

HB 2160 -- REGULATION OF UNAUTHORIZED SUBSTANCES

SPONSOR: Rhoads

MEDICAL MARIJUANA CLINICAL TRIALS

The bill allows the licensing of hemp extract for use in clinical trials by research institutions such as hospitals and universities. Immunity from civil, criminal, and administrative penalties for those involved with clinical trials is specified in the bill. The Department of Health and Senior Services will implement rules regarding the licensure of clinical trials and programs.

TAXATION OF CONTROLLED SUBSTANCES

This bill imposes an excise tax on specified controlled substances possessed, transported, transferred, sold, or offered to be sold in violation of Missouri law by dealers. A "controlled substance" is defined as any drug, substance, or immediate precursor placed in Schedules I through IV, as specified in the bill, but not any drug, substance, or immediate precursor possessed by any individual with a prescription from an authorized practitioner.

The tax must be paid by any "dealer," who is defined as any person who actually or constructively possesses more than 35 grams of marijuana or one or more marijuana plant(s), one or more gram(s) of any other unauthorized substance that is sold by weight, or one or more dosage unit(s) of any other unauthorized substance that is not sold by weight.

The tax rates for each controlled substance and the criteria for measuring weight or dose is specified in the bill.

The tax must not apply to a substance in the possession of a dealer who is authorized by law to possess the substance. This exemption must only apply during the time the dealer's possession of the substance is authorized by law.

The Director of the Department of Revenue must issue stamps to affix to unauthorized substances to indicate payment of the tax. Upon payment of the tax, the director must issue stamps in an amount equal to the amount of the tax paid. Taxes must be paid and stamps issued either by mail or in person.

Every law enforcement agency must report to the department within 48 hours after seizing an unauthorized substance or making an arrest of an individual in possession of an unauthorized substance that does not have a stamp affixed.

A notice of assessment and demand for payment must be either mailed to the dealer at the dealer's last known address or served on the dealer in person. The Drug Task Force Enforcement Fund is created and will consist of moneys collected by the tax. The department director must credit the proceeds of the tax levied to the fund until the tax proceeds are unencumbered. The State Treasurer must remit the unencumbered tax proceeds on a quarterly or more frequent basis as specified in these provisions.

The State Treasurer must first apply the unencumbered tax proceeds to the costs of storing and disposing of the assets seized in payment of the assessment. The treasurer must remit the remaining unencumbered tax proceeds that are collected by assessment to the departments of Revenue, Health and Senior Services, and Public Safety. The percentages for each department and specific uses of the proceeds are provided in the bill.

If the tax levied is voluntarily paid to the Department of Revenue, without an investigation or arrest, the tax must be considered unencumbered and the director must credit the entire tax proceeds to the General Revenue Fund.

The provisions of the bill must not be construed to confer any immunity from criminal prosecution or conviction for a violation of these provisions or Chapter 579, RSMo, upon any individual who voluntarily pays the tax or who otherwise complies with the provisions of the bill.

The Unauthorized Substance Tax Commission is established to review the rates of the tax levied and to make recommendations concerning increases in the rate of the tax to the General Assembly.

The Department of Revenue may establish rules to implement the provisions of the bill.

The bill also allows for the expansion of the existing hemp extract clinical trial program under Chapter 192 for certain types of intractable epilepsy.