īа	J	Ī		t	t	t	t	t	t	ţ	į	į	į	į	į			į	_	_	Ļ	ļ	ļ	ļ				Ļ	į	ļ		t	t	t	ľ	ţ	t	t	t	ţ	ţ	ľ	ţ	ţ	t	ţ	ţ	ĺ	t	ţ	t	t	ľ	t	t	ľ	ĺ	ĺ	ĺ					t	t	t	t	ţ	t	t	t	t	t	t	ţ	t	t	+			3	e	е	îe	re	re	re	re	. re	re	4 re	A re	A re	A re	. Are	s. A re	es. A re	es. A re	ses. A re	ises. A re	uises. A re	mises. A re	emises. A re	emises. A re	remises. A re	remises. A re	oremises. A re	premises. A re	premises. A re	premises. A re	premises. A re	premises. A re	s premises. A re	s premises. A re	ts premises. A re	its premises. A re	its premises. A re	its premises. A re	n its premises. A re	on its premises. A re-	on its premises. A re	g on its premises. A re-	ng on its premises. A re	ing on its premises. A re
	t	tai	tai.	tail	tai.	tai.	tai	tai	ta:	ta.	ta	t	t	t	1						•	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	1	•	1	1	1	1	•	•	1	1	1	1	1	•	1	1	1	1	1	1	1	1	1	1	1	1	1	1	ţ	t	t	t	1	•	1	1														3	е	е	îе	re	re	re	re	. re	ı re	4 re	A re	A re	A re	. Are	s. A re	es. A re	es. A re	ses. A re	ises. A re	nises. A re	mises. A re	≥mises. A re	emises. A re	remises. A re	remises. A re	premises. A re	premises. A re	premises. A re	premises. A re	premises. A re	; premises. A re	s premises. A re	s premises. A re	ts premises. A re	its premises. A re	its premises. A re	its premises. A re	n its premises. A re	on its premises. A re	on its premises. A re	g on its premises. A re	ng on its premises. A re	ing on its premises. A re
,	t	tai	tai.	tail	tai.	tai.	tai	tai	tai	ta.	ta	t	t	t								t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t	t				1	+				+	+	1	+	+		+	+	1		+			1			1	1	1	1	t	t	t	t					•	•		•				•					;	3	е	е	îе	re	re	re	re	. re	ı re	1 re	A re	A re	A re	. Are	s. A re	es. A re	es. A re	ses. A re	ises. A re	nises. A re	mises. A re	≥mises. A re	emises. A re	remises. A re	remises. A re	premises. A re	premises. A re	premises. A re	premises. A re	premises. A re	; premises. A re	s premises. A re	s premises. A re	ts premises. A re	its premises. A re	its premises. A re	its premises. A re	n its premises. A re	on its premises. A re	on its premises. A re	g on its premises. A re	ng on its premises. A re	ing on its premises. A re
Ξ	t:	ta:	etai.	etail	etai.	etai.	etai	etai	eta:	eta.	ta؛	ŧt.	t:	ŧ t	٠ ز	۶.	۶.	ڊ	ڊ	ڊ	. ڊ	<u>†</u>	<u>†</u>	<u>†</u>	<u>†</u>	<u>†</u>	ŧ t	t (	e t	e t	e t	e t	e t	e t	e t	t (	t (	t (	e t	e t	e t	ŧ t	٠ ز	. ڊ	٠ ز	† دِ	ا د	٠ ز	. ڊ	. ڊ	ا د	ا د	† دِ	ا د	ا د	. ڊ	ا د	ا د	t e	٠ ز	ا د	٠ ز	٠ ز	† دِ	٠ ز	٠ ز	† دِ	t e	t e	t e	t e	• t	• t	ŧ t	٠ ز	. ڊ	٠ ز	٠ ز	۶.	۶.	۶.	۶.	۶.	۶.	۶.	۶.	۶.	۶.	٤	د	3		(	(	2	r	r	re	re	. re	re	4 re	Αre	A re	A re	. Are	s. Are	es. A re	es. A re	ses. A re	ises. A re	uises. A re	mises. A re	≥mises. A re	emises. A re	remises. A re	remises. A re	premises. A re	premises. A re	premises. A re	premises. A re	premises. A re	s premises. A re	s premises. A re	s premises. A re	ts premises. A re	its premises. A re	its premises. A re	its premises. A re	n its premises. A re	on its premises. A re	on its premises. A re	g on its premises. A re	ng on its premises. A re	ing on its premises. A re
$\in$	et.	∍tai	∍tai.	∍tail	∍tai.	∍tai.	∍tai	∍tai	∍ta:	∍ta.	∍ta	∍t	∍t	e t	٠ (	5	5	5	5	5	€.	<u> †</u>	e t	e t	٤t	٤t	٤t	e t	e t	e t	e t	e t	e t	e t	e t	٤t	e t	e t	٠ (	€.	٠ (	† ڊ	۱ د	٠ (	€.	€.	۱ د	۱ د	† ڊ	۱ د	۱ د	€.	۱ د	۱ د	<u>†</u>	٠ (	۱ د	٠ (	٠ (	† ڊ	٠ (	٠ (	† ڊ	<u>†</u>	<u>†</u>	<u>†</u>	e t	e t	e t	e t	٠ (	€.	٠ (	٠ (	€.	€.	5	€.	5	5	5	€.	5	5	5	۲		(	6	' (	_ (	r	r	r	r	. r	r	4 re	Αr	A r	A r	. Ar	s. Ar	es. Are	es. Ar	ses. A re	ises. A re	uises. A re	mises. A re	emises. A re	emises. A re	remises. A re	remises. A re	premises. A re	premises. A re	premises. A re	premises. A re	premises. A re	s premises. A re	s premises. A re	s premises. A re	ts premises. A re	its premises. A re	its premises. A re	its premises. A re	n its premises. A re	on its premises. A re	on its premises. A re	g on its premises. A re	ng on its premises. A re	ing on its premises. A re				

- 2923 marijuana products manufacturer licensee that hosts an accelerator
- 2924 manufacturer licensee may, pursuant to rule, provide capital
- 2925 assistance to an accelerator manufacturer licensee operating on
- 2926 its premises.
- 2927 **504.** Retail marijuana testing facility license rules. (1)
- 2928 (a) A retail marijuana testing facility license may be issued to
- 2929 a person who performs testing and research on retail marijuana and
- 2930 industrial hemp and industrial hemp products. The facility may
- 2931 develop and test retail marijuana products, industrial hemp and
- 2932 industrial hemp products. Prior to performing testing on
- 2933 industrial hemp products, a facility shall verify that the person
- 2934 requesting the testing has received a license as required by
- 2935 Section 69-25-207.
- 2936 (b) The testing of retail marijuana, retail marijuana
- 2937 products, and retail marijuana concentrate, and the associated
- 2938 standards, is a matter of statewide concern.
- 2939 (2) The state licensing authority shall promulgate rules
- 2940 pursuant to its authority in Section 202(1)(c) related to
- 2941 acceptable testing and research practices, including but not
- 2942 limited to testing, standards, quality control analysis, equipment
- 2943 certification and calibration, and chemical identification and
- 2944 other substances used in bona fide research methods.
- 2945 <u>505.</u> Retail marijuana transporter license definition. (1)
- 2946 (a) A retail marijuana transporter license may be issued to a

H. B. No. 615
24/HR26/R630
PAGE 119 (RF\KW)



2947	person	to	provide	logistics,	distribution,	delivery,	and	storage

2948 of retail marijuana and retail marijuana products.

2949 Notwithstanding any other provisions of law, a retail marijuana

2950 transporter license is valid for two (2) years but cannot be

2951 transferred with a change of ownership. A licensed retail

2952 marijuana transporter is responsible for the retail marijuana and

2953 retail marijuana products once it takes control of the product.

- 2954 (b) A licensed retail marijuana transporter may
- 2955 contract with multiple licensed retail marijuana businesses.
- 2956 (c) All retail marijuana transporters shall hold a
- 2957 valid retail marijuana transporter license; however, an entity
- 2958 licensed pursuant to this chapter that provides its own
- 2959 distribution is not required to have a retail marijuana
- 2960 transporter license to transport and distribute its products.
- 2961 (2) A retail marijuana transporter licensee may maintain a
- 2962 licensed premises to temporarily store retail marijuana and retail
- 2963 marijuana products and to use as a centralized distribution point.
- 2964 The licensed premises must be located in a jurisdiction that
- 2965 permits the operation of retail marijuana stores. A licensed
- 2966 retail marijuana transporter may store and distribute retail
- 2967 marijuana and retail marijuana products from this location. A
- 2968 storage facility must meet the same security requirements that are
- 2969 required to obtain a retail marijuana cultivation facility
- 2970 license.

2971	(3) A retail marijuana transporter licensee shall use the
2972	seed-to-sale tracking system developed pursuant to Section
2973	202(1)(a) to create shipping manifests documenting the transport
2974	of retail marijuana and retail marijuana products throughout the
2975	state.

- 2976 (4) A retail marijuana transporter licensee may:
- 2977 (a) Maintain and operate one (1) or more warehouses in 2978 the state to handle retail marijuana and retail marijuana 2979 products; and
- 2980 (b) Deliver retail marijuana products on orders
  2981 previously taken if the place where orders are taken and delivered
  2982 is licensed.
- 2983 (5) (a) (i) There is authorized a retail marijuana
  2984 delivery permit to a retail marijuana transporter license
  2985 authorizing the permit holder to deliver retail marijuana and
  2986 retail marijuana products.
- (ii) A retail marijuana delivery permit is valid for one (1) year and may be renewed annually upon renewal of the retail marijuana transporter license.
- 2990 (iii) A retail marijuana delivery permit issued 2991 pursuant to this section applies to only one (1) retail marijuana 2992 transporter; however, a single retail marijuana delivery permit 2993 may apply to multiple retail marijuana transporters provided that 2994 the retail marijuana transporters are in the same local

jurisdiction and are identically owned, as defined by the state licensing authority for purposes of this section.

2997 The state licensing authority may issue a retail marijuana delivery permit to a qualified applicant, as 2998 2999 determined by the state licensing authority, that holds a retail 3000 marijuana transporter license issued pursuant to this chapter. A permit applicant is prohibited from delivering retail marijuana 3001 3002 and retail marijuana products without state and local jurisdiction 3003 If the applicant does not receive local jurisdiction approval within one (1) year from the date of the state licensing 3004 3005 authority approval, the state permit expires and may not be 3006 renewed. If an application is denied by the local licensing 3007 authority, the state licensing authority shall revoke the state-issued permit. The state licensing authority has discretion 3008 in determining whether an applicant is qualified to receive a 3009 3010 retail marijuana delivery permit. A retail marijuana delivery 3011 permit issued by the state licensing authority is deemed a revocable privilege of a licensed retail marijuana transporter. A 3012 3013 violation related to a retail marijuana delivery permit is grounds 3014 for a fine or suspension or revocation of the delivery permit or 3015 retail marijuana transporter license.

(b) A retail marijuana transporter licensee shall not make deliveries of retail marijuana or retail marijuana products to individuals while also transporting retail marijuana or retail marijuana products between licensed premises in the same vehicle.

H. B. No. 615
24/HR26/R630
PAGE 122 (RF\KW)

3016

3017

3018

3019



#### ~ OFFICIAL ~

3020	(c) A licensed retail marijuana transporter with a
3021	retail marijuana delivery permit may deliver retail marijuana and
3022	retail marijuana products on behalf of a retail marijuana store
3023	only to the individual who placed the order with a retail
3024	marijuana store and who:
3025	(i) Is twenty-one (21) years of age or older;
3026	(ii) Receives the delivery of retail marijuana or
3027	retail marijuana products pursuant to rules; and
3028	(iii) Possesses an acceptable form of
3029	identification.
3030	(d) In accordance with this subsection (5) and rules
3031	adopted to implement this subsection (5), a licensed retail
3032	marijuana transporter with a valid retail marijuana delivery
3033	permit may:
3034	(i) Not accept orders on behalf of a retail
3035	marijuana store and may only pick up already packaged retail
3036	marijuana delivery orders from a retail marijuana store or its
3037	associated state licensing authority-authorized storage facility
3038	as defined by rule and deliver those orders to the appropriate
3039	individual;
3040	(ii) Deliver retail marijuana and retail marijuana
3041	products not in excess of the amounts established by the state
3042	licensing authority;
3043	(iii) Deliver only to an individual at the address
3044	provided in the order;

H. B. No. 615 24/HR26/R630 PAGE 123 (RF\KW)

# ~ OFFICIAL ~

3045	(iv) Deliver no more than once per day to the same
3046	individual or residence;
3047	(v) Deliver only to a private residence. For
3048	purposes of this subparagraph (v), "private residences" means
3049	private premises where a person lives, such as a private dwelling
3050	place or place of habitation, and specifically excludes any
3051	premises located at a school or on the campus of an institution of
3052	higher education, or any other public property;
3053	(vi) Deliver retail marijuana or retail marijuana
3054	products only by a motor vehicle that complies with this section
3055	and the rules promulgated pursuant to this section and Section
3056	203(2)(dd); and
3057	(vii) Use an employee to conduct deliveries on
3058	behalf of, and pursuant to a contract with, a retail marijuana
3059	store that has a valid retail marijuana delivery permit from its
3060	retail marijuana store or its associated state licensing
3061	authority-authorized storage facility as defined by rule.
3062	(e) Prior to transferring possession of the order to an
3063	individual, the person delivering the order shall inspect the
3064	individual's identification and verify that the information
3065	provided at the time of the order matches the name and age on the
3066	individual's identification.
3067	(f) Any person delivering retail marijuana or retail

3069

marijuana products for a retail marijuana transporter must possess

a valid occupational license and be a current employee of the

3070	retail marijuana transporter licensee with a valid retail
3071	marijuana delivery permit; must have undergone training regarding
3072	proof-of-age identification and verification, including all forms
3073	of identification that are deemed acceptable by the state
3074	licensing authority; and must have any other training required by
3075	the state licensing authority.

- 3076 (g) (i) Unless otherwise provided by the state
  3077 licensing authority by rules promulgated pursuant to this chapter,
  3078 all requirements applicable to other licenses issued pursuant to
  3079 this chapter apply to the delivery of retail marijuana and retail
  3080 marijuana products, including but not limited to inventory
  3081 tracking, transportation, and packaging and labeling requirements.
- 3082 (ii) The advertising regulations and prohibitions 3083 adopted pursuant to Section 203(3)(a) apply to retail marijuana 3084 delivery operations pursuant to this subsection (5).
  - (h) It is not a violation of any provision of state, civil, or criminal law for a licensed retail marijuana transporter licensee with a valid retail marijuana delivery permit, or such person who has made timely and sufficient application for the renewal of the permit, or its licensees to possess, transport, and deliver retail marijuana and retail marijuana products pursuant to a retail marijuana delivery permit in amounts that do not exceed amounts established by the state licensing authority.
- 3093 (i) (i) Notwithstanding any provisions of this 3094 section, delivery of retail marijuana or retail marijuana products

H. B. No. 615
24/HR26/R630
PAGE 125 (RF\KW)

3085

3086

3087

3088

3089

3090

3091

3092



3095	is not permitted in any municipality, county, or municipality and
3096	county unless the municipality, county, or municipality and
3097	county, by either a majority of the registered electors of the
3098	municipality, county, or municipality and county voting at a
3099	regular election or special election, or a majority of the members
3100	of the governing board for the municipality, county, or
3101	municipality and county, vote to allow the delivery of retail
3102	marijuana or retail marijuana products pursuant to this section.

- (ii) An ordinance adopted pursuant to subparagraph

  (i) of paragraph (i) of this subsection may prohibit delivery of

  retail marijuana and retail marijuana products from a retail

  marijuana store that is outside a municipality's, county's, or

  municipality and county's jurisdictional boundaries to an address

  within its jurisdictional boundaries.
- 3109 <u>506.</u> Retail marijuana business operator license. A retail
  3110 marijuana business operator license may be issued to a person who
  3111 operates a retail marijuana business licensed pursuant to this
  3112 chapter, for an owner licensed pursuant to this chapter, and who
  3113 may receive a portion of the profits as compensation.
- 3114 <u>507.</u> Retail marijuana accelerator cultivator license. A

  3115 retail marijuana accelerator cultivator license may be issued to a

  3116 social equity licensee to exercise the privileges of a retail

  3117 marijuana cultivation facility licensee on the premises of an

  3118 accelerator-endorsed retail marijuana cultivation facility. The

  3119 retail marijuana accelerator cultivator may receive technical

H. B. No. 615
24/HR26/R630
PAGE 126 (RF\kw)



3120	assistance	and	financ	cial	suppo	ort :	from	the	retail	marijuana	
3121	cultivation	ı fac	cility	lice	ensee	wit]	h an	acce	elerator	endorsem	ent.

- 508. Retail marijuana accelerator manufacturer license. A retail marijuana accelerator manufacturer license may be issued to a social equity licensee to exercise the privileges of a retail marijuana products manufacturer licensee on the premises of an accelerator-endorsed retail marijuana products manufacturer. The retail marijuana accelerator manufacturer may receive technical assistance and financial support from the retail marijuana products manufacturer with an accelerator endorsement.
- 509. Marijuana hospitality business license. (1) (a) The state licensing authority may issue a marijuana hospitality business license authorizing the licensee to operate a licensed premises in which marijuana may be consumed pursuant to this chapter, rules promulgated pursuant to this chapter, and the provisions of the ordinance or resolution of the local jurisdiction in which the licensee operates.
- 3137 (b) Subject to provisions of this chapter and the
  3138 ordinance or resolution of the local jurisdiction in which the
  3139 licensee operates, a retail food business that has a license or
  3140 permit issued by the department may apply for a license to operate
  3141 a marijuana hospitality business in an isolated portion of the
  3142 premises of the retail food business. This paragraph (b) does not
  3143 authorize the marijuana hospitality business to engage in the

3123

3124

3125

3126

3127

3128

3129

3130

3131

3132

3133

3134

3135

3144	manufacture of retail marijuana products or to add marijuana to
3145	foods produced or provided at the retail food business.
3146	(c) The state licensing authority shall maintain a list
3147	of all marijuana hospitality businesses in the state and shall
3148	make the list available on its website.
3149	(2) A marijuana hospitality business shall not:
3150	(a) Engage in or permit the sale or exchange for
3151	remuneration of retail marijuana or retail marijuana products in
3152	the licensed premises;
3153	(b) Allow on-duty employees of the business to consume
3154	any marijuana in the licensed premises of the business;
3155	(c) Distribute or allow distribution of free samples of
3156	marijuana in the licensed premises of the business;
3157	(d) Allow the consumption of alcohol on the licensed
3158	premises;
3159	(e) Allow the smoking of tobacco or tobacco products in
3160	the licensed premises of the business;
3161	(f) Allow the use of any device using any liquid
3162	petroleum gas, a butane torch, a butane lighter, or matches in the
3163	licensed premises if prohibited by local ordinance or resolution;
3164	(g) Allow any activity that would require an additional
3165	license under this chapter in the licensed premises of the
3166	business, including but not limited to sales, manufacturing, or

3167 cultivation;

3168	(h) Knowingly permit any activity or acts of disorderly
3169	conduct;
3170	(i) Permit the use or consumption of marijuana by a
3171	patron who displays any visible signs of intoxication;
3172	(j) Permit rowdiness, undue noise, or other
3173	disturbances or activity offensive to the average citizen or to
3174	the residents of the neighborhood in which the licensed premises
3175	is located; or
3176	(k) Admit into the licensed premises of the business
3177	any person who is under twenty-one (21) years of age.
3178	(3) A marijuana hospitality business shall:
3179	(a) Operate the business in a decent, orderly, and
3180	respectable manner;
3181	(b) Require all employees of the business to
3182	successfully complete an annual responsible vendor training
3183	program authorized pursuant to Section 1001;
3184	(c) Ensure that the display and consumption of any
3185	marijuana is not visible from outside of the licensed premises of
3186	the business;
3187	(d) Educate consumers of marijuana by providing
3188	informational materials regarding the safe consumption of
3189	marijuana. Nothing in this paragraph (d) prohibits a local
3190	jurisdiction from adopting additional requirements for education
3191	on safe consumption;

3192	(e) Maintain a record of all educational materials
3193	required by paragraph (d) of this subsection (3) in the licensed
3194	premises for inspection by state and local licensing authorities
3195	and law enforcement; and
3196	(f) If an emergency requires law enforcement,
3197	firefighters, emergency medical service providers, or other public
3198	safety personnel to enter a marijuana hospitality business, ensure
3199	that all employees and patrons of the business cease all
3200	consumption and other activities until such personnel have
3201	completed their investigation or services and have left the
3202	licensed premises.
3203	(4) A marijuana hospitality business and its employees
3204	may remove an individual from the business for any reason,
3205	including a patron who displays any visible signs of intoxication.
3206	510. Retail marijuana hospitality and sales business
3207	license. (1) (a) The state licensing authority may issue a
3208	retail marijuana hospitality and sales business license
3209	authorizing the licensee to operate a licensed premises in which
3210	marijuana may be sold and consumed pursuant to this chapter, rules
3211	promulgated pursuant to this chapter, and the provisions of the
3212	ordinance or resolution of the local jurisdiction in which the
3213	licensee operates.

3215

3216

ordinance or resolution of the local jurisdiction in which the

licensee operates, a retail food business that has a license or

Subject to provisions of this chapter and the

3217	permit issued by the department may apply for a license to operate
3218	a retail marijuana hospitality and sales business in an isolated
3219	portion of the premises of the retail food business. This
3220	paragraph (b) does not authorize the retail marijuana hospitality
3221	and sales business to engage in the manufacture of retail
3222	marijuana products or to add marijuana to foods produced or

- 3224 (c) The state licensing authority shall maintain a list 3225 of all retail marijuana hospitality and sales businesses in the 3226 state and shall make the list available on its website.
- 3227 (2) A retail marijuana hospitality and sales business 3228 licensee shall not:

provided at the retail food business.

3223

- 3230 (a) Engage in multiple sales transactions to the same 3230 patron during the same business day when the business's employee 3231 knows or reasonably should have known that the sales transaction 3232 would result in the patron possessing more than the sales limit 3233 established by the state licensing authority;
- 3234 (b) Allow on-duty employees of the business to consume 3235 any marijuana in the licensed premises;
- 3236 (c) Distribute or allow distribution of free samples 3237 of marijuana in the licensed premises of the business;
- 3238 (d) Sell any retail marijuana or retail marijuana
  3239 products that contain nicotine or, if the sale of alcohol would
  3240 require a license or permit pursuant to Chapter 1 or 3 of Title
  3241 67, Mississippi Code of 1972;

H. B. No. 615
24/HR26/R630
PAGE 131 (RF\KW)



3242	(e) Allow the consumption of alcohol on the licensed
3243	premises;
3244	(f) Allow the smoking of tobacco or tobacco products in
3245	the licensed premises of the business;
3246	(g) Allow the use of any device using any liquid
3247	petroleum gas, a butane torch, a butane lighter, or matches in the
3248	licensed premises if prohibited by local ordinance or resolution;
3249	(h) Allow any activity that would require an additional
3250	license under this chapter in the licensed premises of the
3251	business, including but not limited to manufacturing or
3252	cultivation activity;
3253	(i) Knowingly permit any activity or acts of disorderly
3254	conduct;
3255	(j) Sell, serve, or permit the sale or serving of
3256	retail marijuana or retail marijuana products to any patron who
3257	shows signs of visible intoxication;
3258	(k) Permit rowdiness, undue noise, or other
3259	disturbances or activity offensive to the average citizen or to
3260	the residents of the neighborhood in which the licensed premises
3261	is located; or
3262	(1) Admit into the licensed premises of a retail
3263	marijuana hospitality and sales business any person who is under
3264	twenty-one (21) years of age.
3265	(3) A retail marijuana hospitality and sales business
3266	licensee shall:

H. B. No. 615
24/HR26/R630
PAGE 132 (RF\KW)

3267	(a) Track all of its retail marijuana and retail
3268	marijuana products from the point that they are transferred from a
3269	retail marijuana store, retail marijuana products manufacturer, or
3270	retail marijuana cultivation facility to the point of sale to its
3271	patrons;
3272	(b) Limit a patron to one (1) transaction of no more
3273	than the sales limit set by the state licensing authority by rule
3274	pursuant to Section 203(2)(ff)(ii);
3275	(c) Before allowing a patron to leave the licensed
3276	premises with any retail marijuana or retail marijuana products,
3277	package and label the retail marijuana or retail marijuana
3278	products in accordance with procedures developed by the business
3279	that comply with the requirements of Section 203(2)(f) and (3)(b);
3280	(d) Operate the business in a decent, orderly, and
3281	respectable manner;
3282	(e) Require all employees of the business to
3283	successfully complete an annual responsible vendor training
3284	program authorized pursuant to Section 1001;
3285	(f) Ensure that the display and consumption of any
3286	retail marijuana or retail marijuana product is not visible from
3287	outside of the business;
3288	(g) Educate consumers of marijuana by providing
3289	informational materials regarding the safe consumption of
3290	marijuana. Nothing in this paragraph (g) prohibits a local

3291	jurisdiction	from adopting	additional	requirements	for	education
3292	on safe consu	umption;				

- 3293 (h) Maintain a record of all educational materials
  3294 required by paragraph (g) of this subsection (3) in the licensed
  3295 premises for inspection by state and local licensing authorities
  3296 and law enforcement; and
- (i) If an emergency requires law enforcement,

  firefighters, emergency medical service providers, or other public

  safety personnel to enter a retail marijuana hospitality and sales

  business, ensure that all employees and patrons of the business

  cease all sales, consumption, and other activities until such

  personnel have completed their investigation or services and have

  left the licensed premises.
- 3304 (4) A retail marijuana hospitality and sales business and 3305 its employees may remove an individual from the business for any 3306 reason, including a patron who displays any visible signs of 3307 intoxication.
- 3308 (5) A retail marijuana hospitality and sales business may
  3309 purchase retail marijuana or retail marijuana products from any
  3310 retail marijuana store, retail marijuana cultivation facility, or
  3311 retail marijuana products manufacturer.
- 3312 <u>511.</u> Retail marijuana accelerator store license. A retail
  3313 marijuana accelerator store license may be issued to a social
  3314 equity licensee to exercise the privileges of a retail marijuana
  3315 store licensee on the premises of an accelerator-endorsed retail



3316	marijuana store. The retail marijuana accelerator store may
3317	receive technical assistance and financial support from the retail
3318	marijuana store with an accelerator endorsement.
3319	ARTICLE 6
3320	UNLAWFUL ACTS
3321	601. Unlawful acts - exceptions. (1) Except as otherwise
3322	provided in this chapter, it is unlawful for a person, except in
3323	the licensed premises of a marijuana hospitality business licensed
3324	pursuant to Section 509 or a retail marijuana hospitality and
3325	sales business licensed pursuant to Section 510:
3326	(a) To consume regulated marijuana or regulated
3327	marijuana products in a licensed retail marijuana business; or
3328	(b) For a retail marijuana business to allow regulated
3329	marijuana or regulated marijuana products to be consumed upon its
3330	licensed premises.
3331	(2) It is unlawful for a person to:
3332	(a) Buy, sell, transfer, give away, or acquire
3333	regulated marijuana or regulated marijuana products except as
3334	allowed pursuant to this chapter or Section 1 of this act;
3335	(b) Have a controlling beneficial ownership, passive
3336	beneficial ownership, or indirect financial interest in a license
3337	pursuant to this chapter that was not disclosed in accordance with
3338	Section 309; however, this paragraph (b) does not apply to banks

3339 or savings and loan associations supervised and regulated by an

3340	agency of the state or federal government, or to FHA-approved
3341	mortgagees, or to stockholders, directors, or officers thereof;
3342	(c) Exercise any privilege of a license issued pursuant
3343	to this chapter that the person does not hold;
3344	(d) Exercise any privilege associated with holding a
3345	controlling beneficial ownership, passive beneficial ownership, or
3346	indirect financial interest in a license that was not disclosed in
3347	accordance with Section 309; or
3348	(e) Engage in transfer of ownership without prior
3349	approval as required by this chapter, including but not limited
3350	to:
3351	(i) A proposed transferee operating a retail
3352	marijuana business before a transfer of ownership request for that
3353	business is approved in writing by the state licensing authority;
3354	or
3355	(ii) A current controlling beneficial owner,
3356	passive beneficial owner, or proposed transferor failing to retain
3357	full responsibility for a retail marijuana business identified in
3358	the transfer of ownership application until the transfer request
3359	is approved in writing by the state licensing authority.
3360	(3) It is unlawful for a person licensed pursuant to this
3361	chapter:
3362	(a) To fail to report a transfer required by Section
3363	313(11);

3364	(b) To knowingly adulterate or alter, or to attempt to
3365	adulterate or alter, any samples of regulated marijuana or
3366	regulated marijuana products for the purpose of circumventing
3367	contaminant testing detection limits or potency testing
3368	requirements;
3369	(c) To use advertising material that is misleading,
3370	deceptive, or false, or that is designed to appeal to minors;
3371	(d) To provide public premises, or any portion thereof,
3372	for the purpose of consumption of regulated marijuana in any form,
3373	except in the licensed premises of a marijuana hospitality
3374	business licensed pursuant to Section 509 or a retail marijuana
3375	hospitality and sales business licensed pursuant to Section 510;
3376	(e) To have in possession or upon the licensed premises
3377	any regulated marijuana, the sale of which is not permitted by the
3378	license, except if it is for purposes of recycling;
3379	(f) To have on the licensed premises any regulated
3380	marijuana or marijuana paraphernalia that shows evidence of the
3381	regulated marijuana having been consumed or partially consumed,
3382	except:
3383	(i) If it is for purposes of recycling; or
3384	(ii) In the licensed premises of a marijuana
3385	hospitality business licensed pursuant to Section 509 or a retail
3386	marijuana hospitality and sales business licensed pursuant to
3387	Section 510:

388	(g) To abandon a licensed premises or otherwise cease
389	operation without notifying the state and local licensing
390	authorities at least forty-eight hours in advance and without
391	accounting for and forfeiting to the state licensing authority for
392	destruction of all regulated marijuana or regulated marijuana
393	products;

- 3394 (h) To offer for sale or solicit an order for regulated 3395 marijuana in person except within the licensed premises;
- 3396 (i) To buy regulated marijuana from a person not 3397 licensed to sell as provided by this chapter;
- 3398 (j) To sell regulated marijuana except in the permanent 3399 location specifically designated in the license for sale; or
- 3400 (k) To burn or otherwise destroy regulated marijuana or 3401 any substance containing regulated marijuana for the purpose of 3402 evading an investigation or preventing seizure.
- 3403 (4) It is unlawful for any person licensed to sell retail 3404 marijuana or retail marijuana products pursuant to this chapter:
- 3405 (a) To sell or permit the sale of retail marijuana or retail marijuana products to a person under twenty-one (21) years of age; or
- 3408 (b) To distribute marijuana or marijuana products, with 3409 or without remuneration, directly to another person using a mobile 3410 distribution store.
- 3411 (5) A peace officer or a law enforcement agency shall not 3412 use any patient information to make traffic stops.



3413	(6) (a) It is unlawful for a person to engage in any act or
3414	omission with the intent to evade disclosure, reporting, record
3415	keeping, or suitability requirements pursuant to this chapter,
3416	including but not limited to the following:
3417	(i) Failing to file a report required under this
3418	chapter or causing or attempting to cause a person to fail to file
3419	such a report;
3420	(ii) Filing or causing or attempting to cause a
3421	person to file a report required under this chapter that contains
3422	a material omission or misstatement of fact;
3423	(iii) Making false or misleading statements
3424	regarding the offering of an owner's interest in a retail
3425	marijuana business; or
3426	(iv) Structuring any transaction with the intent
3427	to evade disclosure, reporting, record keeping, or suitability
3428	requirements pursuant to this chapter.
3429	(b) The state licensing authority may deny, suspend,
3430	revoke, fine, or impose other sanctions against a person's license
3431	issued under this chapter if the state licensing authority finds a
3432	violation of this subsection (6) by the person, the person's
3433	controlling beneficial owner, passive beneficial owner, indirect
3434	financial interest holder, or any agent or employee thereof.
3435	(7) A person who commits any acts that are unlawful pursuant
3436	to this chapter is guilty of a misdemeanor and, upon conviction
3437	thereof, shall be punished by a fine of not more than One Thousand

H. B. No. 615 24/HR26/R630 PAGE 139 (RF\KW) ~ OFFICIAL ~

3438	Dollars	(\$1,000.	00), or	рÀ	imprisonment	in	the	county	jail	for	not
3439	more tha	an six (6	b) month	s, c	or both.						

- 3440 <u>602.</u> Unlawful open and public consumption. (1) The open and public consumption of marijuana is prohibited.
- 3442 (2) The governing body of a county, municipality, or 3443 municipality and county, may adopt an ordinance authorizing marijuana consumption locations or circumstances that are 3444 exceptions to the prohibition described in subsection (1) of this 3445 3446 section if the locations are not accessible to the public or a substantial number of the public without restriction, including 3447 3448 but not limited to restrictions on the age of the members of the public who are allowed access to such location. 3449
- 3450 (3) The prohibition in subsection (1) of this section does 3451 not apply to any business licensed pursuant to this chapter that 3452 permits consumption on its premises if the business is operating 3453 within the conditions of licensure.

3454 ARTICLE 7

## 3455 MARIJUANA CASH FUND AND FEES

3456 <u>701.</u> Marijuana Cash Fund. (1) (a) All money collected by
3457 the state licensing authority pursuant to this chapter shall be
3458 transmitted to the State Treasurer, who shall credit the same to
3459 the Marijuana Cash Fund, which is created as a special fund in the
3460 State Treasury and shall be referred to in this section as the
3461 "fund". The fund consists of:

3462	(i) The money collected by the state licensing
3463	authority; and
3464	(ii) Any additional money that is transferred or
3465	appropriated to the fund that is necessary for the operation of
3466	the state licensing authority.
3467	(b) Money in the fund is subject to annual
3468	appropriation by the Legislature to the state licensing authority
3469	for the direct and indirect costs associated with implementing
3470	this chapter.
3471	(c) Unexpended amounts remaining in the fund at the end
3472	of a fiscal year shall not lapse into the State General Fund, and
3473	any interest earned or investment earnings on amounts in the fund
3474	shall be deposited to the credit of the fund.
3475	(2) (a) The state licensing authority shall establish fees
3476	for processing the following types of applications, licenses,
3477	notices, or reports required to be submitted to the state
3478	licensing authority:
3479	(i) Applications for licenses listed in Section
3480	401 and rules promulgated pursuant to that section;
3481	(ii) Applications to change location pursuant to
3482	Section 313(13) and rules promulgated pursuant to that section;
3483	(iii) Applications for transfer of ownership
3484	pursuant to Section 312 and rules promulgated pursuant to that
3485	section;

3486		(iv)	Licens	e rene	wal a	ınd	expired	license	renewal
3487	applications	pursuant	to Se	ction :	314;	and			

- 3488 (v) Licenses as listed in Section 401.
- 3489 (b) The amounts of such fees must reflect the actual
  3490 direct and indirect costs of the state licensing authority in the
  3491 administration and enforcement of this chapter.
- 3492 (c) The state licensing authority may charge applicants 3493 licensed under this chapter a fee for the cost of each fingerprint 3494 analysis and background investigation undertaken to qualify new 3495 officers, directors, managers, or employees.
- 3496 (d) At least annually, the state licensing authority
  3497 shall review the amounts of the fees and, if necessary, adjust the
  3498 amounts to reflect the direct and indirect costs of the state
  3499 licensing authority.
  - (4) Except as provided in subsection (5) of this section, the state licensing authority shall establish a basic fee that shall be paid at the time of service of any subpoena upon the state licensing authority, plus a fee for meals and a fee for mileage at the rate prescribed for state officers and employees in Section 25-3-41 for each mile actually and necessarily traveled in going to and returning from the place named in the subpoena. If the person named in the subpoena is required to attend the place named in the subpoena for more than one (1) day, there must be paid, in advance, a sum to be established by the state licensing

3501

3502

3503

3504

3505

3506

3507

3508

3510	authority for each day of attendance to cover the expenses of t	he
3511	person named in the subpoena.	

- 3512 (5) The subpoena fee established pursuant to subsection (4) 3513 of this section is not applicable to any federal, state, or local governmental agency.
- 3515 <u>702.</u> Fees allocation. (1) Except as otherwise provided, 3516 all fees and fines provided for by this chapter shall be paid to 3517 the state licensing authority, which shall transmit the fees to 3518 the State Treasurer, who shall credit the fees to the Marijuana 3519 Cash Fund created in Section 701.
- 3520 (2) The expenditures of the state licensing authority shall 3521 be paid from the Marijuana Cash Fund created in Section 701 upon 3522 appropriation of the Legislature.
- 3523 **703. Fees.** (1) The state licensing authority may charge and collect fees pursuant to this chapter.
- 3525 The application fee for a retail marijuana business is Five Thousand Dollars (\$5,000.00). The state licensing authority 3526 shall transfer Two Thousand Five Hundred Dollars (\$2,500.00) of 3527 3528 the fee to the Marijuana Cash Fund and remit Two Thousand Five 3529 Hundred Dollars (\$2,500.00) to the local jurisdiction in which the 3530 license is proposed to be issued. If the state licensing 3531 authority is considering raising the five thousand-dollar application fee, it shall confer with each local jurisdiction in 3532 which a license pursuant to this chapter is issued prior to 3533 raising the application fee. If the application fee amount is 3534

3535 changed, it must be split evenly between the Marijuana Cash Fund 3536 and the local jurisdiction in which the license is proposed to be 3537 issued.

3538 (3) A local jurisdiction in which a license under this
3539 chapter may be permitted may adopt and impose operating fees in an
3540 amount determined by the local jurisdiction on marijuana
3541 businesses and establishments located within the local
3542 jurisdiction.

3543 ARTICLE 8

3545

3546

3547

3548

3549

3550

3551

3552

3553

3554

3555

3556

3557

3558

3559

### 3544 **DISCIPLINARY ACTIONS**

801. Suspension - revocation - fines. (1) In addition to any other sanctions prescribed by this chapter or rules promulgated pursuant to this chapter, the state licensing authority or local licensing authority has the power, on its own motion or on complaint, after investigation and opportunity for a public hearing at which the licensee must be afforded an opportunity to be heard, to fine a licensee or to suspend or revoke a license issued by the authority for a violation by the licensee or by any of the agents or employees of the licensee of the provisions of this chapter, or any of the rules promulgated pursuant to this chapter, or of any of the terms, conditions, or provisions of the license issued by the state or local licensing authority. The state or local licensing authority has the power to administer oaths and issue subpoenas to require the presence of persons and the production of papers, books, and records necessary 3560 to the determination of a hearing that the state or local 3561 licensing authority is authorized to conduct.

- 3562 The state or local licensing authority shall provide 3563 notice of suspension, revocation, fine, or other sanction, as well 3564 as the required notice of the hearing pursuant to subsection (1) 3565 of this section, by mailing the same in writing to the licensee at 3566 the address contained in the license and, if different, at the 3567 last address furnished to the authority by the licensee. Except in 3568 the case of a summary suspension, a suspension is not for a period longer than six (6) months. If a license is suspended or revoked, 3569 3570 a part of the fees paid therefor are not returned to the licensee. 3571 Any license, registration, or permit may be summarily suspended by 3572 the issuing authority without notice pending any prosecution, investigation or public hearing. 3573
- 3574 Whenever a decision of the state or local licensing 3575 authority suspending a license for fourteen (14) days or less 3576 becomes final, the licensee may, before the operative date of the suspension, petition for permission to pay a fine in lieu of 3577 3578 having the license suspended for all or part of the suspension 3579 Upon the receipt of the petition, the state or local 3580 licensing authority may, in its sole discretion, stay the proposed 3581 suspension and cause any investigation to be made that it deems desirable and may, in its sole discretion, grant the petition if 3582 the state or local licensing authority is satisfied that: 3583

3584	(1) The public welfare would not be impaired by
3585	permitting the licensee to operate during the period set for
3586	suspension and that the payment of the fine will achieve the
3587	desired disciplinary purposes;
3588	(ii) The books and records of the licensee are
3589	kept in such a manner that the loss of sales that the licensee
3590	would have suffered had the suspension gone into effect can be
3591	determined with reasonable accuracy; and
3592	(iii) The licensee has not had his or her license
3593	suspended or revoked, nor had any suspension stayed by payment of
3594	a fine, during the two (2) years immediately preceding the date of
3595	the motion or complaint that resulted in a final decision to
3596	suspend the license or permit.
3597	(b) The fine accepted shall be not less than Five
3598	Hundred Dollars (\$500.00) nor more than One Hundred Thousand
3599	Dollars (\$100,000,00).
3600	(c) Payment of a fine pursuant to the provisions of
3601	this subsection (3) must be in the form of cash or in the form of
3602	a certified check or cashier's check made payable to the state or
3603	local licensing authority, whichever is appropriate.
3604	(4) Upon payment of the fine pursuant to subsection (3) of
3605	this section, the state licensing authority shall enter its
3606	further order permanently staying the imposition of the
3607	suspension. Fines paid to the state licensing authority pursuant

H. B. No. 615
24/HR26/R630
PAGE 146 (RF\KW)

3608

~ OFFICIAL ~

to subsection (3) of this section shall be transmitted to the

3609 State Treasurer, who shall deposit the same into the State General 3610 Fund.

- In connection with a petition pursuant to subsection (3) 3611 of this section, the authority of the state or local licensing 3612 3613 authority is limited to the granting of such stays as are 3614 necessary for the authority to complete its investigation and make its findings and, if the authority makes such findings, to the 3615 3616 granting of an order permanently staying the imposition of the 3617 entire suspension or that portion of the suspension not otherwise 3618 conditionally stayed.
- 3619 (6) If the state or local licensing authority does not make
  3620 the findings required in subsection (3)(a) of this section and
  3621 does not order the suspension permanently stayed, the suspension
  3622 goes into effect on the operative date finally set by the state or
  3623 local licensing authority.
- 3624 Each local licensing authority shall report all actions 3625 taken to impose fines, suspensions, and revocations to the state 3626 licensing authority in a manner required by the state licensing 3627 authority. No later than January 15 of each year, the state 3628 licensing authority shall compile a report of the preceding year's 3629 actions in which fines, suspensions, or revocations were imposed 3630 by the state licensing authority. The state licensing authority shall file one (1) copy of the report with the Clerk of the House 3631 3632 of Representatives and one (1) copy with the Secretary of the 3633 Senate.

H. B. No. 615
24/HR26/R630
PAGE 147 (RF\KW)

### ~ OFFICIAL ~

3634	<u>802.</u>	Judicial	revi	ew. Deci:	sions	bу	the	state	licensing
3635	authority	are subje	ect to	iudicial	revie	W.			

- 3636 Disposition of unauthorized marijuana or marijuana products and related materials - rules. 3637 (1)The provisions of 3638 this section apply in addition to any criminal, civil, or 3639 administrative penalties and in addition to any other penalties prescribed by this chapter or any rules promulgated pursuant to 3640 3641 this chapter. Any provisions in this chapter related to law 3642 enforcement are considered a cumulative right of the people in the enforcement of the criminal laws. 3643
- 3644 (2) Every licensee licensed under this chapter is deemed, by
  3645 virtue of applying for, holding, or renewing such person's
  3646 license, to have expressly consented to the procedures set forth
  3647 in this section.
  - (3) A state or local agency is not required to cultivate or care for any regulated marijuana or regulated marijuana product belonging to or seized from a licensee. A state or local agency is not authorized to sell marijuana, regulated or otherwise.
  - (4) If the state or local licensing authority issues a final agency order imposing a disciplinary action against a licensee pursuant to Section 801, then, in addition to any other remedies, the licensing authority's final agency order may specify that some or all of the licensee's marijuana or marijuana product is not regulated marijuana or a regulated marijuana product and is an illegal controlled substance. The order may further specify that

3648

3649

3650

3651

3652

3653

3654

3655

3656

3657

3658

3659	the licensee loses any interest in any of the marijuana or
3660	marijuana product even if the marijuana or marijuana product
3661	previously qualified as regulated marijuana or a regulated
3662	marijuana product. The final agency order may direct the
3663	destruction of any such marijuana and marijuana products, except
3664	as provided in subsections (5) and (6) of this section. The
3665	authorized destruction may include the incidental destruction of
3666	any containers, equipment, supplies, and other property associated
3667	with the marijuana or marijuana product.

3668 (5) Following the issuance of a final agency order by the 3669 state or local licensing authority against a licensee and ordering 3670 destruction authorized by subsection (4) of this section, a 3671 licensee has fifteen (15) days within which to file a petition for 3672 stay of agency action with the Chancery Court of the First 3673 Judicial District of Hinds County, which is deemed to be the 3674 residence of the state licensing authority for purposes of this 3675 The licensee shall serve the petition in accordance with section. 3676 the Mississippi Rules of Civil Procedure. The chancery court 3677 shall promptly rule upon the petition and determine whether the 3678 licensee has a substantial likelihood of success on judicial 3679 review so as to warrant delay of the destruction authorized by 3680 subsection (4) of this section or whether other circumstances, including but not limited to the need for preservation of 3681 evidence, warrant delay of such destruction. If destruction is so 3682 delayed pursuant to judicial order, the court shall issue an order 3683

3684	setting forth terms and conditions pursuant to which the licensee
3685	may maintain the regulated marijuana and regulated marijuana
3686	product pending judicial review and prohibiting the licensee from
3687	using or distributing the regulated marijuana or regulated
3688	marijuana product pending the review. The licensing authority
3689	shall not carry out the destruction authorized by subsection (4)
3690	of this section until fifteen (15) days have passed without the
3691	filing of a petition for stay of agency action or until the court
3692	has issued an order denying stay of agency action pursuant to this
3693	subsection (5).

- A district attorney shall notify the state licensing 3694 3695 authority if he or she begins investigating a retail marijuana 3696 business. If the state licensing authority has received 3697 notification from a district attorney that an investigation is 3698 being conducted, the state licensing authority shall not destroy 3699 any marijuana or marijuana products from the retail marijuana 3700 business until the destruction is approved by the district 3701 attorney.
- 3702 (7) The state licensing authority shall promulgate rules 3703 governing the implementation of this section.

3704 ARTICLE 9

# INSPECTION OF BOOKS AND RECORDS

3706 **901. Inspection procedures.** (1) Each licensee shall keep a 3707 complete set of all records necessary to show fully the business 3708 transactions of the licensee, all of which are open at all times

H. B. No. 615
24/HR26/R630
PAGE 150 (RF\kw)

3705



## ~ OFFICIAL ~

3709	during business hours for the inspection and examination by the
3710	state licensing authority or its duly authorized representatives.
3711	The state licensing authority may require any licensee to furnish
3712	such information as it considers necessary for the proper
3713	administration of this chapter and may require an audit to be made
3714	of the books of account and records on such occasions as it may
3715	consider necessary by an auditor to be selected by the state
3716	licensing authority who shall likewise have access to all books
3717	and records of the licensee, and the expense thereof must be paid
3718	by the licensee.

The licensed premises, including any places of storage 3719 where regulated marijuana or regulated marijuana products are 3720 3721 stored, cultivated, sold, dispensed, or tested are subject to 3722 inspection by the state or local licensing authority, or local 3723 jurisdictions and their investigators, during all business hours 3724 and other times of apparent activity, for the purpose of 3725 inspection or investigation. Access is required during business hours for examination of any inventory or books and records 3726 3727 required to be kept by the licensees. When any part of the 3728 licensed premises consists of a locked area, upon demand to the 3729 licensee, such area must be made available for inspection without 3730 delay, and, upon request by authorized representatives of the state or local jurisdiction, the licensee shall open the area for 3731 inspection. 3732

3733	(3) Each licensee shall retain all books and records
3734	necessary to show fully the business transactions of the licensee
3735	for a period of the current tax year and the three immediately
3736	prior tax years.
3737	ARTICLE 10
3738	RESPONSIBLE VENDOR STANDARDS
3739	1001. Responsible vendor program - standards - designation.
3740	(1) A person who wants to offer a responsible retail marijuana
3741	vendor server and seller training program must submit an
3742	application to the state licensing authority for approval, which
3743	program is referred to in this Article 10 as an "approved training
3744	program". The state licensing authority shall approve the
3745	submitted program if the submitted program meets the minimum
3746	criteria described in subsection (2) of this section.
3747	(2) An approved training program must contain, at a minimum,
3748	the following standards and be taught in a classroom setting in a
3749	minimum of a two-hour period:
3750	(a) Program standards that specify, at a minimum, who
3751	must attend, the time frame for new staff to attend,
3752	recertification requirements, record keeping, testing and
3753	assessment protocols, and effectiveness evaluations; and
3754	(b) A core curriculum of pertinent statutory and
3755	regulatory provisions, which curriculum includes but need not be
3756	limited to:

3757	(i) Information on required licenses, age
3758	requirements, maintenance of records, privacy issues, and unlawful
3759	acts;
3760	(ii) Administrative and criminal liability and
3761	license and court sanctions;
3762	(iii) Statutory and regulatory requirements for
3763	employees and owners;
3764	(iv) Statutory and regulatory requirements related
3765	to marijuana delivery;
3766	(v) Acceptable forms of identification;
3767	(vi) Local and state licensing and enforcement,
3768	which may include but need not be limited to key statutes and
3769	rules affecting patients, owners, managers, and employees; and
3770	(vii) Information on serving size, THC and
3771	cannabinoid potency, and impairment.
3772	(3) When promulgating program standards pursuant to
3773	subsection (2) of this section, the state licensing authority
3774	shall consider input from other state agencies, local
3775	jurisdictions, the retail marijuana industry, and any other state
3776	or national server and seller program.
3777	(4) A provider of an approved training program shall
3778	maintain its training records at its principal place of business
3779	during the applicable year and for the preceding three (3) years,
3780	and the provider shall make the records available for inspection
3781	by the licensing authority during normal business hours.

marijuana.

H. B. No. 615

24/HR26/R630 PAGE 153 (RF\KW) ~ OFFICIAL ~

3782	1002. Responsible vendor - designation. (1) (a) A retail
3783	marijuana business licensed pursuant to this chapter may receive a
3784	responsible vendor designation from the program vendor after
3785	successfully completing a responsible retail marijuana vendor
3786	server and seller training program approved by the state licensing
3787	authority. A responsible vendor designation is valid for two (2)
3788	years from the date of issuance.

- 3789 (b) Successful completion of an approved training
  3790 program is achieved when the program has been attended by and, as
  3791 determined by the program provider, satisfactorily completed by
  3792 all employees selling and handling retail marijuana, all managers,
  3793 and all resident on-site owners, if any.
  - (c) In order to maintain the responsible vendor designation, the licensed retail marijuana business must have each new employee who sells or handles retail marijuana, manager, or resident on-site owner attend and satisfactorily complete a responsible retail marijuana vendor server and seller training program within ninety (90) days after being employed or becoming an owner. The licensed retail marijuana business shall maintain documentation of completion of the program by new employees, managers, or owners.
  - (2) A licensed retail marijuana business that receives a responsible vendor designation from the program vendor shall maintain information on all persons licensed pursuant to this chapter who are in its employment and who have been trained in an

H. B. No. 615
24/HR26/R630
PAGE 154 (RF\kw)



approved training program. The information includes the date,

place, time, and duration of training and a list of all licensed

persons attending each specific training class, which class

includes a training examination or assessment that demonstrates

proficiency.

3812 (3) If a local or state licensing authority initiates an
3813 administrative action against a licensee who has complied with the
3814 requirements of this section and has been designated a responsible
3815 vendor, the licensing authority shall consider the designation as
3816 a mitigating factor when imposing sanctions or penalties on the
3817 licensee.

3818 **SECTION 3.** Section 27-104-203, Mississippi Code of 1972, is amended as follows:

3820 27-104-203. From and after July 1, 2016, no state agency 3821 shall charge another state agency a fee, assessment, rent, audit 3822 fee, personnel fee or other charge for services or resources 3823 The provisions of this section shall not apply (a) to received. grants, contracts, pass-through funds, project fees or other 3824 3825 charges for services between state agencies and the Board of 3826 Trustees of State Institutions of Higher Learning, any public 3827 university, the Mississippi Community College Board, any public 3828 community or junior college, and the State Department of Education, nor (b) to charges for services between the Board of 3829 3830 Trustees of State Institutions of Higher Learning, any public university, the Mississippi Community College Board, any public 3831

H. B. No. 615
24/HR26/R630
PAGE 155 (RF\kw)



3832	community or junior college, and the State Department of
3833	Education, nor (c) to federal grants, pass-through funds, cost
3834	allocation charges, surplus property charges or project fees
3835	between state agencies as approved or determined by the State
3836	Fiscal Officer, nor (d) telecommunications, data center services,
3837	and/or other information technology services that are used on an
3838	as-needed basis and those costs shall be passed through to the
3839	using agency, nor (e) to federal grants, special funds, or
3840	pass-through funds, available for payment by state agencies to the
3841	Department of Finance and Administration related to Mississippi
3842	Management and Reporting Systems (MMRS) Statewide Application
3843	charges and utilities as approved or determined by the State
3844	Fiscal Officer, nor (f) to grants, contracts, pass-through funds,
3845	project fees or charges for services between the State Department
3846	of Health and the State Department of Revenue, and other state
3847	agencies or entities, including, but not limited to, the Board of
3848	Trustees of State Institutions of Higher Learning, any public
3849	university, the Mississippi Community College Board, any public
3850	community or junior college, and the State Department of
3851	Education, for the operation of the medical cannabis program as
3852	established by the Mississippi Medical Cannabis Act or the retail
3853	marijuana program as established by the Mississippi Retail
3854	Marijuana Act, nor (g) to charges between the Department of Human
3855	Services and the Department of Child Protection Services for
3856	services or resources received by either department from the

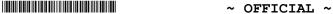
3857	other. The Board of Trustees of State Institutions of Higher
3858	Learning, any public university, the Mississippi Community College
3859	Board, any public community or junior college, and the State
3860	Department of Education shall retain the authority to charge and
3861	be charged for expenditures that they deemed nonrecurring in
3862	nature by the State Fiscal Officer.

- 3863 **SECTION 4.** Section 33-13-520, Mississippi Code of 1972, is amended as follows:
- 3865 33-13-520. Any person subject to this code who uses, (1) 3866 while on duty, any controlled substance listed in the Uniform 3867 Controlled Substances Law, not legally prescribed, or is found, by a chemical analysis of such person's blood or urine, to have in 3868 his blood, while on duty, any controlled substance described in 3869 3870 subsection (3), not legally prescribed, shall be punished as a 3871 court-martial may direct.
- 3872 (2) Any person subject to this code who wrongfully uses,
  3873 possesses, manufactures, distributes, imports into the customs
  3874 territory of the United States, exports from the United States, or
  3875 introduces into an installation, vessel, vehicle or aircraft used
  3876 by or under the control of the state military forces a substance
  3877 described in subsection (3) shall be punished as a court-martial
  3878 may direct.
- 3879 (3) The substances referred to in subsections (1) and (2) 3880 are the following:

3881	(a) Opium, heroin, cocaine, amphetamine, lysergic acid
3882	diethylamide, methamphetamine, phencyclidine, barbituric acid, and
3883	marijuana and any compound or derivative of any such substance.
3884	For the purposes of this paragraph (a), "marijuana" shall not
3885	include medical cannabis that is lawful under the Mississippi
3886	Medical Cannabis Act and in compliance with rules and regulations
3887	adopted thereunder or marijuana that is lawful under the
3888	Mississippi Retail Marijuana Act and in compliance with rules and
3889	regulations adopted thereunder.

- 3890 (b) Any substance not specified in paragraph (a) that
  3891 is listed on a schedule of controlled substance prescribed by the
  3892 President for the purposes of the federal Uniform Code of Military
  3893 Justice.
- 3894 (c) Any other substance not specified in paragraph (a)
  3895 or contained on a list prescribed by the President under paragraph
  3896 (b) that is listed in Schedules I through V of Section 202 of the
  3897 federal Controlled Substances Act (21 USCS 812).
- 3898 **SECTION 5.** Section 37-11-29, Mississippi Code of 1972, is amended as follows:
- 3900 37-11-29. (1) Any principal, teacher or other school
  3901 employee who has knowledge of any unlawful activity which occurred
  3902 on educational property or during a school related activity or
  3903 which may have occurred shall report such activity to the
  3904 superintendent of the school district or his designee who shall
  3905 notify the appropriate law enforcement officials as required by

H. B. No. 615
24/HR26/R630
PAGE 158 (RF\KW)



3906	this section.	In the e	event of an	emergency or	if the
3907	superintendent	or his d	lesignee is	unavailable,	any principal may
3908	make a report	required ·	under this	subsection.	

3909 (2) Whenever any person who shall be an enrolled student in 3910 any school or educational institution in this state supported in 3911 whole or in part by public funds, or who shall be an enrolled student in any private school or educational institution, is 3912 3913 arrested for, and lawfully charged with, the commission of any 3914 crime and convicted upon the charge for which he was arrested, or convicted of any crime charged against him after his arrest and 3915 3916 before trial, the office or law enforcement department of which the arresting officer is a member, and the justice court judge and 3917 3918 any circuit judge or court before whom such student is tried upon said charge or charges, shall make or cause to be made a report 3919 thereof to the superintendent or the president or chancellor, as 3920 3921 the case may be, of the school district or other educational institution in which such student is enrolled. 3922

If the charge upon which such student was arrested, or any other charges preferred against him are dismissed or nol prossed, or if upon trial he is either convicted or acquitted of such charge or charges, same shall be reported to said respective superintendent or president, or chancellor, as the case may be. A copy of said report shall be sent to the Secretary of the Board of Trustees of State Institutions of Higher Learning of the State of Mississippi, at Jackson, Mississippi.

H. B. No. 615
24/HR26/R630
PAGE 159 (RF\KW)

3923

3924

3925

3926

3927

3928

3929

3930



### ~ OFFICIAL ~

3931	Said report shall be made within one (1) week after the
3932	arrest of such student and within one (1) week after any charge
3933	placed against him is dismissed or nol prossed, and within one (1)
3934	week after he shall have pled guilty, been convicted, or have been
3935	acquitted by trial upon any charge placed against him. This
3936	section shall not apply to ordinary traffic violations involving a
3937	penalty of less than Fifty Dollars (\$50.00) and costs.

The State Superintendent of Public Education shall gather annually all of the reports provided under this section and prepare a report on the number of students arrested as a result of any unlawful activity which occurred on educational property or during a school related activity. All data must be disaggregated by race, ethnicity, gender, school, offense and law enforcement agency involved. However, the report prepared by the State Superintendent of Public Education shall not include the identity of any student who was arrested.

3947 On or before January 1 of each year, the State Superintendent of Public Education shall report to the Governor, the Lieutenant 3948 3949 Governor, the Speaker of the House of Representatives and the 3950 Joint PEER Committee on this section. The report must include 3951 data regarding arrests as a result of any unlawful activity which 3952 occurred on educational property or during a school related 3953 activity.

3954 When the superintendent or his designee has a reasonable belief that an act has occurred on educational property or during 3955

H. B. No. 615 24/HR26/R630 PAGE 160 (RF\KW)

3938

3939

3940

3941

3942

3943

3944

3945

3946



3956	a school related activity involving any of the offenses set forth
3957	in subsection (6) of this section, the superintendent or his
3958	designee shall immediately report the act to the appropriate local
3959	law enforcement agency. For purposes of this subsection, "school
3960	property" shall include any public school building, bus, public
3961	school campus, grounds, recreational area or athletic field in the
3962	charge of the superintendent. The State Board of Education shall
3963	prescribe a form for making reports required under this
3964	subsection. Any superintendent or his designee who fails to make
3965	a report required by this section shall be subject to the
3966	penalties provided in Section 37-11-35.

- 3967 (4) The law enforcement authority shall immediately dispatch an officer to the educational institution and with probable cause the officer is authorized to make an arrest if necessary as provided in Section 99-3-7.
- 3971 (5) Any superintendent, principal, teacher or other school
  3972 personnel participating in the making of a required report
  3973 pursuant to this section or participating in any judicial
  3974 proceeding resulting therefrom shall be presumed to be acting in
  3975 good faith. Any person reporting in good faith shall be immune
  3976 from any civil liability that might otherwise be incurred or
  3977 imposed.
- 3978 (6) For purposes of this section, "unlawful activity" means 3979 any of the following:

3980	(a) Possession or use of a deadly weapon, as defined in
3981	Section 97-37-1;
3982	(b) Possession, sale or use of any controlled
3983	substance;
3984	(c) Aggravated assault, as defined in Section 97-3-7;
3985	(d) Simple assault, as defined in Section 97-3-7, upon
3986	any school employee;
3987	(e) Rape, as defined under Mississippi law;
3988	(f) Sexual battery, as defined under Mississippi law;
3989	(g) Murder, as defined under Mississippi law;
3990	(h) Kidnapping, as defined under Mississippi law; or
3991	(i) Fondling, touching, handling, etc., a child for
3992	lustful purposes, as defined in Section 97-5-23.
3993	For the purposes of this subsection (6), the term "controlled
3994	substance" does not include the possession or use of medical
3995	cannabis that is lawful under the Mississippi Medical Cannabis Act
3996	and in compliance with rules and regulations adopted thereunder $\underline{\text{or}}$
3997	the possession or use of marijuana that is lawful under the
3998	Mississippi Retail Marijuana Act and in compliance with rules and
3999	regulations adopted thereunder.
4000	SECTION 6. Section 41-29-125, Mississippi Code of 1972, is
4001	amended as follows:
4002	41-29-125. (1) The State Board of Pharmacy may promulgate
4003	rules and regulations relating to the registration and control of
4004	the manufacture, distribution and dispensing of controlled

marijuana.

H. B. No. 615

24/HR26/R630 PAGE 162 (RF\KW) ~ OFFICIAL ~

4005	substances within this state and the distribution and dispensing
4006	of controlled substances into this state from an out-of-state
4007	location.

- 4008 Every person who manufactures, distributes or (a) 4009 dispenses any controlled substance within this state or who 4010 distributes or dispenses any controlled substance into this state from an out-of-state location, or who proposes to engage in the 4011 4012 manufacture, distribution or dispensing of any controlled 4013 substance within this state or the distribution or dispensing of 4014 any controlled substance into this state from an out-of-state 4015 location, must obtain a registration issued by the State Board of Pharmacy, the State Board of Medical Licensure, the State Board of 4016 4017 Dental Examiners, the Mississippi Board of Nursing or the Mississippi Board of Veterinary Medicine, as appropriate, in 4018 accordance with its rules and the law of this state. Such 4019 4020 registration shall be obtained annually or biennially, as 4021 specified by the issuing board, and a reasonable fee may be charged by the issuing board for such registration. 4022
- 4023 (b) Persons registered by the State Board of Pharmacy,
  4024 with the consent of the United States Drug Enforcement
  4025 Administration and the State Board of Medical Licensure, the State
  4026 Board of Dental Examiners, the Mississippi Board of Nursing or the
  4027 Mississippi Board of Veterinary Medicine to manufacture,
  4028 distribute, dispense or conduct research with controlled
  4029 substances may possess, manufacture, distribute, dispense or

H. B. No. 615
24/HR26/R630
PAGE 163 (RF\KW)



4030	conduct research with those substances to the extent authorized by
4031	their registration and in conformity with the other provisions of
4032	this article.
4033	(c) The following persons need not register and may
4034	lawfully possess controlled substances under this article:
4035	* * * (i) An agent or employee of any registered
4036	manufacturer, distributor or dispenser of any controlled substance
4037	if he is acting in the usual course of his business or employment;
4038	* * * (ii) A common or contract carrier or
4039	warehouse, or an employee thereof, whose possession of any
4040	controlled substance is in the usual course of business or
4041	employment;
4042	* * *(iii) An ultimate user or a person in
4043	possession of any controlled substance pursuant to a valid
4044	prescription or in lawful possession of a Schedule V substance as
4045	defined in Section 41-29-121.
4046	(d) The State Board of Pharmacy may waive by rule the
4047	requirement for registration of certain manufacturers,
4048	distributors or dispensers if it finds it consistent with the
4049	public health and safety.
4050	(e) A separate registration is required at each
4051	principal place of business or professional practice where an
4052	applicant within the state manufactures, distributes or dispenses
4053	controlled substances and for each principal place of business or

4054 professional practice located out-of-state from which controlled 4055 substances are distributed or dispensed into the state.

- of Narcotics, the State Board of Medical Licensure, the State
  Board of Dental Examiners, the Mississippi Board of Nursing and
  the Mississippi Board of Veterinary Medicine may inspect the
  establishment of a registrant or applicant for registration in
  accordance with the regulations of these agencies as approved by
  the board.
- Schedule II controlled substance listed in Section 41-29-115 to a private residence in this state, the pharmacy shall arrange with the entity that will actually deliver the controlled substance to a recipient in this state that the entity will: (a) deliver the controlled substance only to a person who is eighteen (18) years of age or older; and (b) obtain the signature of that person before delivering the controlled substance. The requirements of this subsection shall not apply to a pharmacy serving a nursing facility or to a pharmacy owned and/or operated by a hospital, nursing facility or clinic to which the general public does not have access to purchase pharmaceuticals on a retail basis.
- (3) This section does not apply to any of the actions that are lawful under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder or any of the actions that are lawful under the Mississippi Retail Marijuana

	1
the	ereunder.
	SECTION 7. Section 41-29-127, Mississippi Code of 1972, is
ame	ended as follows:
	41-29-127. (a) The State Board of Pharmacy shall register
an	applicant to manufacture or distribute controlled substances
inc	cluded in Sections 41-29-113 through 41-29-121 unless it
det	ermines that the issuance of that registration would be
inc	consistent with the public interest. In determining the public
int	erest, the State Board of Pharmacy shall consider the following
fac	ctors:
	(1) Maintenance of effective controls against diversion
of	controlled substances into other than legitimate medical,
sci	entific, or industrial channels;
	(2) Compliance with applicable state and local law;
	(3) Any convictions of the applicant under any federal
and	l state laws relating to any controlled substance;
	(4) Past experience in the manufacture or distribution
of	controlled substances and the existence in the applicant's
est	ablishment of effective controls against diversion;
	(5) Furnishing by the applicant of false or fraudulent
mat	erial in any application filed under this article;
	(6) Suspension or revocation of the applicant's federal
rac	ristration to manufacture, distribute, or dispense controlled

H. B. No. 615 24/HR26/R630 PAGE 166 (RF\KW)

4103

substances as authorized by federal law; and

4104		(	(7) An <u>y</u>	y oth	er fac	tors r	elevant	to	and	consistent	with
4105	the p	oublic	health	and	safety	•					

- 4106 (b) Registration under subsection (a) does not entitle a
  4107 registrant to manufacture and distribute controlled substances in
  4108 Schedule I or II, as set out in Sections 41-29-113 and 41-29-115,
  4109 other than those specified in the registration.
- 4110 Practitioners must be registered to dispense any controlled substances or to conduct research with controlled 4111 4112 substances in Schedules II through V, as set out in Sections 41-29-115 through 41-29-121, if they are authorized to dispense or 4113 conduct research under the law of this state. The State Board of 4114 4115 Pharmacy need not require separate registration under this section 4116 for practitioners engaging in research with nonnarcotic controlled substances in the said Schedules II through V where the registrant 4117 4118 is already registered therein in another capacity. Practitioners 4119 registered under federal law to conduct research with Schedule I 4120 substances, as set out in Section 41-29-113, may conduct research with Schedule I substances within this state upon furnishing the 4121 4122 State Board of Health evidence of that federal registration.
  - (d) Compliance by manufacturers and distributors with the provisions of the federal law respecting registration (excluding fees) entitles them to be registered under this article.
- 4126 (e) This section does not apply to any of the actions that
  4127 are lawful under the Mississippi Medical Cannabis Act and in
  4128 compliance with rules and regulations adopted thereunder or any of

4123

4124

4125



4129	the	actions	that	are	lawful	under	the	Mississippi	Retail	Marii	uana
	0110	G C T C 11 C	CIIC	$\alpha \pm c$	<b></b>	GII G C I	0110	11200202702	1100411		aarra

- 4130 Act and in compliance with rules and regulations adopted
- 4131 thereunder.
- 4132 **SECTION 8.** Section 41-29-136, Mississippi Code of 1972, is
- 4133 amended as follows:
- 4134 41-29-136. (1) "CBD solution" means a pharmaceutical
- 4135 preparation consisting of processed cannabis plant extract in oil
- 4136 or other suitable vehicle.
- 4137 (2) (a) CBD solution prepared from (i) cannabis plant
- 4138 extract that is provided by the National Center for Natural
- 4139 Products Research at the University of Mississippi under
- 4140 appropriate federal and state regulatory approvals, or (ii)
- 4141 cannabis extract from hemp produced pursuant to Sections 69-25-201
- 4142 through 69-25-221, which is prepared and tested to meet compliance
- 4143 with regulatory specifications, may be dispensed by the Department
- 4144 of Pharmacy Services at the University of Mississippi Medical
- 4145 Center (UMMC Pharmacy) after mixing the extract with a suitable
- 4146 vehicle. The CBD solution may be prepared by the UMMC Pharmacy or
- 4147 by another pharmacy or laboratory in the state under appropriate
- 4148 federal and state regulatory approvals and registrations.
- 4149 (b) The patient or the patient's parent, quardian or
- 4150 custodian must execute a hold-harmless agreement that releases
- 4151 from liability the state and any division, agency, institution or
- 4152 employee thereof involved in the research, cultivation,
- 4153 processing, formulating, dispensing, prescribing or administration

H. B. No. 615
24/HR26/R630
PAGE 168 (RF\KW)



4154	of CBD solution obtained from entities authorized under this
4155	section to produce or possess cannabidiol for research under
4156	appropriate federal and state regulatory approvals and
4157	registrations.

- 4158 (c) The National Center for Natural Products Research
  4159 at the University of Mississippi and the Mississippi Agricultural
  4160 and Forestry Experiment Station at Mississippi State University
  4161 are the only entities authorized to produce cannabis plants for
  4162 cannabidiol research.
- 4163 (d) Research of CBD solution under this section must 4164 comply with the provisions of Section 41-29-125 regarding lawful possession of controlled substances, of Section 41-29-137 4165 4166 regarding record-keeping requirements relative to the dispensing, use or administration of controlled substances, and of Section 4167 4168 41-29-133 regarding inventory requirements, insofar as they are 4169 applicable. Authorized entities may enter into public-private 4170 partnerships to facilitate research.
- 4171 (3) (a) In a prosecution for the unlawful possession of 4172 marijuana under the laws of this state, it is an affirmative and 4173 complete defense to prosecution that:
- 4174 (i) The defendant suffered from a debilitating
  4175 epileptic condition or related illness and the use or possession
  4176 of CBD solution was pursuant to the order of a physician as
  4177 authorized under this section; or

4178	(ii) The defendant is the parent, guardian or
4179	custodian of an individual who suffered from a debilitating
4180	epileptic condition or related illness and the use or possession
4181	of CBD solution was pursuant to the order of a physician as
4182	authorized under this section.

- (b) An agency of this state or a political subdivision
  thereof, including any law enforcement agency, may not initiate
  proceedings to remove a child from the home based solely upon the
  possession or use of CBD solution by the child or parent, guardian
  or custodian of the child as authorized under this section.
- 4188 (c) An employee of the state or any division, agency, institution thereof involved in the research, cultivation, 4189 4190 processing, formulation, dispensing, prescribing or administration 4191 of CBD solution shall not be subject to prosecution for unlawful possession, use, distribution or prescription of marijuana under 4192 4193 the laws of this state for activities arising from or related to 4194 the use of CBD solution in the treatment of individuals diagnosed with a debilitating epileptic condition. 4195
- 4196 (4) This section does not apply to any of the actions that
  4197 are lawful under the Mississippi Medical Cannabis Act and in
  4198 compliance with rules and regulations adopted thereunder or any of
  4199 the actions that are lawful under the Mississippi Retail Marijuana
  4200 Act and in compliance with rules and regulations adopted
  4201 thereunder.
- 4202 (5) This section shall be known as "Harper Grace's Law."

H. B. No. 615
24/HR26/R630
PAGE 170 (RF\kw)



4203		(6)	This	section	shall	stand	repealed	from	and	after	July	1,
4204	2024.											

- 4205 **SECTION 9.** Section 41-29-137, Mississippi Code of 1972, is 4206 amended as follows:
- 4207 41-29-137. (a) (1)Except when dispensed directly by a 4208 practitioner, other than a pharmacy, to an ultimate user, no 4209 controlled substance in Schedule II, as set out in Section 4210 41-29-115, may be dispensed without the written valid prescription 4211 of a practitioner. A practitioner shall keep a record of all controlled substances in Schedule I, II and III administered, 4212 4213 dispensed or professionally used by him otherwise than by 4214 prescription.
- 4215 (2) In emergency situations, as defined by rule of the
  4216 State Board of Pharmacy, Schedule II drugs may be dispensed upon
  4217 the oral valid prescription of a practitioner, reduced promptly to
  4218 writing and filed by the pharmacy. Prescriptions shall be
  4219 retained in conformity with the requirements of Section 41-29-133.
  4220 No prescription for a Schedule II substance may be refilled unless
  4221 renewed by prescription issued by a licensed medical doctor.
- than a pharmacy, to an ultimate user, a controlled substance included in Schedule III or IV, as set out in Sections 41-29-117 and 41-29-119, shall not be dispensed without a written or oral valid prescription of a practitioner. The prescription shall not be filled or refilled more than six (6) months after the date

H. B. No. 615
24/HR26/R630
PAGE 171 (RF\KW)



4228	thereof	or 1	be	refilled	more	than	five	(5)	times,	unless	renewed	bу
4229	the prac	ctit	ior	ner.								

- 4230 (c) A controlled substance included in Schedule V, as set 4231 out in Section 41-29-121, shall not be distributed or dispensed 4232 other than for a medical purpose.
- 4233 (d) An optometrist certified to prescribe and use
  4234 therapeutic pharmaceutical agents under Sections 73-19-153 through
  4235 73-19-165 shall have the prescriptive authority granted in Section
  4236 73-19-157.
- 4237 (e) Administration by injection of any pharmaceutical 4238 product authorized in this section is expressly prohibited except 4239 when dispensed directly by a practitioner other than a pharmacy.
- (f) (1) For the purposes of this article, Title 73, Chapter 21, and Title 73, Chapter 25, Mississippi Code of 1972, as it pertains to prescriptions for controlled substances, a "valid prescription" means a prescription that is issued for a legitimate medical purpose in the usual course of professional practice by:
- 4245 (A) A practitioner who has conducted at least one
  4246 (1) in-person medical evaluation of the patient, except as
  4247 otherwise authorized by Section 41-29-137.1; or
- 4248 (B) A covering practitioner.
- 4249 (2) (A) "In-person medical evaluation" means a medical 4250 evaluation that is conducted with the patient in the physical 4251 presence of the practitioner, without regard to whether portions 4252 of the evaluation are conducted by other health professionals.

H. B. No. 615
24/HR26/R630
PAGE 172 (RF\KW)



1253	(B) "Covering practitioner" means a practitioner
1254	who conducts a medical evaluation other than an in-person medical
1255	evaluation at the request of a practitioner who has conducted at
1256	least one (1) in-person medical evaluation of the patient or an
1257	evaluation of the patient through the practice of telemedicine
1258	within the previous twenty-four (24) months and who is temporarily
1259	unavailable to conduct the evaluation of the patient.
1000	(2) 7

- 4260 (3) A prescription for a controlled substance based 4261 solely on a consumer's completion of an online medical 4262 questionnaire is not a valid prescription.
- 4263 (4) Nothing in this subsection (f) shall apply to:
- 4264 (A) A prescription issued by a practitioner
  4265 engaged in the practice of telemedicine as authorized under state
  4266 or federal law; or
- 4267 (B) The dispensing or selling of a controlled 4268 substance pursuant to practices as determined by the United States 4269 Attorney General by regulation.
- 4270 (g) This section does not apply to any of the actions that
  4271 are lawful under the Mississippi Medical Cannabis Act and in
  4272 compliance with rules and regulations adopted thereunder or any of
  4273 the actions that are lawful under the Mississippi Retail Marijuana
- 4274 Act and in compliance with rules and regulations adopted
- 4275 <u>thereunder</u>.
- 4276 **SECTION 10.** Section 41-29-139, Mississippi Code of 1972, is 4277 amended as follows:

H. B. No. 615
24/HR26/R630
PAGE 173 (RF\KW)



4278	41-29-139. (a) Transfer and possession with intent to
4279	transfer. Except as authorized by this article, it is unlawful
4280	for any person knowingly or intentionally:
4281	(1) To sell, barter, transfer, manufacture, distribute,
4282	dispense or possess with intent to sell, barter, transfer,
4283	manufacture, distribute or dispense, a controlled substance; or
4284	(2) To create, sell, barter, transfer, distribute,
4285	dispense or possess with intent to create, sell, barter, transfer,
4286	distribute or dispense, a counterfeit substance.
4287	(b) Punishment for transfer and possession with intent to
4288	transfer. Except as otherwise provided in Section 41-29-142, any
4289	person who violates subsection (a) of this section shall be, if
4290	convicted, sentenced as follows:
4291	(1) For controlled substances classified in Schedule I
4292	or II, as set out in Sections 41-29-113 and 41-29-115, other than
4293	marijuana or synthetic cannabinoids:
4294	(A) If less than two (2) grams or ten (10) dosage
4295	units, by imprisonment for not more than eight (8) years or a fine
4296	of not more than Fifty Thousand Dollars (\$50,000.00), or both.
4297	(B) If two (2) or more grams or ten (10) or more
4298	dosage units, but less than ten (10) grams or twenty (20) dosage
4299	units, by imprisonment for not less than three (3) years nor more
4300	than twenty (20) years or a fine of not more than Two Hundred
4301	Fifty Thousand Dollars (\$250,000.00), or both.

4302	(C) If ten (10) or more grams or twenty (20) or
4303	more dosage units, but less than thirty (30) grams or forty (40)
4304	dosage units, by imprisonment for not less than five (5) years nor
4305	more than thirty (30) years or a fine of not more than Five
4306	Hundred Thousand Dollars (\$500,000.00), or both.
4307	(2) (A) For marijuana:
4308	1. If thirty (30) grams or less, by
4309	imprisonment for not more than three (3) years or a fine of not
4310	more than Three Thousand Dollars (\$3,000.00), or both;
4311	2. If more than thirty (30) grams but less
4312	than two hundred fifty (250) grams, by imprisonment for not more
4313	than five (5) years or a fine of not more than Five Thousand
4314	Dollars (\$5,000.00), or both;
4315	3. If two hundred fifty (250) or more grams
4316	but less than five hundred (500) grams, by imprisonment for not
4317	less than three (3) years nor more than ten (10) years or a fine
4318	of not more than Fifteen Thousand Dollars (\$15,000.00), or both;
4319	4. If five hundred (500) or more grams but
4320	less than one (1) kilogram, by imprisonment for not less than five
4321	(5) years nor more than twenty (20) years or a fine of not more
4322	than Twenty Thousand Dollars (\$20,000.00), or both.
4323	(B) For synthetic cannabinoids:
4324	1. If ten (10) grams or less, by imprisonment
4325	for not more than three (3) years or a fine of not more than Three

H. B. No. 615 24/HR26/R630 PAGE 175 (RF\KW)

4326

# 

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

4327	2. If more than ten (10) grams but less than
4328	twenty (20) grams, by imprisonment for not more than five (5)
4329	years or a fine of not more than Five Thousand Dollars
4330	(\$5,000.00), or both;
4331	3. If twenty (20) or more grams but less than
4332	forty (40) grams, by imprisonment for not less than three (3)
4333	years nor more than ten (10) years or a fine of not more than
4334	Fifteen Thousand Dollars (\$15,000.00), or both;
4335	4. If forty (40) or more grams but less than
4336	two hundred (200) grams, by imprisonment for not less than five
4337	(5) years nor more than twenty (20) years or a fine of not more
4338	than Twenty Thousand Dollars (\$20,000.00), or both.
4339	(3) For controlled substances classified in Schedules
4340	III and IV, as set out in Sections 41-29-117 and 41-29-119:
4341	(A) If less than two (2) grams or ten (10) dosage
4342	units, by imprisonment for not more than five (5) years or a fine
4343	of not more than Five Thousand Dollars (\$5,000.00), or both;
4344	(B) If two (2) or more grams or ten (10) or more
4345	dosage units, but less than ten (10) grams or twenty (20) dosage
4346	units, by imprisonment for not more than eight (8) years or a fine
4347	of not more than Fifty Thousand Dollars (\$50,000.00), or both;
4348	(C) If ten (10) or more grams or twenty (20) or
4349	more dosage units, but less than thirty (30) grams or forty (40)
4350	dosage units, by imprisonment for not more than fifteen (15) years

or a fine of not more than One Hundred Thousand Dollars
(\$100,000.00), or both;
(D) If thirty (30) or more grams or forty (40) or
more dosage units, but less than five hundred (500) grams or two
thousand five hundred (2,500) dosage units, by imprisonment for
not more than twenty (20) years or a fine of not more than Two
Hundred Fifty Thousand Dollars (\$250,000.00), or both.
(4) For controlled substances classified in Schedule V,
as set out in Section 41-29-121:
(A) If less than two (2) grams or ten (10) dosage
units, by imprisonment for not more than one (1) year or a fine of
not more than Five Thousand Dollars (\$5,000.00), or both;
(B) If two (2) or more grams or ten (10) or more
dosage units, but less than ten (10) grams or twenty (20) dosage
units, by imprisonment for not more than five (5) years or a fine
of not more than Ten Thousand Dollars (\$10,000.00), or both;
(C) If ten (10) or more grams or twenty (20) or
more dosage units, but less than thirty (30) grams or forty (40)
dosage units, by imprisonment for not more than ten (10) years or
a fine of not more than Twenty Thousand Dollars (\$20,000.00), or
both;
(D) For thirty (30) or more grams or forty (40) or
more dosage units, but less than five hundred (500) grams or two

4374 thousand five hundred (2,500) dosage units, by imprisonment for

4375	not more	than	fifteen	(15)	years	or	а	fine	of	not	more	than	Fifty
4376	Thousand	Dolla	ars (\$50,	000.	00), 01	c bo	oth	ı.					

4377	(c) Simple possession. Except as otherwise provided under
4378	subsection (i) of this section for actions that are lawful under
4379	the Mississippi Medical Cannabis Act and in compliance with rules
4380	and regulations adopted thereunder or actions that are lawful
4381	under the Mississippi Retail Marijuana Act and in compliance with
4382	rules and regulations adopted thereunder, it is unlawful for any
4383	person knowingly or intentionally to possess any controlled
4384	substance unless the substance was obtained directly from, or
4385	pursuant to, a valid prescription or order of a practitioner while
4386	acting in the course of his professional practice, or except as
4387	otherwise authorized by this article. The penalties for any
4388	violation of this subsection (c) with respect to a controlled
4389	substance classified in Schedules I, II, III, IV or V, as set out
4390	in Section 41-29-113, 41-29-115, 41-29-117, 41-29-119 or
4391	41-29-121, including marijuana or synthetic cannabinoids, shall be
4392	based on dosage unit as defined herein or the weight of the
4393	controlled substance as set forth herein as appropriate:
4394	"Dosage unit (d.u.)" means a tablet or capsule, or in the

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

4399	For any controlled substance that does not fall within the
4400	definition of the term "dosage unit," the penalties shall be based
4401	upon the weight of the controlled substance.
4402	The weight set forth refers to the entire weight of any
4403	mixture or substance containing a detectable amount of the
4404	controlled substance.
4405	If a mixture or substance contains more than one (1)
4406	controlled substance, the weight of the mixture or substance is
4407	assigned to the controlled substance that results in the greater
4408	punishment.
4409	A person shall be charged and sentenced as follows for a
4410	violation of this subsection with respect to:
4411	(1) A controlled substance classified in Schedule I or
4412	II, except marijuana and synthetic cannabinoids:
4413	(A) If less than one-tenth (0.1) gram or two (2)
4414	dosage units, the violation is a misdemeanor and punishable by
4415	imprisonment for not more than one (1) year or a fine of not more
4416	than One Thousand Dollars (\$1,000.00), or both.
4417	(B) If one-tenth $(0.1)$ gram or more or two $(2)$ or
4418	more dosage units, but less than two (2) grams or ten (10) dosage
4419	units, by imprisonment for not more than three (3) years or a fine
4420	of not more than Fifty Thousand Dollars (\$50,000.00), or both.
4421	(C) If two (2) or more grams or ten (10) or more
4422	dosage units, but less than ten (10) grams or twenty (20) dosage
4423	units, by imprisonment for not more than eight (8) years or a fine

H. B. No. 615
24/HR26/R630
PAGE 179 (RF\KW)

~ OFFICIAL ~

of not more than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both.

4426 (D) If ten (10) or more grams or twenty (20) or
4427 more dosage units, but less than thirty (30) grams or forty (40)
4428 dosage units, by imprisonment for not less than three (3) years
4429 nor more than twenty (20) years or a fine of not more than Five
4430 Hundred Thousand Dollars (\$500,000.00), or both.

(2) (A) Marijuana and synthetic cannabinoids:

If thirty (30) grams or less of marijuana or ten (10) grams or less of synthetic cannabinoids, by a fine of not less than One Hundred Dollars (\$100.00) nor more than Two Hundred Fifty Dollars (\$250.00). The provisions of this paragraph (2) (A) may be enforceable by summons if the offender provides proof of identity satisfactory to the arresting officer and gives written promise to appear in court satisfactory to the arresting officer, as directed by the summons. A second conviction under this section within two (2) years is a misdemeanor punishable by a fine of Two Hundred Fifty Dollars (\$250.00), not more than sixty (60) days in the county jail, and mandatory participation in a drug education program approved by the Division of Alcohol and Drug Abuse of the State Department of Mental Health, unless the court enters a written finding that a drug education program is inappropriate. A third or subsequent conviction under this paragraph (2) (A) within two (2) years is a misdemeanor punishable by a fine of not less than Two Hundred Fifty Dollars (\$250.00) nor

4431

4432

4433

4434

4435

4436

4437

4438

4439

4440

4441

4442

4443

4444

4445

4446

4447

4448

4449	more	than	One	Thou	sand	Dolla	ars	(\$1,0	00.	00)	and	confinement	for	not
4450	more	than	six	(6)	month	s in	the	coun	tv	iail				

4451 Upon a first or second conviction under this paragraph 4452 (2)(A), the courts shall forward a report of the conviction to the 4453 Mississippi Bureau of Narcotics which shall make and maintain a 4454 private, nonpublic record for a period not to exceed two (2) years 4455 from the date of conviction. The private, nonpublic record shall 4456 be solely for the use of the courts in determining the penalties 4457 which attach upon conviction under this paragraph (2)(A) and shall 4458 not constitute a criminal record for the purpose of private or 4459 administrative inquiry and the record of each conviction shall be 4460 expunged at the end of the period of two (2) years following the 4461 date of such conviction;

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

4462

4463

4464

4465

4466

4467

4468

4469

4470

4471

4472

4474	trunk. A utility or glove compartment shall be deemed to be
4475	within the area occupied by the driver and passengers.
4476	(B) Marijuana:
4477	1. If more than thirty (30) grams but less
4478	than two hundred fifty (250) grams, by a fine of not more than One
4479	Thousand Dollars (\$1,000.00), or confinement in the county jail
4480	for not more than one (1) year, or both; or by a fine of not more
4481	than Three Thousand Dollars (\$3,000.00), or imprisonment in the
4482	custody of the Department of Corrections for not more than three
4483	(3) years, or both;
4484	2. If two hundred fifty (250) or more grams
4485	but less than five hundred (500) grams, by imprisonment for not
4486	less than two (2) years nor more than eight (8) years or by a fine
4487	of not more than Fifty Thousand Dollars (\$50,000.00), or both;
4488	3. If five hundred (500) or more grams but
4489	less than one (1) kilogram, by imprisonment for not less than four
4490	(4) years nor more than sixteen (16) years or a fine of not more
4491	than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both;
4492	4. If one (1) kilogram or more but less than
4493	five (5) kilograms, by imprisonment for not less than six (6)
4494	years nor more than twenty-four (24) years or a fine of not more
4495	than Five Hundred Thousand Dollars (\$500,000.00), or both;
4496	5. If five (5) kilograms or more, by

imprisonment for not less than ten (10) years nor more than thirty

4498	(30)	years	or	а	fine	of	not	more	than	One	Million	Dollars

- 4499 (\$1,000,000.00), or both.
- 4500 (C) Synthetic cannabinoids:
- 4501 1. If more than ten (10) grams but less than
- 4502 twenty (20) grams, by a fine of not more than One Thousand Dollars
- 4503 (\$1,000.00), or confinement in the county jail for not more than
- 4504 one (1) year, or both; or by a fine of not more than Three
- 4505 Thousand Dollars (\$3,000.00), or imprisonment in the custody of
- 4506 the Department of Corrections for not more than three (3) years,
- 4507 or both;
- 4508 2. If twenty (20) or more grams but less than
- 4509 forty (40) grams, by imprisonment for not less than two (2) years
- 4510 nor more than eight (8) years or by a fine of not more than Fifty
- 4511 Thousand Dollars (\$50,000.00), or both;
- 4512 3. If forty (40) or more grams but less than
- 4513 two hundred (200) grams, by imprisonment for not less than four
- 4514 (4) years nor more than sixteen (16) years or a fine of not more
- 4515 than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both;
- 4516 4. If two hundred (200) or more grams, by
- 4517 imprisonment for not less than six (6) years nor more than
- 4518 twenty-four (24) years or a fine of not more than Five Hundred
- 4519 Thousand Dollars (\$500,000.00), or both.
- 4520 (3) A controlled substance classified in Schedule III,
- 4521 IV or V as set out in Sections 41-29-117 through 41-29-121, upon
- 4522 conviction, may be punished as follows:

4523	(A) If less than fifty (50) grams or less than one
4524	hundred (100) dosage units, the offense is a misdemeanor and
4525	punishable by not more than one (1) year or a fine of not more
4526	than One Thousand Dollars (\$1,000.00), or both.
4527	(B) If fifty (50) or more grams or one hundred
4528	(100) or more dosage units, but less than one hundred fifty (150)
4529	grams or five hundred (500) dosage units, by imprisonment for not
4530	less than one (1) year nor more than four (4) years or a fine of
4531	not more than Ten Thousand Dollars (\$10,000.00), or both.
4532	(C) If one hundred fifty (150) or more grams or
4533	five hundred (500) or more dosage units, but less than three
4534	hundred (300) grams or one thousand (1,000) dosage units, by
4535	imprisonment for not less than two (2) years nor more than eight
4536	(8) years or a fine of not more than Fifty Thousand Dollars
4537	(\$50,000.00), or both.
4538	(D) If three hundred (300) or more grams or one
4539	thousand (1,000) or more dosage units, but less than five hundred
4540	(500) grams or two thousand five hundred (2,500) dosage units, by
4541	imprisonment for not less than four (4) years nor more than
4542	sixteen (16) years or a fine of not more than Two Hundred Fifty
4543	Thousand Dollars (\$250,000.00), or both.
4544	(d) Paraphernalia. (1) Except as otherwise provided under
4545	subsection (i) of this section for actions that are lawful under
4546	the Mississippi Medical Cannabis Act and in compliance with rules
4547	and regulations adopted thereunder or actions that are lawful

4548	under the Mississippi Retail Marijuana Act and in compliance with
4549	rules and regulations adopted thereunder, it is unlawful for a
4550	person who is not authorized by the State Board of Medical
4551	Licensure, State Board of Pharmacy, or other lawful authority to
4552	use, or to possess with intent to use, paraphernalia to plant,
4553	propagate, cultivate, grow, harvest, manufacture, compound,
4554	convert, produce, process, prepare, test, analyze, pack, repack,
4555	store, contain, conceal, inject, ingest, inhale or otherwise
4556	introduce into the human body a controlled substance in violation
4557	of the Uniform Controlled Substances Law. Any person who violates
4558	this subsection (d)(1) is guilty of a misdemeanor and, upon
4559	conviction, may be confined in the county jail for not more than
4560	six (6) months, or fined not more than Five Hundred Dollars
4561	(\$500.00), or both; however, no person shall be charged with a
4562	violation of this subsection when such person is also charged with
4563	the possession of thirty (30) grams or less of marijuana under
4564	subsection (c)(2)(A) of this section.

4565 It is unlawful for any person to deliver, sell, (2) 4566 possess with intent to deliver or sell, or manufacture with intent 4567 to deliver or sell, paraphernalia, knowing, or under circumstances 4568 where one reasonably should know, that it will be used to plant, 4569 propagate, cultivate, grow, harvest, manufacture, compound, 4570 convert, produce, process, prepare, test, analyze, pack, repack, 4571 store, contain, conceal, inject, ingest, inhale, or otherwise 4572 introduce into the human body a controlled substance in violation

H. B. No. 615
24/HR26/R630
PAGE 185 (RF\KW)



## ~ OFFICIAL ~

of the Uniform Controlled Substances Law. Except as provided in subsection (d)(3), a person who violates this subsection (d)(2) is guilty of a misdemeanor and, upon conviction, may be confined in the county jail for not more than six (6) months, or fined not more than Five Hundred Dollars (\$500.00), or both.

- 4578 (3) Any person eighteen (18) years of age or over who
  4579 violates subsection (d)(2) of this section by delivering or
  4580 selling paraphernalia to a person under eighteen (18) years of age
  4581 who is at least three (3) years his junior is guilty of a
  4582 misdemeanor and, upon conviction, may be confined in the county
  4583 jail for not more than one (1) year, or fined not more than One
  4584 Thousand Dollars (\$1,000.00), or both.
  - (4) It is unlawful for any person to place in any newspaper, magazine, handbill, or other publication any advertisement, knowing, or under circumstances where one reasonably should know, that the purpose of the advertisement, in whole or in part, is to promote the sale of objects designed or intended for use as paraphernalia. Any person who violates this subsection is guilty of a misdemeanor and, upon conviction, may be confined in the county jail for not more than six (6) months, or fined not more than Five Hundred Dollars (\$500.00), or both.
  - (e) It shall be unlawful for any physician practicing medicine in this state to prescribe, dispense or administer any amphetamine or amphetamine-like anorectics and/or central nervous system stimulants classified in Schedule II, pursuant to Section

4585

4586

4587

4588

4589

4590

4591

4592

4593

4594

4595

4596



4598	41-29-115, for the exclusive treatment of obesity, weight control
4599	or weight loss. Any person who violates this subsection, upon
4600	conviction, is guilty of a misdemeanor and may be confined for a
4601	period not to exceed six (6) months, or fined not more than One
4602	Thousand Dollars (\$1,000.00), or both.
4603	(f) <b>Trafficking.</b> (1) Any person trafficking in controlled

- 4604 substances shall be guilty of a felony and, upon conviction, shall 4605 be imprisoned for a term of not less than ten (10) years nor more 4606 than forty (40) years and shall be fined not less than Five 4607 Thousand Dollars (\$5,000.00) nor more than One Million Dollars 4608 (\$1,000,000.00). The ten-year mandatory sentence shall not be 4609 The person shall not be eligible for reduced or suspended. 4610 probation or parole, the provisions of Sections 41-29-149, 4611 47-5-139, 47-7-3 and 47-7-33, to the contrary notwithstanding.
- 4612 (2) "Trafficking in controlled substances" as used 4613 herein means:
- 4614 (A) A violation of subsection (a) of this section 4615 involving thirty (30) or more grams or forty (40) or more dosage 4616 units of a Schedule I or II controlled substance except marijuana 4617 and synthetic cannabinoids;
- 4618 (B) A violation of subsection (a) of this section 4619 involving five hundred (500) or more grams or two thousand five 4620 hundred (2,500) or more dosage units of a Schedule III, IV or V 4621 controlled substance;

4622	(C) A violation of subsection (c) of this section
4623	involving thirty (30) or more grams or forty (40) or more dosage
4624	units of a Schedule I or II controlled substance except marijuana
4625	and synthetic cannabinoids;

- 4626 (D) A violation of subsection (c) of this section 4627 involving five hundred (500) or more grams or two thousand five 4628 hundred (2,500) or more dosage units of a Schedule III, IV or V 4629 controlled substance; or
- 4630 (E) A violation of subsection (a) of this section 4631 involving one (1) kilogram or more of marijuana or two hundred 4632 (200) grams or more of synthetic cannabinoids.
- 4633 Aggravated trafficking. Any person trafficking in (a) 4634 Schedule I or II controlled substances, except marijuana and synthetic cannabinoids, of two hundred (200) grams or more shall 4635 4636 be quilty of aggravated trafficking and, upon conviction, shall be 4637 sentenced to a term of not less than twenty-five (25) years nor 4638 more than life in prison and shall be fined not less than Five 4639 Thousand Dollars (\$5,000.00) nor more than One Million Dollars 4640 (\$1,000,000.00). The twenty-five-year sentence shall be a 4641 mandatory sentence and shall not be reduced or suspended. The 4642 person shall not be eliqible for probation or parole, the provisions of Sections 41-29-149, 47-5-139, 47-7-3 and 47-7-33, to 4643 4644 the contrary notwithstanding.
- 4645 (h) **Sentence mitigation**. (1) Notwithstanding any provision 4646 of this section, a person who has been convicted of an offense

H. B. No. 615
24/HR26/R630
PAGE 188 (RF\KW)



4647	under this section that requires the judge to impose a prison
4648	sentence which cannot be suspended or reduced and is ineligible
4649	for probation or parole may, at the discretion of the court,
4650	receive a sentence of imprisonment that is no less than
4651	twenty-five percent (25%) of the sentence prescribed by the
4652	applicable statute. In considering whether to apply the departure
4653	from the sentence prescribed, the court shall conclude that:
4654	(A) The offender was not a leader of the criminal
4655	enterprise;
4656	(B) The offender did not use violence or a weapon
4657	during the crime;
4658	(C) The offense did not result in a death or
4659	serious bodily injury of a person not a party to the criminal
4660	enterprise; and
4661	(D) The interests of justice are not served by the
4662	imposition of the prescribed mandatory sentence.
4663	The court may also consider whether information and
4664	assistance were furnished to a law enforcement agency, or its
4665	designee, which, in the opinion of the trial judge, objectively
4666	should or would have aided in the arrest or prosecution of others
4667	who violate this subsection. The accused shall have adequate
4668	opportunity to develop and make a record of all information and
4669	assistance so furnished.

4670	(2) If the court reduces the prescribed sentence
4671	pursuant to this subsection, it must specify on the record the
4672	circumstances warranting the departure.
4673	(i) This section does not apply to any of the actions that
4674	are lawful under the Mississippi Medical Cannabis Act and in
4675	compliance with rules and regulations adopted thereunder or
4676	actions that are lawful under the Mississippi Retail Marijuana Act
4677	and in compliance with rules and regulations adopted thereunder.
4678	SECTION 11. Section 41-29-141, Mississippi Code of 1972, is
4679	amended as follows:
4680	41-29-141. It is unlawful for any person:
4681	(1) Who is subject to Section 41-29-125 to distribute
4682	or dispense a controlled substance in violation of Section
4683	41-29-137;
4684	(2) Who is a registrant under Section 41-29-125 to
4685	manufacture a controlled substance not authorized by his
4686	registration, or to distribute or dispense a controlled substance
4687	not authorized by his registration to another registrant or other
4688	authorized person;
4689	(3) To refuse or fail to make, keep or furnish any
4690	record, notification, order form, statement, invoice or
4691	information required under this article;
4692	(4) To refuse a lawful entry into any premises for any

inspection authorized by this article; or

4694	(5) Knowingly to keep or maintain any store, shop,
4695	warehouse, dwelling, building, vehicle, boat, aircraft, or other
4696	structure or place, which is resorted to by persons using
4697	controlled substances in violation of this article for the purpose
4698	of using these substances, or which is used for keeping or selling
4699	them in violation of this article.
4700	Any person who violates this section shall, with respect to
4701	such violation, be subject to a civil penalty payable to the State
4702	of Mississippi of not more than Twenty-five Thousand Dollars
4703	(\$25,000.00).
4704	In addition to the civil penalty provided in the preceding
4705	paragraph, any person who knowingly or intentionally violates this
4706	section shall be guilty of a crime and upon conviction thereof may
4707	be confined for a period of not more than one (1) year or fined
4708	not more than One Thousand Dollars (\$1,000.00), or both.
4709	This section does not apply to any of the actions that are
4710	lawful under the Mississippi Medical Cannabis Act and in
4711	compliance with rules and regulations adopted thereunder $\underline{\text{or}}$
4712	actions that are lawful under the Mississippi Retail Marijuana Act
4713	and in compliance with rules and regulations adopted thereunder.
4714	SECTION 12. Section 41-29-143, Mississippi Code of 1972, is
4715	amended as follows:
4716	41-29-143. It is unlawful for any person knowingly or

4717 intentionally:

4718	(1) To distribute as a registrant a controlled
4719	substance classified in Schedule I or II, as set out in Sections
4720	41-29-113 and $41-29-115$ , except pursuant to an order form as
4721	required by Section 41-29-135;
4722	(2) To use in the course of the manufacture or
4723	distribution of a controlled substance a registration number which
4724	is fictitious, revoked, suspended, or issued to another person;
4725	(3) To furnish false or fraudulent material information
4726	in, or omit any material information from, any application,
4727	report, or other document required to be kept or filed under this
4728	article, or any record required to be kept by this article; or
4729	(4) To make, distribute, or possess any punch, die,
4730	plate, stone, or other thing designed to print, imprint, or
4731	reproduce the trademark, trade name, or other identifying mark,
4732	imprint or device of another or any likeness of any of the
4733	foregoing upon any drug or container or labeling thereof so as to
4734	render the drug a counterfeit substance.
4735	Any person who violates this section is guilty of a crime and
4736	upon conviction may be confined for not more than one (1) year or
4737	fined not more than One Thousand Dollars (\$1,000.00) or both.
4738	This section does not apply to any of the actions that are
4739	lawful under the Mississippi Medical Cannabis Act and in
4740	compliance with rules and regulations adopted thereunder or any of
4741	the actions that are lawful under the Mississippi Retail Marijuana

4742	Act and in compliance with rules and regulations adopted
4743	thereunder.
4744	SECTION 13. Section 59-23-7, Mississippi Code of 1972, is
4745	amended as follows:
4746	59-23-7. (1) It is unlawful for any person to operate a
4747	watercraft on the public waters of this state who:
4748	(a) Is under the influence of intoxicating liquor;
4749	(b) Is under the influence of any other substance which
4750	has impaired such person's ability to operate a watercraft; or
4751	(c) Has eight one-hundredths percent (.08%) or more by
4752	weight volume of alcohol in the person's blood based upon
4753	milligrams of alcohol per one hundred (100) cubic centimeters of
4754	blood as shown by a chemical analysis of such person's breath,
4755	blood or urine administered as authorized by this chapter.
4756	(2) (a) Upon conviction of any person for the first offense
4757	of violating subsection (1) of this section where chemical tests
4758	provided for under Section 59-23-5 were given, or where chemical
4759	test results are not available, such person shall be fined not
4760	less than Two Hundred Fifty Dollars (\$250.00) nor more than One
4761	Thousand Dollars (\$1,000.00), or imprisoned for not more than
4762	twenty-four (24) hours in jail, or both; and the court shall order
4763	such person to attend and complete a boating safety education
4764	course developed by the Department of Wildlife, Fisheries and

4765 Parks.

~ OFFICIAL ~

4766	(b) Upon any second conviction of any person violating
4767	subsection (1) of this section, the offenses being committed
4768	within a period of five (5) years, the person shall be fined not
4769	less than Six Hundred Dollars (\$600.00) nor more than One Thousand
4770	Dollars (\$1,000.00) and shall be imprisoned not less than
4771	forty-eight (48) consecutive hours nor more than one (1) year or
4772	sentenced to community service work for not less than ten (10)
4773	days nor more than one (1) year. The court shall order the person
4774	not to operate a watercraft for one (1) year.
4775	(c) For any third conviction of any person violating
4776	subsection (1) of this section, the offenses being committed
4777	within a period of five (5) years, the person shall be fined not
4778	less than Eight Hundred Dollars (\$800.00) nor more than One
4779	Thousand Dollars (\$1,000.00) and shall be imprisoned not less than
4780	thirty (30) days nor more than one (1) year. The court shall
4781	order the person not to operate a watercraft for two (2) years.
4782	(d) Any fourth or subsequent violation of subsection
4783	(1) of this section shall be a felony offense and, upon
4784	conviction, the offenses being committed within a period of five
4785	(5) years, the person shall be fined not less than Two Thousand
4786	Dollars (\$2,000.00) nor more than Five Thousand Dollars
4787	(\$5,000.00) and shall be imprisoned not less than ninety (90) days
4788	nor more than five (5) years in the custody of the Department of
4789	Corrections. The court shall order the person not to operate a
4790	watercraft for three (3) years.

H. B. No. 615 24/HR26/R630 PAGE 194 (RF\KW)

## ~ OFFICIAL ~

4791	(3) Any person convicted of operating any watercraft in
4792	violation of subsection (1) of this section where the person (a)
4793	refused a law enforcement officer's request to submit to a
4794	chemical test, or (b) was unconscious at the time of a chemical
4795	test and refused to consent to the introduction of the results of
4796	such test in any prosecution, shall be punished consistent with
4797	the penalties prescribed herein for persons submitting to the test
4798	and the court shall order the person not to operate a watercraft
4799	for the time periods specified in subsection (2) of this section.

- 4800 Any person who operates any watercraft in violation of the provisions of subsection (1) of this section and who in a 4801 4802 negligent manner causes the death of another or mutilates, 4803 disfigures, permanently disables or destroys the tongue, eye, lip, 4804 nose or any other member or limb of another shall, upon 4805 conviction, be quilty of a felony and shall be committed to the 4806 custody of the Department of Corrections for a period of time not 4807 to exceed ten (10) years.
  - (5) Upon conviction of any violation of subsection (1) of this section, the judge shall cause a copy of the citation and any other pertinent documents concerning the conviction to be sent immediately to the Mississippi Department of Wildlife, Fisheries and Parks and the Department of Marine Resources. A copy of the citation or other pertinent documents, having been attested as true and correct by the Director of the Mississippi Department of Wildlife, Fisheries and Parks, or his designee, or the Director of

4809

4810

4811

4812

4813

4814

4816	the Department of Marine Resources, or his designee, shall be
4817	sufficient proof of the conviction for purposes of determining the
4818	enhanced penalty for any subsequent convictions of violations of
4819	subsection (1) of this section.
4820	(6) The provisions of this section are fully applicable to
4821	any person who is under the influence of medical cannabis that is
4822	lawful under the Mississippi Medical Cannabis Act and in
4823	compliance with rules and regulations adopted thereunder $\underline{\text{or}}$
4824	marijuana that is lawful under the Mississippi Retail Marijuana
4825	Act and in compliance with rules and regulations adopted
4826	thereunder which has impaired the person's ability to operate a
4827	watercraft.
4828	SECTION 14. Section 63-11-30, Mississippi Code of 1972, is
4828 4829	SECTION 14. Section 63-11-30, Mississippi Code of 1972, is amended as follows:
4829	amended as follows:
4829 4830	amended as follows:  63-11-30. (1) It is unlawful for a person to drive or
4829 4830 4831	amended as follows:  63-11-30. (1) It is unlawful for a person to drive or otherwise operate a vehicle within this state if the person:
4829 4830 4831 4832	amended as follows:  63-11-30. (1) It is unlawful for a person to drive or otherwise operate a vehicle within this state if the person:  (a) Is under the influence of intoxicating liquor;
4829 4830 4831 4832 4833	amended as follows:  63-11-30. (1) It is unlawful for a person to drive or otherwise operate a vehicle within this state if the person:  (a) Is under the influence of intoxicating liquor;  (b) Is under the influence of any other substance that
4829 4830 4831 4832 4833 4834	amended as follows:  63-11-30. (1) It is unlawful for a person to drive or otherwise operate a vehicle within this state if the person:  (a) Is under the influence of intoxicating liquor;  (b) Is under the influence of any other substance that has impaired the person's ability to operate a motor vehicle;
4829 4830 4831 4832 4833 4834	amended as follows:  63-11-30. (1) It is unlawful for a person to drive or otherwise operate a vehicle within this state if the person:  (a) Is under the influence of intoxicating liquor;  (b) Is under the influence of any other substance that has impaired the person's ability to operate a motor vehicle;  (c) Is under the influence of any drug or controlled
4829 4830 4831 4832 4833 4834 4835 4836	amended as follows:  63-11-30. (1) It is unlawful for a person to drive or otherwise operate a vehicle within this state if the person:  (a) Is under the influence of intoxicating liquor;  (b) Is under the influence of any other substance that has impaired the person's ability to operate a motor vehicle;  (c) Is under the influence of any drug or controlled substance, the possession of which is unlawful under the

H. B. No. 615 24/HR26/R630 PAGE 196 (RF\KW)

4840

~ OFFICIAL ~

blood, or grams of alcohol per two hundred ten (210) liters of

4841	breath, as shown by a chemical analysis of the person's breath,
4842	blood or urine administered as authorized by this chapter, of:
4843	(i) Eight one-hundredths percent (.08%) or more
4844	for a person who is above the legal age to purchase alcoholic
4845	beverages under state law;
4846	(ii) Two one-hundredths percent (.02%) or more for
4847	a person who is below the legal age to purchase alcoholic
4848	beverages under state law; or
4849	(iii) Four one-hundredths percent (.04%) or more
4850	for a person operating a commercial motor vehicle.
4851	(2) Except as otherwise provided in subsection (3) of this
4852	section (Zero Tolerance for Minors):
4853	(a) First offense DUI. (i) Upon conviction of any
4854	person for the first offense of violating subsection (1) of this
4855	section where chemical tests under Section 63-11-5 were given, or
4856	where chemical test results are not available, the person shall be
4857	fined not less than Two Hundred Fifty Dollars (\$250.00) nor more
4858	than One Thousand Dollars (\$1,000.00), or imprisoned for not more
4859	than forty-eight (48) hours in jail, or both; the court shall
4860	order the person to attend and complete an alcohol safety
4861	education program as provided in Section 63-11-32 within six (6)
4862	months of sentencing. The court may substitute attendance at a
4863	victim impact panel instead of forty-eight (48) hours in jail.

H. B. No. 615
24/HR26/R630
PAGE 197 (RF\KW)

4864

4865



is governed by Section 63-1-216.

ST: Mississippi Retail Marijuana Act; create to authorize and regulate the personal use of marijuana.

(ii) Suspension of commercial driving privileges

4867	nonadjudicated by the court under subsection (14) of this section.
4868	The holder of a commercial driver's license or a commercial
4869	learning permit at the time of the offense is ineligible for
4870	nonadjudication.
4871	(iv) Eligibility for an interlock-restricted
4872	license is governed by Section 63-11-31 and suspension of regular
4873	driving privileges is governed by Section 63-11-23.
4874	(b) Second offense DUI. (i) Upon any second
4875	conviction of any person violating subsection (1) of this section,
4876	the offenses being committed within a period of five (5) years,
4877	the person shall be guilty of a misdemeanor, fined not less than
4878	Six Hundred Dollars (\$600.00) nor more than One Thousand Five
4879	Hundred Dollars (\$1,500.00), shall be imprisoned not less than
4880	five (5) days nor more than six (6) months and sentenced to
4881	community service work for not less than ten (10) days nor more
4882	than six (6) months. The minimum penalties shall not be suspended
4883	or reduced by the court and no prosecutor shall offer any
4884	suspension or sentence reduction as part of a plea bargain.
4885	(ii) Suspension of commercial driving privileges
4886	is governed by Section 63-1-216.
4887	(iii) Eligibility for an interlock-restricted
4888	license is governed by Section 63-11-31 and suspension of regular
4889	driving privileges is governed by Section 63-11-23.

(iii) A qualifying first offense may be

4890	(c) Third offense DUI. (i) For a third conviction of
4891	a person for violating subsection (1) of this section, the
4892	offenses being committed within a period of five (5) years, the
4893	person shall be guilty of a felony and fined not less than Two
4894	Thousand Dollars (\$2,000.00) nor more than Five Thousand Dollars
4895	(\$5,000.00), and shall serve not less than one (1) year nor more
4896	than five (5) years in the custody of the Department of
4897	Corrections. For any offense that does not result in serious
4898	injury or death to any person, the sentence of incarceration may
4899	be served in the county jail rather than in the State Penitentiary
4900	at the discretion of the circuit court judge. The minimum
4901	penalties shall not be suspended or reduced by the court and no
4902	prosecutor shall offer any suspension or sentence reduction as
4903	part of a plea bargain.

- 4904 (ii) The suspension of commercial driving 4905 privileges is governed by Section 63-1-216.
- 4906 (iii) The suspension of regular driving privileges 4907 is governed by Section 63-11-23.
- (d) Fourth and subsequent offense DUI. (i) For any fourth or subsequent conviction of a violation of subsection (1) of this section, without regard to the time period within which the violations occurred, the person shall be guilty of a felony and fined not less than Three Thousand Dollars (\$3,000.00) nor more than Ten Thousand Dollars (\$10,000.00), and shall serve not



4914	less	than	two	(2)	years	nor	more	than	ten	(10)	years	in	the
------	------	------	-----	-----	-------	-----	------	------	-----	------	-------	----	-----

- 4915 custody of the Department of Corrections.
- 4916 (ii) The suspension of commercial driving
- 4917 privileges is governed by Section 63-1-216.
- 4918 (iii) A person convicted of a fourth or subsequent
- 4919 offense is ineligible to exercise the privilege to operate a motor
- 4920 vehicle that is not equipped with an ignition-interlock device for
- 4921 ten (10) years.
- 4922 (e) Any person convicted of a second or subsequent
- 4923 violation of subsection (1) of this section shall receive an
- 4924 in-depth diagnostic assessment, and if as a result of the
- 4925 assessment is determined to be in need of treatment for alcohol or
- 4926 drug abuse, the person must successfully complete treatment at a
- 4927 program site certified by the Department of Mental Health. Each
- 4928 person who receives a diagnostic assessment shall pay a fee
- 4929 representing the cost of the assessment. Each person who
- 4930 participates in a treatment program shall pay a fee representing
- 4931 the cost of treatment.
- 4932 (f) The use of ignition-interlock devices is governed
- 4933 by Section 63-11-31.
- 4934 (3) Zero Tolerance for Minors. (a) This subsection shall
- 4935 be known and may be cited as Zero Tolerance for Minors. The

- 4936 provisions of this subsection shall apply only when a person under
- 4937 the age of twenty-one (21) years has a blood alcohol concentration
- 4938 of two one-hundredths percent (.02%) or more, but lower than eight

4939	one-hundredths percent (.08%). If the person's blood alcohol
4940	concentration is eight one-hundredths percent (.08%) or more, the
4941	provisions of subsection (2) shall apply.

- 4942 (b) (i) A person under the age of twenty-one (21) is
  4943 eligible for nonadjudication of a qualifying first offense by the
  4944 court pursuant to subsection (14) of this section.
- Upon conviction of any person under the age 4945 (ii) 4946 of twenty-one (21) years for the first offense of violating 4947 subsection (1) of this section where chemical tests provided for under Section 63-11-5 were given, or where chemical test results 4948 4949 are not available, the person shall be fined Two Hundred Fifty 4950 Dollars (\$250.00); the court shall order the person to attend and 4951 complete an alcohol safety education program as provided in 4952 Section 63-11-32 within six (6) months. The court may also 4953 require attendance at a victim impact panel.
- 4954 (c) A person under the age of twenty-one (21) years who
  4955 is convicted of a second violation of subsection (1) of this
  4956 section, the offenses being committed within a period of five (5)
  4957 years, shall be fined not more than Five Hundred Dollars
  4958 (\$500.00).
- (d) A person under the age of twenty-one (21) years who is convicted of a third or subsequent violation of subsection (1) of this section, the offenses being committed within a period of five (5) years, shall be fined not more than One Thousand Dollars (\$1,000.00).

H. B. No. 615
24/HR26/R630
PAGE 201 (RF\KW)

## ~ OFFICIAL ~

- 4964 (e) License suspension is governed by Section 63-11-23 4965 and ignition interlock is governed by Section 63-11-31.
- 4966 (f) Any person under the age of twenty-one (21) years
  4967 convicted of a third or subsequent violation of subsection (1) of
  4968 this section must complete treatment of an alcohol or drug abuse
  4969 program at a site certified by the Department of Mental Health.
- 4970 DUI test refusal. In addition to the other penalties 4971 provided in this section, every person refusing a law enforcement 4972 officer's request to submit to a chemical test of the person's 4973 breath as provided in this chapter, or who was unconscious at the 4974 time of a chemical test and refused to consent to the introduction 4975 of the results of the test in any prosecution, shall suffer an 4976 additional administrative suspension of driving privileges as set 4977 forth in Section 63-11-23.
- 4978 (5) Aggravated DUI. (a) Every person who operates any 4979 motor vehicle in violation of the provisions of subsection (1) of 4980 this section and who in a negligent manner causes the death of another or mutilates, disfigures, permanently disables or destroys 4981 4982 the tongue, eye, lip, nose or any other limb, organ or member of 4983 another shall, upon conviction, be guilty of a separate felony for 4984 each victim who suffers death, mutilation, disfigurement or other 4985 injury and shall be committed to the custody of the State 4986 Department of Corrections for a period of time of not less than 4987 five (5) years and not to exceed twenty-five (25) years for each death, mutilation, disfigurement or other injury, and the 4988

4989	imprisonment for the second or each subsequent conviction, in the
4990	discretion of the court, shall commence either at the termination
4991	of the imprisonment for the preceding conviction or run
4992	concurrently with the preceding conviction. Any person charged
4993	with causing the death of another as described in this subsection
4994	shall be required to post bail before being released after arrest.

- (b) A holder of a commercial driver's license who is convicted of operating a commercial motor vehicle with an alcohol concentration of eight one-hundredths percent (.08%) or more shall be guilty of a felony and shall be committed to the custody of the Department of Corrections for not less than two (2) years and not more than ten (10) years.
- (c) The court shall order an ignition-interlock
  restriction on the offender's privilege to drive as a condition of
  probation or post-release supervision not to exceed five (5) years
  unless a longer restriction is required under other law. The
  ignition-interlock restriction shall not be applied to commercial
  license privileges until the driver serves the full
  disqualification period required by Section 63-1-216.
- 5008 (6) **DUI citations**. (a) Upon conviction of a violation of subsection (1) of this section, the trial judge shall sign in the place provided on the traffic ticket, citation or affidavit stating that the person arrested either employed an attorney or waived his right to an attorney after having been properly advised. If the person arrested employed an attorney, the name,

address and telephone number of the attorney shall be written on the ticket, citation or affidavit. The court clerk must immediately send a copy of the traffic ticket, citation or affidavit, and any other pertinent documents concerning the conviction or other order of the court, to the Department of Public Safety as provided in Section 63-11-37.

- (b) A copy of the traffic ticket, citation or affidavit and any other pertinent documents, having been attested as true and correct by the Commissioner of Public Safety, or his designee, shall be sufficient proof of the conviction for purposes of determining the enhanced penalty for any subsequent convictions of violations of subsection (1) of this section. The Department of Public Safety shall maintain a central database for verification of prior offenses and convictions.
- Out-of-state prior convictions. Convictions in another 5028 5029 state, territory or possession of the United States, or under the 5030 law of a federally recognized Native American tribe, of violations 5031 for driving or operating a vehicle while under the influence of an 5032 intoxicating liquor or while under the influence of any other 5033 substance that has impaired the person's ability to operate a 5034 motor vehicle occurring within five (5) years before an offense 5035 shall be counted for the purposes of determining if a violation of 5036 subsection (1) of this section is a second, third, fourth or 5037 subsequent offense and the penalty that shall be imposed upon conviction for a violation of subsection (1) of this section. 5038

5020

5021

5022

5023

5024

5025

5026

5039	(8) Charging of subsequent offenses. (a) For the purposes
5040	of determining how to impose the sentence for a second, third,
5041	fourth or subsequent conviction under this section, the affidavit
5042	or indictment shall not be required to enumerate previous
5043	convictions. It shall only be necessary that the affidavit or
5044	indictment states the number of times that the defendant has been
5045	convicted and sentenced within the past five (5) years for a
5046	second or third offense, or without a time limitation for a fourth
5047	or subsequent offense, under this section to determine if an
5048	enhanced penalty shall be imposed. The amount of fine and
5049	imprisonment imposed in previous convictions shall not be
5050	considered in calculating offenses to determine a second, third,
5051	fourth or subsequent offense of this section.

- offense under this section, law enforcement must submit certification to the prosecutor that the defendant's driving record, the confidential registry and National Crime Information Center record have been searched for all prior convictions, nonadjudications, pretrial diversions and arrests for driving or operating a vehicle while under the influence of an intoxicating liquor or while under the influence of any other substance that has impaired the person's ability to operate a motor vehicle. The results of the search must be included in the certification.
- 5062 (9) License eligibility for underage offenders. A person 5063 who is under the legal age to obtain a license to operate a motor

H. B. No. 615
24/HR26/R630
PAGE 205 (RF\KW)



vehicle at the time of the offense and who is convicted under this section shall not be eligible to receive a driver's license until the person reaches the age of eighteen (18) years.

- (10) License suspensions and restrictions to run consecutively. Suspension or restriction of driving privileges for any person convicted of or nonadjudicated for violations of subsection (1) of this section shall run consecutively to and not concurrently with any other administrative license suspension.
- 5072 (11) **Ignition interlock**. If the court orders installation
  5073 and use of an ignition-interlock device as provided in Section
  5074 63-11-31 for every vehicle operated by a person convicted or
  5075 nonadjudicated under this section, each device shall be installed,
  5076 maintained and removed as provided in Section 63-11-31.
  - twenty-one (21) who violates subsection (1) of this section while transporting in a motor vehicle a child under the age of sixteen (16) years is guilty of the separate offense of endangering a child by driving under the influence of alcohol or any other substance which has impaired the person's ability to operate a motor vehicle. The offense of endangering a child by driving under the influence of alcohol or any other substance which has impaired the person's ability to operate a motor vehicle shall not be merged with an offense of violating subsection (1) of this section for the purposes of prosecution and sentencing. An

offender who is convicted of a violation of this subsection shall be punished as follows:

- (a) A person who commits a violation of this subsection which does not result in the serious injury or death of a child and which is a first conviction shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than One Thousand Dollars (\$1,000.00) or shall be imprisoned for not more than twelve (12) months, or both;
- (b) A person who commits a violation of this subsection which does not result in the serious injury or death of a child and which is a second conviction shall be guilty of a misdemeanor and, upon conviction, shall be fined not less than One Thousand Dollars (\$1,000.00) nor more than Five Thousand Dollars (\$5,000.00) or shall be imprisoned for one (1) year, or both;
  - (c) A person who commits a violation of this subsection which does not result in the serious injury or death of a child and which is a third or subsequent conviction shall be guilty of a felony and, upon conviction, shall be fined not less than Ten Thousand Dollars (\$10,000.00) or shall be imprisoned for not less than one (1) year nor more than five (5) years, or both; and
- (d) A person who commits a violation of this subsection which results in the serious injury or death of a child, without regard to whether the offense was a first, second, third or subsequent offense, shall be guilty of a felony and, upon conviction, shall be punished by a fine of not less than Ten

5102

5103

5104

5105

5106

5113	Thousand Dollars (\$10,000.00) and shall be imprisoned for not less
5114	than five (5) years nor more than twenty-five (25) years.
5115	(13) Expunction. (a) Any person convicted under subsection
5116	(2) or (3) of this section of a first offense of driving under the
5117	influence and who was not the holder of a commercial driver's
5118	license or a commercial learning permit at the time of the offense
5119	may petition the circuit court of the county in which the
5120	conviction was had for an order to expunge the record of the
5121	conviction at least five (5) years after successful completion of
5122	all terms and conditions of the sentence imposed for the
5123	conviction. Expunction under this subsection will only be
5124	available to a person:
5125	(i) Who has successfully completed all terms and
5126	conditions of the sentence imposed for the conviction;
5127	(ii) Who did not refuse to submit to a test of his
5128	blood or breath;
5129	(iii) Whose blood alcohol concentration tested
5130	below sixteen one-hundredths percent (.16%) if test results are
5131	available;
5132	(iv) Who has not been convicted of and does not
5133	have pending any other offense of driving under the influence;
5134	(v) Who has provided the court with justification
5135	as to why the conviction should be expunged; and

5137

or expunction of a violation of this section.

(vi) Who has not previously had a nonadjudication

5138	(b) A person is eligible for only one (1) expunction
5139	under this subsection, and the Department of Public Safety shall
5140	maintain a permanent confidential registry of all cases of
5141	expunction under this subsection for the sole purpose of
5142	determining a person's eligibility for expunction, for
5143	nonadjudication, or as a first offender under this section.

- 5144 (c) The court in its order of expunction shall state in 5145 writing the justification for which the expunction was granted and 5146 forward the order to the Department of Public Safety within five 5147 (5) days of the entry of the order.
- 5148 (14)Nonadjudication. (a) For the purposes of this chapter, "nonadjudication" means that the court withholds 5149 5150 adjudication of guilt and sentencing, either at the conclusion of a trial on the merits or upon the entry of a plea of quilt by a 5151 5152 defendant, and places the defendant in a nonadjudication program 5153 conditioned upon the successful completion of the requirements 5154 imposed by the court under this subsection.
- 5155 (b) A person is eligible for nonadjudication of an
  5156 offense under this Section 63-11-30 only one (1) time under any
  5157 provision of a law that authorizes nonadjudication and only for an
  5158 offender:
- 5159 (i) Who has successfully completed all terms and 5160 conditions imposed by the court after placement of the defendant in a nonadjudication program;



5162	(ii) Who was not the holder of a commercial
5163	driver's license or a commercial learning permit at the time of
5164	the offense;
5165	(iii) Who has not previously been convicted of and
5166	does not have pending any former or subsequent charges under this
5167	section; and
5168	(iv) Who has provided the court with justification
5169	as to why nonadjudication is appropriate.
5170	(c) Nonadjudication may be initiated upon the filing of
5171	a petition for nonadjudication or at any stage of the proceedings
5172	in the discretion of the court; the court may withhold
5173	adjudication of guilt, defer sentencing, and upon the agreement of
5174	the offender to participate in a nonadjudication program, enter an
5175	order imposing requirements on the offender for a period of court
5176	supervision before the order of nonadjudication is entered.
5177	Failure to successfully complete a nonadjudication program
5178	subjects the person to adjudication of the charges against him and
5179	to imposition of all penalties previously withheld due to entrance
5180	into a nonadjudication program. The court shall immediately
5181	inform the commissioner of the conviction as required in Section
5182	63-11-37.
5183	(i) The court shall order the person to:
5184	1. Pay the nonadjudication fee imposed under
5185	Section 63-11-31 if applicable;

5186	2. Pay all fines, penalties and assessments
5187	that would have been imposed for conviction;
5188	3. Attend and complete an alcohol safety
5189	education program as provided in Section 63-11-32 within six (6)
5190	months of the date of the order;
5191	4. a. If the court determines that the
5192	person violated this section with respect to alcohol or
5193	intoxicating liquor, the person must install an ignition-interlock
5194	device on every motor vehicle operated by the person, obtain an
5195	interlock-restricted license, and maintain that license for one
5196	hundred twenty (120) days or suffer a one-hundred-twenty-day
5197	suspension of the person's regular driver's license, during which
5198	time the person must not operate any vehicle.
5199	b. If the court determines that the
5200	person violated this section by operating a vehicle when under the
5201	influence of a substance other than alcohol that has impaired the
5202	person's ability to operate a motor vehicle, including any drug or
5203	controlled substance which is unlawful to possess under the
5204	Mississippi Controlled Substances Law, the person must submit to a
5205	one-hundred-twenty-day period of a nonadjudication program that
5206	includes court-ordered drug testing at the person's own expense
5207	not less often than every thirty (30) days, during which time the
5208	person may drive if compliant with the terms of the program, or
5209	suffer a one-hundred-twenty-day suspension of the person's regular

5210	driver's license,	during which	time	the	person	will	not	operate
5211	anv vehicle.							

- (ii) Other conditions that may be imposed by the court include, but are not limited to, alcohol or drug screening, or both, proof that the person has not committed any other traffic violations while under court supervision, proof of immobilization or impoundment of vehicles owned by the offender if required, and attendance at a victim-impact panel.
- only if the court finds, after a hearing or after ex parte
  examination of reliable documentation of compliance, that the
  offender has successfully completed all conditions imposed by law
  and previous orders of the court. The court shall retain
  jurisdiction over cases involving nonadjudication for a period of
  not more than two (2) years.
- (e) (i) The clerk shall immediately forward a record of every person placed in a nonadjudication program and of every nonadjudication order to the Department of Public Safety for inclusion in the permanent confidential registry of all cases that are nonadjudicated under this subsection (14).
- (ii) Judges, clerks and prosecutors involved in
  the trial of implied consent violations and law enforcement
  officers involved in the issuance of citations for implied consent
  violations shall have secure online access to the confidential
  registry for the purpose of determining whether a person has

5235	previously been the subject of a nonadjudicated case and 1. is
5236	therefore ineligible for another nonadjudication; 2. is ineligible
5237	as a first offender for a violation of this section; or 3. is
5238	ineligible for expunction of a conviction of a violation of this
5239	section.
5240	(iii) The Driver Services Bureau of the department
5241	shall have access to the confidential registry for the purpose of
5242	determining whether a person is eligible for a form of license not
5243	restricted to operating a vehicle equipped with an
5244	ignition-interlock device.
5245	(iv) The Mississippi Alcohol Safety Education

- 5245 (iv) The Mississippi Alcohol Safety Education 5246 Program shall have secure online access to the confidential 5247 registry for research purposes only.
- 5248 The provisions of this section are fully applicable to 5249 any person who is under the influence of medical cannabis that is 5250 lawful under the Mississippi Medical Cannabis Act and in 5251 compliance with rules and regulations adopted thereunder or 5252 marijuana that is lawful under the Mississippi Retail Marijuana 5253 Act and in compliance with rules and regulations adopted 5254 thereunder which has impaired the person's ability to operate a 5255 motor vehicle.
- 5256 **SECTION 15.** This act shall take effect and be in force from 5257 and after July 1, 2024.