FIRST REGULAR SESSION HOUSE BILL NO. 1095

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MAY.

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 579.015, 579.020, and 579.055, RSMo, and to enact in lieu thereof thirty-two new sections relating to marijuana, with penalty provisions and a referendum clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 579.015, 579.020, and 579.055, RSMo, are repealed and thirty-two
new sections enacted in lieu thereof, to be known as sections 195.2200, 195.2203, 195.2206,
195.2209, 195.2212, 195.2215, 195.2218, 195.2221, 195.2224, 195.2227, 195.2230, 195.2233,
195.2236, 195.2239, 195.2242, 195.2245, 195.2248, 195.2251, 195.2254, 195.2257, 195.2260,
195.2263, 195.2266, 195.2269, 195.2272, 195.2275, 195.2278, 195.2281, 579.001, 579.015,
579.020, and 579.055, to read as follows:

195.2200. As used in sections 195.2200 to 195.2281, unless the context requires 2 otherwise, the following terms mean:

3 (1) "Consumer", a person twenty-one years of age or older who purchases 4 marijuana or marijuana products for personal use by persons twenty-one years of age or 5 older, but not for resale to others;

6 (2) "Division", the division of alcohol and tobacco control within the department
 7 of public safety;

8 (3) "Industrial hemp", the plant of the genus cannabis and any part of such plant,
9 whether growing, with a delta-9 tetrahydrocannabinol concentration that does not exceed
10 three-tenths percent on a dry-weight basis;

11 (4) "License", to grant a license or registration under sections 195.2200 to 12 195.2281;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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13 (5) "Licensed premises", the premises specified in an application for a license 14 under sections 195.2200 to 195.2281, which are owned or in possession of the licensee and 15 within which the licensee is authorized to cultivate, manufacture, distribute, sell, or test 16 marijuana and marijuana products in accordance with sections 195.2200 to 195.2281;

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(6) "Licensee", a person licensed or registered under sections 195.2200 to 195.2281;

(7) "Local licensing authority", for any locality that has chosen to adopt a local
licensing requirement in addition to the state licensing requirements under sections
195.2200 to 195.2281, an authority designated by a town, village, city, county, or city not
within a county;

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(8) "Locality", a town, village, city, county, or city not within a county;

(9) "Location", a particular parcel of land that may be identified by an address or
 other descriptive means;

25 (10) "Marijuana" or "marihuana", all parts of the plant of the genus cannabis, 26 whether growing, the seeds thereof, the resin extracted from any part of the plant, and 27 every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its 28 seeds, or its resin, including marihuana concentrate. "Marijuana" or "marihuana" does 29 not include industrial hemp, nor does it include fiber produced from the stalks, oil, or cake 30 made from the seeds of the plant, sterilized seed of the plant which is incapable of germination, or the weight of any other ingredient combined with marijuana to prepare 31 32 topical or oral administrations, food, drink, or other product;

(11) "Marijuana accessories", any equipment, products, or materials of any kind
that are used, intended for use, or designed for use in planting, propagating, cultivating,
growing, harvesting, composting, manufacturing, compounding, converting, producing,
processing, preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or
containing marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into
the human body;

(12) "Marijuana products", concentrated marijuana products and marijuana
 products that are comprised of marijuana and other ingredients and are intended for use
 or consumption including, but not limited to, edible products, ointments, and tinctures;

42 (13) "Operating fees", fees that may be charged by a locality for costs including,
43 but not limited to, inspection, administration, and enforcement of retail marijuana
44 establishments authorized under sections 195.2200 to 195.2281;

(14) "Premises", a distinctly identified, as required by the division, and definite
 location, which may include a building, a part of a building, a room, or any other definite
 contiguous area;

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(15) "Retail marijuana cultivation facility", an entity licensed to cultivate, prepare,
 and package marijuana and sell marijuana to retail marijuana stores, to marijuana
 product manufacturing facilities, and to other marijuana cultivation facilities, but not to
 consumers;

(16) "Retail marijuana establishment", a retail marijuana cultivation facility, a
 retail marijuana testing facility, a retail marijuana product manufacturing facility, or a
 retail marijuana store;

55 (17) "Retail marijuana product manufacturing facility", an entity licensed to 56 purchase marijuana; manufacture, prepare, and package marijuana products; and sell 57 marijuana and marijuana products to other marijuana product manufacturing facilities 58 and to retail marijuana stores, but not to consumers;

(18) "Retail marijuana store", an entity licensed to purchase marijuana from marijuana cultivation facilities and marijuana and marijuana products from marijuana product manufacturing facilities and to sell marijuana and marijuana products to consumers;

(19) "Retail marijuana testing facility", an entity licensed to analyze and certify the
 safety and potency of marijuana;

65 (20) "Sale" or "sell", includes to exchange, barter, or traffic in; to solicit or receive 66 and order, except through a licensee licensed under sections 195.2200 to 195.2281; to 67 deliver for value in any way other than gratuitously; to peddle or possess with intent to 68 sell; or to traffic in for any consideration promised or obtained directly or indirectly;

69 (21) "Unreasonably impracticable", the measures necessary to comply with the 70 regulations require such a high investment of risk, moneys, time, or any other resource or 71 asset that the operation of a marijuana establishment is not worthy of being carried out in 72 practice by a reasonably prudent businessperson.

195.2203. 1. Notwithstanding any other provision of law, the following acts are not
unlawful and shall not be an offense under Missouri law or the law of any locality within
Missouri or be a basis for seizure or forfeiture of assets under Missouri law for persons
twenty-one years of age or older:

5 (1) Possessing, using, displaying, purchasing, or transporting marijuana accessories
6 or thirty-five grams or less of marijuana;

7 (2) Possessing, growing, processing, or transporting no more than six marijuana 8 plants, with three or fewer being mature flowering plants, and possession of the marijuana 9 produced by the plants on the premises where the plants were grown; provided that, the 10 growing takes place in an enclosed, locked space; is not conducted openly or publicly; and 11 is not made available for sale;

(3) Transfer of thirty-five grams or less of marijuana without remuneration to a
 person who is twenty-one years of age or older;

(4) Consumption of marijuana; provided that, nothing in sections 195.2200 to
 15 195.2281 shall permit consumption that is conducted openly and publicly or in a manner
 16 that endangers others; or

17 (5) Assisting another person who is twenty-one years of age or older in any of the 18 acts described in subdivisions (1) to (4) of this subsection.

Notwithstanding any other provision of law, the following acts are not unlawful
 and shall not be an offense under Missouri law or be a basis for seizure or forfeiture of
 assets under Missouri law for persons twenty-one years of age or older:

(1) Manufacturing or selling marijuana accessories to a person who is twenty-one
 years of age or older;

(2) Possessing, displaying, or transporting marijuana or marijuana products; purchasing marijuana from a retail marijuana cultivation facility; purchasing marijuana or marijuana products from a retail marijuana product manufacturing facility; or selling marijuana or marijuana products to consumers, if the person conducting the activities described in this subdivision has obtained a current, valid license to operate a retail marijuana store or is acting in his or her capacity as an owner, employee, or agent of a licensed retail marijuana store;

31 (3) Cultivating, harvesting, processing, packaging, transporting, displaying, or possessing marijuana; delivering or transferring marijuana to a retail marijuana testing 32 33 facility; selling marijuana to a retail marijuana cultivation facility, a retail marijuana 34 product manufacturing facility, or a retail marijuana store; or purchasing marijuana from 35 a retail marijuana cultivation facility, if the person conducting the activities described in this subdivision has obtained a current, valid license to operate a retail marijuana 36 37 cultivation facility or is acting in his or her capacity as an owner, employee, or agent of a 38 licensed retail marijuana cultivation facility;

39 (4) Packaging, processing, transporting, manufacturing, displaying, or possessing 40 marijuana or marijuana products; delivering or transferring marijuana or marijuana 41 products to a retail marijuana testing facility; selling marijuana or marijuana products to 42 a retail marijuana store or a retail marijuana product manufacturing facility; purchasing 43 marijuana from a retail marijuana cultivation facility; or purchasing marijuana or 44 marijuana products from a retail marijuana product manufacturing facility if the person 45 conducting the activities described in this subdivision has obtained a current, valid license 46 to operate a retail marijuana product manufacturing facility or is acting in his or her

47 capacity as an owner, employee, or agent of a licensed retail marijuana product 48 manufacturing facility;

49 (5) Possessing, cultivating, processing, repackaging, storing, transporting, 50 displaying, transferring, or delivering marijuana or marijuana products if the person has 51 obtained a current, valid license to operate a retail marijuana testing facility or is acting 52 in his or her capacity as an owner, employee, or agent of a licensed retail marijuana testing 53 facility; or

(6) Leasing or otherwise allowing the use of property owned, occupied, or
controlled by any person, corporation, or other entity for any of the activities conducted
lawfully in accordance with subdivisions (1) to (5) of this subsection.

195.2206. 1. Before July 1, 2019, the division shall adopt rules and regulations necessary for implementation of sections 195.2200 to 195.2281. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2017, shall be invalid and void.

2. Such rules and regulations shall not prohibit the operation of retail marijuana establishments either expressly or through rules and regulations that make their operation unreasonably impracticable. Such rules and regulations shall include, but not be limited to:

(1) Procedures for the issuance, renewal, suspension, and revocation of a license to
 operate a retail marijuana establishment, with such procedures subject to all requirements
 of chapter 536;

17 (2) A schedule of application, licensing, and renewal fees; provided that, the 18 application fees shall not exceed five thousand dollars, adjusted annually for inflation, 19 unless the division determines a greater fee is necessary to carry out its responsibilities 20 under sections 195.2200 to 195.2281;

(3) Qualifications for licensure that are directly and demonstrably related to the
 operation of a retail marijuana establishment including, but not limited to, a requirement
 for a fingerprint-based criminal history check for all owners, managers, contractors,
 employees, and other support staff of entities licensed under sections 195.2200 to 195.2281;

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(4) Security requirements for retail marijuana establishments;

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(5) Requirements to prevent the sale or diversion of marijuana and marijuana
 products to persons under the age of twenty-one;

28 (6) Labeling requirements for marijuana and marijuana products sold or 29 distributed by a retail marijuana establishment that include, but are not limited to:

30 (a) Warning labels;

31 (b) The amount of THC per serving and the number of servings per package for
 32 marijuana products;

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(c) A universal symbol indicating the package contains marijuana; and

34 (d) The potency of the marijuana or marijuana product highlighted on the label;

(7) Health and safety regulations and standards for the manufacture of marijuana
 products and the cultivation of marijuana as developed by the department of health and
 senior services;

(8) Restrictions on the advertising and displaying of marijuana and marijuana
 products;

40 (9) Establishing a marijuana and marijuana products independent testing and 41 certification program, within an implementation time frame established by the division, 42 requiring licensees to test marijuana to ensure, at a minimum, that products sold for 43 human consumption do not contain contaminants that are injurious to health and to ensure 44 correct labeling;

45 (10) Regulation of the storage of, warehouses for, and transportation of marijuana
 46 and marijuana products;

47 (11) Sanitary requirements for retail marijuana establishments including, but not
48 limited to, sanitary requirements for the preparation of marijuana products; and

(12) Compliance with, enforcement of, or violation of any provision of sections
195.2200 to 195.2281 or any rule promulgated, including procedures and grounds for
denying, suspending, fining, restricting, or revoking a state license issued under sections
195.2200 to 195.2281.

59 4. The division shall begin accepting and processing applications on or after 60 October 1, 2019.

195.2209. 1. The division shall develop and maintain a seed-to-sale tracking system that tracks marijuana from either seed or immature plant stage until the marijuana or marijuana product is sold to a customer at a retail marijuana store to ensure that no marijuana grown or processed by a retail marijuana establishment is sold or otherwise transferred except by a retail marijuana store.

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2. The division has the authority to:

7 (1) Grant or refuse state licenses for the cultivation, manufacture, distribution, sale, 8 and testing of marijuana and marijuana products as provided by law; suspend, fine, 9 restrict, or revoke such licenses upon a violation of sections 195.2200 to 195.2281 or any 10 rule promulgated. The division may take any action with respect to a registration under 11 sections 195.2200 to 195.2281 as it may with respect to a license under sections 195.2200 to 12 195.2281, in accordance with the procedures established under sections 195.2200 to 13 195.2281; and

(2) Develop such forms, licenses, identification cards, and applications as are
 necessary or convenient in the discretion of the division for the administration of sections
 195.2200 to 195.2281 or any rule promulgated.

3. Nothing in sections 195.2200 to 195.2281 shall be construed to limit a law enforcement agency's ability to investigate unlawful activity in relation to a retail marijuana establishment. A law enforcement agency shall have the authority to run a criminal history record check of a licensee, or employee of a licensee, during an investigation of unlawful activity related to marijuana and marijuana products.

4. (1) The division shall create a statewide licensure class system for retail marijuana cultivation facilities. The classifications may be based upon square footage of the facility; lights, lumens, or wattage; lit canopy; the number of cultivating plants; a combination of the foregoing; or other reasonable metrics. The division shall create a fee structure for the license class system.

(2) The division may establish limitations upon marijuana production through one
 or more of the following methods:

(a) Placing or modifying a limit on the number of licenses that it issues, by class or
overall, but in placing or modifying the limits, the division shall consider the reasonable
availability of new licenses after a limit is established or modified;

(b) Placing or modifying a limit on the amount of production permitted by a retail marijuana cultivation license or class of licenses based upon some reasonable metric or set of metrics including, but not limited to, those items detailed in subdivision (1) of this subsection, previous months' sales, pending sales, or other reasonable metrics as determined by the division; and

(c) Placing or modifying a limit on the total amount of production by retail
marijuana cultivation licensees in the state, collectively, based upon some reasonable
metric or set of metrics including, but not limited to, those items detailed in subdivision (1)
of this subsection, as determined by the division.

- 195.2212. 1. A license provided by sections 195.2200 to 195.2281 shall not be issued 2 to or held by:
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- (1) A person until the required fee has been paid;
- 4 (2) An individual whose criminal history indicates that he or she is not of good 5 moral character;
- 6 (3) A person other than an individual if the criminal history of any of its officers,
 7 directors, stockholders, or owners indicate that the officers, directors, stockholders, or
 8 owners are not of good moral character;
- 9 (4) A person financed in whole or in part by any other person whose criminal 10 history indicates he or she is not of good moral character and his or her reputation is not 11 satisfactory to the division or local licensing authority;
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- (5) A person under twenty-one years of age;
- 13 (6) A person licensed under sections 195.2200 to 195.2281 who, during a period of
 14 licensure or at the time of application, has failed to:
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- (a) File any tax return related to a retail marijuana establishment; or
- (b) Pay any taxes, interest, or penalties due, as determined by final agency action,
 relating to a retail marijuana establishment;
- 18 (7) A person who:
- (a) Has discharged a sentence for a conviction of a felony in the five yearsimmediately preceding his or her application date; or
- (b) Has discharged a sentence for a conviction of a felony under any state or federal law regarding the possession, distribution, manufacturing, cultivation, or use of a controlled substance in the ten years immediately preceding his or her application date; except that, the division or local licensing authority may grant a license to a person if the person has a state felony conviction based on possession or use of marijuana or marijuana concentrate that would not be a felony if the person were convicted of the offense on the date he or she applied for licensure;
- (8) A person who employs another person at a retail marijuana establishment who
 has not submitted fingerprints for a criminal history record check or whose criminal
 history record check reveals that the person is ineligible;
- (9) A sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or
 employee of the division or a local licensing authority; or

33 (10) A person applying for a license for a location that is currently licensed as a 34 retail food establishment or wholesale food registrant.

35 2. (1) In investigating the qualifications of an applicant or a licensee, the division 36 and local licensing authority may have access to criminal history record information 37 furnished by a criminal justice agency subject to any restrictions imposed by such agency. In the event the division or local licensing authority considers the applicant's criminal 38 39 history record, the division or local licensing authority shall also consider any information 40 provided by the applicant regarding such criminal history record including, but not limited 41 to, evidence of rehabilitation, character references, and educational achievements, especially those items pertaining to the time between the applicant's last criminal 42 43 conviction and the consideration of the application for a state license.

44 (2) As used in subdivision (1) of this subsection, "criminal justice agency" means any federal, state, or municipal court or any governmental agency or subunit of such 45 46 agency that administers criminal justice under a statute or executive order and that 47 allocates a substantial part of its annual budget to the administration of criminal justice.

48 (3) At the time of filing an application for issuance of a state retail marijuana 49 establishment license, an applicant shall submit a set of his or her fingerprints and file personal history information concerning the applicant's qualifications for a state license 50 51 on forms prepared by the division. The division or locality shall submit the fingerprints 52 to the Missouri state highway patrol for the purpose of conducting fingerprint-based criminal history record checks. The Missouri state highway patrol shall forward the 53 fingerprints to the Federal Bureau of Investigation for the purpose of conducting a 54 55 fingerprint-based criminal history record check. The division or locality may acquire a 56 name-based criminal history record check for an applicant or a license holder who has twice submitted to a fingerprint-based criminal history record check and whose 57 58 fingerprints are unclassifiable. An applicant who has previously submitted fingerprints 59 for a state or local license may request that the fingerprints on file be used. The division or locality shall use the information resulting from the fingerprint-based criminal history 60 61 record check to investigate and determine whether an applicant is qualified to hold a state 62 or local license under sections 195.2200 to 195.2281. The division or locality may verify any 63 of the information an applicant is required to submit.

195.2215. 1. Ninety days prior to the expiration date of an existing license, the 2 division shall notify the licensee of the expiration date by first-class mail at the licensee's address of record with the division. A licensee may apply for the renewal of an existing 3 4 license to the division not less than thirty days prior to the date of expiration. Upon receipt 5 of an application for renewal of an existing license and any applicable fees, the division

6 shall submit, within seven days, a copy of the application to the locality to determine whether the application complies with all local restrictions on renewal of licenses. The 7 division shall not accept an application for renewal of a license after the date of expiration, 8 except as provided in subsection 3 of this section. The division may extend the expiration 9 10 date of the license and accept a late application for renewal of a license if the applicant has filed a timely renewal application with the local licensing authority. The division or the 11 local licensing authority, in its discretion, subject to the requirements of this subsection and 12 13 subsection 3 of this section and based upon reasonable grounds, may waive the thirty-day 14 time requirements set forth in this subsection. 15 2. The division may require an additional fingerprint request if there is a

15 2. The division may require an additional ingerprint request if there is a 16 demonstrated investigative need.

17 3. (1) Notwithstanding the provisions of subsection 1 of this section, a licensee 18 whose license has been expired for not more than ninety days may file a late renewal 19 application upon the payment of a nonrefundable late application fee of five hundred 20 dollars to the division. A licensee who files a late renewal application and pays the 21 requisite fees may continue to operate until the division takes final action to approve or 22 deny the licensee's late renewal application unless the division summarily suspends the 23 license.

24 (2) The division may administratively continue the license and accept a late 25 application for renewal of a license at its discretion.

(3) Notwithstanding the amount specified for the late application fee in subdivision
(1) of this subsection, the division by rule or as otherwise provided by law may reduce the
amount of the fee.

195.2218. 1. (1) A retail marijuana store license shall be issued only to a person
selling marijuana or marijuana products under the terms and conditions of sections
195.2200 to 195.2281.

4 (2) A retail marijuana store may cultivate its own marijuana if it obtains a retail
5 marijuana cultivation facility license, or it may purchase marijuana from a licensed retail
6 marijuana cultivation facility.

7 (3) The retail marijuana store shall track all of its marijuana and marijuana
8 products from the point that they are transferred from a retail marijuana cultivation
9 facility or retail marijuana products manufacturer to the point of sale.

2. (1) Notwithstanding the provisions of this section, a retail marijuana store
licensee may also sell marijuana products that are prepackaged and labeled as required
by rules of the division.

(2) A retail marijuana store licensee may transact with a retail marijuana products
 manufacturing licensee for the purchase of marijuana products upon a retail marijuana
 products manufacturing licensee's licensed premises or a retail marijuana store's licensed
 premises.

3. (1) A retail marijuana store shall not sell more than thirty-five grams of
marijuana or its equivalent in marijuana products, including marijuana concentrate,
except for nonedible, nonpsychoactive marijuana products, including ointments, lotions,
balms, and other nontransdermal topical products, during a single transaction to a person.

(2) (a) Prior to initiating a sale, the employee of the retail marijuana store making the sale shall verify that the purchaser has a valid identification card showing the purchaser is twenty-one years of age or older. If a person under twenty-one years of age presents a fraudulent proof of age, any action relying on the fraudulent proof of age shall not be grounds for the revocation or suspension of any license issued under sections 195.2200 to 195.2281.

27 (b) If a retail marijuana store licensee or employee has reasonable cause to believe 28 that a person is under twenty-one years of age and is exhibiting fraudulent proof of age in 29 an attempt to obtain any marijuana or marijuana-infused product, the licensee or 30 employee is authorized to confiscate such fraudulent proof of age, if possible, and shall, 31 within seventy-two hours after the confiscation, remit to a state or local law enforcement 32 agency. The failure to confiscate such fraudulent proof of age or to remit to a state or local 33 law enforcement agency within seventy-two hours after the confiscation does not constitute 34 a criminal offense.

4. A retail marijuana store may provide a sample of its products to a facility that has a marijuana testing facility license from the division for testing and research purposes. A retail marijuana store shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the results of the testing.

5. All marijuana and marijuana products sold at a licensed retail marijuana store
 shall be packaged and labeled as required by rules of the division.

6. (1) A licensed retail marijuana store shall only sell marijuana, marijuana products, marijuana accessories, nonconsumable products such as apparel, and marijuanarelated products such as childproof packaging containers, but shall be prohibited from selling or giving away any consumable product including, but not limited to, cigarettes, alcohol, or edible products that do not contain marijuana including, but not limited to, sodas, candies, or baked goods.

47 (2) A licensed retail marijuana store shall not sell any marijuana or marijuana 48 products that contain nicotine or alcohol, if the sale of the alcohol would require a license.

(3) A licensed retail marijuana store shall not sell marijuana or marijuana products
 over the internet nor deliver marijuana or marijuana products to a person not physically
 present in the retail marijuana store's licensed premises.

52 7. The premises of a licensed retail marijuana store is the only place where an 53 automatic dispensing machine that contains marijuana or marijuana products may be 54 located. If a licensed retail marijuana store uses an automatic dispensing machine that 55 contains marijuana or marijuana products, it shall comply with the regulations 56 promulgated by the division for its use.

57 8. Marijuana or marijuana products shall not be consumed on the premises of a 58 retail marijuana store.

9. A display case containing marijuana concentrate shall include the potency of the
 marijuana concentrate next to the name of the product.

10. No more than fifty licenses shall be issued under this section. Thirty-five percent of such licenses issued shall be issued to minority-owned businesses, of which twenty percent shall be issued to African Americans, ten percent to women, and five percent to other minorities.

195.2221. 1. A marijuana cultivation facility license may be issued only to a person
who cultivates marijuana for sale and distribution to licensed retail marijuana stores, retail
marijuana products manufacturing licensees, or other retail marijuana cultivation
facilities.

5 2. A retail marijuana cultivation facility shall track the marijuana it cultivates from 6 seed or immature plant to wholesale purchase.

7 3. A retail marijuana cultivation facility may provide a sample of its products to 8 a facility that has a marijuana testing facility license from the division for testing and 9 research purposes. A retail marijuana cultivation facility shall maintain a record of what 10 was provided to the testing facility, the identity of the testing facility, and the testing 11 results.

4. Marijuana or marijuana products shall not be consumed on the premises of a
retail marijuana cultivation facility.

5. No more than fifty cultivation licenses shall be issued under this section. Thirtyfive percent of such licenses issued shall be issued to minority-owned businesses, of which twenty percent shall be issued to African Americans, ten percent to women, and five percent to other minorities.

195.2224. 1. (1) A marijuana products manufacturing license may be issued to a
person who manufactures marijuana products under the terms and conditions of sections
195.2200 to 195.2281.

4 (2) A retail marijuana products manufacturer may cultivate its own marijuana if 5 it obtains a retail marijuana cultivation facility license, or it may purchase marijuana from 6 a licensed retail marijuana cultivation facility. A retail marijuana products manufacturer 7 shall track all of its marijuana from the point it is either transferred from its retail 8 marijuana cultivation facility or the point when it is delivered to the retail marijuana 9 products manufacturer from a licensed retail marijuana cultivation facility to the point of 10 transfer to a licensed retail marijuana store.

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(3) A retail marijuana products manufacturer shall not:

(a) Add any marijuana to a food product if the manufacturer of the food product
holds a trademark to the food product's name; except that, a manufacturer may use a
trademarked food product if the manufacturer uses the product as a component or as part
of a recipe and if the marijuana product manufacturer does not state or advertise to the
consumer that the final marijuana product contains a trademarked food product;

(b) Intentionally or knowingly label or package a marijuana product in a manner
 that would cause a reasonable consumer confusion as to whether the marijuana product
 was a trademarked food product; or

(c) Label or package a product in a manner that violates any federal trademark law
 or regulation.

22 2. Marijuana products shall be prepared on a licensed premises that is used 23 exclusively for the manufacture and preparation of marijuana or marijuana products and 24 using equipment that is used exclusively for the manufacture and preparation of marijuana 25 products.

3. All licensed premises on which marijuana products are manufactured shall meet
 the sanitary standards for marijuana product preparation promulgated by the division.

4. A marijuana product shall be sealed and conspicuously labeled in compliance
with sections 195.2200 to 195.2281 and any rules promulgated by the division.

30 5. Marijuana or marijuana products shall not be consumed on the premises of a
 31 retail marijuana products manufacturing facility.

6. A retail marijuana products manufacturer may provide a sample of its products to a facility that has a retail marijuana testing facility license from the division for testing and research purposes. A retail marijuana products manufacturer shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the results of the testing.

37 7. An edible marijuana product may list its ingredients and compatibility with
 38 dietary practices.

39 8. All marijuana products that require refrigeration to prevent spoilage shall be
 40 stored and transported in a refrigerated environment.

195.2227. 1. A retail marijuana testing facility license may be issued to a person
who performs testing and research on marijuana. The facility may test marijuana
products.

2. The division shall promulgate rules relating to acceptable testing and research
practices including, but not limited to, testing, standards, quality control analysis,
equipment certification and calibration, and chemical identification and other substances
used in bona fide research methods.

8 3. A person who has an interest in a retail marijuana testing facility license from 9 the division for testing purposes shall not have any interest in a licensed retail marijuana 10 store, a licensed retail marijuana cultivation facility, or a licensed retail marijuana 11 products manufacturer. A person that has an interest in a licensed retail marijuana store, 12 a licensed retail marijuana cultivation facility, or a licensed retail marijuana products 13 manufacturer shall not have an interest in a facility that has a retail marijuana testing 14 facility license.

195.2230. 1. (1) A retail marijuana transporter license may be issued to a person
to provide logistics, distribution, and storage of marijuana and marijuana products.
Notwithstanding any other provisions of law, a retail marijuana transporter license is valid
for two years and cannot be transferred with a change of ownership. A licensed retail
marijuana transporter is responsible for the marijuana and marijuana products once it
takes control of the product.

7 (2) A licensed retail marijuana transporter may contract with multiple licensed 8 marijuana businesses.

9 (3) All retail marijuana transporters shall hold a valid retail marijuana transporter 10 license; except that, an entity licensed under sections 195.2200 to 195.2281 that provides 11 its own distribution is not required to have a retail marijuana transporter license to 12 transport and distribute its products.

2. A retail marijuana transporter licensee may maintain a licensed premises to temporarily store marijuana and marijuana products and to use as a centralized distribution point. The licensed premises shall be located in a jurisdiction that permits the operation of retail marijuana stores. A licensed retail marijuana transporter may store and distribute marijuana and marijuana products from this location. A storage facility shall meet the same security requirements that are required to obtain a retail marijuana cultivation license.

3. A retail marijuana transporter licensee shall use the seed-to-sale tracking system
 developed under section 195.2209 to create shipping manifests documenting the transport
 of marijuana and marijuana products throughout the state.

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4. A retail marijuana transporter licensee may:

(1) Maintain and operate one or more warehouses in the state to handle marijuana
 and marijuana products; and

26 (2) Deliver marijuana products on orders previously taken if the place where 27 orders are taken and delivered is licensed.

195.2233. A retail marijuana business operator license may be issued to a person
who operates a retail marijuana establishment licensed under sections 195.2200 to
195.2281, for an owner licensed under sections 195.2200 to 195.2281, and who may receive
a portion of the profits as compensation.

195.2236. 1. The division shall charge and collect fees under sections 195.2200 to 2 195.2281. The application fee for a person applying for a license under sections 195.2200 3 to 195.2281 shall be five hundred dollars. The division shall transfer two hundred fifty 4 dollars of the fee to the marijuana cash fund established in subsection 3 of this sections and 5 submit two hundred fifty dollars to the locality in which the license is proposed to be 6 issued.

A locality in which a license under sections 195.2200 to 195.2281 may be
permitted may adopt and impose operating fees in an amount determined by the locality
on marijuana establishments located within the locality.

3. (1) There is hereby created in the state treasury the "Marijuana Cash Fund", which shall consist of moneys collected under sections 195.2200 to 195.2281. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, moneys in the fund shall be used solely for the administration of sections 195.2200 to 195.2281.

16 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys 17 remaining in the fund at the end of the biennium shall not revert to the credit of the 18 general revenue fund.

(3) The state treasurer shall invest moneys in the fund in the same manner as other
 funds are invested. Any interest and moneys earned on such investments shall be credited
 to the fund.

195.2239. 1. Before October 1, 2019, each locality shall enact an ordinance or 2 regulation specifying the entity within the locality that is responsible for processing 3 applications submitted for a license to operate a marijuana establishment within the

4 boundaries of the locality and for the issuance of such licenses should the issuance by the

5 locality become necessary because of a failure by the division to adopt regulations or
6 because of a failure by the division to process and issue licenses under sections 195.2200

7 to 195.2281.

8 2. A locality may enact ordinances or regulations, not in conflict with sections 195.2200 to 195.2281 or with rules and regulations, governing the time, place, manner, and 9 number of marijuana establishment operations; establishing procedures for the issuance, 10 11 suspension, and revocation of a license issued by the locality in accordance with sections 12 195.2200 to 195.2281; establishing a schedule of annual operating, licensing, and application fees for marijuana establishments; provided that, the application fee shall only 13 14 be due if an application is submitted to a locality in accordance with sections 195.2200 to 15 195.2281, and a licensing fee shall only be due if a license is issued by a locality in accordance with sections 195.2200 to 195.2281; and establishing civil penalties for violation 16 17 of an ordinance or regulation governing the time, place, and manner of a marijuana establishment that may operate in such locality. A locality may prohibit the operation of 18 19 marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana 20 testing facilities, or retail marijuana stores through the enactment of an ordinance or 21 through an initiated or referred measure; provided that, any initiative or referendum 22 measure to prohibit the operation of marijuana cultivation facilities, marijuana product 23 manufacturing facilities, marijuana testing facilities, or retail marijuana stores shall 24 appear on a general election ballot.

3. If the division receives an application for original licensing or renewal of an existing license for any marijuana establishment, the division shall provide, within seven days, a copy of the application to the locality in which the establishment is to be located. The locality shall determine whether the application complies with local restrictions on time, place, manner, and the number of marijuana businesses. The locality shall inform the division whether the application complies with local restrictions on time, place, manner, and the number of marijuana businesses.

4. A locality may impose a separate local licensing requirement as a part of its restrictions on time, place, manner, and the number of marijuana businesses. A locality may decline to impose any local licensing requirements, but a locality shall notify the division that it either approves or denies each application forwarded to it.

5. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the powers

40 vested with the general assembly pursuant to chapter 536 to review, to delay the effective

- 41 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
- 42 grant of rulemaking authority and any rule proposed or adopted after August 28, 2017,
- 43 shall be invalid and void.

195.2242. 1. If a locality issues local licenses for a retail marijuana establishment, a locality may schedule a public hearing on the application. If the locality schedules a hearing, it shall post and publish public notice thereof not less than ten days prior to the hearing. The locality shall give public notice by posting a sign in a conspicuous place on the license applicant's premises for which a local license application has been made and by publication in a newspaper of general circulation in the county in which the applicant's premises are located.

8 2. If a locality does not issue local licenses, the locality may give public notice of the 9 state license application by posting a sign in a conspicuous place on the state license 10 applicant's premises for which a state license application has been made and by publication 11 in a newspaper of general circulation in the county in which the applicant's premises are 12 located.

195.2245. 1. Applications for a state license under the provisions of sections 195.2200 to 195.2281 shall be made to the division on forms prepared and furnished by the 2 3 division and shall set forth such information as the division may require to enable the 4 division to determine whether a state license should be granted. The information shall 5 include the name and address of the applicant and the names and addresses of the officers, 6 directors, or managers. Each application shall be verified by the oath or affirmation of such person or persons as the division may prescribe. The division may issue a state license 7 to an applicant under this section upon completion of the applicable criminal history 8 background check associated with the application, and the state license is conditioned upon 9 locality approval. A license applicant is prohibited from operating a licensed retail 10 11 marijuana business without the division's and locality's approval. If the applicant does not receive locality approval within one year from the date of the division's approval, the state 12 13 license shall expire and shall not be renewed. If an application is denied by the local 14 licensing authority, the division shall revoke the state-issued license.

- 15 2. Nothing in sections 195.2200 to 195.2281 preempts or otherwise impairs the
 16 power of a local government to enact ordinances or resolutions concerning matters
 17 authorized to local governments.
- 195.2248. 1. Localities are authorized to adopt and enforce regulations for retail
 marijuana establishments that are at least as restrictive as the provisions of sections
 195.2200 to 195.2281 and any rule promulgated by the division.

A retail marijuana establishment shall not operate until it is licensed by the
division under sections 195.2200 to 195.2281 and approved by the locality. In connection
with a license, the applicant shall provide a complete and accurate application as required
by the division.

8 3. A retail marijuana establishment shall notify the division in writing of the name, 9 address, and date of birth of an owner, officer, or manager before the new owner, officer, 10 or manager begins managing, owning, or associating with the operation. The owner, 11 officer, manager, or employee shall pass a fingerprint-based criminal history record check 12 as required by the division and obtain the required identification prior to being associated 13 with, managing, owning, or working at the operation.

4. A retail marijuana establishment shall not acquire, possess, cultivate, deliver,
transfer, transport, supply, or dispense marijuana for any purpose except as provided in
sections 195.2200 to 195.2281.

5. All managers and employees of a retail marijuana establishment shall be
residents of Missouri upon the date of their license application. All licenses granted under
sections 195.2200 to 195.2281 are valid for a period of one year after the date of issuance
unless revoked or suspended under sections 195.2200 to 195.2281 or the rules promulgated.
6. Before granting a state license, the division may consider, except if specifically

provided otherwise in sections 195.2200 to 195.2281, the requirements of sections 195.2200 to 195.2281 and any rules promulgated, and all other reasonable restrictions that are or may be placed upon the licensee by the division or locality.

7. (1) Each license issued under sections 195.2200 to 195.2281 is separate and distinct. It is unlawful for a person to exercise any of the privileges granted under a license other than the license that the person holds or for a licensee to allow any other person to exercise the privileges granted under the licensee's license. A separate license shall be required for each specific business or business entity and each geographical location.

30 (2) At all times, a licensee shall possess and maintain possession of the premises for
 31 which the license is issued by ownership, lease, rental, or other arrangement for possession
 32 of the premises.

8. The licenses issued under sections 195.2200 to 195.2281 shall specify the date of
issuance, the period of licensure, the name of the licensee, and the premises licensed. The
licensee shall conspicuously place the license at all times on the licensed premises.

9. In computing any time prescribed by sections 195.2200 to 195.2281, the day of
the act, event, or default from which the designated time begins to run is not included.
Saturdays, Sundays, and legal holidays are counted as any other day.

10. Each licensee shall manage the licensed premises himself or herself or employ a separate and distinct manager on the premises and shall report the name of the manager to the division and local licensing authority. The licensee shall report any change in manager to the division and local licensing authority within seven days after the change.

195.2251. 1. A tax shall be levied upon the sale of marijuana or transfer of marijuana by a retail marijuana cultivation facility to a retail marijuana product manufacturing facility or to a retail marijuana store at a rate of twenty percent. The director of the department of revenue shall direct the division to establish procedures for the collection of all taxes levied. The tax shall be evidenced by stamps which shall be furnished by and purchased from the director of the department of revenue, and such director shall enforce any such tax in a manner similar to taxes levied on cigarettes under chapter 149.

9 2. All such tax revenue shall be deposited to the credit of the general revenue; 10 provided, however, that no more than ten percent shall be used to fund higher education, 11 ten percent to fund elementary and secondary education, and five percent to fund 12 programs assisting children with mental health issues, and that no such tax revenue shall 13 be used to fund any pension or public retirement plan.

3. Nothing in this section shall prohibit a locality from imposing its own sales tax
or a sales tax upon consumers.

195.2254. 1. The division shall deny a state license if the premises on which the 2 applicant proposes to conduct its business does not meet the requirements set forth under 3 sections 195.2200 to 195.2281. The division may refuse or deny a license renewal, 4 reinstatement, or initial license issuance for good cause. For purposes of this subsection, 5 "good cause" means:

6 (1) The licensee or applicant has violated, does not meet, or has failed to comply
7 with any of the terms, conditions, or provisions of sections 195.2200 to 195.2281, any rules
8 promulgated, or any supplemental local law, rule, or regulation;

9 (2) The licensee or applicant has failed to comply with any special terms or 10 conditions that were placed on its license under an order of the division or local licensing 11 authority; or

(3) The licensed premises has been operated in a manner that adversely affects the
public health or the safety of the immediate neighborhood in which the establishment is
located.

15 **2.** If the division denies a state license under subsection 1 of this section, the 16 applicant shall be entitled to a hearing. The division shall provide written notice of the

17 grounds for denial of the state license to the applicant and to the locality at least fifteen

18 days prior to the hearing.

195.2257. 1. In addition to any other sanctions prescribed by sections 195.2200 to 195.2281 or any rules promulgated, the division has the power, on its own motion or on 2 complaint, after investigation and opportunity for a public hearing at which the licensee 3 shall be afforded an opportunity to be heard, to fine a licensee or to suspend or revoke a 4 license issued by the division for a violation by the licensee or by any of the agents or 5 6 employees of the licensee of the provisions of sections 195.2200 to 195.2281, any of the rules promulgated, or any of the terms, conditions, or provisions of the license issued by the 7 division. The division has the power to administer oaths and issue subpoenas to require 8 9 the presence of persons and the production of papers, books, and records necessary to the 10 determination of a hearing that the division is authorized to conduct.

2. The division shall provide notice of suspension, revocation, fine, or other 11 12 sanction, as well as the required notice of the hearing under subsection 1 of this section, by 13 mailing the same in writing to the licensee at the address contained in the license and, if 14 different, at the last address furnished to the division or locality by the licensee. Except in 15 the case of a summary suspension, a suspension shall not be for a period longer than six months. If a license is suspended or revoked, a part of the fees paid therefor shall not be 16 17 returned to the licensee. Any license may be summarily suspended by the division without 18 notice pending any prosecution, investigation, or public hearing. Nothing in this section 19 shall prevent the summary suspension of a license.

195.2260. 1. Every licensee licensed under sections 195.2200 to 195.2281 shall be deemed, by virtue of applying for, holding, or renewing such person's license, to have expressly consented to the procedures set forth in this section.

2. The division or locality shall not be required to cultivate or care for any
marijuana or marijuana product belonging to or seized from a licensee. The division or
locality shall not be authorized to sell marijuana, retail or otherwise.

7 3. If the division issues a final agency order imposing a disciplinary action against 8 a licensee under section 195.2254, then, in addition to any other remedies, the division's or locality's final agency order may specify that some or all of the licensee's marijuana or 9 10 marijuana product is not marijuana or a marijuana product and is an illegal controlled 11 substance. The order may further specify that the licensee shall lose any interest in any of 12 the marijuana or marijuana product even if the marijuana or marijuana product 13 previously qualified as marijuana or a marijuana product. The final agency order may 14 direct the destruction of any such marijuana and marijuana products, except as provided under subsections 4 and 5 of this section. The authorized destruction may include the 15

incidental destruction of any containers, equipment, supplies, and other property
 associated with the marijuana or marijuana product.

18 4. Following the issuance of a final agency order by the division against a licensee 19 and ordering destruction authorized by subsection 3 of this section, a licensee shall have 20 fifteen days within which to file a petition for stay of agency action with the circuit court. The action shall be filed in Cole County. The licensee shall serve the petition in accordance 21 22 with the Missouri rules of civil procedure. The circuit court shall promptly rule upon the petition and determine whether the licensee has a substantial likelihood of success on 23 24 judicial review so as to warrant delay of the destruction authorized by subsection 3 of this 25 section or whether other circumstances including, but not limited to, the need for 26 preservation of evidence, warrant delay of such destruction. If destruction is so delayed under judicial order, the court shall issue an order setting forth terms and conditions 27 under which the licensee may maintain the marijuana and marijuana product pending 28 29 judicial review and prohibiting the licensee from using or distributing the marijuana or marijuana product pending the review. The division shall not carry out the destruction 30 31 authorized by subsection 3 of this section until fifteen days have passed without the filing of a petition for stay of agency action or until the court has issued an order denying stay 32 33 of agency action under this subsection.

5. A prosecuting attorney shall notify the division if it begins investigating a retail marijuana establishment. If the division has received notification from a prosecuting attorney that an investigation is being conducted, the division shall not destroy any marijuana or marijuana products from the retail marijuana establishment until the destruction is approved by the prosecuting attorney.

195.2263. 1. Each licensee shall keep a complete set of all records necessary to show fully the business transactions of the licensee, all of which shall be open at all times during 2 business hours for the inspection and examination by the division or its duly authorized 3 4 representatives. The division may require any licensee to furnish such information as it considers necessary for the proper administration of sections 195.2200 to 195.2281 and may 5 6 require an audit to be made of the books of account and records on such occasions as it may consider necessary by an auditor to be selected by the division, who shall likewise have 7 8 access to all books and records of the licensee, and the expense thereof shall be paid by the 9 licensee.

2. The licensed premises, including any places of storage where marijuana or marijuana products are stored, cultivated, sold, dispensed, or tested shall be subject to inspection by the division or locality and its investigators, during all business hours and other times of apparent activity, for the purpose of inspection or investigation. Access shall

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required to be kept by the licensees. If any part of the licensed premises consists of a locked area, upon demand to the licensee, such area shall be made available for inspection without delay, and, upon request by authorized representatives of the division or locality, the licensee shall open the area for inspection.

3. Each licensee shall retain all books and records necessary to show fully the
business transactions of the licensee for a period of the current tax year and the three
immediately prior tax years.

195.2266. If the division does not issue a license to an applicant within ninety days of receipt of the application filed in accordance with sections 195.2200 to 195.2281 and does 2 not notify the applicant of the specific reason for the denial in writing and within such time 3 4 period or if the division has adopted rules and regulations and has accepted applications but has not issued any licenses by January 1, 2020, the applicant may resubmit its 5 6 application directly to the locality, and the locality may issue an annual license to the 7 applicant. A locality issuing a license to an applicant shall do so within ninety days of receipt of the resubmitted application unless the locality finds and notifies the applicant 8 9 that the applicant is not in compliance with any ordinance or regulation, and the locality shall notify the division if an annual license has been issued to the applicant. If an 10 11 application is submitted to a locality under this section, the division shall forward to the 12 locality the application fee paid by the applicant to the division upon request by the locality. A license issued by a locality in accordance with this section shall have the same 13 force and effect as a license issued by the division. A subsequent or renewed license may 14 15 be issued under this section on an annual basis only upon resubmission to the locality of 16 a new application submitted to the division.

195.2269. If the division does not adopt rules and regulations required by sections 195.2200 to 195.2281, an applicant may submit an application directly to a locality after 2 3 October 1, 2019, and the locality may issue an annual license to the applicant. A locality issuing a license to an applicant shall do so within ninety days of receipt of the application 4 5 unless it finds and notifies the applicant that the applicant is not in compliance with any ordinance or regulation and shall notify the division if an annual license has been issued 6 7 to the applicant. A license issued by a locality in accordance with this subsection shall have 8 the same force and effect as a license issued by the division in accordance with sections 9 195.2200 to 195.2281. A subsequent or renewed license may be issued under this section on an annual basis if the division has not adopted regulations required by sections 195.2200 10 11 to 195.2281 at least ninety days prior to the date upon which such subsequent or renewed 12 license would be effective or if the division has adopted regulations but has not, at least

13 ninety days after the adoption of such regulations, issued licenses under sections 195.2200

14 to 195.2281.

195.2272. Nothing in sections 195.2200 to 195.2281 shall require an employer to permit or accommodate the use, consumption, possession, transfer, display, transportation, sale, or growing of marijuana in the workplace or to affect the ability of employers to have policies restricting the use of marijuana by employees.

195.2275. Nothing in sections 195.2200 to 195.2281 shall allow driving under the influence of marijuana or driving while impaired by marijuana or to supersede statutory laws related to driving under the influence of marijuana or driving while impaired by marijuana, nor shall sections 195.2200 to 195.2281 prevent the state from enacting and imposing penalties for driving under the influence of or while impaired by marijuana.

195.2278. Nothing in sections 195.2200 to 195.2281 shall permit the transfer of
marijuana, with or without remuneration, to a person under twenty-one years of age or to
allow a person under twenty-one years of age to purchase, possess, use, transport, grow,
or consume marijuana.

195.2281. Nothing in sections 195.2200 to 195.2281 shall prohibit a person, employer, school, hospital, detention facility, corporation, or any other entity that occupies, owns, or controls a property from prohibiting or otherwise regulating the possession, consumption, use, display, transfer, distribution, sale, transportation, or growing of marijuana on or in such property.

579.001. Any person convicted and serving a sentence for a nonviolent felony 2 involving marijuana or marijuana drug paraphernalia under this chapter may petition the 3 court for, and the court may grant, parole to such person.

579.015. 1. A person commits the offense of possession of a controlled substance if he 2 or she knowingly possesses a controlled substance, except as authorized by this chapter or 3 chapter 195.

4 2. The offense of possession of any controlled substance except thirty-five grams or less
5 of marijuana or any synthetic cannabinoid is a class D felony.

6 3. The offense of possession of more than ten grams but thirty-five grams or less of 7 marijuana or any synthetic cannabinoid is a class A misdemeanor, except as provided in 8 sections 195.2200 to 195.2281.

9 4. The offense of possession of not more than ten grams of marijuana or any synthetic 10 cannabinoid is a class D misdemeanor. If the defendant has previously been found guilty of any 11 offense of the laws related to controlled substances of this state, or of the United States, or any 12 state, territory, or district, the offense is a class A misdemeanor. Prior findings of guilt shall be 13 pleaded and proven in the same manner as required by section 558.021. **The provisions of this**

14 subsection shall not apply to any person in compliance with the provisions of sections 195.2200 to 195.2281. 15

16 5. In any complaint, information, or indictment, and in any action or proceeding brought 17 for the enforcement of any provision of this chapter or chapter 195, it shall not be necessary to include any exception, excuse, proviso, or exemption contained in this chapter or chapter 195, 18 and the burden of proof of any such exception, excuse, proviso or exemption shall be upon the 19 20 defendant.

579.020. 1. A person commits the offense of delivery of a controlled substance if, except as authorized in this chapter or chapter 195, he or she: 2

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(1) Knowingly distributes or delivers a controlled substance; (2) Attempts to distribute or deliver a controlled substance;

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5 (3) Knowingly possesses a controlled substance with the intent to distribute or deliver any amount of a controlled substance; or 6

7 (4) Knowingly permits a minor to purchase or transport illegally obtained controlled substances. 8

9 2. Except when the controlled substance is thirty-five grams or less of marijuana or 10 synthetic cannabinoid or as otherwise provided under subsection 5 of this section, the offense of delivery of a controlled substance is a class C felony. 11

12 3. Except as otherwise provided under subsection 4 of this section or in sections 13 195.2200 to 195.2281, the offense of delivery of thirty-five grams or less of marijuana or 14 synthetic cannabinoid is a class E felony.

15 4. The offense of delivery of thirty-five grams or less of marijuana or synthetic cannabinoid to a person less than seventeen years of age who is at least two years younger than 16 the defendant is a class C felony. 17

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5. The offense of delivery of a controlled substance is a class B felony if:

19 (1) The delivery or distribution is any amount of a controlled substance except thirty-five 20 grams or less of marijuana or synthetic cannabinoid, to a person less than seventeen years of age 21 who is at least two years younger than the defendant; or

22 (2) The person knowingly permits a minor to purchase or transport illegally obtained controlled substances. 23

579.055. 1. A person commits the offense of manufacture of a controlled substance if, except as authorized in this chapter or chapter 195, he or she: 2

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(1) Knowingly manufactures, produces, or grows a controlled substance; (2) Attempts to manufacture, produce, or grow a controlled substance; or

5 (3) Knowingly possesses a controlled substance with the intent to manufacture, produce, 6 or grow any amount of controlled substance.

2. The offense of manufacturing or attempting to manufacture any amount of controlled
substance is a class B felony when committed within two thousand feet of the real property
comprising a public or private elementary, vocational, or secondary school, community college,
college, or university. It is a class A felony if a person has suffered serious physical injury or has
died as a result of a fire or explosion started in an attempt by the defendant to produce
methamphetamine. The provisions of this subsection shall not apply to any person in
compliance with the provisions of sections 195.2200 to 195.2281.

3. The offense of manufacturing or attempting to manufacture any amount of a controlled
substance, except thirty-five grams or less of marijuana or synthetic cannabinoid, is a class C
felony.

4. The offense of manufacturing thirty-five grams or less of marijuana or synthetic
cannabinoid is a class E felony, except as provided in sections 195.2200 to 195.2281.

Section B. Section A of this act is hereby submitted to the qualified voters of this state for approval or rejection at an election which is hereby ordered and which shall be held and conducted on the Tuesday immediately following the first Monday in November, 2018, or at a special election to be called by the governor for that purpose, pursuant to the laws and constitutional provisions of this state applicable to general elections and the submission of referendum measures by initiative petition, and it shall become effective when approved by a majority of the votes cast thereon at such election and not otherwise.

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