



Summary of 2020 Montana Statutory Initiative

In January 2020, New Approach Montana submitted two ballot initiatives to the Montana Secretary of State for review. One would establish a statutory framework to legalize, tax, and regulate marijuana for adults' use. Below is a summary of that measure. The other, a constitutional amendment, would permit the state to set a legal age for marijuana consumption, which is necessary given Montana's existing legal precedent for age restrictions on alcohol sales.

The Montana Marijuana Regulation and Taxation Act

I. Personal Use of Marijuana by Adults

The initiative:

- Legalizes the possession and purchase of up to one ounce of marijuana for adults 21 and older.
- Permits adults to cultivate up to four cannabis plants and four seedlings at home, provided they are secured and out of public view, with no more than eight plants per residence.
- Establishes civil and legal protections for marijuana consumers.

The initiative **does not**:

- Allow consumption of marijuana in public or smoking in places where tobacco smoking is prohibited.
 - Allow operation of a vehicle under the influence of marijuana.
 - Force employers to accommodate marijuana use or intoxication at the workplace.
 - Require landlords to allow smoking or cultivation by renters on their property.
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II. Creation and Regulation of Adult-Use Market

The initiative:

- Tasks the Montana Department of Revenue with establishing rules and issuing licenses to marijuana businesses, including providers (cultivators and infused product manufacturers) and dispensaries.
- Directs the department to establish rules for existing medical marijuana providers and permit them to begin sales to adults no later than April 1, 2021.
- Requires the department to begin accepting applications for new business licenses no later than January 1, 2022.
- Establishes a tiered licensing system for cultivators based on the size of the grow.
- Grants equivalent authority and responsibilities to the state laboratory that currently exists

- under Montana’s medical marijuana law to ensure consumer safety.
 - Mandates that all marijuana products be sold in child-proof packaging.
 - Prohibits advertising by marijuana businesses, except they may maintain websites and be listed as part of directories.
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III. Taxation, Retroactive Expungement, and Other Provisions

The initiative:

- Creates a 20% tax on the sale of marijuana products, which would be the third lowest effective total tax rate on recreational marijuana among legal states.
- Directs marijuana tax revenue to be used for public benefit:
 - 49.5% to wildlife conservation, management of public lands, and purposes related to outdoor recreation;
 - 10.5% to the state’s general fund;
 - 10% to healthcare services for seniors and those with developmental disabilities;
 - 10% to programs to address addiction and related public health problems;
 - 10% to local governments where marijuana sales take place; and
 - 10% to the Department of Military Affairs to support veterans’ programs
- Permits individuals with prior marijuana offenses to apply to have sentences vacated, reduced, and/or expunged from their criminal records.
- Allows local governments to regulate, ban, or restrict businesses within their jurisdiction, provided that any ban on dispensaries must be approved through a local voter referendum.