

HB 701

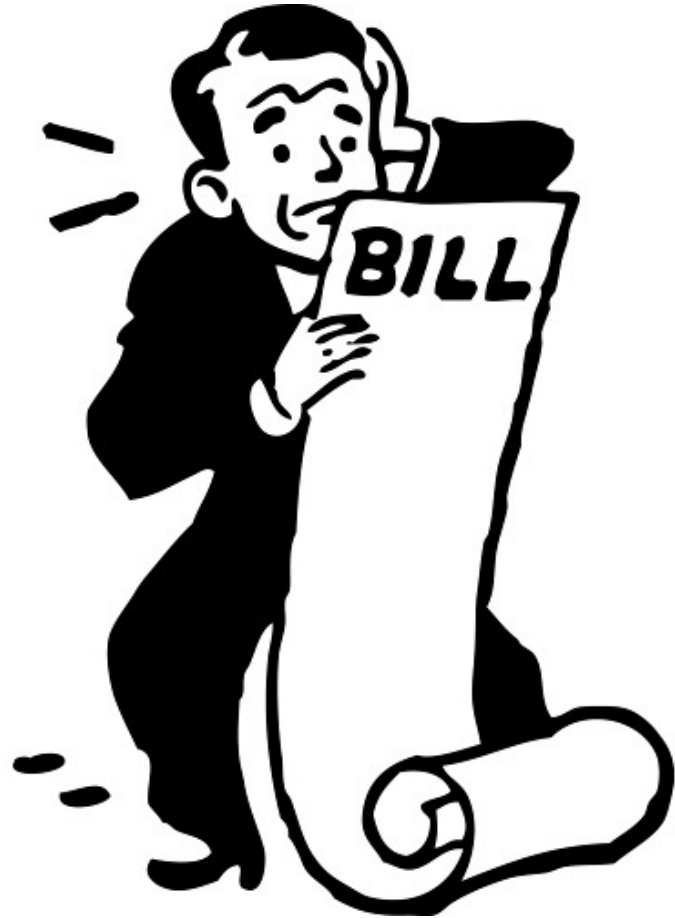
The Nuts and Bolts

Presenters

- Erin Sullivan
 - *Legislative Services Division*
- Beth McLaughlin
 - *Court Administrator's Office*
- Kristan Barbour
 - *Department of Revenue*
- Courtney Cosgrove
 - *Department of Revenue*
- Cori Hach
 - *Legislative Services Division*

Agenda

- ▶ Introduction; Miscellaneous Provisions
- ▶ Medical Marijuana
- ▶ Individual Rights & Responsibilities
- ▶ Expungement Process
- ▶ General Provisions
- ▶ Licensing & Regulation
- ▶ Taxes & Revenue Allocation
- ▶ Local Control & Law Enforcement Authority
- ▶ Q&A



117 sections

Sections that don't get codified

- ▶ Repealer (for MCA): *HB701(104)*
- ▶ Transfer of funds: *HB701(105)*
- ▶ Repealer (for Initiative): *HB701(106)*
- ▶ Effective dates (for Initiative):
HB701(107)
- ▶ Appropriation: *HB701(108)*
- ▶ Notification to tribal governments:
HB701(110)
- ▶ Effective dates: *HB701(116)*
- ▶ Termination: *HB701(117)*
- ▶ Direction to department of revenue, department of public health and human services, and local governments – notification to legislature – transition: *HB701(111)*
- ▶ Codification instruction: *HB701(112)*
- ▶ Severability: *HB701(113)*
- ▶ Coordination instruction: *HB701(114)*
- ▶ Contingent voidness: *HB701(115)*

Sections not codified due to SB365

- ▶ Implied consent – blood or breath tests for alcohol, blood or oral fluid for drugs, or testing for both alcohol and drugs using recognized methods for each – refusal to submit to test – administrative license suspension
 - ▶ *HB701(87): *61-8-402*
- ▶ Evidence admissible – conditions of admissibility
 - ▶ *HB701(88): *61-8-404*
- ▶ Administration of tests
 - ▶ *HB701(89): *61-8-405*
- ▶ Preliminary alcohol or drug screening test
 - ▶ *HB701(90): *61-8-409*
- ▶ Driving under the influence of alcohol or drugs – driving with excessive alcohol concentration – ignition interlock device – 24/7 sobriety and drug monitoring program – forfeiture of vehicle
 - ▶ *HB701(91): *61-8-422*

Miscellaneous Provisions & Minor Code Cleanup

- ▶ Economic Affairs Interim Committee
 - ▶ *HB701(24): 5-5-223*
- ▶ Revenue Interim Committee
 - ▶ *HB701(27): 5-5-227*
- ▶ Definitions (Marijuana not considered a noxious weed)
 - ▶ *HB701(28): 7-22-2101*
- ▶ Deficiency assessment
 - ▶ *HB701(32): 15-64-104*
- ▶ Procedure to compute tax
 - ▶ *HB701(33): 15-64-105*
- ▶ Authority to collect delinquent taxes
 - ▶ *HB701(34): 15-64-106*
- ▶ Information – confidentiality – agreements with another state
 - ▶ *HB701(35): 16-64-111*
- ▶ Department to make rules
 - ▶ *HB701(36): 15-64-112*
- ▶ Power to contract for printing – exceptions
 - ▶ *HB701(61): 18-7-101*
- ▶ Disciplinary authority of boards – injunctions
 - ▶ *HB701(62): 37-1-136*

Miscellaneous Provisions & Minor Code Cleanup

- ▶ Unprofessional conduct
 - ▶ *HB701(63): 37-1-316*
- ▶ Powers & duties – rulemaking authority (Board of Medical Examiners)
 - ▶ *HB701(64): 37-3-203*
- ▶ Limitation on adverse action
 - ▶ *HB701(65): 39-2-210*
- ▶ Discrimination prohibited for use of lawful product during nonworking hours
 - ▶ *HB701(66): 39-2-313*
- ▶ Liability of insurers – limitations
 - ▶ *HB701(67): 39-71-407*
- ▶ Disposition of youth court, law enforcement and department records – sharing and access to records
 - ▶ *HB701(68): 41-5-216*
- ▶ Criminal distribution of dangerous drugs
 - ▶ *HB701(69): 45-9-101*
- ▶ Criminal possession of dangerous drugs
 - ▶ *HB701(70): 45-9-102*
- ▶ Criminal possession with intent to distribute
 - ▶ *HB701(71): 45-9-103*

Miscellaneous Provisions & Minor Code Cleanup

- ▶ Criminal production or manufacture of dangerous drugs
 - ▶ *HB701(72): 45-9-110*
- ▶ Carrying dangerous drugs on train - penalty
 - ▶ *HB701(73): 45-9-127*
- ▶ Surrender of license
 - ▶ *HB701(74): 45-9-203*
- ▶ Criminal possession of drug paraphernalia
 - ▶ *HB701(75): 45-10-103*
- ▶ Exemptions
 - ▶ *HB701(76): 45-10-107*
- ▶ Additional restrictions on sentence
 - ▶ *HB701(77): 46-18-202*
- ▶ Special revenue fund – health and Medicaid incentives
 - ▶ *HB701(85): 53-6-1201*
- ▶ Mental health services special revenue account
 - ▶ *HB701(86): 53-21-1207*
- ▶ Report of convictions and suspension or revocation of driver’s licenses – surrender of licenses
 - ▶ *HB701(92): 61-11-101*
- ▶ Analytical laboratory services – rulemaking authority – deposit of fees
 - ▶ *HB701(99): 80-1-104*

Medical Marijuana Sections

Temporarily Amended – Repealed as of 1/1/2022

- ▶ Definitions
 - ▶ *HB701(78): 50-46-302*
- ▶ Medical marijuana registry – department responsibilities – issuance of cards and licenses - confidentiality
 - ▶ *HB701(79): 50-46-303*
- ▶ Individuals with debilitating medical conditions – requirements – minors - limitations
 - ▶ *HB701(80): 50-46-307*
- ▶ Legal protections – allowable amounts
 - ▶ *HB701(81): 50-46-319*
- ▶ Medical marijuana state special revenue account
 - ▶ *HB701(82): 50-46-345*
- ▶ Pain management education & treatment account
 - ▶ *HB701(83): 50-46-346*
- ▶ Provider license fees
 - ▶ *HB701(84): 50-46-347*

Medical Marijuana

▶ Purpose

- ▶ *HB701(9): 16-12-501 – replaces 50-46-301*

▶ Definitions

- ▶ *HB701(10): 16-12-502 – replaces 50-46-302*

▶ Medical marijuana registry – department responsibilities – issuance of cards – confidentiality

- ▶ *HB701(11): 16-12-503 – replaces 50-46-303*

▶ Individuals with debilitating medical conditions – requirements – minors – limitations

- ▶ *HB701(12): 16-12-508 – replaces 50-46-307*

▶ Written certification – accompanying statements

- ▶ *HB701(13): 16-12-509 – replaces 50-46-310*

▶ Registry identification card to be exhibited on demand – photo identification required

- ▶ *HB701(14): 16-12-513 – replaces 50-46-317*

Medical Marijuana

- ▶ Health care facility procedures for patients with marijuana for use
 - ▶ *HB701(15): 16-12-514 - replaces 50-46-318*
- ▶ Legal protections – allowable amounts
 - ▶ *HB701(16): 16-12-515 - replaces 50-46-319*
- ▶ Prohibitions on physician affiliation with licensees – sanctions
 - ▶ *HB701(17): 16-12-520 - replaces 50-46-327*
- ▶ Unlawful conduct by cardholders – penalties
 - ▶ *HB701(18): 16-12-523 - replaces 50-46-330*
- ▶ Confidentiality of registry information – penalty
 - ▶ *HB701(20): 16-12-525 - replaces 50-46-332*

Individual Rights & Responsibilities

- ▶ Personal use & cultivation of marijuana – penalties
 - ▶ *HB701(41): 16-12-106*
- ▶ Unlawful possession of marijuana, marijuana products, or marijuana paraphernalia in motor vehicles on highway
 - ▶ *HB701(8): 61-8-1027*

Expungement Policy

- ▶ Judges pro tempore – special masters – scope of authority in criminal and civil cases
 - ▶ *HB701(25): 3-5-113*
- ▶ Agreement petition and appointment of judge pro tempore
 - ▶ *HB701(26): 3-5-115*
- ▶ Decriminalized acts – petition for expungement or resentencing – retroactive application
 - ▶ *HB701(48): 16-12-113*
- ▶ Definitions
 - ▶ *HB701(101): 16-12-114*
- ▶ Appointment of judge
 - ▶ *HB701(102): 16-12-115*
- ▶ Petition for expungement – venue
 - ▶ *HB701(103): 16-12-116*

General Provisions

- ▶ Purpose
 - ▶ *HB701(37): 16-12-101*
- ▶ Definitions
 - ▶ *HB701(38): 16-12-102*
- ▶ Department Responsibilities – licensure
 - ▶ *HB701(39): 16-12-104*
- ▶ Department responsibility to monitor & assess marijuana production, testing, sales, & license revocation
 - ▶ *HB701(40): 16-12-105*
- ▶ Legal protections – allowable amounts
 - ▶ *HB701(42): 16-12-107*
- ▶ Limitations of act
 - ▶ *HB701(43): 16-12-108*
- ▶ Legislative monitoring
 - ▶ *HB701(45): 16-12-110*
 - ▶ *HB701(22): 16-12-532*
- ▶ Rulemaking authority – fees
 - ▶ *HB701(47): 16-12-112*
 - ▶ *HB701(23): 16-12-533*
- ▶ Hotline
 - ▶ *HB701(1): 16-12-125*
- ▶ Department to conduct background checks
 - ▶ *HB701(2): 16-12-129*

Licensing & Regulation

License Types

- ▶ Testing laboratories – licensing – inspection – dual licensure – state laboratory responsibility
 - ▶ *HB701(50): 16-12-202*
- ▶ Testing laboratories – licensing inspections
 - ▶ *HB701(53): 16-12-206*
- ▶ Manufacturer – requirements – limitations – fees
 - ▶ *HB701(52): 16-12-221*
- ▶ Licensing of marijuana transporters
 - ▶ *HB701(3): 16-12-222*
- ▶ Licensing of cultivators
 - ▶ *HB701(4): 16-12-223*
- ▶ Licensing of dispensaries
 - ▶ *HB701(5): 16-12-224*
- ▶ Combined-use marijuana licensing – requirements
 - ▶ *HB701(6): 16-12-225*

Licensing & Regulation

Regulation

- ▶ Unlawful conduct by licensees - penalties
 - ▶ *HB701(44): 16-12-109*
- ▶ Licensing of cultivators, manufacturers, and dispensaries
 - ▶ *HB701(49): 16-12-201*
- ▶ Licensing types – requirements – limitations – activities
 - ▶ *HB701(51): 16-12-203*
- ▶ License as a privilege – criteria
 - ▶ *HB701(54): 16-12-207*
- ▶ Restrictions
 - ▶ *HB701(55): 16-12-208*
- ▶ Testing of marijuana and marijuana products
 - ▶ *HB701(56): 16-12-209*
- ▶ Inspections – procedures – prohibition on inspector affiliation with licensees
 - ▶ *HB701(57): 16-12-210*
- ▶ Advertising prohibited
 - ▶ *HB701(58): 16-12-211*
- ▶ Required warning labels
 - ▶ *HB701(109): 16-12-215*
- ▶ Marijuana worker permit requirements
 - ▶ *HB701(7): 16-12-226*

Taxes & Revenue Allocation

- ▶ Definitions (in taxation statutes)
 - ▶ *HB701(29): 15-64-101*
- ▶ Tax on marijuana sales
 - ▶ *HB701(30): 15-64-102*
- ▶ Tax returns – payment – recordkeeping – authority of department
 - ▶ *HB701(31): 15-64-103*
- ▶ Marijuana state special revenue account – operating reserve – transfer of excess funds
 - ▶ *HB701(46): 16-12-111*
- ▶ Healing and ending addiction through recovery and treatment account
 - ▶ *HB701(100): 16-12-122*
- ▶ Veterans and surviving spouses state special revenue account
 - ▶ *HB701(93): 10-2-108*

Revenue Allocation

	FISCAL SUMMARY			
	FY 2022	FY 2023	FY 2024	FY 2025
	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>
Expenditures:				
General Fund	\$1,983,906	\$1,390,507	\$1,392,078	\$1,403,779
State Special Revenue	\$15,458,377	\$14,213,570	\$20,807,781	\$23,121,087
Federal Special Revenue	\$19,000,000	\$19,000,000	\$19,000,000	\$19,000,000
Revenue:				
General Fund (01)	\$6,254,650	\$21,584,650	\$29,664,650	\$34,504,650
SSR - FWP (02)	\$3,260,000	\$10,340,000	\$14,140,000	\$16,420,000
SSR - HEART (02)	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000
SSR - Veterans' Services	\$200,000	\$200,000	\$200,000	\$200,000
SSR - Board of Crime Control	\$150,000	\$150,000	\$150,000	\$150,000
SSR - DOJ Funding for K9	\$300,000	\$0	\$0	\$0
SSR - AUM tax revenue (02)	\$8,690,000	\$32,580,000	\$43,980,000	\$51,310,000
SSR - MM tax revenue (02)	\$6,200,000	\$5,580,000	\$5,020,000	\$4,520,000
SSR - License Fees (02)	\$3,900,000	\$4,290,000	\$6,440,000	\$6,760,000
SSR - MMP/Pain Mgmt Funds from DPI	\$4,856,017	\$0	\$0	\$0
Federal Special Revenue (03)	\$19,000,000	\$19,000,000	\$19,000,000	\$19,000,000
Net Impact-General Fund Balance:	\$4,270,744	\$20,194,143	\$28,272,572	\$33,100,871

Local Control & Law Enforcement Authority

- ▶ Local government authority to regulate
 - opt-in requirement in certain counties
 - exemption for existing licensees
 - ▶ *HB701(59): 16-12-301*
- ▶ Fraudulent representation – penalties
 - ▶ *HB701(60): 16-12-302*
 - ▶ *HB701(19): 16-12-524 – replaces 50-46-331*
- ▶ Local government taxing authority – specific delegation
 - ▶ *HB701(94): 16-12-309*
- ▶ Limit on local-option marijuana excise tax rate – good subject to tax
 - ▶ *HB701(95): 16-12-310*
- ▶ Local government excise tax – election required – procedure – notice
 - ▶ *HB701(96): 16-12-311*
- ▶ Tax administration
 - ▶ *HB701(97) 16-12-312*
- ▶ Use of local-option marijuana excise tax revenue
 - ▶ *HB701(98): 16-12-317*
- ▶ Law enforcement authority
 - ▶ *HB701(21): 16-12-526 – replaces 50-46-339*

That's a wrap!

Q&A
