#### SECOND REGULAR SESSION

# **HOUSE BILL NO. 1448**

## 99TH GENERAL ASSEMBLY

#### INTRODUCED BY REPRESENTATIVE MAY.

4952H.01I

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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Section A. Sections 579.015, 579.020, and 579.055, RSMo, are repealed and thirty-two

- 2 new sections enacted in lieu thereof, to be known as sections 195.2200, 195.2203, 195.2206,
- $3\quad 195.2209, 195.2212, 195.2215, 195.2218, 195.2221, 195.2224, 195.2227, 195.2230, 195.2233, 195.2231, 1$
- 4 195.2236, 195.2239, 195.2242, 195.2245, 195.2248, 195.2251, 195.2254, 195.2257, 195.2260,
- 5 195.2263, 195.2266, 195.2269, 195.2272, 195.2275, 195.2278, 195.2281, 579.001, 579.015,
- 6 579.020, and 579.055, to read as follows:

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

- (1) "Consumer", a person twenty-one years of age or older who purchases marijuana or marijuana products for personal use by persons twenty-one years of age or 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 THC concentration that does not exceed three-tenths 10 percent on a dry-weight basis;
- 11 (4) "License", to grant a license or registration under sections 195.2200 to 12 195.2281;

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

- (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;
  - (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;
- (10) "Marijuana" or "marihuana", all parts of the plant of the genus cannabis, whether growing, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marihuana concentrate. "Marijuana" or "marihuana" shall not include industrial hemp, nor shall it include fiber produced from the stalks, oil, or cake made from the seeds of the plant; sterilized seed of the plant that is incapable of germination; or the weight of any other ingredient combined with marijuana to prepare 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 business operator", a person or entity who is not licensed as a marijuana establishment but who is licensed to operates a marijuana establishment, who is an owner of a marijuana establishment, or who receives a portion of the profits of a marijuana establishment;
- (13) "Marijuana establishment", a wholesale marijuana-cultivation facility, a marijuana testing facility, a wholesale marijuana-product manufacturing facility, or a retail marijuana store;
- (14) "Marijuana products", concentrated marijuana products and marijuana products that consist of marijuana and other ingredients and are intended for use or consumption including, but not limited to, edible products, ointments, and tinctures;

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49 (15) "Marijuana testing facility", an entity licensed to analyze and certify the safety 50 and potency of marijuana;

- (16) "Marijuana transporter", a person or entity who is not licensed as a marijuana establishment but who is licensed to provide logistics, distribution, and storage of marijuana and marijuana products;
- (17) "Operating fees", fees that may be charged by a locality for costs including, but not limited to, inspection, administration, and enforcement of marijuana establishments authorized under sections 195.2200 to 195.2281;
- (18) "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;
- (19) "Retail marijuana store", an entity licensed to purchase marijuana from wholesale marijuana-cultivation facilities and marijuana and marijuana products from wholesale marijuana-product manufacturing facilities and to sell marijuana and marijuana products to consumers;
- (20) "Sale" or "sell", includes to exchange, barter, or traffic in; to solicit or receive and order, except through a licensee licensed under sections 195.2200 to 195.2281; to deliver for value in any way other than gratuitously; to peddle or possess with intent to sell; or to traffic in for any consideration promised or obtained directly or indirectly;
  - (21) "THC", tetrahydrocannabinol;
- (22) "Unreasonably impracticable", the condition if the measures necessary to comply with the regulations require such a high investment of risk, moneys, time, or any other resource or asset that the operation of a marijuana establishment is not worthy of being carried out in practice by a reasonably prudent businessperson;
- (23) "Wholesale marijuana-cultivation facility", an entity licensed to cultivate, prepare, and package marijuana and sell marijuana to retail marijuana stores, to wholesale marijuana-product manufacturing facilities, and to other marijuana-cultivation facilities but not to consumers;
- (24) "Wholesale marijuana-product manufacturing facility", an entity licensed to purchase marijuana; manufacture, prepare, and package marijuana products; and sell marijuana and marijuana products to other wholesale marijuana-product manufacturing facilities and to retail marijuana stores but not to consumers.
- 195.2203. 1. Notwithstanding any other provision of law, the following acts are not 2 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 4 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;

- (2) Possessing, growing, processing, or transporting no more than six marijuana plants, with three or fewer being mature, flowering plants, and possession of the marijuana produced by the plants on the premises where the plants were grown, provided that the growing takes place in an enclosed, locked space; is not conducted openly or publicly; and 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 195.2281 shall permit consumption that is conducted openly and publicly or in a manner that endangers others; or
- (5) Assisting another person who is twenty-one years of age or older in any of the acts under subdivisions (1) to (4) of this subsection.
- 2. 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 vears of age or older;
- (2) Possessing, displaying, or transporting marijuana or marijuana products; purchasing marijuana from a wholesale marijuana-cultivation facility; purchasing marijuana or marijuana products from a wholesale 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 retail marijuana store;
- (3) Cultivating, harvesting, processing, packaging, transporting, displaying, or possessing marijuana; delivering or transferring marijuana to a marijuana testing facility; selling marijuana to a wholesale marijuana-cultivation facility, a wholesale marijuana product manufacturing facility, or a retail marijuana store; or purchasing marijuana from a wholesale marijuana-cultivation facility if the person conducting the activities described in this subdivision has obtained a current, valid license to operate a wholesale marijuana-cultivation facility or is acting in his or her capacity as an owner, employee, or agent of a wholesale marijuana-cultivation facility;
- (4) Packaging, processing, transporting, manufacturing, displaying, or possessing marijuana or marijuana products; delivering or transferring marijuana or marijuana

products to a marijuana testing facility; selling marijuana or marijuana products to a retail marijuana store or a wholesale marijuana-product manufacturing facility; purchasing marijuana from a wholesale marijuana-cultivation facility; or purchasing marijuana or marijuana products from a wholesale marijuana-product manufacturing facility if the person conducting the activities described in this subdivision has obtained a current, valid license to operate a wholesale marijuana-product manufacturing facility or is acting in his or her capacity as an owner, employee, or agent of a wholesale marijuana-product manufacturing facility;

- (5) Possessing, cultivating, processing, repackaging, storing, transporting, displaying, transferring, or delivering marijuana or marijuana products if the person has obtained a current, valid license to operate a marijuana testing facility or is acting in his or her capacity as an owner, employee, or agent of a marijuana testing 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, 2020, 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, 2018, shall be invalid and void.

- 2. Such rules and regulations shall not prohibit the operation of 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 marijuana establishment, with such procedures subject to all requirements of chapter 536;
- (2) A schedule of application, licensing, and renewal fees, provided that the application fees shall not exceed five thousand dollars, adjusted annually for inflation, unless the division determines a greater fee is necessary to carry out its responsibilities under sections 195.2200 to 195.2281;

21 (3) Qualifications for licensure that are directly and demonstrably related to the 22 operation of a marijuana establishment including, but not limited to, a requirement for a 23 fingerprint-based criminal history check for all owners, managers, contractors, employees, 24 and other support staff of entities licensed under sections 195.2200 to 195.2281;

- (4) Security requirements for marijuana establishments;
- (5) Requirements to prevent the sale or diversion of marijuana and marijuana products to persons under the age of twenty-one;
- (6) Labeling requirements for marijuana and marijuana products sold or distributed by a marijuana establishment that include, but are not limited to:
  - (a) Warning labels;

- (b) The amount of THC per serving and the number of servings per package for marijuana products;
  - (c) A universal symbol indicating the package contains marijuana or THC; and
  - (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** 39 **products**;
  - (9) Establishing a marijuana and marijuana products independent testing and certification program, within an implementation time frame established by the division, requiring licensees to test marijuana to ensure, at a minimum, that products sold for human consumption do not contain contaminants that are injurious to health and to ensure correct labeling;
  - (10) Regulation of the storage of, warehouses for, and transportation of marijuana and marijuana products;
  - (11) Sanitary requirements for marijuana establishments including, but not 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.
  - 3. In order to ensure that individual privacy is protected, the division shall not require a consumer to provide a retail marijuana store with personal information other than government-issued identification to determine the consumer's age, and a retail marijuana store shall not be required to acquire and record personal information about

consumers other than information typically acquired in a financial transaction conducted 58 at a retail liquor store.

- 59 4. The division shall begin accepting and processing applications on October 1, 60 2020.
  - 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 marijuana establishment is sold or otherwise transferred except by a retail marijuana store.
    - 2. The division has the authority to:

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- (1) Grant or refuse state licenses for the cultivation, manufacture, distribution, sale, and testing of marijuana and marijuana products as provided by law; suspend, fine, 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 sections 195.2200 to 195.2281 as it may with respect to a license under sections 195.2200 to 195.2281, in accordance with the procedures established under sections 195.2200 to 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 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 wholesale 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 30 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;

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(b) Placing or modifying a limit on the amount of production permitted by a wholesale marijuana-cultivation facility license or class of licenses based upon some reasonable metric or set of metrics including, but not limited to, those items detailed in 35 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 wholesale marijuana-cultivation facility 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 to or held by:
  - (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;
  - (3) A person other than an individual if the criminal history of any of its officers, directors, stockholders, or owners indicate that the officers, directors, stockholders, or owners are not of good moral character;
- (4) A person financed in whole or in part by any other person whose criminal history indicates he or she is not of good moral character and his or her reputation is not 10 satisfactory to the division or local licensing authority;
  - (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:
  - (a) File any tax return related to a marijuana establishment; or
- 16 (b) Pay any taxes, interest, or penalties due, as determined by final agency action, 17 relating to a marijuana establishment;
  - (7) A person who:
- 19 (a) Has discharged a sentence for a conviction of a felony in the five years 20 immediately 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 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
- (10) A person applying for a license for a location that is currently licensed as a retail food establishment or wholesale food registrant.
- 2. (1) In investigating the qualifications of an applicant or a licensee, the division and local licensing authority may have access to criminal history record information 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 history record, the division or local licensing authority shall also consider any information provided by the applicant regarding such criminal history record including, but not limited to, evidence of rehabilitation, character references, and educational achievements, especially those items pertaining to the time between the applicant's last criminal conviction and the consideration of the application for a state license.
- (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 agency that administers criminal justice under a statute or executive order and that allocates a substantial part of its annual budget to the administration of criminal justice.
- At the time of filing an application for issuance of a state marijuana 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 on forms prepared by the division. The division or locality shall submit the fingerprints 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 fingerprints to the Federal Bureau of Investigation for the purpose of conducting a fingerprint-based criminal history record check. The division or locality may acquire a 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 fingerprints are unclassifiable. An applicant who has previously submitted fingerprints 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 record check to investigate and determine whether an applicant is qualified to hold a state or local license under sections 195.2200 to 195.2281. The division or locality may verify any of the information an applicant is required to submit.

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195.2215. 1. Ninety days prior to the expiration date of an existing license, the 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 license to the division no later than thirty days prior to the date of expiration. Upon receipt 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 division shall not accept an application for renewal of a license after the date of expiration, except as provided in subsection 3 of this section. The division may extend the expiration 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 12 local licensing authority, in its discretion, subject to the requirements of this subsection and 13 subsection 3 of this section and based upon reasonable grounds, may waive the thirty-day 14 time requirements set forth in this subsection.

- 2. The division may require an additional fingerprint request if there is a demonstrated investigative need.
- 3. (1) Notwithstanding the provisions of subsection 1 of this section, a licensee whose license has been expired for ninety days or less may file a late renewal application upon the payment of a nonrefundable late application fee of five hundred dollars to the division. A licensee who files a late renewal application and pays the requisite fees may continue to operate until the division takes final action to approve or deny the licensee's late renewal application unless the division summarily suspends the license.
- 23 **(2)** The division may administratively continue the license and accept a late 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.
  - (2) A retail marijuana store may cultivate its own marijuana if it obtains a wholesale marijuana-cultivation facility license, or it may purchase marijuana from a wholesale marijuana-cultivation facility.
  - (3) The retail marijuana store shall track all of its marijuana and marijuana products from the point that they are transferred from a wholesale marijuana-cultivation facility or wholesale marijuana-product manufacturing facility 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 wholesale marijuanaproduct manufacturing facility licensee for the purchase of marijuana products upon the licensed premises of either licensee.
- 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 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.
- (b) If a retail marijuana store licensee or employee has reasonable cause to believe that a person is under twenty-one years of age and is exhibiting fraudulent proof of age in an attempt to obtain any marijuana or marijuana-infused product, the licensee or employee is authorized to confiscate such fraudulent proof of age, if possible, and shall, within seventy-two hours after the confiscation, remit the proof of age to a state or local law enforcement agency. The failure to confiscate such fraudulent proof of age or to remit to a state or local law enforcement agency within seventy-two hours after the confiscation shall not constitute 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 marijuana-related products such as childproof packaging containers and 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.

**(2)** A licensed retail marijuana store shall not sell any marijuana or marijuana 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.
- 7. An automatic dispensing machine that contains marijuana or marijuana products may only be located on the licensed premises of a retail marijuana store. If a licensed retail marijuana store uses an automatic dispensing machine that contains marijuana or marijuana products, it shall comply with the regulations promulgated by the division for its use.
- 8. Marijuana or marijuana products shall not be consumed on the licensed premises of a 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 wholesale marijuana-cultivation facility license may be issued only to a person who cultivates marijuana for sale and distribution to retail marijuana stores, wholesale marijuana-product manufacturing facilities, or other wholesale marijuana-cultivation facilities.
- 2. A wholesale marijuana-cultivation facility shall track the marijuana it cultivates from seed or immature plant to wholesale purchase.
- 3. A wholesale marijuana-cultivation facility may provide a sample of its products to a marijuana testing facility for testing and research purposes. A wholesale marijuana-cultivation facility shall maintain a record of what was provided to the marijuana testing facility, the identity of the marijuana testing facility, and any test results.
- 4. Marijuana or marijuana products shall not be consumed on the licensed premises of a wholesale marijuana-cultivation facility.
- 5. No more than fifty cultivation 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.

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

- (2) A wholesale marijuana-product manufacturing facility may cultivate its own marijuana if it obtains a wholesale marijuana-cultivation facility license, or it may purchase marijuana from a wholesale marijuana-cultivation facility. A wholesale marijuana-product manufacturing facility shall track all of its marijuana from the time it is either:
  - (a) Transferred from its retail marijuana-cultivation facility; or
- (b) Delivered to the wholesale marijuana-product manufacturing facility from a wholesale marijuana-cultivation facility

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to the time the marijuana is transferred to a retail marijuana store.

- (3) A wholesale marijuana-product manufacturing facility 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 wholesale marijuana-product manufacturing facility may use a trademarked food product if it uses the product as a component or as part of a recipe and 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.
- 2. Marijuana products shall be prepared on a licensed premises that is used exclusively for the manufacture and preparation of marijuana or marijuana products and using equipment that is used exclusively for the manufacture and preparation of marijuana 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.
- 5. Marijuana or marijuana products shall not be consumed on the licensed premises of a wholesale marijuana-product manufacturing facility.
- 6. A wholesale marijuana-product manufacturing facility may provide a sample of its products to a marijuana testing facility for testing and research purposes. A wholesale

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marijuana-product manufacturing facility shall maintain a record of what was provided to the marijuana testing facility, the identity of the marijuana testing facility, and the results of the testing.

- 7. An edible marijuana product may list its ingredients and compatibility with dietary practices.
- 8. All marijuana products that require refrigeration to prevent spoilage shall be stored and transported in a refrigerated environment.

195.2227. 1. A 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.
- 3. A person who has an interest in a marijuana testing facility license from the division for testing purposes shall not have any interest in a retail marijuana store, a wholesale marijuana-cultivation facility, or a wholesale marijuana-product manufacturing facility. A person that has an interest in a retail marijuana store, a wholesale marijuana-cultivation facility, or a wholesale marijuana-product manufacturing facility shall not have an interest in a marijuana testing facility license.
- 195.2230. 1. (1) A 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 marijuana transporter license is valid for two years and cannot be transferred with a change of ownership. A marijuana transporter is responsible for the marijuana and marijuana products once it takes control of the product.
  - (2) A marijuana transporter may contract with multiple marijuana establishments.
  - (3) All marijuana transporters shall hold a valid marijuana transporter license, except that an entity licensed under sections 195.2200 to 195.2281 that provides its own distribution is not required to have a marijuana transporter license to transport and distribute its products.
  - 2. A marijuana transporter 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 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 of a wholesale marijuana-cultivation facility.

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18 3. A marijuana transporter shall use the seed-to-sale tracking system developed 19 under section 195.2209 to create shipping manifests documenting the transport of marijuana and marijuana products throughout the state. 20

- 4. A marijuana transporter licensee may:
- (1) Maintain and operate one or more warehouses in the state to handle marijuana and marijuana products; and
- 24 (2) Deliver marijuana products on orders previously taken if the place where orders are taken and delivered is licensed under sections 195.2200 to 195.2281. 25

195.2233. A marijuana business operator license may be issued to a person who operates a marijuana establishment licensed under sections 195.2200 to 195.2281, who is 3 an owner licensed under sections 195.2200 to 195.2281, or 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 195.2281. The application fee for a person applying for a license under sections 195.2200 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 submit two hundred fifty dollars to the locality in which the license is proposed to be issued.

- 2. A locality in which a license under sections 195.2200 to 195.2281 is permitted may adopt and impose operating fees in an amount determined by the locality on marijuana establishments within its jurisdiction.
- 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.
- (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund.
- 19 (3) The state treasurer shall invest moneys in the fund in the same manner as other 20 funds are invested. Any interest and moneys earned on such investments shall be credited 21 to the fund.
- 195.2239. 1. Before October 1, 2020, each locality shall enact an ordinance or 2 regulation specifying the entity within the locality that is responsible for processing 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
- because of a failure by the division to process and issue licenses under sections 195.2200
   to 195.2281.
  - 2. A locality may enact ordinances or regulations, not in conflict with sections 195.2200 to 195.2281 or with rules and regulations, to:
- **(1)** Govern the time, place, manner, and number of marijuana establishment 11 operations;
  - (2) Establish procedures for the issuance, suspension, and revocation of a license issued by the locality in accordance with sections 195.2200 to 195.2281;
  - (3) Establish a schedule of annual operating, licensing, and application fees for marijuana establishments, provided that the application fee shall only be due if an application is submitted to a locality in accordance with sections 195.2200 to 195.2281 and provided that 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
  - (4) Establish civil penalties for violation 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 wholesale marijuana-cultivation facilities, wholesale marijuana-product manufacturing facilities, marijuana testing facilities, or retail marijuana stores through the enactment of an ordinance or through an initiated or referred measure, provided that any initiative or referendum measure to prohibit the operation of any marijuana establishment shall 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 number of marijuana businesses. The locality shall inform the division whether the application complies with local restrictions on time, place, manner, and 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 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 it receives.

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39 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 40 complies with and is subject to all of the provisions of chapter 536 and, if applicable, 41 42 section 536.028. This section and chapter 536 are nonseverable, and if any of the powers 43 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 44 45 grant of rulemaking authority and any rule proposed or adopted after August 28, 2018, 46 shall be invalid and void.

- 195.2242. 1. If a locality issues local licenses for a 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 no later 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 to be located.
- 2. If a locality does not issue local licenses, the locality may give public notice of the state license application by posting a sign in a conspicuous place on the state license applicant's premises for which a state 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.
- 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 division and shall set forth such information as the division may require to enable the division to determine whether a state license should be granted. The information shall include the name and address of the applicant and the names and addresses of the officers, 5 directors, or managers. Each application shall be verified by the oath or affirmation of 7 such person or persons as the division may prescribe. The division may issue a state license to an applicant under this section upon completion of the applicable criminal history background check associated with the application, and the state license is conditioned upon locality approval. A license applicant is prohibited from operating a marijuana 10 11 establishment without the division's and locality's approval. If the applicant does not 12 receive locality approval within one year from the date of the division's approval, the state 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.

2. Nothing in sections 195.2200 to 195.2281 preempts or otherwise impairs the power of a local government to enact ordinances or resolutions concerning matters authorized to local governments.

- 195.2248. 1. Localities are authorized to adopt and enforce regulations for 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.
- 2. A 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.
  - 3. A marijuana establishment shall notify the division in writing of the name, address, and date of birth of an owner, officer, or manager before the new owner, officer, or manager begins managing, owning, or associating with the operation. The owner, officer, manager, or employee shall pass a fingerprint-based criminal history record check as required by the division and obtain the required identification prior to being associated with, managing, owning, or working at the operation.
  - 4. A 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 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.
  - (2) At all times, a licensee shall possess and maintain possession of the premises for which the license is issued by ownership, lease, rental, or other arrangement for possession 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 on the licensed premises at all times.

- 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 shall not be included. Saturdays, Sundays, and legal holidays shall be 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 licensed 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 wholesale marijuana-cultivation facility to a wholesale marijuana-product manufacturing facility or to a retail marijuana store at a rate of twenty percent. 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 department of revenue, and the department shall enforce any such tax in a manner similar to taxes levied on cigarettes under chapter 149.
- 2. All such tax revenue shall be deposited to the credit of the general revenue; however, no more than ten percent shall be used to fund higher education, ten percent to fund elementary and secondary education, and five percent to fund programs assisting children with mental health issues, and no such tax revenue shall 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 applicant proposes to conduct its business does not meet the requirements set forth under sections 195.2200 to 195.2281. The division may refuse or deny a license renewal, reinstatement, or initial license issuance for good cause. For purposes of this subsection, "good cause" means:
  - (1) The licensee or applicant has violated, does not meet, or has failed to comply with any of the terms, conditions, or provisions of sections 195.2200 to 195.2281; any rules promulgated; or any supplemental local law, rule, or regulation;
- 9 (2) The licensee or applicant has failed to comply with any special terms or conditions that were placed on its license under an order of the division or local licensing authority; or

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12 (3) The licensed premises has been operated in a manner that adversely affects the 13 public health or the safety of the immediate neighborhood in which the establishment is 14 located.

2. If the division denies a state license under subsection 1 of this section, the applicant shall be entitled to a hearing. The division shall provide written notice of the grounds for denial of the state license to the applicant and to the locality no later than fifteen 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 upon complaint and after investigation and opportunity for a public hearing at which the 4 licensee shall be afforded an opportunity to be heard, to fine a licensee or to suspend or revoke a license issued by the division for a violation by the licensee or by any of the agents or 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 division. The division has the power to administer oaths and issue subpoenas to require the presence of persons and the production of papers, books, and records necessary to the determination of a hearing that the division is authorized to conduct.

2. The division shall provide notice of suspension, revocation, fine, or other sanction, as well as the required notice of the hearing under subsection 1 of this section, by mailing the same in writing to the licensee at the address contained in the license and, if different, at the last address furnished to the division or locality by the licensee. Except in 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 returned to the licensee. Any license may be summarily suspended by the division without notice pending any prosecution, investigation, or public hearing. Nothing in this section 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.
- 3. If the division issues a final agency order imposing a disciplinary action against 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 marijuana product is not marijuana or a marijuana product and is an illegal controlled

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substance. The order may further specify that the licensee shall lose any interest in any of the marijuana or marijuana product even if the marijuana or marijuana product previously qualified as marijuana or a marijuana product. The final agency order may 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 incidental destruction of any containers, equipment, supplies, and other property associated with the marijuana or marijuana product.

- 4. Following the issuance of a final agency order by the division against a licensee and ordering destruction authorized by subsection 3 of this section, a licensee shall have fifteen days within which to file a petition for stay of agency action with the circuit court. The action shall be filed in the circuit court of Cole County. The licensee shall serve the petition in accordance 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 judicial review so as to warrant delay of the destruction authorized by subsection 3 of this section or whether other circumstances warrant delay of such destruction including, but not limited to, the need for preservation of evidence. If destruction is so delayed under judicial order, the court shall issue an order setting forth terms and conditions under which the licensee may maintain the marijuana and marijuana product pending 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 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 denving stay of agency action under this subsection.
- 5. A prosecuting attorney shall notify the division if it begins investigating a 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 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 business hours for the inspection and examination by the division or its duly authorized 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 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

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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 be required during business hours for examination of any inventory or books and records 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 preceding 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 not notify the applicant of the specific reason for the denial in writing and within such time period or if the division has adopted rules and regulations and has accepted applications but has not issued any licenses by January 1, 2021, the applicant may resubmit its application directly to the locality, 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 resubmitted application unless the locality finds and notifies the applicant 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 application is submitted to a locality under this section, the division shall forward to the 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 force and effect as a license issued by the division. A subsequent or renewed license may 14 be issued under this section on an annual basis only upon resubmission to the locality of 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 October 1, 2020, and the locality may issue an annual license to the applicant. A locality 4 issuing a license to an applicant shall do so within ninety days of receipt of the application 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

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
- 10 on an annual basis if the division has not adopted regulations required by sections 195.2200
- 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,
- 3 sale, or growing of marijuana in the workplace or to affect the ability of employers to have
- 4 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
- 5 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
- 2 marijuana, with or without remuneration, to a person under twenty-one years of age or to
- 3 allow a person under twenty-one years of age to purchase, possess, use, transport, grow,
- 4 or consume marijuana.
- 195.2281. Nothing in sections 195.2200 to 195.2281 shall prohibit a person,
- 2 employer, school, hospital, detention facility, corporation, or any other entity that occupies,
- 3 owns, or controls a property from prohibiting or otherwise regulating the possession,
- consumption, use, display, transfer, distribution, sale, transportation, or growing of
- 5 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.
- 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.

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

- 4. The offense of possession of not more than ten grams of marijuana or any synthetic cannabinoid is a class D misdemeanor. If the defendant has previously been found guilty of any offense of the laws related to controlled substances of this state, or of the United States, or any state, territory, or district, the offense is a class A misdemeanor. Prior findings of guilt shall be pleaded and proven in the same manner as required by section 558.021. The provisions of this subsection shall not apply to any person in compliance with the provisions of sections 195.2200 to 195.2281.
- 5. In any complaint, information, or indictment, and in any action or proceeding brought 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, and the burden of proof of any such exception, excuse, proviso or exemption shall be upon the 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:
  - (1) Knowingly distributes or delivers a controlled substance;
  - (2) Attempts to distribute or deliver a controlled substance;
- (3) Knowingly possesses a controlled substance with the intent to distribute or deliver any amount of a controlled substance; or
- 7 (4) Knowingly permits a minor to purchase or transport illegally obtained controlled 8 substances.
  - 2. Except when the controlled substance is thirty-five grams or less of marijuana or 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.
  - 3. Except as otherwise provided under subsection 4 of this section or in sections 195.2200 to 195.2281, the offense of delivery of thirty-five grams or less of marijuana or synthetic cannabinoid is a class E felony.
- 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 the defendant is a class C felony.
  - 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

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

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:

- (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, 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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