

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature Second Regular Session Senate: FICO DP 7-0-0-0 | 3rd Read 30-0-0-0 House: LARA DPA/SE 5-2-1-1

<u>SB 1410</u>: housing trust fund; rural areas S/E: marijuana; interstate agreements; delivery Sponsor: Senator Gowan, LD 19 Caucus & COW

<u>Summary of the Strike-Everything Amendment to SB 1410</u>

Overview

Enables interstate transferring of marijuana and marijuana products.

<u>History</u>

In 2020, Arizona voters approved the Smart and Safe Arizona Act which legalized the sale and use of recreational marijuana to Arizonans who are at least 21 years of age, to be regulated and overseen by Arizona Department of Health Service (DHS). Statute prescribes requirements and regulations relating to the sale, packaging, labeling, tracking and advertising of recreational marijuana and marijuana products, including requirements that: 1) recreational marijuana products be labeled with a quick response code that provides testing information about the product; and 2) no marijuana product packaging resemble a human, animal, insect, fruit, toy, cartoon or a food or drink brand that is marketed to children. Monies collected from the sale of recreational marijuana must be deposited in the Medical Marijuana Fund and then allocated to outlined entities (<u>Title 36, Chapter 28.2</u>, <u>A.R.S</u>).

Provisions

Cross-Jurisdictional Coordination Agreements

- 1. Allows the Governor to enter into an agreement with another state for the purposes of:
 - a) cross-jurisdictional coordination and enforcement of marijuana-related businesses authorized to conduct business in either Arizona or the other state; and
 - b) cross-jurisdictional delivery of marijuana and marijuana products between Arizona and the other state. (Sec. 3)
- 2. Outlines the requirements for Cross-Jurisdictional Coordination Agreements (Agreements). (Sec. 3)
- 3. Specifies, in accordance with an Agreement, a marijuana establishment or dual licensee may:
 - a) deliver marijuana and marijuana products to a person located in and authorized to receive marijuana and marijuana products from the other state; and
 - b) receive marijuana and marijuana products from a person located in and authorized to export marijuana and marijuana products by the other state. (Sec. 3)

 \boxtimes Prop 105 (45 votes) \square Prop 108 (40 votes) \square Emergency (40 votes) \square Fiscal Note

4. Defines pertinent terms. (Sec. 3)

Conditional Enactment of Agreements

- 5. Provides for the conditional enactment of Agreement provisions contingent on by October 1, 2028, the occurrence of either:
 - a) federal law is amended to allow for the interstate transfer of marijuana and marijuana products between authorized marijuana-related businesses; or
 - b) the United States Department of Justice issues an opinion or memorandum allowing or tolerating the interstate transfer of marijuana and marijuana products between authorized marijuana-related businesses. (Sec. 4)
- 6. Instructs the director of the DHS to notify the director of the Arizona Legislative Council in writing by November 1, 2028, either:
 - a) the date on which the requirements for the conditional enactment of Agreement provisions were met; or
 - b) that neither condition was met. (Sec. 4)

Miscellaneous

- 7. Adds that DHS rule's regulating the delivery of marijuana cannot limit the:
 - a) distance between the delivery location and the originating designated retail location of the marijuana establishment; and
 - b) number of vehicles that a marijuana establishment may use for delivery. (Sec. 2, 5)
- 8. Modifies the definition of *marijuana establishment*. (Sec. 1, 5)
- 9. Contains a Proposition 105 clause. (Sec. 5)
- 10. Makes technical changes. (Sec. 1, 2)