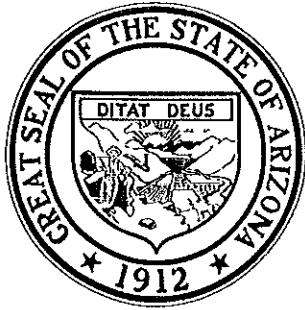


## HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **SB 1494**

Rivero

Floor Amendment

- 
1. Requires the Department of Health Services (DHS), beginning April 1, 2020, to issue new nonprofit medical marijuana dispensary (dispensary) registration certificates based on the dispensary's geographic area, in the following order of priority:
    - a. **Priority 1:** The geographic area had a dispensary move from the area and is at least 25 miles from another dispensary;
    - b. **Priority 2:** The geographic area is at least 25 miles from another dispensary; and
    - c. **Priority 3:** According to rule, if there are no Priority 1 or 2 dispensary registration certificate applications.
  2. Stipulates that if multiple Priority 1 applications are received from previously approved dispensary locations, DHS must approve the application that serves the most qualifying patients within five miles of the proposed dispensary location.
  3. Allows DHS to issue the registration certificate by random drawing if multiple Priority 2 applications are received or if there are no applications from previously approved dispensary locations.
  4. Requires a dispensary that receives a Priority 1 or 2 registration certificate to be opened at the approved location within 18 months after the application is approved or the registration certificate becomes invalid.
  5. Allows a dispensary that is issued a Priority 1 or 2 registration certificate to relocate only as follows:
    - a. Within the same city or town; or
    - b. If the dispensary is located in an unincorporated area, within the unincorporated area of the same county, but not within 25 miles of another dispensary.
  6. Defines *geographic area* as a city, town or unincorporated area of a county.
  7. Adds a legislative intent clause.
  8. Makes technical and conforming changes.

Amendment explanation prepared by Anthony Casselman

Phone Number 63148

AC

5/27/2019

RIVERO FLOOR AMENDMENT  
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1494  
(Reference to Senate engrossed bill)

1 Page 2, lines 18 and 37, after "department" insert "OF HEALTH SERVICES"

2 Page 3, after line 41, insert:

3 "Sec. 2. Subject to the requirements of article IV, part 1, section  
4 1, Constitution of Arizona, title 36, chapter 28.1, Arizona Revised  
5 Statutes, is amended by adding section 36-2803.01, to read:

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

8 A. BEGINNING ON APRIL 1, 2020, THE DEPARTMENT SHALL ISSUE ALL NEW  
9 NONPROFIT MEDICAL MARIJUANA DISPENSARY REGISTRATION CERTIFICATES IN THE  
10 FOLLOWING ORDER OF PRIORITY BASED ON THE DISPENSARY'S GEOGRAPHIC AREA AS  
11 DESCRIBED IN THE REGISTRATION CERTIFICATE APPLICATION:

12 1. THE GEOGRAPHIC AREA HAD A REGISTERED NONPROFIT MEDICAL MARIJUANA  
13 DISPENSARY MOVE FROM THE GEOGRAPHIC AREA AND THE GEOGRAPHIC AREA IS AT  
14 LEAST TWENTY-FIVE MILES FROM ANOTHER DISPENSARY THAT HAS BEEN ISSUED A  
15 DISPENSARY REGISTRATION CERTIFICATE.

16 2. THE GEOGRAPHIC AREA IS AT LEAST TWENTY-FIVE MILES FROM ANOTHER  
17 DISPENSARY THAT HAS BEEN ISSUED A DISPENSARY REGISTRATION CERTIFICATE.

18 3. ACCORDING TO RULE, IF THERE ARE NO DISPENSARY REGISTRATION  
19 CERTIFICATE APPLICATIONS AS DESCRIBED IN PARAGRAPH 1 OR 2 OF THIS  
20 SUBSECTION.

21 B. IF THE DEPARTMENT RECEIVES MULTIPLE APPLICATIONS AS DESCRIBED IN  
22 SUBSECTION A, PARAGRAPH 1 OF THIS SECTION FROM PREVIOUSLY APPROVED  
23 NONPROFIT MEDICAL MARIJUANA DISPENSARY LOCATIONS, THE DEPARTMENT SHALL

1 APPROVE THE CERTIFICATE FOR THE APPLICATION THAT SERVES THE MOST QUALIFYING  
2 PATIENTS WITHIN FIVE MILES OF THE PROPOSED DISPENSARY LOCATION. IF THE  
3 DEPARTMENT RECEIVES MULTIPLE APPLICATIONS AS DESCRIBED IN SUBSECTION A,  
4 PARAGRAPH 2 OF THIS SECTION OR IF THERE ARE NO APPLICATIONS FROM PREVIOUSLY  
5 APPROVED DISPENSARY LOCATIONS, THE DEPARTMENT MAY ISSUE THE REGISTRATION  
6 CERTIFICATE BY RANDOM DRAWING.

7 C. A NONPROFIT MEDICAL MARIJUANA DISPENSARY THAT RECEIVES A  
8 REGISTRATION CERTIFICATE PURSUANT TO SUBSECTION A, PARAGRAPH 1 OR 2 OF THIS  
9 SECTION ON OR AFTER APRIL 1, 2020 MUST OPEN THE DISPENSARY AT THE APPROVED  
10 LOCATION WITHIN EIGHTEEN MONTHS AFTER THE APPLICATION IS APPROVED OR THE  
11 REGISTRATION CERTIFICATE BECOMES INVALID.

12 D. A NONPROFIT MEDICAL MARIJUANA DISPENSARY THAT IS ISSUED A  
13 REGISTRATION CERTIFICATE PURSUANT TO SUBSECTION A, PARAGRAPH 1 OR 2 OF THIS  
14 SECTION MAY RELOCATE ONLY AS FOLLOWS:

15 1. IF THE DISPENSARY IS LOCATED WITHIN A CITY OR TOWN, ONLY WITHIN  
16 THAT CITY OR TOWN.

17 2. IF THE DISPENSARY IS LOCATED WITHIN AN UNINCORPORATED AREA, ONLY  
18 WITHIN THE UNINCORPORATED AREA OF THE COUNTY WHERE THE DISPENSARY IS  
19 LOCATED BUT NOT WITHIN TWENTY-FIVE MILES FROM ANOTHER DISPENSARY THAT HAS  
20 BEEN ISSUED A DISPENSARY REGISTRATION CERTIFICATE.

21 E. FOR THE PURPOSES OF THIS SECTION, "GEOGRAPHIC AREA" MEANS A CITY,  
22 TOWN OR UNINCORPORATED AREA OF A COUNTY."

23 Renumber to conform

24 Page 7, between lines 19 and 20, insert:

25 "Sec. 6. Intent

26 The legislature intends to prospectively establish prioritization for  
27 the nonprofit medical marijuana dispensary registration certificates that  
28 may be allocated to applicants and locations. The legislature does not  
29 intend to exceed the limit on the number of registration certificates that  
30 may be issued as specified in section 36-2804, Arizona Revised Statutes."

31 Renumber to conform

32 Strike lines 29 and 30

House Amendments to S.B. 1494

- 1 Page 7, line 31, strike "Statutes, as added by this act, are" insert "this act
- 2 is"
- 3 Amend title to conform

1494FloorRIVER03  
05/27/2019  
3:38 PM  
H: IG/ra

TONY RIVERO

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