

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1057

(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Subject to the requirements of article IV, part 1,  
3 section 1, Constitution of Arizona, section 36-2803.01, Arizona Revised  
4 Statutes, is amended to read:

5 36-2803.01. New dispensary registration certificates;  
6 issuance; priority; requirements; definition

7 A. EXCEPT AS PROVIDED IN SUBSECTION E OF THIS SECTION, beginning on  
8 April 1, 2020, the department shall issue all new nonprofit medical  
9 marijuana dispensary registration certificates in the following order of  
10 priority based on the dispensary's geographic area as described in the  
11 registration certificate application:

12 1. The geographic area had a registered nonprofit medical marijuana  
13 dispensary move from the geographic area and the geographic area is at  
14 least twenty-five miles from another dispensary that has been issued a  
15 dispensary registration certificate.

16 2. The geographic area is at least twenty-five miles from another  
17 dispensary that has been issued a dispensary registration certificate.

18 3. According to rule, ~~if~~ there are no dispensary registration  
19 certificate applications as described in paragraph 1 or 2 of this  
20 subsection.

21 B. If the department receives multiple applications as described in  
22 subsection A, paragraph 1 of this section from previously approved  
23 nonprofit medical marijuana dispensary locations, the department shall  
24 approve the certificate for the application that serves the most qualifying  
25 patients within five miles of the proposed dispensary location. If the  
26 department receives multiple applications as described in subsection A,

1 paragraph 2 of this section or if there are no applications from previously  
2 approved dispensary locations, the department may issue the registration  
3 certificate by random drawing.

4 C. A nonprofit medical marijuana dispensary that receives a  
5 registration certificate pursuant to subsection A, paragraph 1 or 2 OR  
6 SUBSECTION E of this section on or after April 1, 2020 must open the  
7 dispensary at the approved location within eighteen months after the  
8 application is approved or the registration certificate becomes invalid.

9 D. A nonprofit medical marijuana dispensary that is issued a  
10 registration certificate pursuant to subsection A, paragraph 1 or 2 of this  
11 section may relocate only as follows:

12 1. If the dispensary is located within a city or town, only within  
13 that city or town.

14 2. If the dispensary is located within an unincorporated area, only  
15 within the unincorporated area of the county where the dispensary is  
16 located but not within twenty-five miles from another dispensary that has  
17 been issued a dispensary registration certificate.

18 E. NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER, THE  
19 DEPARTMENT SHALL ISSUE A NONPROFIT MEDICAL MARIJUANA DISPENSARY  
20 REGISTRATION CERTIFICATE TO EACH ENTITY THAT IS ISSUED A MARIJUANA  
21 ESTABLISHMENT LICENSE PURSUANT TO SECTION 36-2854, SUBSECTION A, PARAGRAPH  
22 1, SUBDIVISION (g) AND ALLOW THESE REGISTRATION CERTIFICATE HOLDERS TO  
23 RELOCATE THEIR RETAIL SITE ONLY TO ANOTHER UNSERVED RURAL COMMUNITY IN  
24 ACCORDANCE WITH SECTION 36-2857.01.

25 ~~E.~~ F. For the purposes of this section, "geographic area" means a  
26 city, town or unincorporated area of a county.

27 Sec. 2. Subject to the requirements of article IV, part 1,  
28 section 1, Constitution of Arizona, section 36-2854, Arizona Revised  
29 Statutes, is amended to read:

30 36-2854. Rules; licensing; early applicants; fees; civil  
31 penalty; legal counsel

32 A. The department shall adopt rules to implement and enforce this  
33 chapter and regulate marijuana, marijuana products, marijuana

1 establishments and marijuana testing facilities. Those rules shall include  
2 requirements for:

3 1. Licensing marijuana establishments and marijuana testing  
4 facilities, including conducting investigations and background checks to  
5 determine eligibility for licensing for marijuana establishment and  
6 marijuana testing facility applicants, except that:

7 (a) An application for a marijuana establishment license or  
8 marijuana testing facility license may not require the disclosure of the  
9 identity of any person who is entitled to a share of less than ten percent  
10 of the profits of an applicant that is a publicly traded corporation.

11 (b) The department may not issue more than one marijuana  
12 establishment license for every ten pharmacies that have registered under  
13 section 32-1929, that have obtained a pharmacy permit from the Arizona  
14 board of pharmacy and that operate within this state.

15 (c) Notwithstanding subdivision (b) of this paragraph, the  
16 department may issue a marijuana establishment license to not more than two  
17 marijuana establishments per county that contains no registered nonprofit  
18 medical marijuana dispensaries, or one marijuana establishment license per  
19 county that contains one registered nonprofit medical marijuana  
20 dispensary. Any license issued pursuant to this subdivision shall be for a  
21 fixed county and may not be relocated outside of that county.

22 (d) The department shall accept applications for marijuana  
23 establishment licenses from early applicants beginning January 19, 2021  
24 through March 9, 2021. Not later than sixty days after receiving an  
25 application pursuant to this subdivision, the department shall issue a  
26 marijuana establishment license to each qualified early applicant. If the  
27 department has not adopted final rules pursuant to this section at the time  
28 marijuana establishment licenses are issued pursuant to this subdivision,  
29 licensees shall comply with the rules adopted by the department to  
30 implement chapter 28.1 of this title except those that are inconsistent  
31 with this chapter.

32 (e) After issuing marijuana establishment licenses to qualified  
33 early applicants, the department shall issue marijuana establishment

1 licenses available under subdivisions (b) and (c) of this paragraph by  
2 random selection and according to rules adopted pursuant to this section.  
3 At least sixty days before any random selection, the department shall  
4 prominently publicize the random selection on its website and through  
5 other means of general distribution intended to reach as many interested  
6 parties as possible and shall provide notice through an email notification  
7 system to which interested parties can subscribe.

8 (f) Notwithstanding subdivisions (b) and (c) of this paragraph, and  
9 not later than six months after the department adopts final rules to  
10 implement a social equity ownership program pursuant to paragraph 9 of this  
11 subsection, the department shall issue twenty-six additional marijuana  
12 establishment licenses to entities that are qualified pursuant to the  
13 social equity ownership program.

14 (g) NOTWITHSTANDING SUBDIVISIONS (b) AND (c) OF THIS PARAGRAPH, THE  
15 DEPARTMENT SHALL ISSUE A MARIJUANA ESTABLISHMENT LICENSE TO EACH ENTITY  
16 THAT IS QUALIFIED PURSUANT TO THE RURAL OPPORTUNITY INITIATIVE. THE  
17 LICENSES ISSUED PURSUANT TO THIS SUBDIVISION SHALL BE FOR A FIXED COMMUNITY  
18 THAT HAS NOT OPTED OUT OF THE RURAL OPPORTUNITY INITIATIVE, AND THE  
19 ENTITY'S RETAIL SITE MAY BE RELOCATED ONLY TO AN UNSERVED RURAL COMMUNITY  
20 IN ACCORDANCE WITH SECTION 36-2857.01. THE DEPARTMENT MAY NOT ISSUE MORE  
21 THAN EIGHTEEN MARIJUANA ESTABLISHMENT LICENSES PURSUANT TO THIS  
22 SUBDIVISION.

23 ~~(g)~~ (h) Licenses issued by the department to marijuana  
24 establishments and marijuana testing facilities shall be valid for a period  
25 of two years. A dual licensee's initial renewal date, which will be the  
26 ongoing renewal date for both the dual licensee's marijuana establishment  
27 license and nonprofit medical marijuana dispensary registration, is the  
28 earlier of:

29 (i) The date of the marijuana establishment license renewal.

30 (ii) The date of the nonprofit medical marijuana dispensary  
31 registration renewal.

32 ~~(h)~~ (i) The department may not issue a marijuana establishment or  
33 marijuana testing facility license to an applicant who has an ownership

1 interest in an out-of-state marijuana establishment or marijuana testing  
2 facility, or the other state's equivalent, that has had its license revoked  
3 by the other state.

4 2. Licensing fees and renewal fees for marijuana establishments and  
5 marijuana testing facilities in amounts that are reasonable and related to  
6 the actual cost of processing applications for licenses and renewals and  
7 that do not exceed five times the fees prescribed by the department to  
8 register or renew a nonprofit medical marijuana dispensary.

9 3. The security of marijuana establishments and marijuana testing  
10 facilities.

11 4. Marijuana establishments to safely cultivate, process and  
12 manufacture marijuana and marijuana products. The department shall require  
13 licensees to procure, develop, acquire and maintain a system to track  
14 marijuana and marijuana products at all points of cultivation,  
15 manufacturing and sale. The system developed and maintained pursuant to  
16 this paragraph shall:

17 (a) Ensure an accurate accounting and reporting of the production,  
18 processing and sale of marijuana and marijuana products.

19 (b) Ensure compliance with rules adopted by the department.

20 (c) Be capable of tracking, at a minimum:

21 (i) The propagation of immature marijuana plants and the production  
22 of marijuana by a marijuana establishment.

23 (ii) The processing of marijuana and marijuana products by a  
24 marijuana establishment.

25 (iii) The sale and purchase of marijuana and marijuana products  
26 between licensees.

27 (iv) The transfer of marijuana and marijuana products between  
28 premises for which licenses have been issued.

29 (v) The disposal of marijuana waste.

30 (vi) The identity of the person making the entry in the system and  
31 the time, date and location of each entry into the system, including any  
32 corrections or changes to that information.

1 (vii) Any other information that the department determines is  
2 reasonably necessary to accomplish the duties, functions and powers of the  
3 department.

4 (d) Contain a transactional stamp to ensure accuracy, provide for  
5 chain of custody of the information and foreclose tampering of the data,  
6 human error or intentional misreporting.

7 5. Tracking, testing, labeling consistent with section 36-2854.01  
8 and packaging marijuana and marijuana products, including requirements that  
9 marijuana and marijuana products be:

10 (a) Sold to consumers in clearly and conspicuously labeled  
11 containers that contain accurate warnings regarding the use of marijuana or  
12 marijuana products.

13 (b) Placed in child-resistant packaging on exit from a marijuana  
14 establishment.

15 6. Forms of government-issued identification that are acceptable by  
16 a marijuana establishment verifying a consumer's age and procedures related  
17 to verifying a consumer's age consistent with section 4-241. Until the  
18 department adopts final rules related to verifying a consumer's age,  
19 marijuana establishments shall comply with the proof of legal age  
20 requirements prescribed in section 4-241.

21 7. The potency of edible marijuana products that may be sold to  
22 consumers by marijuana establishments at reasonable levels on consideration  
23 of industry standards, except that the rules:

24 (a) Shall limit the strength of edible marijuana products to not  
25 more than ten milligrams of tetrahydrocannabinol per serving or one hundred  
26 milligrams of tetrahydrocannabinol per package.

27 (b) Shall require that if a marijuana product contains more than one  
28 serving, it must be delineated or scored into standard serving sizes and  
29 homogenized to ensure uniform disbursement throughout the marijuana  
30 product.

31 8. Ensuring the health, safety and training of employees of  
32 marijuana establishments and marijuana testing facilities.

1           9. The creation and implementation of a social equity ownership  
2 program to promote the ownership and operation of marijuana establishments  
3 and marijuana testing facilities by individuals from communities  
4 disproportionately impacted by the enforcement of previous marijuana laws.

5           10. Prohibiting a marijuana testing facility from having any direct  
6 or indirect familial relationship with or financial ownership interest in a  
7 marijuana establishment or related marijuana business entity or management  
8 company. The rules shall include prohibiting a marijuana establishment  
9 from having any direct or indirect familial relationship with or financial  
10 ownership interest in a marijuana testing facility or related marijuana  
11 business entity or management company.

12           11. Requiring marijuana establishments to display in a conspicuous  
13 location a sign that warns pregnant women about the potential dangers to  
14 fetuses caused by smoking or ingesting marijuana while pregnant or to  
15 infants while breastfeeding and the risk of being reported to the  
16 department of child safety during pregnancy or at the birth of the child by  
17 persons who are required to report. The rules shall include the specific  
18 warning language that must be included on the sign. The cost and display  
19 of the sign required by rule shall be borne by the marijuana establishment.

20           12. ESTABLISHING AND IMPLEMENTING A RURAL OPPORTUNITY INITIATIVE IN  
21 ACCORDANCE WITH SECTION 36-2857.01 TO CREATE TAX REVENUE AND ECONOMIC  
22 OPPORTUNITIES FOR RURAL COMMUNITIES.

23           B. The department may:

24           1. Subject to title 41, chapter 6, article 10, deny any application  
25 submitted or deny, suspend or revoke, in whole or in part, any  
26 registration or license issued under this chapter if the registered or  
27 licensed party or an officer, agent or employee of the registered or  
28 licensed party does any of the following:

29           (a) Violates this chapter or any rule adopted pursuant to this  
30 chapter.

31           (b) Has been, is or may continue to be in substantial violation of  
32 the requirements for licensing or registration and, as a result, the health  
33 or safety of the general public is in immediate danger.

1           2. Subject to title 41, chapter 6, article 10, and unless another  
2 penalty is provided elsewhere in this chapter, assess a civil penalty  
3 against a person that violates this chapter or any rule adopted pursuant to  
4 this chapter in an amount not to exceed \$2,000 for each violation. Each  
5 day a violation occurs constitutes a separate violation. In determining  
6 the amount of a civil penalty assessed against a person, the department  
7 shall consider all of the factors set forth in section 36-2816,  
8 subsection H. All civil penalties collected by the department pursuant to  
9 this paragraph shall be deposited in the smart and safe Arizona fund  
10 established by section 36-2856.

11           3. At any time during regular hours of operation, visit and inspect  
12 a marijuana establishment, marijuana testing facility or dual licensee to  
13 determine if it complies with this chapter and rules adopted pursuant to  
14 this chapter. The department shall make at least one unannounced visit  
15 annually to each facility licensed pursuant to this chapter.

16           4. Adopt any other rules that are not expressly stated in this  
17 section and that are necessary to ensure the safe and responsible  
18 cultivation, sale, processing, manufacture, testing and transport of  
19 marijuana and marijuana products.

20           C. Until the department adopts rules allowing and regulating  
21 delivery by marijuana establishments pursuant to subsection D of this  
22 section, delivery is unlawful under this chapter.

23           D. On or after January 1, 2023, the department may, and not later  
24 than January 1, 2025 the department shall, adopt rules to allow and  
25 regulate delivery by marijuana establishments. The rules shall:

26           1. Require that delivery and the marijuana and marijuana products to  
27 be delivered originate from a designated retail location of a marijuana  
28 establishment and only after an order is made with the marijuana  
29 establishment by a consumer. The rules may not limit the distance between  
30 the delivery location and the originating designated retail location of the  
31 marijuana establishment.



1           2. Prohibit delivery to any property owned or leased by the United  
2 States, this state, a political subdivision of this state or the Arizona  
3 board of regents.

4           3. Limit the amount of marijuana and marijuana products based on  
5 retail price that may be in a delivery vehicle during a single trip from  
6 the designated retail location of a marijuana establishment.

7           4. Prohibit extra or unallocated marijuana or marijuana products in  
8 delivery vehicles.

9           5. Require that deliveries be made only by marijuana facility agents  
10 in unmarked vehicles that are equipped with a global positioning system or  
11 similar location tracking system and video surveillance and recording  
12 equipment, and that contain a locked compartment in which marijuana and  
13 marijuana products must be stored. The rules may not limit the number of  
14 vehicles that a marijuana establishment may use for delivery.

15           6. Require delivery logs necessary to ensure compliance with this  
16 subsection and rules adopted pursuant to this subsection.

17           7. Require inspections to ensure compliance with this subsection and  
18 rules adopted pursuant to this subsection.

19           8. Include any other provisions necessary to ensure safe and  
20 restricted delivery.

21           9. Require dual licensees to comply with the rules adopted pursuant  
22 to this subsection.

23           E. Except as provided in subsection D of this section, the  
24 department may not allow delivery of marijuana or marijuana products under  
25 this chapter by any individual or entity. In addition to any other penalty  
26 imposed by law, an individual or entity that delivers marijuana or  
27 marijuana products in a manner that is not authorized by this chapter shall  
28 pay a civil penalty of \$20,000 per violation to the smart and safe Arizona  
29 fund established by section 36-2856. This subsection may be enforced by  
30 the attorney general.

31           F. All rules adopted by the department pursuant to this section  
32 shall be consistent with the purpose of this chapter.

33           G. The department may not adopt any rule that:

1           1. Prohibits the operation of marijuana establishments, either  
2 expressly or through requirements that make the operation of a marijuana  
3 establishment unduly burdensome.

4           2. Prohibits or interferes with the ability of a dual licensee to  
5 operate a marijuana establishment and a nonprofit medical marijuana  
6 dispensary at shared locations.

7           H. Notwithstanding section 41-192, the department may employ legal  
8 counsel and make an expenditure or incur an indebtedness for legal services  
9 for the purposes of:

10           1. Defending this chapter or rules adopted pursuant to this chapter.

11           2. Defending chapter 28.1 of this title or rules adopted pursuant to  
12 chapter 28.1 of this title.

13           I. The department shall deposit all license fees, application fees  
14 and renewal fees paid to the department pursuant to this chapter in the  
15 smart and safe Arizona fund established by section 36-2856.

16           J. On request, the department of health services shall share with  
17 the department of revenue information regarding a marijuana establishment,  
18 marijuana testing facility or dual licensee, including its name, physical  
19 address, cultivation site and transaction privilege tax license number.

20           K. Notwithstanding any other law, the department may:

21           1. License an independent third-party laboratory to also operate as  
22 a marijuana testing facility.

23           2. Operate a marijuana testing facility.

24           L. The department shall maintain and publish a current list of all  
25 marijuana establishments and marijuana testing facilities by name and  
26 license number.

27           M. Notwithstanding any other law, the issuance of an occupational,  
28 professional or other regulatory license or certification to a person by a  
29 jurisdiction or regulatory authority outside this state does not entitle  
30 that person to be issued a marijuana establishment license, a marijuana  
31 testing facility license, or any other license, registration or  
32 certification under this chapter.

1 N. Until the department adopts rules as required by subsection A,  
2 paragraph 10 of this section:

3 1. A marijuana testing facility is prohibited from having any direct  
4 or indirect familial relationship with or financial ownership interest in a  
5 marijuana establishment or related marijuana business entity or management  
6 company.

7 2. A marijuana establishment is prohibited from having any direct or  
8 indirect familial relationship with or financial ownership interest in a  
9 marijuana testing facility or related marijuana business entity or  
10 management company.

11 Sec. 3. Subject to the requirements of article IV, part 1,  
12 section 1, Constitution of Arizona, title 36, chapter 28.2, Arizona Revised  
13 Statutes, is amended by adding section 36-2857.01, to read:

14 36-2857.01. Rural opportunity initiative; applicant  
15 requirements; opt out; definition

16 A. ON OR BEFORE JULY 1, 2026, THE DEPARTMENT SHALL ADOPT RULES  
17 ESTABLISHING A RURAL OPPORTUNITY INITIATIVE IN ACCORDANCE WITH THIS  
18 SECTION.

19 B. ON OR BEFORE AUGUST 1, 2026, THE DEPARTMENT SHALL POST ON THE  
20 DEPARTMENT'S PUBLIC WEBSITE A FORM THAT ALLOWS UNSERVED RURAL COMMUNITIES  
21 TO COMMUNICATE TO THE DEPARTMENT THE UNSERVED RURAL COMMUNITY'S INTENTION  
22 TO OPT OUT OF PARTICIPATION IN THE RURAL OPPORTUNITY INITIATIVE. FOR THE  
23 PURPOSES OF THIS SECTION, A COUNTY MAY OPT OUT OF PARTICIPATION ON BEHALF  
24 OF CENSUS-DESIGNATED AREAS IN THE COUNTY, NOT INCLUDING CITIES OR  
25 TOWNS. AN UNSERVED RURAL COMMUNITY MAY WITHDRAW ITS OPT-OUT FORM AT ANY  
26 TIME.

27 C. ON OR BEFORE OCTOBER 1, 2026, THE DEPARTMENT SHALL POST AND  
28 MAINTAIN ON THE DEPARTMENT'S PUBLIC WEBSITE A CURRENT LIST OF UNSERVED  
29 RURAL COMMUNITIES THAT HAVE OPTED OUT OF THE RURAL OPPORTUNITY INITIATIVE.

30 D. BEGINNING OCTOBER 1, 2026, THE DEPARTMENT SHALL ACCEPT  
31 APPLICATIONS FROM QUALIFIED APPLICANTS. WITHIN SIXTY DAYS AFTER RECEIVING  
32 THE FIRST APPLICATION FROM A QUALIFIED APPLICANT THAT SEEKS TO SERVE A  
33 SPECIFIC UNSERVED RURAL COMMUNITY, THE DEPARTMENT SHALL ISSUE A MARIJUANA

1 ESTABLISHMENT LICENSE PURSUANT TO SECTION 36-2854, SUBSECTION A, PARAGRAPH  
2 1, SUBDIVISION (g) AND A NONPROFIT MEDICAL MARIJUANA DISPENSARY  
3 REGISTRATION CERTIFICATE PURSUANT TO SECTION 36-2803.01, SUBSECTION E TO  
4 THE QUALIFIED APPLICANT THAT FIRST APPLIES TO SERVE THE UNSERVED RURAL  
5 COMMUNITY.

6 E. TO QUALIFY FOR A LICENSE PURSUANT TO THE RURAL OPPORTUNITY  
7 INITIATIVE, AN APPLICANT SHALL COMPLETE AND SUBMIT A DEPARTMENT-APPROVED  
8 FORM OR FORMS SHOWING THAT THE APPLICANT HAS A LANDOWNER'S CONSENT TO USE  
9 PROPERTY IN THE ELIGIBLE UNSERVED RURAL COMMUNITY FOR A MARIJUANA RETAIL  
10 SITE AND A DEPARTMENT-APPROVED FORM OR FORMS SHOWING THE PROPERTY IS IN  
11 COMPLIANCE WITH LOCAL ZONING RESTRICTIONS APPLICABLE TO WHERE A RETAIL SITE  
12 OPERATING PURSUANT TO BOTH A MARIJUANA ESTABLISHMENT LICENSE AND A  
13 NONPROFIT MEDICAL MARIJUANA DISPENSARY REGISTRATION CERTIFICATE AND THIS  
14 SECTION MAY BE LOCATED.

15 F. A LANDOWNER MAY NOT EXECUTE OR AGREE TO EXECUTE MULTIPLE  
16 LANDOWNER CONSENT FORMS CONCERNING THE SAME PROPERTY ADDRESS FOR THE RURAL  
17 OPPORTUNITY INITIATIVE. THE LANDOWNER CONSENT FORM EXECUTED FIRST IN TIME  
18 IS THE ONLY VALID LANDOWNER CONSENT FORM.

19 G. NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER OR CHAPTER  
20 28.1 OF THIS TITLE, EACH ENTITY THAT IS ISSUED A MARIJUANA ESTABLISHMENT  
21 LICENSE PURSUANT TO SECTION 36-2854, SUBSECTION A, PARAGRAPH 1, SUBDIVISION  
22 (g) AND A NONPROFIT MEDICAL MARIJUANA DISPENSARY REGISTRATION CERTIFICATE  
23 PURSUANT TO SECTION 36-2803.01, SUBSECTION E:

24 1. SHALL BE LICENSED BY THE DEPARTMENT TO OPERATE ONLY ONE RETAIL  
25 LOCATION AND ONE OFF-SITE LOCATION AT WHICH THE ENTITY MAY CULTIVATE  
26 MARIJUANA AND MANUFACTURE MARIJUANA PRODUCTS.

27 2. MAY OPERATE AN OFF-SITE LOCATION ONLY AT A PROPERTY WHERE  
28 CULTIVATION OPERATIONS WERE CONDUCTED PURSUANT TO THE DEPARTMENT'S APPROVAL  
29 FOR AT LEAST ONE DAY DURING THE EIGHTEEN MONTHS IMMEDIATELY PRECEDING THE  
30 ENTITY'S DATE OF APPLICATION TO OPERATE AT THE OFF-SITE CULTIVATION  
31 LOCATION.

32 3. IS NOT REQUIRED TO OPERATE THE ENTITY'S RETAIL SITE FOR MORE THAN  
33 TWENTY-FOUR HOURS EACH WEEK.

1           4. SHALL OPEN THE ENTITY'S RETAIL SITE WITHIN EIGHTEEN MONTHS AFTER  
2 BEING ISSUED A MARIJUANA ESTABLISHMENT LICENSE PURSUANT TO SECTION 36-2854,  
3 SUBSECTION A, PARAGRAPH 1, SUBDIVISION (g) OR THE MARIJUANA ESTABLISHMENT  
4 LICENSE BECOMES INVALID.

5           H. NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER OR CHAPTER  
6 28.1 OF THIS TITLE, ANY ENTITY THAT IS ISSUED A MARIJUANA ESTABLISHMENT  
7 LICENSE PURSUANT TO SECTION 36-2854, SUBSECTION A, PARAGRAPH 1, SUBDIVISION  
8 (g) AND A NONPROFIT MEDICAL MARIJUANA DISPENSARY REGISTRATION CERTIFICATE  
9 PURSUANT TO SECTION 36-2803.01, SUBSECTION E MAY MOVE ITS RETAIL SITE ONLY  
10 TO ANOTHER UNSERVED RURAL COMMUNITY THAT HAS NOT OPTED OUT OF THE RURAL  
11 OPPORTUNITY INITIATIVE PURSUANT TO THIS SECTION.

12           I. FOR THE PURPOSES OF THIS SECTION, "UNSERVED RURAL COMMUNITY":

13           1. MEANS A CITY, TOWN OR CENSUS-DESIGNATED AREA THAT HAS A  
14 POPULATION OF LESS THAN FIFTY THOUSAND PERSONS AND CONTAINS ONE OR MORE  
15 PARCELS OF PROPERTY THAT ARE AT LEAST TWENTY-FIVE MILES FROM A MARIJUANA  
16 RETAIL SITE, AS MEASURED FROM THE CLOSEST POINTS OF BOTH PROPERTIES.

17           2. DOES NOT INCLUDE AN UNINCORPORATED TERRITORY THAT IS SURROUNDED  
18 ON ALL SIDES BY AN INDIAN RESERVATION.

19           Sec. 4. Requirements for enactment; three-fourths vote

20           Pursuant to article IV, part 1, section 1, Constitution of Arizona,  
21 sections 36-2803.01 and 36-2854, Arizona Revised Statutes, as amended by  
22 this act, and section 36-2857.01, Arizona Revised Statutes, as added by  
23 this act, are effective only on the affirmative vote of at least  
24 three-fourths of the members of each house of the legislature."

25 Amend title to conform

JEFF WENINGER

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03/17/2025  
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C: MH