



Bill Number: S.B. 1230

Payne Floor Amendment

Reference to: printed bill

Amendment drafted by: Leg Council

FLOOR AMENDMENT EXPLANATION

- 1. Requires, by July 1, 2026, the Arizona Biomedical Research Centre (ABRC) to provide \$2,000,000 from the Medical Marijuana Fund (Fund), rather than \$5,000,000 annually for five consecutive years, to award competitive grants for marijuana clinical trials.**
- 2. Requires, by July 1, 2028, the ABRC to provide an additional \$2,000,000 from the Fund if the Department of Health Services determines the Fund has at least two years of operational expenses without risk of deficit or the need to increase registry identification card fees.**

PAYNE FLOOR AMENDMENT
SENATE AMENDMENTS TO S.B. 1230
(Reference to printed bill)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or previously enacted session law.

[Green underlining in brackets] indicates text added to new session law or text restoring existing law.

[GREEN STRIKEOUT IN BRACKETS] indicates new text removed from statute or previously enacted session law.

[Green strikeout in brackets] indicates text removed from existing statute, previously enacted session law or new session law.

<<Green carets>> indicate a section added to the bill.

<<Green strikeout in carets>> indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

2 Section 1. Subject to the requirements of article IV, part 1,
3 section 1, Constitution of Arizona, section 36-2817, Arizona Revised
4 Statutes, is amended to read:

5 36-2817. Medical marijuana fund: private donations: fund
6 transfers: use of monies

7 A. The medical marijuana fund is established consisting of fees
8 collected, civil penalties imposed and private donations received under
9 this chapter. The department shall administer the fund. Monies in the
10 fund are continuously appropriated.

11 B. The director of the department may accept and spend private
12 grants, gifts, donations, contributions and devises to assist in carrying
13 out this chapter.

14 C. Monies in the medical marijuana fund ~~may~~ SHALL be used to
15 provide grants for marijuana clinical trials conducted pursuant to section
16 36-2822.

17 D. Monies in the medical marijuana fund do not revert to the state
18 general fund at the end of a fiscal year.

19 E. On November 30, 2020, the director of the department shall
20 transfer the following sums from the medical marijuana fund for the
21 following purposes:

22 1. \$15,000,000 to the Arizona teachers academy fund established by
23 section 15-1655.

24 2. \$10,000,000 to the department to fund the formation and
25 operation of councils, commissions and programs dedicated to improving
26 public health, including teen suicide prevention, the maternal mortality
27 review program, improving youth health, substance abuse prevention,
28 addressing adverse childhood experiences, the Arizona poison control
29 system established pursuant to section 36-1161, the Arizona health

1 improvement plan, the STATE child fatality review team established
2 pursuant to section 36-3501 and the chronic pain self management program.

3 3. \$10,000,000 to the governor's office of highway safety to
4 distribute grants for the following purposes:

5 (a) Reducing impaired driving, including conducting training
6 programs and purchasing equipment for detecting, testing and enforcing
7 laws against driving, flying or boating while impaired.

8 (b) Equipment, training and personnel costs for dedicated traffic
9 enforcement.

10 4. \$2,000,000 to the department to implement, carry out and enforce
11 chapter 28.2 of this title.

12 5. \$4,000,000 to the department to distribute grants to qualified
13 nonprofit entities that will provide outreach to individuals who may be
14 eligible to file petitions for expungement pursuant to section 36-2862 and
15 will assist with the expungement petition process. The department shall
16 distribute grants pursuant to this paragraph on or before June 30, 2021.

17 6. \$2,000,000 to the department of health services to develop and
18 implement, in conjunction with the department of economic security and
19 other state agencies, a social equity ownership program to promote the
20 ownership and operation of marijuana establishments and marijuana testing
21 facilities by individuals from communities disproportionately impacted by
22 the enforcement of previous marijuana laws. For the purposes of this
23 paragraph, "marijuana establishment" and "marijuana testing facility" have
24 the same meanings prescribed in section 36-2850.

25 7. \$1,000,000 to the department to fund programs and grants to
26 qualified nonprofit organizations for education and community outreach
27 related to chapter 28.2 of this title.

28 8. \$1,000,000 to the smart and safe Arizona fund established by
29 section 36-2856.

30 F. After all costs incurred to implement, carry out and enforce
31 this chapter and the rules adopted pursuant to this chapter are paid for
32 fiscal year 2021-2022, the department shall transfer from the medical
33 marijuana fund the following sums for the following purposes:

34 1. \$1,250,000 to the department for suicide prevention.

35 2. \$1,250,000 to the Arizona health care cost containment system
36 for suicide prevention.

37 3. \$2,000,000 to the institute for mental health research for
38 research to improve mental health services, research and education in this
39 state.

40 4. \$2,000,000 to the department for the primary care provider loan
41 repayment program and the rural private primary care provider loan
42 repayment program established by chapter 21 of this title. The department
43 shall prioritize rural providers in the areas of mental health care and
44 behavioral health care if feasible and appropriate.

45 5. \$2,000,000 to the board of medical student loans for the
46 purposes of title 15, chapter 13, article 7. The board shall prioritize

1 students who intend to practice in the area of psychiatry or other areas
2 of practice that treat mental illness if feasible and appropriate.

3 6. \$5,000,000 to county public health departments, in proportion to
4 the population of each county, for the purposes of addressing important
5 public health issues and communities affected by drug addiction and
6 incarceration.

7 7. \$1,000,000 to the department for the health care directives
8 registry established pursuant to section 36-3291.

9 G. Monies transferred pursuant to subsection F of this section do
10 not revert to the state general fund.

11 H. The director shall make a onetime transfer of \$250,000 from the
12 medical marijuana fund to the department to provide grants for marijuana
13 research studies pursuant to section 36-2812.

14 I. The director may use monies in the medical marijuana fund to
15 contract with laboratories pursuant to section 36-2803, subsection I to
16 comply with the proficiency testing requirements of this chapter for
17 independent third-party laboratories and marijuana testing facilities. On
18 or before July 1 of each year, the department shall report to the joint
19 legislative budget committee expenditures made pursuant to this subsection
20 for the preceding fiscal year.

21 Sec. 2. Subject to the requirements of article IV, part 1,
22 section 1, Constitution of Arizona, section 36-2822, Arizona Revised
23 Statutes, is amended to read:

24 36-2822. Arizona biomedical research centre; medical
25 marijuana fund; grants; marijuana clinical trials;
26 requirements

27 A. The Arizona biomedical research centre in the department shall
28 provide competitive grants from monies in the medical marijuana fund
29 established by section 36-2817 for marijuana clinical trials that are
30 approved by the United States food and drug administration for evaluating
31 both the safety and efficacy of using marijuana in humans and researching
32 the impacts of marijuana interactions with prescription drugs,
33 nonprescription drugs and illicit drugs.

34 B. Clinical trials funded pursuant to subsection A of this section
35 shall be conducted by Arizona-based researchers from nonprofit
36 organizations or universities, be approved by the United States food and
37 drug administration, the United States drug enforcement administration and
38 an institutional review board and be publishable in peer-reviewed medical
39 and public health journals. The centre shall prioritize randomized
40 controlled clinical trials that study the treatment of autism, epilepsy,
41 post-traumatic stress disorder and pain.

42 C. Notwithstanding title 13, chapter 34, a person who receives a
43 grant for a marijuana clinical trial pursuant to this section and any of
44 the person's employees working on the clinical trial may not be charged
45 with or prosecuted for possession of marijuana that is cultivated for
46 medical use when the person is working on the clinical trial.

1 D. [ON OR BEFORE JULY 1, 2026,] the Arizona biomedical research
2 centre ~~may~~ **SHALL** provide [up to \$5,000,000 annually for five consecutive
3 years][~~\$2,000,000~~] from the medical marijuana fund established by section
4 36-2817 to administer and award competitive grants pursuant to this
5 section. [ON OR BEFORE JULY 1, 2028, THE ARIZONA BIOMEDICAL RESEARCH
6 CENTRE SHALL PROVIDE AN ADDITIONAL \$2,000,000 FROM THE MEDICAL MARIJUANA
7 FUND ESTABLISHED BY SECTION 36-2817 TO ADMINISTER AND AWARD COMPETITIVE
8 GRANTS IF THE DEPARTMENT DETERMINES THE MEDICAL MARIJUANA FUND HAS AT
9 LEAST TWO YEARS OF OPERATIONAL EXPENSES AND WILL NOT BE AT RISK OF A
10 DEFICIT OR REQUIRE AN INCREASE IN REGISTRY IDENTIFICATION CARD FEES.] The
11 centre ~~[may]~~ ~~[SHALL]~~ not use more than five percent of these monies for
12 administrative purposes.

13 Sec. 3. Requirements for enactment: three-fourths vote

14 Pursuant to article IV, part 1, section 1, Constitution of Arizona,
15 sections 36-2817 and 36-2822, Arizona Revised Statutes, as amended by this
16 act, are effective only on the affirmative vote of at least three-fourths
17 of the members of each house of the legislature.

Enroll and engross to conform
Amend title to conform

KEVIN PAYNE

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