

REFERENCE TITLE: marijuana; clinical research trials

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SB 1230

Introduced by
Senator Payne

AN ACT

AMENDING SECTIONS 36-2817 AND 36-2822, ARIZONA REVISED STATUTES; RELATING
TO MEDICAL MARIJUANA.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Subject to the requirements of article IV, part 1,
3 section 1, Constitution of Arizona, section 36-2817, Arizona Revised
4 Statutes, is amended to read:

5 36-2817. Medical marijuana fund; private donations; fund
6 transfers; use of monies

7 A. The medical marijuana fund is established consisting of fees
8 collected, civil penalties imposed and private donations received under
9 this chapter. The department shall administer the fund. Monies in the
10 fund are continuously appropriated.

11 B. The director of the department may accept and spend private
12 grants, gifts, donations, contributions and devises to assist in carrying
13 out this chapter.

14 C. Monies in the medical marijuana fund ~~may~~ SHALL be used to
15 provide grants for marijuana clinical trials conducted pursuant to section
16 36-2822.

17 D. Monies in the medical marijuana fund do not revert to the state
18 general fund at the end of a fiscal year.

19 E. On November 30, 2020, the director of the department shall
20 transfer the following sums from the medical marijuana fund for the
21 following purposes:

22 1. \$15,000,000 to the Arizona teachers academy fund established by
23 section 15-1655.

24 2. \$10,000,000 to the department to fund the formation and
25 operation of councils, commissions and programs dedicated to improving
26 public health, including teen suicide prevention, the maternal mortality
27 review program, improving youth health, substance abuse prevention,
28 addressing adverse childhood experiences, the Arizona poison control
29 system established pursuant to section 36-1161, the Arizona health
30 improvement plan, the STATE child fatality review team established
31 pursuant to section 36-3501 and the chronic pain self management program.

32 3. \$10,000,000 to the governor's office of highway safety to
33 distribute grants for the following purposes:

34 (a) Reducing impaired driving, including conducting training
35 programs and purchasing equipment for detecting, testing and enforcing
36 laws against driving, flying or boating while impaired.

37 (b) Equipment, training and personnel costs for dedicated traffic
38 enforcement.

39 4. \$2,000,000 to the department to implement, carry out and enforce
40 chapter 28.2 of this title.

41 5. \$4,000,000 to the department to distribute grants to qualified
42 nonprofit entities that will provide outreach to individuals who may be
43 eligible to file petitions for expungement pursuant to section 36-2862 and
44 will assist with the expungement petition process. The department shall
45 distribute grants pursuant to this paragraph on or before June 30, 2021.

1 6. \$2,000,000 to the department of health services to develop and
2 implement, in conjunction with the department of economic security and
3 other state agencies, a social equity ownership program to promote the
4 ownership and operation of marijuana establishments and marijuana testing
5 facilities by individuals from communities disproportionately impacted by
6 the enforcement of previous marijuana laws. For the purposes of this
7 paragraph, "marijuana establishment" and "marijuana testing facility" have
8 the same meanings prescribed in section 36-2850.

9 7. \$1,000,000 to the department to fund programs and grants to
10 qualified nonprofit organizations for education and community outreach
11 related to chapter 28.2 of this title.

12 8. \$1,000,000 to the smart and safe Arizona fund established by
13 section 36-2856.

14 F. After all costs incurred to implement, carry out and enforce
15 this chapter and the rules adopted pursuant to this chapter are paid for
16 fiscal year 2021-2022, the department shall transfer from the medical
17 marijuana fund the following sums for the following purposes:

18 1. \$1,250,000 to the department for suicide prevention.

19 2. \$1,250,000 to the Arizona health care cost containment system
20 for suicide prevention.

21 3. \$2,000,000 to the institute for mental health research for
22 research to improve mental health services, research and education in this
23 state.

24 4. \$2,000,000 to the department for the primary care provider loan
25 repayment program and the rural private primary care provider loan
26 repayment program established by chapter 21 of this title. The department
27 shall prioritize rural providers in the areas of mental health care and
28 behavioral health care if feasible and appropriate.

29 5. \$2,000,000 to the board of medical student loans for the
30 purposes of title 15, chapter 13, article 7. The board shall prioritize
31 students who intend to practice in the area of psychiatry or other areas
32 of practice that treat mental illness if feasible and appropriate.

33 6. \$5,000,000 to county public health departments, in proportion to
34 the population of each county, for the purposes of addressing important
35 public health issues and communities affected by drug addiction and
36 incarceration.

37 7. \$1,000,000 to the department for the health care directives
38 registry established pursuant to section 36-3291.

39 G. Monies transferred pursuant to subsection F of this section do
40 not revert to the state general fund.

41 H. The director shall make a onetime transfer of \$250,000 from the
42 medical marijuana fund to the department to provide grants for marijuana
43 research studies pursuant to section 36-2812.

44 I. The director may use monies in the medical marijuana fund to
45 contract with laboratories pursuant to section 36-2803, subsection I to

1 comply with the proficiency testing requirements of this chapter for
2 independent third-party laboratories and marijuana testing facilities. On
3 or before July 1 of each year, the department shall report to the joint
4 legislative budget committee expenditures made pursuant to this subsection
5 for the preceding fiscal year.

6 Sec. 2. Subject to the requirements of article IV, part 1,
7 section 1, Constitution of Arizona, section 36-2822, Arizona Revised
8 Statutes, is amended to read:

9 36-2822. Arizona biomedical research centre; medical
10 marijuana fund; grants; marijuana clinical trials;
11 requirements

12 A. The Arizona biomedical research centre in the department shall
13 provide competitive grants from monies in the medical marijuana fund
14 established by section 36-2817 for marijuana clinical trials that are
15 approved by the United States food and drug administration for evaluating
16 both the safety and efficacy of using marijuana in humans and researching
17 the impacts of marijuana interactions with prescription drugs,
18 nonprescription drugs and illicit drugs.

19 B. Clinical trials funded pursuant to subsection A of this section
20 shall be conducted by Arizona-based researchers from nonprofit
21 organizations or universities, be approved by the United States food and
22 drug administration, the United States drug enforcement administration and
23 an institutional review board and be publishable in peer-reviewed medical
24 and public health journals. The centre shall prioritize randomized
25 controlled clinical trials that study the treatment of autism, epilepsy,
26 post-traumatic stress disorder and pain.

27 C. Notwithstanding title 13, chapter 34, a person who receives a
28 grant for a marijuana clinical trial pursuant to this section and any of
29 the person's employees working on the clinical trial may not be charged
30 with or prosecuted for possession of marijuana that is cultivated for
31 medical use when the person is working on the clinical trial.

32 D. The Arizona biomedical research centre ~~may~~ SHALL provide up to
33 \$5,000,000 annually for five consecutive years from the medical marijuana
34 fund established by section 36-2817 to administer and award competitive
35 grants pursuant to this section. The centre ~~may~~ SHALL not use more than
36 five percent of these monies for administrative purposes.

37 Sec. 3. Requirements for enactment; three-fourths vote

38 Pursuant to article IV, part 1, section 1, Constitution of Arizona,
39 sections 36-2817 and 36-2822, Arizona Revised Statutes, as amended by this
40 act, are effective only on the affirmative vote of at least three-fourths
41 of the members of each house of the legislature.