



AN ACT GENERALLY REVISING LAWS FOR THE SALE OF PRODUCTS RESTRICTED BY AGE; REVISING LAWS FOR THE SALE OF ALCOHOL, TOBACCO, ALTERNATIVE NICOTINE PRODUCTS, VAPOR PRODUCTS, AND MARIJUANA; PROHIBITING MISUSE OF DATA AND METADATA FROM SCANS OF GOVERNMENT OR TRIBAL-ISSUED IDENTIFICATION; REQUIRING PERIODIC DELETION OF DATA AND METADATA FROM SCANS OF GOVERNMENT OR TRIBAL-ISSUED IDENTIFICATION; AND AMENDING SECTIONS 16-11-305 AND 16-12-104, MCA.

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

Section 1. Periodic government or tribal-issued identification data destruction. (1) A business that scans a person's government or tribal-issued identification to determine the person's age solely for the sale of age-restricted items:

- (a) shall only use data or metadata from the scan to determine the person's age;
- (b) may not transfer or sell that data or metadata to another party; and
- (c) shall permanently delete any data or metadata from the scan within 180 days.

(2) Nothing in this section may be construed to limit the collection and preservation of information required by federal law for the sale of ephedrine or pseudoephedrine.

Section 2. Section 16-11-305, MCA, is amended to read:

"16-11-305. Sale or distribution of tobacco products, alternative nicotine products, or vapor products to persons under 18 years of age prohibited. (1) A person may not sell or distribute a tobacco product, alternative nicotine product, or vapor product to an individual under 18 years of age, whether over the counter, by vending machine, or otherwise.

(2) If there is a reasonable doubt as to the individual's age, the seller shall require presentation of a

driver's license or other generally accepted identification that includes a picture of the individual.

(3) If the seller scans a person's government or tribal-issued identification, the seller shall handle data and metadata from the scan in accordance with [section 1]."

Section 3. Section 16-12-104, MCA, is amended to read:

"16-12-104. (Effective October 1, 2021) Department responsibilities -- licensure. (1) The department shall establish and maintain a registry of persons who receive licenses under this chapter. The department shall issue:

(a) licenses:

(i) to persons who apply to operate as adult-use providers or adult-use marijuana-infused products providers and who submit applications meeting the requirements of this chapter; and

(ii) for adult-use dispensaries established by adult-use providers or adult-use marijuana-infused products providers; and

(b) endorsements for manufacturing to an adult-use provider or an adult-use marijuana-infused products provider that applies for a manufacturing endorsement and meets requirements established by the department by rule.

(2) A person who obtains an adult-use provider license, adult-use marijuana-infused products provider license, or adult-use dispensary license or an employee of a licensed adult-use provider or adult-use marijuana-infused products provider is authorized to cultivate, manufacture, possess, sell, and transport marijuana as allowed by this chapter.

(3) A person who obtains a testing laboratory license or an employee of a licensed testing laboratory is authorized to possess, test, and transport marijuana as allowed by this chapter.

(4) The department shall conduct criminal history background checks as required by 50-46-307 and 50-46-308 before issuing a license to a person named as a provider or marijuana-infused products provider.

(5) Licenses issued pursuant to this chapter must:

(a) be laminated and produced on a material capable of lasting for the duration of the time period for which the license is valid;

(b) indicate whether an adult-use provider or an adult-use marijuana-infused products provider has an

endorsement for manufacturing;

(c) state the date of issuance and the expiration date of the license; and

(d) contain other information that the department may specify by rule.

(6) (a) The department shall make application forms available and begin accepting applications for licensure and endorsement under this chapter on or before January 1, 2022.

(b) The department shall review the information contained in an application or renewal submitted pursuant to this chapter and shall approve or deny an application:

(i) within 30 days of receiving the application or renewal and all related application materials from an existing licensed provider or marijuana-infused products provider; and

(ii) within 90 days of receiving the application and all related application materials from a new applicant.

(c) If the department fails to act on a completed application within the time allowed under subsection (6)(b), the department shall:

(i) reduce the cost of the licensing fee for a new applicant for licensure or endorsement or for a licensee seeking renewal of a license by 5% each week that the application is pending; and

(ii) allow a licensee to continue operation until the department takes final action.

(d) Applications that are not processed within the time allowed under subsection (6)(b) remain active until the department takes final action.

(e) (i) The department may not take final action on an application for a license or renewal of a license until the department has completed a satisfactory inspection as required by this chapter and related administrative rules.

(ii) Failure by the department to complete the required inspection within the time allowed under subsection (6)(b) does not prevent an application from being considered complete for the purpose of subsection (6)(c).

(f) The department shall issue a license or endorsement within 5 days of approving an application or renewal.

(7) Review of a rejection of an application or renewal may be conducted as a contested case hearing pursuant to the provisions of the Montana Administrative Procedure Act.

(8) Licenses and endorsements issued to adult-use providers and adult-use marijuana-infused products providers must be renewed annually.

(9) The department shall provide the names and phone numbers of adult-use providers and adult-use marijuana-infused products providers and the city, town, or county where registered premises and testing laboratories are located to the public on the department's website. The department may not disclose the physical location or address of an adult-use provider, adult-use marijuana-infused products provider, adult-use dispensary, or testing laboratory.

(10) The department may not prohibit an adult-use provider, adult-use marijuana-infused products provider, or adult-use dispensary licensee from operating at a shared location with a provider, marijuana-infused products provider, or dispensary as defined in 50-46-302 if the provider, marijuana-infused products provider, or dispensary is owned by the same person.

(11) (a) The department may not adopt rules requiring a consumer to provide an adult-use provider, adult-use marijuana-infused products provider, or adult-use dispensary licensee with identifying information other than identification to determine the consumer's age or require the recording of personal information about consumers other than information typically required in a retail transaction.

(b) The department shall adopt a rule requiring an adult-use provider, adult-use marijuana-infused products provider, or adult-use dispensary licensee that scans a consumer's government or tribal-issued identification to determine the consumer's age to handle data and metadata from the scan in accordance with [section 1]."

Section 4. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 16, chapter 3, part 3, and the provisions of Title 16, chapter 3, part 3, apply to [section 1].

- END -

I hereby certify that the within bill,
SB 156, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2021.

Speaker of the House

Signed this _____ day
of _____, 2021.

SENATE BILL NO. 156

INTRODUCED BY B. BENNETT, P. FIELDER, B. MITCHELL, D. SKEES, K. SULLIVAN, K. BOGNER, P.
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