

REFERENCE TITLE: marijuana regulatory board; licensing qualifications

State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

HB 2631

Introduced by
Representative Payne

AN ACT

AMENDING TITLE 36, CHAPTER 28.1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2823; AMENDING TITLE 36, CHAPTER 28.2, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2866; AMENDING TITLE 36, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 28.3; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3033.01; RELATING TO MARIJUANA.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Subject to the requirements of article IV, part 1,
3 section 1, Constitution of Arizona, title 36, chapter 28.1, Arizona
4 Revised Statutes, is amended by adding section 36-2823, to read:

5 36-2823. Registration certificates; qualifications

6 A. AN APPLICANT FOR A NEW NONPROFIT MEDICAL MARIJUANA DISPENSARY
7 REGISTRATION CERTIFICATE, IN ADDITION TO MEETING ANY REQUIREMENTS
8 PRESCRIBED IN THIS CHAPTER, MUST BE A RESIDENT OF THIS STATE AND MUST
9 DEMONSTRATE RESIDENCY WITH A MINIMUM OF TWO OF THE FOLLOWING DOCUMENTS
10 THAT LIST THE APPLICANT'S NAME AND ADDRESS:

- 11 1. A DRIVER LICENSE.
- 12 2. A STATE-ISSUED IDENTIFICATION CARD.
- 13 3. A PROPERTY TAX BILL.
- 14 4. A VERIFIED COPY OF STATE OR FEDERAL INCOME TAX RETURNS FOR THE
15 PREVIOUS YEAR WITH AN ARIZONA ADDRESS.
- 16 5. A UTILITY BILL AND COPY OF PAYMENTS MADE FOR THE PREVIOUS YEAR.
- 17 6. ANY OTHER DOCUMENTATION AS PRESCRIBED IN RULE.

18 B. THE DIRECTOR MAY PRESCRIBE RULES TO CARRY OUT THIS SECTION.

19 Sec. 2. Subject to the requirements of article IV, part 1,
20 section 1, Constitution of Arizona, title 36, chapter 28.2, Arizona
21 Revised Statutes, is amended by adding section 36-2866, to read:

22 36-2866. Marijuana establishment licenses; qualifications

23 A. AN APPLICANT FOR A NEW MARIJUANA ESTABLISHMENT LICENSE, IN
24 ADDITION TO MEETING ANY REQUIREMENTS PRESCRIBED IN THIS CHAPTER, MUST BE A
25 RESIDENT OF THIS STATE AND MUST DEMONSTRATE RESIDENCY WITH A MINIMUM OF
26 TWO OF THE FOLLOWING DOCUMENTS THAT LIST THE APPLICANT'S NAME AND ADDRESS:

- 27 1. A DRIVER LICENSE.
- 28 2. A STATE-ISSUED IDENTIFICATION CARD.
- 29 3. A PROPERTY TAX BILL.
- 30 4. A VERIFIED COPY OF STATE OR FEDERAL INCOME TAX RETURNS FOR THE
31 PREVIOUS YEAR WITH AN ARIZONA ADDRESS.
- 32 5. A UTILITY BILL AND COPY OF PAYMENTS MADE FOR THE PREVIOUS YEAR.
- 33 6. ANY OTHER DOCUMENTATION AS PRESCRIBED IN RULE.

34 B. THE DIRECTOR MAY PRESCRIBE RULES TO CARRY OUT THIS SECTION.

35 Sec. 3. Subject to the requirements of article IV, part 1,
36 section 1, Constitution of Arizona, title 36, Arizona Revised Statutes, is
37 amended by adding chapter 28.3, to read:

38 CHAPTER 28.3

39 ARIZONA MARIJUANA REGULATORY BOARD

40 ARTICLE 1. GENERAL PROVISIONS

41 36-2881. Definitions

42 A. IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

- 43 1. "BOARD" MEANS THE ARIZONA MARIJUANA REGULATORY BOARD.
- 44 2. "INDEPENDENT THIRD-PARTY LABORATORY" HAS THE SAME MEANING
45 PRESCRIBED IN SECTION 36-2801.

1 OPPORTUNITY TO RESPOND. THE GOVERNOR MAY REMOVE A BOARD MEMBER BASED ON
2 WRITTEN FINDINGS THAT SPECIFY THE REASON FOR REMOVAL.

3 E. THE BOARD SHALL ADMINISTER THE LAWS OF THIS STATE RELATING TO
4 MARIJUANA AS SET FORTH IN THIS CHAPTER AND CHAPTERS 28.1 AND 28.2 OF THIS
5 TITLE.

6 F. THE MEMBERS OF THE BOARD ARE ELIGIBLE TO RECEIVE COMPENSATION
7 NOT TO EXCEED \$200 PER DAY FOR EACH DAY SPENT IN THE DISCHARGE OF THEIR
8 DUTIES AND ALL EXPENSES NECESSARILY AND PROPERLY INCURRED IN ATTENDING
9 MEETINGS.

10 36-2883. Board; duties

11 THE BOARD SHALL HAVE THE AUTHORITY AND RESPONSIBILITIES PRESCRIBED
12 IN THIS CHAPTER AND CHAPTERS 28.1 AND 28.2 OF THIS TITLE.

13 36-2884. Director; duties; rules; compensation

14 A. THE BOARD SHALL APPOINT A DIRECTOR WHO HAS THE AUTHORITY AND
15 RESPONSIBILITIES PRESCRIBED IN THIS CHAPTER AND CHAPTERS 28.1 AND 28.2 OF
16 THIS TITLE AND ANY OTHER AUTHORITY AND RESPONSIBILITY THAT THE BOARD DEEMS
17 NECESSARY. THE DIRECTOR SHALL ADOPT RULES AS PRESCRIBED IN THIS CHAPTER
18 AND CHAPTERS 28.1 AND 28.2 OF THIS TITLE.

19 B. THE DIRECTOR'S COMPENSATION SHALL BE DETERMINED PURSUANT TO
20 SECTION 38-611.

21 C. THE DIRECTOR SHALL EMPLOY ALL EMPLOYEES OF THE BOARD AND MAY
22 EMPLOY ANY NECESSARY CONSULTANTS. THE COMPENSATION OF EMPLOYEES OF THE
23 BOARD SHALL BE AS DETERMINED PURSUANT TO SECTION 38-611.

24 Sec. 4. Subject to the requirements of article IV, part 1,
25 section 1, Constitution of Arizona, title 41, chapter 27, article 2,
26 Arizona Revised Statutes, is amended by adding section 41-3033.01, to
27 read:

28 41-3033.01. Arizona marijuana regulatory board; termination
29 July 1, 2033

30 A. THE ARIZONA MARIJUANA REGULATORY BOARD TERMINATES ON JULY 1,
31 2033.

32 B. TITLE 36, CHAPTER 28.3 AND THIS SECTION ARE REPEALED ON JANUARY
33 1, 2034.

34 Sec. 5. Initial terms of members of the Arizona marijuana
35 regulatory board

36 A. Notwithstanding section 36-2882, Arizona Revised Statutes, as
37 added by this act, the initial terms of members of the Arizona marijuana
38 regulatory board are:

- 39 1. Two terms ending January 1, 2027.
- 40 2. Three terms ending January 1, 2028.

41 B. The governor shall make all subsequent appointments as
42 prescribed by statute.

1 Sec. 6. Succession; transfer; effect

2 A. As provided by this act, the Arizona marijuana regulatory board
3 succeeds to the authority, powers, duties and responsibilities of the
4 department of health services relating to the regulation of both medical
5 marijuana and adult-use marijuana.

6 B. This act does not alter the effect of any actions that were
7 taken or impair the valid obligations of the department of health services
8 relating to the Arizona medical marijuana act and the responsible adult
9 use of marijuana before January 1, 2025.

10 C. Administrative rules and orders that were adopted by the
11 department of health services relating to the Arizona medical marijuana
12 act and the responsible adult use of marijuana continue in effect until
13 superseded by administrative action by the Arizona marijuana regulatory
14 board.

15 D. All administrative matters, contracts and judicial and
16 quasi-judicial actions, whether completed, pending or in process, of the
17 department of health services relating to the Arizona medical marijuana
18 act and the responsible adult use of marijuana on January 1, 2025 are
19 transferred to and retain the same status with the Arizona marijuana
20 regulatory board.

21 E. All certificates, licenses, registrations, permits and other
22 indicia of qualification and authority that were issued by the department
23 of health services relating to the Arizona medical marijuana act and the
24 responsible adult use of marijuana retain their validity for the duration
25 of their terms of validity as provided by law.

26 F. All equipment, records, furnishings and other property, all data
27 and investigative findings and all obligations on January 1, 2025 of the
28 department of health services relating to the Arizona medical marijuana
29 act and the responsible adult use of marijuana are transferred to the
30 Arizona marijuana regulatory board.

31 G. All personnel who are under the state personnel system and
32 employed by the department of health services relating to the Arizona
33 medical marijuana act and the responsible adult use of marijuana are
34 transferred to comparable positions and pay classifications in the
35 respective administrative units of the Arizona marijuana regulatory board
36 on January 1, 2025.

37 Sec. 7. Purpose

38 Pursuant to section 41-2955, subsection E, Arizona Revised Statutes,
39 the legislature establishes the Arizona marijuana regulatory board to
40 promote the public health and safety relating to marijuana in this state.

41 Sec. 8. Conforming legislation

42 The legislative council staff shall prepare proposed legislation
43 conforming the Arizona Revised Statutes to the provisions of this act for
44 consideration in the fifty-sixth legislature, second regular session.

1 Sec. 9. Effective date

2 Title 36, chapter 28.3, Arizona Revised Statutes, added by this act,
3 section 41-3033.01, Arizona Revised Statutes, as added by this act, and
4 sections 5, 6 and 7 of this act are effective from and after December 31,
5 2024.

6 Sec. 10. Requirements for enactment; three-fourths vote

7 Pursuant to article IV, part 1, section 1, Constitution of Arizona,
8 sections 36-2823 and 36-2866, Arizona Revised Statutes, title 36, chapter
9 28.3, Arizona Revised Statutes, and section 41-3033.01, Arizona Revised
10 Statutes, as added by this act, are effective only on the affirmative vote
11 of at least three-fourths of the members of each house of the legislature.