

SB0064S01 compared with SB0064

{Omitted text} shows text that was in SB0064 but was omitted in SB0064S01

inserted text shows text that was not in SB0064 but was inserted into SB0064S01

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1 **Medical Cannabis Amendments**

. 2025 GENERAL SESSION

. STATE OF UTAH

. **Chief Sponsor: Evan J. Vickers**

. House Sponsor:

2

3 **LONG TITLE**

4 **General Description:**

5 This bill amends provisions related to medical cannabis.

6 **Highlighted Provisions:**

7 This bill:

8 ▶ amends surveillance requirements;

9 ▶ allows the Cannabis Production Establishment and Pharmacy Licensing Advisory Board
(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;**

13 ▶ removes the requirement that pharmacy and courier agent registration cards include the agent's
employer on the card;

15 ▶ allows for medical cannabis cardholders to bring their own opaque bag or box to transport
medical cannabis from the pharmacy;

17 ▶

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requires medical cannabis pharmacies and couriers to report a change in ownership at least 45 days before the change occurs;

- 19 ▶ requires qualified medical provider employee proxies to complete {~~an annual~~} a course on health information privacy;
- 21 ▶ removes certain information from the medical cannabis card;
- 23 ▶ repeals provisions related to the Division of Finance and the medical cannabis program;
- 22 ▶ aligns continuing education provisions of qualified medical providers and pharmacy medical providers; {and}
- 26 ▶ includes a coordination clause with H.B. 21, Criminal Code Recodification and Cross References, to align a definition and cross reference; and
- 24 ▶ makes technical and conforming changes.

29 Money Appropriated in this Bill:

30 None

32 This bill provides a coordination clause.

34 AMENDS:

35 **4-41a-102** , as last amended by Laws of Utah 2024, Chapters 217, 238 and 240 , 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 , as last amended by Laws of Utah 2023, Chapter 327

37 **4-41a-201** , as last amended by Laws of Utah 2024, Chapter 217 , 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 , as last amended by Laws of Utah 2024, Chapter 217

39 **4-41a-401** , as last amended by Laws of Utah 2024, Chapter 217 , 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, Chapter 1 , as renumbered and amended by Laws of Utah 2018, Third Special Session, Chapter 1

42 **4-41a-802** , as last amended by Laws of Utah 2024, Chapter 217 , 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 , as last amended by Laws of Utah 2024, Chapters 217, 238 and 240

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- 44 **4-41a-1005** , as last amended by Laws of Utah 2024, Chapter 217 , as last amended by Laws
of Utah 2024, Chapter 217
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- 45 **4-41a-1101** , as last amended by Laws of Utah 2024, Chapter 217 , 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 , 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 , 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 , 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 amended by
Laws of Utah 2023, Chapters 273, 307 and last amended by Coordination Clause,
46 Laws of Utah 2023, Chapter 307 , as last amended by Laws of Utah 2023, Chapter 317 and
renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and last amended by
Coordination Clause,
46 Laws of Utah 2023, Chapter 307
- 52 **26B-1-435** , as last amended by Laws of Utah 2024, Chapters 238, 240 , 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 , 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 , 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 , 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 , as last amended by Laws of Utah
2024, Chapter 507
- 57 **26B-4-222** , as last amended by Laws of Utah 2024, Chapter 240 , 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
last amended by Coordination Clause, Laws of Utah 2023, Chapter 307 , as renumbered

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and amended by Laws of Utah 2023, Chapters 273, 307 and 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 , 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 **Utah Code Sections affected by Coordination Clause:**

64 **4-41a-102** , as last amended by Laws of Utah 2024, Chapters 217, 238 and 240 , 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:*

68 Section 1. Section **4-41a-102** is amended to read:

69 **4-41a-102. Definitions.**

As used in this chapter:

58 (1) "Adulterant" means any poisonous or deleterious substance in a quantity that may be injurious to
health, including:

60 (a) pesticides;

61 (b) heavy metals;

62 (c) solvents;

63 (d) microbial life;

64 (e) artificially derived cannabinoid;

65 (f) toxins; or

66 (g) foreign matter.

67 (2) "Advertise" or "advertising" means information provided by a person in any medium:

68 (a) to the public; and

69 (b) that is not age restricted to an individual who is at least 21 years old.

70 (3) "Advisory board" means the Medical Cannabis Policy Advisory Board created in Section
26B-1-435.

72 (4)

. (a) "Anticompetitive business practice" [~~means any practice that reduces the amount of competition
in the medical cannabis market that would be considered an attempt to monopolize, as defined in~~

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~~Section 76-10-3103]~~ means any practice that is an illegal anticompetitive activity under Section 76-10-3104.

- 76 (b) "Anticompetitive business practice" may include:
- 77 (i) agreements that may be considered unreasonable when competitors interact to the extent that they are:
- 79 (A) no longer acting independently; or
- 80 (B) when collaborating are able to wield market power together;
- 81 (ii) monopolizing or attempting to monopolize trade by:
- 82 (A) acting to maintain or acquire a dominant position in the market; or
- 83 (B) preventing new entry into the market; or
- 84 (iii) other conduct outlined in rule.
- 85 (5)
- . (a) "Artificially derived cannabinoid" means a chemical substance that is created by a chemical reaction that changes the molecular structure of any chemical substance derived from the cannabis plant.
- 88 (b) "Artificially derived cannabinoid" does not include:
- 89 (i) a naturally occurring chemical substance that is separated from the cannabis plant by a chemical or mechanical extraction process; or
- 91 (ii) a cannabinoid that is produced by decarboxylation from a naturally occurring cannabinoid acid without the use of a chemical catalyst.
- 93 (6) "Cannabis Research Review Board" means the Cannabis Research Review Board created in Section 26B-1-420.
- 95 (7) "Cannabis" means the same as that term is defined in Section 26B-4-201.
- 96 (8) "Cannabis concentrate" means:
- 97 (a) the product of any chemical or physical process applied to naturally occurring biomass that concentrates or isolates the cannabinoids contained in the biomass; and
- 99 (b) any amount of a natural cannabinoid or artificially derived cannabinoid in an artificially derived cannabinoid's purified state.
- 101 (9) "Cannabis cultivation byproduct" means any portion of a cannabis plant that is not intended to be sold as a cannabis plant product.
- 103 (10) "Cannabis cultivation facility" means a person that:
- 104 (a) possesses cannabis;

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- 105 (b) grows or intends to grow cannabis; and
- 106 (c) sells or intends to sell cannabis to a cannabis cultivation facility, a cannabis processing facility, or a
medical cannabis research licensee.
- 108 (11) "Cannabis cultivation facility agent" means an individual who
- 109 holds a valid cannabis production establishment agent registration card with a cannabis cultivation
facility designation.
- 111 (12) "Cannabis derivative product" means a product made using cannabis concentrate.
- 112 (13) "Cannabis plant product" means any portion of a cannabis plant intended to be sold in a form that
is recognizable as a portion of a cannabis plant.
- 114 (14) "Cannabis processing facility" means a person that:
- 115 (a) acquires or intends to acquire cannabis from a cannabis production establishment;
- 116 (b) possesses cannabis with the intent to manufacture a cannabis product;
- 117 (c) manufactures or intends to manufacture a cannabis product from unprocessed cannabis or a cannabis
extract; and
- 119 (d) sells or intends to sell a cannabis product to a medical cannabis pharmacy or a medical cannabis
research licensee.
- 121 (15) "Cannabis processing facility agent" means an individual who
- 122 holds a valid cannabis production establishment agent registration card with a cannabis processing
facility designation.
- 124 (16) "Cannabis product" means the same as that term is defined in Section 26B-4-201.
- 125 (17) "Cannabis production establishment" means a cannabis cultivation facility, a cannabis processing
facility, or an independent cannabis testing laboratory.
- 127 (18) "Cannabis production establishment agent" means a cannabis cultivation facility agent, a cannabis
processing facility agent, or an independent cannabis testing laboratory agent.
- 129 (19) "Cannabis production establishment agent registration card" means a registration card that the
department issues that:
- 131 (a) authorizes an individual to act as a cannabis production establishment agent; and
- 132 (b) designates the type of cannabis production establishment for which an individual is authorized to act
as an agent.
- 134 (20) "Closed-door medical cannabis pharmacy" means a facility operated by a home delivery medical
cannabis pharmacy for delivering cannabis or a medical cannabis product.

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- 137 (21) "Community location" means a public or private elementary or secondary school, a church, a
public library, a public playground, or a public park.
- 139 (22) "Cultivation space" means, quantified in square feet, the horizontal area in which a cannabis
cultivation facility cultivates cannabis, including each level of horizontal area if the cannabis
cultivation facility hangs, suspends, stacks, or otherwise positions plants above other plants in
multiple levels.
- 143 (23) "Delivery address" means:
- 144 (a) for a medical cannabis cardholder who is not a facility:
- 145 (i) the medical cannabis cardholder's home address; or
- 146 (ii) an address designated by the medical cannabis cardholder that:
- 147 (A) is the medical cannabis cardholder's workplace; and
- 148 (B) is not a community location; or
- 149 (b) for a medical cannabis cardholder that is a facility, the facility's address.
- 150 (24) "Department" means the Department of Agriculture and Food.
- 151 (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.
- 154 (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 26B-4-244.
- 157 (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.
- 161 (28)
- . (a) "Independent cannabis testing laboratory" means a person that:
- 162 (i) conducts a chemical or other analysis of cannabis or a cannabis product; or
- 163 (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.
- 165 (b) "Independent cannabis testing laboratory" includes a laboratory that the department or a research
university operates in accordance with Subsection 4-41a-201(14).
- 167 (29) "Independent cannabis testing laboratory agent" means an individual who
- 168

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holds a valid cannabis production establishment agent registration card with an independent cannabis testing laboratory designation.

- 170 (30) "Inventory control system" means a system described in Section 4-41a-103.
- 171 (31) "Licensing board" or "board" means the Cannabis Production Establishment and Pharmacy
Licensing Advisory Board created in Section 4-41a-201.1.
- 173 (32) "Medical cannabis" means the same as that term is defined in Section 26B-4-201.
- 174 (33) "Medical cannabis card" means the same as that term is defined in Section 26B-4-201.
- 175 (34) "Medical cannabis courier" means a courier that:
- 176 (a) the department licenses in accordance with Section 4-41a-1201; and
- 177 (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.
- 180 (35) "Medical cannabis courier agent" means an individual who:
- 181 (a) is an employee of a medical cannabis courier; and
- 182 (b) who holds a valid medical cannabis courier agent registration card.
- 183 (36) "Medical cannabis pharmacy" means the same as that term is defined in Section 26B-4-201.
- 185 (37) "Medical cannabis pharmacy agent" means the same as that term is defined in Section 26B-4-201.
- 187 (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.
- 190 (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.
- 193 (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.
- 197 (41) "Medical cannabis treatment" means the same as that term is defined in Section 26B-4-201.
- 199 (42) "Medicinal dosage form" means the same as that term is defined in Section 26B-4-201.
- 200 (43) "Pharmacy ownership limit" means an amount equal to 30% of the total number of medical
cannabis pharmacy licenses issued by the department rounded down to the nearest whole number.
- 203 (44) "Pharmacy medical provider" means the same as that term is defined in Section 26B-4-201.
- 205 (45) "Qualified medical provider" means the same as that term is defined in Section 26B-4-201.
- 207 (46) "Qualified Production Enterprise Fund" means the fund created in Section 4-41a-104.
- 208 (47) "Recommending medical provider" means the same as that term is defined in Section 26B-4-201.

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- 210 (48) "Research university" means the same as that term is defined in Section 53B-7-702 and a private,
nonprofit college or university in the state that:
- 212 (a) is accredited by the Northwest Commission on Colleges and Universities;
- 213 (b) grants doctoral degrees; and
- 214 (c) has a laboratory containing or a program researching a schedule I controlled substance described in
Section 58-37-4.
- 216 (49) "State electronic verification system" means the system described in Section 26B-4-202.
- 217 (50) "Targeted marketing" means the promotion of a cannabis product, medical cannabis brand, or a
medical cannabis device using any of the following methods:
- 219 (a) electronic communication to an individual who is at least 21 years old and has requested to receive
promotional information;
- 221 (b) an in-person marketing event that is:
- 222 (i) held inside a medical cannabis pharmacy; and
- 223 (ii) in an area where only a medical cannabis cardholder may access the event;
- 224 (c) other marketing material that is physically available or digitally displayed in a medical cannabis
pharmacy; or
- 226 (d) a leaflet a medical cannabis pharmacy places in the opaque package or box that is provided to an
individual when obtaining medical cannabis:
- 228 (i) in the medical cannabis pharmacy;
- 229 (ii) at the medical cannabis pharmacy's drive-through pick up window; or
- 230 (iii) in a medical cannabis shipment.
- 231 (51) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in Section 4-41-102.
- 233 (52) "THC analog" means the same as that term is defined in Section 4-41-102.
- 234 (53) "Total composite tetrahydrocannabinol" means all detectable forms of tetrahydrocannabinol.
- 236 (54) "Total tetrahydrocannabinol" or "total THC" means the same as that term is defined in Section
4-41-102.
- 251 Section 2. Section **4-41a-103** is amended to read:
- 252 **4-41a-103. Inventory control system.**
- 240 (1) Each cannabis production establishment and each medical cannabis pharmacy shall maintain an
inventory control system that meets the requirements of this section.
- 242

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- (2) A cannabis production establishment and a medical cannabis pharmacy shall ensure that the inventory control system maintained by the establishment or pharmacy:
- 244 (a) tracks cannabis using a unique identifier, in real time, from the point that a cannabis plant is eight inches tall and has a root ball until the cannabis is disposed of or sold, in the form of unprocessed cannabis or a cannabis product, to an individual with a medical cannabis card;
- 248 (b) maintains in real time a record of the amount of cannabis and cannabis products in the possession of the establishment or pharmacy; and
- 250 [~~(e) includes a video recording system that:~~]
- 251 [~~(i) tracks all handling and processing of cannabis or a cannabis product in the establishment or pharmacy;~~]
- 253 [~~(ii) is tamper proof; and~~]
- 254 [~~(iii) stores a video record for at least 45 days; and~~]
- 255 [~~(d)~~] (c) preserves compatibility with the state electronic verification system described in Section 26B-4-202.
- 257 (3) A cannabis production establishment and a medical cannabis pharmacy shall allow the following to access the cannabis production establishment's or the medical cannabis pharmacy's inventory control system at any time:
- 260 (a) the department; and
- 261 (b) the Department of Health and Human Services~~;~~ and .
- 262 [~~(e) a financial institution that the Division of Finance validates, in accordance with Subsection (6).~~]
- 264 (4) The department may establish compatibility standards for an inventory control system by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 267 (5)
- . (a) The department shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, establishing requirements for aggregate or batch records regarding the planting and propagation of cannabis before being tracked in an inventory control system described in this section.
- 271 (b) The department shall ensure that the rules described in Subsection (5)(a) address record-keeping for the amount of planted seed, number of cuttings taken, date and time of cutting and planting, number of plants established, and number of plants culled or dead.
- 288 (6)

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- . (a) The department may provide reports from the inventory control system to a financial institution to allow them to reconcile transactions and other financial activity of cannabis production establishments, medical cannabis pharmacies, and medical cannabis couriers that use financial services that the financial institution 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.
- 275 [(6)
- . (a) The Division of Finance shall, in consultation with the state treasurer:]
- 276 [(i) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, make rules to:]
- 278 [(A) establish a process for validating financial institutions for access to an inventory control system in accordance with Subsections (3)(c) and (6)(b); and]
- 280 [(B) establish qualifications for the validation described in Subsection (6)(a)(i)(A);]
- 281 [(ii) review applications the Division of Finance receives in accordance with the process established under Subsection (6)(a)(i);]
- 283 [(iii) validate a financial institution that meets the qualifications described in Subsection (6)(a)(i); and]
- 285 [(iv) provide a list of validated financial institutions to the department and the Department of Health and Human Services.]
- 287 [(b) A financial institution that the Division of Finance validates under Subsection (6)(a):]
- 288 [(i) may only access an inventory control system for the purpose of reconciling transactions and other financial activity of cannabis production establishments, medical cannabis pharmacies, and medical cannabis couriers that use financial services that the financial institution provides;]
- 292 [(ii) may only access information related to financial transactions; and]
- 293 [(iii) may not access any identifying patient information.]
- 315 Section 3. Section **4-41a-201** is amended to read:
- 316 **4-41a-201. Cannabis production establishment -- License.**
- 296 (1) Except as provided in Subsection (14), a person may not operate a cannabis production establishment without a license that the department issues under this chapter.
- 298 (2)
- . (a)

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- . (i) Subject to Subsections (6), (7), (8), and (13) and to Section 4-41a-205, for a licensing process that the department initiates after March 17, 2021, the department, through the licensing board, shall issue licenses in accordance with Section 4-41a-201.1.
- 302 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department shall make rules to specify a transparent and efficient process to:
- 304 (A) solicit applications for a license under this section;
- 305 (B) allow for comments and questions in the development of applications;
- 306 (C) timely and objectively evaluate applications;
- 307 (D) hold public hearings that the department deems appropriate; and
- 308 (E) select applicants to receive a license.
- 309 (iii) The department may not issue a license to operate a cannabis production establishment to an applicant who is not eligible for a license under this section.
- 311 (b) An applicant is eligible for a license under this section if the applicant submits to the licensing board:
- 313 (i) subject to Subsection (2)(c), a proposed name and address or, for a cannabis cultivation facility, addresses of no more than two facility locations, located in a zone described in Subsection 4-41a-406(2)(a) or (b), where the applicant will operate the cannabis production establishment;
- 317 (ii) the name and address of any individual who has:
- 318 (A) for a publicly traded company, a financial or voting interest of 10% or greater in the proposed cannabis production establishment;
- 320 (B) for a privately held company, a financial or voting interest in the proposed cannabis production establishment; or
- 322 (C) the power to direct or cause the management or control of a proposed cannabis production establishment;
- 324 (iii) an operating plan that:
- 325 (A) complies with Section 4-41a-204;
- 326 (B) includes operating procedures that comply with this chapter and any law the municipality or county in which the person is located adopts that is consistent with Section 4-41a-406; and
- 329 (C) the department or licensing board approves;
- 330

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- (iv) a statement that the applicant will obtain and maintain a liquid cash account with a financial institution or a performance bond that a surety authorized to transact surety business in the state issues in an amount of at least:
 - 333 (A) \$100,000 for each cannabis cultivation facility for which the applicant applies; or
 - 335 (B) \$50,000 for each cannabis processing facility or independent cannabis testing laboratory for which the applicant applies;
- 337 (v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504; and
- 339 (vi) a description of any investigation or adverse action taken by any licensing jurisdiction, government agency, law enforcement agency, or court in any state for any violation or detrimental conduct in relation to any of the applicant's cannabis-related operations or businesses.
- 343 (c)
 - . (i) A person may not locate a cannabis production establishment:
 - 344 (A) within 1,000 feet of a community location; or
 - 345 (B) in or within 600 feet of a district that the relevant municipality or county has zoned as primarily residential.
 - 347 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured from the nearest entrance to the cannabis production establishment by following the shortest route of ordinary pedestrian travel to the property boundary of the community location or residential area.
 - 351 (iii) The licensing board may grant a waiver to reduce the proximity requirements in Subsection (2)(c)(i) by up to 20% if the licensing board determines that it is not reasonably feasible for the applicant to site the proposed cannabis production establishment without the waiver.
 - 355 (iv) An applicant for a license under this section shall provide evidence of compliance with the proximity requirements described in Subsection (2)(c)(i).
- 357 (3) If the licensing board approves an application for a license under this section and Section 4-41a-201.1:
 - 359 (a) the applicant shall pay the ~~[departmentan]~~ department an initial license fee in an amount that, subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504; and
 - 362 (b) the department shall notify the Department of Public Safety of the license approval and the names of each individual described in Subsection (2)(b)(ii).
- 364 (4)

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- . (a) Except as provided in Subsection (4)(b), a cannabis production establishment shall obtain a separate license for each type of cannabis production establishment and each location of a cannabis production establishment.
- 367 (b) The licensing board may issue a cannabis cultivation facility license and a cannabis processing facility license to a person to operate at the same physical location or at separate physical locations.
- 370 (5) If the licensing board receives more than one application for a cannabis production establishment within the same city or town, the licensing board shall consult with the local land use authority before approving any of the applications pertaining to that city or town.
- 374 (6) The licensing board may not issue a license to operate an independent cannabis testing laboratory to a person who:
 - 376 (a) holds a license or has an ownership interest in a medical cannabis pharmacy, a cannabis processing facility, or a cannabis cultivation facility;
 - 378 (b) has an owner, officer, director, or employee whose family member holds a license or has an ownership interest in a medical cannabis pharmacy, a cannabis processing facility, or a cannabis cultivation facility; or
 - 381 (c) proposes to operate the independent cannabis testing laboratory at the same physical location as a medical cannabis pharmacy, a cannabis processing facility, or a cannabis cultivation facility.
- 384 (7) The licensing board may not issue a license to operate a cannabis production establishment to an applicant if any individual described in Subsection (2)(b)(ii):
 - 386 (a) has been convicted under state or federal law of:
 - 387 (i) a felony in the preceding 10 years; or
 - 388 (ii) after December 3, 2018, a misdemeanor for drug distribution;
 - 389 (b) is younger than 21 years old; or
 - 390 (c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator.
- 391 (8)
 - . (a) If an applicant for a cannabis production establishment license under this section holds a license under Title 4, Chapter 41, Hemp and Cannabinoid Act, the licensing board may not give preference to the applicant based on the applicant's status as a holder of the license.
 - 395 (b) If an applicant for a license to operate a cannabis cultivation facility under this section holds a license to operate a medical cannabis pharmacy under this title, the licensing board may give

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consideration to the applicant based on the applicant's status as a holder of a medical cannabis pharmacy license if:

- 399 (i) the applicant demonstrates that a decrease in costs to patients is more likely to result from the
applicant's vertical integration than from a more competitive marketplace; and
- 402 (ii) the licensing board finds multiple other factors, in addition to the existing license, that support
granting the new license.
- 404 (9) The licensing board may revoke a license under this part:
- 405 (a) if the cannabis production establishment does not begin cannabis production operations within one
year after the day on which the licensing board issues the initial license;
- 408 (b) after the third of the same violation of this chapter in any of the licensee's licensed cannabis
production establishments or medical cannabis pharmacies;
- 410 (c) if any individual described in Subsection (2)(b) is convicted, while the license is active, under state
or federal law of:
- 412 (i) a felony; or
- 413 (ii) after December 3, 2018, a misdemeanor for drug distribution;
- 414 (d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at the time of
application, or fails to supplement the information described in Subsection (2)(b)(vi) with any
investigation or adverse action that occurs after the submission of the application within 14 calendar
days after the licensee receives notice of the investigation or adverse action;
- 419 (e) if the cannabis production establishment demonstrates a willful or reckless disregard for the
requirements of this chapter or the rules the department makes in accordance with this chapter;
- 422 (f) if, after a change of ownership described in Subsection (15)(b), the board determines that the
cannabis production establishment no longer meets the minimum standards for licensure and
operation of the cannabis production establishment described in this chapter;
- 426 (g) for an independent cannabis testing laboratory, if the independent cannabis testing laboratory fails to
substantially meet the performance standards described in Subsection (14)(b); or
- 429 (h) if, following an investigation conducted pursuant to Subsection 4-41a-201.1(11), the
board [~~identifies~~] finds that the licensee has participated in an anticompetitive business
[~~practices~~] practice.
- 432 (10)

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- (a) A person who receives a cannabis production establishment license under this chapter, if the municipality or county where the licensed cannabis production establishment will be located requires a local land use permit, shall submit to the licensing board a copy of the licensee's approved application for the land use permit within 120 days after the day on which the licensing board issues the license.
- 437 (b) If a licensee fails to submit to the licensing board a copy of the licensee's approved land use permit application in accordance with Subsection (10)(a), the licensing board may revoke the licensee's license.
- 440 (11) The department shall deposit the proceeds of a fee that the department imposes under this section into the Qualified Production Enterprise Fund.
- 442 (12) The department shall begin accepting applications under this part on or before January 1, 2020.
- 444 (13)
- . (a) The department's authority, and consequently the licensing board's authority, to issue a license under this section is plenary and is not subject to review.
- 446 (b) Notwithstanding Subsection (2)(a)(ii)(A), the decision of the department to award a license to an applicant is not subject to:
- 448 (i) Title 63G, Chapter 6a, Part 16, Protests; or
- 449 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.
- 450 (14)
- . (a) Notwithstanding this section, the department:
- 451 (i) may operate or partner with a research university to operate an independent cannabis testing laboratory;
- 453 (ii) if the department operates or partners with a research university to operate an independent cannabis testing laboratory, may not cease operating or partnering with a research university to operate the independent cannabis testing laboratory unless:
- 457 (A) the department issues at least two licenses to independent cannabis testing laboratories; and
- 459 (B) the department has ensured that the licensed independent cannabis testing laboratories have sufficient capacity to provide the testing necessary to support the state's medical cannabis market; and
- 462 (iii) after ceasing department or research university operations under Subsection (14)(a)(ii) shall resume independent cannabis testing laboratory operations at any time if:

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- 465 (A) fewer than two licensed independent cannabis testing laboratories are operating; or
467 (B) the licensed independent cannabis testing laboratories become, in the department's determination,
unable to fully meet the market demand for testing.
- 469 (b)
- . (i) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative
Rulemaking Act, to establish performance standards for the operation of an independent cannabis
testing laboratory, including deadlines for testing completion.
- 473 (ii) A license that the department issues to an independent cannabis testing laboratory is contingent
upon substantial satisfaction of the performance standards described in Subsection (14)(b)(i), as
determined by the board.
- 476 (15)
- . (a) A cannabis production establishment license is not transferrable or assignable.
- 477 (b) If the ownership of a cannabis production establishment changes by 50% or more:
- 478 (i) the cannabis production establishment shall submit a new application described in Subsection (2)(b),
subject to Subsection (2)(c);
- 480 (ii) within 30 days of the submission of the application, the board shall:
- 481 (A) conduct the application review described in Section 4-41a-201.1; and
- 482 (B) award a license to the cannabis production establishment for the remainder of the term of the
cannabis production establishment's license before the ownership change if the cannabis production
establishment meets the minimum standards for licensure and operation of the cannabis production
establishment described in this chapter; and
- 487 (iii) if the board approves the license application, notwithstanding Subsection (3), the cannabis
production establishment shall pay a license fee that the department sets in accordance with Section
63J-1-504 in an amount that covers the board's cost of 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 Advisory Board**
-- Composition -- Duties.
- 494 (1) There is created within the department the Cannabis Production Establishment and Pharmacy
Licensing Advisory Board.
- 496 (2) The commissioner shall:
- 497 (a) appoint the members of the [~~board~~] licensing board;

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- 498 (b) submit the name of each individual that the commissioner appoints under Subsection (2)(a) to the
governor for confirmation or rejection; and
- 500 (c) if the governor rejects an appointee that the commissioner submits under Subsection (2)(b), appoint
another individual in accordance with this Subsection (2).
- 502 (3)
- . (a) Except as provided in Subsection [~~(3)(e)~~] (3)(b), the [~~board~~] licensing board shall consist of the
following eight members:
- 504 (i) the following seven voting members whom the commissioner appoints:
- 505 (A) one member of the public;
- 506 (B) one member with knowledge and experience in the pharmaceutical or nutraceutical manufacturing
industry;
- 508 (C) one member representing law enforcement;
- 509 (D) one member whom an organization representing medical cannabis patients recommends;
- 511 (E) a chemist who has experience with cannabis and who is associated with a research university;
- 513 (F) a pharmacist who is not associated with the medical cannabis industry; and
- 514 (G) an accountant; and
- 515 (ii) the commissioner or the commissioner's designee as a non-voting member, except to cast a
deciding vote in the event of a tie.
- 517 (b) The commissioner may appoint a ninth member to the [~~board~~] licensing board who has a
background in the cannabis cultivation and processing industry.
- 519 (c) The commissioner or the commissioner's designee shall serve as the chair of the [~~board~~] licensing
board.
- 521 (d) An individual is not eligible for appointment to be a member of the [~~board~~] licensing board if the
individual:
- 523 (i) has any commercial or ownership interest in a cannabis production establishment, medical cannabis
pharmacy, or medical cannabis courier;
- 525 (ii) has an owner, officer, director, or employee whose family member holds a license or has an
ownership interest in a cannabis production establishment, medical cannabis pharmacy, or medical
cannabis courier; or
- 528 (iii) is employed or contracted to lobby on behalf of any cannabis production establishment, medical
cannabis pharmacy, or medical cannabis courier.

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- 530 (4)
- . (a) Except as provided in Subsection (4)(b), a voting [board] licensing board member shall serve a term of four years, beginning July 1 and ending June 30.
- 532 (b) Notwithstanding Subsection (4)(a), for the initial appointments to the [board] licensing board, the commissioner shall stagger the length of the terms of [board] licensing board members to ensure that the commissioner appoints two or three [board] licensing board members every two years.
- 536 (c) As a [board] licensing board member's term expires:
- 537 (i) the [board] licensing board member is eligible for reappointment; and
- 538 (ii) the commissioner shall make an appointment, in accordance with Subsection (2), for the new term before the end of the member's term.
- 540 (d) When a vacancy occurs on the [board] licensing board for any reason other than the expiration of a [board] licensing board member's term, the commissioner shall appoint a replacement to the vacant position, in accordance with Subsection (2), for the unexpired term.
- 544 (e) In making appointments, the commissioner shall ensure that no two members of the [board] licensing board are employed by or represent the same company or nonprofit organization.
- 547 (f) The commissioner may remove a [board] licensing board member for cause, neglect of duty, inefficiency, or malfeasance.
- 549 (5)
- . (a)
- . (i) Five members of the [board] licensing board constitute a quorum of the [board] licensing board.
- 551 (ii) An action of the majority of the [board] licensing board members when a quorum is present constitutes an action of the [board] licensing board.
- 553 (b) The department shall provide staff support to the [board] licensing board.
- 554 (c) A member of the [board] licensing board may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:
- 557 (i) Section 63A-3-106;
- 558 (ii) Section 63A-3-107; and
- 559 (iii) rules made by the Division of Finance in accordance with Sections 63A-3-106 and 63A-3-107.
- 561 (6) The [board] licensing board shall:
- 562 (a) meet as called by the chair to review cannabis production establishment[-and] medical cannabis {medical cannabis} pharmacy, and medical cannabis courier license applications;

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- 564 (b) review each license application for compliance with:
- 565 (i) this chapter; and
- 566 (ii) department rules;
- 567 (c) conduct a public hearing to consider the license application;
- 568 (d) approve the department's license application forms and checklists; and
- 569 (e) make a determination on each license application.
- 570 (7) The ~~[board]~~ licensing board shall hold a public hearing to review a cannabis production establishment's or medical cannabis pharmacy's license if the establishment:
- 572 (a) changes ownership by an interest of 20% or more;
- 573 (b) changes or adds a location;
- 574 (c) upgrades to a different licensing tier under department rule;
- 575 (d) changes extraction or formulation standard operating procedures;
- 576 (e) adds an industrial hemp processing or cultivation license to the same location as the cannabis production establishment's processing facility; or
- 578 (f) as necessary based on the recommendation of the department.
- 579 (8) In a public hearing held under Subsection (7), the ~~[board]~~ licensing board may consider the following in determining whether to approve a request to change pharmacy locations:
- 581 (a) medical cannabis availability, quality, and variety;
- 582 (b) whether geographic dispersal among licensees is sufficient to reasonably maximize access to the largest number of medical cannabis cardholders;
- 584 (c) the extent to which the pharmacy can increase efficiency and reduce the cost to patients of medical cannabis; and
- 586 (d) the factors listed in Subsection 4-41a-1004(7).
- 587 (9) In a public hearing held pursuant to Subsection (7), the ~~[board]~~ licensing board may not approve a request to change a medical cannabis pharmacy location outside of the pharmacy's current region established under Subsection 4-41a-1005(1)(c)(ii)(A).
- 590 (10)
- . (a) The ~~[board]~~ licensing board shall meet ~~[annually in December]~~ as necessary to consider cannabis production establishment~~[-and]~~ , medical cannabis pharmacy, and medical cannabis courier license renewal applications.
- 593 (b) During the meeting described in Subsection (10)(a):

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- 594 (i) a representative from each applicant for renewal shall:
- 595 (A) attend in person or electronically; or
- 596 (B) submit information before the meeting, as the [board] licensing board may require, for the
[board] licensing board's licensing board's consideration;
- 598 (ii) the [board] licensing board shall consider, for each cannabis cultivation facility seeking renewal,
information including:
- 600 (A) the amount of biomass the licensee produced during the current calendar year;
- 601 (B) the amount of biomass the licensee projects to produce during the following year;
- 603 (C) the amount of hemp waste the licensee currently holds;
- 604 (D) the current square footage or acres of growing area the licensee uses; and
- 605 (E) the square footage or acres of growing area the licensee projects to use in the following year;
- 607 (iii) the [board] licensing board shall consider, for each cannabis processing facility seeking renewal,
information including:
- 609 (A) methods and procedures for extraction;
- 610 (B) standard operating procedures; and
- 611 (C) a complete listing of the medical dosage forms that the licensee produces; and
- 612 (iv) the [board] licensing board shall consider, for each cannabis pharmacy seeking renewal,
information including:
- 614 (A) product availability, quality, and variety;
- 615 (B) the pharmacy's operating procedures and practices; and
- 616 (C) the factors listed in Subsection 4-41a-1003(1).
- 617 (c) Following consideration of the information provided under Subsection (10)(b), the [board] licensing
board may elect to approve, deny, or issue conditional approval of a cannabis production
establishment or pharmacy license renewal application.
- 620 (d) The information a licensee or license applicant provides to the [board] licensing board for a
license determination constitutes a protected record under Subsection 63G-2-305(1) or (2) if the
applicant or licensee provides the [board] licensing board with the information regarding business
confidentiality required in Section 63G-2-309.
- 624 (11)

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- (a) In cooperation with the attorney general, the [~~board~~] licensing board may investigate information received by the department indicating that a licensee is potentially engaging in anticompetitive business practices.
- 627 (b) In investigating potential anticompetitive business practices under this section, the attorney general may issue civil investigative demands as set forth in Section 76-10-3107.
- 630 (12) The department shall:
- 631 (a) provide staff support for the licensing board;
- 632 (b) assist the licensing board in conducting meetings; and
- 633 (c) review all submitted applications for completion and accuracy.
- 655 Section 5. Section **4-41a-401** is amended to read:
- 656 **4-41a-401. Cannabis production establishment -- General operating requirements.**
- 637 (1)
- . (a) A cannabis production establishment shall operate in accordance with the operating plan described in Sections 4-41a-201 and 4-41a-204.
- 639 (b) A cannabis production establishment shall notify the department before a change in the cannabis production establishment's operating plan.
- 641 (c)
- . (i) If a cannabis production establishment changes the cannabis production establishment's operating plan, the establishment shall ensure that the new operating plan complies with this chapter.
- 644 (ii) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, a process to:
- 646 (A) review a change notification described in Subsection (1)(b);
- 647 (B) identify for the cannabis production establishment each point of noncompliance between the new operating plan and this chapter;
- 649 (C) provide an opportunity for the cannabis production establishment to address each identified point of noncompliance; and
- 651 (D) suspend or revoke a license if the cannabis production establishment fails to cure the noncompliance.
- 653 (2) A cannabis production establishment shall operate:
- 654 (a) except as provided in Subsection (5), in a facility that is accessible only by an individual with a valid cannabis production establishment agent registration card issued under Section 4-41a-301; and

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- 657 (b) at the physical address provided to the department under Section 4-41a-201.
- 658 (3) A cannabis production establishment may not employ an individual who is younger than 21 years old.
- 660 (4) A cannabis production establishment may not employ an individual who has been convicted, under state or federal law, of:
- 662 (a) a felony in the preceding 10 years; or
- 663 (b) after December 3, 2018, a misdemeanor for drug distribution.
- 664 (5) A cannabis production establishment may authorize an individual who is at least 18 years old and is not a cannabis production establishment agent to access the cannabis production establishment if the cannabis production establishment:
- 667 (a) tracks and monitors the individual at all times while the individual is at the cannabis production establishment; and
- 669 (b) maintains a record of the individual's access, including arrival and departure.
- 670 (6) A cannabis production establishment shall operate in a facility that has:
- 671 (a) a single, secure public entrance;
- 672 (b) a security system with a backup power source that:
- 673 (i) detects and records entry into the cannabis production establishment; and
- 674 (ii) provides notice of an unauthorized entry to law enforcement when the cannabis production establishment is closed; and
- 676 (c) a lock or equivalent restrictive security feature on any area where the cannabis production establishment stores cannabis or a cannabis product.
- 678 (7)
- . (a) A cannabis production establishment shall maintain a video surveillance system that:
- 680 (i) tracks all handling and processing of cannabis or a cannabis product in the establishment;
- 682 (ii) is tamper proof; and
- 683 (iii) stores a video record for at least 45 days.
- 684 (b) A cannabis production establishment shall provide the department access to the video surveillance system upon request.
- 707 Section 6. Section **4-41a-801** is amended to read:
- 708 **4-41a-801. Enforcement -- Fine -- Citation.**
- 688 (1)

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- . (a) If a person that is a cannabis production establishment, ~~[or]~~ a cannabis production establishment agent, a medical cannabis pharmacy, a medical cannabis pharmacy agent, or a medical cannabis courier, violates this chapter, the department may:
- 690 ~~[(a)]~~ (i) revoke the person's license or ~~[cannabis production establishment]~~ agent registration card;
- 692 ~~[(b)]~~ (ii) decline to renew the person's license or ~~[cannabis production establishment]~~ agent registration card; ~~[or]~~
- 694 ~~[(e)]~~ (iii) assess the person an administrative penalty that the department establishes by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act~~[-]~~; or
- 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 of concern before taking other administrative action under this section.
- 696 (2) The department shall deposit an administrative penalty imposed under this section into the General Fund.
- 698 (3)
- . (a) The department may take an action described in Subsection (3)(b) if the department concludes, upon investigation, that, for a person that is a cannabis production establishment, ~~[or]~~ a cannabis production establishment agent, a medical cannabis pharmacy, a medical cannabis pharmacy agent, or a medical cannabis courier:
- 701 (i) the person has violated the provisions of this chapter, a rule made under this chapter, or an order issued under this chapter; or
- 703 (ii) the person produced cannabis or a cannabis product batch that contains a substance, other than cannabis, that poses a significant threat to human health.
- 705 (b) If the department makes the determination about a person described in Subsection (3)(a), the department ~~[shall]~~ may:
- 707 (i) issue the person a written administrative citation;
- 708 (ii) attempt to negotiate a stipulated settlement;
- 709 (iii) seize, embargo, or destroy the cannabis or cannabis product batch;
- 710 (iv) order the person to cease and desist from the action that creates a violation; ~~[and]~~ or
- 711 (v) direct the person to appear before an adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative Procedures Act.

713

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- (4) The department may, for a person subject to an uncontested citation, a stipulated settlement, or a finding of a violation in an adjudicative proceeding under this section, for a fine amount not already specified in law, assess the person, who is not an individual, a fine of up to \$5,000 per violation, in accordance with a fine schedule that the department establishes by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 719 (5) The department may not revoke a ~~["cannabis production establishment's"]~~ license without first directing the ~~["cannabis production establishment"]~~ licensee to appear before an adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative Procedures Act.
- 722 (6) If within 20 calendar days after the day on which a department serves a citation for a violation of this chapter, the person that is the subject of the citation fails to request a hearing to contest the citation, the citation becomes the department's final order.
- 725 (7) The department may, for a person who fails to comply with a citation under this section:
- 726 (a) refuse to issue or renew the person's license or ~~["cannabis production establishment"]~~ agent registration card; or
- 728 (b) suspend, revoke, or place on probation the person's license or ~~["cannabis production 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 remedy the violation.
- 766 (c) If the person fails to remedy the violation described in a letter of concern, the 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 Subsection (8)(c), the department may not report that a letter of concern was issued to the licensing board.
- 730 ~~[(8)]~~ (9)
- . (a) Except where a criminal penalty is expressly provided for a specific violation of this chapter, or where civil and criminal penalties are provided for violations of Section 76-10-31, if an individual:
- 733 (i) violates a provision of this chapter, the individual is:

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- 734 (A) guilty of an infraction; and
735 (B) subject to a \$100 fine; or
736 (ii) intentionally or knowingly violates a provision of this chapter or violates this chapter three or
more times, the individual is:
- 738 (A) guilty of a class B misdemeanor; and
739 (B) subject to a \$1,000 fine.
- 740 (b) An individual who is guilty of a violation described in Subsection (8)(a) is not guilty of a violation
of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct underlying the violation
described in Subsection (8)(a).
- 743 ~~(9)~~ (10) Nothing in this section prohibits:
744 {a}
- 745 a the department from referring potential criminal activity to law enforcement[-] ; or
745 b the attorney general from investigating or prosecuting individuals or businesses for violations of
Title 76, Chapter 10, Part 31, Utah Antitrust Act.
- 788 Section 7. Section **4-41a-802** is amended to read:
789 **4-41a-802. Report.**
- 749 (1) At or before the November interim meeting each year, the department shall report to the Health and
Human Services Interim Committee on:
- 751 (a) the number of applications and renewal applications that the department receives under this chapter;
753 (b) the number of each type of [~~cannabis production facility~~] license that the department
[~~licenses~~] issues in each county;
- 755 (c) the amount of cannabis that licensees grow;
756 (d) the amount of cannabis that licensees manufacture into cannabis products;
757 (e) the number of licenses the department revokes under this chapter;
758 (f) the department's operation of an independent cannabis testing laboratory under Section 4-41a-201,
including:
- 760 (i) the cannabis and cannabis products the department tested; and
761 (ii) the results of the tests the department performed;
- 762 (g) the expenses incurred and revenues generated under this chapter; ~~{f}~~ and
763 (h) the total quantity of medical cannabis shipments;
764 (i) the number of overall purchases of medical cannabis from each medical cannabis pharmacy; and

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- 766 ~~(h)~~ (j) an analysis of product availability in medical cannabis pharmacies in consultation with the
Department of Health and Human Services.
- 768 (2) The department may not include personally identifying information in the report described in this
section.
- 770 (3) The department shall report to the working group described in Section 36-12-8.2 as requested by the
working group.
- 813 Section 8. Section **4-41a-1001** is amended to read:
- 814 **4-41a-1001. Medical cannabis pharmacy -- License -- Eligibility.**
- 774 (1) A person may not:
- 775 (a) operate as a medical cannabis pharmacy without a license that the department issues under this part;
- 777 (b) obtain a medical cannabis pharmacy license if obtaining the license would cause the person to
exceed the pharmacy ownership limit;
- 779 (c) obtain a partial ownership share of a medical cannabis pharmacy if obtaining the partial ownership
share would cause the person to exceed the pharmacy ownership limit; or
- 782 (d) enter into any contract or agreement that allows the person to directly or indirectly control the
operations of a medical cannabis pharmacy if the person's control of the medical cannabis pharmacy
would cause the person to effectively exceed the pharmacy ownership limit.
- 786 (2)
- . (a)
- . (i) Subject to Subsections (4) and (5) and to Section 4-41a-1005, the ~~[department shall issue a
license to operate a medical cannabis pharmacy through the licensing board created under
Section 4-41a-201.1]~~ licensing board shall issue a license to operate a medical cannabis
pharmacy.
- 790 (ii) The ~~[department]~~ licensing board may not issue a license to operate a medical cannabis
pharmacy to an applicant who is not eligible for a license under this section.
- 793 (b) An applicant is eligible for a license under this section if the applicant submits to the
~~[department]~~ licensing board:
- 795 (i) subject to Subsection (2)(c), a proposed name and address where the applicant will operate the
medical cannabis pharmacy;
- 797 (ii) the name and address of an individual who:
- 798

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- (A) for a publicly traded company, has a financial or voting interest of 10% or greater in the proposed medical cannabis pharmacy;
- 800 (B) for a privately held company, a financial or voting interest in the proposed medical cannabis pharmacy; or
- 802 (C) has the power to direct or cause the management or control of a proposed medical cannabis pharmacy;
- 804 (iii) for each application that the applicant submits to the department, a statement from the applicant that the applicant will obtain and maintain:
- 806 (A) a performance bond in the amount of \$100,000 issued by a surety authorized to transact surety business in the state; or
- 808 (B) a liquid cash account in the amount of \$100,000 with a financial institution;
- 809 (iv) an operating plan that:
- 810 (A) complies with Section 4-41a-1004;
- 811 (B) includes operating procedures to comply with the operating requirements for a medical cannabis pharmacy described in this part and with a relevant municipal or county law that is consistent with Section 4-41a-1106; and
- 814 (C) the department approves;
- 815 (v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504; and
- 817 (vi) a description of any investigation or adverse action taken by any licensing jurisdiction, government agency, law enforcement agency, or court in any state for any violation or detrimental conduct in relation to any of the applicant's cannabis-related operations or businesses.
- 821 (c)
- . (i) A person may not locate a medical cannabis pharmacy:
- 822 (A) within 200 feet of a community location; or
- 823 (B) in or within 600 feet of a district that the relevant municipality or county has zoned as primarily residential.
- 825 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured from the nearest entrance to the medical cannabis pharmacy establishment by following the shortest route of ordinary pedestrian travel to the property boundary of the community location or residential area.
- 829

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- (iii) The [department] licensing board may grant a waiver to reduce the proximity requirements in Subsection (2)(c)(i) by up to 20% if the department determines that it is not reasonably feasible for the applicant to cite the proposed medical cannabis pharmacy without the waiver.
- 833 (iv) An applicant for a license under this section shall provide evidence of compliance with the proximity requirements described in Subsection (2)(c)(i).
- 835 (d) The [department] licensing board may not issue a license to an eligible applicant that the department has selected to receive a license until the selected eligible applicant complies with the bond or liquid cash requirement described in Subsection (2)(b)(iii).
- 838 (e) If the [department] licensing board receives more than one application for a medical cannabis pharmacy within the same city or town, the department shall consult with the local land use authority before approving any of the applications pertaining to that city or town.
- 842 (f) In considering the issuance of a medical cannabis pharmacy license under this section, the [department] licensing board may consider the extent to which the pharmacy can increase efficiency and reduce cost to patients of medical cannabis.
- 845 (3) If the [department] licensing board selects an applicant for a medical cannabis pharmacy license under this section, the department shall:
- 847 (a) charge the applicant an initial license fee in an amount that, subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504;
- 849 (b) notify the Department of Public Safety of the license approval and the names of each individual described in Subsection (2)(b)(ii); and
- 851 (c) charge the licensee a fee in an amount that, subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504, for any change in location, ownership, or company structure.
- 854 (4) The [department] licensing board may not issue a license to operate a medical cannabis pharmacy to an applicant if an individual described in Subsection (2)(b)(ii):
- 856 (a) has been convicted under state or federal law of:
- 857 (i) a felony in the preceding 10 years; or
- 858 (ii) after December 3, 2018, a misdemeanor for drug distribution;
- 859 (b) is younger than 21 years old; or
- 860 (c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator.
- 861 (5)

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- (a) If an applicant for a medical cannabis pharmacy license under this section holds another license under this chapter, the [department] licensing board may not give preference to the applicant based on the applicant's status as a holder of the license.
- 864 (b) If an applicant for a medical cannabis pharmacy license under this section holds a license to operate a cannabis cultivation facility under this section, the [department] licensing board may give consideration to the applicant's status as a holder of the license if:
- 868 (i) the applicant demonstrates that a decrease in costs to patients is more likely to result from the applicant's vertical integration than from a more competitive marketplace; and
- 871 (ii) the department finds multiple other factors, in addition to the existing license, that support granting the new license.
- 873 (6) The [~~licensing board~~] licensing board may revoke a license under this part:
- 874 (a) if the medical cannabis pharmacy does not begin operations within one year after the day on which the department issues an announcement of the department's intent to award a license to the medical cannabis pharmacy;
- 877 (b) after the third of the same violation of this chapter in any of the licensee's licensed cannabis production establishments or medical cannabis pharmacies;
- 879 (c) if an individual described in Subsection (2)(b)(ii) is convicted, while the license is active, under state or federal law of:
- 881 (i) a felony; or
- 882 (ii) after December 3, 2018, a misdemeanor for drug distribution;
- 883 (d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at the time of application, or fails to supplement the information described in Subsection (2)(b)(vi) with any investigation or adverse action that occurs after the submission of the application within 14 calendar days after the licensee receives notice of the investigation or adverse action;
- 888 (e) if the medical cannabis pharmacy demonstrates a willful or reckless disregard for the requirements of this chapter or the rules the department makes in accordance with this chapter;
- 891 (f) if, after a change of ownership described in Subsection [~~(11)(e)~~] (10)(c), the department determines that the medical cannabis pharmacy no longer meets the minimum standards for licensure and operation of the medical cannabis pharmacy described in this chapter; or

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- (g) if through an investigation conducted under Subsection 4-41a-201.1(11) and in accordance with Title 63G, Chapter 4, Administrative Procedures Act, the ~~[board]~~ licensing board finds that the licensee has participated in anticompetitive business practices.
- 899 (7)
- . (a) A person who receives a medical cannabis pharmacy license under this chapter, if the municipality or county where the licensed medical cannabis pharmacy will be located requires a local land use permit, shall submit to the department a copy of the licensee's approved application for the land use permit within 120 days after the day on which the department issues the license.
- 904 (b) If a licensee fails to submit to the department a copy the licensee's approved land use permit application in accordance with Subsection (7)(a), the department may revoke the licensee's license.
- 907 (8) The department shall deposit the proceeds of a fee imposed by this section into the Qualified Production Enterprise Fund.
- 909 ~~[(9) The department shall begin accepting applications under this part on or before March 1, 2020.]~~
- 911 ~~[(10)]~~ (9)
- . (a) The ~~[department's]~~ licensing board's authority to issue a license under this section is plenary and is not subject to review.
- 913 (b) Notwithstanding Subsection (2), the decision of the department to award a license to an applicant is not subject to:
- 915 (i) Title 63G, Chapter 6a, Part 16, Protests; or
- 916 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.
- 917 ~~[(11)]~~ (10)
- . (a) A medical cannabis pharmacy license is not transferrable or assignable.
- 918 (b) A medical cannabis pharmacy shall report in writing to the department no later than ~~[10]~~ 45 business days before the date of any change of ownership of the medical cannabis pharmacy.
- 921 (c) If the ownership of a medical cannabis pharmacy changes by 50% or more:
- 922 (i) concurrent with the report described in Subsection ~~[(11)(b)]~~ (10)(b), the medical cannabis pharmacy shall submit a new application described in Subsection (2)(b), subject to Subsection (2)(c);
- 925 (ii) within 30 days of the submission of the application, the ~~[department]~~ licensing board shall:
- 927 (A) conduct an application review; and
- 928 (B) award a license to the medical cannabis pharmacy for the remainder of the term of the medical cannabis pharmacy's license before the ownership change if the medical cannabis pharmacy meets

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the minimum standards for licensure and operation of the medical cannabis pharmacy described in this chapter; and

- 932 (iii) if the department approves the license application, notwithstanding Subsection (3), the medical
cannabis pharmacy shall pay a license fee that the department sets in accordance with Section
63J-1-504 in an amount that covers the department's cost of conducting the application review.

977 Section 9. Section 4-41a-1005 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 apply, the
department shall issue up to 15 medical cannabis pharmacy licenses in accordance with this section.

982 (b) If an insufficient number of qualified applicants apply for the available number of medical cannabis
pharmacy licenses, the department shall issue a medical cannabis pharmacy license to each qualified
applicant.

985 (c) The department may issue the licenses described in Subsection (1)(a) in accordance with this
Subsection (1)(c).

987 (i) Using one procurement process, the department may issue eight licenses to an initial group of
medical cannabis pharmacies and six licenses to a second group of medical cannabis pharmacies.

990 (ii) The department shall:

991 (A) divide the state into no less than four geographic regions, set by the department in rule;

993 (B) issue at least one license in each geographic region during each phase of issuing licenses; and

995 (C) complete the process of issuing medical cannabis pharmacy licenses no later than July 1, 2020.

997 (iii) In issuing a 15th license under Subsection (1), the department shall ensure that the license recipient
will locate the medical cannabis pharmacy within Dagget, 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 addition to the
licenses described in Subsection (1)(a) if the department determines, in consultation with the
Department of Health and Human Services and after an annual or more frequent analysis of the
current and anticipated market for medical cannabis, that each additional license is necessary to
provide an adequate supply, quality, or variety of medical cannabis to medical cannabis cardholders.

1007 (ii) The department shall:

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- 1008 (A) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, make rules to
establish criteria and processes for the consultation, 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 each time the
department issues an additional license under Subsection (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 (1)(d)(ii)(A).
- 1016 (2)
- . (a) If there are more qualified applicants than there are available licenses for medical cannabis
pharmacies, the department shall:
- 1018 (i) evaluate each applicant and award the license to the applicant that best demonstrates:
- 1020 (A) experience with establishing and successfully operating a business that involves complying with a
regulatory environment, tracking inventory, and training, evaluating, and monitoring employees;
- 1023 (B) an operating plan that will best ensure the safety and security of patrons and the community;
- 1025 (C) positive connections to the local community;
- 1026 (D) the suitability of the proposed location and the location's accessibility for qualifying patients;
- 1028 (E) the extent to which the applicant can increase efficiency and reduce the cost of medical cannabis for
patients; and
- 1030 (F) a strategic plan described in Subsection 4-41a-1004(7) that has a comparatively high likelihood of
success; and
- 1032 (ii) ensure a geographic dispersal among licensees that is sufficient to reasonably 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 increased
consideration to applicants who indicate a willingness to[:]
- 1036 [(i)] operate as a home delivery medical cannabis pharmacy that accepts electronic 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 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

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- (3) The department may conduct a face-to-face interview with an applicant for a license that the department evaluates under Subsection (2).

1044 Section 10. Section **4-41a-1101** is amended to read:

1045 **4-41a-1101. Operating requirements -- General.**

938 (1)

(a) A medical cannabis pharmacy shall operate:

939 (i) at the physical address provided to the department under Section 4-41a-1001; and

940 (ii) in accordance with the operating plan provided to the department under Section 4-41a-1001
and, if applicable, Section 4-41a-1004.

942 (b) A medical cannabis pharmacy shall notify the department before a change in the medical cannabis
pharmacy's physical address or operating plan.

944 (2) An individual may not enter a medical cannabis pharmacy unless the individual:

945 (a) is at least 18 years old or is an emancipated minor under Section 80-7-105; and

946 (b) except as provided in Subsection (4):

947 (i) possesses a valid:

948 (A) medical cannabis pharmacy agent registration card;

949 (B) pharmacy medical provider registration card; or

950 (C) medical cannabis card;

951 (ii) is an employee of the department performing an inspection under Section 4-41a-1103; or

953 (iii) is another individual as the department provides.

954 (3) A medical cannabis pharmacy may not employ an individual who is younger than 21 years old.

956 (4) Notwithstanding Subsection (2)(a), a medical cannabis pharmacy may authorize an individual who
is not a medical cannabis pharmacy agent or pharmacy medical provider to access the medical
cannabis pharmacy if the medical cannabis pharmacy tracks and monitors the individual at all times
while the individual is at the medical cannabis pharmacy and maintains a record of the individual's
access.

961 (5) A medical cannabis pharmacy shall operate in a facility that has:

962 (a) a single, secure public entrance;

963 (b) a security system with a backup power source that:

964 (i) detects and records entry into the medical cannabis pharmacy; and

965

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- (ii) provides notice of an unauthorized entry to law enforcement when the medical cannabis pharmacy is closed; and
- 967 (c) a lock on each area where the medical cannabis pharmacy stores cannabis or a cannabis product.
- 969 (6) A medical cannabis pharmacy shall post, both clearly and conspicuously in the medical cannabis pharmacy, the limit on the purchase of cannabis described in Subsection 4-41a-1102(2).
- 972 (7) Except for an emergency situation described in Subsection [~~26B-4-213(3)(e)~~] 26B-4-213(3)(b), a medical cannabis pharmacy may not allow any individual to consume cannabis on the property or premises of the medical cannabis pharmacy.
- 975 (8) A medical cannabis pharmacy may not sell cannabis or a cannabis product without first indicating on the cannabis or cannabis product label the name of the medical cannabis pharmacy.
- 978 (9)
- . (a) Each medical cannabis pharmacy shall retain in the pharmacy's records the following information regarding each recommendation underlying a transaction:
 - 980 (i) the recommending medical provider's name, address, and telephone number;
 - 981 (ii) the patient's name and address;
 - 982 (iii) the date of issuance;
 - 983 (iv) directions of use and dosing guidelines or an indication that the recommending medical provider did not recommend specific directions of use or dosing guidelines; and
 - 986 (v) if the patient did not complete the transaction, the name of the medical cannabis cardholder who completed the transaction.
- 988 (b)
- . (i) Except as provided in Subsection (9)(b)(iii), a medical cannabis pharmacy may not sell medical cannabis unless the medical cannabis has a label securely affixed to the container indicating the following minimum information:
 - 991 (A) the name, address, and telephone number of the medical cannabis pharmacy;
 - 992 (B) the unique identification number that the medical cannabis pharmacy assigns;
 - 993 (C) the date of the sale;
 - 994 (D) the name of the patient;
 - 995 (E) the name of the recommending medical provider who recommended the medical cannabis treatment;
 - 997 (F) directions for use and cautionary statements, if any;

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- 998 (G) the amount dispensed and the cannabinoid content;
- 999 (H) the suggested use date;
- 1000 (I) for unprocessed cannabis flower, the legal use termination date; and
- 1001 (J) any other requirements that the department determines, in consultation with the Division of Professional Licensing and the Board of Pharmacy.
- 1003 (ii) A medical cannabis pharmacy is exempt from the requirement to provide the following information under Subsection (9)(b)(i) if the information is already provided on the product label that a cannabis production establishment affixes:
- 1006 (A) a unique identification number;
- 1007 (B) directions for use and cautionary statements;
- 1008 (C) amount and cannabinoid content; and
- 1009 (D) a suggested use date.
- 1010 (iii) If the size of a medical cannabis container does not allow sufficient space to include the labeling requirements described in Subsection (9)(b)(i), the medical cannabis pharmacy may provide the following information described in Subsection (9)(b)(i) on a supplemental label attached to the container or an informational enclosure that accompanies the container:
- 1015 (A) the cannabinoid content;
- 1016 (B) the suggested use date; and
- 1017 (C) any other requirements that the department determines.
- 1018 (iv) A medical cannabis pharmacy may sell medical cannabis to another medical cannabis pharmacy without a label described in Subsection (9)(b)(i).
- 1020 (10) A pharmacy medical provider or medical cannabis pharmacy agent shall:
- 1021 (a) upon receipt of an order from a limited medical provider in accordance with Subsections 26B-4-204(1)(b) through (d):
- 1023 (i) for a written order or an electronic order under circumstances that the department determines, contact the limited medical provider or the limited medical provider's office to verify the validity of the recommendation; and
- 1026 (ii) for an order that the pharmacy medical provider or medical cannabis pharmacy agent verifies under Subsection (10)(a)(i) or an electronic order that is not subject to verification under Subsection (10)(a)(i), enter the limited medical provider's recommendation or renewal, including any associated

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- directions of use, dosing guidelines, or caregiver indication, in the state electronic verification system;
- 1031 (b) in processing an order for a holder of a conditional medical cannabis card described in Subsection 26B-4-213(1)(b) that appears irregular or suspicious in the judgment of the pharmacy medical provider or medical cannabis pharmacy agent, contact the recommending medical provider or the recommending medical provider's office to verify the validity of the recommendation before processing the cardholder's order;
- 1036 (c) unless the medical cannabis cardholder has had a consultation under Subsection 26B-4-231(5), verbally offer to a medical cannabis cardholder at the time of a purchase of cannabis, a cannabis product, or a medical cannabis device, personal counseling with the pharmacy medical provider; and
- 1040 (d) provide a telephone number or website by which the cardholder may contact a pharmacy medical provider for counseling.
- 1042 (11)
- . (a) A medical cannabis pharmacy may create a medical cannabis disposal program that allows an individual to deposit unused or excess medical cannabis or cannabis residue from a medical cannabis device in a locked box or other secure receptacle within the medical cannabis pharmacy.
- 1046 (b) A medical cannabis pharmacy with a disposal program described in Subsection (11)(a) shall ensure that only a medical cannabis pharmacy agent or pharmacy medical provider can access deposited medical cannabis.
- 1049 (c) A medical cannabis pharmacy shall dispose of any deposited medical cannabis by:
- 1050 (i) rendering the deposited medical cannabis unusable and unrecognizable before transporting deposited medical cannabis from the medical cannabis pharmacy; and
- 1052 (ii) disposing of the deposited medical cannabis in accordance with:
- 1053 (A) federal and state law, rules, and regulations related to hazardous waste;
- 1054 (B) the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 et seq.;
- 1055 (C) Title 19, Chapter 6, Part 5, Solid Waste Management Act; and
- 1056 (D) other regulations that the department makes in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 1058 (12) A medical cannabis pharmacy:
- 1059 (a) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, as a pharmacy medical provider;

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- 1061 (b) may employ a physician who has the authority to write a prescription and is licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, as a pharmacy medical provider;
- 1064 (c) shall ensure that a pharmacy medical provider described in Subsection (12)(a) works onsite during all business hours;
- 1066 (d) shall designate one pharmacy medical provider described in Subsection (12)(a) as the pharmacist-in-charge to oversee the operation of and generally supervise the medical cannabis pharmacy; ~~[{f} and]~~
- 1069 (e) shall allow the pharmacist-in-charge to determine which cannabis and cannabis products the medical cannabis pharmacy maintains in the medical cannabis pharmacy's inventory ~~[-]~~ ;
- 1072 (f) shall maintain a video surveillance system that:
- 1073 (i) tracks all handling of medical cannabis in the pharmacy;
- 1074 (ii) is tamper proof; and
- 1075 (iii) stores a video record for at least 45 days; and
- 1076 (g) shall provide the department access to the video surveillance system upon request.
- 1077 (13) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, protocols for a recall of cannabis and cannabis products 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 -- Reporting -- Form of cannabis or cannabis product.**
- 1083 (1)
- . (a) A medical cannabis pharmacy may not sell a product other than:
- 1084 ~~[(i) cannabis in a medicinal dosage form that the medical cannabis pharmacy acquired from another medical cannabis pharmacy or a cannabis processing facility that is licensed under Section 4-41a-201;]~~
- 1087 ~~[(ii) (i) [a cannabis product in a medicinal dosage form] medical cannabis that the medical cannabis pharmacy acquired from another medical cannabis pharmacy or a cannabis processing facility that is licensed under Section 4-41a-201;~~
- 1090 ~~[(iii) (ii) a medical cannabis device; or~~
- 1091 ~~[(iv) (iii) educational material related to the medical use of cannabis.~~
- 1092

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- (b) A medical cannabis pharmacy may only sell an item listed in Subsection (1)(a) to an individual with:
- 1094 (i)
- . (A) a medical cannabis card; or
- 1095 (B) a Department of Health and Human Services registration described in Subsection 26B-4-213(10); and
- 1097 (ii) a corresponding government issued photo identification.
- 1098 (c) Notwithstanding Subsection (1)(a), a medical cannabis pharmacy may not sell a cannabis-based drug that the United States Food and Drug Administration has approved.
- 1101 (d) Notwithstanding Subsection (1)(b), a medical cannabis pharmacy may not sell a medical cannabis device or medical cannabis to an individual described in Subsection 26B-4-213(2)(a)(i)(B) or to a minor described in Subsection 26B-4-213(2)(c) unless the individual or minor has the approval of the Compassionate Use Board in accordance with Subsection 26B-1-421(5).
- 1106 (2) A medical cannabis pharmacy:
- 1107 (a) may dispense to a medical cannabis cardholder, in any one 28-day period, up to the legal dosage limit of:
- 1109 (i) unprocessed cannabis that:
- 1110 (A) is in a medicinal dosage form; and
- 1111 (B) carries a label clearly displaying the amount of tetrahydrocannabinol and cannabidiol in the cannabis; and
- 1113 (ii) a cannabis product that is in a medicinal dosage form; and
- 1114 (b) may not dispense:
- 1115 (i) except for a medical cannabis cardholder approved under Subsection 26B-4-245(2), more medical cannabis than described in Subsection (2)(a); or
- 1117 (ii) any medical cannabis to an individual whose recommending medical provider did not recommend directions of use and dosing guidelines, until the individual consults with the pharmacy medical provider in accordance with Subsection 26B-4-231(5).
- 1121 (3)
- . (a) A medical cannabis pharmacy shall:
- 1122 (i)
- .

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- (A) access the state electronic verification system before dispensing [~~cannabis or a cannabis product~~] medical cannabis to a medical cannabis cardholder in order to determine if the cardholder or, where applicable, the associated patient has met the maximum amount of medical cannabis described in Subsection (2); and
- 1127 (B) if the verification in Subsection (3)(a)(i)(A) indicates that the individual has met the maximum amount described in Subsection (2), decline the sale, and notify the recommending medical provider who made the underlying recommendation;
- 1131 (ii) submit a record to the state electronic verification system each time the medical cannabis pharmacy dispenses medical cannabis to a medical cannabis cardholder;
- 1133 (iii) ensure that the pharmacy medical provider who is a licensed pharmacist reviews each medical cannabis transaction before dispensing the medical cannabis to the cardholder in accordance with pharmacy practice standards;
- 1136 (iv) package any medical cannabis~~[that is]~~ in a container that:
- 1137 (A) complies with Subsection 4-41a-602(1)(b) or, if applicable, provisions related to a container for unprocessed cannabis flower in the definition of "medicinal dosage form" in Section 26B-4-201; and
- 1140 (B) is tamper-resistant and tamper-evident; ~~[{f}] and]~~
- 1141 ~~[(C) provides an opaque bag or box for the medical cannabis cardholder's use in transporting the container in public;]~~
- 1143 (v) for a product that is a cube that is designed for ingestion through chewing or holding in the mouth for slow dissolution, include a separate, off-label warning about the risks of over-consumption; and
- 1146 (vi) beginning January 1, 2024, for [~~a cannabis product~~] medical cannabis that is cannabis flower, vaporizer cartridges, or concentrate, provide the product's terpene profiles collected under Subsection 4-41a-701(4) at or before the point of sale.
- 1149 (b) A medical cannabis cardholder transporting or possessing the container described in Subsection (3) (a)(iv) in public shall keep the container within the opaque bag or box that the medical cannabis pharmacist provides.
- 1152 (c) A medical cannabis pharmacy shall provide an opaque bag or box for the medical cannabis cardholder to use in transporting the medical cannabis in public if the medical cannabis cardholder does not provide an opaque bag or box.

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1155 (4)

. (a) Except as provided in Subsection (4)(b), a medical cannabis pharmacy may not sell medical cannabis in the form of a cigarette or a medical cannabis device that is intentionally designed or constructed to resemble a cigarette.

1158 (b) A medical cannabis pharmacy may sell a medical cannabis device that warms cannabis material into a vapor without the use of a flame and that delivers cannabis to an individual's respiratory system.

1161 (5)

. (a) A medical cannabis pharmacy may not give, at no cost, a product that the medical cannabis pharmacy is allowed to sell under Subsection (1)(a)(i)~~[,]~~ or (ii)~~[, or (iii)]~~.

1163 (b) A medical cannabis pharmacy may give, at no cost, educational material related to the medical use of cannabis.

1165 (6) A medical cannabis pharmacy may purchase and store medical cannabis devices regardless of whether the seller has a cannabis-related license under this chapter or Title 26B, Utah Health and Human Services Code.

1276 Section 12. Section **4-41a-1106** is amended to read:

1277 **4-41a-1106. Medical cannabis pharmacy agent -- Registration.**

1170 (1) An individual may not serve as a medical cannabis pharmacy agent of a medical cannabis pharmacy unless the department registers the individual as a medical cannabis pharmacy agent.

1173 (2) A recommending medical provider may not act as a medical cannabis pharmacy agent, have a financial or voting interest of 2% or greater in a medical cannabis pharmacy, or have the power to direct or cause the management or control of a medical cannabis pharmacy.

1177 (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 prospective medical cannabis pharmacy agent, register and issue a medical cannabis pharmacy agent registration card to the prospective agent if the medical cannabis pharmacy:

1182 (i) provides to the department:

1183 (A) the prospective agent's name and address;

1184 (B) the name and location of the licensed medical cannabis pharmacy where the prospective agent seeks to act as the medical cannabis pharmacy agent; and

1186 (C) the submission required under Subsection (3)(b); and

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- 1187 (ii) pays a fee to the department in an amount that, subject to Subsection 4-41a-104(5), the
department sets in accordance with Section 63J-1-504.
- 1189 (b) Each prospective agent described in Subsection (3)(a) shall:
- 1190 (i) submit to the department:
- 1191 (A) a fingerprint card in a form acceptable to the Department of Public Safety; and
- 1192 (B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the registration
of the prospective agent's fingerprints in the Federal Bureau of Investigation Next Generation
Identification System's Rap Back Service; and
- 1195 (ii) consent to a fingerprint background check by:
- 1196 (A) the Bureau of Criminal Identification; and
- 1197 (B) the Federal Bureau of Investigation.
- 1198 (c) The Bureau of Criminal Identification shall:
- 1199 (i) check the fingerprints the prospective agent submits under Subsection (3)(b) against the applicable
state, regional, and national criminal records databases, including the Federal Bureau of
Investigation Next Generation Identification System;
- 1203 (ii) report the results of the background check to the department;
- 1204 (iii) maintain a separate file of fingerprints that prospective agents submit under Subsection (3)(b) for
search by future submissions to the local and regional criminal records databases, including latent
prints;
- 1207 (iv) request that the fingerprints be retained in the Federal Bureau of Investigation Next Generation
Identification System's Rap Back Service for search by future submissions to national criminal
records databases, including the Next Generation Identification System and latent prints; and
- 1211 (v) establish a privacy risk mitigation strategy to ensure that the department only receives notifications
for an individual with whom the department maintains an authorizing relationship.
- 1214 (d) The department shall:
- 1215 (i) assess an individual who submits fingerprints under Subsection (3)(b) a fee in an amount that the
department sets in accordance with Section 63J-1-504 for the services that the Bureau of Criminal
Identification or another authorized agency provides under this section; and
- 1219 (ii) remit the fee described in Subsection (3)(d)(i) to the Bureau of Criminal Identification.
- 1221 [~~(4) The department shall designate, on an individual's medical cannabis pharmacy agent registration
card the name of the medical cannabis pharmacy where the individual is registered as an agent.~~]

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- 1224 [~~(5)~~] (4) A medical cannabis pharmacy agent shall comply with a certification standard that the department develops in collaboration with the Division of Professional Licensing and the Board of Pharmacy, or a third-party certification standard that the department designates by rule, in collaboration with the Division of Professional Licensing and the Board of Pharmacy and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 1230 [~~(6)~~] (5) The department shall ensure that the certification standard described in Subsection [~~(5)~~] (4) includes training in:
- 1232 (a) Utah medical cannabis law; and
- 1233 (b) medical cannabis pharmacy best practices.
- 1234 [~~(7)~~] (6) The department may revoke the medical cannabis pharmacy agent registration card of, or refuse to issue a medical cannabis pharmacy agent registration card to, an individual who:
- 1237 (a) violates the requirements of this chapter; or
- 1238 (b) is convicted under state or federal law of:
- 1239 (i) a felony within the preceding 10 years; or
- 1240 (ii) after December 3, 2018, a misdemeanor for drug distribution.
- 1241 [~~(8)~~] (7)
- . (a) A medical cannabis pharmacy agent registration card expires two years after the day on which the department issues or renews the card.
- 1243 (b) A medical cannabis pharmacy agent may renew the agent's registration card if the agent:
- 1245 (i) is eligible for a medical cannabis pharmacy agent registration card under this section;
- 1247 (ii) certifies to the department in a renewal application that the information in Subsection (3)(a) is accurate or updates the information; and
- 1249 (iii) pays to the department a renewal fee in an amount that:
- 1250 (A) subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504; and
- 1252 (B) may not exceed the cost of the relatively lower administrative burden of renewal in comparison to the original application process.
- 1254 [~~(9)~~] (8)
- . (a) As a condition precedent to registration and renewal of a medical cannabis pharmacy agent registration card, a medical cannabis pharmacy agent shall:
- 1256 (i) complete at least one hour of continuing education regarding patient privacy and federal health information privacy laws that is offered by the department under Subsection [~~(9)(b)~~] (8)(b) or an

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accredited or approved continuing education provider that the department recognizes as offering continuing education appropriate for the medical cannabis pharmacy practice; and

1261 (ii) make a continuing education report to the department in accordance with a process that the department establishes by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and in collaboration with the Division of Professional Licensing and the Board of Pharmacy.

1265 (b) The department may, in consultation with the Division of Professional Licensing, develop the continuing education described in this Subsection [(9)] (8).

1267 (c) The pharmacist-in-charge described in Section 26B-4-219 shall ensure that each medical cannabis pharmacy agent working in the medical cannabis pharmacy who has access to the state electronic verification system is in compliance with this Subsection [(9)] (8).

1271 (d) A medical cannabis pharmacy agent may not access the electronic verification system following the termination of the medical cannabis pharmacy agent's employment.

1274 [(10)] (9) A medical cannabis pharmacy shall:

1275 (a) maintain a list of employees that have a medical cannabis pharmacy agent registration card; and

1277 (b) provide the list to the department upon request.

1386 Section 13. Section **4-41a-1202** is amended to read:

1387 **4-41a-1202. Home delivery of medical cannabis shipments -- Medical cannabis couriers -- License.**

1281 (1) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to ensure the safety, security, and efficiency of a home delivery medical cannabis pharmacy's fulfillment of electronic medical cannabis orders that the state central patient portal facilitates, including rules regarding the safe and controlled delivery of medical cannabis shipments.

1286 (2) A person may not operate as a medical cannabis courier without a license that the [department] licensing board issues under this section.

1288 (3)

. (a) Subject to Subsections (5) and (6), the [department] licensing board shall issue a license to operate as a medical cannabis courier to an applicant who is eligible for a license under this section.

1291 (b) An applicant is eligible for a license under this section if the applicant submits to the [department] licensing board:

1293 (i) the name and address of an individual who:

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- 1294 (A) has a financial or voting interest of 10% or greater in the proposed medical cannabis courier; or
1296 (B) has the power to direct or cause the management or control of a proposed cannabis production
establishment;
- 1298 (ii) an operating plan that includes operating procedures to comply with the operating requirements for
a medical cannabis courier described in this chapter; and
- 1300 (iii) an application fee in an amount that, subject to Subsection 4-41a-104(5), the department sets in
accordance with Section 63J-1-504.
- 1302 (4) If the [department] licensing board determines that an applicant is eligible for a license under this
section, the department shall:
- 1304 (a) charge the applicant an initial license fee in an amount that, subject to Subsection 4-41a-104(5), the
department sets in accordance with Section 63J-1-504; and
- 1306 (b) notify the Department of Public Safety of the license approval and the names of each individual
described in Subsection (3)(b)(i).
- 1308 (5) The [department] licensing board may not issue a license to operate as a medical cannabis courier to
an applicant if an individual described in Subsection (3)(b)(i):
- 1310 (a) has been convicted under state or federal law of:
- 1311 (i) a felony in the preceding 10 years; or
- 1312 (ii) after September 23, 2019, a misdemeanor for drug distribution; or
- 1313 (b) is younger than 21 years old.
- 1314 (6) The [department] licensing board may revoke a license under this part if:
- 1315 (a) the medical cannabis courier does not begin operations within one year after the day on which the
department issues the initial license;
- 1317 (b) the medical cannabis courier makes the same violation of this chapter three times;
- 1318 (c) an individual described in Subsection (3)(b)(i) is convicted, while the license is active, under state or
federal law of:
- 1320 (i) a felony; or
- 1321 (ii) after September 23, 2019, a misdemeanor for drug distribution; or
- 1322 (d) after a change of ownership described in Subsection (14)(c), the [department] licensing board
determines that the medical cannabis courier no longer meets the minimum standards for licensure
and operation of the medical cannabis courier described in this chapter.
- 1326

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- (7) The department shall deposit the proceeds of a fee imposed by this section [in] into the Qualified Production Enterprise Fund.
- 1328 (8) The [~~department's~~] licensing board's authority to issue a license under this section is plenary and is not subject to review.
- 1330 (9) Each applicant for a license as a medical cannabis courier shall submit, at the time of application, from each individual who has a financial or voting interest of 10% or greater in the applicant or who has the power to direct or cause the management or control of the applicant:
- 1334 (a) a fingerprint card in a form acceptable to the Department of Public Safety;
- 1335 (b) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the registration of the individual's fingerprints in the Federal Bureau of Investigation Next Generation Identification System's Rap Back Service; and
- 1338 (c) consent to a fingerprint background check by:
- 1339 (i) the Bureau of Criminal Identification; and
- 1340 (ii) the Federal Bureau of Investigation.
- 1341 (10) The Bureau of Criminal Identification shall:
- 1342 (a) check the fingerprints the applicant submits under Subsection (9) against the applicable state, regional, and national criminal records databases, including the Federal Bureau of Investigation Next Generation Identification System;
- 1345 (b) report the results of the background check to the department;
- 1346 (c) maintain a separate file of fingerprints that applicants submit under Subsection (9) for search by future submissions to the local and regional criminal records databases, including latent prints;
- 1349 (d) request that the fingerprints be retained in the Federal Bureau of Investigation Next Generation Identification System's Rap Back Service for search by future submissions to national criminal records databases, including the Next Generation Identification System and latent prints; and
- 1353 (e) establish a privacy risk mitigation strategy to ensure that the department only receives notifications for an individual with whom the department maintains an authorizing relationship.
- 1356 (11) The department shall:
- 1357 (a) assess an individual who submits fingerprints under Subsection (9) a fee in an amount that the department sets in accordance with Section 63J-1-504 for the services that the Bureau of Criminal Identification or another authorized agency provides under this section; and
- 1361 (b) remit the fee described in Subsection (11)(a) to the Bureau of Criminal Identification.

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- 1362 (12) The [department] licensing board shall renew a license under this section every year if, at the time
of renewal:
- 1364 (a) the licensee meets the requirements of this section; and
- 1365 (b) the licensee pays the department a license renewal fee in an amount that, subject to Subsection
4-41a-104(5), the department sets in accordance with Section 63J-1-504.
- 1367 (13) A person applying for a medical cannabis courier license shall submit to the [department] licensing
board a proposed operating plan that complies with this section and that includes:
- 1370 (a) a description of the physical characteristics of any proposed facilities, including a floor plan and an
architectural elevation, and delivery vehicles;
- 1372 (b) a description of the credentials and experience of each officer, director, or owner of the proposed
medical cannabis courier;
- 1374 (c) the medical cannabis courier's employee training standards;
- 1375 (d) a security plan; and
- 1376 (e) storage and delivery protocols, both short and long term, to ensure that medical cannabis shipments
are stored and delivered in a manner that is sanitary and preserves the integrity of the cannabis.
- 1379 (14)
- . (a) A medical cannabis courier license is not transferable or assignable.
- 1380 (b) A medical cannabis courier shall report in writing to the department no later than [~~40~~] 45 business
days before the date of any change of ownership of the medical cannabis courier.
- 1383 (c) If the ownership of a medical cannabis courier changes by 50% or more:
- 1384 (i) concurrent with the report described in Subsection (14)(b), the medical cannabis courier shall submit
a new application described in Subsection (3)(b);
- 1386 (ii) within 30 days of the submission of the application, the [department] licensing board shall:
- 1388 (A) conduct an application review; and
- 1389 (B) award a license to the medical cannabis courier for the remainder of the term of the medical
cannabis courier's license before the ownership change if the medical cannabis courier meets the
minimum standards for licensure and operation of the medical cannabis courier described in this
chapter; and
- 1393 (iii) if the [department] licensing board approves the license application, notwithstanding Subsection
(4), the medical cannabis courier shall pay a license fee that the department sets in accordance with

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Section 63J-1-504 in an amount that covers the [~~board~~] licensing board's cost of conducting the application review.

1397 (15)

(a) Except as provided in Subsection(15)(b), a person may not advertise regarding the transportation of medical cannabis.

1399 (b) Notwithstanding Subsection (14)(a) and subject to Section 4-41a-109, a licensed home delivery medical cannabis pharmacy or a licensed medical cannabis courier may advertise:

1402 (i) a green cross;

1403 (ii) the pharmacy's or courier's name and logo; and

1404 (iii) that the pharmacy or courier is licensed to transport medical cannabis shipments.

1513 Section 14. Section **4-41a-1204** is amended to read:

1514 **4-41a-1204. Medical cannabis courier agent -- Background check -- Registration card --
Rebuttable presumption.**

1408 (1) An individual may not serve as a medical cannabis courier agent unless the department registers the individual as a medical cannabis courier agent.

1410 (2)

(a) The department shall, within 15 days after the day on which the department receives a complete application from a medical cannabis courier on behalf of a medical cannabis courier agent, register and issue a medical cannabis courier agent registration card to the prospective agent if the medical cannabis courier:

1414 (i) provides to the department:

1415 (A) the prospective agent's name and address;

1416 (B) the name and address of the medical cannabis courier;

1417 (C) the name and address of each home delivery medical cannabis pharmacy with which the medical cannabis courier contracts to deliver medical cannabis shipments; and

1420 (D) the submission required under Subsection (2)(b);

1421 (ii) as reported under Subsection (2)(c), has not been convicted under state or federal law of:

1423 (A) a felony in the last 10 years; or

1424 (B) after December 3, 2018, a misdemeanor for drug distribution; and

1425 (iii) pays the department a fee in an amount that, subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504.

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- 1427 (b) Each prospective agent described in Subsection (2)(a) shall:
- 1428 (i) submit to the department:
- 1429 (A) a fingerprint card in a form acceptable to the Department of Public Safety; and
- 1430 (B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the registration of the prospective agent's fingerprints in the Federal Bureau of Investigation Next Generation Identification System's Rap Back Service; and
- 1433 (ii) consent to a fingerprint background check by:
- 1434 (A) the Bureau of Criminal Identification; and
- 1435 (B) the Federal Bureau of Investigation.
- 1436 (c) The Bureau of Criminal Identification shall:
- 1437 (i) check the fingerprints the prospective agent submits under Subsection (2)(b) against the applicable state, regional, and national criminal records databases, including the Federal Bureau of Investigation Next Generation Identification System;
- 1441 (ii) report the results of the background check to the department;
- 1442 (iii) maintain a separate file of fingerprints that prospective agents submit under Subsection (2)(b) for search by future submissions to the local and regional criminal records databases, including latent prints;
- 1445 (iv) request that the fingerprints be retained in the Federal Bureau of Investigation Next Generation Identification System's Rap Back Service for search by future submissions to national criminal records databases, including the Next Generation Identification System and latent prints; and
- 1449 (v) establish a privacy risk mitigation strategy to ensure that the department only receives notifications for an individual with whom the department maintains an authorizing relationship.
- 1452 (d) The department shall:
- 1453 (i) assess an individual who submits fingerprints under Subsection (2)(b) a fee in an amount that the department sets in accordance with Section 63J-1-504 for the services that the Bureau of Criminal Identification or another authorized agency provides under this section; and
- 1457 (ii) remit the fee described in Subsection (2)(d)(i) to the Bureau of Criminal Identification.
- 1459 [~~(3) The department shall designate on an individual's medical cannabis courier agent registration card the name of the medical cannabis pharmacy where the individual is registered as an agent and each home delivery medical cannabis courier for which the medical cannabis courier delivers medical cannabis shipments.~~]

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1463 [(4)] (3)

. (a) A medical cannabis courier agent shall comply with a certification standard that the department develops, in collaboration with the Division of Professional Licensing and the Board of Pharmacy, or a third-party certification standard that the department designates by rule in collaboration with the Division of Professional Licensing and the Board of Pharmacy and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

1469 (b) The department shall ensure that the certification standard described in Subsection [(4)(a)] (3)(a) includes training in:

1471 (i) Utah medical cannabis law;

1472 (ii) the medical cannabis shipment process; and

1473 (iii) medical cannabis courier agent best practices.

1474 [(5)] (4)

. (a) A medical cannabis courier agent registration card expires two years after the day on which the department issues or renews the card.

1476 (b) A medical cannabis courier agent may renew the agent's registration card if the agent:

1477 (i) is eligible for a medical cannabis courier agent registration card under this section;

1478 (ii) certifies to the department in a renewal application that the information in Subsection (2)(a) is accurate or updates the information; and

1480 (iii) pays to the department a renewal fee in an amount that:

1481 (A) subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504; and

1483 (B) may not exceed the cost of the relatively lower administrative burden of renewal in comparison to the original application process.

1485 [(6)] (5) The department may revoke or refuse to issue or renew the medical cannabis courier agent registration card of an individual who:

1487 (a) violates the requirements of this chapter; or

1488 (b) is convicted under state or federal law of:

1489 (i) a felony within the preceding 10 years; or

1490 (ii) after December 3, 2018, a misdemeanor for drug distribution.

1491 [(7)] (6) A medical cannabis courier agent whom the department has registered under this section shall carry the agent's medical cannabis courier agent registration card with the agent at all times when:

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- (a) the agent is on the premises of the medical cannabis courier, a medical cannabis pharmacy, or a delivery address; and
- 1496 (b) the agent is handling a medical cannabis shipment.
- 1497 ~~[(8)]~~ (7) If a medical cannabis courier agent handling a medical cannabis shipment possesses the shipment in compliance with Subsection ~~[(7)]~~ (6):
- 1499 (a) there is a rebuttable presumption that the agent possesses the shipment legally; and
- 1500 (b) there is no probable cause, based solely on the agent's possession of the medical cannabis shipment that the agent is engaging in illegal activity.
- 1502 ~~[(9)]~~ (8)
- . (a) A medical cannabis courier agent who violates Subsection ~~[(7)]~~ (6) is:
- 1503 (i) guilty of an infraction; and
- 1504 (ii) subject to a \$100 fine.
- 1505 (b) An individual who is guilty of a violation described in Subsection ~~[(9)(a)]~~ (8)(a) is not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct underlying the violation described in Subsection ~~[(9)(a)]~~ (8)(a).
- 1508 ~~[(10)]~~ (9) A medical cannabis courier shall:
- 1509 (a) maintain a list of employees who have a medical cannabis courier agent card; and
- 1510 (b) provide the list to the department upon request.
- 1619 Section 15. Section **26B-1-435** is amended to read:
- 1620 **26B-1-435. Medical Cannabis Policy Advisory Board creation -- Membership -- Duties.**
- 1514 (1) There is created within the department the Medical Cannabis Policy Advisory Board.
- 1515 (2)
- . (a) The advisory board shall consist of the following members:
- 1516 (i) appointed by the executive director:
- 1517 (A) a qualified medical provider who has recommended medical cannabis to at least 100 patients before being appointed;
- 1519 (B) a medical research professional;
- 1520 (C) a mental health specialist;
- 1521 (D) an individual who represents an organization that advocates for medical cannabis patients;
- 1523 (E) an individual who holds a medical cannabis patient card; and
- 1524 (F) a member of the general public who does not hold a medical cannabis card; and

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- 1525 (ii) appointed by the commissioner of the Department of Agriculture and Food:
- 1526 (A) an individual who owns or operates a licensed cannabis cultivation facility, as defined in Section
4-41a-102;
- 1528 (B) an individual who owns or operates a licensed medical cannabis pharmacy; and
- 1530 (C) a law enforcement officer.
- 1531 (b) The commissioner of the Department of Agriculture and Food shall ensure that at least one
individual appointed under Subsection (2)(a)(ii)(A) or (B) also owns or operates a licensed cannabis
processing facility.
- 1534 (3)
- . (a) Subject to Subsection (3)(b), a member of the advisory board shall serve for a four year term.
- 1536 (b) When appointing the initial membership of the advisory board, the executive director and the
commissioner of the Department of Agriculture and Food shall coordinate to appoint four advisory
board members to serve a term of two years to ensure that approximately half of the board is
appointed every two years.
- 1540 (4)
- . (a) If an advisory board member is no longer able to serve as a member, a new member shall be
appointed in the same manner as the original appointment.
- 1542 (b) A member appointed in accordance with Subsection (4)(a) shall serve for the remainder of the
unexpired term of the original appointment.
- 1544 (5)
- . (a) A majority of the advisory board members constitutes a quorum.
- 1545 (b) The action of a majority of a quorum constitutes an action of the advisory board.
- 1546 (c) For a term lasting one year, the advisory board shall annually designate members of the advisory
board to serve as chair and vice-chair.
- 1548 (d) When designating the chair and vice-chair, the advisory board shall ensure that at least one
individual described Subsection (2)(a)(i) is appointed as chair or vice-chair.
- 1550 (6) An advisory board member may not receive compensation or benefits for the member's service on
the advisory board but may receive per diem and reimbursement for travel expenses incurred as an
advisory board member in accordance with:
- 1553 (a) Sections 63A-3-106 and 63A-3-107; and
- 1554 (b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

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- 1556 (7) The department shall:
- 1557 (a) provide staff support for the advisory board; and
- 1558 (b) assist the advisory board in conducting meetings.
- 1559 (8) The advisory board may recommend:
- 1560 (a) to the department or the Department of Agriculture and Food changes to current or proposed
medical cannabis rules or statutes; and
- 1562 (b) to the appropriate legislative committee whether the advisory board supports a change to medical
cannabis statutes.
- 1564 (9) The advisory board shall:
- 1565 (a) review any draft rule that is authorized under [~~this chapter~~] Chapter 4, Part 2, Cannabinoid
Research and Medical Cannabis, or Title 4, Chapter 41a, Cannabis Production Establishments and
Pharmacies;
- 1568 (b) consult with the Department of Agriculture and Food regarding the issuance of an additional:
- 1570 (i) cultivation facility license under Section 4-41a-205; or
- 1571 (ii) pharmacy license under Section 4-41a-1005;
- 1572 (c) consult with the department regarding cannabis patient education;
- 1573 (d) consult regarding the reasonableness of any fees set by the department or the Department of
Agriculture and Food that pertain to the medical cannabis program; and
- 1576 (e) consult regarding any issue pertaining to medical cannabis when asked by the department or the
Utah Department of Agriculture and Food.
- 1686 Section 16. Section **26B-4-202** is amended to read:
- 1687 **26B-4-202. Electronic verification system.**
- 1580 (1) The Department of Agriculture and Food, the department, the Department of Public Safety, and the
Division of Technology Services shall:
- 1582 (a) enter into a memorandum of understanding in order to determine the function and operation of the
state electronic verification system in accordance with Subsection (2);
- 1585 (b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah Procurement Code,
to develop a request for proposals for a third-party provider to develop and maintain the state
electronic verification system in coordination with the Division of Technology Services; and
- 1589 (c) select a third-party provider who:
- 1590 (i) meets the requirements contained in the request for proposals issued under Subsection (1)(b); and

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- 1592 (ii) may not have any commercial or ownership interest in a cannabis production establishment or a medical cannabis pharmacy.
- 1594 (2) The Department of Agriculture and Food, the department, the Department of Public Safety, and the Division of Technology Services shall ensure that the state electronic verification system described in Subsection (1):
- 1597 (a) allows an individual to apply for a medical cannabis patient card or, if applicable, a medical cannabis guardian card, provided that the card may not become active until:
- 1599 (i) the relevant qualified medical provider completes the associated medical cannabis recommendation; or
- 1601 (ii) for a medical cannabis card related to a limited medical provider's recommendation, the medical cannabis pharmacy completes the recording described in Subsection (2)(d);
- 1604 (b) allows an individual to apply to renew a medical cannabis patient card or a medical cannabis guardian card in accordance with Section 26B-4-213;
- 1606 (c) allows a qualified medical provider, or an employee described in Subsection (3) acting on behalf of the qualified medical provider, to:
- 1608 (i) access dispensing and card status information regarding a patient:
- 1609 (A) with whom the qualified medical provider has a provider-patient relationship; and
- 1611 (B) for whom the qualified medical provider has recommended or is considering recommending a medical cannabis card;
- 1613 (ii) electronically recommend treatment with cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form and optionally recommend dosing guidelines;
- 1616 (iii) electronically renew a recommendation to a medical cannabis patient cardholder or medical cannabis guardian cardholder:
- 1618 (A) using telehealth services, for the qualified medical provider who originally recommended a medical cannabis treatment during a face-to-face visit with the patient; or
- 1621 (B) during a face-to-face visit with the patient, for a qualified medical provider who did not originally recommend the medical cannabis treatment during a face-to-face visit; and
- 1624 (iv) submit an initial application, renewal application, or application payment on behalf of an individual applying for any of the following:
- 1626 (A) a medical cannabis patient card;
- 1627 (B) a medical cannabis guardian card; or

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- 1628 (C) a medical cannabis caregiver card;
- 1629 (d) allows a medical cannabis pharmacy medical provider or medical cannabis pharmacy agent, in accordance with Subsection 4-41a-1101(10)(a), to:
- 1631 (i) access the electronic verification system to review the history within the system of a patient with whom the provider or agent is interacting, limited to read-only access for medical cannabis pharmacy agents unless the medical cannabis pharmacy's pharmacist in charge authorizes add and edit access;
- 1635 (ii) record a patient's recommendation from a limited medical provider, including any directions of use, dosing guidelines, or caregiver indications from the limited medical provider;
- 1638 (iii) record a limited medical provider's renewal of the provider's previous recommendation; and
- 1640 (iv) submit an initial application, renewal application, or application payment on behalf of an individual applying for any of the following:
- 1642 (A) a medical cannabis patient card;
- 1643 (B) a medical cannabis guardian card; or
- 1644 (C) a medical cannabis caregiver card;
- 1645 (e) connects with:
- 1646 (i) an inventory control system that a medical cannabis pharmacy uses to track in real time and archive purchases of any cannabis in a medicinal dosage form, cannabis product in a medicinal dosage form, or a medical cannabis device, including:
- 1649 (A) the time and date of each purchase;
- 1650 (B) the quantity and type of cannabis, cannabis product, or medical cannabis device purchased;
- 1652 (C) any cannabis production establishment, any medical cannabis pharmacy, or any medical cannabis courier associated with the cannabis, cannabis product, or medical cannabis device; and
- 1655 (D) the personally identifiable information of the medical cannabis cardholder who made the purchase; and
- 1657 (ii) any commercially available inventory control system that a cannabis production establishment utilizes in accordance with Section 4-41a-103 to use data that the Department of Agriculture and Food requires by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, from the inventory tracking system that a licensee uses to track and confirm compliance;
- 1662 (f) provides access to:
- 1663

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- 1665 (i) the department to the extent necessary to carry out the department's functions and responsibilities under this part;
- 1668 (ii) the Department of Agriculture and Food to the extent necessary to carry out the functions and responsibilities of the Department of Agriculture and Food under Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies; and
- 1671 (iii) the Division of Professional Licensing to the extent necessary to carry out the functions and responsibilities related to the participation of the following in the recommendation and dispensing of medical cannabis:
 - 1673 (A) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
 - 1674 (B) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
 - 1676 (C) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act;
 - 1678 (D) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
 - 1680 (E) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant Act;
 - 1681 (g) provides access to and interaction with the state central patient portal;
 - 1684 (h) communicates dispensing information from a record that a medical cannabis pharmacy submits to the state electronic verification system under Subsection 4-41a-1102(3)(a)(ii) to the controlled substance database;
 - 1687 (i) provides access to state or local law enforcement only to verify the validity of an individual's medical cannabis card for the administration of criminal justice and through a database used by law enforcement; and
 - 1689 (j) creates a record each time a person accesses the system that identifies the person who accesses the system and the individual whose records the person accesses.
- 1692 (3)
 - 1695 (a) An employee of a qualified medical provider may access the electronic verification system for a purpose described in Subsection (2)(c) on behalf of the qualified medical provider if:
 - 1697 (i) the qualified medical provider has designated the employee as an individual authorized to access the electronic verification system on behalf of the qualified medical provider;
 - 1698 (ii) the qualified medical provider provides written notice to the department of the employee's identity and the designation described in Subsection (3)(a)(i); and
 - 1699 (iii) the department grants to the employee access to the electronic verification system.

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- 1699 (b) An employee of a business that employs a qualified medical provider may access the electronic verification system for a purpose described in Subsection (2)(c) on behalf of the qualified medical provider if:
- 1702 (i) the qualified medical provider has designated the employee as an individual authorized to access the electronic verification system on behalf of the qualified medical provider;
- 1705 (ii) the qualified medical provider and the employing business jointly provide written notice to the department of the employee's identity and the designation described in Subsection (3)(b)(i); and
- 1708 (iii) the department grants to the employee access to the electronic verification system.
- 1710 (c) ~~{Each year}~~ Every two years, an employee described in Subsections (3)(a) and (3)(b) shall complete at least one hour of education regarding health information privacy laws that is offered by the department or an accredited or approved education provider that the department recognizes before the department may grant the employee access to the electronic verification system.
- 1715 (4)
- . (a) As used in this Subsection (4), "prescribing provider" means:
- 1716 (i) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
- 1717 (ii) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act;
- 1719 (iii) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
- 1721 (iv) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant Act.
- 1723 (b) A prescribing provider may access information in the electronic verification system regarding a patient the prescribing provider treats.
- 1725 (5) The department may release limited data that the system collects for the purpose of:
- 1726 (a) conducting medical and other department approved research;
- 1727 (b) providing the report required by Section 26B-4-222; and
- 1728 (c) other official department purposes.
- 1729 (6) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish:
- 1731 (a) the limitations on access to the data in the state electronic verification system as described in this section; and
- 1733 (b) standards and procedures to ensure accurate identification of an individual requesting information or receiving information in this section.

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- 1735 (7) Any person who negligently or recklessly releases any information in the state electronic
verification system in violation of this section is guilty of a class C misdemeanor.
- 1738 (8) Any person who obtains or attempts to obtain information from the state electronic verification
system by misrepresentation or fraud is guilty of a third degree felony.
- 1740 (9)
- . (a) Except as provided in Subsections (9)(c) and (9)(e), a person may not knowingly and intentionally
use, release, publish, or otherwise make available to any other person information obtained from the
state electronic verification system for any purpose other than a purpose specified in this section.
- 1744 (b) Each separate violation of this Subsection (9) is:
- 1745 (i) a third degree felony; and
- 1746 (ii) subject to a civil penalty not to exceed \$5,000.
- 1747 (c) A law enforcement officer who uses the database used by law enforcement to access information
in the electronic verification system for a reason that is not the administration of criminal justice is
guilty of a class B misdemeanor.
- 1750 (d) The department shall determine a civil violation of this Subsection (9) in accordance with Title 63G,
Chapter 4, Administrative Procedures Act.
- 1752 (e) Civil penalties assessed under this Subsection (9) shall be deposited into the General Fund.
- 1754 (f) This Subsection (9) does not prohibit a person who obtains information from the state electronic
verification system under Subsection (2)(a), (c), or (f) from:
- 1756 (i) including the information in the person's medical chart or file for access by a person authorized to
review the medical chart or file;
- 1758 (ii) providing the information to a person in accordance with the requirements of the Health Insurance
Portability and Accountability Act of 1996; or
- 1760 (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 -- Treatment
recommendation -- Limited medical provider.**
- 1764 (1)
- . (a)
- .

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- (i) Except as provided in Subsection (1)(b), an individual may not recommend a medical cannabis treatment unless the department registers the individual as a qualified medical provider in accordance with this section.
- 1767 (ii) Notwithstanding Subsection (1)(a)(i), a qualified medical provider who is podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act, may not recommend a medical cannabis treatment except within the course and scope of a practice of podiatry, as that term is defined in Section 58-5a-102.
- 1771 (b) An individual who meets the recommending qualifications may recommend a medical cannabis treatment as a limited medical provider without registering under Subsection (1)(a) if:
- 1774 (i) the individual recommends the use of medical cannabis to the patient through an order described in Subsection (1)(c) after:
- 1776 (A) a face-to-face visit for an initial recommendation or the renewal of a recommendation for a patient for whom the limited medical provider did not make the patient's original recommendation; or
- 1779 (B) a visit using telehealth services for a renewal of a recommendation for a patient for whom the limited medical provider made the patient's original recommendation; and
- 1782 (ii) the individual's recommendation or renewal would not cause the total number of the individual's patients who have a valid medical cannabis patient card or provisional patient card resulting from the individual's recommendation to exceed 15.
- 1786 (c) The individual described in Subsection (1)(b) shall communicate the individual's recommendation through an order for the medical cannabis pharmacy to record the individual's recommendation or renewal in the state electronic verification system under the individual's recommendation that:
- 1790 (i)
- . (A) the individual or the individual's employee sends electronically to a medical cannabis pharmacy; or
- 1792 (B) the individual gives to the patient in writing for the patient to deliver to a medical cannabis pharmacy; and
- 1794 (ii) may include:
- 1795 (A) directions of use or dosing guidelines; and
- 1796 (B) an indication of a need for a caregiver in accordance with Subsection [~~26B-4-213(3)~~ (e)] 26B-4-213(3)(b).
- 1798 (d) If the limited medical provider gives the patient a written recommendation to deliver to a medical cannabis pharmacy under Subsection (1)(c)(i)(B), the limited medical provider shall ensure that the

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document includes all of the information that is included on a prescription the provider would issue for a controlled substance, including:

- 1803 (i) the date of issuance;
- 1804 (ii) the provider's name, address and contact information, controlled substance license information, and signature; and
- 1806 (iii) the patient's name, address and contact information, age, and diagnosed qualifying condition.
- 1808 (e) In considering making a recommendation as a limited medical provider, an individual may consult information that the department makes available on the department's website for recommending providers.
- 1811 (2)
- . (a) The department shall, within 15 days after the day on which the department receives an application from an individual, register and issue a qualified medical provider registration card to the individual if the individual:
- 1814 (i) provides to the department the individual's name and address;
- 1815 (ii) provides to the department an acknowledgment that the individual has completed four hours of continuing education related to medical cannabis;
- 1817 (iii) provides to the department evidence that the individual meets the recommending qualifications;
- 1819 (iv) for an applicant on or after November 1, 2021, provides to the department the information described in Subsection (10)(a); and
- 1821 (v) pays the department a fee in an amount that:
- 1822 (A) the department sets, in accordance with Section 63J-1-504; and
- 1823 (B) does not exceed \$300 for an initial registration.
- 1824 (b) The department may not register an individual as a qualified medical provider if the individual is:
- 1826 (i) a pharmacy medical provider; or
- 1827 (ii) an owner, officer, director, board member, employee, or agent of a cannabis production establishment, a medical cannabis pharmacy, or a medical cannabis courier.
- 1830 (3)
- . (a) An individual shall complete the continuing education related to medical cannabis in the following amounts:
- 1832 (i) for an individual as a condition precedent to registration, four hours; and
- 1833 (ii) for a qualified medical provider as a condition precedent to renewal, four hours every two years.

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- 1835 (b) The department may, in consultation with the Division of Professional Licensing, develop continuing education related to medical cannabis.
- 1837 (c) The continuing education described in this Subsection (3) may discuss:
- 1838 (i) the provisions of this part;
- 1839 (ii) general information about medical cannabis under federal and state law;
- 1840 (iii) the latest scientific research on the endocannabinoid system and medical cannabis, including risks and benefits;
- 1842 (iv) recommendations for medical cannabis as it relates to the continuing care of a patient in pain management, risk management, potential addiction, or palliative care; and
- 1845 (v) best practices for recommending the form and dosage of medical cannabis based on the qualifying condition underlying a medical cannabis recommendation.
- 1847 (4)
- . (a) Except as provided in Subsection (4)(b), a qualified medical provider may not recommend a medical cannabis treatment to more than 1.5% of the total amount of medical cannabis patient cardholders.
- 1850 (b) If a qualified medical provider receives payment from an insurance plan for services provided under this chapter, then the patient whose insurance plan was billed does not count toward the 1.5% patient cap described in Subsection (4)(a).
- 1853 (5) A recommending medical provider may recommend medical cannabis to an individual under this part only in the course of a provider-patient relationship after the recommending medical provider has completed and documented in the patient's medical record a thorough assessment of the patient's condition and medical history based on the appropriate standard of care for the patient's condition.
- 1858 (6)
- . (a) Except as provided in Subsections (6)(b) and (c), a person may not advertise that the person or the person's employee recommends a medical cannabis treatment.
- 1860 (b) Notwithstanding Subsection (6)(a) and Section 4-41a-109, a qualified medical provider, medical clinic, or medical office that employs a qualified medical provider may advertise only the following:
- 1863 (i) a green cross;
- 1864 (ii) the provider's or clinic's name and logo;
- 1865 (iii) a qualifying condition that the individual treats;
- 1866 (iv) that the qualified medical provider, medical clinic, or medical office evaluates patients for medical cannabis recommendations;

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- 1868 (v) a scientific study regarding medical cannabis use; or
1869 (vi) contact information.
- 1870 (c) Notwithstanding Subsection (6)(a) and Section 4-41a-109, qualified medical provider, medical clinic, or medical office that employs a qualified medical provider may engage in targeted marketing, as determined by the department through rule, for advertising medical cannabis recommendation services.
- 1874 (7)
- . (a) A qualified medical provider registration card expires two years after the day on which the department issues the card.
- 1876 (b) The department shall renew a qualified medical provider's registration card if the provider:
- 1878 (i) applies for renewal;
- 1879 (ii) is eligible for a qualified medical provider registration card under this section, including maintaining an unrestricted license under the recommending qualifications;
- 1882 (iii) certifies to the department in a renewal application that the information in Subsection (2)(a) is accurate or updates the information;
- 1884 (iv) submits a report detailing the completion of the continuing education requirement described in Subsection (3); and
- 1886 (v) pays the department a fee in an amount that:
- 1887 (A) the department sets, in accordance with Section 63J-1-504; and
- 1888 (B) does not exceed \$50 for a registration renewal.
- 1889 (8) The department may revoke the registration of a qualified medical provider who fails to maintain compliance with the requirements of this section.
- 1891 (9) A recommending medical provider may not:
- 1892 (a) receive any compensation or benefit for the qualified medical provider's medical cannabis treatment recommendation from:
- 1894 (i) a cannabis production establishment or an owner, officer, director, board member, employee, or agent of a cannabis production establishment;
- 1896 (ii) a medical cannabis pharmacy or an owner, officer, director, board member, employee, or agent of a medical cannabis pharmacy; or
- 1898 (iii) a recommending medical provider or pharmacy medical provider; or
1899

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(b) provide a medical cannabis recommendation at a medical clinic or medical office that is violating the advertising limitations described in Subsection (6).

1901 (10)

(a) Each quarter, a qualified medical provider shall report to the department, in a manner designated by the department:

1903 (i) if applicable, that the qualified medical provider or the entity that employs the qualified medical provider represents online or on printed material that the qualified medical provider is a qualified medical provider or offers medical cannabis recommendations to patients; and

1907 (ii)

(A) for cash payment without insurance, the fee amount that the qualified medical provider or the entity that employs the qualified medical provider charges a patient for a medical cannabis recommendation as an actual cash rate; and

1911 (B) whether the qualified medical provider or the entity that employs the qualified medical provider bills insurance.

1913 (b) The department shall:

1914 (i) ensure that the following information related to qualified medical providers and entities described in Subsection (10)(a)(i) is available on the department's website or on the health care price transparency tool under Subsection (10)(b)(ii):

1917 (A) the name of the qualified medical provider and, if applicable, the name of the entity that employs the qualified medical provider;

1919 (B) the address of the qualified medical provider's office or, if applicable, the entity that employs the qualified medical provider; and

1921 (C) the fee amount described in Subsection (10)(a)(ii)(A); and

1922 (ii) share data collected under this Subsection (10) with the state auditor for use in the health care price transparency tool described in Section 67-3-11.

2032 Section 18. Section **26B-4-213** is amended to read:

2033 **26B-4-213. Medical cannabis patient card -- Medical cannabis guardian card -- Conditional medical cannabis card -- Application -- Fees -- Studies.**

1927 (1)

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- (a) Subject to Section 26B-4-246, within 15 days after the day on which an individual who satisfies the eligibility criteria in this section or Section 26B-4-214 submits an application in accordance with this section or Section 26B-4-214, the department shall:
- 1931 (i) issue a medical cannabis patient card to an individual described in Subsection (2)(a);
1933 (ii) issue a medical cannabis guardian card to an individual described in Subsection (2)(b);
1935 (iii) issue a provisional patient card to a minor described in Subsection (2)(c); and
1936 (iv) issue a medical cannabis caregiver card to an individual described in Subsection 26B-4-214(4).
1938 (b)
- . (i) Upon the entry of a recommending medical provider's medical cannabis recommendation for a patient in the state electronic verification system, either by the provider or the provider's employee or by a medical cannabis pharmacy medical provider or medical cannabis pharmacy in accordance with Subsection 4-41a-1101(10)(a), the department shall issue to the patient an electronic conditional medical cannabis card, in accordance with this Subsection (1)(b).
- 1944 (ii) A conditional medical cannabis card is valid for the lesser of:
1945 (A) 60 days; or
1946 (B) the day on which the department completes the department's review and issues a medical cannabis card under Subsection (1)(a), denies the patient's medical cannabis card application, or revokes the conditional medical cannabis card under Subsection (8).
- 1950 (iii) The department may issue a conditional medical cannabis card to an individual applying for a medical cannabis patient card for which approval of the Compassionate Use Board is not required.
- 1953 (iv) An individual described in Subsection (1)(b)(iii) has the rights, restrictions, and obligations under law applicable to a holder of the medical cannabis card for which the individual applies and for which the department issues the conditional medical cannabis card.
- 1957 (2)
. (a) An individual is eligible for a medical cannabis patient card if:
1958 (i)
. (A) the individual is at least 21 years old; or
1959 (B) the individual is 18, 19, or 20 years old, the individual petitions the Compassionate Use Board under Section 26B-1-421, and the Compassionate Use Board recommends department approval of the petition;
1962 (ii) the individual is a Utah resident;

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- 1963 (iii) the individual's recommending medical provider recommends treatment with medical cannabis
in accordance with Subsection (4);
- 1965 (iv) the individual signs an acknowledgment stating that the individual received the information
described in Subsection (9); and
- 1967 (v) the individual pays to the department a fee in an amount that, subject to Subsection
26B-1-310(5), the department sets in accordance with Section 63J-1-504.
- 1970 (b)
- . (i) An individual is eligible for a medical cannabis guardian card if the individual:
- 1971 (A) is at least 18 years old;
- 1972 (B) is a Utah resident;
- 1973 (C) is the parent or legal guardian of a minor for whom the minor's recommending medical provider
recommends a medical cannabis treatment, the individual petitions the Compassionate Use
Board under Section 26B-1-421, and the Compassionate Use Board recommends department
approval of the petition;
- 1977 (D) the individual signs an acknowledgment stating that the individual received the information
described in Subsection (9); and
- 1979 (E) pays to the department a fee in an amount that, subject to Subsection 26B-1-310(5), the
department sets in accordance with Section 63J-1-504, plus the cost of the criminal background
check described in Section 26B-4-215.
- 1982 (ii) The department shall notify the Department of Public Safety of each individual that the department
registers for a medical cannabis guardian card.
- 1984 (c)
- . (i) A minor is eligible for a provisional patient card if:
- 1985 (A) the minor has a qualifying condition;
- 1986 (B) the minor's recommending medical provider recommends a medical cannabis treatment to
address the minor's qualifying condition;
- 1988 (C) one of the minor's parents or legal guardians petitions the Compassionate Use Board under
Section 26B-1-421, and the Compassionate Use Board recommends department approval of the
petition; and
- 1991

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- (D) the minor's parent or legal guardian is eligible for a medical cannabis guardian card under Subsection (2)(b) or designates a caregiver under Subsection (2)(d) who is eligible for a medical cannabis caregiver card under Section 26B-4-214.
- 1994 (ii) The department shall automatically issue a provisional patient card to the minor described in Subsection (2)(c)(i) at the same time the department issues a medical cannabis guardian card to the minor's parent or legal guardian.
- 1997 (d) If the parent or legal guardian of a minor described in Subsections (2)(c)(i)(A) through (C) does not qualify for a medical cannabis guardian card under Subsection (2)(b), the parent or legal guardian may designate up to two caregivers in accordance with Subsection 26B-4-214(1)(c) to ensure that the minor has adequate and safe access to the recommended medical cannabis treatment.
- 2002 (3)
- . (a) An individual who is eligible for a medical cannabis card described in Subsection (2)(a) or (b) shall submit an application for a medical cannabis card to the department:
- 2004 (i) through an electronic application connected to the state electronic verification system;
- 2006 (ii) with the recommending medical provider; and
- 2007 (iii) with information including:
- 2008 (A) the applicant's name, gender, age, and address;
- 2009 (B) the number of the applicant's government issued photo identification;
- 2010 (C) for a medical cannabis guardian card, the name, gender, and age of the minor receiving a medical cannabis treatment under the cardholder's medical cannabis guardian card; and
- 2013 (D) for a provisional patient card, the name of the minor's parent or legal guardian who holds the associated medical cannabis guardian card.
- 2015 [~~(b) The department shall ensure that a medical cannabis card the department issues under this section contains the information described in Subsection (3)(a)(iii).]~~
- 2017 [(~~e~~)] (b)
- . (i) If a recommending medical provider determines that, because of age, illness, or disability, a medical cannabis patient cardholder requires assistance in administering the medical cannabis treatment that the recommending medical provider recommends, the recommending medical provider may indicate the cardholder's need in the state electronic verification system, either directly or, for a limited medical provider, through the order described in Subsections 26B-4-204(1)(c) and (d).
- 2024

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- (ii) If a recommending medical provider makes the indication described in Subsection [~~(3)(e)(i)~~] (3)(b)(i):
- 2026 (A) the department shall add a label to the relevant medical cannabis patient card indicating the cardholder's need for assistance;
- 2028 (B) any adult who is 18 years old or older and who is physically present with the cardholder at the time the cardholder needs to use the recommended medical cannabis treatment may handle the medical cannabis treatment and any associated medical cannabis device as needed to assist the cardholder in administering the recommended medical cannabis treatment; and
- 2033 (C) an individual of any age who is physically present with the cardholder in the event of an emergency medical condition, as that term is defined in Section 31A-1-301, may handle the medical cannabis treatment and any associated medical cannabis device as needed to assist the cardholder in administering the recommended medical cannabis treatment.
- 2038 (iii) A non-cardholding individual acting under Subsection [~~(3)(e)(ii)(B)~~] (3)(b)(ii)(B) or (C) may not:
- 2040 (A) ingest or inhale medical cannabis;
- 2041 (B) possess, transport, or handle medical cannabis or a medical cannabis device outside of the immediate area where the cardholder is present or with an intent other than to provide assistance to the cardholder; or
- 2044 (C) possess, transport, or handle medical cannabis or a medical cannabis device when the cardholder is not in the process of being dosed with medical cannabis.
- 2046 (4) To recommend a medical cannabis treatment to a patient or to renew a recommendation, a recommending medical provider shall:
- 2048 (a) visit with the patient face-to-face for an initial recommendation unless the patient:
- 2049 (i) prefers a virtual visit; and
- 2050 (ii)
- . (A) is on hospice or has a terminal illness according to the patient's medical provider; or
- 2052 (B) is a resident of an assisted living facility, as defined in Section 26B-2-201, or a nursing care facility, as defined in Section 26B-2-201;
- 2054 (b) before recommending or renewing a recommendation for medical cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form:
- 2056 (i) verify the patient's and, for a minor patient, the minor patient's parent or legal guardian's government issued photo identification described in Subsection (3)(a);

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- 2058 (ii) review any record related to the patient and, for a minor patient, the patient's parent or legal guardian in:
- 2060 (A) for a qualified medical provider, the state electronic verification system; and
- 2061 (B) the controlled substance database created in Section 58-37f-201; and
- 2062 (iii) consider the recommendation in light of the patient's qualifying condition, history of substance use or opioid use disorder, and history of medical cannabis and controlled substance use during a visit with the patient; and
- 2065 (c) state in the recommending medical provider's recommendation that the patient:
- 2066 (i) suffers from a qualifying condition, including the type of qualifying condition; and
- 2067 (ii) may benefit from treatment with cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form.
- 2069 (5)
- . (a) Except as provided in Subsection (5)(b) or (c), a medical cannabis card that the department issues under this section is valid for the lesser of:
- 2071 (i) an amount of time that the recommending medical provider determines; or
- 2072 (ii) one year from the day the card is issued.
- 2073 (b)
- . (i) A medical cannabis card that the department issues in relation to a terminal illness described in Section 26B-4-203 expires after one year.
- 2075 (ii) The recommending medical provider may revoke a recommendation that the provider made in relation to a terminal illness described in Section 26B-4-203 if the medical cannabis cardholder no longer has the terminal illness.
- 2078 (c) A medical cannabis card that the department issues in relation to acute pain as described in Section 26B-4-203 expires 30 days after the day on which the department first issues a conditional or full medical cannabis card.
- 2081 (6)
- . (a) A medical cannabis patient card or a medical cannabis guardian card is renewable if:
- 2083 (i) at the time of renewal, the cardholder meets the requirements of Subsection (2)(a) or (b); or
- 2085 (ii) the cardholder received the medical cannabis card through the recommendation of the Compassionate Use Board under Section 26B-1-421.
- 2087

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- (b) The recommending medical provider who made the underlying recommendation for the card of a cardholder described in Subsection (6)(a) may renew the cardholder's card through phone or video conference with the cardholder, at the recommending medical provider's discretion.
- 2091 (c) Before having access to a renewed card, a cardholder under Subsection (2)(a) or (b) shall pay to the department a renewal fee in an amount that:
- 2093 (i) subject to Subsection 26B-1-310(5), the department sets in accordance with Section 63J-1-504; and
- 2095 (ii) may not exceed the cost of the relatively lower administrative burden of renewal in comparison to the original application process.
- 2097 (d) If a minor meets the requirements of Subsection (2)(c), the minor's provisional patient card renews automatically at the time the minor's parent or legal guardian renews the parent or legal guardian's associated medical cannabis guardian card.
- 2100 (7)
- . (a) A cardholder under this section shall carry the cardholder's valid medical cannabis card with the patient's name.
- 2102 (b)
- . (i) A medical cannabis patient cardholder or a provisional patient cardholder may purchase, in accordance with this part and the recommendation underlying the card, cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device.
- 2106 (ii) A cardholder under this section may possess or transport, in accordance with this part and the recommendation underlying the card, cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device.
- 2110 (iii) To address the qualifying condition underlying the medical cannabis treatment recommendation:
- 2112 (A) a medical cannabis patient cardholder or a provisional patient cardholder may use medical cannabis or a medical cannabis device; and
- 2114 (B) a medical cannabis guardian cardholder may assist the associated provisional patient cardholder with the use of medical cannabis or a medical cannabis device.
- 2117 (8)
- . (a) The department may revoke a medical cannabis card that the department issues under this section if:
- 2119 (i) the recommending medical provider withdraws the medical provider's recommendation for medical cannabis; or
- 2121 (ii) the cardholder:

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- 2122 (A) violates this part; or
- 2123 (B) is convicted under state or federal law of, after March 17, 2021, a drug distribution offense.
- 2125 (b) The department may not refuse to issue a medical cannabis card to a patient solely based on a prior revocation under Subsection (8)(a)(i).
- 2127 (9) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, a process to provide information regarding the following to an individual receiving a medical cannabis card:
- 2130 (a) risks associated with medical cannabis treatment;
- 2131 (b) the fact that a condition's listing as a qualifying condition does not suggest that medical cannabis treatment is an effective treatment or cure for that condition, as described in Subsection 26B-4-203(1); and
- 2134 (c) other relevant warnings and safety information that the department determines.
- 2135 (10) The department may establish procedures by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to implement the application and issuance provisions of this section.
- 2138 (11)
- . (a) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, a process to allow an individual from another state to register with the department in order to purchase medical cannabis or a medical cannabis device from a medical cannabis pharmacy while the individual is visiting the state.
- 2143 (b) The department may only provide the registration process described in Subsection (11)(a):
- 2145 (i) to a nonresident patient; and
- 2146 (ii) for no more than two visitation periods per calendar year of up to 21 calendar days per visitation period.
- 2148 (12)
- . (a) A person may submit to the department a request to conduct a research study using medical cannabis cardholder data that the state electronic verification system contains.
- 2151 (b) The department shall review a request described in Subsection (12)(a) to determine whether an institutional review board, as that term is defined in Section 26B-4-201, could approve the research study.
- 2154

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- (c) At the time an individual applies for a medical cannabis card, the department shall notify the individual:
- 2156 (i) of how the individual's information will be used as a cardholder;
- 2157 (ii) that by applying for a medical cannabis card, unless the individual withdraws consent under Subsection (12)(d), the individual consents to the use of the individual's information for external research; and
- 2160 (iii) that the individual may withdraw consent for the use of the individual's information for external research at any time, including at the time of application.
- 2162 (d) An applicant may, through the medical cannabis card application, and a medical cannabis cardholder may, through the state central patient portal, withdraw the applicant's or cardholder's consent to participate in external research at any time.
- 2165 (e) The department may release, for the purposes of a study described in this Subsection (12), information about a cardholder under this section who consents to participate under Subsection (12) (c).
- 2168 (f) If an individual withdraws consent under Subsection (12)(d), the withdrawal of consent:
- 2170 (i) applies to external research that is initiated after the withdrawal of consent; and
- 2171 (ii) does not apply to research that was initiated before the withdrawal of consent.
- 2172 (g) The department may establish standards for a medical research study's validity, by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 2175 (13) The department shall record the issuance or revocation of a medical cannabis card under this section in the controlled substance database.
- 2285 Section 19. Section **26B-4-219** is amended to read:
- 2286 **26B-4-219. Pharmacy medical providers -- Registration -- Continuing education.**
- 2179 (1)
- . (a) A medical cannabis pharmacy:
- 2180 (i) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, as a pharmacy medical provider;
- 2182 (ii) may employ a physician who has the authority to write a prescription and is licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, as a pharmacy medical provider;

2186

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- (iii) shall ensure that a pharmacy medical provider described in Subsection (1)(a)(i) works onsite during all business hours; and
- 2188 (iv) shall designate one pharmacy medical provider described in Subsection (1)(a)(i) as the pharmacist-in-charge to oversee the operation of and generally supervise the medical cannabis pharmacy.
- 2191 (b) The pharmacist-in-charge shall determine which cannabis and cannabis products the medical cannabis pharmacy maintains in the medical cannabis pharmacy's inventory.
- 2193 (c) An individual may not serve as a pharmacy medical provider unless the department registers the individual as a pharmacy medical provider in accordance with Subsection (2).
- 2196 (2)
- . (a) The department shall, within 15 days after the day on which the department receives an application from a medical cannabis pharmacy on behalf of a prospective pharmacy medical provider, register and issue a pharmacy medical provider registration card to the prospective pharmacy medical provider if the medical cannabis pharmacy:
- 2201 (i) provides to the department:
- 2202 (A) the prospective pharmacy medical provider's name and address;
- 2203 (B) the name and location of the licensed medical cannabis pharmacy where the prospective pharmacy medical provider seeks to act as a pharmacy medical provider;
- 2206 (C) ~~[a report detailing the completion of the continuing education requirement described in Subsection (3);]~~ an acknowledgment that the individual has completed four hours of continuing education related to medical cannabis; and
- 2209 (D) evidence that the prospective pharmacy medical provider is a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, or a physician who has the authority to write a prescription and is licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; and
- 2214 (ii) pays a fee to the department in an amount that, subject to Subsection 26B-1-310(5), the department sets in accordance with Section 63J-1-504.
- 2216 (b) The department may not register a recommending medical provider as a pharmacy medical provider.
- 2218 (3)
- . (a) A pharmacy medical provider shall complete the continuing education described in this Subsection (3) in the following amounts:

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- 2220 (i) as a condition precedent to registration, four hours; and
- 2221 (ii) as a condition precedent to renewal of the registration, four hours every two years.
- 2222 [~~(b) In accordance with Subsection (3)(a), the pharmacy medical provider shall:~~]
- 2223 [~~(i) complete continuing education:~~]
- 2224 [~~(A) regarding the topics described in Subsection (3)(d); and~~]
- 2225 [~~(B) offered by the department under Subsection (3)(e) or an accredited or approved continuing education provider that the department recognizes as offering continuing education appropriate for the medical cannabis pharmacy practice; and~~]
- 2229 [~~(ii) make a continuing education report to the department in accordance with a process that the department establishes by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and in collaboration with the Division of Professional Licensing and:~~]
- 2233 [~~(A) for a pharmacy medical provider who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, the Board of Pharmacy; or~~]
- 2235 [~~(B) for a pharmacy medical provider licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, the Medical Licensing Board.]~~]
- 2238 [(e)] (b) The department may, in consultation with the Division of Professional Licensing, develop the continuing education described in this Subsection (3).
- 2240 [(d)] (c) The continuing education described in this Subsection (3) may discuss:
- 2241 (i) the provisions of this part;
- 2242 (ii) general information about medical cannabis under federal and state law;
- 2243 (iii) the latest scientific research on the endocannabinoid system and medical cannabis, including risks and benefits;
- 2245 (iv) recommendations for medical cannabis as it relates to the continuing care of a patient in pain management, risk management, potential addiction, and palliative care; or
- 2248 (v) best practices for recommending the form and dosage of medical cannabis based on the qualifying condition underlying a medical cannabis recommendation.
- 2250 (4)
- . (a) A pharmacy medical provider registration card expires two years after the day on which the department issues or renews the card.
- 2252 (b) A pharmacy medical provider may renew the provider's registration card if the provider:
- 2254 (i) is eligible for a pharmacy medical provider registration card under this section;

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- 2255 (ii) certifies to the department in a renewal application that the information in Subsection (2)(a) is accurate or updates the information;
- 2257 (iii) submits a report detailing the completion of the continuing education requirement described in Subsection (3); and
- 2259 (iv) pays to the department a renewal fee in an amount that:
- 2260 (A) subject to Subsection 26B-1-310(5), the department sets in accordance with Section 63J-1-504; and
- 2262 (B) may not exceed the cost of the relatively lower administrative burden of renewal in comparison to the original application process.
- 2264 (5)
- . (a) Except as provided in Subsection (5)(b), a person may not advertise that the person or another person dispenses medical cannabis.
- 2266 (b) Notwithstanding Subsection (5)(a) and Section 4-41a-109, a registered pharmacy medical provider may advertise the following:
- 2268 (i) a green cross;
- 2269 (ii) that the person is registered as a pharmacy medical provider and dispenses medical cannabis; or
- 2271 (iii) a scientific study regarding medical cannabis use.
- 2272 (6)
- . (a) The department may revoke a pharmacy medical provider's registration for a violation of this chapter.
- 2274 (b) The department may inspect patient records held by a medical cannabis pharmacy to ensure a pharmacy medical provider is practicing in accordance with this chapter and applicable rules.
- 2385 Section 20. Section **26B-4-222** is amended to read:
- 2386 **26B-4-222. Report.**
- 2279 (1) By the November interim meeting each year, the department shall report to the Health and Human Services Interim Committee on:
- 2281 (a) the number of applications and renewal applications filed for medical cannabis cards;
- 2282 (b) the number of qualifying patients and designated caregivers;
- 2283 (c) the nature of the debilitating medical conditions of the qualifying patients;
- 2284 (d) the age and county of residence of cardholders;
- 2285 (e) the number of medical cannabis cards revoked;
- 2286 (f) the number of practitioners providing recommendations for qualifying patients; and

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- 2287 [~~(g) the number of license applications and renewal license applications received;~~]
- 2288 [~~(h) the number of licenses the department has issued in each county;~~]
- 2289 [~~(i) the number of licenses the department has revoked;~~]
- 2290 [(j) the quantity of medical cannabis shipments that the state central patient portal facilitates;]
- 2292 [~~(k) the number of overall purchases of medical cannabis and medical cannabis products from each medical cannabis pharmacy;~~]
- 2294 [(H)] (g) the expenses [~~incurred~~]and revenues [~~generated from the medical cannabis program~~] { } {of the Qualified Patient Enterprise Fund created in Section 26B-1-310} ; and] of the Qualified Patient Enterprise Fund created in Section 26B-1-310.
- 2296 [(m) an analysis of product availability in medical cannabis pharmacies in consultation with the Department of Agriculture and Food.]
- 2298 (2) The report shall include information provided by the Center for Medical Cannabis Research described in Section 53B-17-1402.
- 2300 (3) The department may not include personally identifying information in the report described in this section.
- 2302 (4) The department shall report to the working group described in Section 36-12-8.2 as requested by the working group.
- 2412 Section 21. **Repealer.**

This Bill Repeals:

- 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.**

This bill takes effect on May 7, 2025.

- 2419 Section 23. **Coordinating S.B. 64 with H.B. 21.**

If S.B. 64, Medical Cannabis Amendments, and H.B. 21, Criminal Code

Recodification and Cross References, both pass and become law, the Legislature intends that, on May 7, 2025, Section 4-41a-102(4)(a) be amended to read:

"

"Anticompetitive business practice" [

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means any practice that reduces the amount of competition in the medical cannabis market that would be considered an attempt to monopolize, as defined in Section 76-10-3103

"Anticompetitive business practice" []

means any practice that is an illegal anticompetitive business activity under Section 76-16-510

"Anticompetitive business practice" [].".

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