Proposed Amendments to the Constitution of Missouri and Statutory Propositions

To be submitted to the qualified voters of the State of Missouri at the General Election to be held on Tuesday, the 6th day of November, 2018.

CONSTITUTIONAL AMENDMENT NO. 1
[Proposed by Initiative Petition]
OFFICIAL BALLOT TITLE:
Shall the Missouri Constitution be amended to:

- **change process and criteria for redrawing state legislative districts during reapportionment;**
- **change limits on campaign contributions that candidates for state legislature can accept from individuals or entities;**
- **establish a limit on gifts that state legislators, and their employees, can accept from paid lobbyists;**
- **prohibit state legislators, and their employees, from serving as paid lobbyists for a period of time;**
- **prohibit political fundraising by candidates for or members of the state legislature on State property; and**
- **require legislative records and proceedings to be open to the public?**

State governmental entities estimate annual operating costs may increase by $189,000. Local governmental entities expect no fiscal impact.

NOTICE: You are advised that the proposed constitutional amendment may change, repeal, or modify by implication or may be construed by some persons to change, repeal or modify by implication, the following Articles and Sections of the Constitution of Missouri: Article I, Section 8 and the following Sections of the Missouri Revised Statutes: Sections 105.450 through 105.496 and Sections 130.011 through 130.160. The proposed amendment revises Article III of the Constitution by amending Sections 2, 5, 7, and 19 and adopting three new sections to be known as Article III Sections 3, 20(c), and 20(d).

Be it resolved by the people of the state of Missouri that the Constitution be amended:

Section A. Article III of the Constitution is revised by amending Sections 2, 5, 7, 19, and adopting three new sections to be known as Article III Sections 3, 20(c), and 20(d) to read as follows:

Section 2.

After the effective date of this section, no person serving as a member of or employed by the General Assembly shall act or serve as a paid lobbyist, register as a paid lobbyist, or solicit prospective employers or clients to represent as a paid lobbyist during the time of such service until the expiration of two calendar years after the conclusion of the session of the general assembly in which the member or employee last served and where such service was after the effective date of this section.

(a) No person serving as a member of or employed by the General Assembly shall accept directly or indirectly a gift of any tangible or intangible item, service, or thing of value from any paid lobbyist or lobbyist principal in excess of five dollars per occurrence. This Article shall not prevent Candidates for the General Assembly, including candidates for reelection, or candidates for offices within the senate or house from accepting campaign contributions consistent with this Article and applicable campaign finance law. Nothing in this section shall prevent individuals from receiving gifts, family support or anything of value from those related to them within the fourth degree by blood or marriage. The dollar limitations of this section shall be increased or decreased each year by the percentage of increase or decrease from the end of the previous calendar year of the Consumer Price Index, or successor index as published by the U.S. Department of Labor, or its successor agency and rounded to the nearest dollar amount.

(c) The General Assembly shall make no law authorizing unlimited campaign contributions to candidates for the General Assembly, nor any law that circumvents the contribution limits contained in this Constitution. In addition to other campaign contribution limitations or restrictions provided for by law, the amount of contributions made to or accepted by any candidate or candidate committee from any person other than the candidate in any one election for the General Assembly shall not exceed the following:

(1) To elect an individual to the office of state senator, two thousand five hundred dollars; and

(2) To elect an individual to the office of state representative, two thousand dollars.

The contribution limits and other restrictions of this section shall also apply to any person exploring a candidacy for a public office listed in this subsection.

For purposes of this subsection, "base year amount" shall be the contribution limits prescribed in this section. Contribution limits set forth herein shall be adjusted on the first day of January in each even-numbered year hereafter by multiplying the base year amount by the cumulative consumer price index and rounded to the nearest dollar amount, for all years after 2018.

(d) No contribution to a candidate for legislative office shall be made or accepted, directly or indirectly, in a fictitious name, in the name of another person, or by or through another person in such a manner as to, or with the intent to, conceal the identity of the actual source of the contribution. There shall be a rebuttable presumption that a contribution to a candidate for public office is made or accepted with the intent to circumvent the limitations on contributions imposed in this section when a contribution is received from a committee or organization that is primarily funded by a single person, individual, or other committee that has already reached its contribution limit under any law relating to contribution limitations. A committee or organization shall be deemed to be primarily funded by a single person, individual, or other committee when the committee or organization receives more than fifty percent of its annual funding from that single person, individual, or other committee.

(e) In no circumstance shall a candidate be found to have violated limits on acceptance of contributions if the Missouri Ethics Commission, its successor agency, or a court determines that a candidate has taken no action to indicate acceptance of or acquiescence to the making of an expenditure that is deemed a contribution pursuant to this section.

(f) No candidate shall accept contributions from any federal political action committee unless the committee has filed the same financial disclosure reports that would be required of a Missouri political action committee.

Section 3.

(a) There is hereby established the post of "non-partisan state demographer." The non-partisan state demographer shall acquire appropriate information to develop procedures in preparation for drawing legislative redistricting maps on the basis of each federal census for presentation to the house apportionment commission and the senatorial apportionment commission.

(b) The non-partisan state demographer shall be selected through the following process. First, state residents may apply for selection to the state auditor using an application developed by the state auditor to determine an applicant's qualifications and expertise relevant to the position. Second, the state auditor shall deliver to the majority leader and minority leader of the senate a list of at least three applicants with sufficient expertise and qualifications, as determined by the state auditor, to perform the duties of the non-partisan state demographer. Third, if the majority leader and minority leader of the senate together agree that a specific applicant should be selected to be the non-partisan state demographer, that applicant shall be selected and the selection process shall cease. Fourth, if the majority leader and minority leader of the senate cannot together agree on an applicant, they may each remove a number of applicants on the state auditor's list equal to one-third of the total number of applicants on that list, rounded down to the next integer, and the state auditor shall then conduct a random lottery of the applicants remaining after removal to select the non-partisan state demographer. The state auditor shall prescribe a time frame and deadlines for this application and selection process that both encourages numerous qualified applicants and avoids delay in selection. The non-partisan state demographer shall serve a term of five years and may be reappointed. To be eligible for the non-partisan state demographer position an individual shall not have served in a partisan, elected position for four years prior to the appointment. The non-partisan state demographer shall be disqualified from holding office as a member of the general assembly for four years following the date of the presentation of his or her most recent legislative redistricting map to the house apportionment commission or the senatorial apportionment commission.

(c) The house of representatives shall consist of one hundred sixty-three members elected at each general election and apportioned [in the following manner:] as provided in this section.

(1) Within ten days after the population of this state is reported to the President for each decennial census of the United States or, in the event that a reapportionment has been invalidated by a court of competent jurisdiction, within ten days after such a ruling has been made, the non-partisan state demographer shall begin the preparation of legislative districting plans and maps using the following methods, listed in order of priority:

(a) Districts shall be established on the basis of total population. Legislative districts shall each have a total population as nearly equal as practicable to the ideal population for such districts, determined by dividing the number of districts to be established into the total population of the state reported in the federal decennial census.

(b) Districts shall be established in a manner so as to comply with all requirements of the United States Constitution and applicable federal laws, including, but not limited to, the Voting Rights Act of 1965 (as amended). Notwithstanding any other provision of this Article, districts shall not be drawn with the intent or result of denying or abridging the equal opportunity of racial or language minorities to participate in the political process or diminishing their ability to elect representatives of their choice, whether by themselves or by voting in concert with other persons.

Districts shall be designed in a manner that achieves both partisan fairness and, secondarily, competitiveness. Partisan fairness means that parties shall be able to translate their popular support into legislative representation with approximately equal efficiency. Competitiveness means that parties' legislative representation shall be substantially and similarly responsive to shifts in the electorate's preferences.

To this end, the non-partisan state demographer shall calculate the average electoral performance of the two parties receiving the most votes in the three preceding elections for governor, for United States Senate, and for President of the United States. This index shall be defined as the total votes received by each party in the three preceding elections for governor, for United States Senate, and for President of the United States, divided by the total votes cast for both parties in these elections. Using this index, the non-partisan state demographer shall calculate the total number of wasted votes for each party, summing across all of the districts in the plan. Wasted votes are votes cast for a losing candidate or for a winning candidate in excess of the fifty percent threshold needed for victory. In any plan of apportionment and map of the proposed districts submitted to the respective apportionment commission, the non-partisan state demographer shall ensure the difference between the two parties' total wasted votes, divided by the total votes cast for the two parties, is as close to zero as practicable.

To promote competitiveness, the non-partisan state demographer shall use the electoral performance index to simulate elections in which the hypothetical statewide vote shifts by one percent, two percent, three percent, four percent, and five percent in favor of each party. The vote in each individual district shall be assumed to shift by the same amount as the statewide vote. The non-partisan state demographer shall ensure that, in each of these simulated elections, the difference between the two parties' total wasted votes, divided by the total votes cast for the two parties, is as close to zero as practicable.

(c) Subject to the requirements of subdivisions (1)(a) and (1)(b). Districts shall be composed of contiguous territory. Areas which meet only at the points of adjoining corners are not contiguous.

(d) To the extent consistent with subdivisions (1)(a) – (1)(c) of this subsection, district boundaries shall coincide with the boundaries of political subdivisions of the state. The number of counties and cities divided among more than one district shall be as small as possible. When there is a choice between dividing local political subdivisions, the more populous subdivisions shall be divided before the less populous, but this preference shall not apply to a legislative district boundary drawn along a county line which passes through a city that lies in more than one county.

(e) Preference shall be that districts are compact in form, but the standards established by subdivisions (1)(a) – (1)(d) of this subsection take precedence over compactness where a conflict arises between compactness and these standards. In general, compact districts are those which are square, rectangular, or hexagonal in shape to the extent permitted by natural or political boundaries.

(2) Within sixty days after the population of this state is reported to the President for each decennial census of the United States [and] or, in the event that a reapportionment has been invalidated by a court of competent jurisdiction, within sixty days [after notification by the governor] that such a ruling has been made, the congressional district committee of each of the two parties casting the highest vote for governor at the last preceding election shall meet and the members of the committee shall nominate, by a majority vote of the members of the committee present, provided that a majority of the elected members is present, two members of their party, residents in that district, as nominees for reapportionment commissioners. Neither party shall select more than one nominee from any one state legislative district. The congressional committees shall each submit to the governor their list of elected nominees. Within thirty days the governor shall appoint a commission consisting of one name from each list to reapportion the state into one hundred and sixty-three representative districts and to establish the numbers and boundaries of said districts.

If any of the congressional committees fails to submit a list within such time the governor shall appoint a member of his own choice from that district and from the political party of the committee failing to make the appointment.

Members of the commission shall be disqualified from holding office as members of the general assembly for four years following the date of the filing by the commission of its final statement of apportionment.

For the purposes of this Article, the term congressional district committee or congressional district refers to the congressional district committee or the congressional district from which a congressman was last elected, or, in the event members of congress from this state have been elected at large, the term congressional district committee refers to those persons who last served as the congressional district committee for those districts from which congressmen were last elected, and the term congressional district refers to those districts from which congressmen were last elected. Any action pursuant to this section by the congressional district committee shall take place only at duly called meetings, shall be recorded in their official minutes and only members present in person shall be permitted to vote.

(3) Within six months after the population of this state is reported to the President for each decennial census of the United States or, in the event that a reapportionment has been invalidated by a court of competent jurisdiction, within six months after such a ruling has been made, the non-partisan state demographer shall make public and file with the secretary of state and with the house apportionment commission a tentative plan of apportionment and map of the proposed districts, as well as all demographic and partisan data used in the creation of the plan and map.

The commissioners so selected shall, [on the fifteenth day, excluding Sundays and holidays, after all members have been selected] within ten days of receiving the tentative plan of apportionment and map of the proposed districts, meet in the capitol building and proceed to organize by electing from their number a chairman, vice chairman and secretary [and]. The commission shall adopt an agenda establishing at least three hearing dates on which hearings open to the public shall be held to hear objections or testimony from interested persons. A copy of the agenda shall be filed with the clerk of the house of representatives within twenty-four hours after its adoption. Executive meetings may be scheduled and held as often as the commission deems advisable.

The commission may make changes to the tentative plan of apportionment and map of the proposed districts received from the non-partisan state demographer provided that such changes are consistent with this section and approved by a vote of at least seven-tenths of the commissioners. If no changes are made or approved as provided for in this subsection, the tentative plan of apportionment and map of proposed districts shall become final. Not later than two months of receiving the tentative plan of apportionment and map of the proposed districts, the commission shall file with the secretary of state a final statement of the numbers and the boundaries of the districts together with a map of the districts.

[The commission shall reapportion the representatives by dividing the population of the state by the number one hundred sixty-three and shall establish each district so that the population of that district shall, as nearly as possible, equal that figure.

Each district shall be composed of contiguous territory as compact as may be.

Not later than five months after the appointment of the commission the commission shall receive the tentative plan of apportionment and map of the proposed districts ordered in subsection 4 of this section and during the ensuing fifteen days shall hold such public hearings as may be necessary to hear objections or testimony of interested persons.

Not later than six months after the appointment of the commission, the commission shall file with the secretary of state a final statement of the numbers and the boundaries of the districts together with a map of the districts, and no statement shall be valid unless approved by at least seven-tenths of the members. After the statement is filed members of the house of representatives shall be elected according to such districts until a reapportionment is made as herein provided, except that if the statement is not filed within six months of the time fixed for the appointment of the commission, it shall stand discharged and the house of representatives shall be apportioned by a commission of six members appointed from among the judges of the appellate courts of the state of Missouri by the state supreme court, a majority of whom shall sign and file its apportionment plan and map with the secretary of state within ninety days of the date of the discharge of the apportionment commission. Thereafter members of the house of representatives shall be elected according to such districts until a reapportionment is made as herein provided.]

Each member of the commission shall receive as compensation fifteen dollars a day for each day the commission is in session but not more than one thousand dollars, and, in addition, shall be reimbursed for his actual and necessary expenses incurred while serving as a member of the commission.

No reapportionment shall be subject to the referendum.

Section 5.

(a) The Senate shall consist of thirty-four members elected by the qualified voters of the senatorial [respective] districts for a term of four years. [For the election of senators, the state shall be divided into convenient districts of contiguous territory, as compact and nearly equal in population as may be.] Senatorial districts shall be apportioned as provided for in Article III, Section 7.

Section 7.

(1) Within ten days after the population of this state is reported to the President for each decennial census of the United States or, in the event that a reapportionment has been invalidated by a court of competent jurisdiction, within ten days after such a ruling has been made, the non-partisan state demographer authorized in Article III Section 3, shall begin the preparation of senatorial districting plans and maps using the same methods and criteria as those required by Article III, Section 3 for the establishment of districts for the House of Representatives.

(2) Within sixty days after the population of this state is reported to the President for each decennial census of the United States, [and] or within sixty days after [notification by the governor that] a reapportionment has been invalidated by a court of competent jurisdiction, the state committee of each of the two political parties casting the highest vote for governor at the last preceding election shall, at a committee meeting duly called, select by a vote of the individual committee members, and thereafter submit to the governor a list of ten persons, and within thirty days thereafter the governor shall appoint a commission of ten members, five from each list, to reapportion the thirty-four senatorial districts and to establish the numbers and boundaries of said districts.

If either of the party committees fails to submit a list within such time the governor shall appoint five members of his own choice from the party of the committee so failing to act.

Members of the commission shall be disqualified from holding office as members of the general assembly for four years following the date of the filing by the commission of its final statement of apportionment.

(3) Within six months after the population of this state is reported to the President for each decennial census of the United States or in the event that a reapportionment has been invalidated by a court of competent jurisdiction, within six months after such a ruling has been made, the non-partisan state demographer shall file with the secretary of state and with the senatorial apportionment commission a tentative plan of apportionment and map of the proposed districts.

The commissioners so selected shall [on the fifteenth day, excluding Sundays and holidays, after all members have been selected] within ten days of receiving the tentative plan of apportionment and map of the proposed districts required by this subsection, meet in the capitol building and proceed to organize by electing from their number a chairman, vice chairman and secretary [and]. The commission shall adopt an agenda establishing at least three hearing dates on which hearings open to the public shall be held to hear objections or testimony from interested persons. A copy of the agenda shall be filed with the secretary of the senate within twenty-four hours after its adoption. Executive meetings may be scheduled and held as often as the commission deems advisable. The commission may make changes to the tentative plan of apportionment and map of the proposed districts received from the non-partisan state demographer provided that such changes are consistent with this Section and the methods and criteria required by Section 3 of this Article for the establishment of districts for the House of Representatives and approved by a vote of at least seven-tenths of the commissioners. If no changes are made or approved as provided for in this subsection, the tentative plan of apportionment and map of proposed districts shall become final. Not later than two months after receiving the tentative plan of apportionment and map of the proposed districts, the commission shall file with the secretary of state a final statement of the numbers and the boundaries of the districts together with a map of the districts.

[The commission shall reapportion the senatorial districts by dividing the population of the state by the number thirty-four and shall establish each district so that the population of that district shall, as nearly as possible, equal that figure; no county lines shall be crossed except when necessary to add sufficient population to a multi-district county or city to complete only one district which lies partly within such multi-district county or city so as to be as nearly equal as practicable in population. Any county with a population in excess of the quotient obtained by dividing the population of the state by the number thirty-four is hereby declared to be a multi-district county.

Not later than five months after the appointment of the commission the commission shall file with the secretary of state a tentative plan of apportionment and map of the proposed districts and during the ensuing fifteen days shall hold such public hearings as may be necessary to hear objections or testimony of interested persons.

Not later than six months after the appointment of the commission, the commission shall file with the secretary of state a final statement of the numbers and the boundaries of the districts together with a map of the districts, and no statement shall be valid unless approved by at least seven members.

After the statement is filed senators shall be elected according to such districts until a reapportionment is made as herein provided, except that if the statement is not filed within six months of the time fixed for the appointment of the commission, it shall stand discharged and the senate shall be apportioned by a commission of six members appointed from among the judges of the appellate courts of the state of Missouri by the state supreme court, a majority of whom shall sign and file its apportionment plan and map with the secretary of state within ninety days of the date of the discharge of the apportionment commission. Thereafter senators shall be elected according to such districts until a reapportionment is made as herein provided.]

Each member of the commission shall receive as compensation fifteen dollars a day for each day the commission is in session, but not more than one thousand dollars, and, in addition, shall be reimbursed for his actual and necessary expenses incurred while serving as a member of the commission.

No reapportionment shall be subject to the referendum.

Section 19.

(a) Senators and representatives shall, in all cases except treason, felony, offenses under this Article, or breach of the peace, be privileged from arrest during the session of the general assembly, and for the fifteen days next before the commencement and after the termination of each session; and they shall not be questioned for any speech or debate in either house in any other place.

(b) Legislative records shall be public records and subject to generally applicable state laws governing public access to public records, including the "Sunshine Law." Legislative records include, but are not limited to, all records, in whatever form or format, of the official acts of the general assembly, of the official acts of legislative committees, of the official acts of members of the general assembly, of individual legislators, their employees and staff, of the conduct of legislative business and all records that are created, stored or distributed through legislative branch facilities, equipment or mechanisms, including electronic. Each member of the general assembly is the custodian of legislative records under the custody and control of the member, their employees and staff. The chief clerk of the house or the secretary of the senate are the custodians for all other legislative records relating to the house and the senate, respectively.

(c) Legislative proceedings, including committee proceedings, shall be public meetings subject to generally applicable law governing public access to public meetings, including the "Sunshine Law." Open public meetings of legislative proceedings shall be subject to recording by citizens, so long as the proceedings are not materially disrupted.

Section 20(c).

No political fundraising activities or political fundraising event by any member of or candidate for the general assembly, including but not limited to the solicitation or delivery of contributions, supporting or opposing any candidate, initiative petition, referendum petition, ballot measure, political party or political committee, shall occur in or on any premises, property or building owned, leased or controlled by the State of Missouri or any agency or division thereof. Any purposeful violation of this section shall be punishable by imprisonment for up to one year or a fine of up to one thousand dollars or both, plus an amount equal to three times the illegal contributions. The Missouri Ethics Commission or its successor agency is authorized to enforce this section as provided by law.

Section 20(d).

If any provision of sections 2, 3, 7, 19, or 20(c) or the application thereof to anyone or to any circumstance is held invalid, the remainder of those provisions and the application of such provisions to others or other circumstances shall not be affected thereby.

STATE OF MISSOURI }
} SS
Secretary of State }

I, John R. Ashcroft, Secretary of State of the State of Missouri, hereby certify that the foregoing is a full, true and complete copy of Constitutional Amendment No. 1, to be submitted to the qualified voters of the State of Missouri at the General Election to be held the sixth day of November, 2018.

In TESTIMONY WHEREOF, I hereunto set my hand and affix the Great Seal of the State of Missouri, done at the City of Jefferson, this 28th day of August, 2018.

JOHN R. ASHCROFT
Secretary of State

CONSTITUTIONAL AMENDMENT NO. 2
[Proposed by Initiative Petition]
OFFICIAL BALLOT TITLE:
Shall the Missouri Constitution be amended to:

- **allow the use of marijuana for medical purposes, and create regulations and licensing/certification procedures for marijuana and marijuana facilities;**
- **impose a 4 percent tax on the retail sale of marijuana; and**
- **use funds from these taxes for health and care services for military veterans by the Missouri Veterans Commission and to administer the program to license/certify and regulate marijuana and marijuana facilities?**

This proposal is estimated to generate annual taxes and fees of $18 million for state operating costs and veterans programs, and $6 million for local governments. Annual state operating costs are estimated to be $7 million.

Be it resolved by the people of the state of Missouri that the Constitution be amended:

Article XVI is created by enacting one new section to be known as Section 1 of Article XVI, to read as follows:

Section 1. Right to Access Medical Marijuana

1. **Purposes**

This section is intended to permit state-licensed physicians to recommend marijuana for medical purposes to patients with serious illnesses and medical conditions. The section allows patients with qualifying medical conditions the right to discuss freely with their physicians the possible benefits of medical marijuana use, the right of their physicians to provide professional advice concerning the same, and the right to use medical marijuana for treatment under the supervision of a physician.

This section is intended to make only those changes to Missouri laws that are necessary to protect patients, their primary caregivers, and their physicians from civil and criminal penalties, and to allow for the limited legal production, distribution, sale and purchase of marijuana for medical use. This section is not intended to change current civil and criminal laws governing the use of marijuana for nonmedical purposes. The section does not allow for the public use of marijuana and driving under the influence of marijuana.

2. **Definitions**

(1) "Administer" means the direct application of marijuana to a Qualifying Patient by way of any of the following methods:

(a) Ingestion of capsules, teas, oils, and other marijuana-infused products;

(b) Vaporization or smoking of dried flowers, buds, plant material, extracts, or oils;

(c) Application of ointments or balms;

(d) Transdermal patches and suppositories;

(e) Consuming marijuana-infused food products; or

(f) Any other method recommended by a Qualifying Patient's

physician.

(2) "Department" means the Department of Health and Senior Services, or its successor agency.

(3) "Entity" means a natural person, corporation, professional corporation, nonprofit corporation, cooperative corporation, unincorporated association, business trust, limited liability company, general or limited partnership, limited liability partnership, joint venture, or any other legal entity.

(4) "Flowering plant" means a marijuana plant from the time it exhibits the first signs of sexual maturity through harvest.

(5) "Marijuana" or "Marihuana" means ***Cannabis indica, Cannabis sativa, and Cannabis ruderalis***, hybrids of such species, and any other strains commonly understood within the scientific community to constitute marijuana, as well as resin extracted from the plant and marijuana-infused products. "Marijuana" or "Marihuana" do not include industrial hemp containing a crop-wide average tetrahydrocannabinol concentration that does not exceed three-tenths of one percent on a dry weight basis, or commodities or products manufactured from industrial hemp.

(6) "Marijuana-Infused Products" means products that are infused with marijuana or an extract thereof and are intended for use or consumption other than by smoking, including, but not limited to, edible products, ointments, tinctures and concentrates.

(7) "Medical Marijuana Cultivation Facility" means a facility licensed by the Department, to acquire, cultivate, process, store, transport, and sell marijuana to a Medical Marijuana Dispensary Facility, Medical Marijuana Testing Facility, or to a Medical Marijuana-Infused Products Manufacturing Facility.

(8) "Medical Marijuana Dispensary Facility" means a facility licensed by the Department, to acquire, store, sell, transport, and deliver marijuana, marijuana-infused products, and drug paraphernalia used to administer marijuana as provided for in this section to a Qualifying Patient, a Primary caregiver, another Medical Marijuana Dispensary Facility, a Medical Marijuana Testing Facility, or a Medical Marijuana-Infused Products Manufacturing Facility.

(9) "Medical Marijuana-Infused Products Manufacturing Facility" means a facility licensed by the Department, to acquire, store, manufacture, transport, and sell marijuana-infused products to a Medical Marijuana Dispensary Facility, a Medical Marijuana Testing Facility, or to another Medical Marijuana-Infused Products Manufacturing Facility.

(10) "Medical Marijuana Testing Facility" means a facility certified by the Department, to acquire, test, certify, and transport marijuana.

(11) "Medical use" means the production, possession, delivery, distribution, transportation, or administration of marijuana or a marijuana-infused product, or drug paraphernalia used to administer marijuana or a marijuana-infused product, for the benefit of a Qualifying Patient to mitigate the symptoms or effects of the patient's qualifying medical condition.

(12) "Physician" means an individual who is licensed and in good standing to practice medicine or osteopathy under Missouri law.

(13) "Physician certification" means a document, whether handwritten, electronic or in another commonly used format, signed by a physician and stating that, in the physician's professional opinion, the patient suffers from a qualifying medical condition.

(14) "Primary caregiver" means an individual twenty-one years of age or older who has significant responsibility for managing the well-being of a Qualifying Patient and who is designated as such on the primary caregiver's application for an identification card under this section or in other written notification to the Department.

(15) "Qualifying medical condition" means the condition of, symptoms related to, or side-effects from the treatment of:

(a) Cancer;

(b) Epilepsy;

(c) Glaucoma;

(d) Intractable migraines unresponsive to other treatment;

(e) A chronic medical condition that causes severe, persistent pain or persistent muscle spasms, including but not limited to those associated with multiple sclerosis, seizures, Parkinson's disease, and Tourette's syndrome;

(f) Debilitating psychiatric disorders, including, but not limited to, post-traumatic stress disorder, if diagnosed by a state licensed psychiatrist;

(g) Human immunodeficiency virus or acquired immune deficiency syndrome;

(h) A chronic medical condition that is normally treated with a prescription medication that could lead to physical or psychological dependence, when a physician determines that medical use of marijuana could be effective in treating that condition and would serve as a safer alternative to the prescription medication;

(i) Any terminal illness; or

(j) In the professional judgment of a physician, any other chronic, debilitating or other medical condition, including, but not limited to, hepatitis C, amyotrophic lateral sclerosis, inflammatory bowel disease, Crohn's disease, Huntington's disease, autism, neuropathies, sickle cell anemia, agitation of Alzheimer's disease, cachexia, and wasting syndrome.

(16) "Qualifying Patient" means a Missouri resident diagnosed with at least one qualifying medical condition.

3. Creating Patient Access to Medical Marijuana

(1) In carrying out the implementation of this section, the Department shall have the authority to:

(a) Grant or refuse state licenses and certifications for the cultivation, manufacture, dispensing, sale, testing, tracking, and transportation of marijuana for medical use as provided by law; suspend, fine, restrict, or revoke such licenses and certifications upon a violation of this section or a rule promulgated pursuant to this section; and impose any administrative penalty authorized by this section or any rule promulgated pursuant to this section.

(b) Promulgate rules and emergency rules necessary for the proper regulation and control of the cultivation, manufacture, dispensing, and sale of marijuana for medical use and for the enforcement of this section so long as patient access is not restricted unreasonably and such rules are reasonably necessary for patient safety or to restrict access to only licensees and Qualifying Patients.

(c) Develop such forms, certificates, licenses, identification cards, and applications as are necessary for, or reasonably related to, the administration of this section or any of the rules promulgated under this section;

(d) Require a seed-to-sale tracking system that tracks medical marijuana from either the seed or immature plant stage until the medical marijuana or medical marijuana-infused product is sold to a Qualifying Patient or Primary Caregiver to ensure that no medical marijuana grown by a Medical Marijuana Cultivation Facility or manufactured by a Medical Marijuana-Infused Products Manufacturing Facility is sold or otherwise transferred except by a Medical Marijuana Dispensary Facility. The Department shall certify, if possible, at least two commercially available systems to licensees as compliant with its tracking standards and issue standards for the creation or use of other systems by licensees.

(e) Issue standards for the secure transportation of Marijuana and Marijuana-Infused Products. The Department shall certify entities which demonstrate compliance with its transportation standards to transport Marijuana and Marijuana-Infused Products to a Medical Marijuana Cultivation Facility, a Medical Marijuana-Infused Products Manufacturing Facility, a Medical Marijuana Dispensary Facility, a Medical Marijuana Testing Facility, or another entity with a transportation certification. The Department shall develop or adopt from any other governmental agency such safety and security standards as are reasonably necessary for the transportation of marijuana. Any entity licensed or certified pursuant to this section shall be allowed to transport cannabis.

(f) The Department may charge a fee not to exceed $5,000 for any certification issued pursuant to this section.

(g) Prepare and transmit annually a publicly available report accounting to the Governor for the efficient discharge of all responsibilities assigned to the Department under this section;

(h) Establish a system to numerically score competing medical marijuana licensee and certificate applicants, only in cases where more applicants apply than the minimum number of licenses or certificates as calculated by this section, which scoring shall be limited to an analysis of the following: (i) the character, veracity, background, qualifications, and relevant experience of principal officers or managers; (ii) the business plan proposed by the applicant, which in the case of cultivation facilities and dispensaries shall include the ability to maintain an adequate supply of marijuana, plans to ensure safety and security of Qualifying Patients and the community, procedures to be used to prevent diversion, and any plan for making Marijuana available to low-income Qualifying Patients; (iii) site security; (iv) experience in a legal cannabis market; (v) in the case of Medical Marijuana Testing Facilities, the experience of their personnel with testing marijuana, food or drugs for toxins and/or potency and health care industry experience; (vi) the potential for positive economic impact in the site community; (vii) in the case of Medical Marijuana Cultivation Facilities, capacity or experience with agriculture, horticulture, and health care; (viii) in the case of Medical Marijuana Dispensary Facilities, capacity or experience with health care, the suitability of the proposed location, and its accessibility for patients; (ix) in the case of Medical Marijuana-Infused Products Manufacturing Facilities, capacity or experience with food and beverage manufacturing; and (x) maintaining competitiveness in the marijuana for medical use marketplace. In ranking applicants and awarding licenses and certificates, the Department may consult or contract with other public agencies with relevant expertise regarding these factors. The Department shall lift or ease any limit on the number of licensees or certificate holders in order to meet the demand for marijuana for medical use by Qualifying Patients.

(2) The Department shall issue any rules or emergency rules necessary for the implementation and enforcement of this section and to ensure the right to, availability, and safe use of marijuana for medical use by Qualifying Patients. In developing such rules or emergency rules, the Department may consult with other public agencies. In addition to any other rules or emergency rules necessary to carry out the mandates of this section, the Department may issue rules or emergency rules relating to the following subjects:

(a) Compliance with, enforcement of, or violation of any provision of this section or any rule issued pursuant to this section, including procedures and grounds for denying, suspending, fining, restricting, or revoking a state license or certification issued pursuant to this section;

(b) Specifications of duties of officers and employees of the Department;

(c) Instructions or guidance for local authorities and law enforcement officers;

(d) Requirements for inspections, investigations, searches, seizures, and such additional enforcement activities as may become necessary from time to time;

(e) Creation of a range of administrative penalties for use by the Department;

(f) Prohibition of misrepresentation and unfair practices;

(g) Control of informational and product displays on licensed premises provided that the rules may not prevent or unreasonably restrict appropriate signs on the property of the Medical Marijuana Dispensary Facility, product display and examination by the Qualifying Patient and/or Primary caregiver, listings in business directories including phone books, listings in marijuana-related or medical publications, or the sponsorship of health or not for profit charity or advocacy events;

(h) Development of individual identification cards for owners, officers, managers, contractors, employees, and other support staff of entities licensed or certified pursuant to this section, including a fingerprint-based federal and state criminal record check in accordance with U.S. Public Law 92-544, or its successor provisions, as may be required by the Department prior to issuing a card and procedures to ensure that cards for new applicants are issued within fourteen days. Applicants licensed pursuant to this section shall submit fingerprints to the Missouri state highway patrol for the purpose of conducting a state and federal fingerprint-based criminal background check. The Missouri state highway patrol, if necessary, shall forward the fingerprints to the Federal Bureau of Investigation (FBI) for the purpose of conducting a fingerprint-based criminal background check. Fingerprints shall be submitted pursuant to 43.543 and fees shall be paid pursuant to 43.530;

(i) Security requirements for any premises licensed or certified pursuant to this section, including, at a minimum, lighting, physical security, video, alarm requirements, and other minimum procedures for internal control as deemed necessary by the Department to properly administer and enforce the provisions of this section, including reporting requirements for changes, alterations, or modifications to the premises;

(j) Regulation of the storage of, warehouses for, and transportation of marijuana for medical use;

(k) Sanitary requirements for, including, but not limited to, the preparation of medical Marijuana-Infused Products;

(l) The specification of acceptable forms of picture identification that a Medical Marijuana Dispensary Facility may accept when verifying a sale;

(m) Labeling and packaging standards;

(n) Records to be kept by licensees and the required availability of the records;

(o) State licensing procedures, including procedures for renewals, reinstatements, initial licenses, and the payment of licensing fees;

(p) The reporting and transmittal of tax payments;

(q) Authorization for the Department of Revenue to have access to licensing information to ensure tax payment and the effective administration of this section; and

(r) Such other matters as are necessary for the fair, impartial, stringent, and comprehensive administration of this section.

(3) The Department shall issue rules or emergency rules for a medical marijuana and medical marijuana-infused products independent testing and certification program for medical marijuana licensees and requiring licensees to test medical marijuana using one or more impartial, independent laboratories to ensure, at a minimum, that products sold for human consumption do not contain contaminants that are injurious to health, to ensure correct labeling and measure potency. The Department shall not require any medical marijuana or medical marijuana-infused products to be tested more than once prior to sale.

(4) The Department shall issue rules or emergency rules to provide for the certification of and standards for Medical Marijuana Testing Facilities, including the requirements for equipment and qualifications for personnel, but shall not require certificate holders to have any federal agency licensing or have any relationship with a federally licensed testing facility. The Department shall certify, if possible, at least two entities as Medical Marijuana Testing Facilities. No Medical Marijuana Testing Facility shall be owned by an entity under substantially common control, ownership, or management as a Medical Marijuana Cultivation Facility, Medical Marijuana-Infused Product Manufacturing Facility, or Medical Marijuana Dispensary Facility.

(5) The Department shall maintain the confidentiality of reports or other information obtained from an applicant or licensee containing any individualized data, information, or records related to the licensee or its operation, including sales information, financial records, tax returns, credit reports, cultivation information, testing results, and security information and plans, or revealing any patient information, or any other records that are exempt from public inspection pursuant to state or federal law. Such reports or other information may be used only for a purpose authorized by this section. Any information released related to patients may be used only for a purpose authorized by federal law and this section, including verifying that a person who presented a patient identification card to a state or local law enforcement official is lawfully in possession of such card.

(6) Within one hundred eighty days of the effective date of this section, the Department shall make available to the public license application forms and application instructions for Medical Marijuana Cultivation Facilities, Medical Marijuana Testing Facilities, Medical Marijuana Dispensary Facilities, and Medical Marijuana-Infused Products Manufacturing Facilities.

(7) Within one hundred eighty days of the effective date of this section, the Department shall make available to the public application forms and application instructions for Qualifying Patient, Qualifying Patient cultivation, and Primary caregiver identification cards. Within two hundred ten days of the effective date of this section, the Department shall begin accepting applications for such identification cards.

(8) An entity may apply to the Department for and obtain one or more licenses to grow marijuana as a Medical Marijuana Cultivation Facility. Each facility in operation shall require a separate license, but multiple licenses may be utilized in a single facility. Each indoor facility utilizing artificial lighting may be limited by the Department to thirty thousand square feet of flowering plant canopy space. Each outdoor facility utilizing natural lighting may be limited by the Department to two thousand eight hundred flowering plants. Each greenhouse facility using a combination of natural and artificial lighting may be limited by the Department, at the election of the licensee, to two thousand eight hundred flowering plants or thirty thousand square feet of flowering plant canopy. The license shall be valid for three years from its date of issuance and shall be renewable, except for good cause. The Department shall charge each applicant a non-refundable fee of ten thousand dollars per license application or renewal for all applicants filing an application within three years of the effective date of this section and shall charge each applicant a non-refundable fee of five thousand dollars per license application or renewal thereafter. Once granted, the Department shall charge each licensee an annual fee of twenty-five thousand dollars per facility license. Application and license fees shall be increased or decreased each year by the percentage of increase or decrease from the end of the previous calendar year of the Consumer Price Index, or successor index as published by the U.S. Department of Labor, or its successor agency. No more than three Medical Marijuana Cultivation Facility licenses shall be issued to any entity under substantially common control, ownership, or management.

(9) An entity may apply to the Department for and obtain one or more licenses to operate a Medical Marijuana Dispensary Facility. Each facility in operation shall require a separate license. A license shall be valid for three years from its date of issuance and shall be renewable, except for good cause. The Department shall charge each applicant a non-refundable fee of six thousand dollars per license application or renewal for each applicant filing an application within three years of the effective date of this section and shall charge each applicant a non-refundable fee of three thousand dollars per license application or renewal thereafter. Once granted, the Department shall charge each licensee an annual fee of ten thousand dollars per facility license. Application and license fees shall be increased or decreased each year by the percentage of increase or decrease from the end of the previous calendar year of the Consumer Price Index, or successor index as published by the U.S. Department of Labor, or its successor agency. No more than five Medical Marijuana Dispensary Facility licenses shall be issued to any entity under substantially common control, ownership, or management.

(10) An entity may apply to the Department for and obtain one or more licenses to operate a Medical Marijuana-Infused Products Manufacturing Facility. Each facility in operation shall require a separate license. A license shall be valid for three years from its date of issuance and shall be renewable, except for good cause. The Department shall charge each applicant a non-refundable fee of six thousand dollars per license application or renewal for each applicant filing an application within three years of the effective date of this section and shall charge each applicant a non-refundable fee of three thousand dollars per license application or renewal thereafter. Once granted, the Department shall charge each licensee an annual fee of ten thousand dollars per facility license. Application and license fees shall be increased or decreased each year by the percentage of increase or decrease from the end of the previous calendar year of the Consumer Price Index, or successor index as published by the U.S. Department of Labor, or its successor agency. No more than three Medical Marijuana-Infused Products Manufacturing Facility licenses shall be issued to any entity under substantially common control, ownership, or management.

(11) Any applicant for a license authorized by this section may pre-file their application fee with the Department beginning 30 days after the effective date of this section.

(12) Except for good cause, a Qualifying Patient or his or her Primary caregiver may obtain an identification card from the Department to cultivate up to six flowering marijuana plants for the exclusive use of that Qualifying Patient. The card shall be valid for twelve months from its date of issuance and shall be renewable with the annual submittal of a new or updated physician's certification. The Department shall charge an annual fee for the card of one hundred dollars, with such rate to be increased or decreased each year by the percentage of increase or decrease from the end of the previous calendar year of the Consumer Price Index, or successor index as published by the U.S. Department of Labor, or its successor agency.

(13) The Department may set a limit on the amount of marijuana that may be purchased by or on behalf of a single Qualifying Patient in a thirty day period, provided that limit is not less than four ounces of dried, unprocessed marijuana, or its equivalent. Any such limit shall not apply to a Qualifying Patient with written certification from two independent physicians that there are compelling reasons why the Qualifying Patient needs a greater amount than the limit established by the Department.

(14) The Department may set a limit on the amount of marijuana that may be possessed by or on behalf of each qualifying patient, provided that limit is not less than a sixty day supply of dried, unprocessed marijuana, or its equivalent. A Primary caregiver may possess a separate legal limit for each Qualifying Patient under their care and a separate legal limit for themselves if they are a Qualifying Patient. Qualifying Patients cultivating marijuana for medical use may possess up to a ninety day supply, so long as the supply remains on property under their control. Any such limit shall not apply to a Qualifying Patient with written certification from two independent physicians that there are compelling reasons for additional amounts. Possession of between the legal limit and up to twice the legal limit shall subject the possessor to Department sanctions, including an administrative penalty and loss of their patient identification card for up to a year. Purposefully possessing amounts in excess of twice the legal limit shall be punishable by imprisonment of up to one year and a fine of up to two thousand dollars.

(15) The Department may restrict the aggregate number of licenses granted for Medical Marijuana Cultivation Facilities, provided, however, that the number may not be limited to fewer than one license per every one hundred thousand inhabitants, or any portion thereof, of the state of Missouri, according to the most recent census of the United States. A decrease in the number of inhabitants in the state of Missouri shall have no impact.

(16) The Department may restrict the aggregate number of licenses granted for Marijuana-Infused Products Manufacturing Facilities, provided, however, that the number may not be limited to fewer than one license per every seventy thousand inhabitants, or any portion thereof, of the state of Missouri, according to the most recent census of the United States. A decrease in the number of inhabitants in the state of Missouri shall have no impact.

(17) The Department may restrict the aggregate number of licenses granted for Medical Marijuana Dispensary Facilities, provided, however, that the number may not be limited to fewer than twenty-four licenses in each United States Congressional district in the state of Missouri pursuant to the map of each of the eight congressional districts as drawn and effective on the effective date of this section. Future changes to the boundaries of or the number of congressional districts shall have no impact.

(18) The Department shall begin accepting license and certification applications for Medical Marijuana Dispensary Facilities, Medical Marijuana Testing Facilities, Medical Marijuana Cultivation Facilities, Medical Marijuana-Infused Products Manufacturing Facilities, seed-to-sale tracking systems, and for transportation of marijuana no later than two hundred forty days after the effective date of this section. Applications for licenses and certifications under this section shall be approved or denied by the Department no later than one hundred fifty days after their submission. If the Department fails to carry out its non-discretionary duty to approve or deny an application within one hundred fifty days of submission, an applicant may immediately seek a court order compelling the Department to approve or deny the application.

(19) Qualifying Patients under this section shall obtain and annually renew an identification card or cards from the Department. The Department shall charge a fee of twenty-five dollars per year per card with such fee to be increased or decreased each year by the percentage of increase or decrease from the end of the previous calendar year of the Consumer Price Index, or successor index as published by the U.S. Department of Labor or its successor agency. Upon receiving an application for a Qualifying Patient identification card or Qualifying Patient cultivation identification card, the Department shall, within thirty days, either issue the card or provide a written explanation for its denial. If the Department fails to deny and fails to issue a card to an eligible Qualifying Patient within thirty days, then their physician certification shall serve as their Qualifying Patient identification card or Qualifying Patient cultivation identification card for up to one year from the date of physician certification. All initial applications for or renewals of a Qualifying Patient identification card or Qualifying Patient cultivation identification card shall be accompanied by a physician certification that is less than thirty days old.

(20) Primary caregivers under this section shall obtain and annually renew an identification card from the Department. The Department shall charge a fee of twenty-five dollars per year, with such fee to be increased or decreased each year by the percentage of increase or decrease from the end of the previous calendar year of the Consumer Price Index, or successor index as published by the U.S. Department of Labor, or its successor agency. Upon receiving an application for a Primary caregiver identification card, the Department shall, within thirty days, either issue the card or provide a written explanation for its denial.

(21) All marijuana for medical use sold in Missouri shall be cultivated in a licensed Medical Marijuana Cultivation Facility located in Missouri.

(22) All marijuana-infused products for medical use sold in the state of Missouri shall be manufactured in a Medical Marijuana-Infused Products Manufacturing Facility.

(23) The denial of a license, license renewal, or identification card by the Department shall be appealable to the Administrative Hearing Commission, or its successor entity. Following the exhaustion of administrative review, denial of a license, license renewal, or identification card by the Department shall be subject to judicial review as provided by law.

(24) No elected official shall interfere directly or indirectly with the Department's obligations and activities under this section.

(25) The Department shall not have the authority to apply or enforce any rule or regulation that would impose an undue burden on any one or more licensees or certificate holders, any Qualifying Patients, or act to undermine the purposes of this section.

4. Taxation and Reporting

(1) A tax is levied upon the retail sale of marijuana for medical use sold at Medical Marijuana Dispensary Facilities within the state. The tax shall be at a rate of four percent of the retail price. The tax shall be collected by each licensed Medical Marijuana Dispensary Facility and paid to the Department of Revenue. After retaining no more than five percent for its actual collection costs, amounts generated by the tax levied in this section shall be deposited by the Department of Revenue into the Missouri Veterans' Health and Care Fund. Licensed entities making retail sales within the state shall be allowed approved credit for returns provided the tax was paid on the returned item and the purchaser was given the refund or credit.

(2) There is hereby created in the state treasury the "Missouri Veterans' Health and Care Fund," which shall consist of taxes and fees collected under this section. The State Treasurer shall be custodian of the fund, and he or she shall invest monies in the fund in the same manner as other funds are invested. Any interest and monies earned on such investments shall be credited to the fund. Notwithstanding any other provision of law, any monies remaining in the fund at the end of a biennium shall not revert to the credit of the general revenue fund. The Commissioner of Administration is authorized to make cash operating transfers to the fund for purposes of meeting the cash requirements of the Department in advance of it receiving annual application, licensing, and tax revenue, with any such transfers to be repaid as provided by law. The fund shall be a dedicated fund and shall stand appropriated without further legislative action as follows:

(a) First, to the Department, an amount necessary for the Department to carry out this section, including repayment of any cash operating transfers, payments made through contract or agreement with other state and public agencies necessary to carry out this section, and a reserve fund to maintain a reasonable working cash balance for the purpose of carrying out this section;

(b) Next, the remainder of such funds shall be transferred to the Missouri Veterans Commission for health and care services for military veterans, including the following purposes: operations, maintenance and capital improvements of the Missouri Veterans Homes, the Missouri Service Officer's Program, and other services for veterans approved by the Commission, including, but not limited to, health care services, mental health services, drug rehabilitation services, housing assistance, job training, tuition assistance, and housing assistance to prevent homelessness. The Missouri Veterans Commission shall contract with other public agencies for the delivery of services beyond its expertise.

(c) All monies from the taxes authorized under this subsection shall provide additional dedicated funding for the purposes enumerated above and shall not replace existing dedicated funding.

(3) For all retail sales of marijuana for medical use, a record shall be kept by the seller which identifies, by secure and encrypted patient number issued by the seller to the qualifying patient involved in the sale, all amounts and types of marijuana involved in the sale and the total amount of money involved in the sale, including itemizations, taxes collected and grand total sale amounts. All such records shall be kept on the premises in a readily available format and be made available for review by the Department and the Department of Revenue upon request. Such records shall be retained for five years from the date of the sale.

(4) The tax levied pursuant to this subsection is separate from, and in addition to, any general state and local sales and use taxes that apply to retail sales, which shall continue to be collected and distributed as provided by general law.

(5) Except as authorized in this subsection, no additional taxes shall be imposed on the sale of marijuana for medical use.

(6) The fees and taxes provided for in this Article XVI, Section 1 shall be fully enforceable notwithstanding any other provision in this Constitution purportedly prohibiting or restricting the taxes and fees provided for herein.

(7) The unexpended balance existing in the fund shall be exempt from the provisions of section 33.080 relating to the transfer of unexpended balances to the general revenue fund.

5. Additional Patient, Physician, Caregiver and Provider Protections

(1) Except as provided in this section, the possession of marijuana in quantities less than the limits of this section, or established by the Department, and transportation of marijuana from a Medical Marijuana Dispensary Facility to the Qualifying Patient's residence shall not subject the possessor to arrest, criminal or civil liability, or sanctions under Missouri law, provided that the possessor produces on demand to the appropriate authority a valid Qualifying Patient identification card; a valid Qualifying Patient cultivation identification card;

a valid physician certification while making application for an identification card; or a valid Primary caregiver identification card. Production of the respective equivalent identification card or authorization issued by another state or political subdivision of another state shall also meet the requirements of this subdivision.

(2) No patient shall be denied access to or priority for an organ transplant because they hold a Qualifying Patient identification card or use marijuana for medical use.

(3) A physician shall not be subject to criminal or civil liability or sanctions under Missouri law or discipline by the Missouri State Board of Registration for the Healing Arts, or its successor agency, for owning, operating, investing in, being employed by, or contracting with any entity licensed or certified pursuant to this section or issuing a physician certification to a patient diagnosed with a qualifying medical condition in a manner consistent with this section and legal standards of professional conduct.

(4) A health care provider shall not be subject to civil or criminal prosecution under Missouri law, denial of any right or privilege, civil or administrative penalty or sanction, or disciplinary action by any accreditation or licensing board or commission for owning, operating, investing in, being employed by, or contracting with any entity licensed or certified pursuant to this section or providing health care services that involve the medical use of marijuana consistent with this section and legal standards of professional conduct.

(5) A Medical Marijuana Testing Facility shall not be subject to civil or criminal prosecution under Missouri law, denial of any right or privilege, civil or administrative penalty or sanction, or disciplinary action by any accreditation or licensing board or commission for providing laboratory testing services that relate to the medical use of marijuana consistent with this section and otherwise meeting legal standards of professional conduct.

(6) A health care provider shall not be subject to mandatory reporting requirements for the medical use of marijuana by non-emancipated Qualifying Patients under eighteen years of age in a manner consistent with this section and with consent of a parent or guardian.

(7) A Primary caregiver shall not be subject to criminal or civil liability or sanctions under Missouri law for purchasing, transporting, or administering marijuana for medical use to a qualifying patient or participating in the patient cultivation of up to six flowering marijuana plants per patient in a manner consistent with this section and generally established legal standards of personal or professional conduct.

(8) An attorney shall not be subject to disciplinary action by the state bar association or other professional licensing body for owning, operating, investing in, being employed by, contracting with, or providing legal assistance to prospective or licensed Medical Marijuana Testing Facilities, Medical Marijuana Cultivation Facilities, Medical Marijuana Dispensary Facilities, Medical Marijuana-Infused Products Manufacturing Facilities, Qualifying Patients, Primary caregivers, physicians, health care providers or others related to activity that is no longer subject to criminal penalties under state law pursuant to this section.

(9) Actions and conduct by Qualifying Patients, Primary Caregivers, Medical Marijuana Testing Facilities, Medical Marijuana Cultivation Facilities, Medical Marijuana-Infused Products Manufacturing Facilities, or Medical Marijuana Dispensary Facilities licensed or registered with the Department, or their employees or agents, as permitted by this section and in compliance with Department regulations and other standards of legal conduct, shall not be subject to criminal or civil liability or sanctions under Missouri law, except as provided for by this section.

(10) Nothing in this section shall provide immunity for negligence, either common law or statutorily created, nor criminal immunities for operating a vehicle, aircraft, dangerous device, or navigating a boat under the influence of marijuana.

(11) It is the public policy of the state of Missouri that contracts related to marijuana for medical use that are entered into by Qualifying Patients, Primary Caregivers, Medical Marijuana Testing Facilities, Medical Marijuana Cultivation Facilities, Medical Marijuana-Infused Products Manufacturing Facilities, or Medical Marijuana Dispensary Facilities and those who allow property to be used by those entities, should be enforceable. It is the public policy of the state of Missouri that no contract entered into by Qualifying Patients, Primary Caregivers, Medical Marijuana Testing Facilities, Medical Marijuana Cultivation Facilities, Medical Marijuana-Infused Products Manufacturing Facilities, or Medical Marijuana Dispensary Facilities, or by a person who allows property to be used for activities that are exempt from state criminal penalties by this section, shall be unenforceable on the basis that activities related to medical marijuana may be prohibited by federal law.

6. Legislation

Nothing in this section shall limit the General Assembly from enacting laws consistent with this section, or otherwise effectuating the patient rights of this section. The legislature shall not enact laws that hinder the right of Qualifying Patients to access marijuana for medical use as granted by this section.

7. Additional Provisions

(1) Nothing in this section permits a person to:

(a) Consume marijuana for medical use in a jail or correctional facility;

(b) Undertake any task under the influence of marijuana when doing so would constitute negligence or professional malpractice; or

(c) Operate, navigate, or be in actual physical control of any dangerous device or motor vehicle, aircraft or motorboat while under the influence of marijuana; or

(d) Bring a claim against any employer, former employer, or prospective employer for wrongful discharge, discrimination, or any similar cause of action or remedy, based on the employer, former employer, or prospective employer prohibiting the employee, former employee, or prospective employee from being under the influence of marijuana while at work or disciplining the employee or former employee, up to and including termination from employment, for working or attempting to work while under the influence of marijuana.

(2) No Medical Marijuana Cultivation Facility, Medical Marijuana Testing Facility, Medical Marijuana Dispensary Facility, or Medical Marijuana-Infused Products Manufacturing Facility, or entity with a transportation certification shall be owned, in whole or in part, or have as an officer, director, board member, manager, or employee, any individual with a disqualifying felony offense. A "disqualifying felony offense" is a violation of, and conviction or guilty plea to, state or federal law that is, or would have been, a felony under Missouri law, regardless of the sentence imposed, unless the Department determines that:

(a) The person's conviction was for the medical use of marijuana or assisting in the medical use of marijuana; or

(b) The person's conviction was for a non-violent crime for which he or she was not incarcerated and that is more than five years old; or

(c) More than five years have passed since the person was released from parole or probation, and he or she has not been convicted of any subsequent criminal offenses.

The Department may consult with and rely on the records, advice and recommendations of the Attorney General and the Department of Public Safety, or their successor entities, in applying this subdivision.

(3) All Medical Marijuana Cultivation Facility, Medical Marijuana Dispensary Facility, and Medical Marijuana-Infused Products Manufacturing Facility licenses, entities with Medical Marijuana Testing Facility certifications, and entities with transportation certifications shall be held by entities that are majority owned by natural persons who have been citizens of the state of Missouri for at least one year prior to the application for such license or certification. Notwithstanding the foregoing, entities outside the state of Missouri may own a minority stake in such entities.

(4) No Medical Marijuana Cultivation Facility, Medical Marijuana Dispensary Facility, or Medical Marijuana-Infused Products Manufacturing Facility shall manufacture, package or label marijuana or marijuana-infused products in a false or misleading manner. No person shall sell any product in a manner designed to cause confusion between a marijuana or marijuana-infused product and any product not containing marijuana. A violation of this subdivision shall be punishable by an appropriate and proportional Department sanction, up to and including loss of license.

(5) All edible marijuana-infused products shall be sold in individual, child-resistant containers that are labeled with dosage amounts, instructions for use, and estimated length of effectiveness. All marijuana and marijuana-infused products shall be sold in containers clearly and conspicuously labeled, in a font size at least as large as the largest other font size used on the package, as containing "Marijuana," or a "Marijuana-Infused Product." Violation of this prohibition shall subject the violator to Department sanctions, including an administrative penalty.

(6) No individual shall serve as the Primary caregiver for more than three Qualifying Patients.

(7) No Qualifying Patient shall consume marijuana for medical use in a public place, unless provided by law. Violation of this prohibition shall subject the violator to sanctions as provided by general law.

(8) No person shall extract resins from marijuana using dangerous materials or combustible gases without a Medical Marijuana-Infused Products Manufacturing Facility license. Violation of this prohibition shall subject the violator to Department sanctions, including an administrative penalty and, if applicable, loss of their identification card, certificate, or license for up to one year.

(9) All Qualifying Patient cultivation shall take place in an enclosed, locked facility that is equipped with security devices that permit access only by the Qualifying Patient or by such patient's Primary caregiver. Two Qualifying Patients, who both hold valid Qualifying Patient cultivation identification cards, may share one enclosed, locked facility. No more than twelve Qualifying Patient or Primary caregiver cultivated flowering marijuana plants may be cultivated in a single, enclosed locked facility, except when a Primary caregiver also holds a Qualifying Patient cultivation identification card, in which case no more than eighteen flowering marijuana plants may be cultivated in a single, enclosed, locked facility.

(10) No Medical Marijuana Cultivation Facility, Medical Marijuana Dispensary Facility, Medical Marijuana-Infused Products Manufacturing Facility, Medical Marijuana Testing Facility, or entity with a transportation certification shall assign, sell, give, lease, sublicense, or otherwise transfer its license or certificate to any other entity without the express consent of the Department, not to be unreasonably withheld.

(11) Unless allowed by the local government, no new Medical Marijuana Cultivation Facility, Medical Marijuana Testing Facility, Medical Marijuana Dispensary Facility, or Medical Marijuana-Infused Products Manufacturing Facility shall be initially sited within one thousand feet of any then-existing elementary or secondary school, child day-care center, or church. No local government shall prohibit Medical Marijuana Cultivation Facilities, Medical Marijuana Testing Facilities, Medical Marijuana-Infused Products Manufacturing Facilities, or Medical Marijuana Dispensary Facilities, or entities with a transportation certification either expressly or through the enactment of ordinances or regulations that make their operation unduly burdensome in the jurisdiction. However, local governments may enact ordinances or regulations not in conflict with this section, or with regulations enacted pursuant to this section, governing the time, place, and manner of operation of such facilities in the locality. A local government may establish civil penalties for violation of an ordinance or regulations governing the time, place, and manner of operation of a Medical Marijuana Cultivation Facility, Medical Marijuana Testing Facility, Medical Marijuana-Infused Products Manufacturing Facility, Medical Marijuana Dispensary Facility, or entity holding a transportation certification that may operate in such locality.

(12) Unless superseded by federal law or an amendment to this Constitution, a physician shall not certify a qualifying condition for a patient by any means other than providing a physician certification for the patient, whether handwritten, electronic, or in another commonly used format. A Qualifying Patient must obtain a new physician certification at least annually.

(13) A physician shall not issue a certification for the medical use of marijuana for a non-emancipated Qualifying Patient under the age of eighteen without the written consent of the Qualifying Patient's parent or legal guardian. The Department shall not issue a Qualifying Patient identification card on behalf of a non-emancipated Qualifying Patient under the age of eighteen without the written consent of the Qualifying Patient's parent or legal guardian. Such card shall be issued to one of the parents or guardians and not directly to the patient. Only a parent or guardian may serve as a Primary caregiver for a non-emancipated Qualifying Patient under the age of eighteen. Only the Qualifying Patient's parent or guardian shall purchase or possess medical marijuana for a non-emancipated Qualifying Patient under the age of eighteen. A parent or guardian shall supervise the administration of medical marijuana to a non-emancipated Qualifying Patient under the age of eighteen

(14) Nothing in this section shall be construed as mandating health insurance coverage of medical marijuana for Qualifying Patient use.

(15) Real and personal property used in the cultivation, manufacture, transport, testing, distribution, sale, and administration of marijuana for medical use or for activities otherwise in compliance with this section shall not be subject to asset forfeiture solely because of that use.

8. Severability

The provisions of this section are severable, and if any clause, sentence, paragraph or section of this measure, or an application thereof, is adjudged invalid by any court of competent jurisdiction, the other provisions shall continue to be in effect to the fullest extent possible.

9. Effective Date

The provisions of this section shall become effective on December 6, 2018.

STATE OF MISSOURI }
Secretary of State } ss

I, John R. Ashcroft, Secretary of State of the State of Missouri, hereby certify that the foregoing is a full, true and complete copy of Constitutional Amendment No. 2, to be submitted to the qualified voters of the State of Missouri at the General Election to be held the sixth day of November, 2018.

In TESTIMONY WHEREOF, I hereunto set my hand and affix the Great Seal of the State of Missouri, done at the City of Jefferson, this 28th day of August, 2018.

JOHN R. ASHCROFT
Secretary of State

CONSTITUTIONAL AMENDMENT NO. 3

[Proposed by Initiative Petition]

OFFICIAL BALLOT TITLE:

Shall the Missouri Constitution be amended to:

- **allow the use of marijuana for medical purposes, and create regulations and licensing procedures for marijuana and marijuana facilities;**
- **impose a 15 percent tax on the retail sale of marijuana, and a tax on the wholesale sale of marijuana flowers and leaves per dry-weight ounce to licensed facilities; and**
- **use funds from these taxes to establish and fund a state research institute to conduct research with the purpose of developing cures and treatments for cancer and other incurable diseases or medical conditions?**

This proposal is estimated to generate annual taxes and fees of $66 million. State governmental entities estimate initial implementation costs of $186,000 and increased annual operating costs of $500,000.

Be it resolved by the people of the State of Missouri that the Constitution be amended:

One new article and twelve new sections are adopted by adding twelve new sections to a new Article, to be known as Sections 1 through Section 12 of Article XIV to read as follows:

Section 1. Purpose.

(a) For the purpose of benefiting the citizens of Missouri by providing for medical research to find and develop cures and treatments for cancer and other incurable and chronic diseases or medical conditions, and by funding said medical research by the legalization and use of medical marijuana or its derivatives as palliative or ameliorative treatment for any such condition, with taxes on medical marijuana or any derivatives thereof as set forth herein, with the proceeds of such taxes to be used to establish, provide for, and continue such medical research as provided herein. This Article XIV permits authorized physicians to recommend marijuana for medical purposes to patients with serious illnesses and medical conditions. The Article XIV allows patients with qualifying medical conditions the right to discuss freely with their physicians the possible benefits of medical marijuana use, the right of their physicians to provide professional advice concerning the same, and the right to use medical marijuana for treatment under the supervision of a physician. This Article XIV is not intended to change current civil and criminal laws governing the use of marijuana for nonmedical purposes. The section does not allow for the public use of marijuana or driving under the influence of marijuana.

Section 2. Definitions:

As used in this Article XIV, the following terms shall mean:

(a) "Administer" means the direct application of marijuana to the body of a qualifying patient by any approved methods, as defined herein.

(b) "Approved methods" for the administration of marijuana are defined to include ingestion of capsules, teas and other sanctioned marijuana-infused products, vaporization or smoking of dried flowers/buds, oils, resins, or plant material, application of ointments, patches, suppositories or balms, consuming marijuana-infused food products or any other method recommended by a qualifying patient's physician and approved by the Research Board.

(c) "Article XIV Coordinator" means the individual who coordinates activation and implementation of this Article XIV and its subsections by initially and temporarily functioning as the Chairperson of the Research Board of the Biomedical Research and Drug Development Institute and Chairperson of the Land Acquisition Board until those positions are otherwise filled pursuant to this Article XIV.

(d) "Authorized physician" means an individual who is licensed and in good standing to practice medicine or osteopathy under Missouri law and has not in the past ten years had their licensed suspended, or in the last twenty years revoked, for excessively dispensing controlled substances.

(e) "Building and construction" means the erection, renovation, development or remodeling of any structure allowed for in this article including, but not limited to, marijuana cultivation facilities, offices, buildings, clinics, hospitals, sidewalks, roads, public transit systems and structures, public recreational and entertainment facilities, community developments, landscaping, green spaces, enterprise zones, housings, parks, recreational areas and the planning, design, development, architectural design and engineering of any of the same.

(f) "Campus" means the primary and main physical location of a campus where medical research and treatment shall be performed, medical marijuana and the diseases it ameliorates may be cultivated and studied, and headquarters of the Research Board and where the Research Board shall primarily operate, also including but not limited to, the campus selected and developed under land acquisition and land development, and used as the primary physical location for jobs, building and construction, land development, improvements, research, cures and education in Missouri in the endeavor to find cures for presently incurable diseases under this Article XIV.

(g) "Cures" means any and all cures, also including but not limited to, medical treatments, psychiatric and psychological treatments, medications, protocols, therapies, surgeries, genetic material, biologicals, behavioral treatments, clinical trials, laboratory studies, diagnostic tests, evaluations, counseling, treatments, implants, grafts, hardware, orthotics, machines, electronic devices, computers, software programs, studies, and endeavors that help or may help in studying, slowing, curing, eliminating, halting, placing in remission, ameliorating, ending, or regressing any or all presently incurable diseases, targeted diseases, or conditions, illnesses and diseases that are otherwise incurable.

(h) "Designated primary caregiver" means an individual twenty-one (21) years of age or older who has significant responsibility for managing the well-being of a person who has a physician certification and has been designated as such on that person's application for a designated primary caregiver identification card consistent with the regulations of the Research Board.

(i) "Designated primary caregiver identification card" means a card issued by the Research Board to a designated primary caregiver.

(j) "Education" means any and all education, also including but not limited to, teaching, training and education that is, directly or indirectly, necessary, helpful or supportive to jobs, building and construction, land development, campus development, campus improvement, research, jobs and education in Missouri in the endeavor to find cures for incurable diseases.

(k) "Endeavor" means any and all endeavors, also including but not limited to, attempts, quests, searches, championing, pursuit, travel, work, inquiries, treatments, protocols, implementations, and research relating to jobs, building and construction, land development, campus, research and education in Missouri in the effort to find cures for presently incurable diseases.

(l) "In Missouri" means within the geographic boundaries of the State of Missouri as established by law and this Constitution.

(m) "Jobs" means any and all forms of jobs and work pursuant to this Article XIV, also including but not limited to, salaries, consultants and fees, employment of individuals where the work classification is directly or indirectly related to building and construction, land development, campus, research, cures and education in Missouri in the endeavor to find cures for presently incurable diseases.

(n) "Land acquisition" means the acquisition of real and personal property, also including but not limited to investigations, inquiries, studies, plans and review of data to determine five potential locations for land development and acquisition for a campus where jobs will be had, building and construction will occur and research and education in Missouri will take place in the endeavor to find cures for presently incurable diseases and where the Research Board shall be primarily located.

(o) "Land development" means any and all land planning and development, also including but not limited to studies, inquiries, exploration, research, planning, and actual purchase of lands, buildings, real estate and property related to site development and campus, land acquisition, land design and use, covenants, restrictions, and ancillary jobs, building and construction, research and education in Missouri in the endeavor to find cures for presently incurable diseases.

(p) "Local government" means a county or city not within a county, or any city, town or village under Chapters 71-82 RSMo.

(q) "Marijuana" means Cannabis indica, Cannabis sativa, and Cannabis ruderalis, hybrids of such species, and any other strains, including but not limited to extractions, resins, concentrates and infusions, commonly understood within the scientific community to constitute or contain marijuana, and the seeds of such plants. "Marijuana" does not include industrial hemp containing a crop-wide average tetrahydrocannabinol concentration that does not exceed three-tenths of one percent on a dry weight basis, or commodities or products manufactured from industrial hemp, or synthetic marijuana.

(r) "Medical Marijuana Cultivation Facility" means a facility, person or entity, licensed by the Research Board, to cultivate in Missouri, store and transport in Missouri and sell in Missouri, marijuana to a Medical Marijuana Dispensary Facility for sale for medical use or to a Medical Marijuana-Infused/Extraction Products Manufacturing Facility for use and manufacture in marijuana-infused/extraction products for sale to a Medical Marijuana Dispensary Facility for sale for medical use.

(s) "Medical Marijuana Research Cultivation Facility" means a facility, person or entity, licensed by the Research Board, to cultivate in Missouri, store and transport in Missouri and sell in Missouri, marijuana for research purposes or to a Medical Marijuana Dispensary Facility for sale for medical use or to a Medical Marijuana-Infused/Extraction Products Manufacturing Facility for use and manufacture in marijuana-infused/extraction products for sale to a Medical Marijuana Dispensary Facility for sale for medical use, with such Medical Marijuana Dispensary Facilities participating in the research in some fashion directed towards the use of medical marijuana, by voluntary surveys, or otherwise, with qualifying patients who purchase the research cultivated marijuana.

(t) "Medical Marijuana Dispensary Facility" means a facility, licensed by the Research Board, to transport, store and sell in Missouri marijuana or marijuana-infused/extraction products for medical use, as provided in this Article XIV.

(u) "Medical Marijuana-Infused/Extraction Products Manufacturing Facility" means a facility, licensed by the Research Board, to manufacture products which are infused with marijuana or its extracts, or products produced from extracts or derivatives of marijuana, and store and transport marijuana-infused/extraction products in Missouri for sale to a Medical Marijuana Dispensary Facility for sale for medical use.

(v) "Medical use of marijuana" means the production, possession, delivery, transportation, distribution or administration of marijuana, or paraphernalia used to administer marijuana, as necessary for the exclusive benefit of a person to mitigate the symptoms or effects of the person's qualifying medical condition.

(w) "Missouri Resident" means for purposes of this Article XIV that the natural person was physically present and maintained a residence in the state of Missouri for greater than one hundred and eighty (180) days out of any calendar year in question and was legally in both the United States and Missouri during that entire time period.

(x) "Participating research entities" means public, private, quasi-public or quasi-private entities or individuals that enter into contracts with the Research Board for research, building and construction and endeavors to facilitate finding cures for presently incurable diseases.

(y) "Physician certification" means a written document, valid for up to twenty-four (24) months from the date of the authorized physician's signature, signed by an authorized physician, that states in the physician's professional opinion, the qualifying patient suffers from a qualifying medical condition, is likely to receive therapeutic or palliative benefit from the medical use of marijuana to treat or alleviate the patient's qualifying medical condition or symptoms associated with the qualifying medical condition, and that the potential benefits of the medical use of marijuana may outweigh the health risks to the qualifying patient.

(z) "Plant canopy" means the area dedicated to live marijuana plants, such as maintaining mother plants, propagating plants from seed to plant tissue, clones, vegetative or flowering area. Plant canopy does not include areas such as space used for the storage of fertilizers, pesticides, or other products, quarantine, office space, walkways and the like.

(aa) "Presently incurable diseases" means any and all diseases and disorders that are presently as well as in the future determined/classified to be incurable, including but not limited to, illnesses, diseases, ailments, conditions and syndromes that are terminal, fatal, progressive, not necessarily progressive but result in long term and frequently permanent injury, disability or suffering, or such conditions that are not readily or not effectively treatable to a full cure.

(bb) "Qualifying medical condition" means diseases that medical marijuana ameliorates, including but not limited to:

i. cancer,
ii. epilepsy,
iii. multiple sclerosis,
iv. human immunodeficiency virus and acquired immune deficiency syndrome,
v. glaucoma,
vi. intractable migraines unresponsive to other treatment,
vii. a chronic medical condition that causes persistent pain and/or persistent muscle spasms including but not limited to those associated with paralysis, Parkinson's disease, Bell's Palsy, and Tourette's syndrome,
viii. debilitating psychiatric disorders that benefit from medical marijuana and have been treated at some point in the patient's medical history by a physician who has received at least three months or more of training in a psychiatric internship, residency program, or through a continuing education program sponsored by an accredited psychiatric residency program, approved by the Research Board and directed toward the recommendations or use of medical marijuana for psychiatric disorders,
ix. a terminal illness,
x. end stage illness as defined by the Research Board, and
xi. any other diseases that the Research Board determines, based upon reliable data and generally accepted scientific principles, will benefit from treatment with medical marijuana.

(cc) "Qualifying patient" means 1) a patient, eighteen (18) years old or older, with one or more qualifying medical conditions, or 2) a patient, under eighteen (18) years old, with one or more qualifying medical conditions who also has notarized written consent from a parent or legal guardian to use medical marijuana or medical marijuana-infused products, as well as verbal in person consent from a parent or legal guardian to an authorized physician writing the physician certification.

(dd) "Qualifying patient identification card" means a card issued by the Research Board for a qualifying patient with a valid physician certification.

(ee) "Research" means any and all research and development, also including but not limited to, teaching, training, studies, analysis, evaluations, and education that is, directly or indirectly, necessary, helpful or supportive to discovering, implementing, or finding cures, and studies for cures of illnesses and diseases that are presently incurable diseases and ancillary jobs, building and construction, research and education in Missouri in the endeavor to find cures for presently incurable diseases.

(ff) "Research Board" means the Board of the Biomedical Research and Drug Development Institute.

(gg) "Rule" or "Rules" has the meaning in this article as it does in Section 536.010 of RSMo.

(hh) "Secondary Campus" means Research Board discretionary secondary physical locations, including but not limited to building and construction of such secondary campuses that will operate in collaboration with any accredited medical or pharmacy school located within Missouri under this Article XIV, section 5, and used for jobs, building and construction, research, cures, and education in Missouri in the endeavor to find cures for presently incurable diseases under this Article XIV.

(ii) "Shall" means must in this Article XIV.

(jj) "Targeted Disease(s)" means any and all presently incurable diseases that are, or may be, specifically identified or singled out, or otherwise isolated, whether by type, sub-type, sub-sub-type, and to show by example: breast cancer, or interlobular breast cancer, or estrogen positive breast cancer, or estrogen negative interlobular breast cancer, or poorly differentiated estrogen positive interlobular breast cancer, etc.; or leukemia or chronic lymphocytic leukemia or acute lymphocytic leukemia, or acute lymphocytic leukemia with certain genetic markers, or chronic myelogenous leukemia, etc.; or Parkinson's disease, or early onset Parkinson's disease, etc.; or endogenous depression, or depression secondary to bipolar disorder, etc.

Section 3. Research Board and Duties.

(a) There is hereby created and established as a governmental instrumentality of the State of Missouri the "Biomedical Research and Drug Development Institute" which shall constitute a body corporate and politic and operate

pursuant to this Article XIV. The Biomedical Research and Drug Development Institute shall exist on a campus established by building and construction on land acquired and land developed pursuant to this Article. On this Biomedical Research and Drug Development Institute campus research shall be performed in the endeavors to find cures for presently incurable diseases. The Biomedical Research and Drug Development Institute shall have located on its campus targeted disease research groups to further this research.

(b) "Biomedical Research and Drug Development Institute" shall be governed by the "Board of Biomedical Research and Drug Development" hereafter "Research Board".

(c) It is expressly directed and permitted that the "Biomedical Research and Drug Development Institute" and the "Research Board" shall not be assigned to any Missouri Department but rather shall be an independent institute existing and operating pursuant to this Article XIV under the direction of the Research Board.

(d) In the event Section 3 subsection (c) of this Article XIV is contrary to existing superseding constitutional law the "Biomedical Research and Drug Development Institute" and "Research Board" shall be transferred by operation of Article IV section 12 to a department, then they shall be assigned to the Department of Health and Senior Services with supervision of the department extending only to budgeting and reporting as provided by subdivisions (4) and (5) of subsection 6 of section 1 of the Reorganization Act of 1974. Supervision by the department shall not extend to matters relating to policies, regulatory functions or other matters specifically entrusted to the Research Board by this Article XIV, and neither the director of the department nor any employee of the department shall, directly or indirectly, interfere with the activities of the Research Board or the research provided by this Article XIV.

(e) The Research Board is charged by the people of the State of Missouri to effectuate this Article XIV, to find cures for currently incurable diseases, and to the extent reasonably practicable generate income pursuant to this Article XIV to the State of Missouri with such cures.

(f) It is the duty of the Research Board to promulgate rules in accordance with the provisions of this Article, and to effectuate the provisions of this Article. 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 article shall become effective only if it complies with and is subject to all of the provisions of chapter 536 RSMo.

i. For purposes of only rule making and adjudicated cases, as defined in RSMo 536.010, the Research Board is an agency who is subject to chapter 536 RSMo, except;

ii. For purposes of adjudicated cases as defined in 536.010, the Research board is not subject to chapter 536 RSMo if it has established written procedures to assure that constitutionally required due process safeguards exist and apply to proceedings that would otherwise constitute a contested cases as defined in section 536.010 RSMo.

(g) Any member of a Board established by this Article XIV may be removed for cause by a vote of three fourths of both the Missouri House of Representatives and Senate, with the concurrence of the Governor.

(h) The Research Board shall issue, renew, regulate, restrict, and revoke licenses for marijuana facilities, including but not limited to Medical Marijuana Cultivation Facilities, Medical Marijuana Research Cultivation Facilities, Medical Marijuana-Infused/ Extraction Products Manufacturing Facilities, and Medical Marijuana Dispensary Facilities, and issue, renew, regulate, restrict, and revoke qualifying patient identification cards and designated primary caregiver cards.

(i) The Research Board shall issue rules for licensure of marijuana facilities, including but not limited to procedures for:

i. issuing, renewing, regulating, restricting and revoking licenses for Medical Marijuana Cultivation Facilities, Medical Marijuana Research Cultivation Facilities, Medical Marijuana-Infused/Extraction Products Manufacturing Facilities, and Medical Marijuana Dispensary Facilities.

ii. the issuance, renewal, regulating, restricting and revocation of qualifying patient identification cards and designated primary caregiver identification cards, and

iii. the creation of a confidential qualifying patient, confidential cultivation location and confidential designated primary caregiver registry. Patients may be issued confidential patient identification numbers for purposes of identity protection and medical marijuana sales. The purpose of the regulations within this subsection is to ensure the availability and safe confidential use of marijuana by qualifying patients.

(j) The Research Board shall develop rules whereby the denial or revocation of a license, license renewal, identification card or other adverse action by the Research Board shall be:

i. appealable to the Administrative Hearing Commission and otherwise subject to judicial review as provided by law, or

ii. subject to Biomedical Research and Drug Development Institute established written procedures to assure that constitutionally required due process safeguards exist and apply to such a denial,revocation, or adverse action of the Research Board.

(k) The Research Board shall consist of nine members to be selected, as soon as practicable, by the Article XIV Coordinator as set forth in this Article XIV, one of whom shall be selected by the Article XIV Coordinator as Research Chairperson. The Article XIV Coordinator shall serve as Research Chairperson until the nine members are selected, at which time the Article XIV Coordinator is terminated from the Research Board. The members of the Board, other than the temporary "then existing Research Board" in section 3(t), selected by the Article XIV Coordinator shall serve the following terms: four shall serve three years, and five, including the Research Chairperson, shall serve six years. Thereafter, each appointment shall be for a term of six years. Upon conclusion of the Research Chairperson's first term, or vacancy, whichever comes first, the Research Board shall choose from within their members a Research Chairperson. If for any reason a vacancy occurs, the Research Chairperson shall appoint a new member to fill the unexpired term. Members are eligible for up to four reappointments. Although members of the Research Board and Article XIV Coordinator may hold other employment, no member of such Research Board shall hold any public office, and no member shall hold any official position in a political party.

i. It is expressly directed and permitted that the person who is designated on the initially submitted Initiative Petition Submission Cover Page to be the contact person to whom any notices shall be sent under sections 116.140 and 116.180 RSMo for the initiative petition filed for this Article XIV pursuant to RSMo 116.100 and 116.332, shall serve as the Article XIV Coordinator.

ii. If the person who is designated on the initially submitted Initiative Petition Submission Cover Page to be the contact person to whom any notices shall be sent under sections 116.140 and 116.180 RSMo for the initiative petition filed for this Article XIV pursuant to RSMo 116 .l00 and 116.332 for any reason does not serve as the Article XIV Coordinator the Governor shall appoint an individual who is both a licensed Missouri physician and licensed Missouri attorney, but if no such person is available or accepts the appointment, then any Missouri resident who also holds a Missouri license to practice medicine and a PhD in Biology, Chemistry, Biochemistry, Physics, Genetics, Anatomy or equivalent degree, from an accredited university that has been in existence at least fifty (50) years.

iii. The Article XIV Coordinator shall serve without compensation but shall receive reimbursement for all expenses associated with the performance and delegation of all duties pursuant to this Article XIV, and shall have two administrative assistants who shall each be paid out of the General Purpose Account at the rate of a Missouri State Representative, so long as there are funds available. If no funds are immediately available, the administrative assistants may serve with deferred compensation until funds are available and when funds become available the administrative assistants shall be paid the full compensation owed, as shall the expenses of the Article XIV Coordinator be reimbursed.

(l) Five members of the Research Board shall constitute a quorum. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Board. The Research Board may act only by the concurrence of a majority of a quorum, with such quorum meeting in person when practicable but by video teleconference or similar means when approved by a majority of the quorum. Failure to regularly and frequently participate in Board business shall be grounds for dismissal from the Board upon a vote of six members of the Board.

(m) The Research Board is hereby granted, has and may exercise all powers necessary or appropriate to implement, carry out, enforce and effectuate its purpose, and the purposes of this Article XIV including but not limited to the following:

i. To make, purchase or participate in the purchase of property;

ii. Adopt bylaws for the regulation of its affairs and the conduct or discharge of its business and define terms so as to reasonably and effectively carry out the purpose of this Article XIV;

iii To accept appropriations, gifts, grants, bequests, and devises and to utilize or dispose of the same to carry out its purpose;

iv. To make and execute contracts, releases, compromises, and other instruments necessary or convenient for the exercise of its powers, or to carry out its purpose;

v. To sue and be sued;

vi. To have a seal and alter the same at will;

vii. To make, promulgate and from time to time, amend and repeal rules;

viii. To perform all administrative duties necessary or that reasonably assist in the discharge and conduct of its business as defined in this Article, including, but not limited to, the formation of committees and subcommittees and the delegation of its authority, to the extent permitted by law, to such committees and subcommittees.

ix. To form advisory panels of licensed cultivators, infusers/ extractors, and dispensaries;

x. To acquire, hold, lease, sell and dispose of personal property for its purpose;

xi. To sell, at public or private sale, any mortgage, negotiable instrument or obligation securing building and construction or land development;

xii. To enter into agreements or other transactions with any federal or state agency, international entity, any person or any domestic or foreign partnership, corporation, association or organization;

xiii. To acquire real property, or an interest therein, in its own name, to hold, not sell, and may lease for up to 100 years and one option to renew up to another 100 years such property to a tenant to develop, for building and construction, and to manage and operate such property, to enter into management contracts with respect to such property and to mortgage such property;

xiv. To procure insurance against any loss in connection with its property in such amounts, and from such insurers, as may be necessary or desirable;

xv. To develop a retirement or pension plan for employees, staff and board members working for the Research Board or the Biomedical Research and Drug Development Institute;

xvi. To issue and sell revenue bonds to fund any purpose authorized by this Article. Any bonds issued under the provisions of this Article shall not be deemed to be an indebtedness of the State of Missouri or of any political subdivision thereof, and shall not be deemed to be an indebtedness within the meaning of any constitutional or statutory limitation upon the incurring of indebtedness. The proceeds of the sale or sales of any bonds issued hereunder shall be paid into the state treasury and be credited to a fund to be designated the "Biomedical Research and Drug Development Institute Trust Fund". The bonds shall be retired serially and by installments within a period not to exceed twenty-five years from their date of issue and shall bear interest at a rate or rates not exceeding the rate permitted by law.

(n) The Research Board shall charge fees for each applicant for each license to operate a Medical Marijuana Cultivation Facility, Medical Marijuana Research Cultivation Facility, Medical Marijuana Dispensary Facility or Medical Marijuana-Infused/ Extraction Products Manufacturing Facility as follows: 1. Except for Medical Marijuana Research Cultivation Facilities, a non-refundable $25,000 application fee for each type of facility which shall constitute the licensure fee for the first year of licensure; 2. For Medical Marijuana Research Cultivation Facilities a non-refundable $5,000 application fee which shall constitute the licensure fee for the first year of licensure and, in addition 3. For each type of facility in each subsequent licensure year, a fee equal to 125% of the pro-rata estimated average yearly cost to the Research Board of administrating and enforcing this Article XIV application and licensing process, estimated over a five (5) year period, divided equally among all applicants based on the yearly estimated number of applicants for such licenses over the same five (5) year period, as reasonably estimated by the Research Board.

(o) The Research Board shall set a limit on the amount of marijuana that may be purchased per month, provided that limit is not less than three (3) ounces every thirty (30) days of dried unprocessed marijuana or its extract equivalent as reasonably determined by the Research Board. A requested waiver of any such limit may be reviewed by the Research Board for a qualifying patient with written certification from two physicians, not of the same clinic, setting forth compelling reasons for additional amounts requested.

(p) The Research Board shall restrict the number of licenses granted for Medical Marijuana-Infused/Extraction Products Manufacturing Facilities within the state of Missouri to a total of not less than fifty (50) licenses. Upon the written request of a local government to the Research Board for an exception to increase the specific number of available licenses within that local government, above the restriction, such exception for a specific number of licenses may be granted by the Research Board for such licenses. Alternatively, upon the written request of local government for an exception to exclude local government from Medical Marijuana-Infused/Extraction Products Manufacturing Facilities, the Research Board may provide such a requesting local government a five (5) year exclusion, which thereafter may be reconsidered by the Research Board for renewal every five (5) years if the local government has placed the matter to a vote of the local government population and such vote resulted in a majority vote for a continued ban upon infused/extraction products facilities.

(q) The Research Board shall restrict the number of licenses granted for Medical Marijuana Dispensary Facilities within each county or city not within a county to two (2) for every twenty thousand (20,000) inhabitants. If a county or city not within a county has fewer than twenty thousand (20,000) inhabitants, the Research Board may restrict the number of licenses granted for Medical Marijuana Dispensary Facilities to two (2). Upon the written request of a local government to the Research Board for an exception to increase the specific number of available licenses within that local government, above the restriction, such exception for a specific number of licenses may be granted by the Research Board for such licenses. Alternatively, upon the written request of a local government for an exception to exclude local government from Medical Marijuana Dispensary Facilities, the Research Board may provide such a requesting local government a five (5) year exclusion, which thereafter may be reconsidered by the Research Board for renewal every five (5) years if the local government has placed the matter to a vote of the local government population and such vote resulted in a majority vote for a continued ban upon dispensaries.

(r) The Research Board may restrict the number of licenses granted for Medical Marijuana Cultivation Facilities within the state of Missouri to a total of not less than fifty (50) licenses, and the number of Medical Marijuana Research Cultivation facilities to a total of not less than four hundred (400) licenses. If the number of licenses is restricted by the Research Board, upon the written request of a local government to the Research Board for an exception to increase the specific number of available licenses within that local government, above the restriction, such exception for a specific number of licenses may be granted by the Research Board for such licenses. Alternatively, upon the written request of a local government for an exception to exclude local government from Medical Marijuana Cultivation Facilities and Medical Marijuana Research Cultivation Facilities, the Research Board may provide such a requesting local government a five (5) year exclusion, which thereafter may be reconsidered by the Research Board for renewal every five (5) years if the local government has placed the matter to a vote of the local government population and such vote resulted in a majority vote for a continued ban upon cultivation.

(s) The initial nine members of the Research Board shall have their compensation set as the annual salary received by the Missouri Supreme Court Chief Justice. Thereafter, for new members of the Board, the compensation shall be an amount agreed upon by at least one half of the Research Board, and approved by the Governor, but not less than the annual salary received by the Missouri Supreme Court Chief Justice. Upon further years of service, the compensation shall be increased every three years by the greater of a cost of living increase based upon the Consumer Price Index (CPI), or successor index as published by the U.S. Board of Labor or its successor agency, or at a raised amount agreed upon unanimously by the Research Board and approved by the Governor.

(t) A nonpartisan scientific nominating committee, hereafter nonpartisan commission, of five (5) individuals shall review applications, interview candidates and for each vacancy in the Research Board and shall select a panel of four (4) individuals from which the Research Chairperson shall appoint as member(s) of the Research Board. The five individuals on the nonpartisan commission members shall be elected from the combined pool of licensed Missouri physicians and pharmacists as set out in this subsection (t). Residents of the State of Missouri who are licensed Missouri physicians or licensed Missouri pharmacists and living in the State of Missouri at least six (6) months over the twelve (12) months before the election in this subsection (t) shall elect a grand total of five individuals from the combined pool of licensed Missouri physicians and pharmacists to serve as members of said nonpartisan commission. Each member shall serve four (4) year terms except that from the initial election of members of the nonpartisan commission, the three (3) with the lowest number of votes shall be elected to two (2) year terms, and the other two (2) members which shall be elected to a four (4) year term, and the members of the nonpartisan commission shall select one of their number to serve as chairperson. No member of the nonpartisan commission shall hold any public office, and no member shall hold any official position in a political party. The nonpartisan commission may act only by the concurrence of a majority of its members. The members of such nonpartisan commission shall receive a salary equal to that of an elected state senator as compensation for their services and they shall receive their necessary traveling and other expenses incurred while actually engaged in the discharge of their official duties. Except as provided otherwise in this Article XIV, any and all such nonpartisan commissions shall be governed, and all nonpartisan commission elections provided for under this section shall be held by, and regulated under, such rules as a panel of three retired Missouri judges appointed by the Research Chairperson, or Article XIV Coordinator prior to the Research Chairperson, shall promulgate. Said rules shall be presented to the Research Chairperson who shall file such rules with the secretary of state on behalf of the Research Board within twenty-one (21) days of receiving them from the three judge panel. The three judge panel shall be compensated the standard rate of retired senior judges paid out of the General Purpose Account during the weeks in which they perform work. Pending selection and appointment that will fill the Research Board, the Article XIV Coordinator shall appoint four (4) temporary acting members and the Governor shall appoint four (4) temporary acting members who together with the Article XIV Coordinator shall be the "then existing Research Board" and shall have the power and duties of the Research Board until such member positions are otherwise filled pursuant to this Article. Those temporary members shall serve at the same rate as Research Board members so long as there are funds available. If no funds are immediately available, the members may serve with deferred compensation until funds are available and when funds become available the members shall be paid for time served from appointment, and for their reasonable expenses incurred to effectuate their duties.

(u) Applications for vacancies in the Research Board are permitted by any licensed physician or licensed pharmacist residing in the State of Missouri for at least three years prior to their application who also holds a PhD in Biology, Chemistry, Biochemistry, Physics, Genetics, Anatomy, Biomedical Engineering, Neuroscience, a Juris Degree, or equivalent degree who may submit an application to the nonpartisan commission for consideration. Additionally, any citizen of the United States, or Nobel Laureate in the field of medicine or science with permanent residence in the United States, who also holds a PhD in Biology, Chemistry, Biochemistry, Physics, Genetics, Anatomy, Biomedical engineering, Neuroscience, a Juris Degree, or equivalent degree, from an accredited university that has been in existence at least fifty (50) years, upon nomination of a Dean of the School of Medicine of the University of Missouri - Columbia, Kansas City, St. Louis, St. Louis University, or Washington University in St. Louis, or upon nomination of a member of the Missouri State Senate may submit their application to the nonpartisan commission for consideration.

(v) The Research Board shall establish targeted diseases research groups, hereafter research groups, aimed at research, finding cures, and endeavors for fighting specific targeted diseases consistent with the purpose of the charge of this Article XIV. Specific targeted diseases shall be identified by the Research Board, and such targeted diseases may be identified for receiving segregated donations and contributions before and after the targeted disease research group is established. Research groups shall be governed by a panel of not less than three (3) individuals and not more than seven (7), chosen by the Research Board, who shall oversee, supervise, steer, and regulate the group's research to find cures. Individuals on the Research Board may sit on up to four (4) targeted disease group governing panels. Research group panel members, except for Research Board members who shall receive no additional compensation, shall have their compensation set as the annual salary determined by the Research Board, but in no event less than 70% of the annual compensation of the Missouri Supreme Court Chief Justice. When a targeted disease group governing panel includes five (5) or more members, up to two (2) of those members may be non-compensated non-voting advisory members of a 501c3 charitable organization(s) that has demonstrated a commitment, as determined by the Research Board, to finding a cure for the targeted disease.

(w) Members of the Research Board, except as allowed under this Article XIV, shall not enter into any personal financial or business relationships with a Section 10 participating research entity, other than in an accredited university faculty position, during the member's tenure on the Research Board, and for a period of two (2) years after that member's tenure on the Research Board ends. Further a Research Board member shall never steer research outcomes to or toward a particular direction or goal with the purpose of helping a private company for personal or for family financial gain. Nothing in this subsection shall prohibit or prejudice a board member or Article XIV Coordinator from entering into any employment, financial or business relationship so long as such does not steer or influence Article XIV research toward a particular research result/ outcome for personal financial gain.

(x) The monies, including but not limited to all revenues and taxes generated, obtained and distributed under this Article XIV, and all other monies generated, obtained, and distributed under this Article XIV shall not be included within the definition of "total state revenues" as that term is used in section 17 of Article X of this constitution nor be considered as an "expense of state government" as that term is used in section 20 of article X of this constitution.

(y) The Research Board shall establish a public website for transmission and receipt of information to and from the public.

(z) Within ninety (90) days of the effective date of this Article XIV if practicable, but in no event shall the time exceed six (6) months after the effective date of this Article XIV, the Research Board shall make available to the public license application forms and application instructions for Medical Marijuana Cultivation Facilities, Medical Marijuana Research Cultivation Facilities, Medical Marijuana Dispensary Facilities, and Medical Marijuana-Infused/ Extraction Products Manufacturing Facilities.

(aa) Within ninety (90) days of the effective date of this Article XIV if practicable, but in no event shall the time exceed six (6) months after the effective date of this Article XIV, the Research Board shall make available to the public application forms and application instructions for qualifying patient and primary caregiver identification cards. Within one hundred and twenty (120) days of the effective date of this Article XIV, if practicable, but in no event more than eight (8) months after the effective date of this Article XIV, the Research Board shall begin accepting applications for such identification.

Section 4. Licensure, Taxation and Reporting.

(a) A cultivation tax is hereby imposed on each wholesale sale in Missouri by a Medical Marijuana Cultivation Facility and Medical Marijuana Research Cultivation Facility to a Medical Marijuana¬ Infused/Extraction Products Manufacturing Facility, and a Medical Marijuana Cultivation Facility and Medical Marijuana Research Cultivation Facility to a Medical Marijuana Dispensary Facility, at a rate for marijuana flowers of nine dollars and twenty five cents ($9.25) per dry-weight ounce, and the tax rate for marijuana leaves shall be set at two dollars and seventy five cents ($2.75) per dry-weight ounce, with such rate to be increased or decreased each year by the percentage of increase or decrease of the Consumer Price Index (CPI), or successor index as published by the U.S. Board of Labor or its successor agency.

i. For all wholesale sales of marijuana, a receipt must be given by the seller which identifies all the parties involved in the sale, all amounts and types of marijuana involved in the sale and the total amount of money involved in the sale, including itemizations and grand total sale amounts.

(b) A tax is hereby imposed on each retail sale in Missouri of Marijuana and Marijuana Infused/ Extraction products by a Medical Marijuana Dispensary Facility at a rate of fifteen percent (15%) of the purchase price paid or charged, or in case such sale involves the exchange of property, to fifteen percent (15%) of the consideration paid or charged, including the fair market value of the property exchanged at the time and place of the exchange.

i. The tax must be collected by the Medical Marijuana Dispensary Facility and paid to the Department of Revenue within thirty (30) days of the retail sale.

ii. For all retail sales of marijuana, a receipt must be given by the seller which identifies all the parties involved in the sale, all amounts and types of marijuana involved in the sale and the total amount of money involved in the sale, including itemizations and grand total sale amounts. The seller of the product must issue a copy of the receipt to the Department of Revenue or be subject to an automatic penalty up to $100 per-occurrence; failure to submit such receipts may further subject a seller to prohibition on obtaining a future license for Medical Marijuana Cultivation, a Medical Marijuana Dispensary Facility, or a Medical Marijuana-Infused/Extraction Products Manufacturing Facility, for a minimum of 30 days to a maximum of life, and if a non-human entity a maximum of forever.

(c) Subject to the limitations within this Article a person who is a Missouri resident for three or more years, or entity that is registered to do business in the State of Missouri and owned at least seventy percent (70%) or more by three year or longer duration Missouri residents, may apply for and obtain from the Research Board a license to operate a Medical Marijuana Cultivation Facility or Medical Marijuana Research Cultivation Facility in Missouri.

i. Such person or entity may apply to the Research Board for and obtain:

a. A yearly Medical Marijuana Cultivation Facility license to grow marijuana. Each such license shall be valid for growing marijuana in up to twenty thousand (20,000) square feet of plant canopy. Each such license shall be taxed at an initial rate of $25,000 for the first year per license (which must be by money order, cashier's check, or other means as determined by the Research Board and accompany the application and will be returned if the application is unsuccessful) and then annually at $15,000 per license upon renewal; or

b. A yearly Medical Marijuana Research Cultivation Facility license to grow marijuana. Each such license shall be valid for growing marijuana in up to two thousand five hundred (2,500) square feet of plant canopy. Each such license shall be taxed at an initial rate of $10,000 for the first year per license (which must be by money order, cashier's check, or other means as determined by the Research Board and accompany the application and will be returned if the application is unsuccessful) and then annually at $5,000 per license upon renewal.

c. Such licenses may be renewed each year, and rates for both licenses may be increased or decreased each year by the percentage of increase or decrease of the Consumer Price Index (CPI), or successor index as published by the U.S. Board of Labor or its successor agency.

d. No more than three Medical Marijuana Cultivation Facility licenses shall be issued to or possessed by any individual, group of individuals, or entity(s) under substantially common control, ownership, or management, whether directly, indirectly or by derivative.

e. No more than five Medical Marijuana Research Cultivation Facility licenses shall be issued to or possessed by any individual, group of individuals, or entity(s) under substantially common control, ownership, or management, whether

directly, indirectly or by derivative.

ii. When there are more applications for licenses than are available, except as stated in 4(c)ii.a. of this subsection immediately below, licenses shall be on the basis of competitive bids (such bids must be by money order, cashier's check, or other means as determined by the Research Board, and accompany the application and will be returned if the bid is unsuccessful), with licenses awarded to the highest bidder. Such bids shall be made in a manner prescribed by the Research Board to avoid disclosure of bid amounts to competing bidders during the bidding process.

a. The Research Board may set aside up to 50% of the Medical Marijuana Cultivation Facility licenses and 50% of the Medical Marijuana Research Cultivation Facility licenses to be awarded based upon a ranking using the following factors: site security, including capacity for ease of cultivation, experience with understanding the medicine and law surrounding the cultivation and use of medical marijuana, experience with agriculture, horticulture, health care and the cannabis market, and sufficient available capital to maximize probable success; acceptance in the site community; business plan for Medical Marijuana Cultivation Facility licenses and business plan plus research plan for Medical Marijuana Research Cultivation Facility licenses; potential for positive economic impact in the site community and maintaining competitiveness in the marijuana for medical use marketplace. In ranking applicants and awarding licenses, the Research Board may consult with or contract other public agencies with relevant expertise regarding these factors. The Research Board may lift or ease any limit on the number Medical Marijuana Cultivation Facilities and Medical Marijuana Research Cultivation Facilities to meet the demand for medical marijuana by qualifying patients and research.

iii. Marijuana must be grown indoors in an enclosed, locked facility: a room, warehouse or greenhouse, or other enclosed area equipped with locks or other security devices that permit access only by authorized personnel, meeting the Research Board standards and industry standards for safety and safe use of electricity.

iv. Upon request to the Research Board, state institutions of higher education governed by sections 174.020 to 174.500 Revised Statutes of Missouri and chapter 172 Revised Statutes of Missouri shall be granted, without charge, up to one (1) medical marijuana research cultivation facility license per institution per year to grow marijuana.

v. Upon request to the Research Board by an entity operating under authority of section 10 of this Article XIV, the Research Board may grant, without charge, up to one (1) medical marijuana research cultivation facility license to a total of no more than ten (10) such entities for purposes of researching the benefits of medical marijuana for various presently incurable diseases.

vi. Initial applications for licenses shall be accepted beginning no more than seven (7) months after the effective date of this Article. The initial application period shall remain open for ninety (90) days.

vii. After the initial application period, when one or more licenses become available, the opening shall be published on the Research Board's website for ninety (90) days, at the close of which an additional application period of ninety (90) days shall immediately commence.

(d) Subject to the limitations within this Article a person who is a Missouri resident for three or more years, or entity that is registered to do business in the State of Missouri and owned at least seventy percent (70%) or more by three year or longer duration Missouri residents, may apply for and obtain a license to operate a Medical Marijuana Dispensary Facility in Missouri. Such person or entity may apply to the Research Board for and obtain a yearly Medical Marijuana Dispensary Facility license to sell marijuana or marijuana-infused/extraction products for medical use within a county or city not within a county. Each such license shall be taxed at an initial rate of $25,000 for the first year per license (which must be by money order, cashier's check, or other means as determined by the Research Board and accompany the application and will be returned if the application is unsuccessful) and then annually at $10,000 per license upon renewal, with such rates to be increased or decreased each year by the percentage of increase or decrease of the Consumer Price Index (CPI), or successor index as published by the U.S. Research Board of Labor or its successor agency.

i No more than five (5) Medical Marijuana Dispensary Facility licenses shall be issued to or possessed by any one individual, group of individuals, or entity(s) under substantially common control, ownership, or management, whether directly, indirectly or by derivative, nor shall such one individual, group of individuals, or entity ever possess more than fifty percent (50%) of the licenses for a given county or city not within a county.

ii. When there are more applications for licenses than are available, except as stated in 4(d)ii.a, licenses shall be on the basis of a three prong test established by the board, 1) knowledge of pharmacy and ability to have a pharmacist available for consultation to qualifying patients purchasing marijuana, 2) knowledge of medicine and medical research, and 3) competitive bids (such bids must be by money order, cashier's check, or other means as determined by the Research Board, and accompany the application and will be returned if the bid is unsuccessful), with licenses awarded to the individual, individuals or entities with the highest score. Such bids shall be made in a manner prescribed by the Research Board to avoid disclosure of bid amounts to competing bidders during the bidding process.

a. The Research Board may set aside up to 50% of the Medical Marijuana Dispensary Facility licenses to be awarded based upon a ranking using the following factors: knowledge of pharmacy, knowledge of neuroscience and marijuana interactions, site security, experience with understanding the medicine and law surrounding the use of medical marijuana, experience with retail pharmacy, health care and the cannabis market, business plan, and sufficient available capital to maximize probable success; acceptance in the site community; potential for positive economic impact in the site community and maintaining competitiveness in the marijuana for medical use marketplace. In ranking applicants and awarding licenses, the Research Board may consult with or contract other public agencies with relevant expertise regarding these factors.

iii. Initial applications for licenses shall be accepted beginning no more than seven (7) months after the effective date of this Article. The initial application period shall remain open for ninety (90) days.

iv. After the initial application period, when one or more licenses become available, the opening shall be published on the Research Board's website for ninety (90) days, at the close of which an additional application period of ninety (90) days shall immediately commence.

(e) Subject to the limitations within this Article a person who is a Missouri resident for three or more years, or entity that is registered to do business in the State of Missouri and owned at least seventy percent (70%) or more by three year or longer duration Missouri residents, may apply for and operate a Medical Marijuana-Infused/Extraction Products Manufacturing Facility in Missouri. Such person or entity may apply to the Research Board for and obtain a yearly Medical Marijuana-Infused/Extraction Manufacturing Products Facility a license to buy marijuana from Medical Marijuana Cultivation Facility or Medical Marijuana Research Cultivation Facility and sell medical marijuana-infused/extracted products to a Medical Marijuana Dispensary Facility. Each such license shall be taxed at an initial rate of $20,000 for the first year per license (which must be by money order, cashier's check, or other means as determined by the Research Board and accompany the application and will be returned if the application is unsuccessful) and then annually at $10,000 per license upon renewal, with such rates to be increased or decreased each year by the percentage of increase or decrease of the Consumer Price Index (CPI), or successor index as published by the U.S. Research Board of Labor or its successor agency.

i. No more than five (5) Medical Marijuana-Infused/Extraction Products Manufacturing Facility licenses shall be issued to or possessed by any one individual, group of individuals, or entity(s) under substantially common control, ownership, or management, whether directly, indirectly or by derivative, nor shall such one individual, group of individuals, or entity ever possess more than fifty percent (50%) of the licenses for a given county or city not within a county.

ii. When there are more applications for licenses than are available, except as stated in 4(e)ii.a, licenses shall be on the basis of competitive bids (such bids must be by money order, cashier's check, or other means as determined by the Research Board, and accompany the application and will be returned if the bid is unsuccessful), with licenses awarded to the highest bidder. Such bids shall be made in a manner prescribed by the Research Board to avoid disclosure of bid amounts to competing bidders during the bidding process.

a. The Research Board may set aside up to 50% of the Medical Marijuana Dispensary Facility licenses to be awarded based upon a ranking using the following factors: site security, experience with understanding the medicine and law surrounding the use of medical marijuana, experience with retail pharmacy, health care and the cannabis market, business plan, and sufficient available capital to maximize probable success; acceptance in the site community; potential for positive economic impact in the site community and maintaining competitiveness in the marijuana for medical use marketplace. In ranking applicants and awarding licenses, the Research Board may consult with or contract other public agencies with relevant expertise regarding these factors.

iii. Initial applications for licenses shall be accepted beginning no more than seven (7) months after the effective date of this Article. The initial application period shall remain open for ninety (90) days.

iv. After the initial application period, when one or more licenses become available, the opening shall be published on the Research Board's website for ninety (90) days, at the close of which an additional application period of ninety (90) days shall immediately commence.

(f) A qualifying patient must obtain annually a qualifying patient identification card from the Research Board and shall be taxed at an annual rate of $100 per issuance, with such rate to be increased or decreased each year by the percentage of increase or decrease of the Consumer Price Index (CPI), or successor index as published by the U.S. Board of Labor or its successor agency. Upon application for a qualifying patient identification card, the Research Board must, within thirty (30) days, provide either the card or a written explanation for its denial of the card. It shall not be grounds for denial that use of medical marijuana is not approved under federal law.

(g) A designated primary caregiver must obtain annually a designated primary caregiver identification card from the Research Board for each designated qualifying patient and shall be taxed at an annual rate of $100 per issuance, with such rate to be increased or decreased each year by the percentage of increase or decrease of the Consumer Price Index (CPI), or successor index as published by the U.S. Board of Labor or its successor agency. Upon application for a designated primary caregiver identification card, the Research Board must, within thirty (30) days, provide either the card or a written explanation for its denial of the card. It shall not be grounds for denial that use of medical marijuana is not approved under federal law.

(h) Marijuana in Missouri for retail sale may only be sold by a licensed Medical Marijuana Dispensary Facility.

(i) No Medical Marijuana Cultivation Facility, Medical Marijuana Dispensary Facility, or Medical Marijuana-Infused/Extraction Products Manufacturing Facility shall assign, sell, give, lease, sublease, or otherwise transfer its license to any other individual or entity for at least five (5) years from the time of the initial application by the licensee, and then not without the express consent of the Research Board, not to be unreasonably withheld. Licenses are transferable upon death by will or inheritance.

(j) No taxes or fees shall be imposed on the sale of medical marijuana except as provided in this Article.

(k) In event subsection (j) of this section 4, immediately above, is found unconstitutional, the taxes imposed pursuant to this section are separate from and in addition to any general state and local sales and use taxes that apply to retail sales of tangible personal property.

(l) All revenues collected from the taxes imposed on the sale of marijuana pursuant to this section must be deposited in the Biomedical Research and Drug Development Institute Trust Fund. All revenues and taxes collected from the issuance of licenses to Medical Marijuana Cultivation Facilities, Medical Marijuana Research Cultivation Facilities, Medical Marijuana-Infused/Extraction Products Manufacturing Facilities, and Medical Marijuana Dispensary Facilities, except as provided elsewhere in this Article XIV, must likewise be deposited in the Biomedical Research and Drug Development Institute Trust Fund.

Section 5. Trust Fund

(a) The "Biomedical Research and Drug Development Institute Trust Fund" is hereby established in the state treasury. Within the Biomedical Research and Drug Development Institute Trust Fund shall be the following accounts which include but are not necessarily limited to:

i. General Purpose Account;

ii. Land Acquisition Account;

iii. Targeted Diseases Account and its sub-accounts; and

iv. Section 10 Account.

(b) Except for repayment of bonds under this Section 5, subsection b, which shall be paid first, at the conclusion of each fiscal year, the state treasurer shall allocate all monies in the Biomedical Research and Drug Development Institute Trust Fund that are not otherwise in an account to the Research Board for disbursement and investment as directed in this section. During the first five (5) years, the monies shall be deposited 50% into the General Purpose Account, 25% into the Land Acquisition Account and 25% into the targeted disease account. Thereafter the Research Board shall direct the percentage of money to be deposited into each account. Monies deposited in the fund shall include but are not limited to the designated funds received from sections 4, 5 and 10 of Article XIV, money transferred from the Research Board and any other amounts which may be received from grants, gifts, devises, bequests, contributions, donations, and money from contracts, from the state or federal government, derivative of intellectual property rights, or any other source. Monies in the fund shall be used solely for the purposes established by this Article XIV.

(c) Monies deposited into the General Purpose Account shall be used for research, presently incurable diseases, targeted diseases, building and construction, the campus, cures, endeavors, jobs, payment and compensation for jobs, administrative expenses, and education in Missouri pursuant to the performed pursuant to this Article XIV. Up to 10% of the annual General Purpose Account may be allocated by the Board to various universities in the State of Missouri with accredited medical or pharmacy schools, or currently existing at the time of passage of this Article XIV independently accredited medical or pharmacy schools within the State of Missouri, for collaborative efforts pursuant to section 10 of Article XIV, and to the development of secondary campuses in Missouri at these in-state universities with accredited medical schools and pharmacy schools, plus up to a further 5% annually maybe allocated for research purposes to various such universities who have developed, or have in the past 12 months before passage of this Article XIV been actively taking steps to develop, including but not limited to providing classes that will count as credit for, graduate programs in biomedical engineering and neuroscience. Additionally, up to 10% more of the General Purpose Account may be allocated by the Research Board to various joint collaborative in-Missouri/non-Missouri research efforts pursuant to section 10 of Article XIV, and up to 2% more of the General Purpose Account may be allocated by the Research Board as grants to Missouri local law enforcement agencies to assist with costs associated with medical marijuana law enforcement and safety.

(d) Monies deposited into the Land Acquisition Account shall be used for Land Acquisition and Land Development. The Land Acquisition Account may receive specific designated grants, gifts, devises, bequests, contributions, donations, and money from contracts, from the state or federal government, derivative of intellectual property rights, or any other source, and such specific designated monies shall be segregated for the Land Acquisition and Land Development, not commingled with other money.

(e) Monies deposited into the Targeted Diseases Account shall be used for research performed by targeted disease research groups, targeted diseases research building and construction, targeted disease research jobs, ancillary activities of the research groups and for support of the research of targeted diseases research groups as set forth in this Article XIV. Individual targeted diseases groups may receive specific designated grants, gifts, bequests, contributions, donations, and money from contracts, from the state or federal government, derivative of intellectual property rights, or any other source, and such specific designated monies shall be segregated into targeted disease sub accounts for that individual targeted disease group, not commingled with other money, and shall be used only for the purposes of that research group.

(f) Except where specifically stated otherwise, all administrative costs, expenses, jobs and compensation for duties performed and incurred under this Article XIV and by the Research Board shall be paid from the General Purpose Account of this fund.

(g) The unexpended balance existing in the fund and any of its accounts at the end of any biennium year shall be exempt from the provisions of section 33.080 relating to the transfer of unexpended balances to the general revenue fund.

(h) All monies deposited in the Biomedical Research and Drug Development Institute Trust Fund and its accounts shall remain separate and apart from the general revenue of the State of Missouri and shall be used only for the purposes of this Article XIV. Monies in the Biomedical Research and Drug Development Institute Trust Fund shall be first used to repay bonds and any other form of indebtedness, if any, issued by the Board for the purposes authorized by Article XIV. The unexpended balances of such monies shall remain in the Biomedical Research and Drug Development Institute Trust Fund and in the particular account in which the monies are placed, and such balances shall not revert to the general revenue fund.

(i) To maintain transparency, each year the Research Board shall publish the itemized income and expenses from the fund and its accounts in a report made available on the Research Board's website using general accepted accounting principles.

Section 6. Land Acquisition.

(a) It is expressly directed and permitted that within the Research Board shall be established a subcommittee known as the Land Acquisition Board. Such subcommittee members shall not receive any additional pay. The Land Acquisition Board shall consist of five individuals, four members of the Research Board selected by the Article XIV Coordinator and the fifth member being the Article XIV Coordinator. The members of the Land Acquisition Board selected by the Article XIV Coordinator shall serve the following initial terms: one shall serve two years, one shall serve three years, and two shall serve four years. Thereafter, each appointment shall be for a term of four years. If for any reason a vacancy occurs, the Article XIV Coordinator shall appoint a new member from within the Research Board to fill the unexpired term. Members are eligible for reappointment. Before the appointments by way of the nonpartisan commission that will fill the Research Board and then in turn the Land Acquisition Board, the Article XIV Coordinator shall appoint four temporary members of the Land Acquisition Board, who may or may not be members of the then existing Research Board, who together shall be the "then existing Land Acquisition Board" and shall have the power and duties of the Land Acquisition Board. Those temporary members shall serve at the same rate as Research Board members so long as there are funds available. If no funds are immediately available, the members may serve with deferred compensation until funds are available and when funds become available the members shall be paid for time served from appointment, and reasonable expenses incurred to effectuate their duties.

(b) The Land Acquisition Board shall make investigations, inquiries, studies and review data to identify no more than five but no less than three potential locations for land development and Land Acquisition and for a campus.

(c) The Land Acquisition Board shall have the authority to promulgate any necessary and supportive rules, regulations and procedures to fulfill its duties and authorized activities under this Article XIV, by and through the Research Board.

(d) The Land Acquisition Board shall report an overview of activities and status of the Land Acquisition Board to the Research Board no less than once every one hundred and twenty days.

(e) No earlier than one year after the Land Acquisition Board is formed, and no later than four years after it is formed, the Land Acquisition Board shall submit a report of final proposed locations for a campus and designated on maps for each proposed location. Such maps shall be drawn, by lines of longitude and latitude or by use of historical boundaries such as state lines, rivers, long standing thoroughfares, and county or city boundaries. The final dimensions and geographic inclusions of the land for campus development, which shall at a minimum include the inner one contiguous square mile, layered by additional increments at two, four, nine, sixteen, twenty five and thirty six contiguous square miles, with thirty six being the maximum that could be purchased pursuant to this Article XIV for campus development, will be determined by the Land Acquisition Board. The proposed locations of the campus and maps must be approved by 2/3 of the Research Board, or if the Research Board is not yet formed then by a unanimous vote of the then-existing Research Board members and the consent of the Governor.

(f) Upon approval pursuant to section 6 subsection (e) in the next general election more than 6 months after the section 6 subsection (e) approval occurs, voters of the affected county or counties, shall have a "yes" or "no" vote on whether they desire to allow the land to be acquired and the campus developed, along with its building and construction and Article XIV activities, on the proposed location that is within their respective county. Maps that include more than one county shall be designated a multi-county map, and the votes of all affected counties within the multi-county map shall be counted as though one county.

(g) The proposed campus location county which receives the most votes by percentage of votes cast, in the respective proposed campus location counties, shall be the approved campus development site.

(h) The question presented to voters pursuant to Section 6, subsection (f) shall be in the following format:

Shall a campus for research, development, building and construction, jobs, cures and education in Missouri for endeavors to find cures for incurable diseases, and all that entails under Article XIV of the Missouri Constitution, be built on the proposed campus development site that includes the county in which I live and will result in land, in and around the vicinity set forth on the Biomedical Research and Drug Development Institute Map below, being affected, and/or purchased from the landowners:

Yes No

[map here]

The amount to be acquired shall be a minimum of one square mile of contiguous property, but otherwise limited only by purchasing funds to a maximum of thirty six contiguous square miles.

(i) As funds become available, the Land Acquisition Board shall have authority to negotiate, acquire, and purchase property for the research campus. The Land Acquisition Board may use any and all legal means to acquire and purchase such property for the campus.

(j) The amount to be acquired for the campus shall be a minimum of one square mile of contiguous property, but otherwise limited only by purchasing funds to a maximum of thirty six square miles of contiguous property. The final dimensions and geographic inclusions of the land for campus development, which shall at a minimum include the inner one contiguous square mile, will be determined by the Land Acquisition Board.

(k) The Land Acquisition Board shall begin acquiring land by purchasing land, as outlined in this section of Article XIV, six (6) months after the general election referenced in section 6(f), takes place, or as soon thereafter as practicable. The purchasing shall proceed in a manner consistent with reasonable campus development.

(l) Clerical, research and general administrative support staff for the Land Acquisition Board shall be provided wages or salaries by the Land Acquisition Account. The Research Board, and the then existing Land Acquisition Board members until the Research Board members are all appointed and fill the Land Acquisition Board, shall have the authority to employ, hire, fire and set wages for all clerical, research and general administrative support staff for the Land Acquisition Board and to fulfill its functions under this Article XIV.

(m) The Land Acquisition Board, until the board is terminated and its powers and duties then transferred to the Research Board, may establish a land use plan and set aside up to twenty five percent of the acquired land for enterprise zones, housing and parks and recreational activities within the campus. Such land, at the Research Board's discretion, may be leased but not purchased from the Research Board.

(n) By unanimous vote of the Land Acquisition Board, upon the final payment for land made, or on January 1, 2028, whichever occurs first, the Land Acquisition Board shall terminate and all powers and duties shall transfer to the Research Board, including but not limited to all those powers and duties under this section 6.

Section 7. Immunities.

(a) Upon passage of this Article XIV, and beginning with its effective date, the use of medical marijuana by a qualifying patient with a valid physician certification shall not be subject to criminal or civil liability or sanctions under Missouri law, except as provided for by this Article XIV. Pending rules for, and issuance of, Qualifying Patient Identification Cards, the use of medical marijuana by a qualifying patient with a valid Physician Certification only, shall be valid in place of the Qualifying Patient Identification Card.

(b) A Medical Marijuana Dispensary Facility may sell medical marijuana or medical marijuana-infused products/extractions to a qualifying patient or designated primary caregiver upon production of a valid qualifying patient identification card or designated primary caregiver identification card, respectively and shall not be subject to criminal or civil liability or sanctions under Missouri law except as provided for by this Article XIV.

(c) Medical marijuana cultivation, transportation, storage, infusion and extraction of products, and sale pursuant to this Article XIV is hereby legal, and shall not be subject to criminal or civil liability or sanctions under Missouri law except as provided for by this Article XIV.

(d) The possession of marijuana, in quantities less than the monthly limit established by the Research Board, shall not subject the possessor to arrest, criminal or civil liability, or sanctions under Missouri law, provided that a valid qualifying patient identification card, a designated primary caregiver identification card, or the equivalent issued to a non-Missouri resident by another state or political subdivision of another state that is that non-Missouri resident's place of residency, is produced upon demand.

(e) A physician shall not be subject to criminal or civil liability or sanctions under Missouri law or discipline by the Missouri State Board of Registration for the Healing Arts, or other agency, for issuing a physician certification or recommending the use of Medical Marijuana to a person diagnosed with a qualifying medical condition in a manner consistent with this Article.

(f) A health care provider, including but not limited to any pharmacist, shall not be subject to professional discipline, or to criminal or civil liability or sanctions under Missouri law, for providing health care services that involve the medical use of marijuana consistent with this Article.

(g) A designated primary caregiver shall not be subject to criminal or civil liability or sanctions under Missouri law for purchasing or administering marijuana for medical use by a qualifying patient in a manner consistent with this Article. No individual shall serve as the designated primary caregiver for more than three (3) qualifying patients at one time.

(h) Actions and conduct by a Medical Marijuana Cultivation Facility, Medical Marijuana Research Cultivation Facility, Medical Marijuana Dispensary Facility or a Medical Marijuana-Infused/Extraction Products Manufacturing Facility, licensed and registered with the Research Board, or employees of such facilities, pursuant to and as permitted by this Article and in compliance with Research Board regulations, shall not be subject to criminal or civil liability or sanctions relating to marijuana under Missouri law except as provided for by this Article.

i. A Medical Marijuana Cultivation Facility, Medical Marijuana Research Cultivation Facility, Medical Marijuana Dispensary Facility or Medical Marijuana-Infused Product Manufacturing Facility who allows any license under this Article to lapse or expire through failure to timely renew or reapply for such license shall still be subject to the protections of this Article, provided the licensee obtain a valid license within ninety (90) days of the date of the lapse or expiration of the prior license and pay all fines called for in this Article.

ii. A Medical Marijuana Cultivation Facility, Medical Marijuana Research Cultivation Facility, Medical Marijuana Dispensary Facility or Medical Marijuana-Infused/Extraction Products Manufacturing Facility who allows any license under this Article to lapse or expire through failure to timely renew or reapply for such license shall be subject to and must pay a fine of $5,000 if a valid license is obtained within ninety (90) days of the lapse or expiration of the prior license.

(i) There shall be no immunities for negligence, either common law or statutorily created, nor criminal immunities for operating a

vehicle, aircraft, dangerous device, or navigating a boat, under the influence of marijuana, and except as specifically set out in this Article the use of marijuana shall not be a defense to any civil liability or criminal activity.

(j) Missouri attorneys providing legal advice or representation relative to this Article XIV shall not be subject to professional discipline, or to criminal or civil liability or sanctions under Missouri law for providing such legal advice or representation.

(k) Patient information under this Article shall be afforded the same protection and confidentiality under the law as other patient medical information.

(l) No patient shall be denied access to medical care or priority for an organ transplant because they hold a qualifying patient identification card or use marijuana for medical use.

(m) No patient shall be denied Medicaid or other medical insurance or other governmental benefits because they hold a qualifying patient identification card or use marijuana for medical use.

(n) No testing laboratory shall be subject to civil or criminal prosecution, denial of any right or privilege, civil or administrative penalty or sanction, or disciplinary action by any accreditation or licensing board or commission for providing laboratory testing services that relate to the medical use of marijuana consistent with this Article XIV and otherwise meeting legal standards of professional conduct.

(o) No health care provider shall be subject to mandatory reporting requirements for the medical use of marijuana by non-emancipated qualifying patients under eighteen years of age in a manner consistent with this Article XIV and with consent of a parent or guardian.

(p) Subject to provisions to the contrary within this Article XIV, any individual acting within the scope of this Article XIV shall not be subject to professional discipline, or to criminal or civil liability or sanctions under Missouri law for actions authorized within this Article XIV.

Section 8. Legislation.

(a) Nothing in this Article shall limit the legislature from enacting laws consistent with this Article, or otherwise effectuating this Article, but the legislature shall not be allowed to enact laws to hinder the effectiveness of this Article or otherwise alter this Article. Except as specifically provided in this Article, nothing in this Article shall limit the authority of a municipality or county under its land planning and zoning regulations to restrict the location, but not the number of or presence in a municipality or county of Medical Marijuana Cultivation Facilities, Medical Marijuana Research Cultivation Facility, Medical Marijuana Dispensary Facilities or Medical Marijuana-Infused/ Extraction Products Manufacturing Facilities.

(b) No elected official shall interfere directly or indirectly with the Research Board's obligations and activities under this Article XIV.

Section 9. Limitations and Other Provisions.

(a) Nothing in this Article permits a person to:

i. Undertake any task under the influence of marijuana when doing so would constitute negligence or professional malpractice; or
ii. Operate, navigate, or be in actual physical control of any dangerous device or motor vehicle, aircraft or motorboat while under the influence of marijuana; or
iii. Bring a claim against any employer, former employer or prospective employer for wrongful discharge, discrimination, or any similar cause of action or remedy, based on the employer, former employer or prospective employer prohibiting the employee, former employee or prospective employee from being under the influence of marijuana while at work or disciplining the employer or former employee, up to and including termination from employment, for working or attempting to work while under the influence of marijuana; or
iv. Consume, smoke, or use marijuana in a jail, prison, or other correctional facility; or
v. Consume, smoke, or use marijuana in a drug rehabilitation facility; or
vi. Consume, smoke, or use marijuana in a hospital or medical facility without a hospital or facility's consent; or
vii. Consume, smoke or use marijuana in a public place, including specifically, but not limited to, sidewalks, parks, playgrounds, sporting facilities, businesses, airports, bus stations, trains, casinos, government buildings, churches, synagogues or mosques; or
viii. Undertake growing or processing marijuana in a negligent or dangerous manner.

(b) A physician certification may only be given after the physician has conducted a full assessment of the patient's medical history and an in-person physical examination. A physician certification may be valid for up to twenty four (24) months.

(c) No Medical Marijuana Cultivation Facility, Medical Marijuana Research Cultivation Facility, Medical Marijuana Dispensary Facility or Medical Marijuana-Infused/Extraction Products Manufacturing Facility shall be owned, in whole or in part, or have as an officer, director, board member, manager or employee, any individual who has been convicted of a felony. However, the Research Board may on a case by case basis find an exception based upon letters of recommendation and proof of rehabilitation by community service and lack of subsequent convictions if:

i. The person's conviction was for the medical use of marijuana or assisting in the medical use of marijuana; or
ii. The person's conviction was for a non-violent crime for which the person was not incarcerated in the Missouri Department of Corrections, or its equivalent in other jurisdictions, that is more than ten (10) years old; or
iii. The person's conviction was for a non-violent crime for which the person was incarcerated in the Missouri Department of Corrections, or its equivalent in other jurisdictions, that is more than fifteen (15) years old; provided that at least five (5) years has elapsed since that person's release from incarceration.

(d) A Medical Marijuana Cultivation Facility and Medical Marijuana Research Cultivation Facility shall not be owned or controlled, in whole or in part, by any person who has not been a resident of Missouri for at one year prior to the date of the Medical Marijuana Cultivation Facility's application.

(e) No marijuana or medical marijuana-infused product may be brought into the State of Missouri from outside of the state for use, sale, distribution, or otherwise.

(f) No Medical Marijuana Cultivation Facility, Medical Marijuana Research Cultivation Facility, Medical Marijuana Dispensary Facility or Medical Marijuana-Infused/Extraction Products Manufacturing Facility shall manufacture, package or label marijuana or marijuana-infused products in a false, misleading or confusing manner or in any manner likely to cause confusion between the marijuana or marijuana-infused product and any product not containing marijuana.

(g) All edible marijuana-infused product must be sold in individual child-resistant re-closeable containers that are labeled with dosage amounts, instructions for use, and estimated length of effectiveness. All marijuana and marijuana-infused products must be sold in containers clearly and consciously labeled, in a font size at least as large as the largest other font size used on the package, as containing "Marijuana," or a "Marijuana-Infused/extraction Product." The product itself must additionally be imprinted with the conspicuous lettering "THC", when practicable. A label of at least 12 point bold font must be used alerting patients if processed or packed with nuts or allergens, or in a facility where nuts or other allergens are processed or used.

(h) No poisonous or deleterious substances shall be added to any marijuana or marijuana-infused/ extracted product. Doing so shall be punishable by law as established by the State of Missouri.

(i) It shall be the responsibility of the Medical Marijuana Cultivation Facility, Medical Marijuana Research Cultivation Facility, Medical Marijuana Dispensary Facility and Medical Marijuana-Infused/Extraction Products Facility to provide each subsequent person or entity in the stream of commerce a listing of all substances used in the growth and processing of marijuana, other than soil, water, and seed. All Marijuana sold for approved methods, in addition to other labels required by this Article XIV, subject to modification by the Research Board, shall be labeled or include the following information on package inserts, in at least 8 point type:

i. "GOVERNMENT WARNING: THIS PACKAGE CONTAINS MARIJUANA, A CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. MARIJUANA MAY ONLY BE CONSUMED BY A QUALIFYING PATIENT WITH A QUALIFYING PATIENT IDENTIFICATION CARD. MARIJUANA USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF MARIJUANA IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. DO NOT USE WHEN OPERATING A MOTOR VEHICLE OR DANGEROUS MACHINERY. THE INTOXICATING EFFECTS OF INGESTED MARIJUANA PRODUCTS MAY BE DELAYED UP TO TWO HOURS."
ii. For packages containing only dried flower, the net weight of marijuana in the package.
iii. Identification of the source and date of cultivation, the type of marijuana, or for marijuana infused products the date of manufacturing and packaging.
iv. The appellation of origin, if any.
v. List of pharmacologically active ingredients, by percentage, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CED), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total, and the potency of the marijuana or marijuana product by reference to the amount of tetrahydrocannabinol and cannabidiol in each serving.
vi. For marijuana infused products, a list of all ingredients and disclosure of nutritional information.
vii. A list of any solvents, nonorganic pesticides, herbicides, and fertilizers that were used in the cultivation, production, and manufacture of such marijuana or marijuana product.
viii. A warning if nuts or other known allergens are used in the product, or place of processing or sale.

(j) No Medical Marijuana Cultivation Facility, Medical Marijuana Research Cultivation Facility, Medical Marijuana Dispensary Facility or Medical Marijuana-Infused/Extraction Products Manufacturing Facility shall assign, sell, give, lease, sublicense, or otherwise transfer its license to any other facility, person, or entity except as provided in this Article XIV.

(k) This Article XIV shall not be construed as requiring health insurance companies to provide coverage for medical marijuana use.

(l) No new license shall be granted to any Medical Marijuana Cultivation Facility, Medical Marijuana Research Cultivation Facility, Medical Marijuana Dispensary Facility or Medical Marijuana-Infused/Extraction Products Manufacturing Facility that is located within one thousand feet of any then-existing school, group day care home, child day care center, church, synagogue or mosque.

(m) A physician:

i. shall not issue physician certifications for the use of medical marijuana exceeding twenty five percent (25%) of the number of prescriptions written by that physician in the same calendar year; and
ii. shall not have an income from treating qualifying patients with primarily medical marijuana exceeding twenty five percent (25%) of the physician's gross income.

(n) It is the public policy of the state of Missouri that contracts related to marijuana for medical use that are entered into by Qualifying Patients, Designated Primary Caregivers, Medical Marijuana Cultivation Facilities, Medical Marijuana Research Cultivation Facilities, Medical Marijuana-Infused/Extraction Products Manufacturing Facilities, or Medical Marijuana Dispensary Facilities and those who allow property to be used by those entities, should be enforceable. It is the public policy of the state of Missouri that no contract entered into by Qualifying Patients, Designated Primary Caregivers, Medical Marijuana Research Cultivation Facility, Medical Marijuana Cultivation Facilities, Medical Marijuana-Infused/ Extraction Products Manufacturing Facilities, or Medical Marijuana Dispensary Facilities, or by a person who allows property to be used for activities that are exempt from state criminal penalties by this Article XIV, shall be unenforceable on the basis that activities related to medical marijuana may be prohibited by federal law.

(o) Marijuana cultivation of all types must occur indoors in an enclosed, locked facility: a warehouse, room, greenhouse, or other enclosed area equipped with locks or other security devices that permit access only by authorized personnel, Research Board requirements, and meeting industry standards for safety and safe use of electricity.

(p) Real and personal property used in the cultivation, manufacture, transport, testing, distribution, sale, and administration of marijuana for medical use or for activities otherwise in compliance with this Article XIV shall not be subject to asset forfeiture solely because of that use.

(q) The Research Board may require Medical Marijuana Dispensary Facility to have, on call during all operating hours, an individual licensed in Missouri to the practice of pharmacy as defined in Chapter 338 of the Revised Statutes of Missouri who is available for on-site or telephone consultation within thirty (30) minutes.

Section 10. Public-Private Collaborative Ventures.

(a) The Research Board may enter into leases of property owned or to be acquired by the Research Board on the campus with participating research entities for building and construction, jobs, education, research to find cures, and in such endeavors enter into contracts for joint ventures and collaborative efforts and to find cures and treatments for presently incurable diseases and targeted diseases and to develop cures that may be discovered, improved or patented, in whole or part, and lease property for reasonable campus development and pursuant to this Article XIV.

(b) Any participating research entities, whether public, private, quasi-public or quasi-private, which develops cures or treatments which occurs in whole or part, directly or indirectly, by having its presence on the Biomedical Research and Drug Development Institute campus or in participation by written agreement with the Research Board, shall pay to the Biomedical Research and Drug Development Trust Fund - Section 10 Account an agreed upon contractual amount but if no contract has been entered into as to an amount, then the greater of three percent of all gross revenues or seventeen percent of all profits derived from the participating research entities cures or treatments, whether such monies were produced, earned, derivative, interest or otherwise received. All contracts when practicable shall be published on the Research Board's website at least 14 calendar days before any contract is finalized and published again after the contract is finalized.

(c) The Research Board may, along with or in conjunction with the participating research entity, or other entities, or on its own, make, produce, develop, market, distribute, license, and sell cures, goods, services and products, both of a medical and non-medical nature.

(d) All participating research entities shall establish a physical presence in Missouri, be licensed to do business in the State of Missouri and consent to jurisdiction of Missouri courts, and all contracts shall be governed by Missouri law.

(e) Participating research entities shall not provide anything of value to any member of the Research Board or their employees that could influence academic or research freedom, or otherwise interfere with the academic or research freedom of any member of the Research Board, nor to targeted disease groups or panels. Participating research entities who violate this prohibition shall have leases voided, and shall surrender all profits derived from the participating cures and treatments produced, earned or received, to the State of Missouri, and shall be liable for any actual and consequential damages and in appropriate circumstances also punitive damages, to the Research Board with all such damage awards being credited to the Biomedical Research and Drug Development Trust Fund - Section 10 Account.

(f) Any monies received pursuant to this section 10 shall be paid into the Biomedical Research and Drug Development Institute Trust Fund - Section 10 Account and annually disbursed by the following formula:

i. Fifty percent (50%) to the Biomedical Research and Drug Development Institute Trust Fund General Purpose Account;
ii. Twenty-five percent (25%) to general revenue of the State of Missouri with
(a) 1/4 of this 25% for the exclusive purpose of funding Missouri state roads and bridges infrastructure repairs,
(b) 1/4 of this 25% for the exclusive purpose of funding public pre-school programs, public elementary and secondary school programs, and to provide grants to in-state Missouri students to attend state institutions of higher education governed at the time of the enactment of this Article XIV by sections of 174.020 to 174.500 Revised Statutes of Missouri and chapter 172 Revised Statutes of Missouri., and
(c) 1/4 of this 25% for the exclusive purpose of funding medical care for Missouri residents;
(d) 1/4 of this 25% to fund Missouri public employee retirement trust funds; and
iii. Twenty-five percent (25%) to be refunded to Missouri state income tax paying citizens, refunded equally to all citizens of Missouri who have paid state income taxes of more than five hundred dollars ($500) or more in the year prior to the payments being received by the Research Board pursuant to this section 10, up to the total amount of state income tax paid by such Missouri citizen in that year. Any residual amounts above and beyond the tax refund shall be paid equally to all Missouri state income tax paying Missouri residents. The refund check to Missouri citizens shall clearly state "Research Board Tax Refund".

(g) All contracts entered into pursuant to this section 10 and this Article XIV shall require that any cures obtained pursuant to section 10 and this Article XIV shall be made available to the residents of the State of Missouri at cost, with no mark-up.

Section 11. Effective Date.

(a) The provisions of this Article shall become effective on December 31, 2018.

Section 12. Severability.

(a) All of the provisions of this Article, all sections, all subsections and all clauses and phrases shall be self-enforcing. All of the sections, subsections, provisions, clauses, phrases, and words within them are severable. If any of the sections, subsections, provisions, clauses, phrases, or words within them are found by a court of competent jurisdiction to be unconstitutional or unconstitutionally enacted, the remaining sections, subsections, provisions, clauses, phrases, or words within them shall be and remain valid. If any appointment or selection pursuant to this Article, except 3(k)i-iii, are found by a court of competent jurisdiction to be unconstitutional or unconstitutionally enacted, the appointment and selection, subject to any valid qualification requirement, shall be made by the Governor with the consent of a majority of the Senate. If all appointments or selections pursuant to 3(k)i-iii. are found by a court of competent jurisdiction to be unconstitutional or unconstitutionally enacted, the appointment and selection, subject to any valid qualification requirement, shall be made by the Governor with the consent of a majority of the Senate.

STATE OF MISSOURI } SS
Secretary of State }

I, John R. Ashcroft, Secretary of State of the State of Missouri, hereby certify that the foregoing is a full, true and complete copy of Constitutional Amendment No. 3, to be submitted to the qualified voters of the State of Missouri at the General Election to be held the sixth day of November, 2018.

In TESTIMONY WHEREOF, I hereunto set my hand and affix the Great Seal of the State of Missouri, done at the City of Jefferson, this 28th day of August, 2018.

JOHN R. ASHCROFT
Secretary of State

CONSTITUTIONAL AMENDMENT NO. 4

[Proposed by the 99th General Assembly (Second Regular Session) HJR 59]

OFFICIAL BALLOT TITLE:

Do you want to amend the Missouri constitution to:

- **remove language limiting bingo game advertising that a court ruled unenforceable; and**
- **allow a member of a licensed organization conducting bingo games to participate in the management of bingogames after being a member of the organization for six months instead of the current two years?**

State and local governmental entities estimate no costs or savings from this proposal.

Submitting to the qualified voters of Missouri an amendment repealing section 39(a) of article III of the Constitution of Missouri, and adopting one new section in lieu thereof relating to bingo.

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2018, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to article III of the Constitution of the state of Missouri:

Section A. Section 39(a), article III, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as section 39(a), to read as follows:

Section 39(a). The game commonly known as bingo when conducted by religious, charitable, fraternal, veteran or service organizations is not a lottery or gift enterprise within the meaning of subdivision (9) of section 39 of this article if the general assembly authorizes by law that religious, charitable, fraternal, service, or veteran organizations may conduct the game commonly known as bingo, upon the payment of the license fee and the issuance of the license as provided for by law. Any such law shall include the following requirements:

(1) All net receipts over and above the actual cost of conducting the game as set by law shall be used only for charitable, religious or philanthropic purposes, and no receipts shall be used to compensate in any manner any person who works for or is in any way affiliated with the licensed organization;

(2) No license shall be granted to any organization unless it has been in continuous existence for at least five years immediately prior to the application for the license. An organization must have twenty bona fide members to be considered to be in existence;

(3) No person shall participate in the management, conduct or operation of any game unless that person:

(a) Has been a bona fide member of the licensed organization for the [two years] six months immediately preceding such participation, and volunteers the time and service necessary to conduct the game;

(b) Is not a paid staff person for the licensed organization;

(c) Is not and has never been a professional gambler or gambling promoter;

(d) Has never purchased a tax stamp for wagering or gambling activity;

(e) Has never been convicted of any felony;

(f) Has never been convicted of or pleaded nolo contendere to any illegal gambling activity;

(g) Is of good moral character;

(4) Any person, any officer or director of any firm or corporation, and any partner of any partnership renting or leasing to a licensed organization any equipment or premises for use in a game shall meet all of the qualifications of paragraph (3) except subparagraph (a);

(5) No lease, rental arrangement or purchase arrangement for any equipment or premise for use in a game shall provide for payment in excess of the reasonable market rental rate for such premises and in no case shall any payment based on a percentage of the gross receipts or proceeds be permitted;

(6) No person, firm, partnership or corporation shall receive any remuneration or profit for participating in the management, conduct or operation of the game;

(7) **[**No advertising of any game shall be permitted except on the premises of the licensed organization or through ordinary communications between the organization and its members;

(8)**]** Any other requirement the general assembly finds necessary to insure that any games are conducted solely for the benefit of the eligible organizations and the general community.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in bold-face type in the above bill is proposed language.

STATE OF MISSOURI } SS
Secretary of State }

I, John R. Ashcroft, Secretary of State of the State of Missouri, hereby certify that the foregoing is a full, true and complete copy of Constitutional Amendment No. 4, to be submitted to the qualified voters of the State of Missouri at the General Election to be held the sixth day of November, 2018.

In TESTIMONY WHEREOF, I hereunto set my hand and affix the Great Seal of the State of Missouri, done at the City of Jefferson, this 28th day of August, 2018.

JOHN R. ASHCROFT
Secretary of State

PROPOSITION B

[Proposed by Initiative Petition]

OFFICIAL BALLOT TITLE:

Do you want to amend Missouri law to:

- **increase the state minimum wage to $8.60 per hour with 85 cents per hour increase each year until 2023, when the state minimum wage would be $12.00 per hour;**
- **exempt government employers from the above increase; and**
- **increase the penalty for paying employees less than the minimum wage?**

State and local governments estimate no direct costs or savings from the proposal, but operating costs could increase by an unknown annual amount that could be significant. State and local government tax revenue could change by an unknown annual amount ranging from a $2.9 million decrease to a $214 million increase depending on business decisions.

Be it enacted by the people of the state of Missouri:

Sections 290.502 and 290.527 of the Revised Statutes of Missouri are amended and a new section to be known as section 290.529 is enacted to read as follows:

290.502. 1. Except as may be otherwise provided pursuant to sections 290.500 to 290.530, effective January l, 2007, every employer shall pay to each employee wages at the rate of $6.50 per hour, or wages at the same rate or rates set under the provisions of federal law as the prevailing federal minimum wage applicable to those covered jobs in interstate commerce, whichever rate per hour is higher.

2. The minimum wage shall be increased or decreased on January l, 2008, and on January 1 of successive years, by the increase or decrease in the cost of living. On September 30, 2007, and on each September 30 of each successive year, the director shall measure the increase or decrease in the cost of living by the percentage increase or decrease as of the preceding July over the level as of July of the immediately preceding year of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) or successor index as published by the U.S. Department of Labor or its successor agency, with the amount of the minimum wage increase or decrease rounded to the nearest five cents.

3. Except as may be otherwise provided pursuant to sections 290.500 to 290.530, and notwithstanding subsection (1) of this section, effective January 1, 2019, every employer shall pay to each employee wages at the rate of not less than $8.60 per hour, or wages at the same rate or rates set under the provisions of federal law as the prevailing federal minimum wage applicable to those covered jobs in interstate commerce, whichever rate per hour is higher. Thereafter, the minimum wage established by this subsection shall be increased each year by $.85 per hour, effective January 1 of each of the next four years, until it reaches $12.00 per hour, effective January 1, 2023. Thereafter, the minimum wage established by this subsection shall be increased or decreased on January l, 2024, and on January 1 of successive years, per the method set forth in subsection (2) of this section. If at any time the federal minimum wage rate is above or is thereafter increased above the minimum wage then in effect under this subsection, the minimum wage required by this subsection shall continue to be increased pursuant to this subsection (3), but the higher federal rate shall immediately become the minimum wage required by this subsection and shall be increased or decreased per the method set forth in subsection (2) for so long as it remains higher than the state minimum wage required and increased pursuant to this subsection.

4. For purposes of this section, the term "public employer" means an employer that is the state or a political subdivision of the state, including a department, agency, officer, bureau, division, board, commission, or instrumentality of the state, or a city, county, town, village, school district, or other political subdivision of the state. Subsection (3) of this section shall not apply to a public employer with respect to its employees. Any public employer that is subject to subsections (1) and (2) of this section shall continue to be subject to those subsections.

290.527. Any employer who pays any employee less wages than the wages to which the employee is entitled under or by virtue of sections 290.500 to 290.530 shall be liable to the employee affected for the full amount of the wage rate and an additional [equal] amount equal to twice the unpaid wages as liquidated damages, less any amount actually paid to the employee by the employer and for costs and such reasonable attorney fees as may be allowed by the court or jury. The employee may bring any legal action necessary to collect the claim. Any agreement between the employee and the employer to work for less than the wage rate shall be no defense to the action. All actions for the collection of any deficiency in wages shall be commenced within [two] three years of the accrual of the cause of action.

290.529. Except in the circumstances set forth in section 290.523, all the provisions of sections 290.500 to 290.530 are severable. If any provision, including any section, subsection, subdivision, paragraph, sentence, or clause, of sections 290.500 to 290.530, or the application thereof to any person or circumstance, is found by a court of competent jurisdiction to be invalid, unconstitutional, or unconstitutionally enacted, such decision shall not affect other provisions or applications of sections 290.500 to 290.530 that can be given effect without the invalid, unconstitutional, or unconstitutionally enacted provision or application.

STATE OF MISSOURI } SS
Secretary of State }

I, John R. Ashcroft, Secretary of State of the State of Missouri, hereby certify that the foregoing is a full, true and complete copy of Proposition B, to be submitted to the qualified voters of the State of Missouri at the General Election to be held the sixth day of November, 2018.

In TESTIMONY WHEREOF, I hereunto set my hand and affix the Great Seal of the State of Missouri, done at the City of Jefferson, this

28th day of August, 2018.

JOHN R. ASHCROFT
Secretary of State

PROPOSITION C
[Proposed by Initiative Petition]
OFFICIAL BALLOT TITLE:
Do you want to amend Missouri law to:

- **remove state prohibitions on personal use and possession of medical cannabis (marijuana) with a written certification by a physician who treats a patient diagnosed with a qualifying medical condition;**
- **remove state prohibitions on growth, possession, production, and sale of medical marijuana by licensed and regulated facilities, and a facility's licensed owners and employees;**
- **impose a 2% tax on the retail sale of medical marijuana; and**
- **use funds from this tax for veterans' services, drug treatment, early childhood education, and for public safety in cities with a medical marijuana facility?**

State government entities estimate initial and one-time costs of $2.6 million, annual costs of $10 million, and annual revenues of at least $10 million. Local government entities estimate no annual costs and are expected to have at least $152,000 in annual revenues.

Be it enacted by the People of the state of Missouri:

Section A. Sections 192.005, 263.250, 311.610, 311.620, 311.630 and 311.660 RSMo, are amended and thirty-three new sections are enacted to be known as sections 195.018, 195.900, 195.903, 195.906, 195.909, 195.912, 195.915, 195.918, 195.921, 195.924, 195.927, 195.930, 195.933, 195.936, 195.939, 195.942, 195.945, 195.948,195.951, 195.954, 195.957, 195.960, 195.961, 195.963, 195.966, 195.969, 195.972, 195.975, 195.978, 195.981, 195.982, 195.984 and 195.985 to read as follows:

192.005. There is hereby created and established as a department of state government the "Department of Health and Senior Services". The department of health and senior services shall supervise and manage all public health functions and programs. The department shall be governed by the provisions of the Omnibus State Reorganization Act of 1974, Appendix B, RSMo, unless otherwise provided in sections 192.005 to 192.014. The division of health of the department of social services, chapter 191, this chapter, and others, including, but not limited to, such agencies and functions as the state health planning and development agency, the crippled children's service*, chapter 201, the bureau and the program for the prevention of developmental disability, the hospital subsidy program, chapter 189, the state board of health, section 191.400, the student loan program, sections 191.500 to 191.550, the family practice residency program, the licensure and certification of hospitals, chapter 197, the Missouri chest hospital, sections 199.010 to 199.070**, are hereby transferred to the department of health and senior services by a type I transfer, and the state cancer center and cancer commission, chapter 200, is hereby transferred to the department of health and senior services by a type III transfer as such transfers are defined in section 1 of the Omnibus State Reorganization Act of 1974, Appendix B, RSMo Supp. 1984. The provisions of section 1 of the Omnibus State Reorganization Act of 1974, Appendix B, RSMo Supp. 1984, relating to the manner and procedures for transfers of state agencies shall apply to the transfers provided in this section. The division of health of the department of social services is abolished. The department of health and senior services shall have the duties and powers set forth in sections 195.900 to 195.985.

195.018. The provisions of section 195.017 shall not apply to any product used as authorized by sections 195.900 to 195.985.

195.900. 1. Sections 195.900 to 195.985 shall be known and may be cited as the "Missouri Patient Care Act".

2. (1) Sections 195.900 to 195.985 shall be deemed an exercise of the police powers of the state for the protection of the economic and social welfare and the health, peace, and morals of the people of this state.

(2) It shall be unlawful under state law to cultivate, manufacture, distribute, test, possess, or sell medical cannabis, except in compliance with the terms, conditions, limitations, and restrictions in sections 195.900 to 195.985.

(3) This section is intended to permit state-licensed physicians to certify that a patient has a qualifying medical condition and that the physician is treating or managing treatment of the patient's qualifying medical condition in the course of a bona fide physician-patient relationship, after the physician has completed an assessment of the qualifying patient's medical history, reviewed relevant records related to the patient's qualifying medical condition, and conducted a physical examination.

(4) This section is intended to make only those changes to Missouri laws that are necessary to protect patients, their caregivers, and their physicians from civil and criminal penalties, and to allow for the limited legal production, distribution, sale, possession, and purchase of cannabis for medical use. This section is not intended to change current civil and criminal laws governing the use of cannabis for nonmedical purposes. The section does not allow for the public use of cannabis and driving under the influence of cannabis.

3. As used in sections 195.900 to 195.985, the following terms shall mean:

(1) "Adequate supply", 2.5 ounces of cannabis flower or its equivalent in cannabis concentrate or cannabis product during a period of fourteen days and that is derived solely from a licensed intrastate source. Subject to the rules of the department of health and senior services, a patient may apply for a waiver to possess more than 2.5 ounces for a fourteen-day period if a physician provides a substantial medical basis in a signed written statement asserting that, based on the patient's medical history and in the physician's professional judgment, 2.5 ounces is an insufficient adequate supply for a fourteen-day period to properly alleviate the patient's qualifying medical condition or symptoms associated with the qualifying medical condition. A qualifying patient may possess no more than a sixty-day supply of cannabis flower or its equivalent in cannabis concentrate or cannabis product.

(2) "Administer", the direct application of cannabis to a qualifying patient by way of any of the following methods:

(a) Ingestion of capsules, teas, oils, and other cannabis-infused products;

(b) Vaporization or smoking of dried flowers, buds, plant material, extracts, or oils;

(c) Application of ointments or balms;

(d) Transdermal patches and suppositories;

(e) Consuming cannabis-infused food products: or

(f) Any other method recommended by a qualifying patient's physician.

(3) "Cannabis", all parts of the plant genus Cannabis in any species or form thereof, including, but not limited to, Cannabis Sativa L., Cannabis Indica, Cannabis Americana, Cannabis Ruderalis, and Cannabis Gigantea, whether growing or not, the seeds thereof, the resin extracted from any part of the plant; and every compound, manufacture, derivative, mixture, or preparation of the plant, its seeds or resin. It does not include the mature stalks of the plant; fiber produced from the stalks; oil or cake made from the seeds of the plant; any other compound, manufacture, salt derivative, mixture, or preparation of the mature stalks except the resin extracted therefrom: fiber, oil, or cake; or the sterilized seed of the plant which is incapable of germination.

(4) "Cannabis plant monitoring system", an electronic seed-to-sale tracking system that includes, but is not limited to, testing and data collection established and maintained by the licensed medical cannabis cultivation and production facility and the medical cannabis center and available to the division for the purposes of documenting each cannabis plant and for monitoring plant development throughout the life cycle of a cannabis plant cultivated for the intended use by a qualifying patient from seed planting, cloning, or other method of propagation, to final packaging and sale to a qualifying patient.

(5) "Cannabis products", concentrated cannabis, cannabis extracts, and products that are infused with cannabis or an extract thereof and are intended for use or consumption. The term includes, without limitation, edible cannabis products, beverages, topical products, ointments, oils, and tinctures.

(6) "Caregiver", a natural person, other than the qualifying patient or the qualifying patient's physician, who is twenty-one years of age or older and has significant responsibility for managing the well-being of a qualifying patient and who is designated as such on the caregiver's application for an identification card under this section.

(7) "Department", the department of health and senior services.

(8) "Division", the division of alcohol and tobacco control within the department of public safety.

(9) "Entity", a natural person, corporation, professional corporation, nonprofit corporation, cooperative corporation, unincorporated association, business trust, limited liability company, general or limited partnership, limited liability partnership, joint venture, or any other entity.

(10) "Good cause", for purposes of refusing or denying a license renewal, reinstatement, or initial license issuance:

(a) The license applicant has violated, does not meet, or has failed to comply with any of the terms, conditions, or provisions of sections 195.900 to 195.985, any rules promulgated thereunder, or any supplemental local law, rules, or regulations:

(b) 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 state or local licensing authority; or

(c) The licensed premises have been operated in a manner that adversely affects the public health or welfare or the safety of the immediate neighborhood in which the establishment is located.

(11) "License", a license or registration under sections 195.900 to 195.985.

(12) "Licensed premises", the premises specified in an application for a license under sections 195.900 to 195.985, which are owned or in possession of the licensee and within which the licensee is authorized to cultivate, manufacture, distribute, test, possess, or sell medical cannabis in accordance with the provisions of sections 195.900 to 195.985.

(13) "Licensee", a person licensed or registered under sections 195.900 to 195.985.

(14) "Limited access area", a building, room, or other contiguous area upon the licensed premises where medical cannabis is grown, cultivated, stored, weighed, displayed, packaged, sold, or possessed for sale, under control of the licensee, with limited access to only those persons licensed by the division, and visitors and vendors as provided by rule. All areas of ingress or egress to limited access areas shall be clearly identified as such by a sign as designated by the division.

(15) "Local licensing authority", an authority designated by municipal or county charter or ordinance.

(16) "Medical cannabis", cannabis that is grown and sold under sections 195.900 to 195.985 for a purpose authorized under sections 195.900 to 195.985.

(17) "Medical cannabis center", a person licensed under sections 195.900 to 195.985 to operate a business as described in sections 195.900 to 195.985 that acquires, possesses, stores, delivers, transfer, transports, sells, supplies or dispenses cannabis, cannabis products, medical cannabis, paraphernalia or related supplies to registered qualifying patients or caregivers, or other licensed medical cannabis centers.

(18) "Medical cannabis cultivation and production facility", a person licensed under sections 195.900 to 195.985 to operate a business as described in section 195.954.

(19) "Medical cannabis-infused product", a product infused with medical cannabis that is intended for use or consumption other than by smoking, including, but not limited to edible cannabis products, beverages, topical products, ointments, oils, and tinctures or smokeless vaporizing devices. Such products, when manufactured or sold by a licensed medical cannabis center, shall not be considered a drug for the purposes of chapter 196.

(20) "Medical cannabis testing facility", an independent entity licensed, approved, and certified by the division pursuant to this act to analyze the safety and potency of cannabis and as otherwise provided under sections 195.900 to 195.985.

(21) "Medical use", the production, possession, distribution, transportation, or administration of cannabis or a cannabis-infused product, for the benefit of a qualifying patient to mitigate the symptoms or effects of the patient's qualifying medical condition.

(22) "Person", a natural person, partnership, association, company, corporation, limited liability company, or organization, or a manager, agent, owner, director, servant, officer, or employee thereof.

(23) "Premises", a distinct and definite location, which may include a building, a part of a building, a room, or any other definite contiguous area.

(24) "Qualifying medical condition", the condition of, symptoms related to, or side-effects from the treatment of:

(a) Cancer;

(b) Epilepsy;

(c) Glaucoma;

(d) Intractable migraines unresponsive to other treatment;

(e) A chronic medical condition that causes severe, persistent pain or persistent muscle spasms, including, but not limited to, those associated with multiple sclerosis, seizures, Parkinson's disease, and Tourette's syndrome;

(f) Debilitating psychiatric disorders, including, but not limited to, post-traumatic stress disorder, if diagnosed by a state licensed psychiatrist;

(g) Human immunodeficiency virus or acquired immune deficiency syndrome;

(h) A chronic medical condition that is normally treated with a prescription medication that could lead to physical or psychological dependence, when a physician determines that medical use of cannabis could be effective in treating that condition and would serve as a safer alternative to the prescription medication;

(i) Any terminal illness; or

(j) In the professional judgment of a physician, any other chronic, debilitating or other medical condition, including, but not limited to, hepatitis C, amyotrophic lateral sclerosis (ALS), inflammatory bowel disease, Crohn's disease, Huntington's disease, autism, neuropathies, sickle cell anemia, agitation of Alzheimer's disease, cachexia, and wasting syndrome.

(25) "Qualifying patient", a Missouri resident diagnosed with at least one qualifying medical condition.

(26) "Smokeless vaporizing device", a medical-grade vaporizer delivery device capable of administering the active ingredients of a metered dose of medical cannabis via inhalation without combustion by-products.

(27) "State licensing authority", the division of alcohol and tobacco control which is responsible for regulating and controlling the licensing of the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis in this state.

(28) "Written certification", a document dated and signed by a physician, stating:

(a) That the qualifying patient has a qualifying medical condition and specifying the qualifying medical condition the qualifying patient has; and

(b) That the physician is treating or managing treatment of the patient's qualifying medical condition.

195.903. 1. For the purpose of regulating and controlling the licensing of the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis in this state, the division of alcohol and tobacco control is hereby designated as the state licensing authority.

2. The state supervisor of the division may employ such officers and employees as may be determined to be necessary, with such officers and employees being part of the division. No moneys shall be appropriated to the division from the general revenue fund for the operation of sections 195.900 to 195.985, nor shall the division expend any general revenue fund moneys for the operation of sections 195.900 to 195.985. Notwithstanding any other provision of law, the division, the Commissioner of Administration, and the State Treasurer are authorized to receive and disburse funds from any source, public or private, as may assist the prompt implementation of this Act.

195.906. 1. The division shall:

(l) Grant or refuse state licenses for the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis as provided by law; suspend, fine, restrict, or revoke such licenses upon a violation of sections 195.900 to 195.985, or a rule promulgated under sections 195.900 to 195.985; and impose any penalty authorized by sections 195.900 to 195.985, or any rule promulgated under sections 195.900 to 195.985. The division may take any action with respect to a registration under sections 195.900 to 195.985 as it may with respect to a license under sections 195.900 to 195.985, in accordance with the procedures established under sections 195.900 to 195.985;

(2) Establish, revise, and amend rules and regulations as necessary to carry into effect the provisions of sections 195.900 to 195.985;

(3) Upon denial of a state license, provide written notice of the grounds for such denial of a state license to the applicant and to the local authority and the right of the applicant to a hearing before the administrative hearing commission under subsection 2 of section 195.924;

(4) Maintain the confidentiality of patient records, reports obtained from licensees showing the sales volume or quantity of medical cannabis sold, or any other records that are exempt from inspection under state law;

(5) Develop such forms, licenses, identification cards, and applications as are necessary in the discretion of the division for the administration of sections 195.900 to 195.985 or any of the rules promulgated under sections 195.900 to 195.985; and

(6) Prepare and submit an annual report accounting to the governor for the efficient discharge of all responsibilities assigned by law or directive to the state licensing authority.

2. (1) Rules promulgated under subdivision (2) of subsection 1 of this section shall include, but not be limited to, the following:

(a) Compliance with, enforcement, or violation of any provision of sections 195.900 to 195.985, or any rule issued under sections 195.900 to 195.985, including procedures and grounds for denying, suspending, fining, restricting, or revoking a state license issued under sections 195.900 to 195.985;

(b) Specifications of duties of officers and employees of the division;

(c) Instructions for local licensing authorities and law enforcement officers;

(d) Requirements for inspections, investigations, searches, seizures, and such additional activities as may become necessary from time to time;

(e) Creation of a range of administrative penalties for use by the division;

(f) Prohibition of misrepresentation and unfair practices;

(g) Control of informational and product displays on licensed premises;

(h) Development of individual identification cards for owners, officers, managers, contractors, employees, and other support staff of entities licensed under sections 195.900 to 195.985, including a fingerprint-based criminal record check as may be required by the division prior to issuing a card;

(i) Identification of state licensees and their owners, officers, managers, and employees;

(j) Security requirements for any premises licensed under sections 195.900 to 195.985, including, at a minimum, lighting, physical security, video, alarm requirements, and other minimum procedures for internal control as deemed necessary by the division to properly administer and enforce the provisions of sections 195.900 to 195.985, including reporting requirements for changes, alterations, or modifications to the premises;

(k) Regulation of the storage of, warehouses for, and transportation of medical cannabis;

(l) Sanitary requirements for medical cannabis centers and medical cannabis cultivation and production facilities, including, but not limited to, sanitary requirements for the preparation of medical cannabis-infused products;

(m) The specification of acceptable forms of picture identification that a medical cannabis center may accept when verifying a sale;

(n) Labeling standards, including, but not limited to, the serving size of active THC per serving and total servings per package;

(o) Testing standards;

(p) Records to be kept by licensees and the required availability of the records;

(q) State licensing procedures, including procedures for renewals, reinstatements, initial licenses, and the payment of licensing fees;

(r) The reporting and transmittal of monthly sales tax payments by medical cannabis centers;

(s) Authorization for the department of revenue to have access to licensing information to ensure sales and income tax payment and effective administration of sections 195.900 to 195.985;

(t) Authorization for the division to impose administrative penalties and procedures of issuing, appealing, and creating a violation list and schedule of administrative penalties; and

(u) Such other matters as are necessary for the fair, impartial, stringent, and comprehensive administration of sections 195.900 to 195.985.

(2) The prompt implementation of this Missouri Patient Care Act is necessary to avoid immediate danger to the public health, safety and welfare. The division is authorized to use the emergency rulemaking procedures set out in section 536.025, and shall promulgate emergency rules by March 6, 2019, and also to file a notice of rulemaking as provided in section 536.025 by March 6, 2019.

(3) Nothing in sections 195.900 to 195.985 shall be construed as delegating to the division the power to fix prices for medical cannabis.

195.909. 1. A local licensing authority may issue only the following medical cannabis licenses upon payment of the fee and compliance with all local licensing requirements to be determined by the local licensing authority:

(1) A medical cannabis center license; and

(2) A medical cannabis cultivation and production facility license.

2. (1) A local licensing authority shall not issue a local license within a municipality or the unincorporated portion of a county unless the governing body of the municipality has adopted an ordinance or the governing body of the county has adopted a resolution containing specific standards for license issuance, or if no such ordinance or resolution is adopted prior to June 1, 2019, a local licensing authority shall consider the minimum licensing requirements of this section when issuing a license.

(2) In addition to all other standards applicable to the issuance of licenses under sections 195.900 to 195.985, the local governing body may adopt additional standards for the issuance of medical cannabis center or medical cannabis cultivation and production facility licenses consistent with the intent of sections 195.900 to 195.985 that may include, but not be limited to:

(a) Distance restrictions between premises for which local licenses are issued; and

(b) Any other requirements necessary to ensure the control of the premises and the ease of enforcement of the terms and conditions of the license.

3. Local governments may limit the use of land for operation of medical cannabis centers and medical cannabis cultivation and production facilities to specified areas as to time, place, and manner of such facilities. Local zoning approval shall be made by the governing body of the municipality if the premises are located in the municipality, or by the governing body of the county if the premises are located in the unincorporated portion of the county. The operation of sections 195.900 to 195.985 shall be statewide unless a municipality, county, or city, by a two-thirds majority of the registered voters voting at a regular election or special election called in accordance with state law, vote to prohibit the operation of medical cannabis centers and medical cannabis cultivation and production facilities in the municipality, county, or city.

4. An application for a license specified in subsection 1 of this section shall be filed with the appropriate local licensing authority on forms provided by the state licensing authority and shall contain such information as the state licensing authority may require and any forms as the local licensing authority may require. Each application shall be verified by the oath or affirmation of the persons prescribed by the state licensing authority.

5. An applicant shall file with the application for a local license, plans and specifications for the interior of the building if the building to be occupied is in existence at the time. If the building is not in existence, the applicant shall file a plot plan and a detailed sketch for the interior and submit an architect's drawing of the building to be constructed. In its discretion, the local or state licensing authority may impose additional requirements necessary for the approval of the application.

195.912. 1. Upon receipt of an application for a local license, except an application for renewal or for transfer of ownership, a local licensing authority shall schedule and hold a public hearing upon the application to be held not less than thirty days after the date of the application, but not more than ninety days from the date of the application. If the local licensing authority fails to hold a public hearing within such time lines, the application shall be considered approved. If the local licensing authority schedules a hearing for a medical cannabis center application and/or a medical cannabis cultivation and production facility application, it shall post and publish public notice thereof not less than ten days prior to the hearing. The local licensing authority shall give public notice by the posting of a sign in a conspicuous place on the medical cannabis center premises and/or the medical cannabis cultivation and production facility premises for which application has been made and by publication in a newspaper of general circulation in the county in which the medical cannabis center premises and/or the medical cannabis cultivation and production premises are located.

2. Public notice given by posting shall include a sign of suitable material, not less than twenty-two inches wide and twenty-six inches high, composed of letters not less than one inch in height and stating the type of license applied for, the date of the hearing, the name and address of the applicant, and such other information as may be required to fully apprise the public of the nature of the application. The sign shall contain the names and addresses of the officers, directors, or manager of the facility to be licensed.

3. Public notice given by publication shall contain the same information as that required for signs.

4. If the building in which medical cannabis is to be cultivated, manufactured, distributed, possessed, or sold is in existence at the time of the application, a sign posted as required in subsections 1 and 2 of this section shall be placed so as to be conspicuous and plainly visible to the general public. If the building is not constructed at the time of the application, the applicant shall post a sign at the premises upon which the building is to be constructed in such a manner that the notice shall be conspicuous and plainly visible to the general public.

5. (1) A local licensing authority, or a license applicant with the authorization of the local licensing authority, may request that the state licensing authority conduct a concurrent review of a new license application prior to the local licensing authority's final approval of the license application. Local licensing authorities who permit concurrent review shall continue to independently review the applicant's license application.

(2) When conducting a concurrent application review, the state licensing authority may advise the local licensing authority of any items it finds that may result in the denial of the license application. Upon correction of the noted discrepancies if the correction is permitted by the state licensing authority, the state licensing authority shall notify the local licensing authority of its conditional approval of the license application subject to the final approval by the local licensing authority. The state licensing authority shall then issue the applicant's state license upon receiving evidence of final approval by the local licensing authority.

(3) All applications submitted for concurrent review shall be accompanied by all applicable state license and application fees. Any applications which are later denied or withdrawn may allow for a refund of license fees only. All application fees provided by an applicant shall be retained by the respective licensing authority.

195.915. 1. Not less than five days prior to the date of the public hearing authorized in section 195.912, the local licensing authority shall make known its findings, based on its investigation, in writing to the applicant and other parties of interest. The local licensing authority has authority to refuse to issue a license provided for in this section for good cause, subject to judicial review.

2. Before entering a decision approving or denying the application for a local license, the local licensing authority may consider, except where sections 195.900 to 195.985 specifically provides otherwise, the facts and evidence adduced as a result of its investigation, as well as any other facts pertinent to the type of license for which application has been made, including the number, type, and availability of medical cannabis outlets located in or near the premises under consideration, and any other pertinent matters affecting the qualifications of the applicant for the conduct of the type of business proposed. A local licensing authority may only issue a medical cannabis center license and a medical cannabis cultivation and production facility license upon payment of the fee and compliance with all local licensing authority.

3. Within thirty days after the public hearing or completion of the application investigation, a local licensing authority shall issue its decision approving or denying an application for local licensure. The decision shall be in writing and shall state the reasons for the decision. The local licensing authority shall send a copy of the decision by certified mail to the applicant at the address shown on the application.

4. After approval of an application, a local licensing authority shall not issue a local license until the building in which the business to be conducted is ready for occupancy with such furniture, fixtures, and equipment in place as are necessary to comply with the applicable provisions of sections 195.900 to 195.985, and then only after the local licensing authority has inspected the premises to determine that the applicant has complied with the architect's drawing and the plot plan and detailed sketch for the interior of the buildings submitted with the application.

5. After approval of an application for local licensure, the local licensing authority shall notify the state licensing authority of such approval, who shall investigate and either approve or disapprove the application for state licensure.

195.918. 1. (1) The division may restrict the number of licenses granted for medical cannabis cultivation and production facilities, provided, however, that number may not be limited to fewer than one license per every one hundred thousand inhabitants of the state of Missouri, according to the most recent census of the United States. Each facility in operation shall require a separate license but multiple licenses may be utilized in a premises. The license shall be valid for one year from its date of issuance and shall be renewable, except for good cause. No more than three medical cannabis and production facility licenses shall be issued to any person under substantially common control, ownership, or management. At least one medical cannabis center license shall be issued for each medical cannabis cultivation and production facility license.

(2) The division may restrict the numbers of licenses granted for medical cannabis centers, provided, however, that number may not be limited to fewer than one license per every one hundred thousand inhabitants of the state of Missouri, according to the most recent census of the United States, except that, an applicant for a medical cannabis center license may be approved for an additional two medical cannabis center licenses in accordance with subdivision (3) of this subsection. Such additional medical cannabis center licenses shall not be counted toward the statewide limit for medical cannabis centers. A license shall be valid for one year from its date of issuance and shall be renewable, except for good cause.

(3) Licenses shall be geographically disbursed by the division, in consultation with the department of health and senior services, based on the demographics of the state and patient demand to ensure statewide access for patients. If more than the statewide limit for medical cannabis centers are necessary to provide sufficient patient access, a medical cannabis cultivation and production facility licensee may be approved for up to an additional two medical cannabis center licenses, subject to approval by the local licensing authority and the division.

2. Before the division of alcohol and tobacco control issues a state license to an applicant the applicant shall procure and file with the division evidence of a good and sufficient bond in the amount of five thousand dollars with corporate surety thereon duly licensed to do business with the state, approved as to form by the state attorney general, and conditioned that the applicant shall report and pay all sales and use taxes due to the state, or for which the state is the collector or collecting agent, in a timely manner, as provided in law.

3. A corporate surety shall not be required to make payments to the state claiming under such bond until a final determination of failure to pay taxes due to the state has been made by the division or a court of competent jurisdiction.

4. All bonds required under this section shall be renewed at such time as the bondholder's license is renewed. The renewal may be accomplished through a continuation certificate issued by the surety.

195.921. 1. Applications for a state license under the provisions of sections 195.900 to 195.985 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 shall be granted. The information shall include the name and address of the applicant, the names and addresses of the officers, directors, or managers, and all other information deemed necessary by the division. Each application shall be verified by the oath or affirmation of such person or persons as the division may prescribe.

2. Within one hundred eighty days of the effective date of this section, the division shall make available to the public license application forms and application instructions for medical cannabis cultivation and production facilities, medical cannabis center facilities, and medical cannabis testing facilities. The division shall begin accepting license and certification applications no later than two hundred forty days after the effective date of this section. Applications for licenses and certifications shall be approved or denied by the division no later than one hundred twenty days after their submission.

3. The division shall not issue a state license under this section until the local licensing authority has approved the application for a local license and issued a local license as provided for in sections 195.909 to 195.918.

4. Nothing in sections 195.900 to 195.985 shall preempt or otherwise impair the power of a local government to enact ordinances or resolutions concerning matters authorized to local governments.

195.924. 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 of sections 195.900 to 195.985.

2. If the division denies a state license under subsection 1 of this section, the applicant shall be entitled to a hearing before the administrative hearing commission. The division shall provide written notice of the grounds for denial of the state license to the applicant and to the local licensing authority at least fifteen days prior to the hearing.

195.927. 1. A license provided by sections 195.900 to 195.985 shall not be issued to or held by:

(1) A person until the annual fee has been paid;

(2) A person under twenty-one years of age;

(3) A person licensed under sections 195.900 to 195.985 who during a period of licensure or who at the time of application has failed to:

(a) Provide a surety bond, proof of assets, or file any tax return with a taxing agency;

(b) Avoid delinquency in the payment of any state income taxes, personal property taxes, municipal taxes, or real property taxes;

(c) Pay any judgments due to a government agency;

(d) Stay out of default on a government-issued student loan;

(e) Pay child support; or

(f) Remedy an outstanding delinquency for taxes owed, an outstanding delinquency for judgments owed to a government agency, or an outstanding delinquency for child support.

(4) A person who has discharged a sentence in the ten years immediately preceding the application date for a conviction of a felony or a person who at any time has been convicted of a felony under any state or federal law regarding the possession, distribution, or use of a controlled substance;

(5) A person who employs another person at a medical cannabis center, a medical cannabis cultivation and production facility, or a medical cannabis testing facility who has not passed a criminal background check;

(6) A sheriff, deputy sheriff, police officer, or prosecuting officer, or any officer or employee of the division or a local licensing authority;

(7) A person whose authority to be a caregiver as defined in sections 195.900 to 195.985 has been revoked by the department; or

(8) A person who holds a license for a location that is currently licensed as a retail food establishment or wholesale food registrant.

2. The provisions of section 324.010.1 shall apply to sections 195.900 to 195.985.

3. All medical cannabis cultivation and production facility licensees and all medical cannabis center licensees shall be held by entities that are sixty percent or more owned by natural persons who have been bona fide residents of the state of Missouri for at least three years continuously immediately prior to the date of filing of application for such licenses. Notwithstanding the foregoing, medical cannabis cultivation and production facility licensees and medical cannabis center licensees may be held by entities with no greater than a forty percent interest owned by natural persons who have not been citizens of the state of Missouri for at least three years continuously immediately prior to the date of filing of application for such licenses.

4. (1) In investigating the qualifications of an applicant or a licensee, the division shall have access to criminal background check information furnished by a criminal justice agency subject to any restrictions or costs imposed by such agency. In addition to considering the applicant's criminal background check information, the division shall also consider any information provided by the applicant regarding such criminal background check, including, but not limited to, evidence of rehabilitation, character references, and educational achievements, especially those items pertaining to the period of 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.

(3) At the time of filing an application for issuance or renewal of a state medical cannabis center license, a medical cannabis cultivation and production facility license, or a medical cannabis testing facility 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 shall submit the fingerprints to the Missouri state highway patrol for the purpose of conducting a state and federal fingerprint-based criminal background check. The Missouri state highway patrol shall forward the fingerprints to the Federal Bureau of Investigation for the purpose of conducting a fingerprint-based criminal background check. Fingerprints shall be submitted in accordance with section 43.543, and fees shall be paid in accordance with section 43.530. The division may acquire a name-based criminal background check for an applicant or a license holder who has twice submitted to a fingerprint-based criminal background check and whose fingerprints are unclassifiable. The division 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 license under sections 195.900 to 195.985. The division may verify any of the information an applicant is required to submit.

195.930. The division or a local licensing authority shall not receive or act upon an application for the issuance of a state or local license under sections 195.900 to 195.985:

(1) If the application for a state or local license concerns a particular location that is the same as or within one thousand feet of a location for which, within the two years immediately preceding the date of the application, the division or a local licensing authority denied an application for the same class of license due to the nature of the use or other concern related to the location;

(2) Until it is established that the applicant is or shall be entitled to possession of the premises for which application is made under a lease, rental agreement, or other arrangement for possession of the premises or by virtue of ownership of the premises;

(3) For a location in an area where the cultivation, manufacture, and sale of medical cannabis as contemplated is not permitted under the applicable local zoning laws of the municipality or county; or

(4) (a) If the building in which medical cannabis is to be cultivated, produced, or sold is located within one thousand feet of, the real property comprising a public or private elementary, vocational, or secondary school or a public or private college, junior college, or university, or a playground, or housing facility owned by a public housing authority, or a licensed child care facility, or within 100 feet of a public or private youth center, public swimming pool, or video arcade facility. The provisions of this subdivision shall not affect the renewal or reissuance of a license once granted nor shall the provisions of this subdivision apply to a license in effect and actively doing business before such school, college, university, playground, housing facility, licensed child care facility, youth center, public swimming pool, or video arcade was constructed.

(b) The distances referred to in this subdivision are to be computed by direct measurement from the nearest property line of the land used for a school, college, university, playground, housing facility, licensed child care facility, youth center, public swimming pool, or video arcade to the nearest portion of the building in which medical cannabis is to be cultivated, produced, or sold.

(c) In addition to the requirements of section 195.909, the local licensing authority shall consider the evidence and make a specific finding of fact as to whether the building in which the medical cannabis is to be cultivated, produced, or sold is located within the distance restrictions established by or under this subdivision.

195.933. 1. A state or local license granted under the provisions of sections 195.900 to 195.985 shall not be transferable except as provided in this section, but this section shall not prevent a change of location as provided in subsection 13 of section 195.936.

2. For a transfer of ownership, a license holder shall apply to the division and the local licensing authority on forms prepared and furnished by the division. In determining whether to permit a transfer of ownership, the division and the local licensing authority shall consider only the requirements of sections 195.900 to 195.985, any rules promulgated by the division, and any other local restrictions. The local licensing authority may hold a hearing on the application for transfer of ownership. The local licensing authority shall not hold a hearing under this subsection until the local licensing authority has posted a notice of hearing in the manner described in section 195.912 on the licensed medical cannabis center premises and/or the medical cannabis cultivation and production facility for a period of ten days and has provided notice of the hearing to the applicant at least ten days prior to the hearing. Any transfer of ownership hearing by the division shall be held in compliance with the requirements specified in section 195.912.

195.936. 1. Sections 195.900 to 195.985 authorize a county or municipality to enact reasonable regulations or other restrictions applicable to licenses of medical cannabis centers and medical cannabis cultivation and production facilities based on local zoning, health, safety, and public welfare laws for the distribution of medical cannabis that are more restrictive than sections 195.900 to 195.985.

2. A medical cannabis center and a medical cannabis cultivation and production facility shall not operate unless licensed by the local licensing authority and the state licensing authority under sections 195.900 to 195.985. In connection with a license, the applicant shall provide a complete and accurate list of all owners, officers, and employees who work at, manage, own, or are otherwise associated with the operation and shall provide a complete and accurate application as required by the division.

3. A medical cannabis center and a medical cannabis cultivation and production facility shall notify the division in writing within ten days after an owner, officer, or employee ceases to work at, manage, own, or otherwise be associated with the operation. The owner, officer, or employee shall surrender his or her identification card to the division on or before the date of the notification.

4. A medical cannabis center and a medical cannabis cultivation and production facility shall notify the division in writing of the name, address, and date of birth of an owner, officer, manager, or employee before the new owner, officer, manager, or employee begins working at, managing, owning, or begins an association with the operation. The owner, officer, manager, or employee shall pass a fingerprint-based criminal background check as required by the division and obtain the required identification prior to being associated with, managing, owning, or working at the operation.

5. A medical cannabis center and a medical cannabis cultivation and production facility shall not acquire, possess, cultivate, deliver, transfer, transport, supply, or dispense cannabis for any purpose except to assist patients with qualifying medical conditions or to test the product at a medical cannabis testing facility, or as otherwise provided in section 195.900 to 195.985.

6. All owners of a licensed medical cannabis center and a licensed medical cannabis cultivation and production facility shall be authorized to do business in Missouri. A local licensing authority shall not issue a license provided for in sections 195.900 to 195.985 until that share of the license application fee due to the state has been received by the division. All licenses granted under sections 195.900 to 195.985 shall be valid for a period not to exceed one year from the date of issuance unless revoked or suspended under sections 195.900 to 195.985 or the rules promulgated under sections 195.900 to 195.985.

7. Before granting a local or state license, the respective licensing authority may consider, except where sections 195.900 to 195.985 specifically provide otherwise, the requirements of sections 195.900 to 195.985 and any rules promulgated under sections 195.900 to 195.985, and all other reasonable restrictions that are or may be placed upon the licensee by the licensing authority. With respect to a second or additional license for the same licensee or the same owner of another licensed business under sections 195.900 to 195.985, each licensing authority shall consider the effect on competition of granting or denying the additional licenses to such licensee and shall not approve an application for a second or additional license that has the effect of restraining competition.

8. (1) Each license issued under sections 195.900 to 195.985 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.

9. (1) The licenses provided under sections 195.900 to 195.985 shall specify the date of issuance, the period of licensure, the name of the licensee, and the premises licensed. The licensee shall conspicuously display the license at all times on the licensed premises.

(2) A local licensing authority shall not transfer location of or renew a license to sell medical cannabis until the applicant for the license produces a license issued and granted by the state licensing authority covering the whole period for which a license or license renewal is sought.

10. In computing any period of time prescribed by sections 195.900 to 195.985, the day of the act, event, or default from which the designated period of time begins to run shall not be included. Saturdays, Sundays, and legal holidays shall be counted as any other day.

11. A licensee shall report each transfer or change of financial interest in the license to the division and the local licensing authority thirty days prior to any transfer or change under subsection 13 of this section. A report shall be required for transfers of capital stock of any corporation, regardless of size.

12. Each licensee shall manage the licensed premises himself or herself or employ a separate and distinct manager on the premises and shall report the name of the manager to the division and the local licensing authority. The licensee shall report any change in manager to the division and local licensing authority thirty days prior to such change.

13. (1) A licensee may move his or her permanent location to any other place in the same municipality for which the license was originally granted, or in the same county if the license was granted for a place outside the corporate limits of a municipality, but it shall be unlawful to cultivate, manufacture, distribute, possess, or sell medical cannabis at any such place until permission to do so is granted by the division and the local licensing authority provided for in sections 195.900 to 195.985.

(2) In permitting a change of location, the division and the local licensing authority shall consider all reasonable restrictions that are or may be placed upon the new location by the governing body or local licensing authority of the municipality or county; any such change in location shall be in accordance with all requirements of sections 195.900 to 195.985 and rules promulgated under sections 195.900 to 195.985.

195.939. 1. (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 shall apply for the renewal of an existing license to the local licensing authority not less than forty-five days and to the division not less than thirty days prior to the date of expiration. A local licensing authority shall not accept an application for renewal of a license after the date of expiration, except as provided in subsection 2 of this section. The division may extend the expiration date of the license and accept a late application for renewal of a license; provided that, the applicant has filed a timely renewal application with the local licensing authority. All renewals filed with the local licensing authority and subsequently approved by the local licensing authority shall next be processed by the division. The division or the local licensing authority, in its discretion, subject to the requirements of this section and based upon reasonable grounds, may waive the forty-five-day or thirty-day time requirements set forth in this subsection. The local licensing authority may hold a hearing on the application for renewal only if the licensee has had complaints filed against it, has a history of violations, or there are allegations against the licensee that constitute good cause.

(2) The local licensing authority shall not hold a renewal hearing provided for by this subsection for a medical cannabis center and a medical cannabis cultivation and production facility until it has posted a notice of hearing on the licensed medical cannabis center premises and the medical cannabis cultivation and production facility premises in the manner described in section 195.912 for a period of ten days and provided notice to the applicant at least ten days prior to the hearing. The local licensing authority may refuse to renew any license for good cause, subject to judicial review.

2.(1) Notwithstanding the provisions of subsection 1 of this section, a licensee whose license has been expired for not more than ninety days may file a late renewal application upon the payment of a nonrefundable late application fee of five hundred dollars to the local licensing authority. A licensee who files a late renewal application and pays the requisite fees may continue to operate until both the state and local licensing authorities have taken final action to approve or deny the licensee's late renewal application.

(2) The state and local licensing authorities shall not accept a late renewal application more than ninety days after the expiration of a licensee's permanent annual license. A licensee whose permanent annual license has been expired for more than ninety days shall not cultivate, manufacture, distribute, possess, or sell any medical cannabis until all required licenses have been obtained.

195.942. The division or local licensing authority may, in its discretion, revoke or elect not to renew any license if it determines that the licensed premises have been inactive without good cause for at least one year.

195.945. 1. The division, by rule, shall require a complete disclosure of all persons having a direct or indirect financial interest and the extent of such interest in each license issued under sections 195.900 to 195.985.

2. A person shall not have an unreported financial interest in a license under sections 195.900 to 195.985 unless such person has undergone a fingerprint-based criminal background check as provided for by the division in its rules; except that, this subsection shall not apply to banks, savings and loan associations, or industrial banks supervised and regulated by an agency of the state or federal government, or to FHA-approved mortgagees, or to stockholders, directors, or officers thereof.

3. This section is intended to prohibit and prevent the control of the outlets for the sale of medical cannabis by a person or party other than the persons licensed under the provisions of sections 195.900 to 195.985.

195.948. 1. For the purpose of regulating the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis, the division may, in its discretion and upon application on the prescribed form made to it, issue and grant to the applicant a license or registration from any of the following classes, subject to the provisions and restrictions provided by sections 195.900 to 195.985:

(1) Medical cannabis center license;

(2) Medical cannabis cultivation and production facility license;

(3) Medical cannabis testing facility license;

(4) Occupational licenses and registrations for owners, managers, operators, employees, contractors, and other support staff employed by, working in, or having access to restricted areas of the licensed premises as determined by the division. The division may take any action with respect to a registration under sections 195.900 to 195.985 as it may with respect to a license under sections 195.900 to 195.985, in accordance with the procedures established under sections 195.900 to 195.985.

2. In order to do business in Missouri under sections 195.900 to 195.985, a medical cannabis business shall hold both a medical cannabis center license and a medical cannabis cultivation and production facility license and shall be operated as a vertically integrated business.

3. A medical cannabis business shall use a cannabis plant monitoring system as the primary inventory tracking system of records.

4. A state-chartered bank or a credit union may loan money to any person licensed under sections 195.900 to 195.985 for the operation of a licensed business.

5. A medical cannabis testing facility shall be licensed, approved, and certified by the division in order to test medical cannabis. A person who is an owner of a medical cannabis cultivation and production facility or a medical cannabis center facility is prohibited from having a financial interest in a medical cannabis testing facility. An owner of a medical cannabis testing facility is prohibited from having a financial interest in a medical cannabis cultivation and production facility or a medical cannabis center facility.

195.951. 1. A medical cannabis center license shall be issued only to a person selling medical cannabis under the terms and conditions of sections 195.900 to 195.985.

2. Notwithstanding the provision of this section, a medical cannabis center licensee may also sell medical cannabis-infused products that are prepackaged and labeled under subsection 7 of this section.

3. Except as otherwise provided in subsection 4 of this section, every person selling medical cannabis as provided for in this section shall sell medical cannabis grown in its medical cannabis cultivation and production facility licensed under sections 195.900 to 195.985.

4. A medical cannabis center licensee shall not purchase more than thirty percent of its total on-hand inventory of medical cannabis flower from another licensed medical cannabis center licensee in Missouri. A medical cannabis center licensee shall not sell more than thirty percent of its total on-hand inventory of medical cannabis flower to another Missouri medical cannabis licensee. At least seventy percent of the medical cannabis flower sold at a medical cannabis center shall be grown at its cultivation and production facility.

5. Prior to initiating a sale, the employee of the medical cannabis center making the sale shall verify that the purchaser has a valid registration card issued under section 195.981 and a valid picture identification card that matches the name on the registration card.

6. A licensed medical cannabis center shall provide an amount of its medical cannabis established by rule of the division for testing to a medical cannabis testing facility.

7. All medical cannabis sold at a licensed medical cannabis center shall be labeled as follows:

(1) The medical cannabis center shall place a legible, firmly affixed label on medical cannabis, excluding medical cannabis-infused products, on which the wording is no less than one-sixteenth inch in size on each package of medical cannabis that it prepares for dispensing and which contains at a minimum the following information:

(a) The registered qualifying patient's name;

(b) The name and registration number of the medical cannabis center that produced the medical cannabis-infused product, together with the medical cannabis center's telephone number and mailing address, and website information, if any;

(c) The name of the product;

(d) The quantity of usable cannabis contained within the product as measured in ounces;

(e) A list of ingredients, including the cannabinoid profile of the cannabis contained within the product, including the tetrahydrocannabinol (THC) level;

(f) The date of product creation and the recommended "use by" or expiration date;

(g) To identify the batch associated with manufacturing and processing, a batch number, sequential serial number, and bar code when used;

(h) Directions for use of the product if relevant;

(i) A statement that the product has been tested for contaminants, that there were no adverse findings, and the date of testing;

(j) A warning if known allergens are contained in the product; and

(k) The following statement, including capitalization: "This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Do not drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN."

(3) Cannabis shall be packaged in plain, opaque, tamperproof, and child-resistant containers without depictions of the product, cartoons, or images other than the medical cannabis center's logo.

8. A licensed medical cannabis center shall comply with all provisions of law as such provisions relate to persons with disabilities.

195.954. A medical cannabis cultivation and production facility license shall only be issued to a person licensed under this section who grows and cultivates medical cannabis and who manufactures medical cannabis or medical cannabis-infused products under the terms and conditions of sections 195.900 to 195.985.

195.957. 1. The department of health and senior services is the designated state agency for regulating and controlling the manufacturing of medical cannabis-infused products.

2. (1) Medical cannabis-infused products shall be prepared on a cultivation and production facility licensed premises that is used for the manufacture and preparation of medical cannabis-infused products and which uses equipment that is used for the manufacture and preparation of medical cannabis-infused products.

(2) Only a licensed medical cannabis cultivation and production facility is permitted to produce medical cannabis-infused products. A medical cannabis cultivation and production facility may produce medical cannabis-infused products for the facility's medical cannabis centers and may sell the medical cannabis-infused products it produces to any other licensed medical cannabis centers in the state.

(3) The medical cannabis cultivation and production facility shall have all cannabis cultivated by such facility tested by a licensed medical cannabis testing facility in accordance with the following:

(a) Cannabis shall be tested for the cannabinoid profile and for contaminants as specified by the department including, but not limited to, mold, mildew, heavy metals, plant-growth regulators, and the presence of nonorganic pesticides. The department may require additional testing;

(b) The facility shall maintain the results of all testing for no less than one year;

(c) The facility shall have and follow a policy and procedure for responding to results indicating contamination, which shall include destruction of contaminated product and assessment of the source of contamination. Such policy shall be available to registered qualifying patients and primary caregivers;

(d) All testing shall be conducted by an independent laboratory that is:

a. Accredited to International Organization for Standardization (ISO) 17025 by a third-party accrediting body such as A2LA or ACLASS; or

b. Certified, registered, or accredited by an organization approved by the department.

(e) The facility shall arrange for testing to be conducted in accordance with the frequency required by the department;

(f) A facility shall have a contractual arrangement with a medical cannabis testing facility for the purposes of testing cannabis, including a stipulation that those individuals responsible for testing at the medical cannabis testing facility be licensed;

(g) A medical cannabis cultivation and production facility is prohibited from having any financial or other interest in a medical cannabis testing facility providing testing services for any medical cannabis cultivation and production facility;

(h) No individual employee of a medical cannabis testing facility providing testing services for medical

cannabis cultivation and production facilities shall receive direct financial compensation from any medical cannabis cultivation and production facility;

(i) All transportation of cannabis to and from laboratories providing cannabis testing services shall comply with rules promulgated under any rulemaking authority granted in sections 195.900 to 195.985;

(j) All storage of cannabis at a laboratory providing cannabis testing services shall comply with subdivision (4) of this subsection; and

(k) All excess cannabis shall be returned to the source medical cannabis cultivation and production facility and be disposed of under paragraph (e) of subdivision (6) of this subsection.

(4)(a) All cannabis in the process of cultivation, production, preparation, transport, or analysis shall be housed and stored in such a manner as to prevent diversion, theft, or loss.

(b) Such items shall be accessible only to the minimum number of specifically authorized dispensary agents essential for efficient operation.

(c) Such items shall be returned to a secure location immediately after completion of the process or at the end of the scheduled business day.

(d) If a manufacturing process cannot be completed at the end of a working day, the processing area or tanks, vessels, bins, or bulk containers containing cannabis shall be securely locked inside an area or building that affords adequate security.

(5) A medical cannabis cultivation and production facility shall process cannabis in a safe and sanitary manner. A facility shall process the leaves and flowers of the female cannabis plant only, which shall be:

(a) Well cured and free of seeds and stems;

(b) Free of dirt, sand, debris, and other foreign matter;

(c) Free of contamination by mold, rot, other fungus, and bacterial diseases;

(d) Prepared and handled on food-grade stainless steel tables; and

(e) Packaged in a secure area.

(6) All facilities, including those that develop or process nonedible medical cannabis-infused products, shall comply with the following sanitary requirements:

(a) Any dispensary agent whose job includes contact with cannabis or nonedible medical cannabis-infused products, including cultivation, production, or packaging, is subject to the requirements for food handlers under state law and in accordance with rules of the department of health and senior services;

(b) Any dispensary agent working in direct contact with preparation of cannabis or nonedible medical cannabis-infused products shall conform to sanitary practices while on duty, including:

a. Maintaining adequate personal cleanliness; and

b. Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.

(c) Hand-washing facilities shall be adequate and convenient and shall be furnished with running water at a suitable temperature. Hand-washing facilities shall be located in the facility in production areas and where good sanitary practices require employees to wash and sanitize their hands, and shall provide effective hand cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;

(d) There shall be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations;

(e) Litter and waste shall be properly removed, disposed of so as to minimize the development of odor, and shall minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal shall be maintained in an adequate manner;

(f) Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair;

(g) There shall be adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned;

(h) Buildings, fixtures, and other physical facilities shall be maintained in a sanitary condition;

(i) All contact surfaces, including utensils and equipment, shall be maintained in a clean and sanitary condition. Such surfaces shall be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the United States Environmental Protection Agency (EPA), in accordance with labeled instructions. Equipment and utensils shall be so designed and of such material and workmanship as to be adequately cleanable;

(j) All toxic items shall be identified, held, and stored in a manner that protects against contamination of cannabis and medical cannabis-infused products;

(k) A facility's water supply shall be sufficient for necessary operations. Any private water source shall be capable of providing a safe, potable, and adequate supply of water to meet the facility's needs;

(l) Plumbing shall be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the facility. Plumbing shall properly convey sewage and liquid disposable waste from the facility. There shall be no cross-connections between the potable and waste water lines;

(m) A facility shall provide its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair;

(n) Products that may support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of such microorganisms; and

(o) Storage and transportation of finished products shall be under conditions that shall protect them against physical, chemical, and microbial contamination as well as against deterioration of them or their container.

3. (1) A medical cannabis cultivation and production facility shall provide adequate lighting, ventilation, temperature, humidity, space, and equipment.

(2) A facility shall have separate areas for storage of cannabis that is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, until such products are destroyed.

(3) Facility storage areas shall be maintained in a clean and orderly condition.

(4) Facility storage areas shall be free from infestation by insects, rodents, birds, and pests of any kind.

(5) Facility storage areas shall be maintained in accordance with the security requirements promulgated under the authority granted in sections 195.900 to 195.985.

195.960. 1. Until a medical cannabis cultivation and production facility's cultivation or production process has been validated, such facility shall not wholesale, transfer, or process into a medical cannabis concentrate or medical cannabis product any medical cannabis, medical cannabis concentrate, or medical cannabis product unless samples from the harvest batch or production batch from which such medical cannabis, medical cannabis concentrate, or medical cannabis product was derived were tested by a medical cannabis testing facility for contaminants and passed all contaminant tests required by subsection 3 of this section.

2. (l) A medical cannabis cultivation and production facility's cultivation process shall be deemed valid if every harvest batch that it produced during a twelve-week period passed all contaminant tests required by subsection 3 of this section, including at least twelve test batches that were submitted at least six days apart and contained samples from entirely different harvest batches.

(2) A facility's production process shall be deemed valid if every production batch that it produced during a four-week period passed all contaminant tests required by subsection 3 of this section, including at least four test batches that were submitted at least six days apart which contained samples from entirely different production batches.

3. (1) Each harvest batch of medical cannabis and production batch of medical cannabis concentrate and medical cannabis product shall be tested for microbial contamination by a medical cannabis testing facility. The microbial contamination test shall include, but not be limited to, testing to determine the presence of and amounts present of salmonella sp., escherichia coli, and other bile-tolerant bacteria. Each harvest batch of medical cannabis and production batch of medical cannabis concentrate and medical cannabis product shall be tested for mold contamination by a medical cannabis testing facility. The mold contamination test shall include, but shall be limited to, testing to determine presence and the level of aspergillus sp., mucor sp., penicillium sp., and thermophilic actinomycetes sp.

(2) Each harvest batch of medical cannabis produced by a facility shall be tested for filth and other visible contamination by a medical cannabis testing facility. The filth contamination test shall include, but shall not be limited to, the detection, separation, quantification, identification, and interpretation of extraneous materials, including insects, rodent droppings, visible adulterants, and other contaminants, in medical cannabis flowers and trim.

(3) Each production batch of solvent-based medical cannabis concentrate produced by a facility shall be tested for residual solvent contamination by a medical cannabis testing facility. The residual solvent contamination test shall include, but not be limited to, testing to determine the presence of, and amounts present of, butane, propane, ethanol, isopropanol, acetone, and heptane.

4. (1) The division may require additional tests to be conducted on a harvest batch or production batch prior to a facility wholesaling, transferring, or processing into a medical cannabis concentrate or medical cannabis product any medical cannabis, medical cannabis concentrate, or medical cannabis product from such harvest batch or production batch. Additional tests may include, but not be limited to, screening for pesticides, harmful chemicals, adulterants, or other types of microbials, molds, filth, or residual solvents.

(2) (a) A production batch of medical cannabis concentrate shall be considered exempt from subdivision (1) of this subsection if the facility that produced it does not wholesale or transfer any portion of the production batch and it uses the entire production batch to manufacture medical cannabis product; except that, a solvent-based medical cannabis concentrate produced using butane, propane, ethanol, isopropanol, acetone, heptane shall still be submitted for a residual solvent contaminant test.

(b) A facility shall not be required to have residual solvent testing conducted on the product batch of a solvent-based medical cannabis concentrate if only CO2 was used during the production of the medical cannabis concentrate.

5. (1) (a) If a facility makes a material change to its cultivation or production process, such facility shall have the first five harvest batches or production batches produced using the new standard operating procedures tested for all of the contaminants required by subsection 3 of this section regardless of whether its process has been previously validated. If any such tests fail, such facility's process shall be revalidated.

(b) It shall be considered a material change if a facility begins using a new or different pesticide during its cultivation process, and the first five harvest batches produced using the new or different pesticide shall also be tested for pesticide.

(c) It shall be considered a material change if a facility begins using a new or different solvent or combination of solvents.

(d) A facility that makes a material change shall notify the medical cannabis testing facility that conducts contaminant testing on the first five harvest batches or production batches produced using the new standard operating procedures.

(e) When a harvest batch or production batch is required to be submitted for testing under this subsection, the facility that produced it shall not wholesale, transfer, or process into a medical cannabis concentrate or medical cannabis product any of the medical cannabis, medical cannabis concentrate, or medical cannabis product from such harvest batch or production batch.

(2) If six of the ten most recently tested test batches produced by a facility fail contaminant testing, the facility shall be required to revalidate its process.

6. Notwithstanding any other provision of state law, sales of medical cannabis-infused products shall not be exempt from state or local sales tax.

195.961.1. A tax is hereby levied and imposed upon the retail sale of cannabis for medical use sold at medical cannabis centers within the state. The tax shall be equivalent to two percent of the retail price. The purpose and intent of the tax is to impose a tax upon the privilege of engaging in the business, in this state, of selling medical cannabis. The primary tax burden is placed on making taxable sales of medical cannabis. All sellers of medical cannabis shall be required to report to the director of revenue, on such forms and in such manner as the director of revenue shall prescribe. Their "gross receipts from the sale of medical cannabis," defined to mean the aggregate amount of the sales price of all sales at retail of medical cannabis, and remit to the director of revenue two percent of their gross receipts from the sales of medical cannabis.

2. After retaining no more than five percent for its actual collection costs, one-half percent of the amount generated by the tax imposed in this section shall be deposited by the department of revenue into the Missouri Veterans' Health and Care Fund, one-half percent of the amount generated by the tax imposed in this section will be deposited by the department of revenue into the Missouri Public Safety Fund, one-half percent of the amount generated by the tax imposed in this section shall be deposited by the department of revenue into the Missouri Drug Treatment Fund, and one-half percent of the amount generated by the tax imposed in this section shall be deposited by the department of revenue into the Early Childhood Development, Education and Care Fund created by section 161.125. Licensed entities making retail sales within the state shall be allowed approved credit for returns provided the tax was paid on the returned item and the purchaser was given the refund or credit.

(1) There is hereby created in the state treasury the "Missouri Veterans' Health and Care Fund," which shall consist of certain taxes and fees collected under this section. The State Treasurer shall be custodian of the fund, and he or she shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund. Notwithstanding any other provision of law, any moneys remaining in the fund at the end of a biennium shall not revert to the credit of the general revenue fund. The commissioner of administration is authorized to make cash operating transfers to the fund for purposes of meeting the cash requirements of the department in advance of it receiving annual application, licensing, and tax revenue, with any such transfers to be repaid as provided by law. The fund shall be a dedicated fund and shall stand appropriated without further legislative action as follows:

(a) First, to the department an amount necessary for the department to carry out this section, including repayment of any cash operating transfers, payments made through contract or agreement with other state and public agencies necessary to carry out this section, and a reserve fund to maintain a reasonable working cash balance for the purpose of carrying out this section.

(b) Next, the remainder of such funds shall be transferred to the Missouri Veterans Commission for health and care services for military veterans, including the following purposes: operations, maintenance and capital improvements of the Missouri Veteran's Homes, the Missouri Service Officer's Program, and other services for veterans approved by the Commission, including, but not limited to, health care services, mental health services, drug rehabilitation services, housing assistance, job training, tuition assistance, and housing assistance to prevent homelessness. The Missouri Veterans Commission shall contract with other public agencies for the delivery of services beyond its expertise.

(c) All moneys from the taxes authorized under this subsection shall provide additional dedicated funding for the purposes enumerated above and shall not replace existing dedicated funding.

(2) There is hereby created in the state treasury the "Missouri Public Safety Fund", which shall consist of taxes and fees collected under this section. The State Treasurer shall be custodian of the fund, and he or she shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund. Notwithstanding any other provision of law, any moneys remaining in the fund at the end of a biennium shall not revert to the credit of the general revenue fund. The Commissioner of Administration is authorized to make cash operating transfers to the fund for purposes of meeting the cash requirements of the Department in advance of it receiving annual application, licensing, and tax revenue, with any such transfers to be repaid as provided by law. The fund shall be a dedicated fund and shall stand appropriated without further legislative action as follows:

(a) First, to the Department, an amount necessary for the Department to carry out this section, including repayment of any cash operating transfers, payments made through contract or agreement with other state and public agencies necessary to carry out this section, and a reserve fund to maintain a reasonable working cash balance for the purpose of carrying out this section.

(b) Next, the remainder of such funds shall be allocated evenly to all Missouri Drug Treatment Centers that are funded by the State of Missouri.

(c) All moneys from the taxes authorized under this subsection shall provide additional dedicated funding for the purposes enumerated above and shall not replace existing dedicated funding.

(4) The department of revenue shall have the authority to establish, revise, and amend rules as necessary to carry into effect the tax imposed by this section and to issue all forms, instructions and other documents necessary for the collection of the tax.

3. The provisions of sections 144.010 through 144.527 shall apply to the administration of the tax imposed by this section.

195.963. 1. (1) There is hereby created in the state treasury the "Medical Cannabis License Cash Fund," which shall consist of all moneys collected by the division under sections 195.900 to 195.985. 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 195.900 to 195.985.

(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.

(3) The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

(4) There is hereby created the "Medical Cannabis Program Account" as an account within the medical cannabis license cash fund. The account shall consist of all moneys collected by the department of health and senior services under section 195.981. The account shall be a dedicated account and, upon appropriation, moneys in the account shall be used solely for the administration of section 195.981.

2. (1) The division shall require all applicants for initial state licenses under sections 195.900 to 195.985 to submit a nonrefundable application fee of twelve thousand five hundred dollars for a medical cannabis center license, and twelve thousand five hundred dollars for a medical cannabis cultivation and production facility license. The division shall require all applicants for initial state licenses under sections 195.900 to 195.985 to submit an annual license fee of twelve thousand five hundred dollars for a medical cannabis center license, and twelve thousand five thousand dollars for a cultivation and production facility license. All applications submitted shall be accompanied by all applicable state license and application fees. Any applications which are later denied or withdrawn may allow for a refund of license fees only. All application fees provided by an applicant shall be retained by the division.

(2) The division shall establish all other fees for processing the following types of applications, licenses, notices, or reports required to be submitted to the state licensing authority:

(a) Applications to change location under subsection 13 of section 195.936 and rules promulgated thereunder;

(b) Applications for transfer of ownership under section 195.933 and rules promulgated thereunder;

(c) License renewal fees, application fees for renewals, and expired license renewal applications under section 195.939; and

(d) Licenses as listed in section 195.948.

(3) The amounts of the fees under subdivisions (1) and (2) of this subsection, when added to the other fees transferred to the fund under this section, shall reflect the actual direct and indirect costs of the division in the administration and enforcement of sections 195.900 to 195.985.

(4) The division may charge applicants licensed under sections 195.900 to 195.985 a fee for the cost of each fingerprint analysis and background investigation undertaken to qualify new officers, directors, managers, or employees.

(5) At least annually, the division shall review the amounts of the fees and, if necessary, adjust the amounts to reflect the direct and indirect costs of the division.

3. Except as provided in subsection 4 of this section, the division shall establish a basic fee that shall be paid at the time of service of any subpoena upon the division, plus a fee for meals and a fee for mileage at the rate prescribed for state officers and employees, for each mile actually and necessarily traveled in going to and returning from the place named in the subpoena. If the person named in the subpoena is required to attend the place named in the subpoena for more than one day, there shall be paid, in advance, a sum to be established by the division for each day of attendance to cover the expenses of the person named in the subpoena.

4. The subpoena fee established under subsection 3 of this section shall not be applicable to any federal, state, or local governmental agency.

195.966. 1. Except as otherwise provided, all fees and fines provided for by sections 195.900 to 195.985 shall be paid to the division, which shall transmit the fees to the state treasurer. The state treasurer shall credit the fees to the medical cannabis license cash fund created in section 195.963.

2. The expenditures of the division shall be paid out of appropriations from the medical cannabis license cash fund created in section 195.963.

195.969. 1. Each application for a local license provided for in sections 195.900 to 195.985 filed with a local licensing authority shall be accompanied by an application fee and a license fee in an amount determined by the local licensing authority not to exceed ten percent of the state application fee and license fee.

2. License fees as determined by the local licensing authority shall be paid to the treasurer of the municipality or county where the licensed premises is located in advance of the approval, denial, or renewal of the license.

195.972. 1. In addition to any other sanctions prescribed by sections 195.900 to 195.985 or rules promulgated under sections 195.900 to 195.985, the division or a local licensing authority has the power, on its own motion or on complaint, after investigation and opportunity for a public hearing at which the licensee shall be afforded an opportunity to be heard, to suspend or revoke a license issued by the respective authority for a violation by the licensee or by any of the agents or employees of the licensee of the provisions of sections 195.900 to 195.985, or any of the rules promulgated under sections 195.900 to 195.985, or of any of the terms, conditions, or provisions of the license issued by the division or local licensing authority. The division or a local licensing authority 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 or local licensing authority is authorized to conduct.

2. The division or local licensing authority 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. Except in the case of a summary suspension under section 195.984, a suspension shall not be for a longer period than six months. If a license is suspended or revoked, a part of the fees paid therefore shall not be returned to the licensee. Any license or permit may be summarily suspended by the issuing licensing authority without notice, pending any prosecution, investigation, or public hearing under the terms of section 195.984. Nothing in this section shall prevent the summary suspension of a license under section 195.984.

3. (1) Whenever a decision of the division or a local licensing authority suspending a license for fourteen days or less becomes final, the licensee may, before the operative date of the suspension, petition for permission to pay a fine in lieu of having the license suspended for all or part of the suspension period. Upon the receipt of the petition, the division or local licensing authority may, in its sole discretion, stay the proposed suspension and cause any investigation to be made which it deems desirable and may, in its sole discretion, grant the petition if the division or local licensing authority is satisfied that:

(a) The public welfare and morals shall not be impaired by permitting the licensee to operate during the period set for suspension and that the payment of the fine shall achieve the desired disciplinary purposes;

(b) The books and records of the licensee are kept in such a manner that the loss of sales that the licensee would have suffered had the suspension gone into effect may be determined with reasonable accuracy; and

(c) The licensee has not had his or her license suspended or revoked, nor had any suspension stayed by payment of a fine, during the two years immediately preceding the date of the motion or complaint that resulted in a final decision to suspend the license or permit.

(2) The fine accepted shall be not less than five hundred dollars nor more than one hundred thousand dollars.

(3) Payment of a fine under the provisions of this subsection shall be in the form of cash or in the form of a certified check or cashier's check made payable to the division or local licensing authority, whichever is appropriate.

4. Upon payment of the fine under subsection 3 of this section, the division or local licensing authority shall enter its further order permanently staying the imposition of the suspension. If the fine is paid to a local licensing authority, the governing body of the authority shall cause the moneys to be paid into the general fund of the local licensing authority. Fines paid to the division under subsection 3 of this section shall be transmitted to the state treasurer who shall credit the same to the medical cannabis license cash fund created in section 195.963.

5. In connection with a petition under subsection 3 of this section, the authority of the division or local licensing authority is limited to the granting of such stays as are necessary for the authority to complete its investigation and make its findings and, if the authority makes such findings, to the granting of an order permanently staying the imposition of the entire suspension or that portion of the suspension not otherwise conditionally stayed.

6. If the division or local licensing authority does not make the findings required in subdivision (1) of subsection 3 of this section and does not order the suspension permanently stayed, the suspension shall go into effect on the operative date finally set by the division or local licensing authority.

7. Each local licensing authority shall report all actions taken to impose fines, suspensions, and revocations to the division in a manner required by the division. No later than January fifteenth of each year, the division shall compile a report of the preceding year's actions in which fines, suspensions, or revocations were imposed by local licensing authorities and by the division. The division shall file one copy of the report with the chief clerk of the house of representatives, one copy with the secretary of the senate, and six copies in the legislative library.

195.975. 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 of 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 this section 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 access to all books and records of the licensee, and the expense thereof shall be paid by the licensee.

2. The licensed premises, including any places of storage where medical cannabis is grown, stored, cultivated, sold, or dispensed, shall be subject to inspection by the division or local licensing authorities and their investigators, during all business hours and other times of apparent activity, for the purpose of inspection or investigation. For examination of any inventory or books and records required to be kept by the licensees, access shall be required during business hours. Where 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 local licensing authority, 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 prior tax years.

195.978. 1. Except as otherwise provided in sections 195.900 to 195.985, it is unlawful for a person:

(1) To consume medical cannabis in a licensed medical cannabis center, and it shall be unlawful for a medical cannabis licensee to allow medical cannabis to be consumed upon its licensed premises;

(2) With knowledge, to permit or fail to prevent the use of such person's registry identification by any other person for the unlawful purchasing of medical cannabis; or

(3) To buy, sell, transfer, give away, or acquire medical cannabis, except as allowed under sections 195.900 to 195.985.

2. It is unlawful for a person licensed under sections 195.900 to 195.985:

(1) To be within a limited-access area unless the person's license badge is displayed as required by sections 195.900 to 195.985;

(2) To fail to designate areas of ingress and egress for limited-access areas and post signs in conspicuous locations as required by sections 195.900 to 195.985;

(3) To fail to report a transfer required by section 195.933; or

(4) To fail to report the name of or a change in managers as required by section 195.936.

3. It is unlawful for any person licensed to sell medical cannabis under sections 195.900 to 195.985:

(1) To sell more than two and one-half ounces of cannabis flower or its equivalent in cannabis concentrate or cannabis product during a sales transaction to a qualifying patient;

(2) To display any signs that are inconsistent with local laws or

regulations;

(3) To use advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors;

(4)(a) To sell medical cannabis to a person not licensed under sections 195.900 to 195.985 or to a person not able to produce a valid patient registry identification card. Notwithstanding any provision in this paragraph to the contrary, a person under twenty-one years of age shall not be employed to sell or dispense medical cannabis at a medical cannabis center or grow or cultivate medical cannabis at a medical cannabis cultivation and production facility;

(b) If a licensee or a licensee's employee has reasonable cause to believe that a person is exhibiting a fraudulent patient registry identification card in an attempt to obtain medical cannabis, the licensee or employee shall be authorized to confiscate the fraudulent patient registry identification card, if possible, and shall, within seventy-two hours after the confiscation, turn it over to the department of health and senior services or local law enforcement agency. The failure to confiscate the fraudulent patient registry identification card or to turn it over to the department or a state or local law enforcement agency within seventy-two hours after the confiscation shall not constitute a criminal offense;

(5) To offer for sale or solicit an order for medical cannabis in person except within the licensed premises;

(6) To have in possession or upon the licensed premises any medical cannabis, the sale of which is not permitted by the license;

(7) To buy medical cannabis from a person not licensed to sell as provided by sections 195.900 to 195.985;

(8) To sell medical cannabis except in the permanent location specifically designated in the license for sale;

(9) To require a medical cannabis center or medical cannabis cultivation and production facility to make delivery to any premises other than the specific licensed premises where the medical cannabis is to be sold, except as otherwise provided under sections 195.900 to 195.985; or

(10) To sell, serve, or distribute medical cannabis at any time other than between the hours of 8:00 a.m. and 7:00 p.m. Monday through Sunday.

4. Except as otherwise provided in sections 195.900 to 195.985, it is unlawful for:

(1) A medical cannabis center or medical cannabis cultivation and production facility to sell, deliver, or cause to be delivered to a licensee any medical cannabis not grown upon its licensed premises; or

(2) A medical cannabis center or medical cannabis cultivation and production facility to sell, possess, or permit sale of medical cannabis not grown upon its licensed premises. A violation of this subsection by a licensee shall be grounds for the immediate revocation of the license granted under sections 195.900 to 195.985.

5. It shall be unlawful for a physician who makes patient referrals to a licensed medical cannabis center to receive anything of value from the medical cannabis center licensee or its agents, servants, officers, or owners or anyone financially interested in the licensee, and it shall be unlawful for a licensee licensed under sections 195.900 to 195.985 to offer anything of value to a physician for making patient referrals to the licensed medical cannabis center.

6. A person who commits any acts that are unlawful under this section is guilty of a class A misdemeanor.

195.981.1. As used in this section, the following terms shall mean:

(1) "Bona fide physician-patient relationship", for purposes of the medical cannabis program:

(a) A physician and a patient have a treatment or counseling relationship, in the course of which the physician has completed a full assessment of the patient's medical history and current medical condition, including an appropriate personal physical examination;

(b) The physician has consulted with the patient with respect to the patient's qualifying medical condition before the patient applies for a registry identification card; and

(c) The physician is available to or offers to provide follow-up care and treatment to the patient, including, but not limited to, patient examinations, to determine the efficacy of the use of medical cannabis as a treatment of the patient's qualifying medical condition.

(2) "Department", the department of health and senior services.

(3) "Director", the director of the department of health and senior services.

(4) "In good standing", with respect to a physician's license:

(a) The physician holds a doctor of medicine or doctor of osteopathic medicine degree from an accredited medical school;

(b) The physician holds a valid license to practice medicine in Missouri that does not contain a restriction or condition that prohibits the recommendation of medical cannabis; and

(c) The physician has a valid and unrestricted United States Department of Justice Federal Drug Enforcement Administration controlled substances registration.

(5) "Medical cannabis program", the program established under sections 195.900 to 195.985.

(6) "Nonresident cardholder", a person who: (1) has been diagnosed with a qualifying medical condition, or is the parent, guardian, conservator, or other person with authority to consent to the medical treatment of a person who has been diagnosed with a qualifying medical condition; (2) is not a resident of Missouri; (3) was issued a currently valid registry identification card or its equivalent under the laws of another state, district, territory, commonwealth, insular possession of the United States, or country recognized by the United States that allows the person to use cannabis for medical purposes in the jurisdiction of issuance; and (4) has submitted documentation required by the department and has received confirmation of registration.

(7) "Caregiver", the same meaning as such term is defined in section 195.900.

(8) "Registry identification card", the nontransferable confidential registry identification card issued by the department to patients and caregivers under this section.

2. The department of health and senior services shall establish, revise, and amend rules and regulations as follows:

(1) To ensure that patients suffering from qualifying medical conditions are able to safely gain access to medical cannabis and to ensure that such patients:

(a) Are not subject to criminal prosecution for their use of medical cannabis in accordance with this section, and the rules of the department; and

(b) Are able to establish an affirmative defense to their use of medical cannabis in accordance with this section, and the rules of the department.

(2) To prevent persons who do not suffer from qualifying medical conditions from using this section as a means to sell, acquire, possess, produce, use, or transport cannabis in violation of state and federal laws;

(3) The establishment and maintenance of a confidential registry of patients who have applied for and are entitled to receive a registry identification card;

(4) The development by the department of an application form and making such form available to residents of this state seeking to be listed on the confidential registry of patients who are entitled to receive a registry identification card;

(5) The verification by the department of medical information concerning patients who have applied for a confidential registry card or for renewal of a registry identification card;

(6) The development by the department of a written certification form that shall be used by a physician to certify that a patient has a qualifying medical condition;

(7) The conditions for issuance and renewal, and the form, of the registry identification cards issued to patients, including, but not limited to, standards for ensuring that the department issues a registry identification card to a patient only if such patient has a bona fide physician-patient relationship with a physician in good standing and licensed to practice medicine in the state of Missouri;

(8) Communications with law enforcement officials about registry identification cards that have been suspended when a patient is no longer diagnosed as having a qualifying medical condition;

(9) A waiver process to allow a homebound patient who is on the registry to have a caregiver transport the patient's medical cannabis from a licensed medical cannabis center to the patient; and

(10) To regulate and control the manufacturing of medical cannabis-infused products.

3. The department shall conduct a public review hearing to receive public input on any emergency rules adopted by the department and be provided with an update from the industry, caregivers, patients, and other stakeholders regarding the industry's current status. The department shall provide at least five business days' notice prior to the hearing.

4. Within one hundred eighty days of the effective date of this section, the department shall make available to the public application forms and application instructions for qualifying patient and caregiver identification cards. Within two hundred ten days of the effective date of this section, the department shall begin accepting applications for qualifying patient and caregiver identification cards.

5. A physician who certifies a qualifying medical condition for an applicant to the medical cannabis program shall comply with all of the following requirements:

(1) The physician shall have a valid and active license to practice medicine in this state, which license is in good standing;

(2) After a physician, who has a bona fide physician-patient relationship with the patient, determines that the patient has a qualifying medical condition, the physician shall certify to the department that the patient has a qualifying medical condition after the physician has completed an assessment of the qualifying patient's medical history, reviewed relevant records related to the patient's qualifying medical condition, and conducted a physical examination. The physician shall specify the qualifying medical condition and, if known, the cause or source of the qualifying medical condition;

(3) The physician shall maintain a record-keeping system for all patients for whom the physician has determined have a qualifying medical condition;

(4) A physician shall not:

(a) Accept, solicit, or offer any form of pecuniary remuneration from or to a caregiver, distributor, or any other provider of medical cannabis;

(b) Offer a discount or any other thing of value to a patient who uses or agrees to use a particular caregiver, distributor, or other provider of medical cannabis to procure medical cannabis;

(c) Examine a patient for purposes of diagnosing a qualifying medical condition at a location where medical cannabis is sold or distributed;

(d) Hold an economic interest in an enterprise that provides or distributes medical cannabis if the physician certifies the qualifying medical condition of a patient for participation in the medical cannabis program; or

(e) Issue a certification for the medical use of cannabis for a non-emancipated qualifying patient under the age of eighteen without the written consent of the qualifying patient's parent or legal guardian. The department shall not issue a qualifying patient registry identification card on behalf of a non-emancipated qualifying patient under the age of eighteen without the written consent of the qualifying patient's parent or legal guardian. Such registry identification card shall be issued to one of the parents or guardians and not directly to the patient. Only a parent or guardian may serve as caregiver for a non-emancipated qualifying patient under the age of eighteen. Only the qualifying patient's parent or guardian shall purchase or possess medical cannabis for a non-emancipated qualifying patient under the age of eighteen. A parent or guardian shall supervise the administration of medical cannabis to a non-emancipated qualifying patient under the age of eighteen.

(5) If the department has reasonable cause to believe that a physician has violated subdivision (1), (2), or (3) of subsection 4 of this section, or the rules promulgated by the department, the department may refer the matter to the state board of registration for the healing arts.

6. (1) A caregiver shall not delegate to any other person his or her authority to provide medical cannabis to a patient nor may a caregiver engage others to assist in providing medical cannabis to a patient.

(2) A caregiver shall not cultivate cannabis. Only a medical cannabis cultivation and production facility may cultivate cannabis and only for medical use.

(3) A caregiver shall provide to a law enforcement agency, upon inquiry, the registry identification card number of each of his or her patients. The department shall maintain a registry of such information and make it available twenty-four hours per day and seven days a week to law enforcement for verification purposes.

7. A registered patient or caregiver shall not:

(1) Purchase medical cannabis from unauthorized sources; or

(2) Obtain medical cannabis from other registered patients or caregivers.

8. (1) To be considered in compliance with this section and the rules of the department, a patient or caregiver shall have his or her registry identification card in his or her possession at all times that he or she is in possession of any form of medical cannabis and produce the same upon request of a law enforcement officer to demonstrate that the patient or caregiver is not in violation of the law. A person who violates this section or the rules promulgated by the department may be subject to criminal prosecution.

(2) The department shall maintain a registry of such information and make available twenty-four hours a day and seven days a week to law enforcement for verification purposes. Authorized employees of state or local law enforcement agencies shall be granted access to the information contained within the state health agency's confidential registry only for the purpose of verifying that an individual who has presented a registry identification card to a state or local law enforcement official is lawfully in possession of such card. The department may promulgate rules to implement this subsection.

(3) The department may deny a patient's application for a registry identification card or revoke the card if the department determines that the physician who diagnosed the patient's qualifying medical condition, the patient, or the caregiver violated this section, or the rules promulgated by the department under this section; except that, when a physician's violation is the basis for adverse action, the department may only deny or revoke a patient's application or registry identification card when the physician's violation is related to the issuance of a medical cannabis recommendation.

(4) A registry identification card shall be valid for one year and shall contain a unique identification number. It shall be the responsibility of the patient to apply to renew his or her registry identification card prior to the date on which the card expires. The department shall develop a form for a patient to use in renewing his or her registry identification card.

(5) If the department grants a patient a waiver to allow a caregiver to transport the patient's medical cannabis from a medical cannabis center to the patient, the department shall designate the waiver on the patient's registry identification card.

(6) A homebound patient who receives a waiver from the department to allow a caregiver to transport the patient's medical cannabis to the patient from a medical cannabis center shall provide the caregiver with the patient's registry identification card, which the caregiver shall carry when the caregiver is transporting the medical cannabis. A medical cannabis center may provide the medical cannabis to the caregiver for transport to the patient if the caregiver produces the patient's registry identification card.

9. (l) The State of Missouri and the medical cannabis centers in this State which hold valid medical cannabis center licenses will recognize a nonresident card under the following circumstances:

(a) The state or jurisdiction from which the holder or bearer obtained the nonresident card grants an exemption from criminal prosecution for the medical use of cannabis;

(b) The state or jurisdiction from which the holder or bearer obtained the nonresident card requires, as a prerequisite to the issuance of such a card, that a physician advise the person that the person has a qualifying medical condition recognized by the state of Missouri;

(c) The nonresident card has an expiration date and has not yet expired;

(d) The state or jurisdiction from which the holder or bearer obtained the nonresident card maintains a database which preserves such information as may be necessary to verify the authenticity or validity of the nonresident card;

(e) The state or jurisdiction from which the holder or bearer obtained the nonresident card allows the division and medical cannabis centers in this State to access the database described in paragraph (d);

(f) The division determines that the database described in paragraph (d) is able to provide to medical cannabis centers in this State information that is sufficiently accurate, current and specific as to allow those centers to verify that a person who holds or bears a nonresident card is entitled lawfully to do so; and

(g) The holder or bearer of the nonresident card agrees to abide by, and does abide by, the legal limits on the possession of cannabis for medical purposes in this State, as set forth in 195.900.3(1).

(2) For the purposes of the reciprocity described in this section:

(a) The amount of medical cannabis that the holder or bearer of a nonresident card is entitled to possess in his or her state or jurisdiction of residence is irrelevant; and

(b) Under no circumstances, while in this State, may the holder or bearer of a nonresident card possess cannabis for medical purposes in excess of the limits set forth in 195.900.3(1).

(3) As used in this section, "nonresident card" means a card or other identification that:

(a) Is issued by a state or jurisdiction other than Missouri; and

(b) Is the functional equivalent of a registry identification card or letter of approval, as determined by the division.

10. (1) The use of medical cannabis is allowed under state law to the extent that it is carried out in accordance with sections 195.900 to 195.985 and the rules of the department.

(2) A patient or caregiver shall not:

(a) Engage in the medical use of cannabis in a way that endangers the health and well-being of a person;

(b) Engage in the medical use of cannabis in plain view or in a place open to the general public;

(c) Undertake any task while under the influence of medical cannabis, when doing so would constitute negligence or professional malpractice;

(d) Possess medical cannabis or otherwise engage in the use of medical cannabis in or on the grounds of a school or in a school bus;

(e) Engage in the use of medical cannabis while:

a. In a correctional facility;

b. Subject to a sentence to incarceration; or

c. In a vehicle, aircraft, or motorboat.

(f) Operate, navigate, or be in actual physical control of any vehicle, aircraft, or motorboat while under the influence of medical cannabis; or

(g) Use medical cannabis if the person does not have a qualifying medical condition as diagnosed by the person's physician in the course of a bona fide physician-patient relationship that has been certified to the department.

(3) A person shall not establish a business to permit patients to congregate and smoke medical cannabis.

11. Only licensed medical cannabis cultivation and production facilities may cultivate medical cannabis.

12. If a patient raises an affirmative defense to prosecution under sections 195.900 to 195.985, the patient's physician shall certify the specific amounts in excess of an adequate supply that are necessary to address the patient's qualifying medical condition and why such amounts are necessary. A patient who asserts this affirmative defense shall waive confidentiality privileges related to the condition or conditions. If a patient, caregiver, or physician raises an exception to the state criminal laws, the patient, caregiver, or physician waives the confidentiality of his or her records related to the qualifying medical condition or conditions maintained by the department for the medical cannabis program. Upon request of a law enforcement agency for such records, the department shall only provide records pertaining to the individual raising the exception, and shall redact all other patient, caregiver, or physician identifying information.

13. (1) Except as provided in subdivision (2) of this subsection, the department shall establish a basic fee that shall be paid at the time of service of any subpoena upon the department, plus a fee for meals and a fee for mileage at the rate prescribed for state officers and employees, for each mile actually and necessarily traveled in going to and returning from the place named in the subpoena. If the person named in the subpoena is required to attend the place named in the subpoena for more than one day, there shall be paid, in advance, a sum to be established by the department for each day of attendance to cover the expenses of the person named in the subpoena.

(2) The subpoena fee established under subdivision (1) of the subsection shall not be applicable to any federal, state, or local governmental agency.

14. The department may collect fees from patients who apply to the medical cannabis program for a cannabis registry identification card for the purpose of offsetting the department's direct and indirect costs of administering the program. The amount of such fees shall be set by rule of the department. The amount of the fees set under this section shall reflect the actual direct and indirect costs of the department in the administration and enforcement of this section. All fees collected by the department through the medical cannabis program shall be transferred to the state treasurer who shall credit the same to the medical cannabis program account within the medical cannabis license cash fund created in section 195.963.

195.982. 1. No individual or health care entity organized under the laws of this state shall be subject to any adverse action by the state or any agency, board, or subdivision thereof, including civil or criminal prosecution, denial of any right or privilege, the imposition of a civil or administrative penalty or sanction, or disciplinary action by any accreditation or licensing board or commission if such individual or employee or agent of the health care facility, in its normal course of business and within its applicable licenses and regulations, certifies a qualifying medical condition for an applicant to the medical cannabis program under sections 195.900 to 195.985.

2. A physician shall not be subject to criminal or civil liability or sanctions under Missouri law or discipline by the Missouri State Board of Registration for the Healing Arts, or its successor agency, for issuing a physician certification to a patient diagnosed with a qualifying medical condition in a manner consistent with this section and legal standards of professional conduct.

3. A health care provider shall not be subject to civil or criminal prosecution, denial of any right or privilege, civil or administrative penalty or sanction, or disciplinary action by any accreditation or licensing board or commission for providing health care services that involve the medical use of cannabis consistent with this section and legal standards of professional conduct.

4. A testing laboratory shall not be subject to civil or criminal prosecution, denial of any right or privilege, civil or administrative penalty or sanction, or disciplinary action by any accreditation or licensing board or commission for providing laboratory testing services that relate to the medical use of cannabis consistent with this section and otherwise meeting legal standards of professional conduct.

5. A caregiver shall not be subject to criminal or civil liability or sanctions under Missouri law for purchasing, transporting, or administering cannabis for medical use by a qualifying patient under the provisions of sections 195.900 to 195.985.

6. An attorney shall not be subject to disciplinary action by the state bar association or other professional licensing body for providing legal assistance to prospective or licensed medical cannabis cultivation and productive facilities, medical cannabis centers, medical cannabis testing facilities, qualifying patients, caregivers, physicians, health care providers, or others related to activity that is no longer subject to criminal penalties under state law pursuant to this section.

7. Actions and conduct by duly registered or licensed qualifying patients, caregivers, medical cannabis cultivation and production facilities, medical cannabis centers, and medical cannabis testing facilities or their employees or agents, as permitted by this section and in compliance with division and department regulations and other standards of legal conduct, shall not be subject to criminal or civil liability or sanctions under Missouri law, except as provided for by this section.

8. Nothing in this section shall provide immunity for negligence, either common law or statutorily created, nor criminal immunities for operating a vehicle, aircraft, dangerous device, or navigating a boat under the influence of cannabis.

9. It is the public policy of the state of Missouri that contracts related to cannabis for medical use that are entered into by qualifying patients, caregivers, medical cannabis cultivation and production facilities, medical cannabis centers, or medical cannabis testing facilities and those who allow property to be used by those entities, shall be enforceable. It is the public policy of the state of Missouri that no contract entered into by qualifying patients, caregivers, medical cannabis cultivation and production facilities, medical cannabis centers, medical cannabis testing facilities, or by a person who allows property to be used for activities that are exempt from state criminal penalties by this section, shall be unenforceable on the basis that activities related to medical cannabis may be prohibited by federal law.

10. Real property used in the cultivation, manufacture, testing, distribution, sale, possession and administration of cannabis for medical use shall not be subject to asset forfeiture solely because of that use.

195.984.1. (1) The division of alcohol and tobacco control may summarily suspend a license issued under sections 195.900 to 195.985 prior to a hearing in order immediately to stop or restrict operations by a licensee to protect the public health, safety, or welfare. The division may rescind or amend a summary suspension.

(2) If, based upon inspection, affidavits, or other evidence, the division determines that a licensee or the products prepared by a licensee pose an immediate or serious threat to the public health, safety, or welfare, the division may summarily suspend a license:

(a) Requiring cessation or restriction of any or all licensee operations and prohibiting the use of medical cannabis produced by such licensee; or

(b) Placing restrictions on a licensee to the extent necessary to avert a continued threat, pending final investigation results.

(3) The requirements of the summary suspension shall remain in effect until the division rescinds or amends such requirements or until such time as the division takes final action on any related pending complaint and issues a final decision.

2. The department of health and senior services may summarily suspend any registration issued under section 195.981, pending further proceedings for denial of renewal or revocation of a registration, whenever the department finds that the continued registration poses an imminent danger to the public health, safety, or welfare.

195.985. 1. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in sections 195.900 to 195.985 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. Sections 195.900 to 195.985 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 November 6, 2018, shall be invalid and void.

2. If any provision of sections 195.900 to 195.985 or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of sections 195.900 to 195.985 which can be given full effect without the invalid provision or application, and to this end the provisions of sections 195.900 to 195.985 are severable.

263.250. 1. The plant "marijuana", botanically known as cannabis sativa, is hereby declared to be a noxious weed and all owners and occupiers of land shall destroy all such plants growing upon their land. Any person who knowingly allows such plants to grow on his land or refuses to destroy such plants after being notified to do so shall allow any sheriff or such other persons as designated by the county commission to enter upon any land in this state and destroy such plants.

2. Entry to such lands shall not be made, by any sheriff or other designated person to destroy such plants, until fifteen days' notice by certified mail shall be given the owner or occupant to destroy such plants or a search warrant shall be issued on probable cause shown. In all such instances, the county commission shall bear the cost of destruction and notification.

3. The provisions of this section shall not apply to the authorized cultivation and production of cannabis plants for purposes of providing medical cannabis under sections 195.900 to 195.985.

311.610. 1. For the purpose of carrying out the provisions of this chapter [and], the liquor control law, and sections 195.900 to 195.985 the governor, by and with the advice and consent of the senate, shall appoint some suitable person of good moral character over the age of thirty years, who has been a qualified elector in the state of Missouri for at least five years next before the date of his appointment, as supervisor of liquor control. The supervisor of liquor control shall serve at the pleasure and under the supervision and direction of the governor.

2. The supervisor of liquor control shall devote his entire time to the duties of his office and, with the approval of the governor, appoint and employ all agents, assistants, deputies, inspectors and employees necessary for the proper enforcement and administration of the provisions of the liquor control law whose salaries shall be fixed by the governor, but no salary shall be greater than that paid to employees in other state departments for similar work, except that no salary of an agent directly engaged in the enforcement of the liquor control law shall be less than eight thousand dollars a year. In addition to his salary, the supervisor of liquor control and each of the agents, assistants, deputies, inspectors and employees shall be reimbursed for all expenses necessarily incurred in the discharge of their duties. No expenses shall be allowed for sustenance to any supervisor, agent, assistant, deputy, inspector or employee while in the city or town of his residence.

3. Before entering upon the discharge of his duties, the supervisor of liquor control shall take and subscribe to an oath to support the Constitution of the United States and of this state, and faithfully demean himself in office, and shall also execute bond to the state of Missouri in the penal sum of ten thousand dollars, conditioned for the faithful performance of the duties of his office, which bond shall be approved by the governor and deposited with the secretary of state and kept in his office; the premiums of the bond shall be paid by the state out of funds appropriated for that purpose.

4. The supervisor of liquor control shall issue licenses for the manufacture and sale of ardent spirits, malt, vinous, fermented and every class of liquors used as beverages. The supervisor of liquor control shall keep a record of all intoxicating liquor manufactured, brewed or sold in this state by every brewery, distiller, manufacturer, distributor or wholesaler, and make a complete report of the same to the governor at the end of each calendar year, or as soon thereafter as possible.

311.620. 1. No person shall be appointed as agent, assistant, deputy or inspector under the provisions of the liquor control law or the Missouri Patient Care Act who shall have been convicted of or against whom any indictment may be pending for any offense; nor shall any person be appointed as such agent, assistant, deputy or inspector who is not of good character or who is not a citizen of the United States, and who is not or has not been a resident taxpaying citizen of the state for a period of three years previous to his appointment; or who is not able to read and write the English language or who does not possess ordinary physical strength and who is not able to pass such physical and mental examination as the majority of a board, consisting of the governor, lieutenant governor, attorney general, and the supervisor of liquor control may prescribe.

2. No agent, assistant, deputy or inspector so appointed shall hold any other commission or office, elective or appointive or accept any other employment compensation while he is an employee of the department of liquor control, except with the written permission of the supervisor of liquor control. No agent, assistant, deputy or inspector of the department of liquor control shall accept any reward or gift other than his regular salary and expenses as provided in this chapter. No agent, assistant, deputy or inspector of the department of liquor control shall perform any police duty connected with the conduct of any election, nor at any time or in any manner electioneer for or against any party ticket, or any candidate for nomination or office on any party ticket, nor for or against any proposition of any kind or nature to be voted upon at any election.

3. The agents, assistants, deputies and inspectors appointed under the provisions of section 311.610 shall before entering upon the discharge of their duties, each take and subscribe an oath to support the Constitution and laws of the United States and the State of Missouri and to faithfully demean themselves in office in the form prescribed by Section 11, Article VII of the Constitution of this State, and they shall each give bond to be approved by the supervisor of liquor control for faithful performance of the duties of their respective offices and to safely keep and account for all moneys and property received by them. This bond shall be in the sum of five thousand dollars, and the cost of furnishing all such bonds shall be paid by the state.

4. Any agent, assistant, deputy or inspector of the department of liquor control who shall violate the provisions of this chapter shall be immediately discharged.

311.630. 1. The supervisor of alcohol and tobacco control and employees to be selected and designated as peace officers by the supervisor of alcohol and tobacco control are hereby declared to be peace officers of the state of Missouri, with full power and authority to make arrests and searches and seizures only for violations of the provisions of this chapter relating to intoxicating liquors, [and] sections 407.924 to 407.934 relating to tobacco products, and sections 195.900 to 195.985 and to serve any process connected with the enforcement of such laws. The peace officers so designated shall have been previously appointed and qualified under the provisions of section 311.620 and shall be required to hold a valid peace officer license pursuant to chapter 590.

2. The supervisor of alcohol and tobacco control shall furnish such peace officers with credentials showing their authority and a special badge, which they shall carry on their person at all times while on duty. The names of the peace officers so designated shall be made a matter of public record in the office of the supervisor of alcohol and tobacco control.

3. All fees for the arrest and transportation of persons arrested and for the service of writs and process shall be the same as provided by law in criminal proceedings and shall be taxed as costs.

311.660. 1. The supervisor of liquor control shall have the authority to suspend or revoke for cause all such licenses; and to make the following regulations, without limiting the generality of provisions empowering the supervisor of liquor control as in this chapter set forth as to the following matters, acts and things:

(1) Fix and determine the nature, form and capacity of all packages used for containing intoxicating liquor of any kind, to be kept or sold under this law;

(2) Prescribe an official seal and label and determine the manner in which such seal or label shall be attached to every package of intoxicating liquor so sold under this law; this includes prescribing different official seals or different labels for the different classes, varieties or brands of intoxicating liquor;

(3) Prescribe all forms, applications and licenses and such other forms as are necessary to carry out the provisions of this chapter, except that when a licensee substantially complies with all requirements for the renewal of a license by the date on which the application for renewal is due, such licensee shall be permitted at least an additional ten days from the date notice is sent that the application is deficient, in which to complete the application;

(4) Prescribe the terms and conditions of the licenses issued and granted under this law;

(5) Prescribe the nature of the proof to be furnished and conditions to be observed in the issuance of duplicate licenses, in lieu of those lost or destroyed;

(6) Establish rules and regulations for the conduct of the business carried on by each specific licensee under the license, and such rules and regulations if not obeyed by every licensee shall be grounds for the revocation or suspension of the license;

(7) The right to examine books, records and papers of each licensee and to hear and determine complaints against any licensee;

(8) To issue subpoenas and all necessary processes and require the production of papers, to administer oaths and to take testimony;

(9) Prescribe all forms of labels to be affixed to all packages containing intoxicating liquor of any kind; and

(10) To make such other rules and regulations as are necessary and feasible for carrying out the provisions of this chapter, as are not inconsistent with this law.

2. The supervisor of liquor control shall have the authority to regulate and control the licensing of the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis in this state; to grant or refuse state licenses for the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis as provided by law; suspend, fine, restrict, or revoke such licenses upon a violation of sections 195.900 to 195.985, or a rule promulgated under sections 195.900 to 195.985; to impose any penalty authorized by sections 195.900 to 195.985, or any rule promulgated under sections 195.900 to 195.985; and to establish, revise, and amend rules and regulations as necessary to carry into effect the provisions of sections 195.900 to 195.985 as set forth in section 195.906.

STATE OF MISSOURI }
} SS
Secretary of State }

I, John R. Ashcroft, Secretary of State of the State of Missouri, hereby certify that the foregoing is a full, true and complete copy of Proposition C, to be submitted to the qualified voters of the State of Missouri at the General Election to be held the sixth day of November, 2018.

In TESTIMONY WHEREOF, I hereunto set my hand and affix the Great Seal of the State of Missouri, done at the City of Jefferson, this 28th day of August, 2018.

JOHN R. ASHCROFT
Secretary of State

PROPOSITION D

[Proposed by the 99th General Assembly (Second Regular Session) SS 2 HB 1460]

OFFICIAL BALLOT TITLE:

Shall Missouri law be amended to fund Missouri state law enforcement by increasing the motor fuel tax by two and one half cents per gallon annually for four years beginning July 1, 2019, exempt Special Olympic, Paralympic, and Olympic prizes from state taxes, and to establish the Emergency State Freight Bottleneck Fund?

If passed, this measure will generate at least $288 million annually to the State Road Fund to provide for the funding of Missouri state law enforcement and $123 million annually to local governments for road construction and maintenance.

To repeal sections 142.803 and 143.121, RSMo, and to enact in lieu thereof three new sections relating to state revenues, with a referendum clause.

Section A. Sections 142.803 and 143.121, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 142.803, 143.121, and 226.145, to read as follows:

142.803. 1. A tax is levied and imposed on all motor fuel used or consumed in this state as follows:

(1) Motor fuel, seventeen cents per gallon **until June 30, 2019. For the fiscal year beginning on or after July 1, 2019, and ending on or before June 30, 2020, such tax shall be nineteen and one-half cents per gallon. For the fiscal year beginning on or after July 1, 2020, and ending on or before June 30, 2021, such tax shall be twenty-two cents per gallon. For the fiscal year beginning on or after July 1, 2021, and ending on or before June 30, 2022, such tax shall be twenty-four and one-half cents per gallon. For all fiscal years beginning on or after July 1, 2022, such tax shall be twenty-seven cents per gallon. Subject to appropriation, the state portion of the revenue generated by the increases in the rate of tax beginning July 1, 2019, shall be used for the actual cost of the state highway patrol in administering and enforcing any state motor vehicle laws and traffic regulations;**

(2) Alternative fuels, not subject to the decal fees as provided in section 142.869, with a power potential equivalent of motor fuel. In the event alternative fuel, which is not commonly sold or measured by the gallon, is used in motor vehicles on the highways of this state, the director is authorized to assess and collect a tax upon such alternative fuel measured by the nearest power potential equivalent to that of one gallon of regular grade gasoline. The determination by the director of the power potential equivalent of such alternative fuel shall be prima facie correct;

(3) Aviation fuel used in propelling aircraft with reciprocating engines, nine cents per gallon as levied and imposed by section 155.080 to be collected as required under this chapter;

(4) Compressed natural gas fuel, five cents per gasoline gallon equivalent until December 31, 2019, eleven cents per gasoline gallon equivalent from January 1, 2020, until December 31, 2024, [and then] seventeen cents per gasoline gallon equivalent **from January 1, 2025, until December 31, 2025, and then twenty-seven cents per gasoline gallon equivalent** thereafter. The gasoline gallon equivalent and method of sale for compressed natural gas shall be as published by the National Institute of Standards and Technology in Handbooks 44 and 130, and supplements thereto or revisions thereof. In the absence of such standard or agreement, the gasoline gallon equivalent and method of sale for compressed natural gas shall be equal to five and sixty-six-hundredths pounds of compressed natural gas. All applicable provisions contained in this chapter governing administration, collections, and enforcement of the state motor fuel tax shall apply to the tax imposed on compressed natural gas, including but not limited to licensing, reporting, penalties, and interest;

(5) Liquefied natural gas fuel, five cents per diesel gallon equivalent until December 31, 2019, eleven cents per diesel gallon equivalent from January 1, 2020, until December 31, 2024, [and then] seventeen cents per diesel gallon equivalent from January 1, 2025, until December 31, 2025, and then twenty-seven cents per diesel gallon equivalent thereafter. The diesel gallon equivalent and method of sale for liquefied natural gas shall be as published by the National Institute of Standards and Technology in Handbooks 44 and 130, and supplements thereto or revisions thereof. In the absence of such standard or agreement, the diesel gallon equivalent and method of sale for liquefied natural gas shall be equal to six and six-hundredths pounds of liquefied natural gas. All applicable provisions contained in this chapter governing administration, collections, and enforcement of the state motor fuel tax shall apply to the tax imposed on liquefied natural gas, including but not limited to licensing, reporting, penalties, and interest;

(6) Propane gas fuel, five cents per gallon until December 31, 2019, eleven cents per gallon from January 1, 2020, until December 31, 2024, [and then] seventeen cents per gallon from January 1, 2025, until December 31, 2025, and then twenty-seven cents per gallon thereafter. All applicable provisions contained in this chapter governing administration, collection, and enforcement of the state motor fuel tax shall apply to the tax imposed on propane gas including, but not limited to, licensing, reporting, penalties, and interest;

(7) If a natural gas, compressed natural gas, liquefied natural gas, electric, or propane connection is used for fueling motor vehicles and for another use, such as heating, the tax imposed by this section shall apply to the entire amount of natural gas, compressed natural gas, liquefied natural gas, electricity, or propane used unless an approved separate metering and accounting system is in place.

2. **Notwithstanding any provision of law to the contrary, beginning on January 1, 2026, all motor fuels and alternative fuels, including, but not limited to, gasoline, diesel fuel, electricity, hydrogen, propane, compressed natural gas, and liquified natural gas, shall be taxed at substantially the equivalent rate. The department of agriculture, in cooperation with the department of revenue, shall where necessary promulgate a rule on or before December 31, 2023, to implement the provisions of this subsection. 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.**

3. All taxes, surcharges and fees are imposed upon the ultimate consumer, but are to be precollected as described in this chapter, for the facility and convenience of the consumer. The levy and assessment on other persons as specified in this chapter shall be as agents of this state for the precollection of the tax.

4. In order to ensure that the revenues generated by this section are used for their designated purposes, the state auditor shall biennially audit such funds and provide a report to the general assembly. Such report may be included as part of an audit of a department or agency receiving such funds.

143.121. 1. The Missouri adjusted gross income of a resident individual shall be the taxpayer's federal adjusted gross income subject to the modifications in this section.

2. There shall be added to the taxpayer's federal adjusted gross income:

4 (1) The amount of any federal income tax refund received for a prior year which resulted in a Missouri income tax benefit;

(2) Interest on certain governmental obligations excluded from federal gross income by Section 103 of the Internal Revenue Code **(26 U.S.C. Section 103, as amended)**. The previous sentence shall not apply to interest on obligations of the state of Missouri or any of its political subdivisions or authorities and shall not apply to the interest described in subdivision (1) of subsection 3 of this section. The amount added pursuant to this subdivision shall be reduced by the amounts applicable to such interest that would have been deductible in computing the taxable income of the taxpayer except only for the application of Section 265 of the Internal Revenue Code **(26 U.S.C. Section 265, as amended)**. The reduction shall only be made if it is at least five hundred dollars;

(3) The amount of any deduction that is included in the computation of federal taxable income pursuant to Section 168 of the Internal Revenue Code **(26 U.S.C. Section 168)** as amended by the Job Creation and Worker Assistance Act of 2002 to the extent the amount deducted relates to property purchased on or after July 1, 2002, but before July 1, 2003, and to the extent the amount deducted exceeds the amount that would have been deductible pursuant to Section 168 of the Internal Revenue Code of 1986 **(26 U.S.C. Section 168)** as in effect on January 1, 2002;

(4) The amount of any deduction that is included in the computation of federal taxable income for net operating loss allowed by Section 172 of the Internal Revenue Code of 1986 **(26 U.S.C. Section 172)**, as amended, other than the deduction allowed by Section **[**172(b)(1)(G)**] 172(b)(1)(F)** and Section **[**172(i)**] 172(h)** of the Internal Revenue Code of 1986 **(26 U.S.C. Section 172)**, as amended, for a net operating loss the taxpayer claims in the tax year in which the net operating loss occurred or carries forward for a period of more than twenty years and carries backward for more than two years. Any amount of net operating loss taken against federal taxable income but disallowed for Missouri income tax purposes pursuant to this subdivision after June 18, 2002, may be carried forward and taken against any income on the Missouri income tax return for a period of not more than twenty years from the year of the initial loss; and

(5) For nonresident individuals in all taxable years ending on or after December 31, 2006, the amount of any property taxes paid to another state or a political subdivision of another state for which a deduction was allowed on such nonresident's federal return in the taxable year unless such state, political subdivision of a state, or the District of Columbia allows a subtraction from income for property taxes paid to this state for purposes of calculating income for the income tax for such state, political subdivision of a state, or the District of Columbia.

3. There shall be subtracted from the taxpayer's federal adjusted gross income the following amounts to the extent included in federal adjusted gross income:

(1) Interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission or instrumentality of the United States to the extent exempt from Missouri income taxes pursuant to the laws of the United States. The amount subtracted pursuant to this subdivision shall be reduced by any interest on indebtedness incurred to carry the described obligations or securities and by any expenses incurred in the production of interest or dividend income described in this subdivision. The reduction in the previous sentence shall only apply to the extent that such expenses including amortizable bond premiums are deducted in determining the taxpayer's federal adjusted gross income or included in the taxpayer's Missouri itemized deduction. The reduction shall only be made if the expenses total at least five hundred dollars;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis to the taxpayer for Missouri income tax purposes than for federal income tax purposes on December 31, 1972, that does not exceed such difference in basis. If a gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to one-half of such portion of the gain;

(3) The amount necessary to prevent the taxation pursuant to this chapter of any annuity or other amount of income or gain which was properly included in income or gain and was taxed pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the taxpayer, or to a decedent by reason of whose death the taxpayer acquired the right to receive the income or gain, or to a trust or estate from which the taxpayer received the income or gain;

(4) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the extent that the same are included in federal adjusted gross income;

(5) The amount of any state income tax refund for a prior year which was included in the federal adjusted gross income;

(6) The portion of capital gain specified in section 135.357 that would otherwise be included in federal adjusted gross income;

(7) The amount that would have been deducted in the computation of federal taxable income pursuant to Section 168 of the Internal Revenue Code **(26 U.S.C. Section 168)** as in effect on January 1, 2002, to the extent that amount relates to property purchased on or after July 1, 2002, but before July 1, 2003, and to the extent that amount exceeds the amount actually deducted pursuant to Section 168 of the Internal Revenue Code **(26 U.S.C. Section 168)** as amended by the Job Creation and Worker Assistance Act of 2002;

(8) For all tax years beginning on or after January 1, 2005, the amount of any income received for military service while the taxpayer serves in a combat zone which is included in federal adjusted gross income and not otherwise excluded therefrom. As used in this section, "combat zone" means any area which the President of the United States by Executive Order designates as an area in which Armed Forces of the United States are or have engaged in combat. Service is performed in a combat zone only if performed on or after the date designated by the President by Executive Order as the date of the commencing of combat activities in such zone, and on or before the date designated by the President by Executive Order as the date of the termination of combatant activities in such zone;

(9) For all tax years ending on or after July 1, 2002, with respect to qualified property that is sold or otherwise disposed of during a taxable year by a taxpayer and for which an additional modification was made under subdivision (3) of subsection 2 of this section, the amount by which additional modification made under subdivision (3) of subsection 2 of this section on qualified property has not been recovered through the additional subtractions provided in subdivision (7) of this subsection; and

(10) For all tax years beginning on or after January 1, 2014, the amount of any income received as payment from any program which provides compensation to agricultural producers who have suffered a loss as the result of a disaster or emergency, including the:

(a) Livestock Forage Disaster Program;

(b) Livestock Indemnity Program;

(c) Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish;

(d) Emergency Conservation Program;

(e) Noninsured Crop Disaster Assistance Program;

(f) Pasture, Rangeland, Forage Pilot Insurance Program;

(g) Annual Forage Pilot Program;

(h) Livestock Risk Protection Insurance Plan; and

(i) Livestock Gross Margin insurance plan.

4. There shall be added to or subtracted from the taxpayer's federal adjusted gross income the taxpayer's share of the Missouri fiduciary adjustment provided in section 143.351.

5. There shall be added to or subtracted from the taxpayer's federal adjusted gross income the modifications provided in section 143.411.

6. In addition to the modifications to a taxpayer's federal adjusted gross income in this section, to calculate Missouri adjusted gross income there shall be subtracted from the taxpayer's federal adjusted gross income any gain recognized pursuant to Section 1033 of the Internal Revenue Code of 1986 **(26 U.S.C. Section 1033)**, as amended, arising from compulsory or involuntary conversion of property as a result of condemnation or the imminence thereof.

7. (1) As used in this subsection, "qualified health insurance premium" means the amount paid during the tax year by such taxpayer for any insurance policy primarily providing health care coverage for the taxpayer, the taxpayer's spouse, or the taxpayer's dependents.

(2) In addition to the subtractions in subsection 3 of this section, one hundred percent of the amount of qualified health insurance premiums shall be subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid for such premiums is included in federal taxable income. The taxpayer shall provide the department of revenue with proof of the amount of qualified health insurance premiums paid.

8. (1) Beginning January 1, 2014, in addition to the subtractions provided in this section, one hundred percent of the cost incurred by a taxpayer for a home energy audit conducted by an entity certified by the department of natural resources under section 640.153 or the implementation of any energy efficiency recommendations made in such an audit shall be subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid for any such activity is included in federal taxable income. The taxpayer shall provide the department of revenue with a summary of any recommendations made in a qualified home energy audit, the name and certification number of the qualified home energy auditor who conducted the audit, and proof of the amount paid for any activities under this subsection for which a deduction is claimed. The taxpayer shall also provide a copy of the summary of any recommendations made in a qualified home energy audit to the department of natural resources.

(2) At no time shall a deduction claimed under this subsection by an individual taxpayer or taxpayers filing combined returns exceed one thousand dollars per year for individual taxpayers or cumulatively exceed two thousand dollars per year for taxpayers filing combined returns.

(3) Any deduction claimed under this subsection shall be claimed for the tax year in which the qualified home energy audit was conducted or in which the implementation of the energy efficiency recommendations occurred. If implementation of the energy efficiency recommendations occurred during more than one year, the deduction may be claimed in more than one year, subject to the limitations provided under subdivision (2) of this subsection.

(4) A deduction shall not be claimed for any otherwise eligible activity under this subsection if such activity qualified for and received any rebate or other incentive through a state-sponsored energy program or through an electric corporation, gas corporation, electric cooperative, or municipally owned utility.

9. The provisions of subsection 8 of this section shall expire on December 31, 2020.

10. Gross income shall not include the value of any prize or award won by a taxpayer in athletic competition in the Olympic, Paralympic, or Special Olympic Games. This subsection shall be known and may be cited as the "Olympic Dream Freedom Act".

226.145. 1. (1) There is hereby created in the state treasury the "Emergency State Freight Bottleneck Fund", which shall consist of moneys appropriated by the general assembly. 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 money in the fund shall be used solely to finance eligible projects under this section.

(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.

(3) The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

2. Projects eligible for financing under this section shall:

(1) Be a major road improvement with an estimated construction cost of fifty million dollars or more;

(2) Be an improvement needed to eliminate a bottleneck, a twenty minute delay or more during peak hours, that impacts the distribution of goods and on-time delivery of freight;

(3) Be an improvement needed to reduce fatal and disabling motor vehicle crashes within an area designated as a safe travel zone by the department of transportation;

(4) Be an improvement listed on the 2014 state freight plan; and

(5) Be slated to receive not less than thirty-five percent of the funds required for project completion from sources other than the state road fund or general revenue.

3. If in any given fiscal year there are insufficient funds in the emergency state freight bottleneck fund to finance all eligible projects under this section, such eligible projects shall be rank ordered and given priority based on the Missouri state infra-grant application criteria published by the department of transportation.

Section B. 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 Tuesday next following the first Monday in November, 2018, pursuant to the laws and constitutional provisions of this state for the submission of referendum measures by the general assembly, and this act shall become effective when approved by a majority of the votes cast thereon at such election and not otherwise.

Section C. Pursuant to chapter 116, and other applicable constitutional provisions and laws of this state allowing the general assembly to adopt ballot language for the submission of referendum measures to the voters of this state, the official summary statement of the act proposed in section A of this act shall be as follows:

"Shall Missouri law be amended to fund Missouri state law enforcement by increasing the motor fuel tax by two and one half cents per gallon annually for four years beginning July 1, 2019, exempt Special Olympic, Paralympic, and Olympic prizes from state taxes, and to establish the Emergency State Freight Bottleneck Fund?"

Section D. Pursuant to chapter 116, and other applicable constitutional provisions and laws of this state allowing the general assembly to adopt ballot language for the submission of referendum measures to the voters of this state, the official fiscal note summary of the act proposed in section A of this act shall be as follows:

"If passed, this measure will generate at least $288 million annually to the State Road Fund to provide for the funding of Missouri state law enforcement and $123 million annually to local governments for road construction and maintenance."

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in bold-face type in the above bill is proposed language.

STATE OF MISSOURI }
} SS
Secretary of State }

I, John R. Ashcroft, Secretary of State of the State of Missouri, hereby certify that the foregoing is a full, true and complete copy of Proposition D, to be submitted to the qualified voters of the State of Missouri at the General Election to be held the sixth day of November, 2018.

In TESTIMONY WHEREOF, I hereunto set my hand and affix the Great Seal of the State of Missouri, done at the City of Jefferson, this 28th day of August, 2018.

JOHN R. ASHCROFT
Secretary of State