HB0203S03 compared with HB0203S01

~~{Omitted text}~~ shows text that was in HB0203S01 but was omitted in HB0203S03
inserted text shows text that was not in HB0203S01 but was inserted into HB0203S03

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Cannabis Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jennifer Dailey-Provost

Senate Sponsor: Evan J. Vickers

LONG TITLE

General Description:

This bill amends provisions related to medical cannabis.

Highlighted Provisions:

This bill:

- defines terms;
- allows for additional medical cannabis pharmacies;
- creates a new medical cannabis pharmacy license for independent medical cannabis pharmacies;
- creates ownership restrictions for independent medical cannabis pharmacies;
- adjusts fees for certain medical cannabis pharmacy licenses;
- **amends provisions regarding cannabis production and sanitation;**
- modifies provisions related to enforcement and appeals;
- {**~~merges advertising sections;~~**}
- **amends provisions related to closed-door medical cannabis pharmacies;**
- allows a cannabis processing facility to have a website that includes product information;
-

HB0203S01

limits the number of licenses that the Department of Agriculture and Food (department) may issue for cannabis processing facilities;

- amends provisions regarding when the department may seize products and test products;
- amends provisions related to information a medical cannabis pharmacy must have available to a patient purchasing medical cannabis;
- {~~**requires the department to provide a website displaying certificates of analysis;**~~}
- creates a reporting requirement for the department;
- repeals sections related to the state central patient portal;
- creates a medical cannabis ombudsman and duties for the ombudsman;
- {~~**creates a cannabis product transparency website;**~~}
- authorizes the creation of patient product information inserts;
- moves the repeal of the Cannabis Research Review Board earlier one year;
- extends the repeal date for the Medical Cannabis Governance Structure Working Group; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

None

AMENDS:

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

4-41a-110 , as enacted by Laws of Utah 2023, Chapter 273 , as enacted by Laws of Utah 2023, Chapter 273

4-41a-205 , as last amended by Laws of Utah 2020, Chapter 12 , as last amended by Laws of Utah 2020, Chapter 12

4-41a-401 , as last amended by Laws of Utah 2024, Chapter 217 , as last amended by Laws of Utah 2024, Chapter 217

4-41a-403 , as last amended by Laws of Utah 2023, Chapter 327 , as last amended by Laws of Utah 2023, Chapter 327

4-41a-501 , as last amended by Laws of Utah 2023, Chapter 313 , as last amended by Laws of Utah 2023, Chapter 313

4-41a-701 , as last amended by Laws of Utah 2023, Chapters 313, 317 , as last amended by Laws of Utah 2023, Chapters 313, 317

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

4-41a-802 , as last amended by Laws of Utah 2024, Chapter 217 , as last amended by Laws of Utah 2024, Chapter 217

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

4-41a-1003 , as last amended by Laws of Utah 2023, Chapter 435 and renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and last amended by Coordination Clause,
Laws of Utah 2023, Chapter 307 , as last amended by Laws of Utah 2023, Chapter 435 and renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and last amended by Coordination Clause,
Laws of Utah 2023, Chapter 307

4-41a-1005 , as last amended by Laws of Utah 2024, Chapter 217 , as last amended by Laws of Utah 2024, Chapter 217

4-41a-1101 , as last amended by Laws of Utah 2024, Chapter 217 , as last amended by Laws of Utah 2024, Chapter 217

4-41a-1201 , as enacted by Laws of Utah 2023, Chapter 273 , as enacted by Laws of Utah 2023, Chapter 273

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

4-41a-1203 , 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

4-41a-1206 , as enacted by Laws of Utah 2024, Chapter 238 , as enacted by Laws of Utah 2024, Chapter 238

26B-1-310 , as last amended by Laws of Utah 2023, Chapters 273, 281 and renumbered and amended by Laws of Utah 2023, Chapter 305 and last amended by Coordination Clause,

Laws of Utah 2023, Chapter 305 , as last amended by Laws of Utah 2023, Chapters 273, 281 and renumbered and amended by Laws of Utah 2023, Chapter 305 and last amended by Coordination Clause,

Laws of Utah 2023, Chapter 305

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

26B-4-201 , as last amended by Laws of Utah 2024, Chapters 217, 240 , as last amended by Laws of Utah 2024, Chapters 217, 240

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

26B-4-214 , as last amended by Laws of Utah 2024, Chapter 240 , as last amended by Laws of Utah 2024, Chapter 240

26B-4-222 , as last amended by Laws of Utah 2024, Chapter 240 , as last amended by Laws of Utah 2024, Chapter 240

26B-4-243 , as enacted by Laws of Utah 2023, Chapter 281 , as enacted by Laws of Utah 2023, Chapter 281

26B-4-247 , as enacted by Laws of Utah 2023, Chapter 273 , as enacted by Laws of Utah 2023, Chapter 273

63I-2-204 , as last amended by Laws of Utah 2024, Third Special Session, Chapter 5 , as last amended by Laws of Utah 2024, Third Special Session, Chapter 5

63I-2-226 , as last amended by Laws of Utah 2024, Third Special Session, Chapter 5 , as last amended by Laws of Utah 2024, Third Special Session, Chapter 5

63I-2-236 , as last amended by Laws of Utah 2024, Third Special Session, Chapter 5 , as last amended by Laws of Utah 2024, Third Special Session, Chapter 5

ENACTS:

4-41a-1006 , Utah Code Annotated 1953 , Utah Code Annotated 1953

~~**{13-1-19 , Utah Code Annotated 1953 , Utah Code Annotated 1953}**~~

26B-4-248 , Utah Code Annotated 1953 , Utah Code Annotated 1953

REPEALS:

~~{4-41a-1104 , 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,~~

~~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,~~

~~Laws of Utah 2023, Chapter 307}~~

~~{4-41a-403 , as last amended by Laws of Utah 2023, Chapter 327 , as last amended by Laws of Utah 2023, Chapter 327}~~

~~{4-41a-604 , as enacted by Laws of Utah 2024, Chapter 217 , as enacted by Laws of Utah 2024, Chapter 217}~~

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

26B-4-236 , as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered and amended by Laws of Utah 2023, Chapter 307 and last amended by Coordination Clause, Laws of Utah 2023, Chapter 307 , as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered and amended by Laws of Utah 2023, Chapter 307 and last amended by Coordination Clause,

Laws of Utah 2023, Chapter 307

. REPEALS AND REENACTS:

~~{4-41a-109 , 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,~~

~~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,~~

~~Laws of Utah 2023, Chapter 307}~~

Be it enacted by the Legislature of the state of Utah:

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

4-41a-102. Definitions.

As used in this chapter:

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

(a) pesticides;

(b) heavy metals;

(c) solvents;

(d) microbial life;

(e) artificially derived cannabinoid;

(f) toxins; or

(g) foreign matter.

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

(a) to the public; and

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

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

(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 Section 76-10-3103.

(b) "Anticompetitive business practice" may include:

(i) agreements that may be considered unreasonable when competitors interact to the extent that they are:

(A) no longer acting independently; or

(B) when collaborating are able to wield market power together;

(ii) monopolizing or attempting to monopolize trade by:

(A) acting to maintain or acquire a dominant position in the market; or

(B) preventing new entry into the market; or

(iii) other conduct outlined in rule.

(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.

(b) "Artificially derived cannabinoid" does not include:

(i) a naturally occurring chemical substance that is separated from the cannabis plant by a chemical or mechanical extraction process; or

(ii) a cannabinoid that is produced by decarboxylation from a naturally occurring cannabinoid acid without the use of a chemical catalyst.

(6) "Batch" means a quantity of:

(a) cannabis extract produced on a particular date and time and produced between completion of equipment and facility sanitation protocols until the next required sanitation cycle during which lots of cannabis are used;

(b) cannabis product produced on a particular date and time and produced between completion of equipment and facility sanitation protocols until the next required sanitation cycle during which cannabis extract is used; or

(c) cannabis flower packaged on a particular date and time and produced between completion of equipment and facility sanitation protocols until the next required sanitation cycle during which lots of cannabis are being used.

[~~(6)~~] (7) "Cannabis Research Review Board" means the Cannabis Research Review Board created in Section 26B-1-420.

[~~(7)~~] (8) "Cannabis" means the same as that term is defined in Section 26B-4-201.

[~~(8)~~] (9) "Cannabis concentrate" means:

(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

(b) any amount of a natural cannabinoid or artificially derived cannabinoid in an artificially derived cannabinoid's purified state.

[~~(9)~~] (10) "Cannabis cultivation byproduct" means any portion of a cannabis plant that is not intended to be sold as a cannabis plant product.

[~~(10)~~] (11) "Cannabis cultivation facility" means a person that:

(a) possesses cannabis;

(b) grows or intends to grow cannabis; and

(c) sells or intends to sell cannabis to a cannabis cultivation facility, a cannabis processing facility, or a medical cannabis research licensee.

[~~(11)~~] (12) "Cannabis cultivation facility agent" means an individual who holds a valid cannabis production establishment agent registration card with a cannabis cultivation facility designation.

[~~(12)~~] (13) "Cannabis derivative product" means a product made using cannabis concentrate.

[~~(13)~~] (14) "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.

[~~(14)~~] (15) "Cannabis processing facility" means a person that:

(a) acquires or intends to acquire cannabis from a cannabis production establishment;

(b) possesses cannabis with the intent to manufacture a cannabis product;

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

(d) sells or intends to sell a cannabis product to a medical cannabis pharmacy or a medical cannabis research licensee.

[~~(15)~~] (16) "Cannabis processing facility agent" means an individual who holds a valid cannabis production establishment agent registration card with a cannabis processing facility designation.

[~~(16)~~] (17) "Cannabis product" means the same as that term is defined in Section 26B-4-201.

[~~(17)~~] (18) "Cannabis production establishment" means a cannabis cultivation facility, a cannabis processing facility, or an independent cannabis testing laboratory.

[~~(18)~~] (19) "Cannabis production establishment agent" means a cannabis cultivation facility agent, a cannabis processing facility agent, or an independent cannabis testing laboratory agent.

[~~(19)~~] (20) "Cannabis production establishment agent registration card" means a registration card that the department issues that:

(a) authorizes an individual to act as a cannabis production establishment agent; and

(b) designates the type of cannabis production establishment for which an individual is authorized to act as an agent.

[~~(20)~~] (21) "Closed-door medical cannabis pharmacy" means a facility operated by a home delivery medical cannabis pharmacy for delivering [~~cannabis or a medical cannabis product~~] medical cannabis.

[~~(21)~~] (22) "Community location" means a public or private elementary or secondary school, a church, a public library, a public playground, or a public park.

[~~(22)~~] (23) "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.

[~~(23)~~] (24) "Delivery address" means:

(a) for a medical cannabis cardholder who is not a facility:

(i) the medical cannabis cardholder's home address; or

(ii) an address designated by the medical cannabis cardholder that:

(A) is the medical cannabis cardholder's workplace; and

(B) is not a community location; or

(b) for a medical cannabis cardholder that is a facility, the facility's address.

[~~(24)~~] (25) "Department" means the Department of Agriculture and Food.

[~~(25)~~] (26) "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.

[~~(26)~~] (27) "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.

[~~(27)~~] (28) "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~~].

[~~(28)~~] (29)

. (a) "Independent cannabis testing laboratory" means a person that:

(i) conducts a chemical or other analysis of cannabis or a cannabis product; or

(ii) acquires, possesses, and transports cannabis or a cannabis product with the intent to conduct a chemical or other analysis of the cannabis or cannabis product.

(b) "Independent cannabis testing laboratory" includes a laboratory that the department or a research university operates in accordance with Subsection 4-41a-201(14).

[~~(29)~~] (30) "Independent cannabis testing laboratory agent" means an individual who

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

[~~(30)~~] (31) "Inventory control system" means a system described in Section 4-41a-103.

[~~(31)~~] (32) "Licensing board" or "board" means the Cannabis Production Establishment and Pharmacy Licensing Advisory Board created in Section 4-41a-201.1.

[~~(32)~~] (33) "Medical cannabis" or "medical cannabis product" means the same as that term is defined in Section 26B-4-201.

[~~(33)~~] (34) "Medical cannabis card" means the same as that term is defined in Section 26B-4-201.

[~~(34)~~] (35) "Medical cannabis courier" means a courier that:

(a) the department licenses in accordance with Section 4-41a-1201; and

(b) contracts with a home delivery medical cannabis pharmacy to deliver medical cannabis shipments to fulfill electronic orders[~~ that the state central patient portal facilitates~~].

[~~(35)~~] (36) "Medical cannabis courier agent" means an individual who:

(a) is an employee of a medical cannabis courier; and

(b) who holds a valid medical cannabis courier agent registration card.

(37) "Medical cannabis ombudsman" means the ombudsman created in Section {~~13-1-9~~} 26B-4-248.

[~~(36)~~] (38) "Medical cannabis pharmacy" means the same as that term is defined in Section 26B-4-201.

[~~(37)~~] (39) "Medical cannabis pharmacy agent" means the same as that term is defined in Section 26B-4-201.

[~~(38)~~] (40) "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.

[~~(39)~~] (41) "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.

[~~(40)~~] (42) "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~~].

[~~(41)~~] (43) "Medical cannabis treatment" means the same as that term is defined in Section 26B-4-201.

[~~(42)~~] (44) "Medicinal dosage form" means the same as that term is defined in Section 26B-4-201.

(45) "Patient product information insert" means the same as that term is defined in Section 26B-4-201.

[~~(43)~~] (46) "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.

[~~(44)~~] (47) "Pharmacy medical provider" means the same as that term is defined in Section 26B-4-201.

[~~(45)~~] (48) "Qualified medical provider" means the same as that term is defined in Section 26B-4-201.

[~~(46)~~] (49) "Qualified Production Enterprise Fund" means the fund created in Section 4-41a-104.

[~~(47)~~] (50) "Recommending medical provider" means the same as that term is defined in Section 26B-4-201.

[~~(48)~~] (51) "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:

(a) is accredited by the Northwest Commission on Colleges and Universities;

(b) grants doctoral degrees; and

(c) has a laboratory containing or a program researching a schedule I controlled substance described in Section 58-37-4.

[~~(49)~~] (52) "State electronic verification system" means the system described in Section 26B-4-202.

[~~(50)~~] (53) "Targeted marketing" means the promotion of [~~a cannabis product{~~] ~~medical cannabis~~};~~]~~ medical cannabis, a {~~a~~ }medical cannabis brand, or a medical cannabis device using any of the following methods:

(a) electronic communication to an individual who is at least 21 years old and has requested to receive promotional information;

(b) an in-person marketing event that is:

(i) held inside a medical cannabis pharmacy; and

(ii) in an area where only a medical cannabis cardholder may access the event;

(c) other marketing material that is physically available or digitally displayed in a medical cannabis pharmacy; or

(d) a leaflet a medical cannabis pharmacy places in the opaque package or box that is provided to an individual when obtaining medical cannabis:

(i) in the medical cannabis pharmacy;

(ii) at the medical cannabis pharmacy's drive-through pick up window; or

(iii) in a medical cannabis shipment.

[~~(51)~~] (54) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in Section 4-41-102.

[~~(52)~~] (55) "THC analog" means the same as that term is defined in Section 4-41-102.

[~~(53)~~] (56) "Total composite tetrahydrocannabinol" means all detectable forms of tetrahydrocannabinol.

[~~(54)~~] (57) "Total tetrahydrocannabinol" or "total THC" means the same as that term is defined in Section 4-41-102.

Section 2. Section **4-41a-109** is repealed and re-enacted to read:

4-41a-109. Advertising.

(1) Except as provided in this section and Section 26B-4-204:

(a) a person may not advertise:

(i) regarding the recommendation, sale, dispensing, or transportation of medical cannabis;

(ii) a promotional discount or incentive related to medical cannabis;

(iii) a particular medical cannabis product, medical cannabis device, medical cannabis brand, or medicinal dosage form;

(iv) an assurance of a medical outcome related to a medical cannabis treatment; or

(v) regarding a medical cannabis pharmacy or the dispensing of medical cannabis within the state; and

(b) a cannabis production establishment may not advertise to the general public in any medium.

(2)

(a) A nonprofit organization that offers financial assistance for medical cannabis treatment to low-income patients may advertise the organization's assistance if the advertisement does not relate to a specific:

(i) medical cannabis pharmacy;

(ii) medical cannabis product;

(iii) medical cannabis courier; or

(iv) cannabis production facility.

(b) A medical cannabis pharmacy may provide information regarding subsidies for the cost of medical cannabis treatment to patients who affirmatively accept receipt of the subsidy information.

(3) A medical cannabis pharmacy may:

(a) advertise an employment opportunity at the medical cannabis pharmacy;

(b) notwithstanding any municipal or county ordinance prohibiting signage, use signage on the outside of the medical cannabis pharmacy that:

(i) includes only:

(A) in accordance with Subsection (7), the medical cannabis pharmacy's name, logo, and hours of operation; and

(B) a green cross; and

(ii) complies with local ordinances regulating signage;

(c) advertise in any medium:

(i) the pharmacy's name and logo;

(ii) the location and hours of operation of the medical cannabis pharmacy;

(iii) a service available at the medical cannabis pharmacy;

(iv) personnel affiliated with the medical cannabis pharmacy;

(v) whether the medical cannabis pharmacy is licensed as a home delivery medical cannabis pharmacy;

(vi) best practices that the medical cannabis pharmacy upholds; and

(vii) educational material related to the medical use of cannabis, as defined by the department;

(d) hold an educational event for the public or medical providers in accordance with Subsection (6) and rules made under Subsection (8);

(e) maintain on the medical cannabis pharmacy's website non-promotional information regarding the medical cannabis pharmacy's inventory; or

(f) engage in targeted marketing, as determined by the department through rule, for advertising a particular medical cannabis product, medical cannabis device, or medical cannabis brand.

(4) A licensed home delivery medical cannabis pharmacy or a licensed medical cannabis courier may advertise:

(a) a green cross;

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

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

(5)

. (a) A cannabis production establishment may:

(i) advertise an employment opportunity at the cannabis production establishment;

(ii) maintain a website that:

(A) contains information about the establishment and employees; and

(B) except as provided in Subsection (5)(b), does not advertise any medical cannabis product or medical cannabis device;

(iii) notwithstanding any municipal or county ordinance prohibiting signage, use signage on the outside of the cannabis production establishment that:

(A) includes only:

(I) in accordance with Subsection (7), the cannabis production establishment's name, logo, and hours of operation; and

(II) a green cross; and

(B) complies with local ordinances regulating signage; and

(iv) hold an educational event for the public or medical providers in accordance with Subsection (6) and rules made under Subsection (8).

(b) A cannabis processing facility may:

(i) maintain a website that contains information regarding:

(A) medical cannabis produced by the cannabis processing facility, including the certificate of analysis that is created by an independent cannabis testing facility; and

(B) where medical cannabis produced by the cannabis processing facility may be purchased in the state; and

(ii) engage in targeted marketing, as determined by the department through rule, for advertising a particular medical cannabis product, medical cannabis device, or medical cannabis brand.

(6) A medical cannabis pharmacy or cannabis production establishment may not include in an educational event:

(a) any topic that conflicts with this chapter or Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis;

(b) any gift items or merchandise other than educational materials, as those terms are defined by the department;

(c) any marketing for a specific product from the establishment or any other statement, claim, or information that would violate the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. Sec. 301, et seq.; or

(d) a presenter other than:

(i) for a cannabis production establishment, a cannabis production establishment agent;

(ii) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;

(iii) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act;

(iv) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act;

(v) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant Act;

(vi) a medical practitioner, similar to a practitioner described in Subsections (6)(d)(ii) through (v), who is licensed in another state or country;

(vii) a state employee; or

(viii) if the presentation relates to a cannabis topic other than medical treatment or medical conditions, an individual whom the department approves based on the individual's background and credentials in the presented topic.

(7) To ensure that the name and logo of a medical cannabis pharmacy or cannabis production establishment have a medical rather than a recreational disposition, the name and logo:

(a) may include terms and images associated with:

(i) a medical disposition, including "medical," "medicinal," "medicine," "pharmacy," "apothecary," "wellness," "therapeutic," "health," "care," "cannabis," "clinic," "compassionate," "relief," "treatment," and "patient"; or

(ii) the plant form of cannabis, including "leaf," "flower," and "bloom"; and

(b) may not include:

(i) any term, statement, design representation, picture, or illustration that is associated with a recreational disposition or that appeals to children;

(ii) an emphasis on a psychoactive ingredient;

(iii) a specific cannabis strain; or

(iv) terms related to recreational marijuana, including "weed," "pot," "reefer," "grass," "hash," "ganja," "Mary Jane," "high," "buzz," "haze," "stoned," "joint," "bud," "smoke," "euphoria," "dank," "doobie," "kush," "frost," "cookies," "rec," "bake," "blunt," "combust," "bong," "budtender," "dab," "blaze," "toke," or "420."

(8) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:

(a) to define standards for advertising authorized under this section, including names and logos in accordance with Subsection (7), to ensure a medical rather than recreational disposition;

(b) to define educational material described in Subsection (3)(c)(vii);

(c) regarding an educational event as described in Subsection (6), including:

(i) a minimum age of 21 years old for attendees; and

(ii) an exception to the minimum age for a medical cannabis patient cardholder who is at least 18 years old; and

(d) regarding targeted marketing as described in Subsections (3)(f) and (5)(b)(ii).

Section 2. Section **4-41a-110** is amended to read:

4-41a-110. Department coordination.

{~~(1)~~}

The department shall:

(1)

{~~[(1)] (a)~~} provide draft rules made under this chapter to:

{~~(i)~~} (a) the advisory board for the advisory board's review; and

(b) the medical cannabis ombudsman;

(2)

{~~(ii) {the medical cannabis ombudsman;~~}

consult with the advisory board before issuing an additional:

{~~[~~(a){~~]~~} {~~(i)~~} } cultivation facility license under Section 4-41a-205; or

{~~[~~(b){~~]~~} {~~(ii)~~} } pharmacy license under Section 4-41a-1005;

{~~[~~(3){~~]~~} {~~(c)~~} } consult with the advisory board regarding fees set by the department that pertain to the medical cannabis program; and

{~~[~~(4){~~]~~} {~~(d)~~} } when appropriate, consult with the advisory board regarding issues that arise in the medical cannabis program.

{~~(2)~~}

. {~~(a) The department may not file a rule under Title 63G, Chapter 3, Utah Administrative Rulemaking Act, unless the medical cannabis ombudsman agrees the rule should be filed.~~}

{~~(b) The 180 day rulemaking deadline described in Subsection 63G-3-301(14) is tolled while a rule is reviewed by the medical cannabis ombudsman.~~}

Section 3. Section **4-41a-205** is amended to read:

4-41a-205. Number of licenses -- Cannabis cultivation facilities -- Cannabis processing facilities.

(1) Except as provided in Subsection (2)(a), the department shall issue at least five but not more than eight licenses to operate a cannabis cultivation facility.

(2)

(a) The department may issue a number of licenses to operate a cannabis cultivation facility that, in addition to the licenses described in Subsection (1), does not cause the total number of licenses to exceed 15 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.

(b) If the recipient of one of the initial licenses described in Subsection (1) ceases operations for any reason or otherwise abandons the license, the department may but is not required to grant the vacant license to another applicant based on an analysis as described in Subsection (2)(a).

(3) If there are more qualified applicants than the number of available licenses for cannabis cultivation facilities under Subsections (1) and (2), the department shall evaluate the applicants and award the limited number of licenses described in Subsections (1) and (2) to the applicants that best demonstrate:

(a) experience with establishing and successfully operating a business that involves:

(i) complying with a regulatory environment;

(ii) tracking inventory; and

(iii) training, evaluating, and monitoring employees;

(b) an operating plan that will best ensure the safety and security of patrons and the community;

(c) positive connections to the local community; and

(d) the extent to which the applicant can increase efficiency and reduce the cost to patients of medical cannabis.

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

(5) The licensing board may not issue more than 18 cannabis processing facility licenses.

Section 4. Section **4-41a-401** is amended to read:

4-41a-401. Cannabis production establishment -- General operating requirements.

(1)

(a) A cannabis production establishment shall operate in accordance with the operating plan described in Sections 4-41a-201 and 4-41a-204.

(b) A cannabis production establishment shall notify the department before a change in the cannabis production establishment's operating plan.

(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.

(ii) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, a process to:

(A) review a change notification described in Subsection (1)(b);

(B) identify for the cannabis production establishment each point of noncompliance between the new operating plan and this chapter;

(C) provide an opportunity for the cannabis production establishment to address each identified point of noncompliance; and

(D) suspend or revoke a license if the cannabis production establishment fails to cure the noncompliance.

(2) A cannabis production establishment shall operate:

(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

(b) at the physical address provided to the department under Section 4-41a-201.

(3) A cannabis production establishment may not employ an individual who is younger than 21 years old.

(4) A cannabis production establishment may not employ an individual who has been convicted, under state or federal law, of:

(a) a felony in the preceding 10 years; or

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

(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:

(a) tracks and monitors the individual at all times while the individual is at the cannabis production establishment; and

(b) maintains a record of the individual's access, including arrival and departure.

(6) A cannabis production establishment shall operate in a facility that has:

(a) a single, secure public entrance;

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

(i) detects and records entry into the cannabis production establishment; and

(ii) provides notice of an unauthorized entry to law enforcement when the cannabis production establishment is closed; and

(c) a lock or equivalent restrictive security feature on any area where the cannabis production establishment stores cannabis or a cannabis product.

(7) The department shall make rules establishing requirements for cannabis production establishments regarding:

(a) master manufacturing plans;

(b) batch production records;

(c) sanitary operations;

(d) sanitary facilities and controls;

(e) equipment and utensils;

(f) production and process controls;

(g) warehousing and distribution; and

(h) employee personal hygiene.

Section 5. Section **4-41a-403** is amended to read:

4-41a-403. Advertising.

(1) Except as provided in this section and Section 4-41a-604, a cannabis production establishment may not advertise to the general public in any medium.

(2) A cannabis production establishment may advertise an employment opportunity at the cannabis production establishment.

(3)

. (a) A cannabis production establishment may maintain a website that:

[~~(a)~~] (i) contains information about the establishment and employees; and

[~~(b)~~] (ii) except as provided in Subsection (3)(b), does not advertise any medical cannabis, cannabis products, or medical cannabis devices.

(b) A cannabis processing facility may:

(i) if the website has age verification mechanisms that effectively prevent access by individuals under 21 years of age, maintain a website that contains:

(A) educational information regarding medical cannabis produced by the cannabis processing facility, including the certificate of analysis that is created by an independent cannabis testing facility; and

(B) where medical cannabis produced by the cannabis processing facility may be purchased in the state; and

(ii) engage in targeted marketing in accordance with Section 4-41a-604 for advertising a particular medical cannabis product, medical cannabis device, or medical cannabis brand.

(4)

. (a) Notwithstanding any municipal or county ordinance prohibiting signage, a cannabis production establishment may use signage on the outside of the cannabis production establishment that:

(i) includes only:

(A) in accordance with Subsection (4)(b), the cannabis production establishment's name, logo, and hours of operation; and

(B) a green cross; and

(ii) complies with local ordinances regulating signage.

(b) The department shall define standards for a cannabis production establishment's name and logo to ensure a medical rather than recreational disposition.

(5)

. (a) A cannabis production establishment may hold an educational event for the public or medical providers in accordance with this Subsection (5) and the rules described in Subsection (5)(c).

(b) A cannabis production establishment may not include in an educational event described in Subsection (5)(a):

(i) any topic that conflicts with this chapter or Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis;

(ii) any gift items or merchandise other than educational materials, as those terms are defined by the department;

(iii) any marketing for a specific product from the cannabis production establishment or any other statement, claim, or information that would violate the federal Food, Drug, and Cosmetic Act, 21 U.S.C. Sec. 301, et seq.; or

(iv) a presenter other than the following:

(A) a cannabis production establishment agent;

(B) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;

(C) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act;

(D) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act;

(E) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant Act; or

(F) a state employee.

(c) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to define the elements of and restrictions on the educational event described in Subsection (5)(a), including a minimum age of 21 years old for attendees.

Section 6. Section **4-41a-501** is amended to read:

4-41a-501. Cannabis cultivation facility -- Operating requirements.

(1) A cannabis cultivation facility shall ensure that any cannabis growing at the cannabis cultivation facility is not visible from the ground level of the cannabis cultivation facility perimeter.

(2) A cannabis cultivation facility shall use a unique identifier that is connected to the facility's inventory control system to identify:

(a) beginning at the time a cannabis plant is eight inches tall and has a root ball, each cannabis plant;

(b) each unique harvest of cannabis plants;

(c) each batch of cannabis the facility transfers to a medical cannabis pharmacy, a cannabis processing facility, or an independent cannabis testing laboratory; and

(d) any excess, contaminated, or deteriorated cannabis of which the cannabis cultivation facility disposes.

(3) A cannabis cultivation facility shall identify cannabis biomass as cannabis byproduct or cannabis plant product before transferring the cannabis biomass from the facility.

(4) A cannabis cultivation facility shall either:

(a) ensure that a cannabis processing facility chemically or physically processes cannabis cultivation byproduct to produce a cannabis concentrate for incorporation into cannabis derivative products; or

(b) destroy cannabis cultivation byproduct in accordance with Section 4-41a-405.

(5) A cannabis cultivation facility may utilize radiation-based methods and equipment for quality assurance or remediation purposes.

(6) The department shall make rules establishing:

(a) the records a cannabis cultivation facility must keep regarding each batch, amount of product treated, and the methods used; and

(b) disclosure requirements to a cannabis processor receiving the material subject to the radiation including the methods and equipment used.

Section 7. Section **4-41a-701** is amended to read:

4-41a-701. Cannabis and cannabis product testing.

(1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department may make rules to:

(a) determine required adulterant tests for a cannabis plant product, cannabis concentrate, or cannabis product;

(b) determine the amount of any adulterant that is safe for human consumption;

(c) immediately ban or limit the presence of any ingredient in a medical cannabis product after receiving a recommendation to do so from a public health authority under Section 26B-1-102;

(d) establish protocols for a recall of [~~cannabis or a cannabis product~~] medical cannabis by a cannabis production establishment; or

(e) allow the propagation of testing results forward to derived product if the processing steps the cannabis production establishment uses to produce the product are unlikely to change the results of the test.

(2)

. (a) The department may require testing for a toxin if:

[~~(a)~~] (i) the department receives information indicating the potential presence of a toxin; or

[~~(b)~~] (ii) the department's inspector has reason to believe a toxin may be present based on the inspection of a facility.

(b) The department may not require a cannabis processor to test a cannabis batch or a cannabis product batch a third time if the cannabis batch or cannabis product has previously met all testing requirements after being tested by:

(i) an independent cannabis testing laboratory that is not the department; and

(ii) the department.

(3)

. (a) A cannabis production establishment may not:

(i) incorporate cannabis concentrate into a cannabis derivative product until an independent cannabis testing laboratory tests the cannabis concentrate in accordance with department rule; or

(ii) transfer cannabis or a cannabis product to a medical cannabis pharmacy until an independent cannabis testing laboratory tests a representative sample of the cannabis or cannabis product in accordance with department rule.

(b) A medical cannabis pharmacy may not offer any cannabis or cannabis product for sale unless an independent cannabis testing laboratory has tested a representative sample of the cannabis or cannabis product in accordance with department rule.

(4) Before the sale of a medical cannabis product, an independent cannabis testing laboratory shall:

(a) identify and quantify any cannabinoid known to be present in [~~a~~] the medical cannabis product; and

(b) test terpene profiles for the following products:

(i) raw cannabis; or

(ii) a cannabis product:

(A) contained in a vaporizer cartridge; or

(B) in concentrate form; and

(c) record the five highest terpene profiles tested under Subsection (4)(b).

(5) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the standards, methods, practices, and procedures for the testing of cannabis and cannabis products by independent cannabis testing laboratories.

(6) The department may require an independent cannabis testing laboratory to participate in a proficiency evaluation that the department conducts or that an organization that the department approves conducts.

{~~(7)~~}

.

{~~(a) Before July 1, 2026, the department shall create a website that allows a cannabis processing facility that creates a medical cannabis product to post the certificate of analysis of the product.~~}

{~~(b) A certificate of analysis may only be posted if:~~}

{~~(i) the certificate of analysis was created by an independent cannabis testing facility; and~~}

{~~(ii) approved by the creating cannabis processing facility.~~}

Section 8. Section **4-41a-801** is amended to read:

4-41a-801. Enforcement -- Fine -- Citation.

(1)

.

(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:

[~~(a)~~] (i) revoke the person's license {[or][~~cannabis production establishment~~]{ }} agent registration card;

[~~(b)~~] (ii) decline to renew the person's license [~~or cannabis production establishment~~]agent registration card;

{~~(c)~~} (iii) {~~issue~~ } provide a {~~warning~~ } letter of concern in accordance with Subsection {~~(12)~~} (10); or

[~~(c)~~] {~~(d)~~} (iv) assess the person an administrative penalty that the department establishes by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(b) Except for a violation that threatens public health or for the third violation of the same rule or statute in a 24-month period, the department shall issue a letter of concern before taking other administrative action under this section.

(2) The department shall deposit an administrative penalty imposed under this section into the General Fund.

(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

[~~(i) the person~~] has violated the provisions of this chapter, a rule made under this chapter, or an order issued under this chapter[~~; or~~] .

[~~(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.~~]

(b) If the department makes the determination about a person described in Subsection (3)(a), the department shall:

(i) issue the person a written administrative citation;

(ii) attempt to negotiate a stipulated settlement;

[~~(iii) seize, embargo, or destroy the cannabis or cannabis product batch;~~]

[~~(iv)~~] (iii) order the person to cease and desist from the action that creates a violation; [~~and~~] or

[~~(v)~~] (iv) direct the person to appear before an adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative Procedures Act.

(c) If the department concludes, upon investigation, that a cannabis production establishment or a cannabis production establishment agent has produced a cannabis batch or a cannabis product batch that contains a substance that poses a significant threat to human health, the department shall seize, embargo, or destroy the cannabis batch or cannabis product batch.

(4)

. {~~(a)~~} 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.

{~~(b) The department may not issue a fine described in Subsection (4)(a) or other monetary administrative penalty under this chapter unless the department determines that the conduct justifying the fine undermines public health or violates a statutory provision.~~}

(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.

(6) If within [~~20~~] 30 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.

(7) The department may, for a person who fails to comply with a citation under this section:

(a) refuse to issue or renew the person's license or cannabis production establishment agent registration card; or

(b) suspend, revoke, or place on probation the person's license or cannabis production establishment registration card.

(8)

. (a) Except where a criminal penalty is expressly provided for a specific violation of this chapter, if an individual:

(i) violates a provision of this chapter, the individual is:

(A) guilty of an infraction; and

(B) subject to a $100 fine; or

(ii) intentionally or knowingly violates a provision of this chapter or violates this chapter three or more times, the individual is:

(A) guilty of a class B misdemeanor; and

(B) subject to a $1,000 fine.

(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).

(9) Nothing in this section prohibits the department from referring potential criminal activity to law enforcement.

(10)

(a) A letter of concern shall describe:

(i) the violation including the statute or rule being violated;

(ii) possible options to remedy the issue; and

(iii) possible consequences for not remedying the violation.

(b) Under a letter of concern, the department shall provide the person at least 30 days to remedy the violation.

(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.

(d) If a letter of concern is resolved without an enforcement action being taken under Subsection (10)(c), the department may not report that a letter of concern was issued to the licensing board.

(11)

{~~(10)~~} (a) An appeal of {~~an~~ } administrative {~~penalty~~ } action taken under this {~~section~~ } chapter shall be {~~conducted~~ } heard by the medical cannabis ombudsman as {~~a formal~~ } an informal proceeding {~~with an administrative law judge~~ } in accordance with Title 63G, Chapter 4, Administrative Procedures Act.

{~~(11) {The department may not provide information regarding issued warnings to the licensing board if the warnings were not found to have merit.}~~ }

{~~(12)~~ }

{~~(a) {If the department issues a warning for a potential violation, the department shall allow a licensee 30 days to respond from the day the warning was issued.}~~ }

{~~(b) {If after the response, the department still determines there is a violation:}~~ }

{~~(i) {the department shall notify the licensee; and}~~ }

{~~(ii) {the licensee may file a dispute resolution complaint with the medical cannabis ombudsman in accordance with Section 13-1-19 within 10 days from the day the department notifies the licensee under Subsection (12)(b)(i).}~~ }

{~~(c) {The department may not issue an administrative penalty after a warning is issued until:}~~ }

{~~(i) {if no complaint is filed with the medical cannabis ombudsman, the applicable time period in Subsection (12)(b) expires; or}~~ }

{~~(ii) {if a complaint is filed with the medical cannabis ombudsman the earlier of:}~~ }

{~~(A) {the day the medical cannabis ombudsman issues the summary opinion described in Section 13-1-19; or}~~ }

{~~(B) {60 days from the day the complaint is filed.}~~ }

{~~(d)~~} (b) {~~This~~ } Subsection {~~(12)~~ } (11)(a) is only effective when the position of medical cannabis ombudsman is actively occupied by an employed individual.

Section 9. Section **4-41a-802** is amended to read:

4-41a-802. Report.

(1) At or before the November interim meeting each year, the department shall report to the Health and Human Services Interim Committee on:

(a) the number of applications and renewal applications that the department receives under this chapter;

(b) the number of each type of cannabis production facility that the department licenses in each county;

(c) the amount of cannabis that licensees grow;

(d) the amount of cannabis that licensees manufacture into cannabis products;

(e) the number of licenses the department revokes under this chapter;

(f) the department's operation of an independent cannabis testing laboratory under Section 4-41a-201, including:

(i) the cannabis and cannabis products the department tested; and

(ii) the results of the tests the department performed;

(g) the expenses incurred and revenues generated under this chapter; and

(h) an analysis of product availability in medical cannabis pharmacies in consultation with the Department of Health and Human Services.

(2) The department may not include personally identifying information in the report described in this section.

(3) The department shall report to the working group described in Section 36-12-8.2 as requested by the working group.

(4)

(a) Before August 1, of each year, the department shall provide a report to the working group described in Section 36-12-8.2 that provides the following for each fine issued by the department under this chapter:

(i) the date of the fine;

(ii) the reference to {~~statute~~ } the statute or rule that was violated for each fine issued; and

(iii) a short description explaining why the fine was issued.

(b) The report described in Subsection (4)(a) may not include identifying information of the person that was subject to the fine.

Section 10. Section **4-41a-1001** is amended to read:

4-41a-1001. Medical cannabis pharmacy -- License -- Eligibility.

(1) A person may not:

(a) operate as a medical cannabis pharmacy without a license that the department issues under this part;

(b) obtain a medical cannabis pharmacy license if obtaining the license would cause the person to exceed the pharmacy ownership limit;

(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

(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.

(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.

(ii) The department may not issue a license to operate a medical cannabis pharmacy to an applicant who is not eligible for a license under this section.

(b) An applicant is eligible for a license under this section if the applicant submits to the department:

(i) subject to Subsection (2)(c), a proposed name and address where the applicant will operate the medical cannabis pharmacy;

(ii) the name and address of an individual who:

(A) for a publicly traded company, has a financial or voting interest of 10% or greater in the proposed medical cannabis pharmacy;

(B) for a privately held company, a financial or voting interest in the proposed medical cannabis pharmacy; or

(C) has the power to direct or cause the management or control of a proposed medical cannabis pharmacy;

(iii) for each application that the applicant submits to the department, a statement from the applicant that the applicant will obtain and maintain:

(A) a performance bond in the amount of $100,000 issued by a surety authorized to transact surety business in the state; or

(B) a liquid cash account in the amount of $100,000 with a financial institution;

(iv) an operating plan that:

(A) complies with Section 4-41a-1004;

(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

(C) the department approves;

(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

(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.

(c)

. (i) A person may not locate a medical cannabis pharmacy:

(A) within 200 feet of a community location; or

(B) in or within 600 feet of a district that the relevant municipality or county has zoned as primarily residential.

(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.

(iii) The department 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.

(iv) An applicant for a license under this section shall provide evidence of compliance with the proximity requirements described in Subsection (2)(c)(i).

(d) The department 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).

(e) If the department 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.

(f) In considering the issuance of a medical cannabis pharmacy license under this section, the department may consider the extent to which the pharmacy can increase efficiency and reduce cost to patients of medical cannabis.

[~~(3) If the department selects an applicant~~]

(3)

. (a) After an entity has been selected for a medical cannabis pharmacy license under this section, the department shall:

[~~(a)~~] (i) 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;

[~~(b)~~] (ii) notify the Department of Public Safety of the license approval and the names of each individual described in Subsection (2)(b)(ii); and

[~~(c)~~] (iii) 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.

(b) For a fee described in Subsection (3)(a)(i), a license fee for a medical cannabis pharmacy located in a medically underserved area as determined by the federal Health Resources and Services Administration shall be 50% less than what is charged for other medical cannabis pharmacies.

(4) The department may not issue a license to operate a medical cannabis pharmacy to an applicant if an individual described in Subsection (2)(b)(ii):

(a) has been convicted under state or federal law of:

(i) a felony in the preceding 10 years; or

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

(b) is younger than 21 years old; or

(c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator.

(5)

. (a) If an applicant for a medical cannabis pharmacy license under this section holds another license under this chapter, the department may not give preference to the applicant based on the applicant's status as a holder of the license.

(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 may give consideration to the applicant's status as a holder of the license if:

(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

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

(6) The licensing board may revoke a license under this part:

(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;

(b) after the third the same violation of this chapter in any of the licensee's licensed cannabis production establishments or medical cannabis pharmacies;

(c) if an individual described in Subsection (2)(b)(ii) is convicted, while the license is active, under state or federal law of:

(i) a felony; or

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

(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;

(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;

(f) if, after a change of ownership described in Subsection (11)(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

(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 finds that the licensee has participated in anticompetitive business practices.

(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.

(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.

(8) The department shall deposit the proceeds of a fee imposed by this section into the Qualified Production Enterprise Fund.

(9) The department shall begin accepting applications under this part on or before March 1, 2020.

(10)

(a) The department's authority to issue a license under this section is plenary and is not subject to review.

(b) Notwithstanding Subsection (2), the decision of the department to award a license to an applicant is not subject to:

(i) Title 63G, Chapter 6a, Part 16, Protests; or

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

(11)

(a) A medical cannabis pharmacy license is not transferrable or assignable.

(b) A medical cannabis pharmacy shall report in writing to the department no later than 10 business days before the date of any change of ownership of the medical cannabis pharmacy.

(c) If the ownership of a medical cannabis pharmacy changes by 50% or more:

(i) concurrent with the report described in Subsection (11)(b), the medical cannabis pharmacy shall submit a new application described in Subsection (2)(b), subject to Subsection (2)(c);

(ii) within 30 days of the submission of the application, the department shall:

(A) conduct an application review; and

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

(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.

Section 11. Section **4-41a-1003** is amended to read:

4-41a-1003. Renewal - Notice of available license.

(1)

(a) The department shall renew a license [~~under Sections 4-41a-1001 through 4-41a-1005~~] issued under this part every year if, at the time of renewal:

[~~(a)~~] (i) the licensee meets the requirements of Section 4-41a-1001;

[~~(b)~~] (ii) the licensee pays the department a license renewal fee in an amount that, subject to Subsection 4-41a-1004(5), the department sets in accordance with Section 63J-1-504; and

[~~(c)~~] (iii) if the medical cannabis pharmacy changes the operating plan described in Section 4-41a-1004 that the department approved under Subsection 4-41a-1001(2)(b)(iv), the department approves the new operating plan.

(b) A license fee for a medical cannabis pharmacy located in a county of the third, fourth, fifth, or sixth class shall be 50% less than what is charged for other medical cannabis pharmacies.

(2)

(a) If a licensed medical cannabis pharmacy abandons the medical cannabis pharmacy's license, the department shall publish notice of an available license[~~.~~], for the geographic area in which the medical cannabis pharmacy license is available, as a class A notice under Section 63G-30-102, for at least seven days.

(b) The department may establish criteria, 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, to identify the medical cannabis pharmacy actions that constitute abandonment of a medical cannabis pharmacy license.

(3) If the department has not completed the necessary processes to make a determination on a license renewal under Subsections (1)(a) and (c) before the expiration of a license, the department may issue a conditional medical cannabis pharmacy license to a licensed medical cannabis pharmacy that has applied for license renewal under this section and paid the fee described in Subsection (1)(b).

Section 12. Section **4-41a-1005** is amended to read:

4-41a-1005. Maximum number of licenses.

(1)

(a) [~~Except as provided in Subsection (1)(b) or (d), if a sufficient number of applicants apply, the department~~] The licensing board shall issue up to [~~15~~] {~~40~~} 17 medical cannabis pharmacy licenses in accordance with this section including the {~~three~~ } two medical cannabis pharmacy licenses in accordance with Section 4-41a-1006.

(b) The medical cannabis ombudsman shall select the entities to receive a license in accordance with this chapter.

(c) The medical cannabis ombudsman may choose to select entities as an entity is qualified for a license and in accordance with Subsection (2)(c).

[~~(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.~~]

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

[~~(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.~~]

[~~(ii) The department shall:~~]

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

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

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

[~~(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.~~]

[~~(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.~~]

[~~(ii) The department shall:~~]

[~~(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~~]

[~~(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).~~]

(2)

. (a) [~~If there are more qualified applicants than there are available licenses for medical cannabis pharmacies, the department~~] The medical cannabis ombudsman shall:

(i) evaluate each applicant and award the license to the applicant that best demonstrates:

(A) experience with establishing and successfully operating a business that involves complying with a regulatory environment, tracking inventory, and training, evaluating, and monitoring employees;

(B) an operating plan that will best ensure the safety and security of patrons and the community;

(C) positive connections to the local community;

(D) the suitability of the proposed location and the location's accessibility for qualifying patients;

(E) the extent to which the applicant can increase efficiency and reduce the cost of medical cannabis for patients; and

(F) a strategic plan described in Subsection 4-41a-1004(7) that has a comparatively high likelihood of success; and

(ii) ensure a geographic dispersal among licensees that is sufficient to reasonably maximize access to the largest number of medical cannabis cardholders.

(b) In making the evaluation described in Subsection (2)(a), the [~~department~~] {~~the~~ } medical cannabis ombudsman may give increased consideration to applicants who indicate a willingness to:

(i) site a medical cannabis pharmacy in an area or population center designated as a medically underserved area or population as determined by the federal Health Resources and Services Administration;

(ii) operate as a home delivery medical cannabis pharmacy that accepts electronic medical cannabis orders[~~that the state central patient portal facilitates~~]; and

[~~(ii)~~] (iii) accept payments through:

(A) a payment provider that the Division of Finance approves, in consultation with the state treasurer, in accordance with Section 4-41a-108; or

(B) a financial institution in accordance with Subsection 4-41a-108(4).

(c) Except for the licenses described in Section {~~13-1-19~~} 26B-4-249, before each new license may be issued under this section, the medical cannabis ombudsman shall:

(i) consider the number of active patients in the program; {~~and~~}

(ii) geographic locations of current medical cannabis pharmacies; and

{~~(ii)~~} (iii) consult with other government agencies, licensees, and other stakeholders to determine the economic impact of an additional license.

(3) The [~~department~~] medical cannabis ombudsman may conduct a face-to-face interview with an applicant for a license that the [~~department~~] {~~the~~ } medical cannabis ombudsman evaluates under Subsection (2).

Section 13. Section **13** is enacted to read:

4-41a-1006. Licensees selected by medical cannabis ombudsman.

(1) Upon receiving a recommendation from the medical cannabis ombudsman under Section {~~13-1-19~~} 26B-4-248, the licensing board shall issue a license to the entity.

(2) An entity selected for a license under Section {~~13-1-19~~ } 26B-4-248 is subject to all of the applicable requirements of this chapter and Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis.

(3) The department shall ensure compliance with Subsection {~~13-1-19(3)(e)~~} 26B-4-248(3)(e).

Section 14. Section **4-41a-1101** is amended to read:

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

(1)

(a) A medical cannabis pharmacy shall operate:

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

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

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

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

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

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

(i) possesses a valid:

(A) medical cannabis pharmacy agent registration card;

(B) pharmacy medical provider registration card; or

(C) medical cannabis card;

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

(iii) is another individual as the department provides.

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

(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.

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

(a) a single, secure public entrance;

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

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

(ii) provides notice of an unauthorized entry to law enforcement when the medical cannabis pharmacy is closed; and

(c) a lock on each area where the medical cannabis pharmacy stores [~~cannabis or a cannabis product~~] medical cannabis.

(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).

(7) Except for an emergency situation described in Subsection 26B-4-213(3)(c), a medical cannabis pharmacy may not allow any individual to consume cannabis on the property or premises of the medical cannabis pharmacy.

(8) A medical cannabis pharmacy may not sell [~~cannabis or a cannabis product~~] medical cannabis without first indicating on the [~~cannabis or cannabis product~~] medical cannabis label the name of the medical cannabis pharmacy.

(9)

. (a) Each medical cannabis pharmacy shall retain in the pharmacy's records the following information regarding each recommendation underlying a transaction:

(i) the recommending medical provider's name, address, and telephone number;

(ii) the patient's name and address;

(iii) the date of issuance;

(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

(v) if the patient did not complete the transaction, the name of the medical cannabis cardholder who completed the transaction.

(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:

(A) the name, address, and telephone number of the medical cannabis pharmacy;

(B) the unique identification number that the medical cannabis pharmacy assigns;

(C) the date of the sale;

(D) the name of the patient;

(E) the name of the recommending medical provider who recommended the medical cannabis treatment;

(F) directions for use and cautionary statements, if any;

(G) the amount dispensed and the cannabinoid content;

(H) the suggested use date;

(I) for unprocessed cannabis flower, the legal use termination date; and

(J) any other requirements that the department determines, in consultation with the Division of Professional Licensing and the Board of Pharmacy.

(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:

(A) a unique identification number;

(B) directions for use and cautionary statements;

(C) amount and cannabinoid content; and

(D) a suggested use date.

(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:

(A) the cannabinoid content;

(B) the suggested use date; and

(C) any other requirements that the department determines.

(iv) A medical cannabis pharmacy may sell medical cannabis to another medical cannabis pharmacy without a label described in Subsection (9)(b)(i).

(10) A pharmacy medical provider or medical cannabis pharmacy agent shall:

(a) upon receipt of an order from a limited medical provider in accordance with Subsections 26B-4-204(1)(b) through (d):

(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

(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 directions of use, dosing guidelines, or caregiver indication, in the state electronic verification system;

(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;

(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,~~] medical cannabis or a medical cannabis device, personal counseling with the pharmacy medical provider; and

(d) provide a telephone number or website by which the cardholder may contact a pharmacy medical provider for counseling.

(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.

(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.

(c) A medical cannabis pharmacy shall dispose of any deposited medical cannabis by:

(i) rendering the deposited medical cannabis unusable and unrecognizable before transporting deposited medical cannabis from the medical cannabis pharmacy; and

(ii) disposing of the deposited medical cannabis in accordance with:

(A) federal and state law, rules, and regulations related to hazardous waste;

(B) the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 et seq.;

(C) Title 19, Chapter 6, Part 5, Solid Waste Management Act; and

(D) other regulations that the department makes in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(12) A medical cannabis pharmacy:

(a) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, as a pharmacy medical provider;

(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;

(c) shall ensure that a pharmacy medical provider described in Subsection (12)(a) works onsite during all business hours;

(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;[~~and~~]

(e) shall allow the pharmacist-in-charge to determine which [~~cannabis and cannabis products~~] medical cannabis products the medical cannabis pharmacy maintains in the medical cannabis pharmacy's inventory[~~.~~] ;

(f) if a patient product information insert is available, shall provide a patient who purchases a medical cannabis product the medical cannabis product's patient product information insert using any of the following methods:

(i) a physical document;

(ii) an email message;

(iii) a text message; or

(iv) a quick response code; {~~and~~}

(g) for each medical cannabis product sold by the medical cannabis pharmacy, shall:

(i) allow a medical cannabis cardholder located in the pharmacy to view the back panel of the product when requested; and

(ii) beginning July 1, 2025, include a picture of the back panel of the product on the medical cannabis pharmacy's website{~~.~~} ; and

(h) may not allow a recommending medical provider to recommend medical cannabis within 500 feet of the medical cannabis pharmacy's property line.

(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.

Section 15. Section **4-41a-1201** is amended to read:

4-41a-1201. Medical cannabis home delivery designation.

(1) The department may designate a medical cannabis pharmacy as a home delivery medical cannabis pharmacy if the department determines that the medical cannabis pharmacy's operating plan demonstrates the functional and technical ability to:

(a) safely conduct transactions for medical cannabis shipments;

(b) accept electronic medical cannabis orders[~~ that the state central patient portal facilitates~~]; and

(c) accept payments through:

(i) a payment provider that the Division of Finance approves, in consultation with the state treasurer, in accordance with Section 26-61a-603; or

(ii) a financial institution in accordance with Subsection 26-61a-603(4).

(2) An applicant seeking a designation as a home delivery medical cannabis pharmacy shall identify in the applicant's operating plan any information relevant to the department's evaluation described in Subsection (1), including:

(a) the name and contact information of the payment provider;

(b) the nature of the relationship between the prospective licensee and the payment provider;

(c) the processes of the following to safely and reliably conduct transactions for medical cannabis shipments:

(i) the prospective licensee; and

(ii) the electronic payment provider or the financial institution described in Subsection (1)(c); and

(d) the ability of the licensee to comply with the department's rules regarding the secure transportation and delivery of medical cannabis [~~or medical cannabis product~~]to a medical cannabis cardholder.

(3) Notwithstanding any county or municipal ordinance, a medical cannabis pharmacy that the department designates as a home delivery medical cannabis pharmacy may deliver medical cannabis shipments in accordance with this part.

Section 16. Section **4-41a-1202** is amended to read:

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

(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.

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

(3)

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

(b) An applicant is eligible for a license under this section if the applicant submits to the department:

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

(A) has a financial or voting interest of 10% or greater in the proposed medical cannabis courier; or

(B) has the power to direct or cause the management or control of a proposed cannabis production establishment;

(ii) an operating plan that includes operating procedures to comply with the operating requirements for a medical cannabis courier described in this chapter; and

(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.

(4) If the department determines that an applicant is eligible for a license under this section, the department shall:

(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

(b) notify the Department of Public Safety of the license approval and the names of each individual described in Subsection (3)(b)(i).

(5) The department may not issue a license to operate as a medical cannabis courier to an applicant if an individual described in Subsection (3)(b)(i):

(a) has been convicted under state or federal law of:

(i) a felony in the preceding 10 years; or

(ii) after September 23, 2019, a misdemeanor for drug distribution; or

(b) is younger than 21 years old.

(6) The department may revoke a license under this part if:

(a) the medical cannabis courier does not begin operations within one year after the day on which the department issues the initial license;

(b) the medical cannabis courier makes the same violation of this chapter three times;

(c) an individual described in Subsection (3)(b)(i) is convicted, while the license is active, under state or federal law of:

(i) a felony; or

(ii) after September 23, 2019, a misdemeanor for drug distribution; or

(d) after a change of ownership described in Subsection (14)(c), the department 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.

(7) The department shall deposit the proceeds of a fee imposed by this section in the Qualified Production Enterprise Fund.

(8) The department's authority to issue a license under this section is plenary and is not subject to review.

(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:

(a) a fingerprint card in a form acceptable to the Department of Public Safety;

(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

(c) consent to a fingerprint background check by:

(i) the Bureau of Criminal Identification; and

(ii) the Federal Bureau of Investigation.

(10) The Bureau of Criminal Identification shall:

(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;

(b) report the results of the background check to the department;

(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;

(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

(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.

(11) The department shall:

(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

(b) remit the fee described in Subsection (11)(a) to the Bureau of Criminal Identification.

(12) The department shall renew a license under this section every year if, at the time of renewal:

(a) the licensee meets the requirements of this section; and

(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.

(13) A person applying for a medical cannabis courier license shall submit to the department a proposed operating plan that complies with this section and that includes:

(a) a description of the physical characteristics of any proposed facilities, including a floor plan and an architectural elevation, and delivery vehicles;

(b) a description of the credentials and experience of each officer, director, or owner of the proposed medical cannabis courier;

(c) the medical cannabis courier's employee training standards;

(d) a security plan; and

(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.

(14)

. (a) A medical cannabis courier license is not transferable or assignable.

(b) A medical cannabis courier shall report in writing to the department no later than 10 business days before the date of any change of ownership of the medical cannabis courier.

(c) If the ownership of a medical cannabis courier changes by 50% or more:

(i) concurrent with the report described in Subsection (14)(b), the medical cannabis courier shall submit a new application described in Subsection (3)(b);

(ii) within 30 days of the submission of the application, the department shall:

(A) conduct an application review; and

(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

(iii) if the department approves the license application, notwithstanding Subsection (4), the medical cannabis courier 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.

{[~~(15)~~]}

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

{[~~(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:~~]}

{[~~(i) a green cross;~~]}

{[~~(ii) the pharmacy's or courier's name and logo; and~~]}

{[~~(iii) that the pharmacy or courier is licensed to transport medical cannabis shipments.~~]}

Section 17. Section **4-41a-1203** is amended to read:

4-41a-1203. Medical cannabis shipment transportation.

(1) The department shall ensure that each home delivery medical cannabis pharmacy is capable of delivering, directly or through a medical cannabis courier, medical cannabis shipments in a secure manner.

(2)

(a) A home delivery medical cannabis pharmacy may contract with a licensed medical cannabis courier to deliver medical cannabis shipments to fulfill electronic medical cannabis orders[~~ that the state central patient portal facilitates~~].

(b) If a home delivery medical cannabis pharmacy enters into a contract described in Subsection (2)(a), the pharmacy shall:

(i) impose security and personnel requirements on the medical cannabis courier sufficient to ensure the security and safety of medical cannabis shipments; and

(ii) provide regular oversight of the medical cannabis courier.

(3) Notwithstanding Subsection 4-41a-404(1), an individual may transport a medical cannabis shipment if the individual is:

(a) a registered pharmacy medical provider;

(b) a registered medical cannabis pharmacy agent; or

(c) a registered agent of the medical cannabis courier described in Subsection (2).

(4) An individual transporting a medical cannabis shipment under Subsection (3) shall comply with the requirements of Subsection 4-41a-404(3).

(5) In addition to the requirements in Subsections (3) and (4), the department may establish 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, requirements for transporting medical cannabis shipments that are related to safety for human consumption of [~~cannabis or a cannabis product~~] medical cannabis.

(6)

(a) It is unlawful for an individual to transport a medical cannabis shipment with a manifest that does not meet the requirements of Subsection (4).

(b) Except as provided in Subsection (6)(d), an individual who violates Subsection (6)(a) is:

(i) guilty of an infraction; and

(ii) subject to a $100 fine.

(c) An individual who is guilty of a violation described in Subsection (6)(b) is not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct underlying the violation described in Subsection (6)(b).

(d) If the individual described in Subsection (6)(a) is transporting more cannabis, cannabis product, or medical cannabis devices than the manifest identifies, except for a de minimis administrative error:

(i) this chapter does not apply; and

(ii) the individual is subject to penalties under Title 58, Chapter 37, Utah Controlled Substances Act.

Section 18. Section **4-41a-1206** is amended to read:

4-41a-1206. Closed-door medical cannabis pharmacy.

(1)

(a) Subject to Subsections (1)(b) and (c), a home delivery medical cannabis pharmacy may open a single closed-door medical cannabis pharmacy.

(b) A home delivery medical cannabis pharmacy may not open a closed-door medical cannabis pharmacy unless the home delivery medical cannabis pharmacy:

(i) has an operating plan that includes a closed-door medical cannabis pharmacy; and

(ii) obtains a license issued by the department for a closed-door medical cannabis pharmacy.

(c) An entity that owns multiple home delivery medical cannabis pharmacies may open only one closed-door medical cannabis pharmacy.

(d) The department may institute a fee in accordance with Section 63J-1-504 to administer this section.

(2) A home delivery medical cannabis pharmacy that opens a closed-door medical cannabis pharmacy under Subsection (1) shall ensure:

(a) that a pharmacy medical provider who is a licensed pharmacist:

(i) is directly supervising the packaging of an order; and

(ii) is present in the closed-door medical cannabis pharmacy when an order is packaged for delivery; and

(b) all record keeping requirements, labeling requirements, and patient counseling requirements described in this chapter and Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis, are satisfied before sending out an order.

(3) An individual who prepares an order at a closed-door medical cannabis pharmacy under this section shall be registered as:

(a) a pharmacy medical provider; or

(b) a medical cannabis pharmacy agent.

(4)

. (a) A closed-door medical cannabis pharmacy shall operate:

(i) except as provided in Subsection (4)(b), in a facility that is accessible only by an individual who is a pharmacy medical provider or a medical cannabis pharmacy agent; and

(ii) at a physical address in accordance with Subsection (6).

(b) A closed-door medical cannabis pharmacy may authorize an individual who is at least 18 years old and is not a pharmacy medical provider or a cannabis pharmacy agent to access the closed-door medical cannabis pharmacy if the closed-door medical cannabis pharmacy:

(i) tracks and monitors the individual at all times while the individual is at the closed-door medical cannabis pharmacy; and

(ii) maintains a record of the individual's access, including arrival and departure.

(c) A closed-door medical cannabis pharmacy shall operate in a facility that has:

(i) a single, secure public entrance; and

(ii) a security system with a backup power source that:

(A) detects and records entry into the closed-door medical cannabis pharmacy;

(B) provides notice of an unauthorized entry to law enforcement when the closed-door medical cannabis pharmacy is closed; and

(C) a lock or equivalent restrictive security feature on any area where the closed-door medical cannabis pharmacy stores a cannabis product.

(d) A closed-door medical cannabis pharmacy shall ensure that any cannabis or cannabis products in the closed-door medical cannabis pharmacy that are intended for home delivery are separated in a manner that is readily distinguishable from any other cannabis or cannabis product in the facility.

(5) A closed-door medical cannabis pharmacy may only provide cannabis or a cannabis product to an individual through a delivery that complies with this part.

(6)

. (a) A person may not locate a closed-door medical cannabis pharmacy:

(i) within 1,000 feet of a community location; or

(ii) in or within 600 feet of a district that the relevant municipality or county has zoned as primarily residential.

(b) The proximity requirements described in Subsection (6)(a) shall be measured from the nearest entrance to the closed-door medical cannabis pharmacy by following the shortest route of ordinary pedestrian travel to the property boundary of the community location or residential area.

(c) The licensing board may grant a waiver to reduce the proximity requirements in Subsection (6)(a) by up to 20% if the licensing board determines that it is not reasonably feasible for the applicant to site the proposed closed-door medical cannabis pharmacy without the waiver.

(d) An applicant for a license under this section shall provide evidence of compliance with the proximity requirements described in Subsection (6)(a).

(7) When determining where a closed-door medical cannabis pharmacy may open, the licensing board:

(a) shall utilize geographic regions created by the department through rule;

(b) shall prioritize allowing entities that do not have a medical cannabis pharmacy in a region to open a closed-door medical cannabis pharmacy in the region;

(c) of the total amount of closed-door medical cannabis pharmacies, may allow only three closed-door medical cannabis pharmacies to operate in counties of the first and second class as described in Section 17-50-501; and

(d) for determining the three closed-door medical cannabis pharmacies described in Subsection (7)(c), consider the following:

(i) the history of compliance with state law and rules for all licenses issued under this chapter;

(ii) the medical cannabis pharmacy's willingness to offer a variety of brands and products;

(iii) the ability of the operating plan to ensure the safety and security of the community;

(iv) the suitability of the proposed location and the location's ability to serve the local community; and

(v) any other relevant information determined through rule.

(8) A closed-door medical cannabis pharmacy may not account for more than:

(a) for an entity that holds a single medical cannabis pharmacy license, the greater of:

(i) 35% of the medical cannabis pharmacy's total revenue; or

(ii) $2,000,000 in total revenue; or

(b) for an entity that holds more than one medical cannabis pharmacy license, the greater of:

(i) 35% of the total revenue of the entity's medical cannabis pharmacy that generates the most revenue; or

(ii) $2,000,000 in total revenue.

(9) Notwithstanding any other provision of this section, the [~~department~~] licensing board may issue only [~~three~~] one closed-door medical cannabis pharmacy [~~licenses~~] license before July 1, 2027.

(10) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department shall make rules to implement this section.

Section 17. Section **17** is enacted to read:

13-1-19. Medical cannabis ombudsman -- Duties -- Appeals.

(1)

. (a) The definitions of Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies, and Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis, apply to this section.

(b) There is created a medical cannabis ombudsman within the Department of Commerce.

(c) The Department of Commerce shall consult with the Department of Agriculture and Food and the Department of Health and Human Services regarding the selection of the medical cannabis ombudsman.

(d) The medical cannabis ombudsman or an immediate family member of the medical cannabis ombudsman may not have an ownership interest in a cannabis production establishment or medical cannabis pharmacy.

(2) The ombudsman shall:

(a) develop and maintain expertise in laws and policies governing the rights and privileges of patients who hold medical cannabis cards;

(b) provide training and information to private citizens, civic groups, governmental entities, and other interested parties across the state regarding:

(i) the role and duties of the ombudsman; and

(ii) the rights and privileges of medical cannabis patients;

(c) develop a website to provide the information described in Subsection (2)(b) in a form that is easily accessible;

(d) receive, process, and investigate complaints from medical cannabis production establishments and medical cannabis pharmacies regarding Utah regulatory agencies;

(e) review proposed rules that are created under Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies, and Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis;

(f) cooperate and coordinate with governmental entities and other organizations in the community in exercising the duties under this section; and

(g) as appropriate, make recommendations to the Department of Agriculture and Food and the Department of Health and Human Services regarding the creation or modification of rules that the ombudsman considers necessary to carry out the ombudsman's duties under this section.

(3)

(a) The ombudsman shall:

(i) determine which entities receive licenses:

(A) under Section 4-41a-1005 in consultation with the Department of Agriculture and Food and in accordance with Section 4-41a-1005; and

(B) described under this Subsection (3); and

(ii) inform the Department of Agriculture and Food of the selections.

(b)

(i) Subject to the requirements of this Subsection (3) and the criteria established for obtaining a medical cannabis pharmacy license under Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies, the ombudsman shall:

(A) before January 1, 2026, select two entities to receive a medical cannabis pharmacy license; and

(B) before January 1, 2027, but not before January 1, 2026, select one entity to receive a medical cannabis pharmacy license.

(ii) When selecting entities under this Subsection (3), if there is a conflict between the criteria established for obtaining a medical cannabis pharmacy license under Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies, and this section, this section controls.

(c) For one of the licenses described in Subsection (3)(b)(i)(A), the ombudsman may not select an entity:

(i) that owns or operates a medical cannabis production establishment; or

(ii) that is owned or operated by a medical cannabis production establishment.

(d) The ombudsman:

(i) may not select an entity to receive a license under this Subsection (3) if the entity already holds or is owned by an entity that holds a medical cannabis pharmacy license; and

(ii) shall select an entity that will site a medical cannabis pharmacy license issued under this Subsection (3) in an area:

(A) designated as a medically underserved area as determined by the federal Health Resources and Services Administration; and

(B) located in a county of the third, fourth, fifth, or sixth class.

(e) A license described in this Subsection (3) may not be transferred to another entity unless that entity meets the requirements of Subsections (3)(c) and (3)(d) that the transferring entity met when obtaining the license.

(4)

. (a) The ombudsman shall create a program where a medical cannabis patient may obtain assistance for paying for medical cannabis and medical cannabis devices.

(b) Subject to available funds, the medical cannabis ombudsman may provide monthly $150 vouchers to a medical cannabis pharmacy as part of the program described in this Subsection (4).

(c) A medical cannabis patient is eligible for the program if the individual is:

(i) an active medical cannabis cardholder patient; and

(ii) enrolled in Medicaid or Medicare.

(d) The ombudsman may make rules to effectuate the program described in this Subsection (4) in accordance with Title 63G, Chapter 4, Administrative Procedures Act.

(e) The ombudsman may contract with an entity to administer the program described in this Subsection (4).

(5)

. (a) For a dispute that is not under the jurisdiction of an administrative law judge under Section 4-41a-801, the ombudsman may enter into dispute resolution between a medical cannabis pharmacy, medical cannabis courier, or cannabis production establishment, and the Department of Agriculture and Food.

(b) When a complaint is provided to the ombudsman by a licensee described in Subsection (5)(a) and in accordance with Section 4-41a-801, the Department of Agriculture and Food shall provide a detailed explanation to the medical cannabis ombudsman regarding the issue under consideration.

(c) The ombudsman may request additional information from the licensee that provided the complaint.

(d) The ombudsman shall issue a summary opinion as to whether the licensee is acting in accordance with the law.

(e) The ombudsman may create rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to implement this Subsection (5).

(6) Before August 1, 2026, and each year thereafter, the ombudsman shall provide a report to the Medical Cannabis Governance Structure Working Group created in Section 36-12-8.2 regarding:

(a) the number of disputes heard under Subsection (5);

(b) the number of patients served under Subsection (4); and

(c) policy recommendations related to the medical cannabis program.

Section 19. Section **26B-1-310** is amended to read:

26B-1-310. Qualified Patient Enterprise Fund -- Creation -- Revenue neutrality -- Uniform fee.

(1) There is created an enterprise fund known as the "Qualified Patient Enterprise Fund."

(2) The fund created in this section is funded from:

(a) money the department deposits into the fund under Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis;

(b) appropriations the Legislature makes to the fund; and

(c) the interest described in Subsection (3).

(3) Interest earned on the fund shall be deposited into the fund.

(4) Money deposited into the fund may {{~~[~~only be used by{~~]~~}} ~~be used as follows~~}:

(a) {~~by~~ }the department to accomplish the department's responsibilities described in Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis;{{~~ and~~}}

(b) {~~by~~ }the Center for Medical Cannabis Research created in Section 53B-17-1402 to accomplish the Center for Medical Cannabis Research's responsibilities[~~.~~] ;and

{~~(c) {by the medical cannabis ombudsman created in Section 13-1-19 to accomplish the medical cannabis ombudsman's responsibilities except for the responsibilities described in Subsection 13-1-19(4); and}~~ }

{~~(d)~~} (c) if there is remaining money in the fund balance on June 30 of each fiscal year after financial obligations under Subsections (4)(a) through {~~(c)~~ } (b) are met, {~~$300,000 shall be transferred to~~ } an amount up to $300,000, the medical cannabis ombudsman and available for expenditure the next fiscal year for the program described in Subsection {~~13-1-19(4)~~ } 26B-4-248(4) and, subject to Subsection (7), the program's associated administrative costs.

(5) The department shall set fees authorized under Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis, in amounts that the department anticipates are necessary, in total, to cover the department's cost to implement Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis.

(6)

. {~~(a)~~} The department may impose a uniform fee on each medical cannabis transaction in a medical cannabis pharmacy in an amount that, subject to Subsection (5), the department sets in accordance with Section 63J-1-504.

{~~(b) {The department shall allocate at least 10% of each fee charged under Subsection (6)(a) to the medical cannabis ombudsman created in Section 13-1-19.}~~ }

(7) {~~Only~~ } No more than 20% of the amount {~~transfered~~ } transferred under Subsection {~~(4)(d)~~ } (4)(c) may be used for administrative costs.

Section 20. Section **26B-1-435** is amended to read:

26B-1-435. Medical Cannabis Policy Advisory Board creation -- Membership -- Duties.

(1) There is created within the department the Medical Cannabis Policy Advisory Board.

(2)

. (a) The advisory board shall consist of the following members:

(i) appointed by the executive director:

(A) a qualified medical provider who has recommended medical cannabis to at least 100 patients before being appointed;

[~~(B) a medical research professional;~~]

[~~(C)~~] (B) a mental health specialist;

[~~(D)~~] (C) an individual who represents an organization that advocates for medical cannabis patients;

[~~(E)~~] (D) [~~an individual~~] a member of the general public who holds a medical cannabis patient card; and

[~~(F)~~] (E) a member of the general public who does not hold a medical cannabis card;[~~ and~~]

(ii) appointed by the commissioner of the Department of Agriculture and Food:

(A) an individual who owns or operates a licensed cannabis cultivation facility, as defined in Section 4-41a-102;

(B) an individual who owns or operates a licensed medical cannabis pharmacy; and

(C) a law enforcement officer[~~.~~] ; and

(iii) a representative from the Center for Medical Cannabis Research created in Section 53B-14-1402, appointed by the Center for Medical Cannabis Research.

(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.

(3)

. (a) Subject to Subsection (3)(b), a member of the advisory board shall serve for a four year term.

(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.

(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.

(b) A member appointed in accordance with Subsection (4)(a) shall serve for the remainder of the unexpired term of the original appointment.

(5)

. (a) A majority of the advisory board members constitutes a quorum.

(b) The action of a majority of a quorum constitutes an action of the advisory board.

(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.

(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.

(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:

(a) Sections 63A-3-106 and 63A-3-107; and

(b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

(7) The department shall:

(a) provide staff support for the advisory board; and

(b) assist the advisory board in conducting meetings.

(8) The advisory board may recommend:

(a) to the department or the Department of Agriculture and Food changes to current or proposed medical cannabis rules or statutes; and

(b) to the appropriate legislative committee whether the advisory board supports a change to medical cannabis statutes.

(9) The advisory board shall:

(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;

(b) consult with the Department of Agriculture and Food regarding the issuance of an additional:

(i) cultivation facility license under Section 4-41a-205; or

(ii) pharmacy license under Section 4-41a-1005;

(c) consult with the department regarding cannabis patient education;

(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

(e) consult regarding any issue pertaining to medical cannabis when asked by the department or the Utah Department of Agriculture and Food.

Section 21. Section **26B-4-201** is amended to read:

26B-4-201. Definitions.

As used in this part:

(1) "Active tetrahydrocannabinol" means THC, any THC analog, and tetrahydrocannabinolic acid.

(2) "Administration of criminal justice" means the performance of detection, apprehension, detention, pretrial release, post-trial release, prosecution, and adjudication.

(3) "Advertise" means information provided by a person in any medium:

(a) to the public; and

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

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

(5) "Cannabis Research Review Board" means the Cannabis Research Review Board created in Section 26B-1-420.

(6) "Cannabis" means marijuana.

(7) "Cannabis processing facility" means the same as that term is defined in Section 4-41a-102.

(8) "Cannabis product" means a product that:

(a) is intended for human use; and

(b) contains cannabis or any tetrahydrocannabinol or THC analog in a total concentration of 0.3% or greater on a dry weight basis.

(9) "Cannabis production establishment" means the same as that term is defined in Section 4-41a-102.

(10) "Cannabis production establishment agent" means the same as that term is defined in Section 4-41a-102.

(11) "Cannabis production establishment agent registration card" means the same as that term is defined in Section 4-41a-102.

(12) "Conditional medical cannabis card" means an electronic medical cannabis card that the department issues in accordance with Subsection 26B-4-213(1)(b) to allow an applicant for a medical cannabis card to access medical cannabis during the department's review of the application.

(13) "Controlled substance database" means the controlled substance database created in Section 58-37f-201.

(14) "Delivery address" means the same as that term is defined in Section 4-41a-102.

(15) "Department" means the Department of Health and Human Services.

(16) "Designated caregiver" means:

(a) an individual:

(i) whom an individual with a medical cannabis patient card or a medical cannabis guardian card designates as the patient's caregiver; and

(ii) who registers with the department under Section 26B-4-214; or

(b)

. (i) a facility that an individual designates as a designated caregiver in accordance with Subsection 26B-4-214(1)(b); or

(ii) an assigned employee of the facility described in Subsection 26B-4-214(1)(b)(ii).

(17) "Directions of use" means recommended routes of administration for a medical cannabis treatment and suggested usage guidelines.

(18) "Dosing guidelines" means a quantity range and frequency of administration for a recommended treatment of medical cannabis.

(19) "Government issued photo identification" means any of the following forms of identification:

(a) a valid state-issued driver license or identification card;

(b) a valid United States federal-issued photo identification, including:

(i) a United States passport;

(ii) a United States passport card;

(iii) a United States military identification card; or

(iv) a permanent resident card or alien registration receipt card; or

(c) a foreign passport.

(20) "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~~].

(21) "Inventory control system" means the system described in Section 4-41a-103.

(22) "Legal dosage limit" means an amount that:

(a) is sufficient to provide 30 days of treatment based on the dosing guidelines that the relevant recommending medical provider or [~~the state central patient portal or~~]pharmacy medical provider, in accordance with Subsection 26B-4-230(5), recommends; and

(b) may not exceed:

(i) for unprocessed cannabis in a medicinal dosage form, 113 grams by weight; and

(ii) for a cannabis product in a medicinal dosage form, a quantity that contains, in total, greater than 20 grams of active tetrahydrocannabinol.

(23) "Legal use termination date" means a date on the label of a container of unprocessed cannabis flower:

(a) that is 60 days after the date of purchase of the cannabis; and

(b) after which, the cannabis is no longer in a medicinal dosage form outside of the primary residence of the relevant medical cannabis patient cardholder.

(24) "Limited medical provider" means an individual who:

(a) meets the recommending qualifications; and

(b) has no more than 15 patients with a valid medical cannabis patient card as a result of the individual's recommendation, in accordance with Subsection 26B-4-204(1)(b).

(25) "Marijuana" means the same as that term is defined in Section 58-37-2.

(26) "Medical cannabis" or "medical cannabis product" means cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form.

(27) "Medical cannabis card" means a medical cannabis patient card, a medical cannabis guardian card, a medical cannabis caregiver card, or a conditional medical cannabis card.

(28) "Medical cannabis cardholder" means:

(a) a holder of a medical cannabis card; or

(b) a facility or assigned employee, described in Subsection (16)(b), only:

(i) within the scope of the facility's or assigned employee's performance of the role of a medical cannabis patient cardholder's caregiver designation under Subsection 26B-4-214(1)(b); and

(ii) while in possession of documentation that establishes:

(A) a caregiver designation described in Subsection 26B-4-214(1)(b);

(B) the identity of the individual presenting the documentation; and

(C) the relation of the individual presenting the documentation to the caregiver designation.

(29) "Medical cannabis caregiver card" means an electronic document that a cardholder may print or store on an electronic device or a physical card or document that:

(a) the department issues to an individual whom a medical cannabis patient cardholder or a medical cannabis guardian cardholder designates as a designated caregiver; and

(b) is connected to the electronic verification system.

(30) "Medical cannabis courier" means the same as that term is defined in Section 4-41a-102.

(31)

. (a) "Medical cannabis device" means a device that an individual uses to ingest or inhale [~~cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form~~] medical cannabis.

(b) "Medical cannabis device" does not include a device that:

(i) facilitates cannabis combustion; or

(ii) an individual uses to ingest substances other than cannabis.

(32) "Medical cannabis guardian card" means an electronic document that a cardholder may print or store on an electronic device or a physical card or document that:

(a) the department issues to the parent or legal guardian of a minor with a qualifying condition; and

(b) is connected to the electronic verification system.

(33) "Medical cannabis ombudsman" means the same as that term is defined in Section {~~4-41a-102~~} 26B-4-248.

[~~(33)~~] (34) "Medical cannabis patient card" means an electronic document that a cardholder may print or store on an electronic device or a physical card or document that:

(a) the department issues to an individual with a qualifying condition; and

(b) is connected to the electronic verification system.

[~~(34)~~] (35) "Medical cannabis pharmacy" means a person that:

(a)

. (i) acquires or intends to acquire medical cannabis [~~or a cannabis product in a medicinal dosage form~~]from a cannabis processing facility or another medical cannabis pharmacy or a medical cannabis device; or

(ii) possesses medical cannabis or a medical cannabis device; and

(b) sells or intends to sell medical cannabis or a medical cannabis device to a medical cannabis cardholder.

[~~(35)~~] (36) "Medical cannabis pharmacy agent" means an individual who holds a valid medical cannabis pharmacy agent registration card issued by the department.

[~~(36)~~] (37) "Medical cannabis pharmacy agent registration card" means a registration card issued by the department that authorizes an individual to act as a medical cannabis pharmacy agent.

[~~(37)~~] (38) "Medical cannabis shipment" means the same as that term is defined in Section 4-41a-102.

[~~(38)~~] (39) "Medical cannabis treatment" means [~~cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or~~] medical cannabis or a medical cannabis device.

[~~(39)~~] (40)

. (a) "Medicinal dosage form" means:

(i) for processed medical cannabis, the following with a specific and consistent cannabinoid content:

(A) a tablet;

(B) a capsule;

(C) a concentrated liquid or viscous oil;

(D) a liquid suspension that does not exceed 30 milliliters;

(E) a topical preparation;

(F) a transdermal preparation;

(G) a sublingual preparation;

(H) a gelatinous cube, gelatinous rectangular cuboid, or lozenge in a cube or rectangular cuboid shape;

(I) a resin or wax;

(J) an aerosol;

(K) a suppository preparation; or

(L) a soft or hard confection that is a uniform rectangular cuboid or uniform spherical shape, is homogeneous in color and texture, and each piece is a single serving; or

(ii) for unprocessed cannabis flower, a container described in Section 4-41a-602 that:

(A) contains cannabis flower in a quantity that varies by no more than 10% from the stated weight at the time of packaging;

(B) at any time the medical cannabis cardholder transports or possesses the container in public, is contained within an opaque bag or box that the medical cannabis pharmacy provides; and

(C) is labeled with the container's content and weight, the date of purchase, the legal use termination date, and a barcode that provides information connected to an inventory control system.

(b) "Medicinal dosage form" includes a portion of unprocessed cannabis flower that:

(i) the medical cannabis cardholder has recently removed from the container described in Subsection [~~(39)(a)(ii)~~] (40)(a)(ii) for use; and

(ii) does not exceed the quantity described in Subsection [~~(39)(a)(ii)~~] (40)(a)(ii).

(c) "Medicinal dosage form" does not include:

(i) any unprocessed cannabis flower outside of the container described in Subsection [~~(39)(a)(ii)~~] (40)(a)(ii), except as provided in Subsection [~~(39)(b)~~] (40)(b);

(ii) any unprocessed cannabis flower in a container described in Subsection [~~(39)(a)(ii)~~] (40)(a)(ii) after the legal use termination date;

(iii) a process of vaporizing and inhaling concentrated cannabis by placing the cannabis on a nail or other metal object that is heated by a flame, including a blowtorch;

(iv) a liquid suspension that is branded as a beverage;

(v) a substance described in Subsection [~~(39)(a)(i)~~] (40)(a)(i) or (ii) if the substance is not measured in grams, milligrams, or milliliters; or

(vi) a substance that contains or is covered to any degree with chocolate.

[~~(40)~~] (41) "Nonresident patient" means an individual who:

(a) is not a resident of Utah or has been a resident of Utah for less than 45 days;

(b) has a currently valid medical cannabis card or the equivalent of a medical cannabis card under the laws of another state, district, territory, commonwealth, or insular possession of the United States; and

(c) has been diagnosed with a qualifying condition as described in Section 26B-4-203.

[~~(41)~~] (42) "Patient product information insert" means a single page document or webpage that contains information about a medical cannabis product regarding:

(a) how to use the product;

(b) common side effects;

(c) serious side effects;

(d) dosage;

(e) contraindications;

(f) safe storage;

(g) information on when a product should not be used; and

(h) other information the department deems appropriate in consultation with the cannabis processing facility that created the product.

(43) "Pharmacy medical provider" means the medical provider required to be on site at a medical cannabis pharmacy under Section 26B-4-219.

[~~(42)~~] (44) "Provisional patient card" means a card that:

(a) the department issues to a minor with a qualifying condition for whom:

(i) a recommending medical provider has recommended a medical cannabis treatment; and

(ii) the department issues a medical cannabis guardian card to the minor's parent or legal guardian; and

(b) is connected to the electronic verification system.

[~~(43)~~] (45) "Qualified medical provider" means an individual:

(a) who meets the recommending qualifications; and

(b) whom the department registers to recommend treatment with cannabis in a medicinal dosage form under Section 26B-4-204.

[~~(44)~~] (46) "Qualified Patient Enterprise Fund" means the enterprise fund created in Section 26B-1-310.

[~~(45)~~] (47) "Qualifying condition" means a condition described in Section 26B-4-203.

[~~(46)~~] (48) "Recommend" or "recommendation" means, for a recommending medical provider, the act of suggesting the use of medical cannabis treatment, which:

(a) certifies the patient's eligibility for a medical cannabis card; and

(b) may include, at the recommending medical provider's discretion, directions of use, with or without dosing guidelines.

[~~(47)~~] (49) "Recommending medical provider" means a qualified medical provider or a limited medical provider.

[~~(48)~~] (50) "Recommending qualifications" means that an individual:

(a)

. (i) has the authority to write a prescription;

(ii) is licensed to prescribe a controlled substance under Title 58, Chapter 37, Utah Controlled Substances Act; and

(iii) possesses the authority, in accordance with the individual's scope of practice, to prescribe a Schedule II controlled substance; and

(b) is licensed as:

(i) a podiatrist under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

(ii) an advanced practice registered nurse under Title 58, Chapter 31b, Nurse Practice Act;

(iii) a physician under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or

(iv) a physician assistant under Title 58, Chapter 70a, Utah Physician Assistant Act.

[~~(49) "State central patient portal" means the website the department creates, in accordance with Section 26B-4-236, to facilitate patient safety, education, and an electronic medical cannabis order.~~]

[~~(50)~~] (51) "State electronic verification system" means the system described in Section 26B-4-202.

[~~(51)~~] (52) "Targeted marketing" means the promotion by a qualified medical provider, medical clinic, or medical office that employs a qualified medical provider of a medical cannabis recommendation service using any of the following methods:

(a) electronic communication to an individual who is at least 21 years old and has requested to receive promotional information;

(b) an in-person marketing event that is held in an area where only an individual who is at least 21 years old may access the event;

(c) other marketing material that is physically or digitally displayed in the office of the medical clinic or office that employs a qualified medical provider; or

(d) a leaflet that a qualified medical provider, medical clinic, or medical office that employs a qualified medical provider shares with an individual who is at least 21 years old.

[~~(52)~~] (53) "Tetrahydrocannabinol" or "THC" means a substance derived from cannabis or a synthetic equivalent as described in Subsection 58-37-4(2)(a)(iii)(AA).

[~~(53)~~] (54) "THC analog" means the same as that term is defined in Section 4-41-102.

Section 22. Section **26B-4-202** is amended to read:

26B-4-202. Electronic verification system.

(1) The Department of Agriculture and Food, the department, the Department of Public Safety, and the Division of Technology Services shall:

(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);

(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

(c) select a third-party provider who:

(i) meets the requirements contained in the request for proposals issued under Subsection (1)(b); and

(ii) may not have any commercial or ownership interest in a cannabis production establishment or a medical cannabis pharmacy.

(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):

(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:

(i) the relevant qualified medical provider completes the associated medical cannabis recommendation; or

(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);

(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;

(c) allows a qualified medical provider, or an employee described in Subsection (3) acting on behalf of the qualified medical provider, to:

(i) access dispensing and card status information regarding a patient:

(A) with whom the qualified medical provider has a provider-patient relationship; and

(B) for whom the qualified medical provider has recommended or is considering recommending a medical cannabis card;

(ii) electronically recommend treatment with [~~cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form~~] medical cannabis and optionally recommend dosing guidelines;

(iii) electronically renew a recommendation to a medical cannabis patient cardholder or medical cannabis guardian cardholder:

(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

(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

(iv) submit an initial application, renewal application, or application payment on behalf of an individual applying for any of the following:

(A) a medical cannabis patient card;

(B) a medical cannabis guardian card; or

(C) a medical cannabis caregiver card;

(d) allows a medical cannabis pharmacy medical provider or medical cannabis pharmacy agent, in accordance with Subsection 4-41a-1101(10)(a), to:

(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;

(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;

(iii) record a limited medical provider's renewal of the provider's previous recommendation; and

(iv) submit an initial application, renewal application, or application payment on behalf of an individual applying for any of the following:

(A) a medical cannabis patient card;

(B) a medical cannabis guardian card; or

(C) a medical cannabis caregiver card;

(e) connects with:

(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,~~] medical cannabis or a medical cannabis device, including:

(A) the time and date of each purchase;

(B) the quantity and type of [~~cannabis, cannabis product,~~] medical cannabis or medical cannabis device purchased;

(C) any cannabis production establishment, any medical cannabis pharmacy, or any medical cannabis courier associated with the [~~cannabis, cannabis product,~~] medical cannabis or medical cannabis device; and

(D) the personally identifiable information of the medical cannabis cardholder who made the purchase; and

(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;

(f) provides access to:

(i) the department to the extent necessary to carry out the department's functions and responsibilities under this part;

(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

(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:

(A) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

(B) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;

(C) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act;

(D) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or

(E) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant Act;

[~~(g) provides access to and interaction with the state central patient portal;~~]

[~~(h)~~] (g) 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;

[~~(i)~~] (h) 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

[~~(j)~~] (i) 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.

(3)

. (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:

(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;

(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

(iii) the department grants to the employee access to the electronic verification system.

(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:

(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;

(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

(iii) the department grants to the employee access to the electronic verification system.

(4)

. (a) As used in this Subsection (4), "prescribing provider" means:

(i) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

(ii) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act;

(iii) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or

(iv) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant Act.

(b) A prescribing provider may access information in the electronic verification system regarding a patient the prescribing provider treats.

(5) The department may release limited data that the system collects for the purpose of:

(a) conducting medical and other department approved research;

(b) providing the report required by Section 26B-4-222; and

(c) other official department purposes.

(6) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish:

(a) the limitations on access to the data in the state electronic verification system as described in this section; and

(b) standards and procedures to ensure accurate identification of an individual requesting information or receiving information in this section.

(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.

(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.

(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.

(b) Each separate violation of this Subsection (9) is:

(i) a third degree felony; and

(ii) subject to a civil penalty not to exceed $5,000.

(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.

(d) The department shall determine a civil violation of this Subsection (9) in accordance with Title 63G, Chapter 4, Administrative Procedures Act.

(e) Civil penalties assessed under this Subsection (9) shall be deposited into the General Fund.

(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:

(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;

(ii) providing the information to a person in accordance with the requirements of the Health Insurance Portability and Accountability Act of 1996; or

(iii) discussing or sharing that information about the patient with the patient.

Section 23. Section **26B-4-214** is amended to read:

26B-4-214. Medical cannabis caregiver card -- Registration -- Renewal -- Revocation.

(1)

. (a) A cardholder described in Section 26B-4-213 may designate[~~, through the state central patient portal,~~] up to two individuals, or an individual and a facility in accordance with Subsection (1)(b), to serve as a designated caregiver for the cardholder.

(b)

. (i) A cardholder described in Section 26B-4-213 may designate one of the following types of facilities as one of the caregivers described in Subsection (1)(a):

(A) for a patient or resident, an assisted living facility, as that term is defined in Section 26B-2-201;

(B) for a patient or resident, a nursing care facility, as that term is defined in Section 26B-2-201; or

(C) for a patient, a general acute hospital, as that term is defined in Section 26B-2-201.

(ii) A facility may:

(A) assign one or more employees to assist patients with medical cannabis treatment under the caregiver designation described in this Subsection (1)(b); and

(B) receive a medical cannabis shipment from a medical cannabis pharmacy or a medical cannabis courier on behalf of the medical cannabis cardholder within the facility who designated the facility as a caregiver.

(iii) The department shall make rules to regulate the practice of facilities and facility employees serving as designated caregivers under this Subsection (1)(b).

(c) A parent or legal guardian described in Subsection 26B-4-213(2)(d), in consultation with the minor and the minor's qualified medical provider, may designate[~~, through the state central patient portal,~~] up to two individuals to serve as a designated caregiver for the minor, if the department determines that the parent or legal guardian is not eligible for a medical cannabis guardian card under Section 26B-4-213.

(d)

. (i) Upon the entry of a caregiver designation under this Subsection (1) by a patient with a terminal illness described in Section 26B-4-203, the department shall issue to the designated caregiver an electronic conditional medical cannabis caregiver card, in accordance with this Subsection (1)(d).

(ii) A conditional medical cannabis caregiver card is valid for the lesser of:

(A) 60 days; or

(B) the day on which the department completes the department's review and issues a medical cannabis caregiver card under Subsection (1)(a), denies the patient's medical cannabis caregiver card application, or revokes the conditional medical cannabis caregiver card under Section 26B-4-246.

(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.

(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.

(2) An individual that the department registers as a designated caregiver under this section and a facility described in Subsection (1)(b):

(a) for an individual designated caregiver, may carry a valid medical cannabis caregiver card;

(b) in accordance with this part, may purchase, possess, transport, or assist the patient in the use of [~~cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form,~~] medical cannabis or a medical cannabis device on behalf of the designating medical cannabis cardholder;

(c) may not charge a fee to an individual to act as the individual's designated caregiver or for a service that the designated caregiver provides in relation to the role as a designated caregiver; and

(d) may accept reimbursement from the designating medical cannabis cardholder for direct costs the designated caregiver incurs for assisting with the designating cardholder's medicinal use of cannabis.

(3)

. (a) The department shall:

(i) within 15 days after the day on which an individual submits an application in compliance with this section, issue a medical cannabis card to the applicant if the applicant:

(A) is designated as a caregiver under Subsection (1);

(B) is eligible for a medical cannabis caregiver card under Subsection (4); and

(C) complies with this section; and

(ii) notify the Department of Public Safety of each individual that the department registers as a designated caregiver.

(b) The department shall ensure that a medical cannabis caregiver card contains the information described in Subsections (5)(b) and (3)(c)(i).

(c) If a cardholder described in Section 26B-4-213 designates an individual as a caregiver who already holds a medical cannabis caregiver card, the individual with the medical cannabis caregiver card:

(i) shall report to the department the information required of applicants under Subsection (5)(b) regarding the new designation;

(ii) if the individual makes the report described in Subsection (3)(c)(i), is not required to file an application for another medical cannabis caregiver card;

(iii) may receive an additional medical cannabis caregiver card in relation to each additional medical cannabis patient who designates the caregiver; and

(iv) is not subject to an additional background check.

(4) An individual is eligible for a medical cannabis caregiver card if the individual:

(a) is at least 21 years old;

(b) is a Utah resident;

(c) 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; and

(d) signs an acknowledgment stating that the applicant received the information described in Subsection 26B-4-213(9)[-].

(5) An eligible applicant for a medical cannabis caregiver card shall:

(a) submit an application for a medical cannabis caregiver card to the department through an electronic application connected to the state electronic verification system; and

(b) submit the following information in the application described in Subsection (5)(a):

(i) the applicant's name, gender, age, and address;

(ii) the name, gender, age, and address of the cardholder described in Section 26B-4-213 who designated the applicant;

(iii) if a medical cannabis guardian cardholder designated the caregiver, the name, gender, and age of the minor receiving a medical cannabis treatment in relation to the medical cannabis guardian cardholder; and

(iv) any additional information that the department requests to assist in matching the application with the designating medical cannabis patient.

(6) Except as provided in Subsection (6)(b), a medical cannabis caregiver card that the department issues under this section is valid for the lesser of:

(a) an amount of time that the cardholder described in Section 26B-4-213 who designated the caregiver determines; or

(b) the amount of time remaining before the card of the cardholder described in Section 26B-4-213 expires.

(7)

. (a) If a designated caregiver meets the requirements of Subsection (4), the designated caregiver's medical cannabis caregiver card renews automatically at the time the cardholder described in Section 26B-4-213 who designated the caregiver:

(i) renews the cardholder's card; and

(ii) renews the caregiver's designation, in accordance with Subsection (7)(b).

(b) The department shall provide a method in the card renewal process to allow a cardholder described in Section 26B-4-213 who has designated a caregiver to:

(i) signify that the cardholder renews the caregiver's designation;

(ii) remove a caregiver's designation; or

(iii) designate a new caregiver.

(8) The department shall record the issuance or revocation of a medical cannabis card under this section in the controlled substance database.

Section 24. Section **26B-4-222** is amended to read:

26B-4-222. Report.

(1) By the November interim meeting each year, the department shall report to the Health and Human Services Interim Committee on:

(a) the number of applications and renewal applications filed for medical cannabis cards;

(b) the number of qualifying patients and designated caregivers;

(c) the nature of the debilitating medical conditions of the qualifying patients;

(d) the age and county of residence of cardholders;

(e) the number of medical cannabis cards revoked;

(f) the number of practitioners providing recommendations for qualifying patients;

(g) the number of license applications and renewal license applications received;

(h) the number of licenses the department has issued in each county;

(i) the number of licenses the department has revoked;

(j) the quantity of medical cannabis shipments[~~that the state central patient portal facilitates~~];

(k) the number of overall purchases of medical cannabis [~~and medical cannabis products~~]from each medical cannabis pharmacy;

(l) the expenses incurred and revenues generated from the medical cannabis program; and

(m) an analysis of product availability in medical cannabis pharmacies in consultation with the Department of Agriculture and Food.

(2) The report shall include information provided by the Center for Medical Cannabis Research described in Section 53B-17-1402.

(3) The department may not include personally identifying information in the report described in this section.

(4) The department shall report to the working group described in Section 36-12-8.2 as requested by the working group.

Section 25. Section **26B-4-243** is amended to read:

26B-4-243. Guidance for treatment with medical cannabis.

The department, in consultation with the Center for Medical Cannabis Research created in Section 53B-17-1402, shall:

(1) develop evidence-based guidance for treatment with medical cannabis based on the latest medical research that shall include:

(a) for each qualifying condition, a summary of the latest medical research regarding the treatment of the qualifying condition with medical cannabis;

(b) risks, contraindications, side effects, and adverse reactions that are associated with medical cannabis use; and

(c) potential drug interactions between medical cannabis and medications that have been approved by the United States Food and Drug Administration;[~~and~~]

(2) educate recommending medical providers, pharmacy medical providers, medical cannabis cardholders, and the public regarding:

(a) the evidence-based guidance for treatment with medical cannabis described in Subsection (1)(a);

(b) relevant warnings and safety information related to medical cannabis use; and

(c) other topics related to medical cannabis use as determined by the department[~~.~~] ; and

(3) develop patient product information inserts for medical cannabis products in consultation with the cannabis processing facility that created the product and does not contain proprietary information about the product.

Section 26. Section **26B-4-247** is amended to read:

26B-4-247. Department coordination.

{~~(1)~~}

The department shall:

(1)

{~~[(1)] (a)~~} provide draft rules made under this chapter to the:

{~~(i)~~} {~~[~~} ~~]~~}

(a) advisory board for the advisory board's review; and

(b) medical cannabis ombudsman;

(2)

{~~(ii)~~ {~~medical cannabis ombudsman;~~}

consult with the advisory board regarding:

{~~[~~(a){~~]~~} {~~(i)) ~~} patient education; and

{~~[~~(b){~~]~~} {~~(ii)) ~~} fees set by the department that pertain to the medical cannabis program; and

{~~[~~(3){~~]~~} {~~(c)) ~~} when appropriate, consult with the advisory board regarding issues that arise in the medical cannabis program.

{~~(2)~~}

. {~~(a) The department may not file a rule under Title 63G, Chapter 3, Utah Administrative Rulemaking Act, unless the medical cannabis ombudsman agrees the rule should be filed.~~}

{~~(b) The 180 day rulemaking deadline described in Subsection 63G-3-301(14) is tolled while a rule is reviewed by the medical cannabis ombudsman.~~}

Section 27. Section **27** is enacted to read:

26B-4-248. Medical cannabis {~~sales website~~} ombudsman -- Duties -- Appeals.

{~~(1) {The department shall issue a request for proposals to establish and maintain a medical cannabis sales website that:}~~ }

{~~(a) {is accessible to medical cannabis cardholders;}~~ }

(1)

{~~(b)~~} (a) {~~allows a cannabis processing facility to list medical cannabis~~ } There is created a cannabis processing facility to list medical cannabis {~~product on~~ } ombudsman within the Office of Ombuds within the {~~website, including:~~} department.

{~~(i) {the product's name;}~~ }

(b) The department shall consult with the Department of Agriculture and Food regarding the selection of the medical cannabis ombudsman.

(c) The medical cannabis ombudsman or an immediate family member of the medical cannabis ombudsman may not have an ownership interest in a cannabis production establishment or medical cannabis pharmacy.

(2) The ombudsman shall:

(a) provide training and information to private citizens, civic groups, governmental entities, and other interested parties across the state regarding the role and duties of the ombudsman;

(b) develop a website to provide the information described in Subsection (2)(b) in a form that is easily accessible;

(c) consult on proposed rules that are created under Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies, and Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis;

(d) cooperate and coordinate with governmental entities and other organizations in the community in exercising the duties under this section; and

(e) as appropriate, make recommendations to the Department of Agriculture and Food and the department regarding the creation or modification of rules that the ombudsman considers necessary to carry out the ombudsman's duties under this section.

(3)

(a) The ombudsman shall:

(i) determine which entities receive licenses:

(A) under Section 4-41a-1005 in consultation with the Department of Agriculture and Food and in accordance with Section 4-41a-1005; and

(B) described in this Subsection (3); and

(ii) inform the {~~amount~~ } Department of {~~inventory the cannabis processing facility has~~ } Agriculture and Food of the {~~product;~~} selections.

{~~(iii) {a short description of the product provided by the cannabis processing facility;} }

{~~(iv) {the product's intended use, dosage, and relevant warnings; and} }

{~~(v) {laboratory test results;} }

(b)

(i) Subject to the requirements of this Subsection (3) and the criteria established for obtaining a medical cannabis pharmacy license under Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies, the ombudsman shall:

{~~(c)~~} (A) {~~allows a medical cannabis cardholder~~ } before January 1, 2026, select one entity to {~~request~~ } receive a medical cannabis pharmacy {~~to fulfill an order~~} license; and

{~~(d)~~} (B) {~~notifies~~ } before January 1, 2027, but not before January 1, 2026, select one entity to receive a medical cannabis pharmacy {~~when an order has been requested~~} license.

(ii) When selecting entities under this Subsection (3), if there is a conflict between the criteria established for obtaining a medical cannabis pharmacy license under Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies, and this section, this section controls.

(c) For the license described in Subsection (3)(b)(i)(B), the ombudsman may not select an entity:

(i) that owns any interest in or operates a medical cannabis production establishment; or

(ii) that is owned, partially or entirely, or operated by a medical cannabis production establishment.

(d) The ombudsman:

(i) may not select an entity to receive a license under this Subsection (3) if the entity owns a financial interest in a medical cannabis pharmacy or is owned by an entity that owns a financial interest in a medical cannabis pharmacy; and

(ii) shall select an entity that will site a medical cannabis pharmacy license issued under this Subsection (3) in an area:

(A) designated as a medically underserved area as determined by the federal Health Resources and Services Administration; and

(B) located in a county of the third, fourth, fifth, or sixth class.

(e) A license described in this Subsection (3) may not be transferred to another entity unless that entity meets the requirements of Subsections (3)(c) and (3)(d) that the transferring entity met when obtaining the license.

{~~(2)~~} (4)

(a) The ombudsman shall contract with a nonprofit entity that provides assistance to medical cannabis cardholders for purchasing medical cannabis or a medical cannabis device.

(b) Subject to available funds, the contracted nonprofit entity may provide monthly $150 vouchers to a medical cannabis pharmacy as part of the program described in this Subsection (4).

(c) A medical cannabis patient is eligible for the program if the individual is:

{~~(a)~~} (i) {~~A medical cannabis pharmacy notified under Subsection (1)(d) shall contact the cardholder~~ } an active medical cannabis pharmacy notified under Subsection (1)(d) shall contact the cardholder {~~to inform the cardholder regarding whether the pharmacy will fulfill the order.~~} patient; and

{~~(b)~~ {~~If the medical cannabis pharmacy agrees to fulfill the order, the medical cannabis pharmacy may:~~} }

{~~(i)~~ {~~set a price for the product;~~} }

(ii) enrolled in Medicaid or Medicare.

(d) The ombudsman may make rules to effectuate the program described in this Subsection (4) in accordance with Title 63G, Chapter 4, Administrative Procedures Act.

(e) A contracted nonprofit entity shall provide the ombudsman an accounting each quarter of:

(i) how money was used; and

(ii) other metrics determined relevant by the ombudsman.

(5)

{~~(ii)~~} (a) {~~determine whether the pharmacy will provide home delivery if authorized to provide home delivery~~ } The ombudsman shall hear all appeals for administrative action taken under Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies{~~; and~~} as an informal proceeding under Title 63G, Chapter 4, Administrative Procedures Act.

{~~(iii) {set a delivery fee if the product will be delivered to the cardholder.}~~ }

{~~(c) {If a medical cannabis pharmacy needs to order a medical cannabis product from a cannabis processing facility to fulfill an order under this section:}~~ }

{~~(i) {the medical cannabis pharmacy shall notify the cannabis processing facility that produces the product; and}~~ }

{~~(ii) {the cannabis processing facility shall provide the medical cannabis product to the medical cannabis pharmacy within 15 business days from the day on which the medical cannabis pharmacy notifies the cannabis processing facility under Subsection (2)(c)(i).}~~ }

(b) The ombudsman shall create rules for hearing appeals in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(6) Before August 1, 2026, and each year thereafter, the ombudsman shall provide a report to the Medical Cannabis Governance Structure Working Group created in Section 36-12-8.2 regarding:

(a) the number of appeals heard under Subsection (5);

(b) the number of patients served under Subsection (4); and

{~~(3)~~} (c) {~~The department shall provide a link~~ } policy recommendations related to the medical cannabis {~~sales website on the department's website~~} program.

{~~(4) {The department may not respond to the request for proposals described in Subsection (1).}~~ }

{~~(5) {The website shall begin operation on or before January 1, 2026.}~~ }

Section 28. Section **63I-2-204** is amended to read:

63I-2-204. Repeal dates: Title 4.

(1) Section 4-11-117, Beekeeping working group -- Development of standards, is repealed May 1, 2025.

(2) Subsection 4-41a-102(6), regarding the Cannabis Research Review Board, is repealed July 1, [~~2026~~] 2025.

(3) Section 4-46-104, Transition, is repealed July 1, 2024.

Section 29. Section **63I-2-226** is amended to read:

63I-2-226. Repeal dates: Titles 26 through 26B.

(1) Section 26B-1-241, Tardive dyskinesia, is repealed July 1, 2024.

(2) Section 26B-1-302, National Professional Men's Basketball Team Support of Women and Children Issues Restricted Account, is repealed July 1, 2024.

(3) Section 26B-1-309, Medicaid Restricted Account, is repealed July 1, 2024.

(4) Section 26B-1-313, Cancer Research Restricted Account, is repealed July 1, 2024.

(5) Section 26B-1-420, Cannabis Research Review Board, is repealed July 1, [~~2026~~] 2025.

(6) Subsection 26B-1-421(9)(a), regarding a report to the Cannabis Research Review Board, is repealed July 1, [~~2026~~] 2025.

(7) Section 26B-1-423, Rural Physician Loan Repayment Program Advisory Committee -- Membership -- Compensation -- Duties, is repealed July 1, 2026.

(8) Section 26B-2-243, Data collection and reporting requirements concerning incidents of abuse, neglect, or exploitation, is repealed July 1, 2027.

(9) Section 26B-3-142, Long-acting injectables, is repealed July 1, 2024.

(10) Subsection 26B-3-215(5), regarding reporting on coverage for in vitro fertilization and genetic testing, is repealed July 1, 2030.

(11) Subsection 26B-4-201(5), regarding the Cannabis Research Review Board, is repealed July 1, [~~2026~~] 2025.

(12) Subsection 26B-4-212(1)(b), regarding the Cannabis Research Review Board, is repealed July 1, [~~2026~~] 2025.

(13) Section 26B-4-702, Creation of Utah Health Care Workforce Financial Assistance Program, is repealed July 1, 2027.

(14) Subsection 26B-4-703(3)(b), regarding per diem and expenses for the Rural Physician Loan Repayment Program Advisory Committee, is repealed July 1, 2026.

(15) Subsection 26B-4-703(3)(c), regarding expenses for the Rural Physician Loan Repayment Program, is repealed July 1, 2026.

(16) Subsection 26B-4-703(6)(b), regarding recommendations from the Rural Physician Loan Repayment Program Advisory Committee, is repealed July 1, 2026.

(17) Section 26B-5-117, Early childhood mental health support grant program, is repealed January 2, 2025.

(18) Section 26B-5-302.5, Study concerning civil commitment and the Utah State Hospital, is repealed July 1, 2025.

(19) Section 26B-6-414, Respite care services, is repealed July 1, 2025.

(20) Section 26B-7-120, Invisible condition alert program education and outreach, is repealed July 1, 2025.

Section 30. Section **63I-2-236** is amended to read:

63I-2-236. Repeal dates: Title 36.

(1) Section 36-12-8.2, Medical cannabis governance structure working group, is repealed July 1, [~~2025~~] 2026.

(2) Section 36-29-107.5, Murdered and Missing Indigenous Relatives Task Force -- Creation -- Membership -- Quorum -- Compensation -- Staff -- Vacancies -- Duties -- Interim report, is repealed November 30, 2024.

(3) Section 36-29-109, Utah Broadband Center Advisory Commission, is repealed November 30, 2027.

(4) Section 36-29-110, Blockchain and Digital Innovation Task Force, is repealed November 30, 2024.

Section 31. **Repealer.**

This Bill Repeals:

This bill repeals:

Section **4-41a-801.1, Enforcement for medical cannabis pharmacies and couriers -- Fine -- Citation.**

Section **26B-4-236, State central patient portal -- Department duties.**

Section **4-41a-604, Advertising.**

Section **4-41a-403, Advertising.**

Section **4-41a-1104, Advertising.**

Section 32. **Effective date.**

This bill takes effect on May 7, 2025.

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