Adult-Use Possession Limits

- A person who is 21 or older would be allowed to possess up to one ounce of cannabis, an equivalent amount of cannabis products, or five grams of resin.

Prohibitions

- The following remain illegal: public consumption; impaired driving; consuming cannabis while driving or riding in a vehicle; and having an open container in a vehicle.
- Personal-use home cultivation of any amount of cannabis would remain a crime.

Cannabis Regulatory Commission

- Establishes a five-member appointed Cannabis Regulatory Commission, one of whom must have a civil rights background. There is also an executive director and paid staff.
- The commission is responsible for writing regulations, making licensing decisions, and regulating businesses, including imposing penalties or revoking licenses for violations.

Business Licensing

- Provides for regulated growers, product manufacturers, wholesalers, testing facilities, and retailers. The number of licenses would be based on demand.
- The commission would issue licenses based on a scored system that considers security, qualifications, experience, social responsibility, and workforce development plans.
- Retailers may have on-site consumption areas if allowed by the local government.
- At least 25% of the licenses would go to microbusinesses, which have limits on the number of employees and amount of cannabis handled. They would pay lower fees and be subject to added residency requirements. Those licenses could not be transferred.
- Provides for at least 35% of the licenses in each category to be “conditional licenses,” which have income limits for applicants. Conditional licensees are given 120 days from approval to meet all conditions required for full licensure.
- All licensees except microbusinesses must maintain labor peace agreements.

Equity and Inclusion
• The commission will establish an Office of Minority, Disabled Veterans, and Women Cannabis Business Development, which will promote the participation of socially and economically disadvantaged communities in the cannabis industry, including by recommending policies that the commission must incorporate.
• The goal is to have at least 15% of new licenses be given to businesses certified as minority-owned and at least 15% certified as women- or disabled veteran-owned.
• Residents of certain high-unemployment, high-crime “impact zones” and applicants that will have at least 25% of the workforce from them will be given priority.

Regulations and Reporting

• The commission would issue comprehensive regulations, including:
  ◦ requiring a warning label including the consequences of misuse or overuse, related to delayed effects, and related to pregnancy and breastfeeding;
  ◦ establishing serving sizes at no more than 10 mg THC, requiring them to be clearly demarked, and limiting THC per package to no more than 100 mg;
  ◦ governing security and safety protocols, lab testing, sanitary requirements, home delivery, training requirements and programs, pesticides, and recordkeeping;
  ◦ requiring cannabis to be sold in opaque, child-resistant packaging, and prohibiting toys, characters, cartoon characters, and other depictions likely to appeal to minors;
  ◦ banning ads designed to appeal to people under 21; ads where there is not reliable evidence that the vast majority of the audience is 21 and over; and advertising on TV between 6 a.m. and 10 p.m. or within 200 feet of a school; and
  ◦ providing for rigorous audits, inspections, and monitoring.
• Requires biannual reporting that includes the numbers of cannabis arrests and citations post-legalization, the demographics of licensees, DUI data, and tax revenues.

Local Control

• Local jurisdictions may regulate the time, place, manner, and number of businesses.
• Localities may ban cannabis businesses within 180 days of the law’s passage. Absent a ban, businesses are allowed in appropriately zoned areas for the next five-year period.
• Localities will be forwarded applications within their jurisdictions to determine whether they comply with local rules. They may require a local license or endorsement.

Taxes and Revenue

• A $42 per ounce tax would be levied on transfers of cannabis flower from growers. The commission would determine the tax for other parts of the cannabis plant.
• The commission will regularly recommend changes to taxation, with its goals including undercutting the illicit market, discouraging youth use, and maximizing tax revenue.
• Localities may impose taxes of up to 3% on retail sales, up to 1% for transfers from wholesalers, and up to 2% for transfers from growers and processors.
Medical cannabis, sold via ATCs, is not subject to the state or local taxes. Some of the revenue will be used to pay for regulatory expenses, defray costs related to expedited expungement, and to reimburse local governments for the cost of training more officers to detect impaired drivers. The remainder will go to the general fund.

Timeline

- Initial regulations must be adopted by the commission within 180 days of the law’s enactment (unless the commission hasn’t been in place for 45 days).
- Within 180 days of issuing regulations, retail sales begin.

Underage Possession

- Underage possession or use of cannabis at a school, in a motor vehicle, or in public would be punishable by a fine of at least $250. If possessed in a vehicle, a six-month license suspension would also be imposed. Courts may require a drug abuse course.
- Municipalities may punish underage cannabis possession on private property by a $100 fine for a first offense, $200 for a second offense, and $350 for other offenses.

Expungement and Post-Conviction Relief

- Most cannabis offenses could be expunged for free on an expedited basis.
- The Administrative Director of Courts would create a new e-filing system and launch a public awareness campaign about expungement.
- People serving time for a covered offense would be granted petitions for release from incarceration or probation.

Civil Protections

- A person generally could not be penalized in relation to employment, housing, or enrollment in schooling for testing positive for cannabis metabolites or for most cannabis convictions, unless a federal grant or funding would require it or if the job is in law enforcement or corrections. Mortgages also could not be denied for prior convictions.