

1 HOUSE BILL NO. 68

2 INTRODUCED BY D. SANDS, G. MACLAREN

3 BY REQUEST OF THE CHILDREN, FAMILIES, HEALTH, AND HUMAN SERVICES INTERIM COMMITTEE

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MEDICAL MARIJUANA ACT TO CREATE A
6 LICENSING AND REGULATORY SYSTEM FOR PEOPLE WHO GROW, MANUFACTURE, DISTRIBUTE, OR
7 SELL MEDICAL MARIJUANA; REQUIRING MONTANA RESIDENCY TO OBTAIN A REGISTRY
8 IDENTIFICATION CARD OR A LICENSE; CLARIFYING REQUIREMENTS FOR PHYSICIANS WHO PROVIDE
9 WRITTEN CERTIFICATION; PROVIDING LOCAL GOVERNMENT AUTHORITY TO REGULATE MEDICAL
10 MARIJUANA LICENSEES; ESTABLISHING PROHIBITIONS ON THE MEDICAL USE OF MARIJUANA BY
11 CERTAIN PEOPLE; EXPANDING THE LIMITATIONS ON THE MEDICAL USE OF MARIJUANA; PROVIDING
12 DEFINITIONS; PROVIDING RULEMAKING AUTHORITY; CREATING A SPECIAL REVENUE ACCOUNT;
13 APPROPRIATING FUNDS; AMENDING SECTIONS 7-1-111, 50-46-101, 50-46-102, 50-46-103, 50-46-201,
14 50-46-202, 50-46-205, 50-46-207, 50-46-210, AND 61-11-101, MCA; REPEALING SECTION 50-46-206, MCA;
15 AND PROVIDING EFFECTIVE DATES, APPLICABILITY DATES, AND A TERMINATION DATE."
16

17 WHEREAS, Montana voters approved Initiative 148 in 2004 to give Montanans with debilitating medical
18 conditions protection under the law if they use marijuana to alleviate the symptoms of their debilitating medical
19 conditions; and

20 WHEREAS, 7,339 Montanans held cards allowing their medical use of marijuana as of December 31,
21 2009; and

22 WHEREAS, the number of people approved for the medical use of marijuana increased to 19,635 in just
23 6 months, reflecting a 167% increase in cardholders between December 31, 2009, and June 30, 2010; and

24 WHEREAS, numerous cities and towns around Montana have discussed or taken action on issues
25 relating to the establishment of medical marijuana businesses within their boundaries or within certain areas of
26 a city or town; and

27 WHEREAS, the increase in the numbers of patients and caregivers has raised concerns not only for local
28 governments but also for law enforcement, state regulators, and the medical marijuana industry itself; and

29 WHEREAS, the Children, Families, Health, and Human Services Interim Committee reviewed these
30 concerns during the 2009-2010 interim as part of its oversight responsibility for matters involving health and

1 human services; and

2 WHEREAS, the committee determined that legislators should establish to the greatest degree possible
3 a line between the legally protected medical use of marijuana and the illegal cultivation, possession, or sale of
4 marijuana; and

5 WHEREAS, the committee further determined that the Medical Marijuana Act should be revised to
6 maintain protections for individuals with debilitating medical conditions while at the same time creating more
7 accountability for physicians, patients, and providers, establishing a system that allows for better tracking of the
8 growth and distribution of medical marijuana, and providing more state regulation and oversight of the medical
9 marijuana industry.

10

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12

13 **Section 1.** Section 7-1-111, MCA, is amended to read:

14 **"7-1-111. Powers denied.** A local government unit with self-government powers is prohibited from
15 exercising the following:

16 (1) any power that applies to or affects any private or civil relationship, except as an incident to the
17 exercise of an independent self-government power;

18 (2) any power that applies to or affects the provisions of 7-33-4128 or Title 39 (labor, collective
19 bargaining for public employees, unemployment compensation, or workers' compensation), except that subject
20 to those provisions, it may exercise any power of a public employer with regard to its employees;

21 (3) any power that applies to or affects the public school system, except that a local unit may impose an
22 assessment reasonably related to the cost of any service or special benefit provided by the unit and shall exercise
23 any power that it is required by law to exercise regarding the public school system;

24 (4) any power that prohibits the grant or denial of a certificate of public convenience and necessity;

25 (5) any power that establishes a rate or price otherwise determined by a state agency;

26 (6) any power that applies to or affects any determination of the department of environmental quality with
27 regard to any mining plan, permit, or contract;

28 (7) any power that applies to or affects any determination by the department of environmental quality
29 with regard to a certificate of compliance;

30 (8) any power that defines as an offense conduct made criminal by state statute, that defines an offense

1 as a felony, or that fixes the penalty or sentence for a misdemeanor in excess of a fine of \$500, 6 months'
2 imprisonment, or both, except as specifically authorized by statute;

3 (9) any power that applies to or affects the right to keep or bear arms, except that a local government
4 has the power to regulate the carrying of concealed weapons;

5 (10) any power that applies to or affects a public employee's pension or retirement rights as established
6 by state law, except that a local government may establish additional pension or retirement systems;

7 (11) any power that applies to or affects the standards of professional or occupational competence
8 established pursuant to Title 37 (professions and occupations) as prerequisites to the carrying on of a profession
9 or occupation;

10 (12) except as provided in 7-3-1105, 7-3-1222, or 7-31-4110, any power that applies to or affects Title
11 75, chapter 7, part 1 (streambeds), or Title 87 (fish and wildlife);

12 (13) any power that applies to or affects landlords, as defined in 70-24-103, when that power is intended
13 to license landlords or to regulate their activities with regard to tenants beyond what is provided in Title 70,
14 chapters 24 and 25. This subsection is not intended to restrict a local government's ability to require landlords
15 to comply with ordinances or provisions that are applicable to all other businesses or residences within the local
16 government's jurisdiction.

17 (14) subject to 7-32-4304, any power to enact ordinances prohibiting or penalizing vagrancy;

18 (15) subject to 80-10-110, any power to regulate the registration, packaging, labeling, sale, storage,
19 distribution, use, or application of commercial fertilizers or soil amendments, except that a local government may
20 enter into a cooperative agreement with the department of agriculture concerning the use and application of
21 commercial fertilizers or soil amendments. This subsection is not intended to prevent or restrict a local
22 government from adopting or implementing zoning regulations or fire codes governing the physical location or
23 siting of fertilizer manufacturing, storage, and sales facilities;

24 (16) except as provided in [section 7], any power that prohibits the medical use of marijuana pursuant
25 to Title 50, chapter 46."

26

27 **Section 2.** Section 50-46-101, MCA, is amended to read:

28 **"50-46-101. Short title -- purpose.** (1) This chapter may be cited as the "Medical Marijuana Act".

29 (2) The purpose of this chapter is to:

30 (a) provide legal protections to persons with debilitating medical conditions who engage in the medical

1 use of marijuana as provided in this chapter to alleviate the symptoms of their debilitating medical conditions;
 2 (b) allow for the acquisition, possession, cultivation, manufacture, delivery, transfer, or transportation of
 3 medical marijuana as permitted by this chapter; and
 4 (c) create a framework for medical use of marijuana that protects the health, welfare, and safety of both
 5 the persons engaging in medical use of marijuana and the general public."

6

7 **Section 3.** Section 50-46-102, MCA, is amended to read:

8 **"50-46-102. Definitions.** As used in this chapter, the following definitions apply:

9 ~~(1) (a) "Caregiver" means an individual, 18 years of age or older who has agreed to undertake~~
 10 ~~responsibility for managing the well-being of a person with respect to the medical use of marijuana. A qualifying~~
 11 ~~patient may have only one caregiver at any one time.~~

12 ~~_____ (b) The term does not include the qualifying patient's physician.~~

13 ~~(2)(1) "Debilitating medical condition" means:~~

14 ~~(a) cancer, glaucoma, or positive status for human immunodeficiency virus, or acquired immune~~
 15 ~~deficiency syndrome, or the treatment of these conditions when the condition or disease results in symptoms that~~
 16 ~~seriously and adversely affect the patient's health status;~~

17 ~~(b) a chronic or debilitating disease or medical condition or its treatment that produces one or more of~~
 18 ~~the following:~~

19 ~~_____ (i)(b) cachexia or wasting syndrome;~~

20 ~~(ii)(c) severe or chronic pain documented by written certification from two physicians;~~

21 ~~(iii)(d) severe intractable nausea or vomiting;~~

22 ~~(iv)(e) seizures, including but not limited to seizures caused by epilepsy or an intractable seizure disorder;~~

23 ~~or~~

24 ~~(v)(f) severe or persistent muscle spasms, including but not limited to spasms caused by multiple~~
 25 ~~sclerosis;~~

26 ~~(g) or Crohn's disease; or~~

27 ~~(h) painful peripheral neuropathy;~~

28 ~~(i) amyotrophic lateral sclerosis (Lou Gehrig's disease);~~

29 ~~(j) a central nervous system disorder resulting in chronic, painful spasticity or muscle spasms;~~

30 ~~(k) hepatitis C infection that is currently being treated by a prescription;~~

1 (l) inflammatory or degenerative arthritis;
 2 (m) admittance into hospice care in accordance with rules adopted by the department; or
 3 ~~(e)(n)~~ any other medical condition or treatment for a medical condition adopted by the department by
 4 rule.

5 ~~(3)(2)~~ "Department" means the department of public health and human services.

6 (3) "Licensed premises" means the premises at which a person licensed or registered by the state
 7 licensing authority pursuant to this chapter is authorized to cultivate, manufacture, distribute, or sell medical
 8 marijuana.

9 (4) "Licensee" means a person licensed by the state licensing authority as a medical marijuana
 10 dispensary, medical marijuana grower, medical marijuana-infused products manufacturer, or provider.

11 (5) "Limited access area" means a building, room, or other contiguous area on a licensed premises to
 12 which only persons licensed or registered by the state licensing authority pursuant to this chapter have access.

13 ~~(4)(6)~~ "Marijuana" has the meaning provided in 50-32-101.

14 (7) "Medical marijuana" means marijuana that is grown, manufactured, sold, or used for medical use.

15 (8) (a) "Medical marijuana dispensary" means a person licensed pursuant to this chapter to operate a
 16 business that sells marijuana for medical use to registered cardholders or to providers.

17 (b) A medical marijuana dispensary may not also act as a provider.

18 (9) "Medical marijuana grower" means a person licensed pursuant to this chapter to grow and cultivate
 19 medical marijuana at a licensed premises and who also has a medical marijuana dispensary license or a medical
 20 marijuana-infused products manufacturer license.

21 (10) (a) "Medical marijuana-infused product" means a product that contains medical marijuana and is
 22 intended for medical use by means other than smoking.

23 (b) The term includes but is not limited to edible products, ointments, and tinctures.

24 (11) "Medical marijuana-infused products manufacturer" means a person licensed pursuant to this
 25 chapter to operate a business that manufactures medical marijuana-infused products.

26 ~~(5)(12)~~ "Medical use" means:

27 (a) the acquisition, possession, cultivation, manufacture, delivery, transfer, or transportation of marijuana
 28 or paraphernalia by a ~~qualifying patient or a caregiver~~ registered cardholder or licensee and relating to the
 29 consumption of marijuana to alleviate the symptoms or effects of a ~~qualifying patient's~~ registered cardholder's
 30 debilitating medical condition;

1 (b) the use of marijuana or paraphernalia by a ~~qualifying patient~~ registered cardholder to alleviate the
 2 symptoms or effects of the ~~patient's~~ registered cardholder's debilitating medical condition; or

3 (c) the use of paraphernalia by a ~~caregiver~~ person licensed or registered pursuant to this chapter for the
 4 cultivation, manufacture, delivery, transfer, or transportation of marijuana for use by a ~~qualifying patient~~ registered
 5 cardholder.

6 ~~(6)(13)~~ "Paraphernalia" has the meaning provided in 45-10-101.

7 (14) (a) "Person" means an individual, partnership, association, company, corporation, limited liability
 8 company, or organization.

9 (b) The term includes the manager, agent, owner, director, servant, officer, or employee of a partnership,
 10 association, company, corporation, limited liability company, or organization.

11 ~~(7)(15)~~ "Physician" means a person who is licensed under Title 37, chapter 3, and who has an
 12 established office in Montana that is not in a location where marijuana is grown, manufactured, sold, or
 13 distributed.

14 (16) (a) "Provider" means an individual 18 years of age or older who is licensed pursuant to this chapter
 15 and who has agreed to assist with a registered cardholder's medical use of marijuana.

16 (b) The term does not include the registered cardholder's physician.

17 ~~(8)(17)~~ "Qualifying patient" means a person who has been diagnosed by a physician as having a
 18 debilitating medical condition.

19 (18) "Registered cardholder" or "cardholder" means a Montana resident with a debilitating medical
 20 condition who has applied for, has received, and maintains a valid registry identification card.

21 (19) "Registrant" means a person who is registered by the state licensing authority for the purposes of
 22 working for a medical marijuana licensee other than a provider.

23 ~~(9)(20)~~ "Registry identification card" means a document issued by the department pursuant to 50-46-103
 24 that identifies a person as a ~~qualifying patient or caregiver~~ registered cardholder.

25 (21) (a) "Resident" means a person who meets the requirements of 1-1-215.

26 (b) A person is not considered a resident for the purposes of this chapter if the person:

27 (i) claims residence in another state or country for any purpose; or

28 (ii) is an absentee property owner paying property tax on property in Montana.

29 (22) "Standard of care" means the following activities undertaken by a physician who provides written
 30 certification to a person with a debilitating medical condition:

- 1 (a) obtaining the patient's medical history;
 2 (b) performing a relevant physical examination;
 3 (c) reviewing prior treatment and treatment response for the debilitating medical condition;
 4 (d) obtaining and reviewing relevant diagnostic test results related to the debilitating medical condition;
 5 (e) discussing with the patient and ensuring that the patient understands the advantages, disadvantages,
 6 alternatives, potential adverse effects, and expected response to the recommended treatment;
 7 (f) monitoring the response to treatment and possible adverse effects;
 8 (g) creating and maintaining patient records that remain with the physician; and
 9 (h) notifying the patient's primary care physician when appropriate.
 10 (23) "State licensing authority" means the department of revenue.
 11 ~~(19)~~(24) (a) "Usable marijuana" means the dried leaves and flowers of marijuana and any mixture or
 12 preparation of marijuana.
 13 (b) The term does not include the seeds, stalks, and roots of the plant.
 14 ~~(14)~~(25) "Written certification" means ~~a qualifying patient's medical records or a statement signed by a~~
 15 ~~physician stating that in the physician's professional opinion, after having:~~
 16 (a) the physician has completed a full assessment of the qualifying patient's medical history and current
 17 ~~medical condition made in the course of a bona fide physician-patient relationship;~~
 18 (b) the assessment meets the standard of care;
 19 (c) the qualifying patient has a debilitating medical condition; and
 20 (d) the potential benefits of the medical use of marijuana would likely outweigh the health risks for the
 21 qualifying patient."

- 22
 23 **Section 4.** Section 50-46-103, MCA, is amended to read:
 24 **"50-46-103. Procedures Registry identification cards -- minors -- confidentiality exceptions --**
 25 **report to legislature.** (1) The department shall establish and maintain a program for the issuance of registry
 26 identification cards to persons who meet the requirements of this chapter.
 27 (2) Except as provided in ~~subsection (3)~~ subsections (4) and (5), the department shall issue a registry
 28 identification card to a qualifying patient who submits the following, in accordance with department rules:
 29 (a) written certification that the person is a qualifying patient;
 30 (b) an application or renewal fee;

- 1 (c) the name, street address, and date of birth of the qualifying patient;
- 2 (d) proof of Montana residency;
- 3 ~~(d)~~(e) the name, street address, and telephone number of the qualifying patient's physician; ~~and~~
- 4 ~~(e)~~(f) a statement indicating that the registered cardholder intends to:
- 5 (i) cultivate the cardholder's medical marijuana;
- 6 (ii) both cultivate the cardholder's medical marijuana and obtain it from a provider or a medical marijuana
- 7 dispensary; or
- 8 (iii) obtain medical marijuana from either a provider or a medical marijuana dispensary;
- 9 (g) the name, street address, and date of birth of the qualifying patient's caregiver provider, if any; and
- 10 (h) the name and street address of the medical marijuana dispensary that the patient will use, if any.
- 11 (3) A registered cardholder may have only one provider or dispensary.
- 12 ~~(3)~~(4) The department shall issue a registry identification card to a minor if the materials required under
- 13 subsection (2) are submitted and the minor's custodial parent or legal guardian with responsibility for health care
- 14 decisions signs and submits a written statement that:
- 15 (a) the minor's physician has explained to the minor and to the minor's custodial parent or legal guardian
- 16 with responsibility for health care decisions the potential risks and benefits of the medical use of marijuana; and
- 17 (b) the minor's custodial parent or legal guardian with responsibility for health care decisions:
- 18 (i) consents to the medical use of marijuana by the minor;
- 19 (ii) agrees to serve as the minor's ~~caregiver~~ provider; ~~and~~
- 20 (iii) agrees to control the acquisition of marijuana and the dosage and frequency of the medical use of
- 21 marijuana by the minor; and
- 22 (iv) undergoes a name-based background check by the department of justice. The parent or legal
- 23 guardian shall pay the costs of the background check.
- 24 ~~(4) (a) The department shall issue a registry identification card to the caregiver who is named in a~~
- 25 ~~qualifying patient's approved application if the caregiver signs a statement:~~
- 26 ~~—— (i) agreeing to provide marijuana only to qualifying patients who have named the applicant as caregiver;~~
- 27 ~~and~~
- 28 ~~—— (ii) acknowledging that possession of the registry identification card does not allow the caregiver to~~
- 29 ~~engage in the use of marijuana or to use paraphernalia for any purpose other than cultivating, manufacturing,~~
- 30 ~~delivering, transferring, or transporting marijuana for medical use by a qualifying patient.~~

1 ~~_____ (b) The department may not issue a registry identification card to a proposed caregiver who has~~
 2 ~~previously been convicted of a felony drug offense.~~

3 ~~_____ (c) A caregiver may receive reasonable compensation for services provided to assist with a qualifying~~
 4 ~~patient's medical use of marijuana.~~

5 (5) A person may not be a registered cardholder if the person is under the supervision of the department
 6 of corrections or a youth court.

7 ~~(5)(6)~~ (a) The department shall verify the information contained in an application or renewal submitted
 8 pursuant to this section and shall approve or deny an application or renewal within 15 days of receipt of the
 9 application or renewal.

10 (b) The department may deny an application or renewal only if:
 11 (i) the applicant did not provide the information required pursuant to this section;
 12 (ii) the department determines that the information was falsified; or
 13 (iii) the applicant is not qualified to receive a registry identification card under the provisions of this
 14 chapter.

15 (c) Rejection of an application or renewal is considered a final department action, subject to judicial
 16 review.

17 ~~(6)(7)~~ The department shall issue a registry identification card with a unique identification number within
 18 5 days of approving an application or renewal. Registry identification cards expire 1 year after the date of
 19 issuance unless a physician has provided a written certification stating that a card is valid for a shorter period of
 20 time. Registry identification cards must state:

21 (a) the name, street address, and date of birth of the ~~qualifying patient~~ registered cardholder;
 22 (b) the name, street address, and date of birth of the ~~qualifying patient's caregiver~~ registered cardholder's
 23 provider or medical marijuana dispensary, if any;
 24 (c) the date of issuance and expiration date of the registry identification card; and
 25 (d) other information that the department may specify by rule.

26 (8) When a registered cardholder indicates on the application that the cardholder intends to obtain
 27 medical marijuana from a provider or a medical marijuana dispensary, the department shall provide the state
 28 licensing authority with the name of the cardholder and the name of the provider or medical marijuana dispensary
 29 selected by the cardholder.

30 ~~(7)(9)~~ (a) A person who has been issued a registry identification card shall notify the department within

1 10 days of any change in the:

2 ~~(i) qualifying patient's registered cardholder's name, street address, physician, or caregiver provider, or~~
3 ~~medical marijuana dispensary; or~~

4 ~~(ii) change in status of the qualifying patient's registered cardholder's debilitating medical condition within~~
5 ~~10 days of the change.~~

6 ~~(b) If a change occurs and is not reported to the department, the registry identification card is void.~~

7 ~~(8) The department shall maintain a confidential list of the persons to whom the department has issued~~
8 ~~registry identification cards. Individual names and other identifying information on the list must be confidential and~~
9 ~~are not subject to disclosure, except to:~~

10 ~~—— (a) authorized employees of the department as necessary to perform official duties of the department;~~

11 ~~or~~

12 ~~—— (b) authorized employees of state or local law enforcement agencies, only as necessary to verify that~~
13 ~~a person is a lawful possessor of a registry identification card.~~

14 ~~(9)(10) The department shall report annually to the legislature the number of applications for registry~~
15 ~~identification cards, the number of qualifying patients and caregivers registered cardholders approved, the nature~~
16 ~~of the debilitating medical conditions of the qualifying patients registered cardholders, the number of registry~~
17 ~~identification cards revoked, and the number of physicians providing written certification for qualifying patients~~
18 ~~registered cardholders. The department may not provide any identifying information of qualifying patients,~~
19 ~~caregivers, registered cardholders or physicians."~~

20

21 **NEW SECTION. Section 5. Unlawful conduct by cardholder -- penalties.** (1) The department shall
22 revoke and may not reissue the registry identification card of a person who:

23 (a) is convicted of a drug offense; or

24 (b) allows another person to be in possession of the cardholder's card for any purpose other than a
25 necessary purpose.

26 (2) A violation of part 1 or 2 of this chapter is punishable by a fine not to exceed \$1,000 or by
27 imprisonment in a county jail for a term not to exceed 6 months, or both, unless the violation would constitute a
28 violation of Title 45. An offense constituting a violation of Title 45 must be charged and prosecuted pursuant to
29 the provisions of Title 45.

30

1 **NEW SECTION. Section 6. Prohibitions on physician affiliation with medical marijuana licensees**

2 -- **sanctions.** (1) (a) A physician may not:

3 (i) accept or solicit anything of value, including monetary remuneration, from a licensee or registrant or
4 offer anything of value to a licensee or registrant;

5 (ii) offer a discount or any other thing of value to a person who uses or agrees to use a particular
6 licensee;

7 (iii) examine a patient for the purposes of diagnosing a debilitating medical condition at a location where
8 medical marijuana is grown, manufactured, sold, or distributed; or

9 (iv) hold an economic interest in an enterprise engaged in the medical use of marijuana if the physician
10 certifies the debilitating medical condition of a person who applies for a registry identification card.

11 (b) This subsection (1) does not prevent a physician from accepting a fee for providing medical care to
12 a licensee or a registrant if the physician charges the licensee or registrant the same fee as the physician charges
13 other patients for providing a similar level of medical care.

14 (2) If the department has cause to believe that a physician has violated this section, has violated a
15 provision of rules adopted pursuant to this chapter, or has not met the standard of care required under this
16 chapter, the department may refer the matter to the board of medical examiners provided for in 2-15-1731 for
17 review pursuant to 37-1-308.

18 (3) A violation of this section constitutes unprofessional conduct as set out in 37-1-316. If the board of
19 medical examiners finds that a physician has violated this section, the board shall restrict the physician's authority
20 to provide written certification for the medical use of marijuana. The board of medical examiners shall notify the
21 department of the sanction.

22 (4) If the board of medical examiners believes a physician's practices may harm the public health, safety,
23 or welfare, the board may summarily restrict, as provided in 2-4-631, a physician's authority to provide written
24 certification for the medical use of marijuana.

25

26 **NEW SECTION. Section 7. Local government authority to regulate.** (1) To protect the public, health,
27 safety, or welfare, a local government as defined in subsection (4) may by ordinance or resolution regulate
28 a licensee that operates within the local government's jurisdictional area. The regulations may include but are not
29 limited to:

30 (a) restrictions on number and location;

- 1 (b) business licensing requirements;
 2 (c) building codes and standards; and
 3 (d) the inspection of businesses to ensure compliance with any sanitary requirements established by
 4 the state licensing authority.

5 (2) A licensee that is in lawful operation at the time an ordinance, resolution, or licensing requirement
 6 is enacted as provided in subsection (1) and that is not in compliance with the ordinance, resolution, or
 7 requirement at the time of enactment must come into compliance:

8 (a) within 2 years of the effective date of a zoning ordinance or resolution adopted pursuant to Title 76,
 9 chapter 2, or an ordinance or resolution adopted pursuant to subsection (1)(a); or

10 (b) within 6 months of the effective date of the adoption of an ordinance, resolution, or requirement
 11 involving a business license, building code, or building standard.

12 (3) A local government, including a local government with self-government powers, may not adopt an
 13 ordinance or resolution that prohibits the medical use of marijuana within its jurisdictional area.

14 (4) As used in this section, "local government" means a county, a consolidated government, or an
 15 incorporated city or town.

16

17 **Section 8.** Section 50-46-201, MCA, is amended to read:

18 **"50-46-201. Medical use of marijuana -- legal protections -- limits on amount -- presumption of**
 19 **medical use.** ~~(1) A person who possesses a registry identification card issued pursuant to 50-46-103 may not~~
 20 ~~be arrested, prosecuted, or penalized in any manner or be denied any right or privilege, including but not limited~~
 21 ~~to civil penalty or disciplinary action by a professional licensing board or the department of labor and industry;~~
 22 ~~if:~~

23 ~~—— (a) the qualifying patient or caregiver acquires, possesses, cultivates, manufactures, delivers, transfers,~~
 24 ~~or transports marijuana not in excess of the amounts allowed in subsection (2); or~~

25 ~~—— (b) the qualifying patient uses marijuana for medical use.~~ (1) The following persons may cultivate or
 26 manufacture marijuana for medical use:

27 (a) a registered cardholder who has indicated to the department that the cardholder will grow medical
 28 marijuana for personal use;

29 (b) a provider named by a registered cardholder as the licensee that will grow medical marijuana for the
 30 registered cardholder;

1 (c) a medical marijuana dispensary with a medical marijuana grower license; or

2 (d) a medical marijuana-infused products manufacturer with a medical marijuana grower license.

3 ~~(2) (a) A qualifying patient and that qualifying patient's caregiver~~ registered cardholder may not possess
4 more than six marijuana plants and ~~4 ounce~~ 2 ounces of usable marijuana ~~each~~.

5 (b) A provider may possess up to six marijuana plants and 2 ounces of usable marijuana for each
6 registered cardholder who has named the provider as the licensee from whom the cardholder will obtain medical
7 marijuana.

8 (c) (i) A medical marijuana dispensary may possess up to six plants and 2 ounces of usable marijuana
9 for each registered cardholder who has named the dispensary as the licensee from whom the cardholder will
10 obtain medical marijuana.

11 (ii) For the purposes of this subsection, the number of plants and the amount of usable marijuana at both
12 the dispensary and the licensed premises affiliated with the dispensary's grower license must be counted toward
13 the total amount of allowable plants and usable marijuana.

14 (3) A provider or a medical marijuana dispensary may provide no more than 2 ounces of usable
15 marijuana to a registered cardholder during a 30-day period. A provider or dispensary shall maintain records of
16 transactions with cardholders to verify that the provider or dispensary has met the requirements of this section.

17 (4) Marijuana for medical use by Montana registered cardholders must be grown and manufactured in
18 Montana.

19 ~~(3)(5)~~ (a) A qualifying patient or caregiver ~~registered cardholder or licensee~~ is presumed to be engaged
20 in the medical use of marijuana if the ~~qualifying patient or caregiver~~ registered cardholder or licensee:

21 (i) is in possession of a registry identification card or an appropriate license; and

22 (ii) is in possession of an amount of marijuana that does not exceed the amount permitted under
23 ~~subsection (2)~~ this section.

24 (b) The presumption may be rebutted by evidence that the possession of marijuana was not for the
25 purpose of alleviating the symptoms or effects of ~~a qualifying patient's debilitating~~ a registered cardholder's
26 medical condition.

27 ~~(4) A physician may not be arrested, prosecuted, or penalized in any manner or be denied any right or~~
28 ~~privilege, including but not limited to civil penalty or disciplinary action by the board of medical examiners or the~~
29 ~~department of labor and industry, for providing written certification for the medical use of marijuana to qualifying~~
30 ~~patients.~~

1 ~~(5) An interest in or right to property that is possessed, owned, or used in connection with the medical~~
 2 ~~use of marijuana or acts incidental to medical use may not be forfeited under any provision of law providing for~~
 3 ~~the forfeiture of property other than as a sentence imposed after conviction of a criminal offense.~~

4 ~~(6) A person may not be subject to arrest or prosecution for constructive possession, conspiracy, as~~
 5 ~~provided in 45-4-102, or other provisions of law or any other offense for simply being in the presence or vicinity~~
 6 ~~of the medical use of marijuana as permitted under this chapter.~~

7 ~~(7) Possession of or application for a registry identification card does not alone constitute probable cause~~
 8 ~~to search the person or property of the person possessing or applying for the registry identification card or~~
 9 ~~otherwise subject the person or property of the person possessing or applying for the card to inspection by any~~
 10 ~~governmental agency, including a law enforcement agency.~~

11 ~~(8)(6) (a) (i) A registry identification card or its equivalent issued by another state government to permit~~
 12 ~~the medical use of marijuana by a qualifying patient registered cardholder or to permit a person to assist with a~~
 13 ~~qualifying patient's registered cardholder's medical use of marijuana has the same force and effect as a registry~~
 14 ~~identification card or a provider license issued by the department pursuant to this chapter.~~

15 (ii) A person authorized by another state to assist an out-of-state person who has a registry identification
 16 card or its equivalent with the medical use of marijuana may not assist an individual other than the person with
 17 the registry identification card or its equivalent.

18 (b) A person with a registry identification card or its equivalent from another state may possess up to six
 19 plants and 2 ounces of usable marijuana when in Montana."

20
 21 **Section 9.** Section 50-46-202, MCA, is amended to read:

22 **"50-46-202. Disclosure of confidential information relating to medical use of marijuana -- penalty**
 23 **Confidentiality of registry information -- disclosure.** (1) The department shall maintain a confidential list of
 24 the individuals to whom the department has issued registry identification cards. Individual names and other
 25 identifying information on the list must be confidential and are not subject to disclosure, except to:

26 (a) authorized employees of the department and the state licensing authority as necessary to perform
 27 official duties of the department or state licensing authority; or

28 (b) authorized employees of state or local government agencies, only as necessary to verify that an
 29 individual is a lawful possessor of a registry identification card.

30 (2) A person, including an employee or official of the department or other state or local government

1 agency, commits the offense of disclosure of confidential information relating to medical use of marijuana if the
2 person knowingly or purposely discloses confidential information in violation of 50-46-103.

3 ~~(2)~~(3) A person convicted of disclosure of confidential information relating to medical use of marijuana
4 shall be fined not to exceed \$1,000 or be imprisoned in the county jail for a term not to exceed 6 months, or both."

5

6 **NEW SECTION. Section 10. Legal protections for medical use.** (1) A person who possesses a
7 registry identification card issued pursuant to 50-46-103 or a person licensed pursuant to [sections 18 through
8 21] may not be arrested, prosecuted, or penalized in any manner or be denied any right or privilege, including
9 but not limited to civil penalty or disciplinary action by a professional licensing board or the department of labor
10 and industry, solely because:

11 (a) the registered cardholder or licensee acquires, possesses, cultivates, manufactures, delivers,
12 transfers, or transports marijuana not in excess of the amounts allowed in 50-46-201; or

13 (b) the registered cardholder uses marijuana for medical use.

14 (2) A physician may not be arrested, prosecuted, or penalized in any manner or be denied any right or
15 privilege, including but not limited to civil penalty or disciplinary action by the board of medical examiners or the
16 department of labor and industry, solely for providing written certification for the medical use of marijuana to
17 qualifying patients.

18 (3) Nothing in this section prevents the imposition of a civil penalty or a disciplinary action by a
19 professional licensing board or the department of labor and industry if:

20 (a) a person's medical use of marijuana impairs the person's job-related performance; or

21 (b) a physician violates the standard of care required under this chapter.

22 (4) An interest in or right to property that is possessed, owned, or used in connection with the medical
23 use of marijuana or acts incidental to medical use may not be forfeited under any provision of law providing for
24 the forfeiture of property other than as a sentence imposed after conviction of a criminal offense.

25 (5) (a) An individual may not be arrested or prosecuted for constructive possession, conspiracy as
26 provided in 45-4-102, or other provisions of law or any other offense solely for being in the presence or vicinity
27 of the medical use of marijuana as permitted under this chapter.

28 (b) This subsection (5) does not prevent the arrest or prosecution of an individual who is in the vicinity
29 of the medical use of marijuana if the individual is in possession of or is using marijuana and is not a registered
30 cardholder.

1 (6) Except as provided in [section 32], possession of or application for a registry identification card or
 2 a license does not alone constitute probable cause to search the person or property of the person possessing
 3 or applying for the registry identification card or license or otherwise subject the person or property of the person
 4 possessing or applying for the card or license to inspection by any governmental agency, including a law
 5 enforcement agency.

6
 7 **NEW SECTION. Section 11. Registry card or license to be carried and exhibited on demand --**
 8 **photo identification required.** (1) A registered cardholder or person licensed or registered pursuant to this
 9 chapter shall have the cardholder's registry identification card or the person's license or registration in the
 10 person's immediate possession at all times. The person shall display the registry identification card, license, or
 11 registration and a valid photo identification upon demand of a law enforcement officer, justice of the peace, or
 12 city or municipal judge.

13 (2) A person charged with violating this section may not be convicted if the person produces in court or
 14 in the office of the arresting officer a valid registry identification card, license, or registration and photo
 15 identification.

16
 17 **Section 12.** Section 50-46-205, MCA, is amended to read:

18 **"50-46-205. Limitations of Medical Marijuana Act -- penalties.** (1) This chapter does not permit:
 19 (a) any person, including a registered cardholder, to operate, navigate, or be in actual physical control
 20 of any motor vehicle, aircraft, or motorboat while under the influence of marijuana;
 21 (b) the use of marijuana by a caregiver provider unless the provider is also a registered cardholder; or
 22 (c) except as provided in subsection (2), the medical use of marijuana:
 23 (i) in a health care facility as defined in 50-5-101;
 24 (ii) in a school or a postsecondary school as defined in 20-5-402;
 25 (iii) on or in any property owned by a school district or a postsecondary school; or
 26 (iv) on or in any property leased by a school district or a postsecondary school when the property is being
 27 used for school-related purposes; or
 28 ~~(e)~~(d) the smoking of marijuana by a qualifying patient registered cardholder:
 29 (i) in a school bus or other form of public transportation;
 30 ~~(ii) on any school grounds;~~

1 ~~(iii)~~(ii) in any correctional facility; or
 2 ~~(iv)~~(iii) at any public park, public beach, public recreation center, or youth center;
 3 (iv) in plain view of or in a place open to the general public; or
 4 (v) where exposure to the marijuana smoke significantly adversely affects the health, safety, or welfare
 5 of children.

6 (2) A hospice licensed under Title 50, chapter 5, may adopt a policy that allows medical use of marijuana
 7 by a registered cardholder.

8 ~~(2)~~(3) Nothing in this chapter may be construed to require:

9 (a) a government medical assistance program or private health insurer to reimburse a person for costs
 10 associated with the medical use of marijuana; or

11 (b) an employer to accommodate the medical use of marijuana in any workplace.

12 ~~(3)~~(4) Nothing in this chapter may be construed to allow a caregiver provider who is not also a registered
 13 cardholder to use marijuana or to prevent criminal prosecution of a caregiver provider who is not also a registered
 14 cardholder and who uses marijuana or paraphernalia for the caregiver's provider's personal use.

15 (5) (a) A person who violates subsection (1)(a) is subject to a revocation of the person's registry
 16 identification card if the person is convicted of or pleads guilty to any offense related to driving under the influence
 17 of alcohol or drugs when the initial offense with which the person was charged was a violation of 61-8-401,
 18 61-8-406, or 61-8-410. A revocation under this section shall be for the period of suspension or revocation set
 19 forth:

20 (i) in 61-5-208 for a violation of 61-8-401 or 61-8-406; or

21 (ii) in 61-8-410 for a violation of 61-8-410.

22 (b) If a person's registry identification card is subject to renewal during the revocation period, the person
 23 may not renew the card until the full revocation period has elapsed. The card may be renewed only if the person
 24 submits all materials required for renewal."

25

26 **Section 13.** Section 50-46-207, MCA, is amended to read:

27 **"50-46-207. Fraudulent representation of medical use of marijuana -- penalty.** (1) A person commits
 28 the offense of fraudulent representation of medical use of marijuana if the person knowingly or purposely
 29 fabricates or misrepresents to a law enforcement officer a registry identification card ~~to a law enforcement officer~~
 30 or a license issued pursuant to this chapter.

1 (2) A person convicted of fraudulent representation of medical use of marijuana shall be fined not to
 2 exceed \$1,000 or be imprisoned in the county jail for a term not to exceed 6 months, or both."

3

4 **Section 14.** Section 50-46-210, MCA, is amended to read:

5 **"50-46-210. Rulemaking -- fees.** (1) The department shall adopt rules necessary for the implementation
 6 and administration of this chapter. The rules must address:

7 (a) the manner in which the department will consider application for ~~and renewals of~~ registry identification
 8 cards for qualifying patients ~~and caregivers~~ and renewal of registry identification cards for registered cardholders;

9 (b) the acceptable forms of proof of Montana residency;

10 (c) the circumstances under which a patient's admittance into hospice care will qualify as a debilitating
 11 medical condition; and

12 (d) the circumstances under which the department will notify the board of medical examiners of potential
 13 violations of [section 6].

14 (2) The department's rules must establish application and renewal fees that generate revenue sufficient
 15 to offset all expenses of implementing and administering this chapter. The department may vary the application
 16 and renewal fees along a sliding scale that accounts for a qualifying patient's income."

17

18 NEW SECTION. **Section 15. State licensing authority -- hiring -- costs.** (1) The state licensing
 19 authority may hire employees to carry out the responsibilities assigned under this chapter. The employees are
 20 employees of the department of revenue.

21 (2) The operational costs of the state licensing authority, including the costs of carrying out the licensing,
 22 inspection, and investigation duties of this chapter, must be fully funded by fees paid by licensees and registrants.

23

24 NEW SECTION. **Section 16. State licensing authority -- powers and duties -- rulemaking authority.**

25 (1) The state licensing authority shall:

26 (a) grant or refuse state licenses for the cultivation, manufacture, distribution, and sale of medical
 27 marijuana as provided by law;

28 (b) suspend, restrict, or revoke licenses upon violation of this chapter or a rule adopted pursuant to this
 29 chapter;

30 (c) impose fines and penalties authorized by this chapter or a rule adopted pursuant to this chapter;

- 1 (d) take any action with respect to a person registered by the state licensing authority pursuant to this
2 chapter that it may take with respect to a licensee;
- 3 (e) propose and adopt rules and adopt rulings and findings as necessary for the proper regulation and
4 control of the cultivation, manufacture, distribution, and sale of medical marijuana and for the enforcement of this
5 chapter;
- 6 (f) hear and determine at a public hearing:
- 7 (i) an appeal of a state license denial; or
8 (ii) a complaint against a licensee;
- 9 (g) administer oaths and issue subpoenas to require the presence of persons and the production of
10 materials necessary for a hearing held pursuant to this section;
- 11 (h) maintain the confidentiality of reports obtained from a licensee showing the sales volume or quantity
12 of medical marijuana sold or any other records that are exempt from public inspection pursuant to state law;
- 13 (i) develop the forms, licenses, identification cards, and applications necessary for the administration of
14 this chapter; and
- 15 (j) report annually to the legislature the number of applications received and granted for each type of
16 license, the geographic locations of licensees, the number of registered cardholders per licensee, and the number
17 and types of licenses revoked by the state licensing authority. The report may not provide any individually
18 identifying information about licensees.
- 19 (2) A hearing held pursuant to this section must comply with the provisions of Title 2, chapter 4.
- 20 (3) The state licensing authority may adopt rules to carry out its duties and responsibilities, including but
21 not limited to rules related to:
- 22 (a) licensing procedures, including:
- 23 (i) procedures for applications for initial licenses, renewals, and reinstatements;
24 (ii) procedures for approval, denial, or suspension of a license;
25 (iii) provisions for fines and license restrictions or revocations;
26 (iv) the procedure and fees for submitting fingerprints for background checks; and
27 (v) the fees to be charged for license applications, license issuance, license renewals or reinstatements,
28 applications to change locations, and applications to transfer ownership. Except as provided in subsection (4),
29 the fees must cover the operational costs of the state licensing authority.
- 30 (b) the duties of officers and employees of the state licensing authority;

- 1 (c) requirements for inspections, investigations, searches, and seizures;
- 2 (d) penalties for violation of the provisions of this chapter;
- 3 (e) prohibitions on misrepresentation and unfair practices;
- 4 (f) control of informational and product displays on licensed premises;
- 5 (g) development of individual identification cards for owners, officers, managers, contractors, employees,
- 6 and other support staff of entities licensed or registered by the state licensing authority pursuant to this chapter;
- 7 (h) security requirements for a licensed premises including, at a minimum, the lighting, physical security,
- 8 video, and alarm requirements and other minimum procedures for internal control as determined necessary for
- 9 the proper administration and enforcement of this chapter;
- 10 (i) requirements for reporting changes, alterations, or modifications to a licensed premises;
- 11 (j) the storage of, warehouses for, and transportation of medical marijuana;
- 12 (k) sanitary requirements for medical marijuana dispensaries and for medical marijuana-infused products
- 13 manufacturers;
- 14 (l) the acceptable forms of photo identification that a medical marijuana dispensary may accept when
- 15 verifying a sale;
- 16 (m) labeling standards;
- 17 (n) records to be kept by licensees and the required availability of the records, including the availability
- 18 of information ensuring payment of income taxes; and
- 19 (o) the sharing of information with other state agencies and with state and local law enforcement
- 20 agencies.
- 21 (4) The state licensing authority may charge a reduced fee for a person applying for a provider license
- 22 if the person is:
- 23 (a) the custodial parent or legal guardian of a minor who is a registered cardholder; and
- 24 (b) acting as a provider only for the minor child.
- 25 (5) Nothing in this section may be construed as delegating to the state licensing authority the power to
- 26 establish prices for medical marijuana.
- 27 (6) Nothing in this chapter may be construed to limit a law enforcement agency's ability to investigate
- 28 unlawful activity in relation to a licensee or registrant. A law enforcement agency may run a Montana criminal
- 29 justice information network criminal history record check of a licensee or a registrant during an investigation of
- 30 unlawful activity related to medical marijuana.

1
2 **NEW SECTION. Section 17. Classes of licenses -- disclosure -- confidentiality.** (1) The state
3 licensing authority may issue:

- 4 (a) a provider license;
5 (b) a medical marijuana dispensary license;
6 (c) a medical marijuana grower license;
7 (d) a medical marijuana-infused products manufacturer license; and
8 (e) registrations for owners, managers, operators, employees, contractors, and other support staff
9 employed by, working in, or having access to a limited access area of a licensed premises.

10 (2) The state licensing authority may take any action with respect to a registrant pursuant to this chapter
11 that it may take with a licensee.

12 (3) The state licensing authority shall provide each appropriate local law enforcement agency with the
13 street address of each licensee in the agency's jurisdiction. The law enforcement agency may disclose the
14 information only to authorized employees of the agency as necessary to verify that a medical marijuana operation
15 is licensed and is in compliance with the provisions of this chapter.

16
17 **NEW SECTION. Section 18. Providers -- requirements -- allowable activities.** (1) The state licensing
18 authority shall issue a license to an individual who is named as a provider in a registered cardholder's approved
19 application if the individual:

- 20 (a) registers the individual's street address with the state licensing authority;
21 (b) registers the street address of the location where the individual will cultivate or manufacture marijuana
22 for medical use if the registered cardholder has named the individual as the person who will be cultivating or
23 manufacturing marijuana for the cardholder's use;
24 (c) signs a statement:
25 (i) agreeing to provide medical marijuana only to registered cardholders who have named the applicant
26 as their provider;
27 (ii) agreeing to notify the state licensing authority and other regulatory entities within 10 days of any
28 change in the provider's street address or in the street address where the medical marijuana is cultivated or
29 manufactured; and
30 (iii) acknowledging that possession of the license does not allow the provider to engage in the use of

1 marijuana or to use paraphernalia for any purpose other than cultivating, manufacturing, delivering, transferring,
2 or transporting marijuana for medical use by a registered cardholder unless the provider has also applied for and
3 received a registry identification card;

4 (d) undergoes the licensing procedures established in [section 22]; and

5 (e) is not prohibited from licensure under the provisions of [section 23].

6 (2) An individual may serve as a provider for no more than five registered cardholders unless the state
7 licensing authority approves a provider to serve more than five patients because of exceptional circumstances.
8 Exceptional circumstances include but are not limited to the registered cardholder's proximity to a medical
9 marijuana dispensary.

10 (3) A provider:

11 (a) may receive reasonable compensation for services provided to assist with a registered cardholder's
12 medical use of marijuana;

13 (b) may not delegate to another person the provider's authority to provide medical marijuana to a
14 cardholder or engage others to assist in providing medical marijuana to a cardholder;

15 (c) may not join with another provider to cultivate or manufacture medical marijuana; and

16 (d) shall maintain at all times a list of the registered cardholders who have named the individual as their
17 provider. The list must include the registry identification card number of each patient and must be provided to a
18 law enforcement agency upon request.

19

20 **NEW SECTION. Section 19. Medical marijuana dispensary -- allowable activities -- requirements.**

21 (1) A medical marijuana dispensary may sell:

22 (a) medical marijuana grown at the medical marijuana grower premises associated with the dispensary;

23 (b) medical marijuana purchased from another medical marijuana dispensary; or

24 (c) medical marijuana-infused products obtained from a medical marijuana-infused products
25 manufacturer.

26 (2) A medical marijuana dispensary may:

27 (a) purchase up to 30% of its total on-hand inventory from another medical marijuana dispensary; and

28 (b) sell up to 30% of its total on-hand inventory to a medical marijuana dispensary or a medical
29 marijuana-infused products manufacturer.

30 (3) Medical marijuana-infused products sold by a medical marijuana dispensary must be prepackaged

1 and labeled to indicate that:

2 (a) the product contains medical marijuana;

3 (b) the product is manufactured without any regulatory oversight for health, safety, or efficacy; and

4 (c) health risks may be associated with the consumption or use of the product.

5 (4) A medical marijuana dispensary may contract with a medical marijuana-infused products
6 manufacturer for the manufacture of medical marijuana-infused products upon a medical marijuana-infused
7 products manufacturer's licensed premises.

8 (5) (a) Before completing a sale, a medical marijuana dispensary employee shall verify that the purchaser
9 has a valid registry identification card and a valid photo identification that matches the name on the registry card.

10 (b) If a dispensary or a dispensary's employee has reasonable cause to believe that a person is using
11 a fraudulent registry identification card in an attempt to obtain medical marijuana, the dispensary or employee
12 may confiscate the registry identification card, if possible, and shall, within 72 hours of the confiscation, turn it over
13 to the department or to a state or local law enforcement agency.

14 (c) Failure to confiscate a fraudulent registry identification card or to turn it over to the department or to
15 a state or local law enforcement agency within 72 hours does not constitute a criminal offense.

16 (6) A medical marijuana dispensary may provide a small amount of its medical marijuana for testing to
17 a laboratory that is registered pursuant to rules adopted by the state licensing authority pursuant to this chapter.

18 (7) Medical marijuana sold at a medical marijuana dispensary must be labeled with a list of all chemical
19 additives that were used in the cultivation and production of the medical marijuana, including but not limited to
20 nonorganic pesticides, herbicides, and fertilizers.

21 (8) A medical marijuana dispensary shall comply with Title 49, chapter 4, as it relates to persons with
22 disabilities.

23

24 **NEW SECTION. Section 20. Medical marijuana grower -- eligibility -- confidentiality -- allowable**
25 **activities.** (1) A person applying for a medical marijuana dispensary or medical marijuana-infused products
26 manufacturer license shall also apply for and obtain a medical marijuana grower license.

27 (2) A medical marijuana grower may grow and cultivate medical marijuana at a licensed premises that
28 may be contiguous with the licensed premises of the licensee's medical marijuana dispensary or medical
29 marijuana-infused products manufacturing premises.

30 (3) Except as provided in [section 17], the location of a medical marijuana grower's licensed premises

1 is a confidential record. The state licensing authority and local governments shall keep the location of the
2 premises confidential and shall redact the physical location from public records.

3
4 **NEW SECTION. Section 21. Medical marijuana-infused products manufacturer -- allowable**
5 **activities.** (1) A medical marijuana-infused products manufacturer shall:

6 (a) prepare medical marijuana-infused products on a licensed premises that is used exclusively for the
7 manufacture and preparation of medical marijuana-infused products;

8 (b) use equipment that is used exclusively for the manufacture and preparation of medical
9 marijuana-infused products; and

10 (c) execute a written agreement or contract with a medical marijuana dispensary that states at a
11 minimum:

12 (i) the total amount of medical marijuana to be obtained from a medical marijuana dispensary and used
13 in the manufacturing process; and

14 (ii) the total amount of medical marijuana-infused products to be manufactured from the medical
15 marijuana obtained from the medical marijuana dispensary.

16 (2) A medical marijuana-infused products manufacturer may not use medical marijuana from more than
17 five different medical marijuana dispensaries in the production of one medical marijuana-infused product.

18 (3) A medical marijuana-infused products manufacturer may sell its products to any medical marijuana
19 dispensary. It may not sell its products to a registered cardholder or a provider.

20 (4) All licensed premises on which medical marijuana-infused products are manufactured must meet:

21 (a) the sanitary standards for medical marijuana-infused product preparation as adopted by the state
22 licensing authority; and

23 (b) any applicable standards set by a local board of health for a food service establishment as defined
24 in 50-50-102.

25 (5) A medical marijuana-infused product must be sealed and clearly labeled in accordance with this
26 chapter and rules adopted by the state licensing authority.

27 (6) Medical marijuana-infused products may not be consumed on any licensed premises.

28 (7) (a) A medical marijuana-infused products manufacturer may use the marijuana from the licensed
29 premises affiliated with its medical marijuana grower license only for the purposes of making medical
30 marijuana-infused products at its manufacturing premises.

1 (b) The marijuana grown at the licensed premises may not be sold to a registered cardholder, a provider,
2 or a dispensary.

3 (8) Medical marijuana-infused products may not be considered a food or drug for the purposes of Title
4 50, chapter 31.

5
6 **NEW SECTION. Section 22. Licensing procedures -- background checks.** (1) An applicant for
7 a license or registration shall submit the following, in accordance with rules adopted by the state licensing
8 authority:

9 (a) the name and street address of the applicant;

10 (b) the names and street addresses of the officers, directors, or managers involved with the medical
11 marijuana licensee;

12 (c) the street address or physical description, if no street address is available, where the applicant's
13 business will be located;

14 (d) application and licensing fees as established by the state licensing authority in rule; and

15 (e) any other information required by the state licensing authority.

16 (2) Payment of the fee and submission of an application do not create an entitlement to receive a license
17 or a registration.

18 (3) (a) Except as provided in subsection (5), an applicant shall submit fingerprints to facilitate a fingerprint
19 and background check by the department of justice and the federal bureau of investigation. An applicant who has
20 previously submitted fingerprints for state licensing purposes may request that the fingerprints on file be used.

21 (b) The state licensing authority may acquire a name-based criminal history record check for an applicant,
22 licensee, or registrant who has twice submitted to a fingerprint-based criminal history record check and whose
23 fingerprints are unclassifiable.

24 (4) The state licensing authority shall use the information resulting from a criminal history record check
25 conducted under this section to investigate and determine whether an applicant is qualified to hold a state license
26 or registration pursuant to this chapter. The state licensing authority may verify any information an applicant is
27 required to submit.

28 (5) The state licensing authority shall acquire a state name-based criminal history record check for an
29 applicant or a licensee who is applying for a provider license and is:

30 (a) the custodial parent or legal guardian of a minor who is a registered cardholder; and

1 (b) acting as a provider only for the minor child.

2 (6) (a) Except as provided in subsection (6)(b), a license or registration issued pursuant to this section
3 is valid for 2 years from the date of issuance unless revoked or suspended pursuant to [section 30 or 33].

4 (b) A provider license is valid for:

5 (i) the same period of time as the registry identification cards for the registered cardholders who have
6 named the individual as their provider; or

7 (ii) a maximum of 2 years if the registry identification card of at least one of the registered cardholders
8 who have named the individual as their provider would expire more than 2 years after the provider was first
9 licensed.

10 (7) Each license or registration issued under this chapter is separate and distinct. A person may not:

11 (a) exercise any of the privileges granted under a license or registration other than the license or
12 registration that the person holds; or

13 (b) allow another person to exercise the privileges granted under the license or registration.

14 (8) A separate license is required for each business or business entity and for each location at which an
15 entity conducts business.

16 (9) (a) A licensee shall notify the state licensing authority in writing of the name, street address, and date
17 of birth of a new owner, officer, manager, or employee before the new owner, officer, manager, or employee
18 begins working at, managing, owning, or being associated with the licensee.

19 (b) Before the person may begin the person's association with the licensee, the person shall:

20 (i) submit fingerprints to facilitate a fingerprint and background check by the department of justice and
21 the federal bureau of investigation; and

22 (ii) obtain the identification required by the state licensing authority.

23

24 **NEW SECTION. Section 23. Persons prohibited as licensees.** The state licensing authority may not
25 issue a license to:

26 (1) a person with a felony conviction;

27 (2) a licensed physician providing written certification for the medical use of marijuana;

28 (3) a person under the supervision of the department of corrections or a youth court;

29 (4) a person licensed pursuant to this chapter who, during a period of licensure or at the time of
30 application, has failed to:

- 1 (a) pay any taxes, interest, or penalties due;
- 2 (b) pay a judgment due to a government agency;
- 3 (c) stay out of default on a government-issued student loan;
- 4 (d) pay child support; or
- 5 (e) remedy an outstanding delinquency for child support or for taxes or judgments owed to a government
- 6 agency;
- 7 (5) a person who employs an individual who has not passed a criminal history record check;
- 8 (6) a peace officer, as defined in 45-2-101;
- 9 (7) an officer or employee of the state licensing authority;
- 10 (8) a person whose authority for a license of a different class has been revoked by the state licensing
- 11 authority;
- 12 (9) a person for a license for a location that is currently licensed pursuant to 50-57-201 as an
- 13 establishment or a retail food establishment; or
- 14 (10) a person who has not been a resident of Montana for at least 2 years prior to the date of the person's
- 15 application. This requirement does not apply to a person who submits an application for licensure by December
- 16 15, 2011, if the person was a resident of Montana on December 15, 2010.

17

18 **NEW SECTION. Section 24. Denial of license.** (1) The state licensing authority shall deny a license

19 to an applicant or licensee if:

- 20 (a) the premises on which the applicant proposes to conduct business do not meet the requirements of
- 21 this chapter;
- 22 (b) the applicant does not meet or fails to comply with any of the terms, conditions, or provisions of this
- 23 chapter or any rules adopted by the state licensing authority;
- 24 (c) the applicant fails to comply with any special terms or conditions that were placed on its license; or
- 25 (d) the licensed premises have been operated in a manner that adversely affects the public health or
- 26 welfare or the safety of the immediate neighborhood in which the business is located.

27 (2) An applicant who is denied a license pursuant to subsection (1) is entitled to a hearing pursuant to

28 Title 2, chapter 4. The state licensing authority shall provide written notice of the reasons for denial at least 15

29 days before the hearing.

30

1 **NEW SECTION. Section 25. Restrictions applicable to new licenses -- local government authority.**

2 (1) The state licensing authority may not accept or approve an application for a license:

3 (a) if the application involves a location that is the same as or within 1,000 feet of a location for which the
4 state denied an application for the same class of license within the 2 years immediately preceding the date of
5 application if the denial was because of the nature of the use or other concern related to the location;

6 (b) until it is established that the applicant is or will be entitled to possession of the premises through a
7 lease, rental agreement, or other arrangement for possession or by virtue of ownership of the premises;

8 (c) for a location in an area where the cultivation, manufacture, and sale of medical marijuana as
9 contemplated is not permitted under the applicable local government zoning laws; or

10 (d) if the building in which medical marijuana is to be sold is located within 1,000 feet of a school, a family
11 or group day-care home as defined in 52-2-703, an alcohol or drug treatment facility, or the principal campus of
12 a postsecondary school or seminary. The distance must be measured in a straight line from the nearest property
13 line of the land used for a school, day-care home, alcohol or drug treatment center, campus, or seminary to the
14 nearest portion of the building in which medical marijuana is to be sold.

15 (2) The provisions of this section may not affect the renewal or reissuance of a license or apply to a
16 license in effect if the licensee was actively doing business before the principal campus of a postsecondary school
17 was built.

18 (3) A local government may by ordinance or resolution vary the distance restrictions imposed by this
19 section or may eliminate one or more types of schools, campuses, or facilities from the application of a distance
20 restriction.

21
22 **NEW SECTION. Section 26. Licenses -- contents and display.** (1) A license issued pursuant to this
23 chapter must specify the date of issuance, the period of licensure, the name of the licensee, and the premises
24 that is licensed.

25 (2) The license must be conspicuously displayed at all times at the place for which it is issued.

26 (3) The licensee shall at all times possess and maintain possession of the premises for which the license
27 is issued. Possession may be by ownership, lease, rental, or other arrangement.

28
29 **NEW SECTION. Section 27. Transfer of ownership -- change of location or manager.** (1) A license
30 granted pursuant to this chapter may be transferred upon application to the state licensing authority on forms

1 prepared and furnished by the state licensing authority. In determining whether to permit a transfer of ownership,
2 the state licensing authority shall consider the requirements of this chapter and rules adopted pursuant to this
3 chapter.

4 (2) A licensee shall report a transfer or change of ownership to the state licensing authority 30 days
5 before a transfer or change of ownership occurs.

6 (3) A report is required for transfers of capital stock of any corporation.

7 (4) Upon approval from the state licensing authority, a licensee may move the licensee's permanent
8 location to any place in the same city, town, or county for which the license was originally granted. Before granting
9 the request, the state licensing authority shall consider whether the proposed change of location would conform
10 with the city, town, or county's zoning requirements or any regulatory decisions made pursuant to [section 7].

11 (5) A licensee shall manage the licensed premises or employ a separate and distinct manager on the
12 premises. The licensee shall report to the state licensing authority:

13 (a) the name of the manager; and

14 (b) a change in manager 30 days prior to the change.

15

16 **NEW SECTION. Section 28. Unlawful financial assistance.** (1) The state licensing authority shall
17 require a complete disclosure of all persons having a direct or indirect financial interest in each license issued
18 pursuant to this chapter. The disclosure must include the extent of each person's financial interest.

19 (2) Except as provided in subsection (3), a person may not have an unreported financial interest in a
20 license unless the person has submitted fingerprints to facilitate a fingerprint and background check by the
21 department of justice and the federal bureau of investigation.

22 (3) This section does not apply to:

23 (a) a financial institution as defined in 32-6-103;

24 (b) federal housing administration-approved mortgages; or

25 (c) stockholders, directors, or officers of financial institutions or the federal housing administration.

26 (4) This section is intended to prohibit and prevent the control of the outlets for the sale of medical
27 marijuana by a person or party other than the persons licensed pursuant to the provisions of this chapter.

28

29 **NEW SECTION. Section 29. License renewal.** (1) For all licenses except provider licenses, the state
30 licensing authority shall notify the licensee 90 days in advance of the expiration of the license. The notification

1 must be sent by first-class mail to the licensee's address of record with the state licensing authority. Except as
2 provided in subsection (2), a licensee shall apply for the renewal of an existing license at least 30 days before
3 the expiration date of the license.

4 (2) The state licensing authority, in its discretion and based upon reasonable grounds, may waive the
5 30-day requirement.

6 (3) (a) A licensee whose license has been expired for 90 days or less may file a late renewal application
7 upon the payment of a nonrefundable late application fee of \$500. A licensee who files a late renewal application
8 and pays the fee may continue to operate until the state licensing authority has taken final action on the
9 application unless the state licensing authority summarily suspends the license as provided in [section 33].

10 (b) A licensee whose license has been expired for more than 90 days may not cultivate, manufacture,
11 distribute, or sell medical marijuana until the person has obtained a new license.

12

13 **NEW SECTION. Section 30. Inactive licenses.** The state licensing authority may revoke or elect not
14 to renew a license if it determines that the licensed premises have been inactive for at least 1 year.

15

16 **NEW SECTION. Section 31. Unlawful acts by licensees.** (1) Except as otherwise provided in this
17 chapter, it is unlawful for a licensee to:

18 (a) possess more than six plants and 2 ounces of usable marijuana for each registered cardholder who
19 has selected a provider or a medical marijuana dispensary to provide medical marijuana for the cardholder;

20 (b) have in possession or upon the licensed premises an amount of medical marijuana in excess of the
21 amount allowed by the license;

22 (c) allow any use of medical marijuana in a medical marijuana dispensary or upon a licensed premises;

23 (d) have on the licensed premises any medical marijuana or marijuana paraphernalia that shows
24 evidence of the medical marijuana having been consumed or partially consumed;

25 (e) continue operating a business for the purpose of cultivation, manufacture, or sale of medical
26 marijuana or medical marijuana-infused products without filing the forms and paying the fees required under this
27 chapter;

28 (f) buy, sell, transfer, give away, or acquire medical marijuana except as allowed pursuant to this chapter;

29 (g) allow a person to be within a limited access area unless:

30 (i) the person's license or registration from the state licensing authority allows access and the person's

- 1 license or registration is displayed as required by this chapter; or
- 2 (ii) the person is an employee of the state licensing authority conducting an inspection pursuant to
- 3 [section 32];
- 4 (h) fail to designate areas of ingress and egress for limited-access areas and post signs in conspicuous
- 5 locations as required by rules adopted pursuant to this chapter;
- 6 (i) fail to report a transfer or change of ownership or financial interest as required by [section 27];
- 7 (j) fail to report the name of or a change in managers as required by [section 27];
- 8 (k) display any signs that are inconsistent with local laws or regulations;
- 9 (l) use advertising material that is misleading, deceptive, false, or designed to appeal to minors;
- 10 (m) provide public premises for the purpose of using medical marijuana in any form;
- 11 (n) sell medical marijuana to a person not licensed pursuant to this chapter or to a person who is unable
- 12 to produce a valid registry identification card;
- 13 (o) offer for sale or solicit an order for medical marijuana in person except within the licensed premises;
- 14 (p) buy medical marijuana from a person not licensed to sell it as provided by this chapter;
- 15 (q) except for a provider, sell medical marijuana anywhere other than the permanent location specifically
- 16 designated in the license;
- 17 (r) require a medical marijuana dispensary or a medical marijuana grower to deliver marijuana to a
- 18 premises other than the specific licensed premises where the medical marijuana is to be sold; or
- 19 (s) violate the provisions of 30-14-205 and 30-14-209.
- 20 (2) (a) Except as provided in [sections 18 through 21], it is unlawful for:
- 21 (i) a licensee to sell, deliver, or cause to be delivered to a licensee or registered cardholder any medical
- 22 marijuana not grown upon its licensed premises; or
- 23 (ii) a medical marijuana grower to sell, possess, or permit sale of medical marijuana not grown upon its
- 24 licensed premises.
- 25 (b) A violation of this subsection (2) is grounds for the immediate revocation of the license granted under
- 26 this chapter.
- 27 (3) (a) It is unlawful for a physician who makes patient referrals to a medical marijuana dispensary to
- 28 receive anything of value from the medical marijuana dispensary or its agents, servants, officers, or owners or
- 29 anyone with a financial interest in the dispensary license.
- 30 (b) It is unlawful for a person licensed or registered by the state licensing authority pursuant to this

1 chapter to offer anything of value to a physician for making patient referrals to the licensee or registrant.

2 (4) A person who violates a provision of this section commits a misdemeanor that is punishable by a fine
3 not to exceed \$1,000 or by imprisonment in a county jail for a term not to exceed 6 months, or both, unless the
4 violation would constitute a violation of Title 45. An offense constituting a violation of Title 45 must be charged
5 and prosecuted pursuant to the provisions of Title 45.

6
7 **NEW SECTION. Section 32. Inspection procedures.** (1) (a) Each licensee shall keep a complete set
8 of records necessary to show all business transactions. The records must be open for inspection by the state
9 licensing authority at any time during business hours.

10 (b) The state licensing authority may require:

11 (i) a licensee to furnish information it considers necessary for the proper administration of this chapter;
12 and

13 (ii) an audit of the licensee's records and accounts by an auditor selected by the state licensing authority.
14 The auditor may have access to all books and records of the licensee.

15 (2) The licensee shall pay the costs of an audit required under this section.

16 (3) (a) A licensed premises, including any places of storage, where medical marijuana is grown, stored,
17 cultivated, sold, or dispensed, is subject to entry by the state licensing authority for the purpose of inspection or
18 investigation during all business hours and other times of apparent activity.

19 (b) (i) For examination of inventory or books and records required to be kept by the licensee, the state
20 licensing authority may have access during business hours.

21 (ii) If any part of the licensed premises consists of a locked area, the licensee shall make the area
22 available for inspection without delay upon request of the state licensing authority.

23 (4) A licensee shall keep all books and records showing all business transactions of the licensee for the
24 current tax year and the 3 tax years immediately preceding the current tax year.

25 (5) Within 15 days after the end of each quarter and in a manner prescribed by the state licensing
26 authority, a licensee shall file a statement showing for that quarter:

27 (a) the total gross income collected;

28 (b) the amount of usable marijuana sold;

29 (c) the number of plants grown and sold;

30 (d) the number of registered cardholders to whom the usable marijuana or plants were sold;

- 1 (e) the number of plants and amount of usable marijuana remaining in inventory; and
2 (f) for a medical marijuana dispensary, the amount of medical marijuana purchased from or sold to
3 another medical marijuana dispensary.

4
5 **NEW SECTION. Section 33. Penalties for licensee violations.** (1) In addition to any other sanctions
6 imposed by this chapter or by rules adopted pursuant to this chapter, the state licensing authority may suspend
7 or revoke a license if a licensee or any agent or employee of the licensee has violated:

- 8 (a) the provisions of this chapter;
9 (b) a rule adopted pursuant to this chapter; or
10 (c) a term, condition, or provision of the license.

11 (2) The state licensing authority may suspend or revoke a license only after an investigation and an
12 opportunity for a public hearing at which the licensee must be given an opportunity to be heard.

13 (3) The state licensing authority may administer oaths and issue subpoenas to require the presence of
14 persons and the production of materials needed for a hearing held under this section.

15 (4) The state licensing authority shall provide notice of suspension, revocation, fine, or other sanction,
16 as well as the required notice of the hearing, by notifying the licensee in writing at the address contained in the
17 license application.

18 (5) Except in the case of a summary suspension, a suspension is limited to a maximum of 6 months.

19 (6) If a license is suspended or revoked, the licensing fee may not be returned to the licensee.

20 (7) (a) A license or registration issued by the state licensing authority may be summarily suspended by
21 the state licensing authority without notice pending any prosecution, investigation, or public hearing. Nothing in
22 this section prevents the summary suspension of a license or registration.

23 (b) If a medical marijuana dispensary license is summarily suspended, a registered cardholder who has
24 selected the dispensary as the cardholder's source of medical marijuana may immediately name another medical
25 marijuana dispensary as the cardholder's source of medical marijuana.

26 (8) (a) When the state licensing authority determines that a license should be suspended for 14 days
27 or less, the licensee may, before the suspension becomes effective, petition for permission to pay a fine in lieu
28 of all or part of the license suspension. Upon receipt of the petition, the state licensing authority may stay the
29 proposed suspension, undertake an optional investigation, and grant the petition if it is satisfied that:

30 (i) the public health, safety, and welfare would not be impaired by permitting the licensee to operate

- 1 during the period set for suspension;
- 2 (ii) payment of the fine will achieve the desired disciplinary purposes;
- 3 (iii) the licensee's books and records accurately reflect the loss of sales that the licensee would have
- 4 suffered had the suspension gone into effect; and
- 5 (iv) during the 2 years immediately preceding the date of the motion or complaint that resulted in the
- 6 determination to suspend the license:
- 7 (A) the license has not been suspended or revoked; and
- 8 (B) a potential suspension of the license during that time has not been stayed by payment of a fine.
- 9 (b) The fine accepted in lieu of suspension must be no less than \$500 and no more than \$100,000.
- 10 (c) Payment of a fine pursuant to this section must be in the form of cash, a certified check, or a cashier's
- 11 check made payable to the state licensing authority.
- 12 (9) Upon payment of the fine provided for in subsection (8), the state licensing authority shall enter an
- 13 order permanently staying the imposition of the suspension.
- 14 (10) If the state licensing authority decides against accepting a fine in lieu of suspension for a suspension
- 15 of 14 days or less, it shall set an effective date for the suspension.
- 16

17 **NEW SECTION. Section 34. Special revenue account.** (1) There is an account in the state special

18 revenue fund to the credit of the state licensing authority for use in administering this chapter. The account

19 consists of money deposited into the account from licensing fees, penalties, and any other source. Interest earned

20 on the account must be deposited into the account and used to sustain the account.

21 (2) Money from the account must be used to cover the expenses of the state licensing authority.

22 (3) Money remaining in the account at the end of the fiscal year must be transferred to the general fund.

23

24 **Section 35.** Section 61-11-101, MCA, is amended to read:

25 **"61-11-101. Report of convictions and suspension or revocation of driver's licenses -- surrender**

26 **of licenses.** (1) If a person is convicted of an offense for which chapter 5 or chapter 8, part 8, makes mandatory

27 the suspension or revocation of the driver's license or commercial driver's license of the person by the

28 department, the court in which the conviction occurs shall require the surrender to it of all driver's licenses then

29 held by the convicted person. The court shall, within 5 days after the conviction becomes final, forward the license

30 and a record of the conviction to the department. If the person does not possess a driver's license, the court shall

1 indicate that fact in its report to the department.

2 (2) A court having jurisdiction over offenses committed under a statute of this state or a municipal
3 ordinance regulating the operation of motor vehicles on highways, except for standing or parking statutes or
4 ordinances, shall forward a record of the conviction, as defined in 61-5-213, to the department within 5 days after
5 the conviction becomes final. The court may recommend that the department issue a restricted probationary
6 license on the condition that the individual comply with the requirement that the person attend and complete a
7 chemical dependency education course, treatment, or both, as ordered by the court under 61-8-732.

8 (3) A court or other agency of this state or of a subdivision of the state that has jurisdiction to take any
9 action suspending, revoking, or otherwise limiting a license to drive shall report an action and the adjudication
10 upon which it is based to the department within 5 days on forms furnished by the department.

11 (4) A conviction becomes final for the purposes of this part upon the later of:

12 (a) expiration of the time for appeal of the court's judgment or sentence to the next highest court;

13 (b) forfeiture of bail that is not vacated; or

14 (c) imposition of a fine or court cost as a condition of a deferred imposition of a sentence or a suspended
15 execution of a sentence.

16 (5) (a) On a conviction referred to in subsection (1) of a person who holds a commercial driver's license
17 or who is required to hold a commercial driver's license, a court may not take any action, including deferring
18 imposition of judgment, that would prevent a conviction for any violation of a state or local traffic control law or
19 ordinance, except a parking law or ordinance, in any type of motor vehicle, from appearing on the person's driving
20 record. The provisions of this subsection (5)(a) apply only to the conviction of a person who holds a commercial
21 driver's license or who is required to hold a commercial driver's license and do not apply to the conviction of a
22 person who holds any other type of driver's license.

23 (b) For purposes of this subsection (5), "who is required to hold a commercial driver's license" refers to
24 a person who did not have a commercial driver's license but who was operating a commercial motor vehicle at
25 the time of a violation of a state or local traffic control law or ordinance resulting in a conviction referred to in
26 subsection (1).

27 (6) (a) If a person who holds a valid medical marijuana registry identification card or a medical marijuana
28 license issued pursuant to Title 50, chapter 46, is convicted of or pleads guilty to any offense related to driving
29 under the influence of alcohol or drugs when the initial offense with which the person was charged was a violation
30 of 61-8-401, 61-8-406, or 61-8-410, the court in which the conviction occurs shall require the person to surrender

1 the registry identification card or license.

2 (b) Within 5 days after the conviction becomes final, the court shall forward:

3 (i) the registry identification card and a copy of the conviction to the department of public health and

4 human services; or

5 (ii) the license and a copy of the conviction to the department of revenue.

6 (c) If the person holds both a registry identification card and a license, the court shall forward the

7 appropriate materials to each department."

8

9 NEW SECTION. Section 36. Repealer. The following section of the Montana Code Annotated is

10 repealed:

11 50-46-206. Affirmative defense.

12

13 NEW SECTION. Section 37. Appropriation. (1) The following money is appropriated from the special
14 revenue account created in [section 34] to the state licensing authority for the purposes of carrying out the
15 provisions of [sections 15 through 34]:

16 Fiscal year 2012 \$5.2 million

17 Fiscal year 2013 \$3.61 million

18 (2) There is appropriated \$500,000 in fiscal year 2012 to the state licensing authority from the special
19 revenue account credited to the department of public health and human services for the medical marijuana
20 registry. The state licensing authority shall use the appropriation to carry out the provisions of [sections 15
21 through 34].

22

23 NEW SECTION. Section 38. Codification instruction. (1) [Sections 5 through 7] are intended to be
24 codified as an integral part of Title 50, chapter 46, part 1, and the provisions of Title 50, chapter 46, apply to
25 [sections 5 through 7].

26 (2) [Sections 10 and 11] are intended to be codified as an integral part of Title 50, chapter 46, part 2, and
27 the provisions of Title 50, chapter 46, apply to [sections 10 and 11].

28 (3) [Sections 15 through 34] are intended to be codified as an integral part of Title 50, chapter 46, and
29 the provisions of Title 50, chapter 46, apply to [sections 15 through 34].

30

