Regulation of the Montana Cannabis Industry
Introduction:

This information & presentation is brought to you by the Cannabis Control Division (CCD) at the Montana Department of Revenue.

Thank you for allowing us the opportunity to present today.
## Today’s Agenda:

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CCD - Our Mission & Vision:

Mission -
Our mission is to ensure the health and safety of all Montanans through fair administration, education, and enforcement of the Montana Marijuana Regulation and Taxation Act (MMRT).

Vision -
Develop a good faith partnership between the State of Montana and stakeholders by establishing rules and policies that provide interested consumers with access to a regulated industry while diminishing an unregulated, untested illicit market.
CCD - Our Guidelines:

Montana Code Annotated (MCA), Chapter 16, Title 12:

*Dictated by the Montana Legislature*

Administrative Rules of Montana (ARM), Rule Chapter 42.39:

*Implemented by CCD, in conjunction with internal & external stakeholders*
A Brief History of Cannabis in Montana:

...it's never a straight path!
Adult-Use Cannabis Legalization in Montana – Timetable

**2004:**
Medical cannabis is legalized in Montana.
Under the purview of Montana DPHHS.

**NOV 2020:**
I-190 or Initiative I-190
57% of Montanans said YES.

**Jan. 1st, 2021:**
Adults may possess & use up to 1 oz of cannabis.

**March 29th, 2021:**
MT HB 701 was introduced into the House & signed by Gov. Gianforte on 5/18/21.
Cannabis Legalization in Montana – Adult-Use

January 1, 2022:

Adult-use cannabis sales are permitted in some Montana counties. Not all Montana dispensaries are permitted to sell adult-use cannabis.
Montana’s Green & Red Counties:

**Green Counties:**
Voted YES to I-190
Adult cannabis sales are permitted within their jurisdiction.

**Red Counties:**
Voted NO to I-190
Adult cannabis sales are prohibited within their jurisdiction.
CCD – Cannabis Licensing – Individuals, Workers, and Businesses:
Duties of the Division:

Worker Permits

Medical Cards

Worker Permits
- Issue
- Renew

Medical Cards
- Issue
- Renew
Duties of the Division:

Self-Cultivation Approval (or Caregiver):

No sales of personal marijuana are permitted.
Montana Cannabis Worker Permits – Annual Requirements:

- **18+**
- **Current Photo ID**

- **Annual training required per MCA 16-12-226**

- **Online application with all required materials; fee**
Sample – Valid Montana Cannabis Worker Permit:

- First Name & Last Name: JOHN JAHN
- Worker Permit ID #, issued by CCD: 123456
- Expiration Date – Valid for 1 year: 12/01/2024
- Current Photo of Worker
Montana Cannabis Worker Permits – By the Numbers:

Roughly 5,600 active worker permits.

Permits must be worn/displayed while working.
Cannabis Medical Cards – Annual Requirements:

- Qualifying medical condition per Montana MD/DO
  - *CCD does not recommend physicians
- Montana resident
- Online application - Current Photo, Physician Statement, Proof of DOB, Fee
Sample – Montana Medical Cannabis Card:

*Note:
Patients may petition their physician for up to 8 oz of marijuana in a rolling 30-day period.
Montana Medical Cannabis Cards – By the Numbers:

There are approximately 16,000 active medical cards in the state.

Medical cards must be presented when purchasing medical cannabis from a licensed dispensary.
CCD – Administration, Enforcement, and Regulation:
Duties of the Division:

Administering

Enforcing

Regulating

- Cultivation
- Manufacturing
- Sales
- Testing
- Transport

Cannabis Licensees
Duties of the Division, Metrc –The Seed-to-Sale Tracking System:

• All Montana licensees are required to use this tracking system. Each marijuana item is assigned a unique identification tag.

• This system tracks from seed to the final stage, when sold at a dispensary.

• Licensees must audit their inventory; enter sales in real-time.
Duties of the Division – Cannabis Business Licensure:

Requirements, Local – Must First Be Met *Prior to CCD Licensure*

- Fire
- Building
- Zoning Approval
- City/County License Approval (if applicable)
Duties of the Division – Cannabis Business Licensure, Continued:

Initial Business Licensure

Renewal Business Licensure

Ownership Verification:

License Ownership

Property Owner(s) of Premises

Acceptable Funding Sources
CCD - Cannabis Inspections
Duties of the Division:

- Initial Licensure
- Renewal Licensure
- Announced Inspections
- Unannounced Inspections
- Complaint Driven
- Compliance Verification
- Internal Training
- Synthetic Marijuana
CCD – Hotline Reporting:

• Individuals may submit a report:
  • Per MCA 16-12-125, an individual shall provide their name, street address, and phone number.
  • The Cannabis Control Division shall provide a copy of the complaint to the licensee that is the subject of the complaint but will redact the name, address, and phone number of the individual making the complaint.
  • The Cannabis Control Division may contact the individual making the complaint for further information if needed.
CCD Inspections – By Region:
CCD – Cannabis Education:
Duties of the Division – Cannabis Education:

- Licensees
- General Public
- Law Enforcement
- Local & state fire authorities
- Other Local/State Agencies
- Internal Training
- Montana producers, retailers (synthetics)
- Review of Packaging and Labeling – Ultimate Sale
CCD - Marijuana Labeling and Packaging:
Montana’s Marijuana Labeling Rules – Required Statements & Symbols, Marijuana Flower & Marijuana Individual Products:

Must be verbatim:

• This product has been tested and meets the requirements of the state of Montana.
• Keep out of reach of children and pets.
• This product may be addictive.
• This product may have intoxicating effects.
• Do not drive while under the influence of marijuana.
• Ingested products also require the following statement:
  - The intoxicating effects of this product may be delayed by two or more hours.

The Montana universal marijuana symbol
Child-Resistant Exit Packages – Requirements:

• Child-resistant documentation (CFR 1700.20) & 3 verbatim statements, verbatim per MCA 16-12-215:

  • "WARNING: Consumption of marijuana may cause anxiety, agitation, paranoia, psychosis, and cannabinoid hyperemesis."

  • WARNING: Consumption of marijuana by pregnant women may result in fetal injury and low birth weight.

  • WARNING: Consumption of marijuana by nursing mothers may result in infant hyperactivity and poor cognitive function.”
Duties of the Division – Education Website:

- Education Program
- Worker Permit Required Training
- Facts about Ingested, Marijuana-Infused Products
- Concentrate Facts 101
- CCD Wallet Card
- Hemp and Marijuana
- Know Before You Grow – Self-Cultivation and Self-Storage
- Know Before You Go – Personal Marijuana Possession on Montana’s Roads
- Know Before You Stow – Safe Marijuana Storage

- Legal is Legit
- Marijuana and The Entourage Effect
- Marijuana Measurements & Sizes
- Medical Cardholder: Summary Sheet
- Speaking to Your Medical Provider Before Consuming Marijuana & Marijuana Products
- What to look for to ensure you visit a licensed Montana dispensary
- Newsletter Archive
- Adult Consumer – Summary Sheet
Duties of the Division - Legal:

- Working with DOR’s Legal Department
  - Civil Fines – Licensees
  - License Suspension
  - License Revocation
  - Compliance Verification
Montana - Cannabis Sales & Cannabis Taxes:
Cannabis Taxes:

Oversight performed by another division within the Department of Revenue rather than CCD.

For more information on Cannabis Taxation, please contact the department’s miscellaneous tax unit:

Phone  
(406) 444-6900

Email  
DORBitBTU@mt.gov
Montana – Cannabis Tax Rates, State and County:

**State Tax Rate – Set by the Montana Legislature:**
- 4% - medical cannabis
- 20% - adult cannabis

**Local option excise tax – county:**
- Up to 3% on adult use, medical use, or both.
Montana’s Estimated Cannabis Sales – January 2022 to March 2024:

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimated Sales</th>
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<tbody>
<tr>
<td>Medical</td>
<td>$167,318,797</td>
</tr>
<tr>
<td>Adult-Use</td>
<td>$532,539,591</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$699,858,388</strong></td>
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Montana’s Estimated Cannabis Taxes – January 2022 to March 2024:

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<tr>
<td>Medical</td>
<td>$6,692,752</td>
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<tr>
<td>Adult-Use</td>
<td>$106,507,918</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$113,200,670</strong></td>
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CCD – Cannabis Resources:

- CCD – General Website: [https://mtrevenue.gov/cannabis/worker-permits/#GeneralInformation](https://mtrevenue.gov/cannabis/worker-permits/#GeneralInformation)
- CCD Hotline: [https://mtrevenue.gov/cannabis/montana-cannabis-control-division-complaint-form/](https://mtrevenue.gov/cannabis/montana-cannabis-control-division-complaint-form/)
- CCD Monthly Newsletter: [https://public.govdelivery.com/accounts/MTDOR/subscriber/new](https://public.govdelivery.com/accounts/MTDOR/subscriber/new)
- Cannabis Sales Reports: [https://mtrevenue.gov/cannabis-sales-reports/](https://mtrevenue.gov/cannabis-sales-reports/)
- CCD Worker Permit Education and Information: [https://mtrevenue.gov/cannabis/worker-permits/#GeneralInformation](https://mtrevenue.gov/cannabis/worker-permits/#GeneralInformation)
- Law Enforcement Page: [https://mtrevenue.gov/cannabis/law-enforcement/](https://mtrevenue.gov/cannabis/law-enforcement/)
- Licensed Premises List – [https://mtrevenue.gov/cannabis/](https://mtrevenue.gov/cannabis/)
Questions?

We’re available Monday through Friday, 9:00 a.m. to 4:00 p.m.

Phone
(406) 444-0596

Fax
(406) 444-4110

Email
DORCCD@mt.gov

Mailing Address
Montana Department of Revenue
Cannabis Control Division
PO Box 5835
Helena, MT 59604-5835