

HB 325 -- LEGALIZATION OF MARIJUANA

SPONSOR: Price IV

This bill creates the "Adult Use Act". The act legalizes the possession and use of marijuana by an individual 21 years of age or older who purchases the marijuana from a licensed retail marijuana store. Possession, unlawful distribution, and manufacture of marijuana by persons under 21 years of age remains classified as criminal offenses based on the amount of marijuana involved as specified in current law.

Growing, manufacturing, selling, displaying, transferring, delivering, packaging, processing, cultivating, or harvesting marijuana or marijuana products will be legal only in political subdivisions that affirmatively vote to allow such activities.

This bill requires the Division of Alcohol and Tobacco Control, within the Department of Public Safety, to adopt, prior to July 1, 2023, rules and regulations that set out the procedures for the issuance, renewal, suspension, and revocation of a license to operate a marijuana establishment. The application fees for the license must not exceed \$4,000 and the renewal fees must not exceed \$100 per license. A social equity applicant, as defined in the bill, must have 50% of any application fee waived.

This bill creates a tax to be levied upon the sale or transfer of marijuana at a rate of 10%. The money from such tax shall be deposited in the newly created "Adult Use Fund". Any excess money in the fund will be divided according to the bill. The sale of marijuana for medical use will not be subject to this tax.

Every application for an annual license to operate a marijuana establishment shall be submitted to the Division, which shall begin accepting applications on October 1, 2022. The Division shall be required to issue or deny an application within 45 to 90 days after receipt of the application. If an applicant's license is denied, the applicant may appeal to the newly created "Adult Use Board". The board consists of five members as specified in the bill.

This bill does not require an employer to permit or accommodate the use of marijuana in the workplace or allow driving under the influence of marijuana. The bill does not prevent a school, hospital, detention facility or any other entity from prohibiting or regulating the possession and use of marijuana on its property.

If a person was convicted of an offense involving marijuana, that person's records shall automatically expunge the record for the offense.

This bill is similar to HB 2496 (2020) and HB 551 (2019).