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#### **Evan J. Vickers** proposes the following substitute bill:

## **Medical Cannabis Amendments**

# 2025 GENERAL SESSION STATE OF UTAH

**Chief Sponsor: Evan J. Vickers** 

House Sponsor:

2 LONG TITLE

# **4 General Description:**

This bill amends provisions related to medical cannabis.

### **Highlighted Provisions:**

- 7 This bill:
  - amends surveillance requirements;
- 9 allows the Cannabis Production Establishment and Pharmacy Licensing Advisory Board
- 10 (licensing board) to renew or approve medical cannabis courier licenses;
- 11 allows the licensing board to renew licenses as necessary instead of only in December;
- 12 ▶ amends reporting requirements;
- 13 allows the Department of Agriculture and Food to issue letters of concern;
- removes the requirement that pharmacy and courier agent registration cards include the agent's employer on the card;
  - allows for medical cannabis cardholders to bring their own opaque bag or box to transport medical cannabis from the pharmacy;
  - requires medical cannabis pharmacies and couriers to report a change in ownership at least 45 days before the change occurs;
- requires qualified medical provider employee proxies to complete a course on health information privacy;
  - removes certain information from the medical cannabis card;
- repeals provisions related to the Division of Finance and the medical cannabis program;
- 24 aligns continuing education provisions of qualified medical providers and pharmacy
- 25 medical providers;
- includes a coordination clause with H.B. 21, Criminal Code Recodification and Cross
- 27 References, to align a definition and cross reference; and
- 28 makes technical and conforming changes.

29 **Money Appropriated in this Bill:** 30 None 31 **Other Special Clauses:** 32 This bill provides a coordination clause. 33 **Utah Code Sections Affected:** 34 AMENDS: 35 **4-41a-102**, as last amended by Laws of Utah 2024, Chapters 217, 238 and 240 36 4-41a-103, as last amended by Laws of Utah 2023, Chapter 327 37 **4-41a-201**, as last amended by Laws of Utah 2024, Chapter 217 38 **4-41a-201.1**, as last amended by Laws of Utah 2024, Chapter 217 39 **4-41a-401**, as last amended by Laws of Utah 2024, Chapter 217 40 4-41a-801, as renumbered and amended by Laws of Utah 2018, Third Special Session, 41 Chapter 1 42 4-41a-802, as last amended by Laws of Utah 2024, Chapter 217 43 **4-41a-1001**, as last amended by Laws of Utah 2024, Chapters 217, 238 and 240 44 **4-41a-1005**, as last amended by Laws of Utah 2024, Chapter 217 45 **4-41a-1101**, as last amended by Laws of Utah 2024, Chapter 217 46 **4-41a-1102**, as last amended by Laws of Utah 2024, Chapters 217, 240 47 **4-41a-1106**, as last amended by Laws of Utah 2024, Chapter 217 48 **4-41a-1202**, as last amended by Laws of Utah 2024, Chapters 217, 240 49 4-41a-1204, as last amended by Laws of Utah 2023, Chapter 317 and renumbered and 50 amended by Laws of Utah 2023, Chapters 273, 307 and last amended by Coordination Clause, 51 Laws of Utah 2023, Chapter 307 52 **26B-1-435**, as last amended by Laws of Utah 2024, Chapters 238, 240 53 **26B-4-202**, as last amended by Laws of Utah 2024, Chapters 217, 240 54 26B-4-204, as last amended by Laws of Utah 2024, Chapter 217 55 **26B-4-213**, as last amended by Laws of Utah 2024, Chapters 217, 240 56 **26B-4-219**, as last amended by Laws of Utah 2024, Chapter 507 57 **26B-4-222**, as last amended by Laws of Utah 2024, Chapter 240 58 **REPEALS:** 59 4-41a-108, as renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and 60 last amended by Coordination Clause, Laws of Utah 2023, Chapter 307 61 4-41a-801.1, as renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and

last amended by Coordination Clause, Laws of Utah 2023, Chapter 307

63 64	Utah Code Sections affected by Coordination Clause: 4-41a-102, as last amended by Laws of Utah 2024, Chapters 217, 238 and 240
65 66	Be it enacted by the Legislature of the state of Utah:
67	The following section is affected by a coordination clause at the end of this bill.
68	Section 1. Section <b>4-41a-102</b> is amended to read:
69	4-41a-102 . Definitions.
70	As used in this chapter:
71	(1) "Adulterant" means any poisonous or deleterious substance in a quantity that may be
72	injurious to health, including:
73	(a) pesticides;
74	(b) heavy metals;
75	(c) solvents;
76	(d) microbial life;
77	(e) artificially derived cannabinoid;
78	(f) toxins; or
79	(g) foreign matter.
80	(2) "Advertise" or "advertising" means information provided by a person in any medium:
81	(a) to the public; and
82	(b) that is not age restricted to an individual who is at least 21 years old.
83	(3) "Advisory board" means the Medical Cannabis Policy Advisory Board created in
84	Section 26B-1-435.
85	(4)(a) "Anticompetitive business practice" [means any practice that reduces the amount
86	of competition in the medical cannabis market that would be considered an attempt to
87	monopolize, as defined in Section 76-10-3103] means any practice that is an illegal
88	anticompetitive activity under Section 76-10-3104.
89	(b) "Anticompetitive business practice" may include:
90	(i) agreements that may be considered unreasonable when competitors interact to the
91	extent that they are:
92	(A) no longer acting independently; or
93	(B) when collaborating are able to wield market power together;
94	(ii) monopolizing or attempting to monopolize trade by:
95	(A) acting to maintain or acquire a dominant position in the market; or
96	(B) preventing new entry into the market; or

97	(iii) other conduct outlined in rule.
98	(5)(a) "Artificially derived cannabinoid" means a chemical substance that is created by a
99	chemical reaction that changes the molecular structure of any chemical substance
100	derived from the cannabis plant.
101	(b) "Artificially derived cannabinoid" does not include:
102	(i) a naturally occurring chemical substance that is separated from the cannabis plant
103	by a chemical or mechanical extraction process; or
104	(ii) a cannabinoid that is produced by decarboxylation from a naturally occurring
105	cannabinoid acid without the use of a chemical catalyst.
106	(6) "Cannabis Research Review Board" means the Cannabis Research Review Board
107	created in Section 26B-1-420.
108	(7) "Cannabis" means the same as that term is defined in Section 26B-4-201.
109	(8) "Cannabis concentrate" means:
110	(a) the product of any chemical or physical process applied to naturally occurring
111	biomass that concentrates or isolates the cannabinoids contained in the biomass; and
112	(b) any amount of a natural cannabinoid or artificially derived cannabinoid in an
113	artificially derived cannabinoid's purified state.
114	(9) "Cannabis cultivation byproduct" means any portion of a cannabis plant that is not
115	intended to be sold as a cannabis plant product.
116	(10) "Cannabis cultivation facility" means a person that:
117	(a) possesses cannabis;
118	(b) grows or intends to grow cannabis; and
119	(c) sells or intends to sell cannabis to a cannabis cultivation facility, a cannabis
120	processing facility, or a medical cannabis research licensee.
121	(11) "Cannabis cultivation facility agent" means an individual who
122	holds a valid cannabis production establishment agent registration card with a cannabis
123	cultivation facility designation.
124	(12) "Cannabis derivative product" means a product made using cannabis concentrate.
125	(13) "Cannabis plant product" means any portion of a cannabis plant intended to be sold in
126	a form that is recognizable as a portion of a cannabis plant.
127	(14) "Cannabis processing facility" means a person that:
128	(a) acquires or intends to acquire cannabis from a cannabis production establishment;
129	(b) possesses cannabis with the intent to manufacture a cannabis product;

(c) manufactures or intends to manufacture a cannabis product from unprocessed

131	cannabis or a cannabis extract; and
132	(d) sells or intends to sell a cannabis product to a medical cannabis pharmacy or a
133	medical cannabis research licensee.
134	(15) "Cannabis processing facility agent" means an individual who
135	holds a valid cannabis production establishment agent registration card with a cannabis
136	processing facility designation.
137	(16) "Cannabis product" means the same as that term is defined in Section 26B-4-201.
138	(17) "Cannabis production establishment" means a cannabis cultivation facility, a cannabis
139	processing facility, or an independent cannabis testing laboratory.
140	(18) "Cannabis production establishment agent" means a cannabis cultivation facility agent,
141	a cannabis processing facility agent, or an independent cannabis testing laboratory agent
142	(19) "Cannabis production establishment agent registration card" means a registration card
143	that the department issues that:
144	(a) authorizes an individual to act as a cannabis production establishment agent; and
145	(b) designates the type of cannabis production establishment for which an individual is
146	authorized to act as an agent.
147	(20) "Closed-door medical cannabis pharmacy" means a facility operated by a home
148	delivery medical cannabis pharmacy for delivering cannabis or a medical cannabis
149	product.
150	(21) "Community location" means a public or private elementary or secondary school, a
151	church, a public library, a public playground, or a public park.
152	(22) "Cultivation space" means, quantified in square feet, the horizontal area in which a
153	cannabis cultivation facility cultivates cannabis, including each level of horizontal area
154	if the cannabis cultivation facility hangs, suspends, stacks, or otherwise positions plants
155	above other plants in multiple levels.
156	(23) "Delivery address" means:
157	(a) for a medical cannabis cardholder who is not a facility:
158	(i) the medical cannabis cardholder's home address; or
159	(ii) an address designated by the medical cannabis cardholder that:
160	(A) is the medical cannabis cardholder's workplace; and
161	(B) is not a community location; or
162	(b) for a medical cannabis cardholder that is a facility, the facility's address.
163	(24) "Department" means the Department of Agriculture and Food.
164	(25) "Family member" means a parent, step-parent, spouse, child, sibling, step-sibling,

- uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law,
- sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild.
- 167 (26) "Government issued photo identification" means the same as that term is defined in
- Section 26B-4-201, including expired identification in accordance with Section
- 169 26B-4-244.
- 170 (27) "Home delivery medical cannabis pharmacy" means a medical cannabis pharmacy that
- the department authorizes, as part of the pharmacy's license, to deliver medical cannabis
- shipments to a delivery address to fulfill electronic orders that the state central patient
- portal facilitates.
- 174 (28)(a) "Independent cannabis testing laboratory" means a person that:
- (i) conducts a chemical or other analysis of cannabis or a cannabis product; or
- (ii) acquires, possesses, and transports cannabis or a cannabis product with the intent
- to conduct a chemical or other analysis of the cannabis or cannabis product.
- (b) "Independent cannabis testing laboratory" includes a laboratory that the department
- or a research university operates in accordance with Subsection 4-41a-201(14).
- 180 (29) "Independent cannabis testing laboratory agent" means an individual who
- holds a valid cannabis production establishment agent registration card with an
- independent cannabis testing laboratory designation.
- 183 (30) "Inventory control system" means a system described in Section 4-41a-103.
- 184 (31) "Licensing board" or "board" means the Cannabis Production Establishment and
- Pharmacy Licensing Advisory Board created in Section 4-41a-201.1.
- 186 (32) "Medical cannabis" means the same as that term is defined in Section 26B-4-201.
- 187 (33) "Medical cannabis card" means the same as that term is defined in Section 26B-4-201.
- 188 (34) "Medical cannabis courier" means a courier that:
- (a) the department licenses in accordance with Section 4-41a-1201; and
- (b) contracts with a home delivery medical cannabis pharmacy to deliver medical
- cannabis shipments to fulfill electronic orders that the state central patient portal
- facilitates.
- 193 (35) "Medical cannabis courier agent" means an individual who:
- 194 (a) is an employee of a medical cannabis courier; and
- (b) who holds a valid medical cannabis courier agent registration card.
- 196 (36) "Medical cannabis pharmacy" means the same as that term is defined in Section
- 197 26B-4-201.
- 198 (37) "Medical cannabis pharmacy agent" means the same as that term is defined in Section

- 199 26B-4-201.
- 200 (38) "Medical cannabis research license" means a license that the department issues to a
- research university for the purpose of obtaining and possessing medical cannabis for
- academic research.
- 203 (39) "Medical cannabis research licensee" means a research university that the department
- licenses to obtain and possess medical cannabis for academic research, in accordance
- with Section 4-41a-901.
- 206 (40) "Medical cannabis shipment" means a shipment of medical cannabis that a home
- delivery medical cannabis pharmacy or a medical cannabis courier delivers to a delivery
- address to fulfill an electronic medical cannabis order that the state central patient portal
- facilitates.
- 210 (41) "Medical cannabis treatment" means the same as that term is defined in Section
- 211 26B-4-201.
- 212 (42) "Medicinal dosage form" means the same as that term is defined in Section 26B-4-201.
- 213 (43) "Pharmacy ownership limit" means an amount equal to 30% of the total number of
- 214 medical cannabis pharmacy licenses issued by the department rounded down to the
- 215 nearest whole number.
- 216 (44) "Pharmacy medical provider" means the same as that term is defined in Section
- 217 26B-4-201.
- 218 (45) "Qualified medical provider" means the same as that term is defined in Section
- 219 26B-4-201.
- 220 (46) "Qualified Production Enterprise Fund" means the fund created in Section 4-41a-104.
- 221 (47) "Recommending medical provider" means the same as that term is defined in Section
- 222 26B-4-201.
- 223 (48) "Research university" means the same as that term is defined in Section 53B-7-702 and
- 224 a private, nonprofit college or university in the state that:
- (a) is accredited by the Northwest Commission on Colleges and Universities;
- (b) grants doctoral degrees; and
- (c) has a laboratory containing or a program researching a schedule I controlled
- substance described in Section 58-37-4.
- 229 (49) "State electronic verification system" means the system described in Section 26B-4-202.
- 230 (50) "Targeted marketing" means the promotion of a cannabis product, medical cannabis
- brand, or a medical cannabis device using any of the following methods:
- 232 (a) electronic communication to an individual who is at least 21 years old and has

233	requested to receive promotional information;
234	(b) an in-person marketing event that is:
235	(i) held inside a medical cannabis pharmacy; and
236	(ii) in an area where only a medical cannabis cardholder may access the event;
237	(c) other marketing material that is physically available or digitally displayed in a
238	medical cannabis pharmacy; or
239	(d) a leaflet a medical cannabis pharmacy places in the opaque package or box that is
240	provided to an individual when obtaining medical cannabis:
241	(i) in the medical cannabis pharmacy;
242	(ii) at the medical cannabis pharmacy's drive-through pick up window; or
243	(iii) in a medical cannabis shipment.
244	(51) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in Section
245	4-41-102.
246	(52) "THC analog" means the same as that term is defined in Section 4-41-102.
247	(53) "Total composite tetrahydrocannabinol" means all detectable forms of
248	tetrahydrocannabinol.
249	(54) "Total tetrahydrocannabinol" or "total THC" means the same as that term is defined in
250	Section 4-41-102.
251	Section 2. Section <b>4-41a-103</b> is amended to read:
252	4-41a-103. Inventory control system.
253	(1) Each cannabis production establishment and each medical cannabis pharmacy shall
254	maintain an inventory control system that meets the requirements of this section.
255	(2) A cannabis production establishment and a medical cannabis pharmacy shall ensure that
256	the inventory control system maintained by the establishment or pharmacy:
257	(a) tracks cannabis using a unique identifier, in real time, from the point that a cannabis
258	plant is eight inches tall and has a root ball until the cannabis is disposed of or sold,
259	in the form of unprocessed cannabis or a cannabis product, to an individual with a
260	medical cannabis card;
261	(b) maintains in real time a record of the amount of cannabis and cannabis products in
262	the possession of the establishment or pharmacy; and
263	[(c) includes a video recording system that:]
264	[(i) tracks all handling and processing of cannabis or a cannabis product in the
265	establishment or pharmacy;]
266	[(ii) is tamper proof; and]

267	[(iii) stores a video record for at least 45 days; and]
268	[(d)] (c) preserves compatibility with the state electronic verification system described in
269	Section 26B-4-202.
270	(3) A cannabis production establishment and a medical cannabis pharmacy shall allow the
271	following to access the cannabis production establishment's or the medical cannabis
272	pharmacy's inventory control system at any time:
273	(a) the department; and
274	(b) the Department of Health and Human Services[; and] .
275	[(e) a financial institution that the Division of Finance validates, in accordance with
276	Subsection (6).]
277	(4) The department may establish compatibility standards for an inventory control system
278	by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
279	Act.
280	(5)(a) The department shall make rules in accordance with Title 63G, Chapter 3, Utah
281	Administrative Rulemaking Act, establishing requirements for aggregate or batch
282	records regarding the planting and propagation of cannabis before being tracked in an
283	inventory control system described in this section.
284	(b) The department shall ensure that the rules described in Subsection (5)(a) address
285	record-keeping for the amount of planted seed, number of cuttings taken, date and
286	time of cutting and planting, number of plants established, and number of plants
287	culled or dead.
288	(6)(a) The department may provide reports from the inventory control system to a
289	financial institution to allow them to reconcile transactions and other financial
290	activity of cannabis production establishments, medical cannabis pharmacies, and
291	medical cannabis couriers that use financial services that the financial institution
292	provides.
293	(b) A report:
294	(i) may only include information related to financial transactions; and
295	(ii) may not include any identifying patient information.
296	[(6)(a) The Division of Finance shall, in consultation with the state treasurer:]
297	[(i) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
298	make rules to:]
299	[(A) establish a process for validating financial institutions for access to an
300	inventory control system in accordance with Subsections (3)(c) and (6)(b); and]

301	(B) establish qualifications for the validation described in Subsection (6)(a)(i)(A);
302	[(ii) review applications the Division of Finance receives in accordance with the
303	process established under Subsection (6)(a)(i);]
304	[(iii) validate a financial institution that meets the qualifications described in
305	Subsection (6)(a)(i); and]
306	[(iv) provide a list of validated financial institutions to the department and the
307	Department of Health and Human Services.]
308	[(b) A financial institution that the Division of Finance validates under Subsection (6)(a):]
309	[(i) may only access an inventory control system for the purpose of reconciling
310	transactions and other financial activity of cannabis production establishments,
311	medical cannabis pharmacies, and medical cannabis couriers that use financial
312	services that the financial institution provides;]
313	[(ii) may only access information related to financial transactions; and]
314	[(iii) may not access any identifying patient information.]
315	Section 3. Section <b>4-41a-201</b> is amended to read:
316	4-41a-201 . Cannabis production establishment License.
317	(1) Except as provided in Subsection (14), a person may not operate a cannabis production
318	establishment without a license that the department issues under this chapter.
319	(2)(a)(i) Subject to Subsections (6), (7), (8), and (13) and to Section 4-41a-205, for a
320	licensing process that the department initiates after March 17, 2021, the
321	department, through the licensing board, shall issue licenses in accordance with
322	Section 4-41a-201.1.
323	(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
324	the department shall make rules to specify a transparent and efficient process to:
325	(A) solicit applications for a license under this section;
326	(B) allow for comments and questions in the development of applications;
327	(C) timely and objectively evaluate applications;
328	(D) hold public hearings that the department deems appropriate; and
329	(E) select applicants to receive a license.
330	(iii) The department may not issue a license to operate a cannabis production
331	establishment to an applicant who is not eligible for a license under this section.
332	(b) An applicant is eligible for a license under this section if the applicant submits to the
333	licensing board:
334	(i) subject to Subsection (2)(c), a proposed name and address or, for a cannabis

335	cultivation facility, addresses of no more than two facility locations, located in a
336	zone described in Subsection 4-41a-406(2)(a) or (b), where the applicant will
337	operate the cannabis production establishment;
338	(ii) the name and address of any individual who has:
339	(A) for a publicly traded company, a financial or voting interest of 10% or greater
340	in the proposed cannabis production establishment;
341	(B) for a privately held company, a financial or voting interest in the proposed
342	cannabis production establishment; or
343	(C) the power to direct or cause the management or control of a proposed cannabis
344	production establishment;
345	(iii) an operating plan that:
346	(A) complies with Section 4-41a-204;
347	(B) includes operating procedures that comply with this chapter and any law the
348	municipality or county in which the person is located adopts that is consistent
349	with Section 4-41a-406; and
350	(C) the department or licensing board approves;
351	(iv) a statement that the applicant will obtain and maintain a liquid cash account with
352	a financial institution or a performance bond that a surety authorized to transact
353	surety business in the state issues in an amount of at least:
354	(A) \$100,000 for each cannabis cultivation facility for which the applicant applies
355	or
356	(B) \$50,000 for each cannabis processing facility or independent cannabis testing
357	laboratory for which the applicant applies;
358	(v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
359	department sets in accordance with Section 63J-1-504; and
360	(vi) a description of any investigation or adverse action taken by any licensing
361	jurisdiction, government agency, law enforcement agency, or court in any state for
362	any violation or detrimental conduct in relation to any of the applicant's
363	cannabis-related operations or businesses.
364	(c)(i) A person may not locate a cannabis production establishment:
365	(A) within 1,000 feet of a community location; or
366	(B) in or within 600 feet of a district that the relevant municipality or county has
367	zoned as primarily residential.
368	(ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured

369	from the nearest entrance to the cannabis production establishment by following
370	the shortest route of ordinary pedestrian travel to the property boundary of the
371	community location or residential area.
372	(iii) The licensing board may grant a waiver to reduce the proximity requirements in
373	Subsection (2)(c)(i) by up to 20% if the licensing board determines that it is not
374	reasonably feasible for the applicant to site the proposed cannabis production
375	establishment without the waiver.
376	(iv) An applicant for a license under this section shall provide evidence of
377	compliance with the proximity requirements described in Subsection (2)(c)(i).
378	(3) If the licensing board approves an application for a license under this section and
379	Section 4-41a-201.1:
380	(a) the applicant shall pay the [departmentan] department an initial license fee in an
381	amount that, subject to Subsection 4-41a-104(5), the department sets in accordance
382	with Section 63J-1-504; and
383	(b) the department shall notify the Department of Public Safety of the license approval
384	and the names of each individual described in Subsection (2)(b)(ii).
385	(4)(a) Except as provided in Subsection (4)(b), a cannabis production establishment shall
386	obtain a separate license for each type of cannabis production establishment and each
387	location of a cannabis production establishment.
388	(b) The licensing board may issue a cannabis cultivation facility license and a cannabis
389	processing facility license to a person to operate at the same physical location or at
390	separate physical locations.
391	(5) If the licensing board receives more than one application for a cannabis production
392	establishment within the same city or town, the licensing board shall consult with the
393	local land use authority before approving any of the applications pertaining to that city
394	or town.
395	(6) The licensing board may not issue a license to operate an independent cannabis testing
396	laboratory to a person who:
397	(a) holds a license or has an ownership interest in a medical cannabis pharmacy, a
398	cannabis processing facility, or a cannabis cultivation facility;
399	(b) has an owner, officer, director, or employee whose family member holds a license or
400	has an ownership interest in a medical cannabis pharmacy, a cannabis processing
401	facility, or a cannabis cultivation facility; or
402	(c) proposes to operate the independent cannabis testing laboratory at the same physical

403	location as a medical cannabis pharmacy, a cannabis processing facility, or a
404	cannabis cultivation facility.
405	(7) The licensing board may not issue a license to operate a cannabis production
406	establishment to an applicant if any individual described in Subsection (2)(b)(ii):
407	(a) has been convicted under state or federal law of:
408	(i) a felony in the preceding 10 years; or
409	(ii) after December 3, 2018, a misdemeanor for drug distribution;
410	(b) is younger than 21 years old; or
411	(c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator.
412	(8)(a) If an applicant for a cannabis production establishment license under this section
413	holds a license under Title 4, Chapter 41, Hemp and Cannabinoid Act, the licensing
414	board may not give preference to the applicant based on the applicant's status as a
415	holder of the license.
416	(b) If an applicant for a license to operate a cannabis cultivation facility under this
417	section holds a license to operate a medical cannabis pharmacy under this title, the
418	licensing board may give consideration to the applicant based on the applicant's
419	status as a holder of a medical cannabis pharmacy license if:
420	(i) the applicant demonstrates that a decrease in costs to patients is more likely to
421	result from the applicant's vertical integration than from a more competitive
422	marketplace; and
423	(ii) the licensing board finds multiple other factors, in addition to the existing license,
424	that support granting the new license.
425	(9) The licensing board may revoke a license under this part:
426	(a) if the cannabis production establishment does not begin cannabis production
427	operations within one year after the day on which the licensing board issues the
428	initial license;
429	(b) after the third of the same violation of this chapter in any of the licensee's licensed
430	cannabis production establishments or medical cannabis pharmacies;
431	(c) if any individual described in Subsection (2)(b) is convicted, while the license is
432	active, under state or federal law of:
433	(i) a felony; or
434	(ii) after December 3, 2018, a misdemeanor for drug distribution;
435	(d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at
436	the time of application, or fails to supplement the information described in

- 437 Subsection (2)(b)(vi) with any investigation or adverse action that occurs after the 438 submission of the application within 14 calendar days after the licensee receives 439 notice of the investigation or adverse action; (e) if the cannabis production establishment demonstrates a willful or reckless disregard 440 441 for the requirements of this chapter or the rules the department makes in accordance with this chapter; 442 443 (f) if, after a change of ownership described in Subsection (15)(b), the board determines 444 that the cannabis production establishment no longer meets the minimum standards for licensure and operation of the cannabis production establishment described in this 445 446 chapter; 447 (g) for an independent cannabis testing laboratory, if the independent cannabis testing 448 laboratory fails to substantially meet the performance standards described in 449 Subsection (14)(b); or 450 (h) if, following an investigation conducted pursuant to Subsection 4-41a-201.1(11), the 451 board [identifies] finds that the licensee has participated in an anticompetitive 452 business [practices] practice. 453 (10)(a) A person who receives a cannabis production establishment license under this 454 chapter, if the municipality or county where the licensed cannabis production 455 establishment will be located requires a local land use permit, shall submit to the 456 licensing board a copy of the licensee's approved application for the land use permit 457 within 120 days after the day on which the licensing board issues the license. 458 (b) If a licensee fails to submit to the licensing board a copy of the licensee's approved 459 land use permit application in accordance with Subsection (10)(a), the licensing 460 board may revoke the licensee's license. 461 (11) The department shall deposit the proceeds of a fee that the department imposes under 462 this section into the Qualified Production Enterprise Fund. 463 (12) The department shall begin accepting applications under this part on or before January 464 1, 2020.
- 465 (13)(a) The department's authority, and consequently the licensing board's authority, to 466 issue a license under this section is plenary and is not subject to review.
  - (b) Notwithstanding Subsection (2)(a)(ii)(A), the decision of the department to award a license to an applicant is not subject to:
    - (i) Title 63G, Chapter 6a, Part 16, Protests; or

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470 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.

<del>1</del> /1	(14)(a) Notwithstanding this section, the department:
172	(i) may operate or partner with a research university to operate an independent
173	cannabis testing laboratory;
174	(ii) if the department operates or partners with a research university to operate an
175	independent cannabis testing laboratory, may not cease operating or partnering
176	with a research university to operate the independent cannabis testing laboratory
177	unless:
178	(A) the department issues at least two licenses to independent cannabis testing
179	laboratories; and
180	(B) the department has ensured that the licensed independent cannabis testing
181	laboratories have sufficient capacity to provide the testing necessary to support
182	the state's medical cannabis market; and
183	(iii) after ceasing department or research university operations under Subsection
184	(14)(a)(ii) shall resume independent cannabis testing laboratory operations at any
185	time if:
186	(A) fewer than two licensed independent cannabis testing laboratories are
187	operating; or
188	(B) the licensed independent cannabis testing laboratories become, in the
189	department's determination, unable to fully meet the market demand for testing.
190	(b)(i) The department shall make rules, in accordance with Title 63G, Chapter 3,
191	Utah Administrative Rulemaking Act, to establish performance standards for the
192	operation of an independent cannabis testing laboratory, including deadlines for
193	testing completion.
194	(ii) A license that the department issues to an independent cannabis testing laboratory
195	is contingent upon substantial satisfaction of the performance standards described
196	in Subsection (14)(b)(i), as determined by the board.
197	(15)(a) A cannabis production establishment license is not transferrable or assignable.
198	(b) If the ownership of a cannabis production establishment changes by 50% or more:
199	(i) the cannabis production establishment shall submit a new application described in
500	Subsection (2)(b), subject to Subsection (2)(c);
501	(ii) within 30 days of the submission of the application, the board shall:
502	(A) conduct the application review described in Section 4-41a-201.1; and
503	(B) award a license to the cannabis production establishment for the remainder of
504	the term of the cannabis production establishment's license before the

505	ownership change if the cannabis production establishment meets the minimum
506	standards for licensure and operation of the cannabis production establishment
507	described in this chapter; and
508	(iii) if the board approves the license application, notwithstanding Subsection (3), the
509	cannabis production establishment shall pay a license fee that the department sets
510	in accordance with Section 63J-1-504 in an amount that covers the board's cost of
511	conducting the application review.
512	Section 4. Section 4-41a-201.1 is amended to read:
513	4-41a-201.1. Cannabis Production Establishment and Pharmacy Licensing
514	Advisory Board Composition Duties.
515	(1) There is created within the department the Cannabis Production Establishment and
516	Pharmacy Licensing Advisory Board.
517	(2) The commissioner shall:
518	(a) appoint the members of the [board] <u>licensing board</u> ;
519	(b) submit the name of each individual that the commissioner appoints under Subsection
520	(2)(a) to the governor for confirmation or rejection; and
521	(c) if the governor rejects an appointee that the commissioner submits under Subsection
522	(2)(b), appoint another individual in accordance with this Subsection (2).
523	(3)(a) Except as provided in Subsection [(3)(e)] (3)(b), the [board] licensing board shall
524	consist of the following eight members:
525	(i) the following seven voting members whom the commissioner appoints:
526	(A) one member of the public;
527	(B) one member with knowledge and experience in the pharmaceutical or
528	nutraceutical manufacturing industry;
529	(C) one member representing law enforcement;
530	(D) one member whom an organization representing medical cannabis patients
531	recommends;
532	(E) a chemist who has experience with cannabis and who is associated with a
533	research university;
534	(F) a pharmacist who is not associated with the medical cannabis industry; and
535	(G) an accountant; and
536	(ii) the commissioner or the commissioner's designee as a non-voting member, except
537	to cast a deciding vote in the event of a tie.
538	(b) The commissioner may appoint a ninth member to the [board] licensing board who

539	has a background in the cannabis cultivation and processing industry.
540	(c) The commissioner or the commissioner's designee shall serve as the chair of the [
541	board] licensing board.
542	(d) An individual is not eligible for appointment to be a member of the [board] licensing
543	board if the individual:
544	(i) has any commercial or ownership interest in a cannabis production establishment,
545	medical cannabis pharmacy, or medical cannabis courier;
546	(ii) has an owner, officer, director, or employee whose family member holds a license
547	or has an ownership interest in a cannabis production establishment, medical
548	cannabis pharmacy, or medical cannabis courier; or
549	(iii) is employed or contracted to lobby on behalf of any cannabis production
550	establishment, medical cannabis pharmacy, or medical cannabis courier.
551	(4)(a) Except as provided in Subsection (4)(b), a voting [board] licensing board member
552	shall serve a term of four years, beginning July 1 and ending June 30.
553	(b) Notwithstanding Subsection (4)(a), for the initial appointments to the [board]
554	licensing board, the commissioner shall stagger the length of the terms of [board]
555	licensing board members to ensure that the commissioner appoints two or three [board]
556	<u>licensing board</u> members every two years.
557	(c) As a [board] <u>licensing board</u> member's term expires:
558	(i) the [board] licensing board member is eligible for reappointment; and
559	(ii) the commissioner shall make an appointment, in accordance with Subsection (2),
560	for the new term before the end of the member's term.
561	(d) When a vacancy occurs on the [board] licensing board for any reason other than the
562	expiration of a [board] licensing board member's term, the commissioner shall appoint
563	a replacement to the vacant position, in accordance with Subsection (2), for the
564	unexpired term.
565	(e) In making appointments, the commissioner shall ensure that no two members of the [
566	board] licensing board are employed by or represent the same company or nonprofit
567	organization.
568	(f) The commissioner may remove a [board] licensing board member for cause, neglect
569	of duty, inefficiency, or malfeasance.
570	(5)(a)(i) Five members of the [board] <u>licensing board</u> constitute a quorum of the [
571	board] licensing board.
572	(ii) An action of the majority of the [board] licensing board members when a quorum

573	is present constitutes an action of the [board] licensing board.
574	(b) The department shall provide staff support to the [board] licensing board.
575	(c) A member of the [board] licensing board may not receive compensation or benefits
576	for the member's service, but may receive per diem and travel expenses in accordance
577	with:
578	(i) Section 63A-3-106;
579	(ii) Section 63A-3-107; and
580	(iii) rules made by the Division of Finance in accordance with Sections 63A-3-106
581	and 63A-3-107.
582	(6) The [board] <u>licensing board</u> shall:
583	(a) meet as called by the chair to review cannabis production establishment[-and],
584	medical cannabis pharmacy, and medical cannabis courier license applications;
585	(b) review each license application for compliance with:
586	(i) this chapter; and
587	(ii) department rules;
588	(c) conduct a public hearing to consider the license application;
589	(d) approve the department's license application forms and checklists; and
590	(e) make a determination on each license application.
591	(7) The [board] licensing board shall hold a public hearing to review a cannabis production
592	establishment's or medical cannabis pharmacy's license if the establishment:
593	(a) changes ownership by an interest of 20% or more;
594	(b) changes or adds a location;
595	(c) upgrades to a different licensing tier under department rule;
596	(d) changes extraction or formulation standard operating procedures;
597	(e) adds an industrial hemp processing or cultivation license to the same location as the
598	cannabis production establishment's processing facility; or
599	(f) as necessary based on the recommendation of the department.
600	(8) In a public hearing held under Subsection (7), the [board] <u>licensing board</u> may consider
601	the following in determining whether to approve a request to change pharmacy locations:
602	(a) medical cannabis availability, quality, and variety;
603	(b) whether geographic dispersal among licensees is sufficient to reasonably maximize
604	access to the largest number of medical cannabis cardholders;
605	(c) the extent to which the pharmacy can increase efficiency and reduce the cost to
606	patients of medical cannabis; and

607	(d) the factors listed in Subsection 4-41a-1004(7).
608	(9) In a public hearing held pursuant to Subsection (7), the [board] licensing board may not
609	approve a request to change a medical cannabis pharmacy location outside of the
610	pharmacy's current region established under Subsection 4-41a-1005(1)(c)(ii)(A).
611	(10)(a) The [board] licensing board shall meet [annually in December] as necessary to
612	consider cannabis production establishment[-and], medical cannabis pharmacy, and
613	medical cannabis courier license renewal applications.
614	(b) During the meeting described in Subsection (10)(a):
615	(i) a representative from each applicant for renewal shall:
616	(A) attend in person or electronically; or
617	(B) submit information before the meeting, as the [board] licensing board may
618	require, for the [board's] licensing board's consideration;
619	(ii) the [board] licensing board shall consider, for each cannabis cultivation facility
620	seeking renewal, information including:
621	(A) the amount of biomass the licensee produced during the current calendar year
622	(B) the amount of biomass the licensee projects to produce during the following
623	year;
624	(C) the amount of hemp waste the licensee currently holds;
625	(D) the current square footage or acres of growing area the licensee uses; and
626	(E) the square footage or acres of growing area the licensee projects to use in the
627	following year;
628	(iii) the [board] licensing board shall consider, for each cannabis processing facility
629	seeking renewal, information including:
630	(A) methods and procedures for extraction;
631	(B) standard operating procedures; and
632	(C) a complete listing of the medical dosage forms that the licensee produces; and
633	(iv) the [board] <u>licensing board</u> shall consider, for each cannabis pharmacy seeking
634	renewal, information including:
635	(A) product availability, quality, and variety;
636	(B) the pharmacy's operating procedures and practices; and
637	(C) the factors listed in Subsection 4-41a-1003(1).
638	(c) Following consideration of the information provided under Subsection (10)(b), the [
639	board] licensing board may elect to approve, deny, or issue conditional approval of a
640	cannabis production establishment or pharmacy license renewal application.

541	(d) The information a licensee or license applicant provides to the [board] licensing board
642	for a license determination constitutes a protected record under Subsection 63G-2-305
643	(1) or (2) if the applicant or licensee provides the [board] licensing board with the
644	information regarding business confidentiality required in Section 63G-2-309.
545	(11)(a) In cooperation with the attorney general, the [board] licensing board may
646	investigate information received by the department indicating that a licensee is
647	potentially engaging in anticompetitive business practices.
648	(b) In investigating potential anticompetitive business practices under this section, the
649	attorney general may issue civil investigative demands as set forth in Section
650	<u>76-10-3107.</u>
651	(12) The department shall:
652	(a) provide staff support for the licensing board;
653	(b) assist the licensing board in conducting meetings; and
654	(c) review all submitted applications for completion and accuracy.
655	Section 5. Section <b>4-41a-401</b> is amended to read:
656	4-41a-401. Cannabis production establishment General operating
657	requirements.
658	(1)(a) A cannabis production establishment shall operate in accordance with the
659	operating plan described in Sections 4-41a-201 and 4-41a-204.
660	(b) A cannabis production establishment shall notify the department before a change in
661	the cannabis production establishment's operating plan.
662	(c)(i) If a cannabis production establishment changes the cannabis production
663	establishment's operating plan, the establishment shall ensure that the new
664	operating plan complies with this chapter.
665	(ii) The department shall establish by rule, in accordance with Title 63G, Chapter 3,
666	Utah Administrative Rulemaking Act, a process to:
667	(A) review a change notification described in Subsection (1)(b);
668	(B) identify for the cannabis production establishment each point of
669	noncompliance between the new operating plan and this chapter;
670	(C) provide an opportunity for the cannabis production establishment to address
671	each identified point of noncompliance; and
672	(D) suspend or revoke a license if the cannabis production establishment fails to
673	cure the noncompliance.
674	(2) A cannabis production establishment shall operate:

675	(a) except as provided in Subsection (5), in a facility that is accessible only by an
676	individual with a valid cannabis production establishment agent registration card
677	issued under Section 4-41a-301; and
678	(b) at the physical address provided to the department under Section 4-41a-201.
679	(3) A cannabis production establishment may not employ an individual who is younger than
680	21 years old.
681	(4) A cannabis production establishment may not employ an individual who has been
682	convicted, under state or federal law, of:
683	(a) a felony in the preceding 10 years; or
684	(b) after December 3, 2018, a misdemeanor for drug distribution.
685	(5) A cannabis production establishment may authorize an individual who is at least 18
686	years old and is not a cannabis production establishment agent to access the cannabis
687	production establishment if the cannabis production establishment:
688	(a) tracks and monitors the individual at all times while the individual is at the cannabis
689	production establishment; and
690	(b) maintains a record of the individual's access, including arrival and departure.
691	(6) A cannabis production establishment shall operate in a facility that has:
692	(a) a single, secure public entrance;
693	(b) a security system with a backup power source that:
694	(i) detects and records entry into the cannabis production establishment; and
695	(ii) provides notice of an unauthorized entry to law enforcement when the cannabis
696	production establishment is closed; and
697	(c) a lock or equivalent restrictive security feature on any area where the cannabis
698	production establishment stores cannabis or a cannabis product.
699	(7)(a) A cannabis production establishment shall maintain a video surveillance system
700	that:
701	(i) tracks all handling and processing of cannabis or a cannabis product in the
702	establishment;
703	(ii) is tamper proof; and
704	(iii) stores a video record for at least 45 days.
705	(b) A cannabis production establishment shall provide the department access to the
706	video surveillance system upon request.
707	Section 6. Section <b>4-41a-801</b> is amended to read:
708	4-41a-801 . Enforcement Fine Citation.

709	(1)(a) If a person that is a cannabis production establishment, [or-]a cannabis production
710	establishment agent, a medical cannabis pharmacy, a medical cannabis pharmacy
711	agent, or a medical cannabis courier, violates this chapter, the department may:
712	[(a)] (i) revoke the person's license or [cannabis production establishment-]agent
713	registration card;
714	[(b)] (ii) decline to renew the person's license or [cannabis production establishment]
715	agent registration card;[-or]
716	[(e)] (iii) assess the person an administrative penalty that the department establishes
717	by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
718	Act[-] <u>; or</u>
719	(iv) provide a letter of concern in accordance with Subsection (8).
720	(b) Except for a violation that threatens public health, the department shall issue a letter
721	of concern before taking other administrative action under this section.
722	(2) The department shall deposit an administrative penalty imposed under this section into
723	the General Fund.
724	(3)(a) The department may take an action described in Subsection (3)(b) if the
725	department concludes, upon investigation, that, for a person that is a cannabis
726	production establishment,[-or] a cannabis production establishment agent, a medical
727	cannabis pharmacy, a medical cannabis pharmacy agent, or a medical cannabis
728	courier:
729	(i) the person has violated the provisions of this chapter, a rule made under this
730	chapter, or an order issued under this chapter; or
731	(ii) the person produced cannabis or a cannabis product batch that contains a
732	substance, other than cannabis, that poses a significant threat to human health.
733	(b) If the department makes the determination about a person described in Subsection
734	(3)(a), the department [shall] may:
735	(i) issue the person a written administrative citation;
736	(ii) attempt to negotiate a stipulated settlement;
737	(iii) seize, embargo, or destroy the cannabis or cannabis product batch;
738	(iv) order the person to cease and desist from the action that creates a violation; [and]
739	<u>or</u>
740	(v) direct the person to appear before an adjudicative proceeding conducted under
741	Title 63G, Chapter 4, Administrative Procedures Act.
742	(4) The department may, for a person subject to an uncontested citation, a stipulated

743	settlement, or a finding of a violation in an adjudicative proceeding under this section,
744	for a fine amount not already specified in law, assess the person, who is not an
745	individual, a fine of up to \$5,000 per violation, in accordance with a fine schedule that
746	the department establishes by rule in accordance with Title 63G, Chapter 3, Utah
747	Administrative Rulemaking Act.
748	(5) The department may not revoke a [eannabis production establishment's-]license without
749	first directing the [eannabis production establishment] licensee to appear before an
750	adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative
751	Procedures Act.
752	(6) If within 20 calendar days after the day on which a department serves a citation for a
753	violation of this chapter, the person that is the subject of the citation fails to request a
754	hearing to contest the citation, the citation becomes the department's final order.
755	(7) The department may, for a person who fails to comply with a citation under this section:
756	(a) refuse to issue or renew the person's license or [cannabis production establishment-]
757	agent registration card; or
758	(b) suspend, revoke, or place on probation the person's license or [cannabis production
759	establishment-]registration card.
760	(8)(a) A letter of concern shall describe:
761	(i) the violation including the statute or rule being violated;
762	(ii) possible options to remedy the issue; and
763	(iii) possible consequences for not remedying the violation.
764	(b) Under a letter of concern, the department shall provide the person at least 30 days to
765	remedy the violation.
766	(c) If the person fails to remedy the violation described in a letter of concern, the
767	department may take other enforcement action as described in this section.
768	(d) If a letter of concern is resolved without an enforcement action being taken under
769	Subsection (8)(c), the department may not report that a letter of concern was issued to
770	the licensing board.
771	[(8)] (9)(a) Except where a criminal penalty is expressly provided for a specific violation
772	of this chapter, or where civil and criminal penalties are provided for violations of
773	Section 76-10-31, if an individual:
774	(i) violates a provision of this chapter, the individual is:
775	(A) guilty of an infraction; and
776	(B) subject to a \$100 fine; or

777	(ii) intentionally or knowingly violates a provision of this chapter or violates this
778	chapter three or more times, the individual is:
779	(A) guilty of a class B misdemeanor; and
780	(B) subject to a \$1,000 fine.
781	(b) An individual who is guilty of a violation described in Subsection (8)(a) is not guilty
782	of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the
783	conduct underlying the violation described in Subsection (8)(a).
784	[(9)] (10) Nothing in this section prohibits:
785	(a) the department from referring potential criminal activity to law enforcement[-]; or
786	(b) the attorney general from investigating or prosecuting individuals or businesses for
787	violations of Title 76, Chapter 10, Part 31, Utah Antitrust Act.
788	Section 7. Section <b>4-41a-802</b> is amended to read:
789	4-41a-802 . Report.
790	(1) At or before the November interim meeting each year, the department shall report to the
791	Health and Human Services Interim Committee on:
792	(a) the number of applications and renewal applications that the department receives
793	under this chapter;
794	(b) the number of each type of [eannabis production facility] license that the department
795	licenses] issues in each county;
796	(c) the amount of cannabis that licensees grow;
797	(d) the amount of cannabis that licensees manufacture into cannabis products;
798	(e) the number of licenses the department revokes under this chapter;
799	(f) the department's operation of an independent cannabis testing laboratory under
800	Section 4-41a-201, including:
801	(i) the cannabis and cannabis products the department tested; and
802	(ii) the results of the tests the department performed;
803	(g) the expenses incurred and revenues generated under this chapter;[-and]
804	(h) the total quantity of medical cannabis shipments;
805	(i) the number of overall purchases of medical cannabis from each medical cannabis
806	pharmacy; and
807	[(h)] (j) an analysis of product availability in medical cannabis pharmacies in
808	consultation with the Department of Health and Human Services.
809	(2) The department may not include personally identifying information in the report
810	described in this section.

811	(3) The department shall report to the working group described in Section 36-12-8.2 as
812	requested by the working group.
813	Section 8. Section <b>4-41a-1001</b> is amended to read:
814	4-41a-1001. Medical cannabis pharmacy License Eligibility.
815	(1) A person may not:
816	(a) operate as a medical cannabis pharmacy without a license that the department issues
817	under this part;
818	(b) obtain a medical cannabis pharmacy license if obtaining the license would cause the
819	person to exceed the pharmacy ownership limit;
820	(c) obtain a partial ownership share of a medical cannabis pharmacy if obtaining the
821	partial ownership share would cause the person to exceed the pharmacy ownership
822	limit; or
823	(d) enter into any contract or agreement that allows the person to directly or indirectly
824	control the operations of a medical cannabis pharmacy if the person's control of the
825	medical cannabis pharmacy would cause the person to effectively exceed the
826	pharmacy ownership limit.
827	(2)(a)(i) Subject to Subsections (4) and (5) and to Section 4-41a-1005, the [
828	department shall issue a license to operate a medical cannabis pharmacy through
829	the licensing board created under Section 4-41a-201.1] licensing board shall issue
830	a license to operate a medical cannabis pharmacy.
831	(ii) The [department] licensing board may not issue a license to operate a medical
832	cannabis pharmacy to an applicant who is not eligible for a license under this
833	section.
834	(b) An applicant is eligible for a license under this section if the applicant submits to the [
835	department] licensing board:
836	(i) subject to Subsection (2)(c), a proposed name and address where the applicant wil
837	operate the medical cannabis pharmacy;
838	(ii) the name and address of an individual who:
839	(A) for a publicly traded company, has a financial or voting interest of 10% or
840	greater in the proposed medical cannabis pharmacy;
841	(B) for a privately held company, a financial or voting interest in the proposed
842	medical cannabis pharmacy; or
843	(C) has the power to direct or cause the management or control of a proposed
844	medical cannabis pharmacy;

345	(111) for each application that the applicant submits to the department, a statement
346	from the applicant that the applicant will obtain and maintain:
347	(A) a performance bond in the amount of \$100,000 issued by a surety authorized
848	to transact surety business in the state; or
349	(B) a liquid cash account in the amount of \$100,000 with a financial institution;
350	(iv) an operating plan that:
351	(A) complies with Section 4-41a-1004;
352	(B) includes operating procedures to comply with the operating requirements for a
353	medical cannabis pharmacy described in this part and with a relevant municipal
354	or county law that is consistent with Section 4-41a-1106; and
355	(C) the department approves;
356	(v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
357	department sets in accordance with Section 63J-1-504; and
858	(vi) a description of any investigation or adverse action taken by any licensing
359	jurisdiction, government agency, law enforcement agency, or court in any state for
360	any violation or detrimental conduct in relation to any of the applicant's
361	cannabis-related operations or businesses.
362	(c)(i) A person may not locate a medical cannabis pharmacy:
363	(A) within 200 feet of a community location; or
364	(B) in or within 600 feet of a district that the relevant municipality or county has
365	zoned as primarily residential.
366	(ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
367	from the nearest entrance to the medical cannabis pharmacy establishment by
368	following the shortest route of ordinary pedestrian travel to the property boundary
369	of the community location or residential area.
370	(iii) The [department] licensing board may grant a waiver to reduce the proximity
371	requirements in Subsection (2)(c)(i) by up to 20% if the department determines
372	that it is not reasonably feasible for the applicant to cite the proposed medical
373	cannabis pharmacy without the waiver.
374	(iv) An applicant for a license under this section shall provide evidence of
375	compliance with the proximity requirements described in Subsection (2)(c)(i).
376	(d) The [department] licensing board may not issue a license to an eligible applicant that
377	the department has selected to receive a license until the selected eligible applicant
378	complies with the bond or liquid cash requirement described in Subsection (2)(b)(iii)

879 (e) If the [department] licensing board receives more than one application for a medical 880 cannabis pharmacy within the same city or town, the department shall consult with 881 the local land use authority before approving any of the applications pertaining to that 882 city or town. 883 (f) In considering the issuance of a medical cannabis pharmacy license under this 884 section, the [department] licensing board may consider the extent to which the 885 pharmacy can increase efficiency and reduce cost to patients of medical cannabis. 886 (3) If the [department] licensing board selects an applicant for a medical cannabis pharmacy 887 license under this section, the department shall: 888 (a) charge the applicant an initial license fee in an amount that, subject to Subsection 889 4-41a-104(5), the department sets in accordance with Section 63J-1-504; 890 (b) notify the Department of Public Safety of the license approval and the names of each 891 individual described in Subsection (2)(b)(ii); and 892 (c) charge the licensee a fee in an amount that, subject to Subsection 4-41a-104(5), the 893 department sets in accordance with Section 63J-1-504, for any change in location, 894 ownership, or company structure. 895 (4) The [department] licensing board may not issue a license to operate a medical cannabis 896 pharmacy to an applicant if an individual described in Subsection (2)(b)(ii): 897 (a) has been convicted under state or federal law of: 898 (i) a felony in the preceding 10 years; or 899 (ii) after December 3, 2018, a misdemeanor for drug distribution; 900 (b) is younger than 21 years old; or 901 (c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator. 902 (5)(a) If an applicant for a medical cannabis pharmacy license under this section holds 903 another license under this chapter, the [department] licensing board may not give 904 preference to the applicant based on the applicant's status as a holder of the license. 905 (b) If an applicant for a medical cannabis pharmacy license under this section holds a 906 license to operate a cannabis cultivation facility under this section, the [department] 907 licensing board may give consideration to the applicant's status as a holder of the 908 license if: 909 (i) the applicant demonstrates that a decrease in costs to patients is more likely to 910 result from the applicant's vertical integration than from a more competitive 911 marketplace; and

(ii) the department finds multiple other factors, in addition to the existing license, that

913	support granting the new license.
914	(6) The [licensing board] licensing board may revoke a license under this part:
915	(a) if the medical cannabis pharmacy does not begin operations within one year after the
916	day on which the department issues an announcement of the department's intent to
917	award a license to the medical cannabis pharmacy;
918	(b) after the third of the same violation of this chapter in any of the licensee's licensed
919	cannabis production establishments or medical cannabis pharmacies;
920	(c) if an individual described in Subsection (2)(b)(ii) is convicted, while the license is
921	active, under state or federal law of:
922	(i) a felony; or
923	(ii) after December 3, 2018, a misdemeanor for drug distribution;
924	(d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at
925	the time of application, or fails to supplement the information described in
926	Subsection (2)(b)(vi) with any investigation or adverse action that occurs after the
927	submission of the application within 14 calendar days after the licensee receives
928	notice of the investigation or adverse action;
929	(e) if the medical cannabis pharmacy demonstrates a willful or reckless disregard for the
930	requirements of this chapter or the rules the department makes in accordance with
931	this chapter;
932	(f) if, after a change of ownership described in Subsection $[(11)(c)]$ $(10)(c)$ , the
933	department determines that the medical cannabis pharmacy no longer meets the
934	minimum standards for licensure and operation of the medical cannabis pharmacy
935	described in this chapter; or
936	(g) if through an investigation conducted under Subsection 4-41a-201.1(11) and in
937	accordance with Title 63G, Chapter 4, Administrative Procedures Act, the [board]
938	licensing board finds that the licensee has participated in anticompetitive business
939	practices.
940	(7)(a) A person who receives a medical cannabis pharmacy license under this chapter, if
941	the municipality or county where the licensed medical cannabis pharmacy will be
942	located requires a local land use permit, shall submit to the department a copy of the
943	licensee's approved application for the land use permit within 120 days after the day
944	on which the department issues the license.
945	(b) If a licensee fails to submit to the department a copy the licensee's approved land use
946	permit application in accordance with Subsection (7)(a), the department may revoke

947	the licensee's license.
948	(8) The department shall deposit the proceeds of a fee imposed by this section into the
949	Qualified Production Enterprise Fund.
950	[(9) The department shall begin accepting applications under this part on or before March 1,
951	<del>2020.</del> ]
952	[(10)] (9)(a) The [department's] licensing board's authority to issue a license under this
953	section is plenary and is not subject to review.
954	(b) Notwithstanding Subsection (2), the decision of the department to award a license to
955	an applicant is not subject to:
956	(i) Title 63G, Chapter 6a, Part 16, Protests; or
957	(ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.
958	[(11)] (10)(a) A medical cannabis pharmacy license is not transferrable or assignable.
959	(b) A medical cannabis pharmacy shall report in writing to the department no later than [
960	10] 45 business days before the date of any change of ownership of the medical
961	cannabis pharmacy.
962	(c) If the ownership of a medical cannabis pharmacy changes by 50% or more:
963	(i) concurrent with the report described in Subsection $[(11)(b)]$ $(10)(b)$ , the medical
964	cannabis pharmacy shall submit a new application described in Subsection (2)(b),
965	subject to Subsection (2)(c);
966	(ii) within 30 days of the submission of the application, the [department] licensing
967	board shall:
968	(A) conduct an application review; and
969	(B) award a license to the medical cannabis pharmacy for the remainder of the
970	term of the medical cannabis pharmacy's license before the ownership change
971	if the medical cannabis pharmacy meets the minimum standards for licensure
972	and operation of the medical cannabis pharmacy described in this chapter; and
973	(iii) if the department approves the license application, notwithstanding Subsection
974	(3), the medical cannabis pharmacy shall pay a license fee that the department sets
975	in accordance with Section 63J-1-504 in an amount that covers the department's
976	cost of conducting the application review.
977	Section 9. Section <b>4-41a-1005</b> is amended to read:
978	4-41a-1005. Maximum number of licenses.
979	(1)(a) Except as provided in Subsection (1)(b) or (d), if a sufficient number of applicants
980	apply, the department shall issue up to 15 medical cannabis pharmacy licenses in

981	accordance with this section.
982	(b) If an insufficient number of qualified applicants apply for the available number of
983	medical cannabis pharmacy licenses, the department shall issue a medical cannabis
984	pharmacy license to each qualified applicant.
985	(c) The department may issue the licenses described in Subsection (1)(a) in accordance
986	with this Subsection (1)(c).
987	(i) Using one procurement process, the department may issue eight licenses to an
988	initial group of medical cannabis pharmacies and six licenses to a second group of
989	medical cannabis pharmacies.
990	(ii) The department shall:
991	(A) divide the state into no less than four geographic regions, set by the
992	department in rule;
993	(B) issue at least one license in each geographic region during each phase of
994	issuing licenses; and
995	(C) complete the process of issuing medical cannabis pharmacy licenses no later
996	than July 1, 2020.
997	(iii) In issuing a 15th license under Subsection (1), the department shall ensure that
998	the license recipient will locate the medical cannabis pharmacy within Dagget,
999	Duchesne, Uintah, Carbon, Sevier, Emery, Grand, or San Juan County.
1000	(d)(i) The department may issue licenses to operate a medical cannabis pharmacy in
1001	addition to the licenses described in Subsection (1)(a) if the department
1002	determines, in consultation with the Department of Health and Human Services
1003	and after an annual or more frequent analysis of the current and anticipated market
1004	for medical cannabis, that each additional license is necessary to provide an
1005	adequate supply, quality, or variety of medical cannabis to medical cannabis
1006	cardholders.
1007	(ii) The department shall:
1008	(A) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
1009	Act, make rules to establish criteria and processes for the consultation,
1010	analysis, and application for a license described in Subsection (1)(d)(i); and
1011	(B) report to the Executive Appropriations Committee of the Legislature before
1012	each time the department issues an additional license under Subsection
1013	(1)(d)(i) regarding the results of the consultation and analysis described in

Subsection (1)(d)(i) and the application of the criteria described in Subsection

1015	(1)(d)(ii)(A).
1016	(2)(a) If there are more qualified applicants than there are available licenses for medical
1017	cannabis pharmacies, the department shall:
1018	(i) evaluate each applicant and award the license to the applicant that best
1019	demonstrates:
1020	(A) experience with establishing and successfully operating a business that
1021	involves complying with a regulatory environment, tracking inventory, and
1022	training, evaluating, and monitoring employees;
1023	(B) an operating plan that will best ensure the safety and security of patrons and
1024	the community;
1025	(C) positive connections to the local community;
1026	(D) the suitability of the proposed location and the location's accessibility for
1027	qualifying patients;
1028	(E) the extent to which the applicant can increase efficiency and reduce the cost of
1029	medical cannabis for patients; and
1030	(F) a strategic plan described in Subsection 4-41a-1004(7) that has a
1031	comparatively high likelihood of success; and
1032	(ii) ensure a geographic dispersal among licensees that is sufficient to reasonably
1033	maximize access to the largest number of medical cannabis cardholders.
1034	(b) In making the evaluation described in Subsection (2)(a), the department may give
1035	increased consideration to applicants who indicate a willingness to[:]
1036	[(i)] operate as a home delivery medical cannabis pharmacy that accepts electronic
1037	medical cannabis orders that the state central patient portal facilitates[; and] .
1038	[(ii) accept payments through:]
1039	[(A) a payment provider that the Division of Finance approves, in consultation
1040	with the state treasurer, in accordance with Section 4-41a-108; or]
1041	[(B) a financial institution in accordance with Subsection 4-41a-108(4).]
1042	(3) The department may conduct a face-to-face interview with an applicant for a license that
1043	the department evaluates under Subsection (2).
1044	Section 10. Section <b>4-41a-1101</b> is amended to read:
1045	4-41a-1101 . Operating requirements General.
1046	(1)(a) A medical cannabis pharmacy shall operate:
1047	(i) at the physical address provided to the department under Section 4-41a-1001; and
1048	(ii) in accordance with the operating plan provided to the department under Section

1049		4-41a-1001 and, if applicable, Section 4-41a-1004.
1050		(b) A medical cannabis pharmacy shall notify the department before a change in the
1051		medical cannabis pharmacy's physical address or operating plan.
1052	(2)	An individual may not enter a medical cannabis pharmacy unless the individual:
1053		(a) is at least 18 years old or is an emancipated minor under Section 80-7-105; and
1054		(b) except as provided in Subsection (4):
1055		(i) possesses a valid:
1056		(A) medical cannabis pharmacy agent registration card;
1057		(B) pharmacy medical provider registration card; or
1058		(C) medical cannabis card;
1059		(ii) is an employee of the department performing an inspection under Section
1060		4-41a-1103; or
1061		(iii) is another individual as the department provides.
1062	(3)	A medical cannabis pharmacy may not employ an individual who is younger than 21
1063		years old.
1064	(4)	Notwithstanding Subsection (2)(a), a medical cannabis pharmacy may authorize an
1065		individual who is not a medical cannabis pharmacy agent or pharmacy medical provider
1066		to access the medical cannabis pharmacy if the medical cannabis pharmacy tracks and
1067		monitors the individual at all times while the individual is at the medical cannabis
1068		pharmacy and maintains a record of the individual's access.
1069	(5)	A medical cannabis pharmacy shall operate in a facility that has:
1070		(a) a single, secure public entrance;
1071		(b) a security system with a backup power source that:
1072		(i) detects and records entry into the medical cannabis pharmacy; and
1073		(ii) provides notice of an unauthorized entry to law enforcement when the medical
1074		cannabis pharmacy is closed; and
1075		(c) a lock on each area where the medical cannabis pharmacy stores cannabis or a
1076		cannabis product.
1077	(6)	A medical cannabis pharmacy shall post, both clearly and conspicuously in the medical
1078		cannabis pharmacy, the limit on the purchase of cannabis described in Subsection
1079		4-41a-1102(2).
1080	(7)	Except for an emergency situation described in Subsection [26B-4-213(3)(e)]
1081		26B-4-213(3)(b), a medical cannabis pharmacy may not allow any individual to
1082		consume cannabis on the property or premises of the medical cannabis pharmacy.

1083	(8) A medical cannabis pharmacy may not sell cannabis or a cannabis product without first
1084	indicating on the cannabis or cannabis product label the name of the medical cannabis
1085	pharmacy.
1086	(9)(a) Each medical cannabis pharmacy shall retain in the pharmacy's records the
1087	following information regarding each recommendation underlying a transaction:
1088	(i) the recommending medical provider's name, address, and telephone number;
1089	(ii) the patient's name and address;
1090	(iii) the date of issuance;
1091	(iv) directions of use and dosing guidelines or an indication that the recommending
1092	medical provider did not recommend specific directions of use or dosing
1093	guidelines; and
1094	(v) if the patient did not complete the transaction, the name of the medical cannabis
1095	cardholder who completed the transaction.
1096	(b)(i) Except as provided in Subsection (9)(b)(iii), a medical cannabis pharmacy may
1097	not sell medical cannabis unless the medical cannabis has a label securely affixed
1098	to the container indicating the following minimum information:
1099	(A) the name, address, and telephone number of the medical cannabis pharmacy;
1100	(B) the unique identification number that the medical cannabis pharmacy assigns;
1101	(C) the date of the sale;
1102	(D) the name of the patient;
1103	(E) the name of the recommending medical provider who recommended the
1104	medical cannabis treatment;
1105	(F) directions for use and cautionary statements, if any;
1106	(G) the amount dispensed and the cannabinoid content;
1107	(H) the suggested use date;
1108	(I) for unprocessed cannabis flower, the legal use termination date; and
1109	(J) any other requirements that the department determines, in consultation with the
1110	Division of Professional Licensing and the Board of Pharmacy.
1111	(ii) A medical cannabis pharmacy is exempt from the requirement to provide the
1112	following information under Subsection (9)(b)(i) if the information is already
1113	provided on the product label that a cannabis production establishment affixes:
1114	(A) a unique identification number;
1115	(B) directions for use and cautionary statements;
1116	(C) amount and cannabinoid content; and

111/	(D) a suggested use date.
1118	(iii) If the size of a medical cannabis container does not allow sufficient space to
1119	include the labeling requirements described in Subsection (9)(b)(i), the medical
1120	cannabis pharmacy may provide the following information described in
1121	Subsection (9)(b)(i) on a supplemental label attached to the container or an
1122	informational enclosure that accompanies the container:
1123	(A) the cannabinoid content;
1124	(B) the suggested use date; and
1125	(C) any other requirements that the department determines.
1126	(iv) A medical cannabis pharmacy may sell medical cannabis to another medical
1127	cannabis pharmacy without a label described in Subsection (9)(b)(i).
1128	(10) A pharmacy medical provider or medical cannabis pharmacy agent shall:
1129	(a) upon receipt of an order from a limited medical provider in accordance with
1130	Subsections 26B-4-204(1)(b) through (d):
1131	(i) for a written order or an electronic order under circumstances that the department
1132	determines, contact the limited medical provider or the limited medical provider's
1133	office to verify the validity of the recommendation; and
1134	(ii) for an order that the pharmacy medical provider or medical cannabis pharmacy
1135	agent verifies under Subsection (10)(a)(i) or an electronic order that is not subject
1136	to verification under Subsection (10)(a)(i), enter the limited medical provider's
1137	recommendation or renewal, including any associated directions of use, dosing
1138	guidelines, or caregiver indication, in the state electronic verification system;
1139	(b) in processing an order for a holder of a conditional medical cannabis card described
1140	in Subsection 26B-4-213(1)(b) that appears irregular or suspicious in the judgment of
1141	the pharmacy medical provider or medical cannabis pharmacy agent, contact the
1142	recommending medical provider or the recommending medical provider's office to
1143	verify the validity of the recommendation before processing the cardholder's order;
1144	(c) unless the medical cannabis cardholder has had a consultation under Subsection
1145	26B-4-231(5), verbally offer to a medical cannabis cardholder at the time of a
1146	purchase of cannabis, a cannabis product, or a medical cannabis device, personal
1147	counseling with the pharmacy medical provider; and
1148	(d) provide a telephone number or website by which the cardholder may contact a
1149	pharmacy medical provider for counseling.
1150	(11)(a) A medical cannabis pharmacy may create a medical cannabis disposal program

1151	that allows an individual to deposit unused or excess medical cannabis or cannabis
1152	residue from a medical cannabis device in a locked box or other secure receptacle
1153	within the medical cannabis pharmacy.
1154	(b) A medical cannabis pharmacy with a disposal program described in Subsection
1155	(11)(a) shall ensure that only a medical cannabis pharmacy agent or pharmacy
1156	medical provider can access deposited medical cannabis.
1157	(c) A medical cannabis pharmacy shall dispose of any deposited medical cannabis by:
1158	(i) rendering the deposited medical cannabis unusable and unrecognizable before
1159	transporting deposited medical cannabis from the medical cannabis pharmacy; and
1160	(ii) disposing of the deposited medical cannabis in accordance with:
1161	(A) federal and state law, rules, and regulations related to hazardous waste;
1162	(B) the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 et seq.;
1163	(C) Title 19, Chapter 6, Part 5, Solid Waste Management Act; and
1164	(D) other regulations that the department makes in accordance with Title 63G,
1165	Chapter 3, Utah Administrative Rulemaking Act.
1166	(12) A medical cannabis pharmacy:
1167	(a) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy
1168	Practice Act, as a pharmacy medical provider;
1169	(b) may employ a physician who has the authority to write a prescription and is licensed
1170	under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah
1171	Osteopathic Medical Practice Act, as a pharmacy medical provider;
1172	(c) shall ensure that a pharmacy medical provider described in Subsection (12)(a) works
1173	onsite during all business hours;
1174	(d) shall designate one pharmacy medical provider described in Subsection (12)(a) as the
1175	pharmacist-in-charge to oversee the operation of and generally supervise the medical
1176	cannabis pharmacy;[- <del>and</del> ]
1177	(e) shall allow the pharmacist-in-charge to determine which cannabis and cannabis
1178	products the medical cannabis pharmacy maintains in the medical cannabis
1179	pharmacy's inventory[-];
1180	(f) shall maintain a video surveillance system that:
1181	(i) tracks all handling of medical cannabis in the pharmacy;
1182	(ii) is tamper proof; and
1183	(iii) stores a video record for at least 45 days; and
1184	(g) shall provide the department access to the video surveillance system upon request.

1185	(13) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah
1186	Administrative Rulemaking Act, protocols for a recall of cannabis and cannabis products
1187	by a medical cannabis pharmacy.
1188	Section 11. Section 4-41a-1102 is amended to read:
1189	4-41a-1102 . Dispensing Amount a medical cannabis pharmacy may dispense
1190	Reporting Form of cannabis or cannabis product.
1191	(1)(a) A medical cannabis pharmacy may not sell a product other than:
1192	[(i) eannabis in a medicinal dosage form that the medical eannabis pharmacy
1193	acquired from another medical cannabis pharmacy or a cannabis processing
1194	facility that is licensed under Section 4-41a-201;]
1195	[(ii)] (i) [a cannabis product in a medicinal dosage form] medical cannabis that the
1196	medical cannabis pharmacy acquired from another medical cannabis pharmacy or
1197	a cannabis processing facility that is licensed under Section 4-41a-201;
1198	[(iii)] (ii) a medical cannabis device; or
1199	[(iv)] (iii) educational material related to the medical use of cannabis.
1200	(b) A medical cannabis pharmacy may only sell an item listed in Subsection (1)(a) to an
1201	individual with:
1202	(i)(A) a medical cannabis card; or
1203	(B) a Department of Health and Human Services registration described in
1204	Subsection 26B-4-213(10); and
1205	(ii) a corresponding government issued photo identification.
1206	(c) Notwithstanding Subsection (1)(a), a medical cannabis pharmacy may not sell a
1207	cannabis-based drug that the United States Food and Drug Administration has
1208	approved.
1209	(d) Notwithstanding Subsection (1)(b), a medical cannabis pharmacy may not sell a
1210	medical cannabis device or medical cannabis to an individual described in Subsection
1211	26B-4-213(2)(a)(i)(B) or to a minor described in Subsection 26B-4-213(2)(c) unless
1212	the individual or minor has the approval of the Compassionate Use Board in
1213	accordance with Subsection 26B-1-421(5).
1214	(2) A medical cannabis pharmacy:
1215	(a) may dispense to a medical cannabis cardholder, in any one 28-day period, up to the
1216	legal dosage limit of:
1217	(i) unprocessed cannabis that:
1218	(A) is in a medicinal dosage form; and

1219	(B) carries a label clearly displaying the amount of tetrahydrocannabinol and
1220	cannabidiol in the cannabis; and
1221	(ii) a cannabis product that is in a medicinal dosage form; and
1222	(b) may not dispense:
1223	(i) except for a medical cannabis cardholder approved under Subsection 26B-4-245(2),
1224	more medical cannabis than described in Subsection (2)(a); or
1225	(ii) any medical cannabis to an individual whose recommending medical provider did
1226	not recommend directions of use and dosing guidelines, until the individual
1227	consults with the pharmacy medical provider in accordance with Subsection
1228	26B-4-231(5).
1229	(3)(a) A medical cannabis pharmacy shall:
1230	(i)(A) access the state electronic verification system before dispensing [eannabis
1231	or a cannabis product] medical cannabis to a medical cannabis cardholder in
1232	order to determine if the cardholder or, where applicable, the associated patient
1233	has met the maximum amount of medical cannabis described in Subsection (2);
1234	and
1235	(B) if the verification in Subsection (3)(a)(i)(A) indicates that the individual has
1236	met the maximum amount described in Subsection (2), decline the sale, and
1237	notify the recommending medical provider who made the underlying
1238	recommendation;
1239	(ii) submit a record to the state electronic verification system each time the medical
1240	cannabis pharmacy dispenses medical cannabis to a medical cannabis cardholder;
1241	(iii) ensure that the pharmacy medical provider who is a licensed pharmacist reviews
1242	each medical cannabis transaction before dispensing the medical cannabis to the
1243	cardholder in accordance with pharmacy practice standards;
1244	(iv) package any medical cannabis[-that is] in a container that:
1245	(A) complies with Subsection 4-41a-602(1)(b) or, if applicable, provisions related
1246	to a container for unprocessed cannabis flower in the definition of "medicinal
1247	dosage form" in Section 26B-4-201; and
1248	(B) is tamper-resistant and tamper-evident;[-and]
1249	[(C) provides an opaque bag or box for the medical cannabis cardholder's use in
1250	transporting the container in public;]
1251	(v) for a product that is a cube that is designed for ingestion through chewing or
1252	holding in the mouth for slow dissolution, include a separate, off-label warning

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1253	about the risks of over-consumption; and
1254	(vi) beginning January 1, 2024, for [a cannabis product] medical cannabis that is
1255	cannabis flower, vaporizer cartridges, or concentrate, provide the product's terpene
1256	profiles collected under Subsection 4-41a-701(4) at or before the point of sale.
1257	(b) A medical cannabis cardholder transporting or possessing the container described in
1258	Subsection (3)(a)(iv) in public shall keep the container within the opaque bag or box
1259	that the medical cannabis pharmacist provides.
1260	(c) A medical cannabis pharmacy shall provide an opaque bag or box for the medical
1261	cannabis cardholder to use in transporting the medical cannabis in public if the
1262	medical cannabis cardholder does not provide an opaque bag or box.
1263	(4)(a) Except as provided in Subsection (4)(b), a medical cannabis pharmacy may not
1264	sell medical cannabis in the form of a cigarette or a medical cannabis device that is
1265	intentionally designed or constructed to resemble a cigarette.
1266	(b) A medical cannabis pharmacy may sell a medical cannabis device that warms
1267	cannabis material into a vapor without the use of a flame and that delivers cannabis to
1268	an individual's respiratory system.
1269	(5)(a) A medical cannabis pharmacy may not give, at no cost, a product that the medical
1270	cannabis pharmacy is allowed to sell under Subsection $(1)(a)(i)[\frac{1}{2}]$ or $(ii)[\frac{1}{2}]$ .
1271	(b) A medical cannabis pharmacy may give, at no cost, educational material related to
1272	the medical use of cannabis.
1273	(6) A medical cannabis pharmacy may purchase and store medical cannabis devices
1274	regardless of whether the seller has a cannabis-related license under this chapter or Title
1275	26B, Utah Health and Human Services Code.
1276	Section 12. Section <b>4-41a-1106</b> is amended to read:
1277	4-41a-1106. Medical cannabis pharmacy agent Registration.
1278	(1) An individual may not serve as a medical cannabis pharmacy agent of a medical
1279	cannabis pharmacy unless the department registers the individual as a medical cannabis
1280	pharmacy agent.
1281	(2) A recommending medical provider may not act as a medical cannabis pharmacy agent,
1282	have a financial or voting interest of 2% or greater in a medical cannabis pharmacy, or
1283	have the power to direct or cause the management or control of a medical cannabis
1284	pharmacy.
1285	(3)(a) The department shall, within 15 days after the day on which the department

receives a complete application from a medical cannabis pharmacy on behalf of a

1287	prospective medical cannabis pharmacy agent, register and issue a medical cannabis
1288	pharmacy agent registration card to the prospective agent if the medical cannabis
1289	pharmacy:
1290	(i) provides to the department:
1291	(A) the prospective agent's name and address;
1292	(B) the name and location of the licensed medical cannabis pharmacy where the
1293	prospective agent seeks to act as the medical cannabis pharmacy agent; and
1294	(C) the submission required under Subsection (3)(b); and
1295	(ii) pays a fee to the department in an amount that, subject to Subsection 4-41a-104
1296	(5), the department sets in accordance with Section 63J-1-504.
1297	(b) Each prospective agent described in Subsection (3)(a) shall:
1298	(i) submit to the department:
1299	(A) a fingerprint card in a form acceptable to the Department of Public Safety; and
1300	(B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging
1301	the registration of the prospective agent's fingerprints in the Federal Bureau of
1302	Investigation Next Generation Identification System's Rap Back Service; and
1303	(ii) consent to a fingerprint background check by:
1304	(A) the Bureau of Criminal Identification; and
1305	(B) the Federal Bureau of Investigation.
1306	(c) The Bureau of Criminal Identification shall:
1307	(i) check the fingerprints the prospective agent submits under Subsection (3)(b)
1308	against the applicable state, regional, and national criminal records databases,
1309	including the Federal Bureau of Investigation Next Generation Identification
1310	System;
1311	(ii) report the results of the background check to the department;
1312	(iii) maintain a separate file of fingerprints that prospective agents submit under
1313	Subsection (3)(b) for search by future submissions to the local and regional
1314	criminal records databases, including latent prints;
1315	(iv) request that the fingerprints be retained in the Federal Bureau of Investigation
1316	Next Generation Identification System's Rap Back Service for search by future
1317	submissions to national criminal records databases, including the Next Generation
1318	Identification System and latent prints; and
1319	(v) establish a privacy risk mitigation strategy to ensure that the department only
1320	receives notifications for an individual with whom the department maintains an

1321	authorizing relationship.
1322	(d) The department shall:
1323	(i) assess an individual who submits fingerprints under Subsection (3)(b) a fee in an
1324	amount that the department sets in accordance with Section 63J-1-504 for the
1325	services that the Bureau of Criminal Identification or another authorized agency
1326	provides under this section; and
1327	(ii) remit the fee described in Subsection (3)(d)(i) to the Bureau of Criminal
1328	Identification.
1329	[(4) The department shall designate, on an individual's medical cannabis pharmacy agent
1330	registration card the name of the medical cannabis pharmacy where the individual is
1331	registered as an agent.]
1332	[(5)] (4) A medical cannabis pharmacy agent shall comply with a certification standard that
1333	the department develops in collaboration with the Division of Professional Licensing
1334	and the Board of Pharmacy, or a third-party certification standard that the department
1335	designates by rule, in collaboration with the Division of Professional Licensing and the
1336	Board of Pharmacy and in accordance with Title 63G, Chapter 3, Utah Administrative
1337	Rulemaking Act.
1338	[(6)] (5) The department shall ensure that the certification standard described in Subsection
1339	(5)] (4) includes training in:
1340	(a) Utah medical cannabis law; and
1341	(b) medical cannabis pharmacy best practices.
1342	[(7)] (6) The department may revoke the medical cannabis pharmacy agent registration card
1343	of, or refuse to issue a medical cannabis pharmacy agent registration card to, an
1344	individual who:
1345	(a) violates the requirements of this chapter; or
1346	(b) is convicted under state or federal law of:
1347	(i) a felony within the preceding 10 years; or
1348	(ii) after December 3, 2018, a misdemeanor for drug distribution.
1349	[(8)] (7)(a) A medical cannabis pharmacy agent registration card expires two years after
1350	the day on which the department issues or renews the card.
1351	(b) A medical cannabis pharmacy agent may renew the agent's registration card if the
1352	agent:
1353	(i) is eligible for a medical cannabis pharmacy agent registration card under this
1354	section;

1355	(ii) certifies to the department in a renewal application that the information in
1356	Subsection (3)(a) is accurate or updates the information; and
1357	(iii) pays to the department a renewal fee in an amount that:
1358	(A) subject to Subsection 4-41a-104(5), the department sets in accordance with
1359	Section 63J-1-504; and
1360	(B) may not exceed the cost of the relatively lower administrative burden of
1361	renewal in comparison to the original application process.
1362	[(9)] (8)(a) As a condition precedent to registration and renewal of a medical cannabis
1363	pharmacy agent registration card, a medical cannabis pharmacy agent shall:
1364	(i) complete at least one hour of continuing education regarding patient privacy and
1365	federal health information privacy laws that is offered by the department under
1366	Subsection $[(9)(b)]$ (8)(b) or an accredited or approved continuing education
1367	provider that the department recognizes as offering continuing education
1368	appropriate for the medical cannabis pharmacy practice; and
1369	(ii) make a continuing education report to the department in accordance with a
1370	process that the department establishes by rule, in accordance with Title 63G,
1371	Chapter 3, Utah Administrative Rulemaking Act, and in collaboration with the
1372	Division of Professional Licensing and the Board of Pharmacy.
1373	(b) The department may, in consultation with the Division of Professional Licensing,
1374	develop the continuing education described in this Subsection $[(9)]$ (8).
1375	(c) The pharmacist-in-charge described in Section 26B-4-219 shall ensure that each
1376	medical cannabis pharmacy agent working in the medical cannabis pharmacy who
1377	has access to the state electronic verification system is in compliance with this
1378	Subsection $[(9)]$ (8).
1379	(d) A medical cannabis pharmacy agent may not access the electronic verification
1380	system following the termination of the medical cannabis pharmacy agent's
1381	employment.
1382	[(10)] (9) A medical cannabis pharmacy shall:
1383	(a) maintain a list of employees that have a medical cannabis pharmacy agent
1384	registration card; and
1385	(b) provide the list to the department upon request.
1386	Section 13. Section <b>4-41a-1202</b> is amended to read:
1387	4-41a-1202 . Home delivery of medical cannabis shipments Medical cannabis
1388	couriers License.

1389	(1) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
1390	Administrative Rulemaking Act, to ensure the safety, security, and efficiency of a home
1391	delivery medical cannabis pharmacy's fulfillment of electronic medical cannabis orders
1392	that the state central patient portal facilitates, including rules regarding the safe and
1393	controlled delivery of medical cannabis shipments.
1394	(2) A person may not operate as a medical cannabis courier without a license that the [
1395	department] licensing board issues under this section.
1396	(3)(a) Subject to Subsections (5) and (6), the [department] licensing board shall issue a
1397	license to operate as a medical cannabis courier to an applicant who is eligible for a
1398	license under this section.
1399	(b) An applicant is eligible for a license under this section if the applicant submits to the [
1400	department] licensing board:
1401	(i) the name and address of an individual who:
1402	(A) has a financial or voting interest of 10% or greater in the proposed medical
1403	cannabis courier; or
1404	(B) has the power to direct or cause the management or control of a proposed
1405	cannabis production establishment;
1406	(ii) an operating plan that includes operating procedures to comply with the operating
1407	requirements for a medical cannabis courier described in this chapter; and
1408	(iii) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
1409	department sets in accordance with Section 63J-1-504.
1410	(4) If the [department] licensing board determines that an applicant is eligible for a license
1411	under this section, the department shall:
1412	(a) charge the applicant an initial license fee in an amount that, subject to Subsection
1413	4-41a-104(5), the department sets in accordance with Section 63J-1-504; and
1414	(b) notify the Department of Public Safety of the license approval and the names of each
1415	individual described in Subsection (3)(b)(i).
1416	(5) The [department] licensing board may not issue a license to operate as a medical
1417	cannabis courier to an applicant if an individual described in Subsection (3)(b)(i):
1418	(a) has been convicted under state or federal law of:
1419	(i) a felony in the preceding 10 years; or
1420	(ii) after September 23, 2019, a misdemeanor for drug distribution; or
1421	(b) is younger than 21 years old.
1422	(6) The [department] licensing board may revoke a license under this part if:

1423	(a) the medical cannabis courier does not begin operations within one year after the day
1424	on which the department issues the initial license;
1425	(b) the medical cannabis courier makes the same violation of this chapter three times;
1426	(c) an individual described in Subsection (3)(b)(i) is convicted, while the license is
1427	active, under state or federal law of:
1428	(i) a felony; or
1429	(ii) after September 23, 2019, a misdemeanor for drug distribution; or
1430	(d) after a change of ownership described in Subsection (14)(c), the [department]
1431	licensing board determines that the medical cannabis courier no longer meets the
1432	minimum standards for licensure and operation of the medical cannabis courier
1433	described in this chapter.
1434	(7) The department shall deposit the proceeds of a fee imposed by this section [in] into the
1435	Qualified Production Enterprise Fund.
1436	(8) The [department's] licensing board's authority to issue a license under this section is
1437	plenary and is not subject to review.
1438	(9) Each applicant for a license as a medical cannabis courier shall submit, at the time of
1439	application, from each individual who has a financial or voting interest of 10% or
1440	greater in the applicant or who has the power to direct or cause the management or
1441	control of the applicant:
1442	(a) a fingerprint card in a form acceptable to the Department of Public Safety;
1443	(b) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the
1444	registration of the individual's fingerprints in the Federal Bureau of Investigation
1445	Next Generation Identification System's Rap Back Service; and
1446	(c) consent to a fingerprint background check by:
1447	(i) the Bureau of Criminal Identification; and
1448	(ii) the Federal Bureau of Investigation.
1449	(10) The Bureau of Criminal Identification shall:
1450	(a) check the fingerprints the applicant submits under Subsection (9) against the
1451	applicable state, regional, and national criminal records databases, including the
1452	Federal Bureau of Investigation Next Generation Identification System;
1453	(b) report the results of the background check to the department;
1454	(c) maintain a separate file of fingerprints that applicants submit under Subsection (9)
1455	for search by future submissions to the local and regional criminal records database
1456	including latent prints:

1490

courier.

1457	(d) request that the fingerprints be retained in the Federal Bureau of Investigation Next
1458	Generation Identification System's Rap Back Service for search by future
1459	submissions to national criminal records databases, including the Next Generation
1460	Identification System and latent prints; and
1461	(e) establish a privacy risk mitigation strategy to ensure that the department only
1462	receives notifications for an individual with whom the department maintains an
1463	authorizing relationship.
1464	(11) The department shall:
1465	(a) assess an individual who submits fingerprints under Subsection (9) a fee in an
1466	amount that the department sets in accordance with Section 63J-1-504 for the
1467	services that the Bureau of Criminal Identification or another authorized agency
1468	provides under this section; and
1469	(b) remit the fee described in Subsection (11)(a) to the Bureau of Criminal Identification
1470	(12) The [department] licensing board shall renew a license under this section every year if,
1471	at the time of renewal:
1472	(a) the licensee meets the requirements of this section; and
1473	(b) the licensee pays the department a license renewal fee in an amount that, subject to
1474	Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504.
1475	(13) A person applying for a medical cannabis courier license shall submit to the [
1476	department] licensing board a proposed operating plan that complies with this section
1477	and that includes:
1478	(a) a description of the physical characteristics of any proposed facilities, including a
1479	floor plan and an architectural elevation, and delivery vehicles;
1480	(b) a description of the credentials and experience of each officer, director, or owner of
1481	the proposed medical cannabis courier;
1482	(c) the medical cannabis courier's employee training standards;
1483	(d) a security plan; and
1484	(e) storage and delivery protocols, both short and long term, to ensure that medical
1485	cannabis shipments are stored and delivered in a manner that is sanitary and
1486	preserves the integrity of the cannabis.
1487	(14)(a) A medical cannabis courier license is not transferable or assignable.
1488	(b) A medical cannabis courier shall report in writing to the department no later than [10]
1489	45 business days before the date of any change of ownership of the medical cannabis

1491	(c) If the ownership of a medical cannabis courier changes by 50% or more:
1492	(i) concurrent with the report described in Subsection (14)(b), the medical cannabis
1493	courier shall submit a new application described in Subsection (3)(b);
1494	(ii) within 30 days of the submission of the application, the [department] licensing
1495	<u>board</u> shall:
1496	(A) conduct an application review; and
1497	(B) award a license to the medical cannabis courier for the remainder of the term
1498	of the medical cannabis courier's license before the ownership change if the
1499	medical cannabis courier meets the minimum standards for licensure and
1500	operation of the medical cannabis courier described in this chapter; and
1501	(iii) if the [department] licensing board approves the license application,
1502	notwithstanding Subsection (4), the medical cannabis courier shall pay a license
1503	fee that the department sets in accordance with Section 63J-1-504 in an amount
1504	that covers the [board] licensing board's cost of conducting the application review.
1505	(15)(a) Except as provided in Subsection(15)(b), a person may not advertise regarding
1506	the transportation of medical cannabis.
1507	(b) Notwithstanding Subsection (14)(a) and subject to Section 4-41a-109, a licensed
1508	home delivery medical cannabis pharmacy or a licensed medical cannabis courier
1509	may advertise:
1510	(i) a green cross;
1511	(ii) the pharmacy's or courier's name and logo; and
1512	(iii) that the pharmacy or courier is licensed to transport medical cannabis shipments.
1513	Section 14. Section <b>4-41a-1204</b> is amended to read:
1514	4-41a-1204. Medical cannabis courier agent Background check Registration
1515	card Rebuttable presumption.
1516	(1) An individual may not serve as a medical cannabis courier agent unless the department
1517	registers the individual as a medical cannabis courier agent.
1518	(2)(a) The department shall, within 15 days after the day on which the department
1519	receives a complete application from a medical cannabis courier on behalf of a
1520	medical cannabis courier agent, register and issue a medical cannabis courier agent
1521	registration card to the prospective agent if the medical cannabis courier:
1522	(i) provides to the department:
1523	(A) the prospective agent's name and address;
1524	(B) the name and address of the medical cannabis courier;

1525	(C) the name and address of each home delivery medical cannabis pharmacy with
1526	which the medical cannabis courier contracts to deliver medical cannabis
1527	shipments; and
1528	(D) the submission required under Subsection (2)(b);
1529	(ii) as reported under Subsection (2)(c), has not been convicted under state or federal
1530	law of:
1531	(A) a felony $\hat{S} \rightarrow [\underline{\text{in the last 10 years}}] \leftarrow \hat{S}$ ; or
1532	(B) after December 3, 2018, a misdemeanor for drug distribution; and
1533	(iii) pays the department a fee in an amount that, subject to Subsection 4-41a-104(5),
1534	the department sets in accordance with Section 63J-1-504.
1535	(b) Each prospective agent described in Subsection (2)(a) shall:
1536	(i) submit to the department:
1537	(A) a fingerprint card in a form acceptable to the Department of Public Safety; and
1538	(B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging
1539	the registration of the prospective agent's fingerprints in the Federal Bureau of
1540	Investigation Next Generation Identification System's Rap Back Service; and
1541	(ii) consent to a fingerprint background check by:
1542	(A) the Bureau of Criminal Identification; and
1543	(B) the Federal Bureau of Investigation.
1544	(c) The Bureau of Criminal Identification shall:
1545	(i) check the fingerprints the prospective agent submits under Subsection (2)(b)
1546	against the applicable state, regional, and national criminal records databases,
1547	including the Federal Bureau of Investigation Next Generation Identification
1548	System;
1549	(ii) report the results of the background check to the department;
1550	(iii) maintain a separate file of fingerprints that prospective agents submit under
1551	Subsection (2)(b) for search by future submissions to the local and regional
1552	criminal records databases, including latent prints;
1553	(iv) request that the fingerprints be retained in the Federal Bureau of Investigation
1554	Next Generation Identification System's Rap Back Service for search by future
1555	submissions to national criminal records databases, including the Next Generation
1556	Identification System and latent prints; and
1557	(v) establish a privacy risk mitigation strategy to ensure that the department only
1558	receives notifications for an individual with whom the department maintains an

1559	authorizing relationship.
1560	(d) The department shall:
1561	(i) assess an individual who submits fingerprints under Subsection (2)(b) a fee in an
1562	amount that the department sets in accordance with Section 63J-1-504 for the
1563	services that the Bureau of Criminal Identification or another authorized agency
1564	provides under this section; and
1565	(ii) remit the fee described in Subsection (2)(d)(i) to the Bureau of Criminal
1566	Identification.
1567	[(3) The department shall designate on an individual's medical cannabis courier agent
1568	registration card the name of the medical cannabis pharmacy where the individual is
1569	registered as an agent and each home delivery medical cannabis courier for which the
1570	medical cannabis courier delivers medical cannabis shipments.]
1571	[(4)] (3)(a) A medical cannabis courier agent shall comply with a certification standard
1572	that the department develops, in collaboration with the Division of Professional
1573	Licensing and the Board of Pharmacy, or a third-party certification standard that the
1574	department designates by rule in collaboration with the Division of Professional
1575	Licensing and the Board of Pharmacy and in accordance with Title 63G, Chapter 3,
1576	Utah Administrative Rulemaking Act.
1577	(b) The department shall ensure that the certification standard described in Subsection [
1578	(4)(a)] $(3)(a)$ includes training in:
1579	(i) Utah medical cannabis law;
1580	(ii) the medical cannabis shipment process; and
1581	(iii) medical cannabis courier agent best practices.
1582	[(5)] (4)(a) A medical cannabis courier agent registration card expires two years after the
1583	day on which the department issues or renews the card.
1584	(b) A medical cannabis courier agent may renew the agent's registration card if the agent:
1585	(i) is eligible for a medical cannabis courier agent registration card under this section:
1586	(ii) certifies to the department in a renewal application that the information in
1587	Subsection (2)(a) is accurate or updates the information; and
1588	(iii) pays to the department a renewal fee in an amount that:
1589	(A) subject to Subsection 4-41a-104(5), the department sets in accordance with
1590	Section 63J-1-504; and
1591	(B) may not exceed the cost of the relatively lower administrative burden of
1592	renewal in comparison to the original application process.

1593	[(6)] (5) The department may revoke or refuse to issue or renew the medical cannabis
1594	courier agent registration card of an individual who:
1595	(a) violates the requirements of this chapter; or
1596	(b) is convicted under state or federal law of:
1597	(i) a felony within the preceding 10 years; or
1598	(ii) after December 3, 2018, a misdemeanor for drug distribution.
1599	[(7)] (6) A medical cannabis courier agent whom the department has registered under this
1600	section shall carry the agent's medical cannabis courier agent registration card with the
1601	agent at all times when:
1602	(a) the agent is on the premises of the medical cannabis courier, a medical cannabis
1603	pharmacy, or a delivery address; and
1604	(b) the agent is handling a medical cannabis shipment.
1605	[(8)] (7) If a medical cannabis courier agent handling a medical cannabis shipment
1606	possesses the shipment in compliance with Subsection [(7)] (6):
1607	(a) there is a rebuttable presumption that the agent possesses the shipment legally; and
1608	(b) there is no probable cause, based solely on the agent's possession of the medical
1609	cannabis shipment that the agent is engaging in illegal activity.
1610	[(9)] (8)(a) A medical cannabis courier agent who violates Subsection [(7)] (6) is:
1611	(i) guilty of an infraction; and
1612	(ii) subject to a \$100 fine.
1613	(b) An individual who is guilty of a violation described in Subsection $[(9)(a)]$ (8)(a) is
1614	not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for
1615	the conduct underlying the violation described in Subsection $[(9)(a)]$ (8)(a).
1616	[(10)] (9) A medical cannabis courier shall:
1617	(a) maintain a list of employees who have a medical cannabis courier agent card; and
1618	(b) provide the list to the department upon request.
1619	Section 15. Section <b>26B-1-435</b> is amended to read:
1620	26B-1-435 . Medical Cannabis Policy Advisory Board creation Membership
1621	Duties.
1622	(1) There is created within the department the Medical Cannabis Policy Advisory Board.
1623	(2)(a) The advisory board shall consist of the following members:
1624	(i) appointed by the executive director:
1625	(A) a qualified medical provider who has recommended medical cannabis to at
1626	least 100 patients before being appointed;

1627	(B) a medical research professional;
1628	(C) a mental health specialist;
1629	(D) an individual who represents an organization that advocates for medical
1630	cannabis patients;
1631	(E) an individual who holds a medical cannabis patient card; and
1632	(F) a member of the general public who does not hold a medical cannabis card; and
1633	(ii) appointed by the commissioner of the Department of Agriculture and Food:
1634	(A) an individual who owns or operates a licensed cannabis cultivation facility, as
1635	defined in Section 4-41a-102;
1636	(B) an individual who owns or operates a licensed medical cannabis pharmacy;
1637	and
1638	(C) a law enforcement officer.
1639	(b) The commissioner of the Department of Agriculture and Food shall ensure that at
1640	least one individual appointed under Subsection (2)(a)(ii)(A) or (B) also owns or
1641	operates a licensed cannabis processing facility.
1642	(3)(a) Subject to Subsection (3)(b), a member of the advisory board shall serve for a four
1643	year term.
1644	(b) When appointing the initial membership of the advisory board, the executive director
1645	and the commissioner of the Department of Agriculture and Food shall coordinate to
1646	appoint four advisory board members to serve a term of two years to ensure that
1647	approximately half of the board is appointed every two years.
1648	(4)(a) If an advisory board member is no longer able to serve as a member, a new
1649	member shall be appointed in the same manner as the original appointment.
1650	(b) A member appointed in accordance with Subsection (4)(a) shall serve for the
1651	remainder of the unexpired term of the original appointment.
1652	(5)(a) A majority of the advisory board members constitutes a quorum.
1653	(b) The action of a majority of a quorum constitutes an action of the advisory board.
1654	(c) For a term lasting one year, the advisory board shall annually designate members of
1655	the advisory board to serve as chair and vice-chair.
1656	(d) When designating the chair and vice-chair, the advisory board shall ensure that at
1657	least one individual described Subsection (2)(a)(i) is appointed as chair or vice-chair.
1658	(6) An advisory board member may not receive compensation or benefits for the member's
1659	service on the advisory board but may receive per diem and reimbursement for travel
1660	expenses incurred as an advisory board member in accordance with:

1661	(a) Sections 63A-3-106 and 63A-3-107; and
1662	(b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
1663	63A-3-107.
1664	(7) The department shall:
1665	(a) provide staff support for the advisory board; and
1666	(b) assist the advisory board in conducting meetings.
1667	(8) The advisory board may recommend:
1668	(a) to the department or the Department of Agriculture and Food changes to current or
1669	proposed medical cannabis rules or statutes; and
1670	(b) to the appropriate legislative committee whether the advisory board supports a
1671	change to medical cannabis statutes.
1672	(9) The advisory board shall:
1673	(a) review any draft rule that is authorized under [this chapter] Chapter 4, Part 2,
1674	Cannabinoid Research and Medical Cannabis, or Title 4, Chapter 41a, Cannabis
1675	Production Establishments and Pharmacies;
1676	(b) consult with the Department of Agriculture and Food regarding the issuance of an
1677	additional:
1678	(i) cultivation facility license under Section 4-41a-205; or
1679	(ii) pharmacy license under Section 4-41a-1005;
1680	(c) consult with the department regarding cannabis patient education;
1681	(d) consult regarding the reasonableness of any fees set by the department or the
1682	Department of Agriculture and Food that pertain to the medical cannabis program;
1683	and
1684	(e) consult regarding any issue pertaining to medical cannabis when asked by the
1685	department or the Utah Department of Agriculture and Food.
1686	Section 16. Section <b>26B-4-202</b> is amended to read:
1687	26B-4-202 . Electronic verification system.
1688	(1) The Department of Agriculture and Food, the department, the Department of Public
1689	Safety, and the Division of Technology Services shall:
1690	(a) enter into a memorandum of understanding in order to determine the function and
1691	operation of the state electronic verification system in accordance with Subsection
1692	(2);
1693	(b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah
1694	Procurement Code, to develop a request for proposals for a third-party provider to

1695	develop and maintain the state electronic verification system in coordination with the
1696	Division of Technology Services; and
1697	(c) select a third-party provider who:
1698	(i) meets the requirements contained in the request for proposals issued under
1699	Subsection (1)(b); and
1700	(ii) may not have any commercial or ownership interest in a cannabis production
1701	establishment or a medical cannabis pharmacy.
1702	(2) The Department of Agriculture and Food, the department, the Department of Public
1703	Safety, and the Division of Technology Services shall ensure that the state electronic
1704	verification system described in Subsection (1):
1705	(a) allows an individual to apply for a medical cannabis patient card or, if applicable, a
1706	medical cannabis guardian card, provided that the card may not become active until:
1707	(i) the relevant qualified medical provider completes the associated medical cannabis
1708	recommendation; or
1709	(ii) for a medical cannabis card related to a limited medical provider's
1710	recommendation, the medical cannabis pharmacy completes the recording
1711	described in Subsection (2)(d);
1712	(b) allows an individual to apply to renew a medical cannabis patient card or a medical
1713	cannabis guardian card in accordance with Section 26B-4-213;
1714	(c) allows a qualified medical provider, or an employee described in Subsection (3)
1715	acting on behalf of the qualified medical provider, to:
1716	(i) access dispensing and card status information regarding a patient:
1717	(A) with whom the qualified medical provider has a provider-patient relationship;
1718	and
1719	(B) for whom the qualified medical provider has recommended or is considering
1720	recommending a medical cannabis card;
1721	(ii) electronically recommend treatment with cannabis in a medicinal dosage form or
1722	a cannabis product in a medicinal dosage form and optionally recommend dosing
1723	guidelines;
1724	(iii) electronically renew a recommendation to a medical cannabis patient cardholder
1725	or medical cannabis guardian cardholder:
1726	(A) using telehealth services, for the qualified medical provider who originally
1727	recommended a medical cannabis treatment during a face-to-face visit with the
1728	patient; or

1729	(B) during a face-to-face visit with the patient, for a qualified medical provider
1730	who did not originally recommend the medical cannabis treatment during a
1731	face-to-face visit; and
1732	(iv) submit an initial application, renewal application, or application payment on
1733	behalf of an individual applying for any of the following:
1734	(A) a medical cannabis patient card;
1735	(B) a medical cannabis guardian card; or
1736	(C) a medical cannabis caregiver card;
1737	(d) allows a medical cannabis pharmacy medical provider or medical cannabis pharmacy
1738	agent, in accordance with Subsection 4-41a-1101(10)(a), to:
1739	(i) access the electronic verification system to review the history within the system of
1740	a patient with whom the provider or agent is interacting, limited to read-only
1741	access for medical cannabis pharmacy agents unless the medical cannabis
1742	pharmacy's pharmacist in charge authorizes add and edit access;
1743	(ii) record a patient's recommendation from a limited medical provider, including any
1744	directions of use, dosing guidelines, or caregiver indications from the limited
1745	medical provider;
1746	(iii) record a limited medical provider's renewal of the provider's previous
1747	recommendation; and
1748	(iv) submit an initial application, renewal application, or application payment on
1749	behalf of an individual applying for any of the following:
1750	(A) a medical cannabis patient card;
1751	(B) a medical cannabis guardian card; or
1752	(C) a medical cannabis caregiver card;
1753	(e) connects with:
1754	(i) an inventory control system that a medical cannabis pharmacy uses to track in real
1755	time and archive purchases of any cannabis in a medicinal dosage form, cannabis
1756	product in a medicinal dosage form, or a medical cannabis device, including:
1757	(A) the time and date of each purchase;
1758	(B) the quantity and type of cannabis, cannabis product, or medical cannabis
1759	device purchased;
1760	(C) any cannabis production establishment, any medical cannabis pharmacy, or
1761	any medical cannabis courier associated with the cannabis, cannabis product,
1762	or medical cannabis device; and

1763	(D) the personally identifiable information of the medical cannabis cardholder
1764	who made the purchase; and
1765	(ii) any commercially available inventory control system that a cannabis production
1766	establishment utilizes in accordance with Section 4-41a-103 to use data that the
1767	Department of Agriculture and Food requires by rule, in accordance with Title
1768	63G, Chapter 3, Utah Administrative Rulemaking Act, from the inventory
1769	tracking system that a licensee uses to track and confirm compliance;
1770	(f) provides access to:
1771	(i) the department to the extent necessary to carry out the department's functions and
1772	responsibilities under this part;
1773	(ii) the Department of Agriculture and Food to the extent necessary to carry out the
1774	functions and responsibilities of the Department of Agriculture and Food under
1775	Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies; and
1776	(iii) the Division of Professional Licensing to the extent necessary to carry out the
1777	functions and responsibilities related to the participation of the following in the
1778	recommendation and dispensing of medical cannabis:
1779	(A) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing
1780	Act;
1781	(B) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
1782	(C) an advanced practice registered nurse licensed under Title 58, Chapter 31b,
1783	Nurse Practice Act;
1784	(D) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
1785	Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
1786	(E) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
1787	Assistant Act;
1788	(g) provides access to and interaction with the state central patient portal;
1789	(h) communicates dispensing information from a record that a medical cannabis
1790	pharmacy submits to the state electronic verification system under Subsection
1791	4-41a-1102(3)(a)(ii) to the controlled substance database;
1792	(i) provides access to state or local law enforcement only to verify the validity of an
1793	individual's medical cannabis card for the administration of criminal justice and
1794	through a database used by law enforcement; and
1795	(j) creates a record each time a person accesses the system that identifies the person who
1796	accesses the system and the individual whose records the person accesses.

1797	(3)(a) An employee of a qualified medical provider may access the electronic
1798	verification system for a purpose described in Subsection (2)(c) on behalf of the
1799	qualified medical provider if:
1800	(i) the qualified medical provider has designated the employee as an individual
1801	authorized to access the electronic verification system on behalf of the qualified
1802	medical provider;
1803	(ii) the qualified medical provider provides written notice to the department of the
1804	employee's identity and the designation described in Subsection (3)(a)(i); and
1805	(iii) the department grants to the employee access to the electronic verification
1806	system.
1807	(b) An employee of a business that employs a qualified medical provider may access the
1808	electronic verification system for a purpose described in Subsection (2)(c) on behalf
1809	of the qualified medical provider if:
1810	(i) the qualified medical provider has designated the employee as an individual
1811	authorized to access the electronic verification system on behalf of the qualified
1812	medical provider;
1813	(ii) the qualified medical provider and the employing business jointly provide written
1814	notice to the department of the employee's identity and the designation described
1815	in Subsection (3)(b)(i); and
1816	(iii) the department grants to the employee access to the electronic verification
1817	system.
1818	(c) Every two years, an employee described in Subsections (3)(a) and (3)(b) shall
1819	complete at least one hour of education regarding health information privacy laws
1820	that is offered by the department or an accredited or approved education provider that
1821	the department recognizes before the department may grant the employee access to
1822	the electronic verification system.
1823	(4)(a) As used in this Subsection (4), "prescribing provider" means:
1824	(i) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act
1825	(ii) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse
1826	Practice Act;
1827	(iii) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
1828	Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
1829	(iv) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
1830	Assistant Act.

1831	(b) A prescribing provider may access information in the electronic verification system
1832	regarding a patient the prescribing provider treats.
1833	(5) The department may release limited data that the system collects for the purpose of:
1834	(a) conducting medical and other department approved research;
1835	(b) providing the report required by Section 26B-4-222; and
1836	(c) other official department purposes.
1837	(6) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
1838	Administrative Rulemaking Act, to establish:
1839	(a) the limitations on access to the data in the state electronic verification system as
1840	described in this section; and
1841	(b) standards and procedures to ensure accurate identification of an individual requesting
1842	information or receiving information in this section.
1843	(7) Any person who negligently or recklessly releases any information in the state
1844	electronic verification system in violation of this section is guilty of a class C
1845	misdemeanor.
1846	(8) Any person who obtains or attempts to obtain information from the state electronic
1847	verification system by misrepresentation or fraud is guilty of a third degree felony.
1848	(9)(a) Except as provided in Subsections (9)(c) and (9)(e), a person may not knowingly
1849	and intentionally use, release, publish, or otherwise make available to any other
1850	person information obtained from the state electronic verification system for any
1851	purpose other than a purpose specified in this section.
1852	(b) Each separate violation of this Subsection (9) is:
1853	(i) a third degree felony; and
1854	(ii) subject to a civil penalty not to exceed \$5,000.
1855	(c) A law enforcement officer who uses the database used by law enforcement to access
1856	information in the electronic verification system for a reason that is not the
1857	administration of criminal justice is guilty of a class B misdemeanor.
1858	(d) The department shall determine a civil violation of this Subsection (9) in accordance
1859	with Title 63G, Chapter 4, Administrative Procedures Act.
1860	(e) Civil penalties assessed under this Subsection (9) shall be deposited into the General
1861	Fund.
1862	(f) This Subsection (9) does not prohibit a person who obtains information from the state
1863	electronic verification system under Subsection (2)(a), (c), or (f) from:
1864	(i) including the information in the person's medical chart or file for access by a

1865	person authorized to review the medical chart or file;
1866	(ii) providing the information to a person in accordance with the requirements of the
1867	Health Insurance Portability and Accountability Act of 1996; or
1868	(iii) discussing or sharing that information about the patient with the patient.
1869	Section 17. Section 26B-4-204 is amended to read:
1870	26B-4-204 . Qualified medical provider registration Continuing education
1871	Treatment recommendation Limited medical provider.
1872	(1)(a)(i) Except as provided in Subsection (1)(b), an individual may not recommend a
1873	medical cannabis treatment unless the department registers the individual as a
1874	qualified medical provider in accordance with this section.
1875	(ii) Notwithstanding Subsection (1)(a)(i), a qualified medical provider who is
1876	podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act,
1877	may not recommend a medical cannabis treatment except within the course and
1878	scope of a practice of podiatry, as that term is defined in Section 58-5a-102.
1879	(b) An individual who meets the recommending qualifications may recommend a
1880	medical cannabis treatment as a limited medical provider without registering under
1881	Subsection (1)(a) if:
1882	(i) the individual recommends the use of medical cannabis to the patient through an
1883	order described in Subsection (1)(c) after:
1884	(A) a face-to-face visit for an initial recommendation or the renewal of a
1885	recommendation for a patient for whom the limited medical provider did not
1886	make the patient's original recommendation; or
1887	(B) a visit using telehealth services for a renewal of a recommendation for a
1888	patient for whom the limited medical provider made the patient's original
1889	recommendation; and
1890	(ii) the individual's recommendation or renewal would not cause the total number of
1891	the individual's patients who have a valid medical cannabis patient card or
1892	provisional patient card resulting from the individual's recommendation to exceed
1893	15.
1894	(c) The individual described in Subsection (1)(b) shall communicate the individual's
1895	recommendation through an order for the medical cannabis pharmacy to record the
1896	individual's recommendation or renewal in the state electronic verification system
1897	under the individual's recommendation that:
1898	(i)(A) the individual or the individual's employee sends electronically to a medical

1899	cannabis pharmacy; or
1900	(B) the individual gives to the patient in writing for the patient to deliver to a
1901	medical cannabis pharmacy; and
1902	(ii) may include:
1903	(A) directions of use or dosing guidelines; and
1904	(B) an indication of a need for a caregiver in accordance with Subsection [
1905	<del>26B-4-213(3)(e)</del> ] <u>26B-4-213(3)(b)</u> .
1906	(d) If the limited medical provider gives the patient a written recommendation to deliver
1907	to a medical cannabis pharmacy under Subsection (1)(c)(i)(B), the limited medical
1908	provider shall ensure that the document includes all of the information that is
1909	included on a prescription the provider would issue for a controlled substance,
1910	including:
1911	(i) the date of issuance;
1912	(ii) the provider's name, address and contact information, controlled substance license
1913	information, and signature; and
1914	(iii) the patient's name, address and contact information, age, and diagnosed
1915	qualifying condition.
1916	(e) In considering making a recommendation as a limited medical provider, an
1917	individual may consult information that the department makes available on the
1918	department's website for recommending providers.
1919	(2)(a) The department shall, within 15 days after the day on which the department
1920	receives an application from an individual, register and issue a qualified medical
1921	provider registration card to the individual if the individual:
1922	(i) provides to the department the individual's name and address;
1923	(ii) provides to the department an acknowledgment that the individual has completed
1924	four hours of continuing education related to medical cannabis;
1925	(iii) provides to the department evidence that the individual meets the recommending
1926	qualifications;
1927	(iv) for an applicant on or after November 1, 2021, provides to the department the
1928	information described in Subsection (10)(a); and
1929	(v) pays the department a fee in an amount that:
1930	(A) the department sets, in accordance with Section 63J-1-504; and
1931	(B) does not exceed \$300 for an initial registration.
1932	(b) The department may not register an individual as a qualified medical provider if the

1933	individual is:
1934	(i) a pharmacy medical provider; or
1935	(ii) an owner, officer, director, board member, employee, or agent of a cannabis
1936	production establishment, a medical cannabis pharmacy, or a medical cannabis
1937	courier.
1938	(3)(a) An individual shall complete the continuing education related to medical cannabis
1939	in the following amounts:
1940	(i) for an individual as a condition precedent to registration, four hours; and
1941	(ii) for a qualified medical provider as a condition precedent to renewal, four hours
1942	every two years.
1943	(b) The department may, in consultation with the Division of Professional Licensing,
1944	develop continuing education related to medical cannabis.
1945	(c) The continuing education described in this Subsection (3) may discuss:
1946	(i) the provisions of this part;
1947	(ii) general information about medical cannabis under federal and state law;
1948	(iii) the latest scientific research on the endocannabinoid system and medical
1949	cannabis, including risks and benefits;
1950	(iv) recommendations for medical cannabis as it relates to the continuing care of a
1951	patient in pain management, risk management, potential addiction, or palliative
1952	care; and
1953	(v) best practices for recommending the form and dosage of medical cannabis based
1954	on the qualifying condition underlying a medical cannabis recommendation.
1955	(4)(a) Except as provided in Subsection (4)(b), a qualified medical provider may not
1956	recommend a medical cannabis treatment to more than 1.5% of the total amount of
1957	medical cannabis patient cardholders.
1958	(b) If a qualified medical provider receives payment from an insurance plan for services
1959	provided under this chapter, then the patient whose insurance plan was billed does
1960	not count toward the 1.5% patient cap described in Subsection (4)(a).
1961	(5) A recommending medical provider may recommend medical cannabis to an individual
1962	under this part only in the course of a provider-patient relationship after the
1963	recommending medical provider has completed and documented in the patient's medical
1964	record a thorough assessment of the patient's condition and medical history based on the
1965	appropriate standard of care for the patient's condition.
1966	(6)(a) Except as provided in Subsections (6)(b) and (c), a person may not advertise that

1967	the person or the person's employee recommends a medical cannabis treatment.
1968	(b) Notwithstanding Subsection (6)(a) and Section 4-41a-109, a qualified medical
1969	provider, medical clinic, or medical office that employs a qualified medical provider
1970	may advertise only the following:
1971	(i) a green cross;
1972	(ii) the provider's or clinic's name and logo;
1973	(iii) a qualifying condition that the individual treats;
1974	(iv) that the qualified medical provider, medical clinic, or medical office evaluates
1975	patients for medical cannabis recommendations;
1976	(v) a scientific study regarding medical cannabis use; or
1977	(vi) contact information.
1978	(c) Notwithstanding Subsection (6)(a) and Section 4-41a-109, qualified medical
1979	provider, medical clinic, or medical office that employs a qualified medical provider
1980	may engage in targeted marketing, as determined by the department through rule, for
1981	advertising medical cannabis recommendation services.
1982	(7)(a) A qualified medical provider registration card expires two years after the day on
1983	which the department issues the card.
1984	(b) The department shall renew a qualified medical provider's registration card if the
1985	provider:
1986	(i) applies for renewal;
1987	(ii) is eligible for a qualified medical provider registration card under this section,
1988	including maintaining an unrestricted license under the recommending
1989	qualifications;
1990	(iii) certifies to the department in a renewal application that the information in
1991	Subsection (2)(a) is accurate or updates the information;
1992	(iv) submits a report detailing the completion of the continuing education
1993	requirement described in Subsection (3); and
1994	(v) pays the department a fee in an amount that:
1995	(A) the department sets, in accordance with Section 63J-1-504; and
1996	(B) does not exceed \$50 for a registration renewal.
1997	(8) The department may revoke the registration of a qualified medical provider who fails to
1998	maintain compliance with the requirements of this section.
1999	(9) A recommending medical provider may not:
2000	(a) receive any compensation or benefit for the qualified medical provider's medical

2001	cannabis treatment recommendation from:
2002	(i) a cannabis production establishment or an owner, officer, director, board member,
2003	employee, or agent of a cannabis production establishment;
2004	(ii) a medical cannabis pharmacy or an owner, officer, director, board member,
2005	employee, or agent of a medical cannabis pharmacy; or
2006	(iii) a recommending medical provider or pharmacy medical provider; or
2007	(b) provide a medical cannabis recommendation at a medical clinic or medical office
2008	that is violating the advertising limitations described in Subsection (6).
2009	(10)(a) Each quarter, a qualified medical provider shall report to the department, in a
2010	manner designated by the department:
2011	(i) if applicable, that the qualified medical provider or the entity that employs the
2012	qualified medical provider represents online or on printed material that the
2013	qualified medical provider is a qualified medical provider or offers medical
2014	cannabis recommendations to patients; and
2015	(ii)(A) for cash payment without insurance, the fee amount that the qualified
2016	medical provider or the entity that employs the qualified medical provider
2017	charges a patient for a medical cannabis recommendation as an actual cash
2018	rate; and
2019	(B) whether the qualified medical provider or the entity that employs the qualified
2020	medical provider bills insurance.
2021	(b) The department shall:
2022	(i) ensure that the following information related to qualified medical providers and
2023	entities described in Subsection (10)(a)(i) is available on the department's website
2024	or on the health care price transparency tool under Subsection (10)(b)(ii):
2025	(A) the name of the qualified medical provider and, if applicable, the name of the
2026	entity that employs the qualified medical provider;
2027	(B) the address of the qualified medical provider's office or, if applicable, the
2028	entity that employs the qualified medical provider; and
2029	(C) the fee amount described in Subsection (10)(a)(ii)(A); and
2030	(ii) share data collected under this Subsection (10) with the state auditor for use in the
2031	health care price transparency tool described in Section 67-3-11.
2032	Section 18. Section <b>26B-4-213</b> is amended to read:
2033	26B-4-213. Medical cannabis patient card Medical cannabis guardian card
2034	Conditional medical cannabis card Application Fees Studies.

2035	(1)(a) Subject to Section 26B-4-246, within 15 days after the day on which an individual
2036	who satisfies the eligibility criteria in this section or Section 26B-4-214 submits an
2037	application in accordance with this section or Section 26B-4-214, the department
2038	shall:
2039	(i) issue a medical cannabis patient card to an individual described in Subsection
2040	(2)(a);
2041	(ii) issue a medical cannabis guardian card to an individual described in Subsection
2042	(2)(b);
2043	(iii) issue a provisional patient card to a minor described in Subsection (2)(c); and
2044	(iv) issue a medical cannabis caregiver card to an individual described in Subsection
2045	26B-4-214(4).
2046	(b)(i) Upon the entry of a recommending medical provider's medical cannabis
2047	recommendation for a patient in the state electronic verification system, either by
2048	the provider or the provider's employee or by a medical cannabis pharmacy
2049	medical provider or medical cannabis pharmacy in accordance with Subsection
2050	4-41a-1101(10)(a), the department shall issue to the patient an electronic
2051	conditional medical cannabis card, in accordance with this Subsection (1)(b).
2052	(ii) A conditional medical cannabis card is valid for the lesser of:
2053	(A) 60 days; or
2054	(B) the day on which the department completes the department's review and issues
2055	a medical cannabis card under Subsection (1)(a), denies the patient's medical
2056	cannabis card application, or revokes the conditional medical cannabis card
2057	under Subsection (8).
2058	(iii) The department may issue a conditional medical cannabis card to an individual
2059	applying for a medical cannabis patient card for which approval of the
2060	Compassionate Use Board is not required.
2061	(iv) An individual described in Subsection (1)(b)(iii) has the rights, restrictions, and
2062	obligations under law applicable to a holder of the medical cannabis card for
2063	which the individual applies and for which the department issues the conditional
2064	medical cannabis card.
2065	(2)(a) An individual is eligible for a medical cannabis patient card if:
2066	(i)(A) the individual is at least 21 years old; or
2067	(B) the individual is 18, 19, or 20 years old, the individual petitions the
2068	Compassionate Use Board under Section 26B-1-421, and the Compassionate

2069	Use Board recommends department approval of the petition;
2070	(ii) the individual is a Utah resident;
2071	(iii) the individual's recommending medical provider recommends treatment with
2072	medical cannabis in accordance with Subsection (4);
2073	(iv) the individual signs an acknowledgment stating that the individual received the
2074	information described in Subsection (9); and
2075	(v) the individual pays to the department a fee in an amount that, subject to
2076	Subsection 26B-1-310(5), the department sets in accordance with Section
2077	63J-1-504.
2078	(b)(i) An individual is eligible for a medical cannabis guardian card if the individual:
2079	(A) is at least 18 years old;
2080	(B) is a Utah resident;
2081	(C) is the parent or legal guardian of a minor for whom the minor's recommending
2082	medical provider recommends a medical cannabis treatment, the individual
2083	petitions the Compassionate Use Board under Section 26B-1-421, and the
2084	Compassionate Use Board recommends department approval of the petition;
2085	(D) the individual signs an acknowledgment stating that the individual received
2086	the information described in Subsection (9); and
2087	(E) pays to the department a fee in an amount that, subject to Subsection
2088	26B-1-310(5), the department sets in accordance with Section 63J-1-504, plus
2089	the cost of the criminal background check described in Section 26B-4-215.
2090	(ii) The department shall notify the Department of Public Safety of each individual
2091	that the department registers for a medical cannabis guardian card.
2092	(c)(i) A minor is eligible for a provisional patient card if:
2093	(A) the minor has a qualifying condition;
2094	(B) the minor's recommending medical provider recommends a medical cannabis
2095	treatment to address the minor's qualifying condition;
2096	(C) one of the minor's parents or legal guardians petitions the Compassionate Use
2097	Board under Section 26B-1-421, and the Compassionate Use Board
2098	recommends department approval of the petition; and
2099	(D) the minor's parent or legal guardian is eligible for a medical cannabis guardian
2100	card under Subsection (2)(b) or designates a caregiver under Subsection (2)(d)
2101	who is eligible for a medical cannabis caregiver card under Section 26B-4-214
2102	(ii) The department shall automatically issue a provisional patient card to the minor

2103	described in Subsection $(2)(c)(1)$ at the same time the department issues a medical
2104	cannabis guardian card to the minor's parent or legal guardian.
2105	(d) If the parent or legal guardian of a minor described in Subsections (2)(c)(i)(A)
2106	through (C) does not qualify for a medical cannabis guardian card under Subsection
2107	(2)(b), the parent or legal guardian may designate up to two caregivers in accordance
2108	with Subsection 26B-4-214(1)(c) to ensure that the minor has adequate and safe
2109	access to the recommended medical cannabis treatment.
2110	(3)(a) An individual who is eligible for a medical cannabis card described in Subsection
2111	(2)(a) or (b) shall submit an application for a medical cannabis card to the department:
2112	(i) through an electronic application connected to the state electronic verification
2113	system;
2114	(ii) with the recommending medical provider; and
2115	(iii) with information including:
2116	(A) the applicant's name, gender, age, and address;
2117	(B) the number of the applicant's government issued photo identification;
2118	(C) for a medical cannabis guardian card, the name, gender, and age of the minor
2119	receiving a medical cannabis treatment under the cardholder's medical cannabis
2120	guardian card; and
2121	(D) for a provisional patient card, the name of the minor's parent or legal guardian
2122	who holds the associated medical cannabis guardian card.
2123	[(b) The department shall ensure that a medical cannabis card the department issues
2124	under this section contains the information described in Subsection (3)(a)(iii).]
2125	[(e)] (b)(i) If a recommending medical provider determines that, because of age,
2126	illness, or disability, a medical cannabis patient cardholder requires assistance in
2127	administering the medical cannabis treatment that the recommending medical
2128	provider recommends, the recommending medical provider may indicate the
2129	cardholder's need in the state electronic verification system, either directly or, for
2130	a limited medical provider, through the order described in Subsections 26B-4-204
2131	(1)(c) and (d).
2132	(ii) If a recommending medical provider makes the indication described in
2133	Subsection $[(3)(e)(i)]$ $(3)(b)(i)$ :
2134	(A) the department shall add a label to the relevant medical cannabis patient card
2135	indicating the cardholder's need for assistance;
2136	(B) any adult who is 18 years old or older and who is physically present with the

2137	cardholder at the time the cardholder needs to use the recommended medical
2138	cannabis treatment may handle the medical cannabis treatment and any
2139	associated medical cannabis device as needed to assist the cardholder in
2140	administering the recommended medical cannabis treatment; and
2141	(C) an individual of any age who is physically present with the cardholder in the
2142	event of an emergency medical condition, as that term is defined in Section
2143	31A-1-301, may handle the medical cannabis treatment and any associated
2144	medical cannabis device as needed to assist the cardholder in administering the
2145	recommended medical cannabis treatment.
2146	(iii) A non-cardholding individual acting under Subsection $[(3)(c)(ii)(B)]$ $(3)(b)(ii)(B)$
2147	or (C) may not:
2148	(A) ingest or inhale medical cannabis;
2149	(B) possess, transport, or handle medical cannabis or a medical cannabis device
2150	outside of the immediate area where the cardholder is present or with an intent
2151	other than to provide assistance to the cardholder; or
2152	(C) possess, transport, or handle medical cannabis or a medical cannabis device
2153	when the cardholder is not in the process of being dosed with medical cannabis
2154	(4) To recommend a medical cannabis treatment to a patient or to renew a recommendation,
2155	a recommending medical provider shall:
2156	(a) visit with the patient face-to-face for an initial recommendation unless the patient:
2157	(i) prefers a virtual visit; and
2158	(ii)(A) is on hospice or has a terminal illness according to the patient's medical
2159	provider; or
2160	(B) is a resident of an assisted living facility, as defined in Section 26B-2-201, or
2161	a nursing care facility, as defined in Section 26B-2-201;
2162	(b) before recommending or renewing a recommendation for medical cannabis in a
2163	medicinal dosage form or a cannabis product in a medicinal dosage form:
2164	(i) verify the patient's and, for a minor patient, the minor patient's parent or legal
2165	guardian's government issued photo identification described in Subsection (3)(a);
2166	(ii) review any record related to the patient and, for a minor patient, the patient's
2167	parent or legal guardian in:
2168	(A) for a qualified medical provider, the state electronic verification system; and
2169	(B) the controlled substance database created in Section 58-37f-201; and
2170	(iii) consider the recommendation in light of the patient's qualifying condition,

2171	history of substance use or opioid use disorder, and history of medical cannabis
2172	and controlled substance use during a visit with the patient; and
2173	(c) state in the recommending medical provider's recommendation that the patient:
2174	(i) suffers from a qualifying condition, including the type of qualifying condition; and
2175	(ii) may benefit from treatment with cannabis in a medicinal dosage form or a
2176	cannabis product in a medicinal dosage form.
2177	(5)(a) Except as provided in Subsection (5)(b) or (c), a medical cannabis card that the
2178	department issues under this section is valid for the lesser of:
2179	(i) an amount of time that the recommending medical provider determines; or
2180	(ii) one year from the day the card is issued.
2181	(b)(i) A medical cannabis card that the department issues in relation to a terminal
2182	illness described in Section 26B-4-203 expires after one year.
2183	(ii) The recommending medical provider may revoke a recommendation that the
2184	provider made in relation to a terminal illness described in Section 26B-4-203 if
2185	the medical cannabis cardholder no longer has the terminal illness.
2186	(c) A medical cannabis card that the department issues in relation to acute pain as
2187	described in Section 26B-4-203 expires 30 days after the day on which the
2188	department first issues a conditional or full medical cannabis card.
2189	(6)(a) A medical cannabis patient card or a medical cannabis guardian card is renewable
2190	if:
2191	(i) at the time of renewal, the cardholder meets the requirements of Subsection (2)(a)
2192	or (b); or
2193	(ii) the cardholder received the medical cannabis card through the recommendation of
2194	the Compassionate Use Board under Section 26B-1-421.
2195	(b) The recommending medical provider who made the underlying recommendation for
2196	the card of a cardholder described in Subsection (6)(a) may renew the cardholder's
2197	card through phone or video conference with the cardholder, at the recommending
2198	medical provider's discretion.
2199	(c) Before having access to a renewed card, a cardholder under Subsection (2)(a) or (b)
2200	shall pay to the department a renewal fee in an amount that:
2201	(i) subject to Subsection 26B-1-310(5), the department sets in accordance with
2202	Section 63J-1-504; and
2203	(ii) may not exceed the cost of the relatively lower administrative burden of renewal
2204	in comparison to the original application process.

2205	(d) If a minor meets the requirements of Subsection (2)(c), the minor's provisional
2206	patient card renews automatically at the time the minor's parent or legal guardian
2207	renews the parent or legal guardian's associated medical cannabis guardian card.
2208	(7)(a) A cardholder under this section shall carry the cardholder's valid medical cannabis
2209	card with the patient's name.
2210	(b)(i) A medical cannabis patient cardholder or a provisional patient cardholder may
2211	purchase, in accordance with this part and the recommendation underlying the
2212	card, cannabis in a medicinal dosage form, a cannabis product in a medicinal
2213	dosage form, or a medical cannabis device.
2214	(ii) A cardholder under this section may possess or transport, in accordance with this
2215	part and the recommendation underlying the card, cannabis in a medicinal dosage
2216	form, a cannabis product in a medicinal dosage form, or a medical cannabis
2217	device.
2218	(iii) To address the qualifying condition underlying the medical cannabis treatment
2219	recommendation:
2220	(A) a medical cannabis patient cardholder or a provisional patient cardholder may
2221	use medical cannabis or a medical cannabis device; and
2222	(B) a medical cannabis guardian cardholder may assist the associated provisional
2223	patient cardholder with the use of medical cannabis or a medical cannabis
2224	device.
2225	(8)(a) The department may revoke a medical cannabis card that the department issues
2226	under this section if:
2227	(i) the recommending medical provider withdraws the medical provider's
2228	recommendation for medical cannabis; or
2229	(ii) the cardholder:
2230	(A) violates this part; or
2231	(B) is convicted under state or federal law of, after March 17, 2021, a drug
2232	distribution offense.
2233	(b) The department may not refuse to issue a medical cannabis card to a patient solely
2234	based on a prior revocation under Subsection (8)(a)(i).
2235	(9) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah
2236	Administrative Rulemaking Act, a process to provide information regarding the
2237	following to an individual receiving a medical cannabis card:
2238	(a) risks associated with medical cannabis treatment:

2239	(b) the fact that a condition's listing as a qualifying condition does not suggest that
2240	medical cannabis treatment is an effective treatment or cure for that condition, as
2241	described in Subsection 26B-4-203(1); and
2242	(c) other relevant warnings and safety information that the department determines.
2243	(10) The department may establish procedures by rule, in accordance with Title 63G,
2244	Chapter 3, Utah Administrative Rulemaking Act, to implement the application and
2245	issuance provisions of this section.
2246	(11)(a) The department shall establish by rule, in accordance with Title 63G, Chapter 3,
2247	Utah Administrative Rulemaking Act, a process to allow an individual from another
2248	state to register with the department in order to purchase medical cannabis or a
2249	medical cannabis device from a medical cannabis pharmacy while the individual is
2250	visiting the state.
2251	(b) The department may only provide the registration process described in Subsection
2252	(11)(a):
2253	(i) to a nonresident patient; and
2254	(ii) for no more than two visitation periods per calendar year of up to 21 calendar
2255	days per visitation period.
2256	(12)(a) A person may submit to the department a request to conduct a research study
2257	using medical cannabis cardholder data that the state electronic verification system
2258	contains.
2259	(b) The department shall review a request described in Subsection (12)(a) to determine
2260	whether an institutional review board, as that term is defined in Section 26B-4-201,
2261	could approve the research study.
2262	(c) At the time an individual applies for a medical cannabis card, the department shall
2263	notify the individual:
2264	(i) of how the individual's information will be used as a cardholder;
2265	(ii) that by applying for a medical cannabis card, unless the individual withdraws
2266	consent under Subsection (12)(d), the individual consents to the use of the
2267	individual's information for external research; and
2268	(iii) that the individual may withdraw consent for the use of the individual's
2269	information for external research at any time, including at the time of application.
2270	(d) An applicant may, through the medical cannabis card application, and a medical
2271	cannabis cardholder may, through the state central patient portal, withdraw the
2272	applicant's or cardholder's consent to participate in external research at any time.

2273	(e) The department may release, for the purposes of a study described in this Subsection
2274	(12), information about a cardholder under this section who consents to participate
2275	under Subsection (12)(c).
2276	(f) If an individual withdraws consent under Subsection (12)(d), the withdrawal of
2277	consent:
2278	(i) applies to external research that is initiated after the withdrawal of consent; and
2279	(ii) does not apply to research that was initiated before the withdrawal of consent.
2280	(g) The department may establish standards for a medical research study's validity, by
2281	rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
2282	Act.
2283	(13) The department shall record the issuance or revocation of a medical cannabis card
2284	under this section in the controlled substance database.
2285	Section 19. Section <b>26B-4-219</b> is amended to read:
2286	26B-4-219 . Pharmacy medical providers Registration Continuing education.
2287	(1)(a) A medical cannabis pharmacy:
2288	(i) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy
2289	Practice Act, as a pharmacy medical provider;
2290	(ii) may employ a physician who has the authority to write a prescription and is
2291	licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58,
2292	Chapter 68, Utah Osteopathic Medical Practice Act, as a pharmacy medical
2293	provider;
2294	(iii) shall ensure that a pharmacy medical provider described in Subsection (1)(a)(i)
2295	works onsite during all business hours; and
2296	(iv) shall designate one pharmacy medical provider described in Subsection (1)(a)(i)
2297	as the pharmacist-in-charge to oversee the operation of and generally supervise
2298	the medical cannabis pharmacy.
2299	(b) The pharmacist-in-charge shall determine which cannabis and cannabis products the
2300	medical cannabis pharmacy maintains in the medical cannabis pharmacy's inventory.
2301	(c) An individual may not serve as a pharmacy medical provider unless the department
2302	registers the individual as a pharmacy medical provider in accordance with
2303	Subsection (2).
2304	(2)(a) The department shall, within 15 days after the day on which the department
2305	receives an application from a medical cannabis pharmacy on behalf of a prospective
2306	pharmacy medical provider, register and issue a pharmacy medical provider

2307	registration card to the prospective pharmacy medical provider if the medical
2308	cannabis pharmacy:
2309	(i) provides to the department:
2310	(A) the prospective pharmacy medical provider's name and address;
2311	(B) the name and location of the licensed medical cannabis pharmacy where the
2312	prospective pharmacy medical provider seeks to act as a pharmacy medical
2313	provider;
2314	(C) [a report detailing the completion of the continuing education requirement
2315	described in Subsection (3); ] an acknowledgment that the individual has
2316	completed four hours of continuing education related to medical cannabis; and
2317	(D) evidence that the prospective pharmacy medical provider is a pharmacist who
2318	is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, or a physician
2319	who has the authority to write a prescription and is licensed under Title 58,
2320	Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah
2321	Osteopathic Medical Practice Act; and
2322	(ii) pays a fee to the department in an amount that, subject to Subsection 26B-1-310
2323	(5), the department sets in accordance with Section 63J-1-504.
2324	(b) The department may not register a recommending medical provider as a pharmacy
2325	medical provider.
2326	(3)(a) A pharmacy medical provider shall complete the continuing education described
2327	in this Subsection (3) in the following amounts:
2328	(i) as a condition precedent to registration, four hours; and
2329	(ii) as a condition precedent to renewal of the registration, four hours every two years.
2330	[(b) In accordance with Subsection (3)(a), the pharmacy medical provider shall:]
2331	[(i) complete continuing education:]
2332	[(A) regarding the topics described in Subsection (3)(d); and]
2333	[(B) offered by the department under Subsection (3)(c) or an accredited or
2334	approved continuing education provider that the department recognizes as
2335	offering continuing education appropriate for the medical cannabis pharmacy
2336	practice; and]
2337	[(ii) make a continuing education report to the department in accordance with a
2338	process that the department establishes by rule, in accordance with Title 63G,
2339	Chapter 3, Utah Administrative Rulemaking Act, and in collaboration with the
2340	Division of Professional Licensing and:

2341	[(A) for a pharmacy medical provider who is licensed under Title 58, Chapter 17b,
2342	Pharmacy Practice Act, the Board of Pharmacy; or]
2343	[(B) for a pharmacy medical provider licensed under Title 58, Chapter 67, Utah
2344	Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical
2345	Practice Act, the Medical Licensing Board.]
2346	[(e)] (b) The department may, in consultation with the Division of Professional
2347	Licensing, develop the continuing education described in this Subsection (3).
2348	[(d)] (c) The continuing education described in this Subsection (3) may discuss:
2349	(i) the provisions of this part;
2350	(ii) general information about medical cannabis under federal and state law;
2351	(iii) the latest scientific research on the endocannabinoid system and medical
2352	cannabis, including risks and benefits;
2353	(iv) recommendations for medical cannabis as it relates to the continuing care of a
2354	patient in pain management, risk management, potential addiction, and palliative
2355	care; or
2356	(v) best practices for recommending the form and dosage of medical cannabis based
2357	on the qualifying condition underlying a medical cannabis recommendation.
2358	(4)(a) A pharmacy medical provider registration card expires two years after the day on
2359	which the department issues or renews the card.
2360	(b) A pharmacy medical provider may renew the provider's registration card if the
2361	provider:
2362	(i) is eligible for a pharmacy medical provider registration card under this section;
2363	(ii) certifies to the department in a renewal application that the information in
2364	Subsection (2)(a) is accurate or updates the information;
2365	(iii) submits a report detailing the completion of the continuing education
2366	requirement described in Subsection (3); and
2367	(iv) pays to the department a renewal fee in an amount that:
2368	(A) subject to Subsection 26B-1-310(5), the department sets in accordance with
2369	Section 63J-1-504; and
2370	(B) may not exceed the cost of the relatively lower administrative burden of
2371	renewal in comparison to the original application process.
2372	(5)(a) Except as provided in Subsection (5)(b), a person may not advertise that the
2373	person or another person dispenses medical cannabis.
2374	(b) Notwithstanding Subsection (5)(a) and Section 4-41a-109, a registered pharmacy

2375	medical provider may advertise the following:
2376	(i) a green cross;
2377	(ii) that the person is registered as a pharmacy medical provider and dispenses
2378	medical cannabis; or
2379	(iii) a scientific study regarding medical cannabis use.
2380	(6)(a) The department may revoke a pharmacy medical provider's registration for a
2381	violation of this chapter.
2382	(b) The department may inspect patient records held by a medical cannabis pharmacy to
2383	ensure a pharmacy medical provider is practicing in accordance with this chapter and
2384	applicable rules.
2385	Section 20. Section 26B-4-222 is amended to read:
2386	26B-4-222 . Report.
2387	(1) By the November interim meeting each year, the department shall report to the Health
2388	and Human Services Interim Committee on:
2389	(a) the number of applications and renewal applications filed for medical cannabis cards;
2390	(b) the number of qualifying patients and designated caregivers;
2391	(c) the nature of the debilitating medical conditions of the qualifying patients;
2392	(d) the age and county of residence of cardholders;
2393	(e) the number of medical cannabis cards revoked;
2394	(f) the number of practitioners providing recommendations for qualifying patients; and
2395	[(g) the number of license applications and renewal license applications received;]
2396	[(h) the number of licenses the department has issued in each county;]
2397	[(i) the number of licenses the department has revoked;]
2398	[(j) the quantity of medical cannabis shipments that the state central patient portal
2399	facilitates;]
2400	[(k) the number of overall purchases of medical cannabis and medical cannabis products
2401	from each medical cannabis pharmacy;]
2402	[(1)] (g) the expenses [incurred-] and revenues [generated from the medical cannabis
2403	program; and] of the Qualified Patient Enterprise Fund created in Section 26B-1-310.
2404	[(m) an analysis of product availability in medical cannabis pharmacies in consultation
2405	with the Department of Agriculture and Food.]
2406	(2) The report shall include information provided by the Center for Medical Cannabis
2407	Research described in Section 53B-17-1402.
2408	(3) The department may not include personally identifying information in the report

2409	described in this section.
2410	(4) The department shall report to the working group described in Section 36-12-8.2 as
2411	requested by the working group.
2412	Section 21. Repealer.
2413	This bill repeals:
2414	Section 4-41a-108, Payment provider for electronic medical cannabis transactions.
2415	Section 4-41a-801.1, Enforcement for medical cannabis pharmacies and couriers Fine
2416	Citation.
2417	Section 22. Effective Date.
2418	This bill takes effect on May 7, 2025.
2419	Section 23. Coordinating S.B. 64 with H.B. 21.
2420	If S.B. 64, Medical Cannabis Amendments, and H.B. 21, Criminal Code
2421	Recodification and Cross References, both pass and become law, the Legislature intends that,
2422	on May 7, 2025, Section 4-41a-102(4)(a) be amended to read:
2423	""Anticompetitive business practice" [means any practice that reduces the amount of
2424	competition in the medical cannabis market that would be considered an attempt to
2425	monopolize, as defined in Section 76-10-3103] means any practice that is an illegal
2426	anticompetitive business activity under Section 76-16-510.".