

HOUSE BILL NO. 265

INTRODUCED BY T. SMITH, S. KERNS, J. SCHILLINGER, S. GIST, S. ESSMANN, B. MITCHELL, P. FIELDER, F. SMITH, L. BREWSTER, J. DOOLING, J. HINKLE, N. NICOL, M. BINKLEY, B. LER, A. REGIER, K. SEEKINS-CROWE, S. GALLOWAY, F. NAVE, B. KEENAN, J. READ, G. OBLANDER, T. BROCKMAN, J. FULLER, M. NOLAND, P. GREEN, T. FALK, C. SPRUNGER, B. BARKER, J. ETCHART, R. MINER, W. RUSK, J. KASSMIER, B. PHALEN, L. DEMING, F. MANDEVILLE, N. DURAM

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS RELATED TO MARIJUANA LICENSES; REVISING THE DISTANCE REQUIREMENT BETWEEN A MARIJUANA-LICENSED PREMISES AND A CHURCH OR SCHOOL; PROHIBITING A DISPENSARY LICENSE IN CERTAIN PRECINCTS THAT VOTED AGAINST INITIATIVE MEASURE NO. 190; AND AMENDING SECTION 16-12-207, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 16-12-207, MCA, is amended to read:

"16-12-207. Licensing as privilege -- criteria. (1) A cultivator license, manufacturer license, adult-use dispensary license, medical marijuana dispensary license, combined-use marijuana license, marijuana transporter license, or any other license authorized under this chapter is a privilege that the state may grant to an applicant and is not a right to which an applicant is entitled. In making a licensing decision, the department shall consider:

- (a) the qualifications of the applicant; and
(b) the suitability of the proposed licensed premises, including but not limited to cultivation centers, dispensaries, and manufacturing facilities.
(2) The department may deny or revoke a license based on proof that the applicant made a false statement in any part of the original application or renewal application.
(3) (a) The department shall deny a cultivator license, manufacturer license, adult-use dispensary license, or medical marijuana license if the applicant's proposed licensed premises:
(i) is situated within a zone of a locality where an activity related to the use of marijuana conflicts

1 with an ordinance, a certified copy of which has been filed with the department;

2 (ii) is not approved by local building, health, or fire officials as provided for in this chapter; or

3 (iii) is within 500-1,000 feet of ~~and on the same street as~~ a building used exclusively as a church,
4 synagogue, or other place of worship or as a school or postsecondary school other than a commercially
5 operated school, unless the locality requires a greater distance. This distance must be measured in a straight
6 line from the ~~center of the nearest entrance~~ closest building corner of the place of worship or school to the
7 ~~nearest entrance~~ closest building corner of the licensee's premises. This subsection (3)(a)(iii) does not apply if
8 the application is for license renewal and the licensed premises was established before the church, synagogue,
9 or other place of worship or school or postsecondary school existed ~~on the same street~~.

10 (b) For the purposes of this subsection (3), "school" and "postsecondary school" have the
11 meanings provided in 20-5-402.

12 (4) (a) In addition to the provisions of subsection (3), the department shall deny an adult-use
13 dispensary license or medical marijuana dispensary license if the applicant's proposed licensed premises is
14 located in a precinct as it existed on November 3, 2020, where a majority of voters voted against the approval
15 of Initiative Measure No. 190.

16 (b) The provisions of subsection (4)(a) apply to new license applications submitted on or after
17 October 1, 2023, and existing licensees on revocation or suspension.

18 ~~(4)(5)~~ A licensee may not sell or otherwise transfer marijuana or marijuana products through a drive-
19 up window, except that a dispensary may hand-deliver marijuana or marijuana products to a registered
20 cardholder in a vehicle that is parked immediately outside the subject dispensary.

21 ~~(5)(6)~~ A marijuana business may not dispense or otherwise sell marijuana or marijuana products from
22 a vending machine or allow such a vending machine to be installed at the interior or exterior of the premises.

23 ~~(6)(7)~~ A marijuana business may not utilize the United States postal service or an alternative carrier
24 other than a licensed marijuana transporter to transport, distribute, ship, or otherwise deliver marijuana or
25 marijuana products.

26 ~~(7)(8)~~ A marijuana business may not provide free marijuana or marijuana products or offer samples of
27 marijuana or marijuana products.

28 ~~(8)(9)~~ Marijuana or a marijuana product may not be given as a prize, premium, or consideration for a

1 lottery, contest, game of chance, game of skill, or competition of any kind.

2 ~~(9)(10)~~ (a) Except as provided in subsection ~~(9)(10)(c)~~, an adult-use dispensary or medical marijuana
3 dispensary must have a single, secured entrance for patrons and shall implement strict security measures to
4 deter and prevent the theft of marijuana and unauthorized entrance in accordance with department rule.

5 (b) Except as provided in subsection ~~(9)(10)(c)~~, a marijuana business that is not an adult-use
6 dispensary or medical marijuana dispensary must implement security measures in accordance with department
7 rule to deter and prevent the theft of marijuana and unauthorized entrance.

8 (c) The provisions of this subsection ~~(9)(10)~~ do not supersede any state or local requirements
9 relating to minimum numbers of points of entry or exit or any state or local requirements relating to fire safety.

10 ~~(40)(11)~~ Each marijuana business shall install a video monitoring system that must, at a minimum:

11 (a) allow for the transmission and storage, by digital means, of a video feed that displays the
12 interior and exterior of the cannabis establishment; and

13 (b) be capable of being recorded as prescribed by the department.

14 ~~(44)(12)~~ An adult-use dispensary or medical marijuana dispensary may not operate between the hours
15 of 8 p.m. and 9 a.m. daily.

16 ~~(42)(13)~~ A person under 21 years of age is not permitted inside a marijuana business unless the
17 person is a registered cardholder."

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19 **NEW SECTION. Section 2. Transition.** A licensed premises must comply with the provisions of 16-
20 12-207(3)(a)(iii) on or before January 1, 2024.

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