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HOUSE BILL NO. 128  
INTRODUCED BY J. KASSMIER  
BY REQUEST OF THE ECONOMIC AFFAIRS INTERIM COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING MARIJUANA LAWS; REVISING REPORTS TO THE LEGISLATURE; CLARIFYING PERMISSIVE ACTS AND EXCEPTIONS FOR REGISTERED CARDHOLDERS; CLARIFYING LIMITATIONS OF THE MONTANA MARIJUANA REGULATION AND TAXATION ACT; CLARIFYING PENALTIES; REVISING PENALTIES FOR SUSPENDED LICENSES; COMBINING SECTIONS ON LEGISLATIVE MONITORING; CLARIFYING LEGISLATIVE MONITORING DUTIES; REMOVING THE IDENTITY DISCLOSURE REQUIREMENT FOR LICENSEE COMPLAINTS; REMOVING OUTDATED DATES; REMOVING THE BACKGROUND CHECK REQUIREMENT FOR CERTAIN INDIVIDUALS; EXTENDING THE MORATORIUM FOR NEW MARIJUANA LICENSES; TRANSFERRING AUTHORITY OVER MARIJUANA TESTING LABORATORIES; CLARIFYING THE MINIMUM AGE TO ENTER A MARIJUANA BUSINESS; CLARIFYING LEGISLATIVE INTENT ON A CULTIVATOR'S ABILITY TO INCREASE TIERS; REVISING REQUIREMENTS FOR A COMBINED-USE LICENSE; REVISING REPORTING REQUIREMENTS FOR EMPLOYEE CONVICTIONS OR VIOLATIONS; COMBINING SECTIONS ON FRAUDULENT REPRESENTATION; CLARIFYING THE FORMULA FOR MUNICIPAL TAX REVENUE ALLOCATION; REMOVING CONFLICTING NOTICE REQUIREMENTS; EXTENDING RULEMAKING AUTHORITY; REVISING DEFINITIONS; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 5-11-222, 15-64-101, 16-12-102, 16-12-104, 16-12-106, 16-12-108, 16-12-109, 16-12-110, 16-12-125, 16-12-129, 16-12-201, 16-12-202, 16-12-203, 16-12-206, 16-12-207, 16-12-208, 16-12-209, 16-12-210, 16-12-222, 16-12-223, 16-12-225, 16-12-226, 16-12-301, 16-12-302, 16-12-310, 16-12-311, 16-12-508, AND 20-1-220, MCA; REPEALING SECTIONS 16-12-524 AND 16-12-532, MCA; AND PROVIDING EFFECTIVE DATES."

WHEREAS, during the 2021-2022 interim, the Economic Affairs Interim Committee received testimony relating to the interpretation and implementation of the Montana Marijuana Regulation and Taxation Act; and  
WHEREAS, specifically, the committee received testimony that section 16-12-223, MCA, allowed only

1 16-12-532. Legislative monitoring.

2

3 NEW SECTION. Section 30. Appropriation. ~~There~~ FOR THE BIENNIUM BEGINNING JULY 1, 2023, THERE  
4 is appropriated ~~\$149,285.58~~\$405,788 from the marijuana state special revenue account provided for in 16-12-  
5 111 to the department of revenue, which comprises 2-1.5 FTE transferred from the department of public health  
6 and human services to the department of revenue and 0.5 new FTE for the department of revenue from House  
7 Bill No. 2.

8

9 NEW SECTION. Section 31. Transition. (1) The legislature directs the department of public health  
10 and human services to assist the department of revenue with the transfer of FTE, information, materials, and  
11 any other marijuana-related assets that the department of revenue considers necessary to implement the  
12 regulation of marijuana testing laboratories in the state and exercise authority over the regulation of marijuana  
13 testing laboratory licensees in the state.

14 (2) On July 1, 2023, the department of public health and human services shall transfer to the  
15 department of revenue the existing endorsements for any marijuana testing laboratory licensees. Existing  
16 endorsements transferred pursuant to this section must be accepted and administered by the department of  
17 revenue.

18

19 NEW SECTION. Section 32. Notification to tribal governments. The secretary of state shall send a  
20 copy of [this act] to each federally recognized tribal government in Montana.

21

22 NEW SECTION. Section 33. Effective dates. (1) Except as provided in subsections (2) and (3), [this  
23 act] is effective October 1, 2023.

24 (2) [Sections 3, 8, 11, 13, 20, and 21] and this section are effective on passage and approval.

25 (3) [Sections 12, 14, 15, 17, 18, ~~and 23,~~ AND 30] are effective July 1, 2023.

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