

**Amendment - 2nd Reading-yellow - Requested by: Katie Sullivan - (H) Committee of the Whole**

68th Legislature

Drafter: Jameson Walker, 406-444-3722

HB0128.002.002

1 HOUSE BILL NO. 128  
2 INTRODUCED BY J. KASSMIER  
3 BY REQUEST OF THE ECONOMIC AFFAIRS INTERIM COMMITTEE  
4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING MARIJUANA LAWS; REVISING  
6 REPORTS TO THE LEGISLATURE; CLARIFYING PERMISSIVE ACTS AND EXCEPTIONS FOR  
7 REGISTERED CARDHOLDERS; CLARIFYING LIMITATIONS OF THE MONTANA MARIJUANA  
8 REGULATION AND TAXATION ACT; CLARIFYING PENALTIES; REVISING PENALTIES FOR SUSPENDED  
9 LICENSES; COMBINING SECTIONS ON LEGISLATIVE MONITORING; CLARIFYING LEGISLATIVE  
10 MONITORING DUTIES; REMOVING THE IDENTITY DISCLOSURE REQUIREMENT FOR LICENSEE  
11 COMPLAINTS; REMOVING OUTDATED DATES; REMOVING THE BACKGROUND CHECK REQUIREMENT  
12 FOR CERTAIN INDIVIDUALS; EXTENDING THE MORATORIUM FOR NEW MARIJUANA LICENSES;  
13 TRANSFERRING AUTHORITY OVER MARIJUANA TESTING LABORATORIES; CLARIFYING THE  
14 MINIMUM AGE TO ENTER A MARIJUANA BUSINESS; CLARIFYING LEGISLATIVE INTENT ON A  
15 CULTIVATOR'S ABILITY TO INCREASE TIERS; REVISING REQUIREMENTS FOR A COMBINED-USE  
16 LICENSE; REVISING REPORTING REQUIREMENTS FOR EMPLOYEE CONVICTIONS OR VIOLATIONS;  
17 COMBINING SECTIONS ON FRAUDULENT REPRESENTATION; CLARIFYING THE FORMULA FOR  
18 MUNICIPAL TAX REVENUE ALLOCATION; REMOVING CONFLICTING NOTICE REQUIREMENTS;  
19 EXTENDING RULEMAKING AUTHORITY; REVISING DEFINITIONS; PROVIDING AN APPROPRIATION;  
20 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-  
21 110, 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,  
22 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-  
23 508, AND 20-1-220, MCA; REPEALING SECTIONS 16-12-524 AND 16-12-532, MCA; AND PROVIDING  
24 EFFECTIVE DATES."

25  
26 WHEREAS, during the 2021-2022 interim, the Economic Affairs Interim Committee received testimony  
27 relating to the interpretation and implementation of the Montana Marijuana Regulation and Taxation Act; and

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1           ~~(e)~~(d) "Tobacco product" means a substance intended for human consumption that contains tobacco,  
2 including cigarettes, cigars, snuff, smoking tobacco, and smokeless tobacco.

3           ~~(d)~~(e) "Vapor product" means a noncombustible product that may contain nicotine and that uses a  
4 heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means,  
5 regardless of shape or size, to produce vapor from a solution or other substance. The term includes:

6           (i) an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or  
7 device; and

8           (ii) a vapor cartridge or other container in a solution or other form that is intended to be used with  
9 or in an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product and device."

10

11           NEW SECTION. Section 29. Repealer. The following sections of the Montana Code Annotated are  
12 repealed:

13 16-12-524. Fraudulent representation -- penalties.

14 16-12-532. Legislative monitoring.

15

16           NEW SECTION. Section 30. Appropriation. ~~There~~ FOR THE BIENNIUM BEGINNING JULY 1, 2023, THERE  
17 is appropriated ~~\$149,285.58~~\$405,788 from the marijuana state special revenue account provided for in 16-12-  
18 111 to the department of revenue, which comprises 2-1.5 FTE transferred from the department of public health  
19 and human services to the department of revenue and 0.5 new FTE for the department of revenue from House  
20 Bill No. 2.

21

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

27           (2) On July 1, 2023, the department of public health and human services shall transfer to the