Intent and Content Prepared by the Office of the Attorney General

This citizen-initiated legislation would repeal the existing state law that makes it a civil violation to possess up to 2 ½ ounces of marijuana (broadly defined to include all parts of the Cannabis plant, as well as any resin, compounds, or derivatives), other than for medical use by a qualifying patient. It would make it permissible under state law for a person 21 years of age or older to possess, grow, cultivate, process, transfer or purchase up to certain specified amounts of marijuana. (These activities would still be prohibited by federal law.) The initiative would establish a system of state regulation and licensing of the cultivation, manufacture, distribution, testing and retail sale of marijuana and marijuana products, and would authorize municipal regulation as described below. It would impose a 10% sales tax on sales by retail marijuana stores and social clubs, with revenues to be deposited in the General Fund.

<u>Personal use of marijuana</u>: The initiative would allow any person 21 years of age or older to:

- use, possess, or transport up to $2\frac{1}{2}$ ounces of prepared marijuana;
- transfer or furnish to another person who is 21 years of age or older, without payment of any kind, up to 2½ ounces of marijuana and up to 6 immature marijuana plants or seedlings;
- possess, grow, cultivate, process or transport up to 6 flowering marijuana plants, 12 immature plants and an unlimited number of seedlings, and possess all the marijuana produced by these plants at the person's residence;
- purchase up to 2½ ounces of retail marijuana from a retail marijuana store;
- purchase up to 12 seedlings or immature plants from a retail marijuana cultivation facility;
- cultivate up to 6 flowering plants at the person's residence, or on property the person owns or has written permission to use for this purpose; and
- consume marijuana in a nonpublic place, including a private residence.

The term "nonpublic place" is not defined in the bill. The initiated bill does not repeal state criminal laws relating to marijuana but provides that personal use and other activities specifically authorized in the bill are nevertheless legal. Cultivation of marijuana for medical use would continue to be regulated under the existing medical marijuana law. Existing laws that restrict where people may smoke tobacco would also apply to smoking marijuana, though not to ingestion of marijuana and marijuana products by other means.

State licensing and regulation: The Department of Agriculture, Conservation and Forestry (the "Department") would become the state licensing authority and would be required to adopt rules within nine months. A state license would be required for any entity to locate or operate a "retail marijuana establishment" or "retail marijuana social club." A retail marijuana social club means a facility that sells retail marijuana to consumers for consumption on the premises. A retail marijuana establishment includes the following facilities, all of which are prohibited from allowing consumption of retail marijuana or retail marijuana products on the premises:

- a *retail marijuana store*, which sells retail marijuana and/or retail marijuana products to consumers;
- a *retail marijuana testing facility*, which analyzes and certifies the potency of retail marijuana and retail marijuana products;

- a *retail marijuana cultivation facility,* where retail marijuana is grown, prepared and packaged; and
- a *retail marijuana manufacturing facility*, where retail marijuana products are manufactured, prepared and packaged.

The Department would be required to regulate the labeling and advertising of retail marijuana and retail marijuana products, including a prohibition on mass market advertising campaigns that would "have a high likelihood of reaching persons under 21 years of age."

<u>Municipal authority</u>: Local approval by the municipality where the applicant proposes to locate the facility would be required before the issuance of any state license. In addition, this initiative would authorize municipalities, within their jurisdictions, to:

- prohibit the operation of retail marijuana establishments and retail marijuana social clubs;
- restrict the number of retail marijuana stores in the municipality;
- regulate the location and operation of retail marijuana establishments and social clubs; and
- adopt and enforce regulations for retail marijuana establishments and social clubs, which are at least as restrictive as the state law and regulations and may include local licensing requirements.

<u>Employment policies</u>: The proposed law specifies that employers would not be required to allow or to accommodate the consumption, use, possession, sale, trade, display or growing of marijuana in the workplace. Employers also could adopt and enforce policies restricting use of marijuana by employees and could discipline employees who were under the influence of marijuana in the workplace.

If approved, this citizen initiated legislation would take effect 30 days after the Governor proclaims the official results of the election.

A "YES" vote is to enact the initiated legislation.

A "NO" vote opposes the initiated legislation.