

REFERENCE TITLE: **marijuana; regulation; taxation.**

State of Arizona  
House of Representatives  
Fifty-second Legislature  
First Regular Session  
2015

# **HB 2007**

Introduced by  
Representative Cardenas

## **AN ACT**

AMENDING TITLE 36, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 28.2; AMENDING  
TITLE 42, CHAPTER 4, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 10; RELATING  
TO THE REGULATION OF MARIJUANA.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 36, Arizona Revised Statutes, is amended by adding  
3 chapter 28.2, to read:

4 CHAPTER 28.2

5 REGULATION OF MARIJUANA

6 ARTICLE 1. GENERAL PROVISIONS

7 36-2821. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "CONSUMER" MEANS A PERSON WHO IS AT LEAST TWENTY-ONE YEARS OF AGE  
10 AND WHO PURCHASES MARIJUANA OR MARIJUANA PRODUCTS FOR PERSONAL USE OR USE BY  
11 PERSONS WHO ARE AT LEAST TWENTY-ONE YEARS OF AGE, BUT NOT FOR RESALE TO  
12 OTHERS.

13 2. "DEPARTMENT" MEANS THE DEPARTMENT OF HEALTH SERVICES.

14 3. "INDUSTRIAL HEMP" MEANS THE PLANT OF THE GENUS CANNABIS AND ANY  
15 PART OF THAT PLANT, WHETHER GROWING OR NOT, WITH A DELTA-9  
16 TETRAHYDROCANNABINOL CONCENTRATION THAT DOES NOT EXCEED THREE-TENTHS PERCENT  
17 ON A DRY-WEIGHT BASIS.

18 4. "LOCAL REGULATORY AUTHORITY" MEANS THE OFFICE OR ENTITY THAT IS  
19 DESIGNATED BY A LOCALITY TO PROCESS MARIJUANA ESTABLISHMENT APPLICATIONS.

20 5. "LOCALITY" MEANS A CITY, TOWN OR COUNTY.

21 6. "MARIJUANA":

22 (a) MEANS ALL PARTS OF THE PLANT OF THE GENUS CANNABIS, THE SEEDS OF  
23 THE PLANT, THE RESIN EXTRACTED FROM ANY PART OF THE PLANT AND EVERY COMPOUND,  
24 MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF THE PLANT, ITS SEEDS  
25 OR ITS RESIN, INCLUDING MARIJUANA CONCENTRATE.

26 (b) DOES NOT INCLUDE INDUSTRIAL HEMP OR FIBER PRODUCED FROM THE  
27 STALKS, OIL OR CAKE MADE FROM THE SEEDS OF THE PLANT, A STERILIZED SEED OF  
28 THE PLANT THAT IS INCAPABLE OF GERMINATION OR THE WEIGHT OF ANY OTHER  
29 INGREDIENT COMBINED WITH MARIJUANA TO PREPARE TOPICAL OR ORAL  
30 ADMINISTRATIONS, FOOD, DRINK OR ANOTHER PRODUCT.

31 7. "MARIJUANA ACCESSORIES" MEANS ANY EQUIPMENT, PRODUCTS OR MATERIALS  
32 OF ANY KIND THAT ARE USED, INTENDED FOR USE OR DESIGNED FOR USE IN PLANTING,  
33 PROPAGATING, CULTIVATING, GROWING, HARVESTING, COMPOSTING, MANUFACTURING,  
34 COMPOUNDING, CONVERTING, PRODUCING, PROCESSING, PREPARING, TESTING,  
35 ANALYZING, PACKAGING, REPACKAGING, STORING, VAPORIZING OR CONTAINING  
36 MARIJUANA, OR FOR INGESTING, INHALING OR OTHERWISE INTRODUCING MARIJUANA INTO  
37 THE HUMAN BODY.

38 8. "MARIJUANA CULTIVATION FACILITY" MEANS AN ENTITY THAT IS REGISTERED  
39 TO CULTIVATE, PREPARE AND PACKAGE MARIJUANA AND SELL MARIJUANA TO RETAIL  
40 MARIJUANA STORES, TO MARIJUANA PRODUCT MANUFACTURING FACILITIES AND TO OTHER  
41 MARIJUANA CULTIVATION FACILITIES, BUT NOT TO CONSUMERS.

42 9. "MARIJUANA ESTABLISHMENT" MEANS A MARIJUANA CULTIVATION FACILITY, A  
43 MARIJUANA TESTING FACILITY, A MARIJUANA PRODUCT MANUFACTURING FACILITY OR A  
44 RETAIL MARIJUANA STORE.

1           10. "MARIJUANA PRODUCT MANUFACTURING FACILITY" MEANS AN ENTITY THAT IS  
2 REGISTERED TO PURCHASE MARIJUANA, MANUFACTURE, PREPARE AND PACKAGE MARIJUANA  
3 PRODUCTS AND SELL MARIJUANA AND MARIJUANA PRODUCTS TO OTHER MARIJUANA PRODUCT  
4 MANUFACTURING FACILITIES AND TO RETAIL MARIJUANA STORES, BUT NOT TO  
5 CONSUMERS.

6           11. "MARIJUANA PRODUCTS" MEANS CONCENTRATED MARIJUANA PRODUCTS AND  
7 MARIJUANA PRODUCTS THAT ARE COMPOSED OF MARIJUANA AND OTHER INGREDIENTS AND  
8 THAT ARE INTENDED FOR USE OR CONSUMPTION, INCLUDING EDIBLE PRODUCTS,  
9 OINTMENTS AND TINCTURES.

10          12. "MARIJUANA TESTING FACILITY" MEANS AN ENTITY THAT IS REGISTERED TO  
11 ANALYZE AND CERTIFY THE SAFETY AND POTENCY OF MARIJUANA.

12          13. "PUBLIC PLACE" MEANS ANY PLACE TO WHICH THE GENERAL PUBLIC HAS  
13 ACCESS.

14          14. "RETAIL MARIJUANA STORE" MEANS AN ENTITY THAT IS REGISTERED TO  
15 PURCHASE MARIJUANA FROM MARIJUANA CULTIVATION FACILITIES AND MARIJUANA AND  
16 MARIJUANA PRODUCTS FROM MARIJUANA PRODUCT MANUFACTURING FACILITIES AND TO  
17 SELL MARIJUANA AND MARIJUANA PRODUCTS TO CONSUMERS.

18          15. "UNREASONABLY IMPRACTICABLE" MEANS THAT THE MEASURES NECESSARY TO  
19 COMPLY WITH THE RULES ADOPTED BY THE DEPARTMENT REQUIRE SUCH A HIGH  
20 INVESTMENT OF RISK, MONEY, TIME OR ANY OTHER RESOURCE OR ASSET THAT THE  
21 OPERATION OF A MARIJUANA ESTABLISHMENT IS NOT WORTHY OF BEING CARRIED OUT IN  
22 PRACTICE BY A REASONABLY PRUDENT BUSINESSPERSON.

23          36-2822. Marijuana; personal use; forfeiture prohibited

24          A. NOTWITHSTANDING ANY OTHER LAW, EXCEPT AS OTHERWISE PROVIDED IN THIS  
25 CHAPTER, A PERSON WHO IS AT LEAST TWENTY-ONE YEARS OF AGE MAY:

26           1. POSSESS, CONSUME, USE, DISPLAY, PURCHASE OR TRANSPORT MARIJUANA  
27 ACCESSORIES OR ONE OUNCE OR LESS OF MARIJUANA.

28           2. POSSESS, GROW, PROCESS OR TRANSPORT NOT MORE THAN FIVE MARIJUANA  
29 PLANTS AND THE MARIJUANA PRODUCED BY THE PLANTS ON THE PREMISES WHERE THE  
30 PLANTS WERE GROWN.

31           3. TRANSFER ONE OUNCE OR LESS OF MARIJUANA AND NOT MORE THAN FIVE  
32 IMMATURE MARIJUANA PLANTS TO A PERSON WHO IS AT LEAST TWENTY-ONE YEARS OF AGE  
33 WITHOUT REMUNERATION.

34           4. ASSIST ANOTHER PERSON WHO IS AT LEAST TWENTY-ONE YEARS OF AGE IN  
35 ANY OF THE ACTS DESCRIBED IN THIS SUBSECTION.

36          B. MARIJUANA AND MARIJUANA ACCESSORIES THAT ARE IN THE POSSESSION OF A  
37 PERSON WHO IS AT LEAST TWENTY-ONE YEARS OF AGE PURSUANT TO SUBSECTION A OF  
38 THIS SECTION ARE NOT SUBJECT TO SEIZURE OR FORFEITURE IN THIS STATE OR ANY  
39 POLITICAL SUBDIVISION OF THIS STATE.

40          36-2823. Personal cultivation; requirements; civil penalty

41          A. IT IS UNLAWFUL FOR A PERSON WHO IS AT LEAST TWENTY-ONE YEARS OF AGE  
42 TO CULTIVATE A MARIJUANA PLANT UNLESS:

43           1. THE MARIJUANA PLANT IS CULTIVATED IN A LOCATION WHERE THE PLANT IS  
44 NOT SUBJECT TO PUBLIC VIEW WITHOUT THE USE OF BINOCULARS, AIRCRAFT OR OTHER  
45 OPTICAL AIDS.

1           2. THE PERSON TAKES REASONABLE PRECAUTIONS TO ENSURE THAT THE PLANT IS  
2 SECURE FROM UNAUTHORIZED ACCESS AND ACCESS BY A PERSON WHO IS UNDER  
3 TWENTY-ONE YEARS OF AGE.

4           3. THE MARIJUANA CULTIVATION OCCURS ONLY ON PROPERTY THAT IS LAWFULLY  
5 IN POSSESSION OF THE CULTIVATOR OR WITH THE CONSENT OF THE PERSON WHO IS IN  
6 LAWFUL POSSESSION OF THE PROPERTY.

7           B. A PERSON WHO VIOLATES THIS SECTION IS SUBJECT TO A CIVIL PENALTY OF  
8 NOT MORE THAN SEVEN HUNDRED FIFTY DOLLARS.

9           36-2824. Public smoking prohibited; civil penalty

10          IT IS UNLAWFUL FOR A PERSON TO SMOKE MARIJUANA IN A PUBLIC PLACE. A  
11 PERSON WHO VIOLATES THIS SECTION IS SUBJECT TO A CIVIL PENALTY OF NOT MORE  
12 THAN FIVE HUNDRED DOLLARS.

13          36-2825. False identification; violation; classification

14          A. A PERSON WHO IS UNDER TWENTY-ONE YEARS OF AGE MAY NOT PRESENT OR  
15 OFFER TO A MARIJUANA ESTABLISHMENT OR THE MARIJUANA ESTABLISHMENT'S AGENT OR  
16 EMPLOYEE ANY WRITTEN INSTRUMENT OR ORAL EVIDENCE OF AGE THAT IS FALSE,  
17 FRAUDULENT OR NOT ACTUALLY THE PERSON'S OWN FOR THE PURPOSE OF EITHER:

18           1. PURCHASING, ATTEMPTING TO PURCHASE OR OTHERWISE PROCURING OR  
19 ATTEMPTING TO PROCURE MARIJUANA.

20           2. GAINING ACCESS TO A MARIJUANA ESTABLISHMENT.

21          B. A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A CLASS 1  
22 MISDEMEANOR.

23          36-2826. Marijuana accessories

24          NOTWITHSTANDING ANY OTHER LAW, IN THIS STATE AND ANY POLITICAL  
25 SUBDIVISION OF THIS STATE, A PERSON WHO IS AT LEAST TWENTY-ONE YEARS OF AGE  
26 MAY MANUFACTURE, POSSESS AND PURCHASE MARIJUANA ACCESSORIES AND DISTRIBUTE  
27 AND SELL MARIJUANA ACCESSORIES TO A PERSON WHO IS AT LEAST TWENTY-ONE YEARS  
28 OF AGE.

29          36-2827. Marijuana establishments; authorization; limitation;  
30 forfeiture prohibited

31          A. NOTWITHSTANDING ANY OTHER LAW, A RETAIL MARIJUANA STORE WITH A  
32 CURRENT AND VALID REGISTRATION OR A PERSON WHO IS AT LEAST TWENTY-ONE YEARS  
33 OF AGE AND WHO IS ACTING IN THE PERSON'S CAPACITY AS AN OWNER, EMPLOYEE OR  
34 AGENT OF A RETAIL MARIJUANA STORE WITH A CURRENT AND VALID REGISTRATION MAY  
35 DO ALL OF THE FOLLOWING IN THIS STATE AND ANY POLITICAL SUBDIVISION OF THIS  
36 STATE:

37           1. POSSESS, DISPLAY, STORE AND TRANSPORT MARIJUANA AND MARIJUANA  
38 PRODUCTS IF THE MARIJUANA AND MARIJUANA PRODUCTS ARE NOT DISPLAYED IN A  
39 MANNER THAT IS VISIBLE TO THE GENERAL PUBLIC FROM A PUBLIC RIGHT-OF-WAY.

40           2. PURCHASE MARIJUANA FROM A MARIJUANA CULTIVATION FACILITY.

41           3. PURCHASE MARIJUANA AND MARIJUANA PRODUCTS FROM A MARIJUANA PRODUCT  
42 MANUFACTURING FACILITY.

43           4. DELIVER, DISTRIBUTE AND SELL MARIJUANA AND MARIJUANA PRODUCTS TO  
44 CONSUMERS.

1           5. LEASE OR OTHERWISE ALLOW THE USE OF PROPERTY OWNED, OCCUPIED OR  
2 CONTROLLED BY ANY PERSON, CORPORATION OR OTHER ENTITY FOR ANY OF THE  
3 ACTIVITIES CONDUCTED LAWFULLY PURSUANT TO THIS SUBSECTION.

4           B. NOTWITHSTANDING ANY OTHER LAW, A MARIJUANA CULTIVATION FACILITY  
5 WITH A CURRENT AND VALID REGISTRATION OR A PERSON WHO IS AT LEAST TWENTY-ONE  
6 YEARS OF AGE AND WHO IS ACTING IN THE PERSON'S CAPACITY AS AN OWNER, EMPLOYEE  
7 OR AGENT OF A MARIJUANA CULTIVATION FACILITY WITH A CURRENT AND VALID  
8 REGISTRATION MAY DO ALL OF THE FOLLOWING IN THIS STATE AND ANY POLITICAL  
9 SUBDIVISION OF THIS STATE:

10           1. CULTIVATE, HARVEST, PROCESS, PACKAGE, TRANSPORT, DISPLAY, STORE AND  
11 POSSESS MARIJUANA.

12           2. DELIVER AND TRANSFER MARIJUANA TO A MARIJUANA TESTING FACILITY.

13           3. DELIVER, DISTRIBUTE AND SELL MARIJUANA TO A MARIJUANA CULTIVATION  
14 FACILITY, A MARIJUANA PRODUCT MANUFACTURING FACILITY AND A RETAIL MARIJUANA  
15 STORE.

16           4. RECEIVE AND PURCHASE MARIJUANA FROM A MARIJUANA CULTIVATION  
17 FACILITY.

18           5. RECEIVE MARIJUANA SEEDS AND IMMATURE MARIJUANA PLANTS FROM A PERSON  
19 WHO IS AT LEAST TWENTY-ONE YEARS OF AGE.

20           6. LEASE OR OTHERWISE ALLOW THE USE OF PROPERTY OWNED, OCCUPIED OR  
21 CONTROLLED BY ANY PERSON, CORPORATION OR OTHER ENTITY FOR ANY OF THE  
22 ACTIVITIES CONDUCTED LAWFULLY PURSUANT TO THIS SUBSECTION.

23           C. NOTWITHSTANDING ANY OTHER LAW, A MARIJUANA PRODUCT MANUFACTURING  
24 FACILITY WITH A CURRENT AND VALID REGISTRATION OR A PERSON WHO IS AT LEAST  
25 TWENTY-ONE YEARS OF AGE AND WHO IS ACTING IN THE PERSON'S CAPACITY AS AN  
26 OWNER, EMPLOYEE OR AGENT OF A MARIJUANA PRODUCT MANUFACTURING FACILITY WITH A  
27 CURRENT AND VALID REGISTRATION MAY DO ALL OF THE FOLLOWING IN THIS STATE AND  
28 ANY POLITICAL SUBDIVISION OF THIS STATE:

29           1. PACKAGE, PROCESS, TRANSPORT, MANUFACTURE, DISPLAY AND POSSESS  
30 MARIJUANA AND MARIJUANA PRODUCTS.

31           2. DELIVER AND TRANSFER MARIJUANA AND MARIJUANA PRODUCTS TO A  
32 MARIJUANA TESTING FACILITY.

33           3. DELIVER AND SELL MARIJUANA AND MARIJUANA PRODUCTS TO A RETAIL  
34 MARIJUANA STORE AND A MARIJUANA PRODUCT MANUFACTURING FACILITY.

35           4. PURCHASE MARIJUANA FROM A MARIJUANA CULTIVATION FACILITY.

36           5. PURCHASE MARIJUANA AND MARIJUANA PRODUCTS FROM A MARIJUANA PRODUCT  
37 MANUFACTURING FACILITY.

38           6. LEASE OR OTHERWISE ALLOW THE USE OF PROPERTY OWNED, OCCUPIED OR  
39 CONTROLLED BY ANY PERSON, CORPORATION OR OTHER ENTITY FOR ANY OF THE  
40 ACTIVITIES CONDUCTED LAWFULLY PURSUANT TO THIS SUBSECTION.

41           D. NOTWITHSTANDING ANY OTHER LAW, A MARIJUANA TESTING FACILITY WITH A  
42 CURRENT AND VALID REGISTRATION OR A PERSON WHO IS AT LEAST TWENTY-ONE YEARS  
43 OF AGE AND WHO IS ACTING IN THE PERSON'S CAPACITY AS AN OWNER, EMPLOYEE OR  
44 AGENT OF A MARIJUANA TESTING FACILITY WITH A CURRENT AND VALID REGISTRATION

1 MAY DO ALL OF THE FOLLOWING IN THIS STATE AND ANY POLITICAL SUBDIVISION OF  
2 THIS STATE:

3 1. POSSESS, CULTIVATE, PROCESS, REPACKAGE, STORE, TRANSPORT OR DISPLAY  
4 MARIJUANA.

5 2. RECEIVE MARIJUANA FROM A MARIJUANA CULTIVATION FACILITY, A  
6 MARIJUANA RETAIL STORE, A MARIJUANA PRODUCT MANUFACTURING FACILITY OR A  
7 PERSON WHO IS AT LEAST TWENTY-ONE YEARS OF AGE.

8 3. RETURN MARIJUANA TO A MARIJUANA CULTIVATION FACILITY, A MARIJUANA  
9 RETAIL STORE, A MARIJUANA PRODUCT MANUFACTURING FACILITY OR A PERSON WHO IS  
10 AT LEAST TWENTY-ONE YEARS OF AGE.

11 4. LEASE OR OTHERWISE ALLOW THE USE OF PROPERTY OWNED, OCCUPIED OR  
12 CONTROLLED BY ANY PERSON, CORPORATION OR OTHER ENTITY FOR ANY OF THE  
13 ACTIVITIES CONDUCTED LAWFULLY PURSUANT TO THIS SUBSECTION.

14 E. A MARIJUANA CULTIVATION FACILITY MAY NOT PRODUCE MARIJUANA  
15 CONCENTRATES, TINCTURES, EXTRACTS OR OTHER MARIJUANA PRODUCTS.

16 F. ANY ITEM THAT IS LAWFULLY IN THE POSSESSION OF A MARIJUANA  
17 ESTABLISHMENT PURSUANT TO THIS SECTION OR A PERSON WHO IS AT LEAST TWENTY-ONE  
18 YEARS OF AGE AND WHO IS ACTING IN THE PERSON'S CAPACITY AS AN OWNER, EMPLOYEE  
19 OR AGENT OF A MARIJUANA ESTABLISHMENT PURSUANT TO THIS SECTION IS NOT SUBJECT  
20 TO SEIZURE OR FORFEITURE IN THIS STATE OR ANY POLITICAL SUBDIVISION OF THIS  
21 STATE.

22 G. THIS SECTION DOES NOT PREVENT THE IMPOSITION OF PENALTIES FOR  
23 VIOLATING THIS CHAPTER OR RULES ADOPTED BY THE DEPARTMENT OR A LOCALITY  
24 PURSUANT TO THIS CHAPTER.

25 36-2828. Marijuana establishments; registration; application;  
26 inspection

27 A. A MARIJUANA ESTABLISHMENT SHALL SUBMIT TO THE DEPARTMENT AN  
28 APPLICATION OR RENEWAL APPLICATION FOR AN ANNUAL REGISTRATION TO OPERATE. A  
29 RENEWAL APPLICATION MAY BE SUBMITTED UP TO NINETY DAYS BEFORE THE EXPIRATION  
30 OF THE MARIJUANA ESTABLISHMENT'S REGISTRATION.

31 B. THE DEPARTMENT SHALL BEGIN ACCEPTING AND PROCESSING APPLICATIONS TO  
32 OPERATE MARIJUANA ESTABLISHMENTS ONE YEAR AFTER THE EFFECTIVE DATE OF THIS  
33 SECTION.

34 C. ON RECEIVING AN APPLICATION OR RENEWAL APPLICATION FOR A MARIJUANA  
35 ESTABLISHMENT, THE DEPARTMENT SHALL IMMEDIATELY FORWARD A COPY OF EACH  
36 APPLICATION AND HALF OF THE REGISTRATION APPLICATION FEE TO THE LOCAL  
37 REGULATORY AUTHORITY FOR THE LOCALITY IN WHICH THE APPLICANT DESIRES TO  
38 OPERATE THE MARIJUANA ESTABLISHMENT, UNLESS THE LOCALITY HAS NOT DESIGNATED A  
39 LOCAL REGULATORY AUTHORITY.

40 D. AT LEAST FORTY-FIVE BUT NOT MORE THAN NINETY DAYS AFTER RECEIVING  
41 AN APPLICATION OR RENEWAL APPLICATION FOR A MARIJUANA ESTABLISHMENT, THE  
42 DEPARTMENT SHALL ISSUE AN ANNUAL REGISTRATION TO THE APPLICANT, UNLESS THE  
43 DEPARTMENT FINDS THAT THE APPLICANT IS NOT IN COMPLIANCE WITH RULES ADOPTED  
44 BY THE DEPARTMENT.

1 E. IF AN APPLICATION IS DENIED, THE DEPARTMENT SHALL NOTIFY THE  
2 APPLICANT IN WRITING OF THE SPECIFIC REASON FOR THE DENIAL.

3 F. EVERY APPLICANT FOR A MARIJUANA ESTABLISHMENT REGISTRATION SHALL  
4 SPECIFY THE LOCATION WHERE THE MARIJUANA ESTABLISHMENT WILL OPERATE. A  
5 SEPARATE REGISTRATION IS REQUIRED FOR EACH LOCATION AT WHICH A MARIJUANA  
6 ESTABLISHMENT OPERATES.

7 G. THE DEPARTMENT MAY INSPECT MARIJUANA ESTABLISHMENTS AND THE BOOKS  
8 AND RECORDS MAINTAINED AND CREATED BY MARIJUANA ESTABLISHMENTS.

9 36-2829. Underage possession; forfeiture; drug awareness  
10 program; civil penalty

11 NOTWITHSTANDING SECTION 13-3405, A PERSON WHO IS UNDER TWENTY-ONE YEARS  
12 OF AGE AND WHO IS FOUND TO POSSESS ONE OUNCE OR LESS OF MARIJUANA SHALL  
13 FORFEIT THE MARIJUANA AND COMPLETE NOT MORE THAN FOUR HOURS OF INSTRUCTION IN  
14 A DRUG AWARENESS PROGRAM. IF THE PERSON DOES NOT COMPLETE THE DRUG AWARENESS  
15 PROGRAM WITHIN ONE YEAR, THE PERSON IS SUBJECT TO A CIVIL PENALTY OF NOT MORE  
16 THAN THREE HUNDRED DOLLARS.

17 36-2830. Applicability of chapter

18 THIS CHAPTER DOES NOT:

19 1. REQUIRE AN EMPLOYER TO PERMIT OR ACCOMMODATE THE USE, CONSUMPTION,  
20 POSSESSION, TRANSFER, DISPLAY, TRANSPORTATION, SALE OR GROWING OF MARIJUANA  
21 IN THE WORKPLACE.

22 2. AFFECT THE ABILITY OF EMPLOYERS TO HAVE POLICIES RESTRICTING THE  
23 USE OF MARIJUANA BY EMPLOYEES OR TO DISCIPLINE EMPLOYEES WHO ARE UNDER THE  
24 INFLUENCE OF MARIJUANA IN THE WORKPLACE.

25 3. ALLOW DRIVING UNDER THE INFLUENCE OF MARIJUANA OR DRIVING WHILE  
26 IMPAIRED BY MARIJUANA OR SUPERSEDE LAWS RELATED TO DRIVING UNDER THE  
27 INFLUENCE OF MARIJUANA OR DRIVING WHILE IMPAIRED BY MARIJUANA.

28 4. PERMIT THE TRANSFER OF MARIJUANA, WITH OR WITHOUT REMUNERATION, TO  
29 A PERSON WHO IS UNDER TWENTY-ONE YEARS OF AGE OR ALLOW A PERSON WHO IS UNDER  
30 TWENTY-ONE YEARS OF AGE TO PURCHASE, POSSESS, USE, TRANSPORT, GROW OR CONSUME  
31 MARIJUANA.

32 5. PROHIBIT A PERSON, EMPLOYER, SCHOOL, HOSPITAL, DETENTION FACILITY  
33 OR CORPORATION OR ANY OTHER ENTITY THAT OCCUPIES, OWNS OR CONTROLS A PROPERTY  
34 FROM PROHIBITING OR OTHERWISE REGULATING THE POSSESSION, CONSUMPTION, USE,  
35 DISPLAY, TRANSFER, DISTRIBUTION, SALE, TRANSPORTATION OR GROWING OF MARIJUANA  
36 ON OR IN THAT PROPERTY.

37 6. LIMIT ANY PRIVILEGES OR RIGHTS OF A MEDICAL MARIJUANA PATIENT,  
38 PRIMARY CAREGIVER OR MEDICAL MARIJUANA DISPENSARY UNDER CHAPTER 28.1 OF THIS  
39 TITLE.

40 36-2831. Research

41 SCIENTIFIC AND MEDICAL RESEARCHERS WHO HAVE PREVIOUSLY PUBLISHED MAY  
42 PURCHASE, POSSESS AND SECURELY STORE MARIJUANA FOR PURPOSES OF CONDUCTING  
43 RESEARCH. SCIENTIFIC AND MEDICAL RESEARCHERS MAY ADMINISTER AND DISTRIBUTE  
44 MARIJUANA TO A RESEARCH PARTICIPANT WHO IS AT LEAST TWENTY-ONE YEARS OF AGE  
45 AFTER RECEIVING INFORMED CONSENT FROM THE RESEARCH PARTICIPANT.

1           36-2832. Marijuana regulation fund: transfer

2           THE MARIJUANA REGULATION FUND IS ESTABLISHED CONSISTING OF FEES AND  
3 TAXES COLLECTED AND CIVIL PENALTIES IMPOSED UNDER THIS CHAPTER. THE  
4 DEPARTMENT SHALL ADMINISTER THE FUND AND SHALL USE THE MONIES IN THE FUND FOR  
5 IMPLEMENTATION AND ENFORCEMENT OF THIS CHAPTER. MONIES IN THE FUND ARE  
6 CONTINUOUSLY APPROPRIATED. MONIES IN THE FUND MAY NOT BE TRANSFERRED TO ANY  
7 OTHER FUND EXCEPT AS PROVIDED IN SECTION 42-3382.

8           36-2833. Consumer privacy

9           TO ENSURE THAT INDIVIDUAL PRIVACY IS PROTECTED, THE DEPARTMENT MAY NOT  
10 REQUIRE A CONSUMER TO PROVIDE A RETAIL MARIJUANA STORE WITH PERSONAL  
11 INFORMATION OTHER THAN GOVERNMENT-ISSUED IDENTIFICATION TO DETERMINE THE  
12 CONSUMER'S AGE, AND A RETAIL MARIJUANA STORE IS NOT REQUIRED TO ACQUIRE AND  
13 RECORD PERSONAL INFORMATION ABOUT CONSUMERS.

14           Sec. 2. Title 42, chapter 4, Arizona Revised Statutes, is amended by  
15 adding article 10, to read:

16                           ARTICLE 10. MARIJUANA

17           42-3381. Definitions

18           IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

19           1. "MARIJUANA" HAS THE SAME MEANING PRESCRIBED IN SECTION 36-2821.

20           2. "MARIJUANA CULTIVATION FACILITY" HAS THE SAME MEANING PRESCRIBED IN  
21 SECTION 36-2821.

22           3. "MARIJUANA PRODUCT MANUFACTURING FACILITY" HAS THE SAME MEANING  
23 PRESCRIBED IN SECTION 36-2821.

24           4. "RETAIL MARIJUANA STORE" HAS THE SAME MEANING PRESCRIBED IN SECTION  
25 36-2821.

26           42-3382. Levy and collection of tax on marijuana: disposition  
27                           of monies

28           A. THERE IS LEVIED AND SHALL BE COLLECTED BY THE DEPARTMENT IN THE  
29 MANNER PROVIDED BY THIS CHAPTER A TAX AT THE RATE OF FIFTY DOLLARS PER OUNCE,  
30 OR PROPORTIONATE PART THEREOF, ON THE SALE OR TRANSFER OF MARIJUANA FROM A  
31 MARIJUANA CULTIVATION FACILITY TO A RETAIL MARIJUANA STORE OR MARIJUANA  
32 PRODUCT MANUFACTURING FACILITY.

33           B. THE DEPARTMENT OF HEALTH SERVICES MAY ADJUST THE RATE ANNUALLY TO  
34 ACCOUNT FOR INFLATION OR DEFLATION BASED ON THE CONSUMER PRICE INDEX  
35 PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR  
36 STATISTICS.

37           C. NOTWITHSTANDING SECTION 42-3102, THE DEPARTMENT SHALL DEPOSIT,  
38 PURSUANT TO SECTIONS 35-146 AND 35-147, MONIES LEVIED AND COLLECTED PURSUANT  
39 TO THIS SECTION IN THE MARIJUANA REGULATION FUND ESTABLISHED BY SECTION  
40 36-2832.

41           D. THE DEPARTMENT OF REVENUE SHALL DISTRIBUTE, EVERY THREE MONTHS,  
42 REVENUES GENERATED BY THE TAX IMPOSED PURSUANT TO THIS SECTION IN EXCESS OF  
43 THE AMOUNT NEEDED TO IMPLEMENT AND ENFORCE TITLE 36, CHAPTER 28.2 IN ANY  
44 FISCAL YEAR AS FOLLOWS:



- 1           1. THIRTY PERCENT TO THE DEPARTMENT OF EDUCATION.
- 2           2. TEN PERCENT TO THE DEPARTMENT OF HEALTH SERVICES FOR USE IN
- 3 VOLUNTARY PROGRAMS FOR THE TREATMENT OF ALCOHOL, TOBACCO AND MARIJUANA ABUSE.
- 4           3. TEN PERCENT TO THE DEPARTMENT OF HEALTH SERVICES FOR A
- 5 SCIENTIFICALLY AND MEDICALLY ACCURATE PUBLIC EDUCATION CAMPAIGN EDUCATING
- 6 YOUTH AND ADULTS ABOUT THE HEALTH AND SAFETY RISKS OF ALCOHOL, TOBACCO AND
- 7 MARIJUANA.
- 8           4. FIFTY PERCENT TO THE STATE GENERAL FUND.

9           Sec. 3. Rulemaking

10           Not later than one hundred eighty days after the effective date of this  
11 act, the department shall adopt rules necessary for implementation of this  
12 act. The rules may not prohibit the operation of marijuana establishments,  
13 either expressly or through rules that make the operation of a marijuana  
14 establishment unreasonably impracticable. The rules shall include:

15           1. Procedures for the issuance, renewal, suspension and revocation of  
16 a registration to operate a marijuana establishment consistent with the  
17 requirements of title 41, chapter 6, Arizona Revised Statutes.

18           2. A schedule of application, registration and renewal fees.  
19 Application fees may not exceed five thousand dollars, adjusted annually for  
20 inflation, unless the department determines a greater fee is necessary to  
21 carry out the department's responsibilities under this act.

22           3. Qualifications for registration that are directly and demonstrably  
23 related to the operation of a marijuana establishment.

24           4. Security requirements for marijuana establishments, including for  
25 the transportation of marijuana by marijuana establishments.

26           5. Requirements to prevent the sale or diversion of marijuana and  
27 marijuana products to persons who are under twenty-one years of age.

28           6. Labeling requirements for marijuana and marijuana products that are  
29 sold or distributed by a marijuana establishment.

30           7. Health and safety regulations and standards for the manufacture of  
31 marijuana products and both the indoor and outdoor cultivation of marijuana  
32 by marijuana establishments.

33           8. Restrictions on the advertising and display of marijuana and  
34 marijuana products.

35           9. Civil penalties for the failure to comply with rules adopted  
36 pursuant to this section.

37           10. Procedures for collecting taxes levied on marijuana cultivation  
38 facilities.

39           Sec. 4. Conforming legislation

40           The legislative council staff shall prepare proposed legislation  
41 conforming the Arizona Revised Statutes to the provisions of this act for  
42 consideration in the fifty-second legislature, second regular session.

1           Sec. 5. Requirements for enactment: two-thirds vote

2           Pursuant to article IX, section 22, Constitution of Arizona, this act  
3 is effective only on the affirmative vote of at least two-thirds of the  
4 members of each house of the legislature and is effective immediately on the  
5 signature of the governor or, if the governor vetoes this act, on the  
6 subsequent affirmative vote of at least three-fourths of the members of each  
7 house of the legislature.