Jennifer Dailey-Provost proposes the following substitute bill:

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Cannabis Amendments

2025 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Jennifer Dailey-Provost

Senate Sponsor: Evan J. Vickers

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5

LONG TITLE

4 General Description:

This bill amends provisions related to medical cannabis.

6 Highlighted Provisions:

- 7 This bill:
- 8 defines terms;
- 9 allows for additional medical cannabis pharmacies;
- creates a new medical cannabis pharmacy license for independent medical cannabis
- 11 pharmacies;
- 12 creates ownership restrictions for independent medical cannabis pharmacies;
- → adjusts fees for certain medical cannabis pharmacy licenses;
- 14 amends provisions regarding cannabis production and sanitation;
- 15 modifies provisions related to enforcement and appeals;
- → amends provisions related to closed-door medical cannabis pharmacies;
- 17 allows a cannabis processing facility to have a website that includes product information;
- 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;
- 21 amends provisions related to information a medical cannabis pharmacy must have
- 22 available to a patient purchasing medical cannabis;
- creates a reporting requirement for the department;
- repeals sections related to the state central patient portal;
- 25 authorizes the creation of patient product information inserts;
- ▶ moves the repeal date for the Cannabis Research Review Board earlier one year;
- extends the repeal date for the Medical Cannabis Governance Structure Working Group;
- 28 and

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29 makes technical and conforming changes. 30 **Money Appropriated in this Bill:** 31 None **Other Special Clauses:** 32 33 None 34 **Utah Code Sections Affected:** 35 AMENDS: 36 **4-41a-102**, as last amended by Laws of Utah 2024, Chapters 217, 238 and 240 37 **4-41a-110**, as enacted by Laws of Utah 2023, Chapter 273 38 **4-41a-205**, as last amended by Laws of Utah 2020, Chapter 12 39 **4-41a-403**, as last amended by Laws of Utah 2023, Chapter 327 40 **4-41a-501**, as last amended by Laws of Utah 2023, Chapter 313 41 **4-41a-701**, as last amended by Laws of Utah 2023, Chapters 313, 317 42 4-41a-801, as renumbered and amended by Laws of Utah 2018, Third Special Session, 43 Chapter 1 44 4-41a-802, as last amended by Laws of Utah 2024, Chapter 217 45 **4-41a-1001**, as last amended by Laws of Utah 2024, Chapters 217, 238 and 240 46 4-41a-1003, as last amended by Laws of Utah 2023, Chapter 435 and renumbered and 47 amended by Laws of Utah 2023, Chapters 273, 307 and last amended by Coordination Clause, 48 Laws of Utah 2023, Chapter 307 **4-41a-1005**, as last amended by Laws of Utah 2024, Chapter 217 49 **4-41a-1101**, as last amended by Laws of Utah 2024, Chapter 217 50 51 **4-41a-1201**, as enacted by Laws of Utah 2023, Chapter 273 52 **4-41a-1202**, as last amended by Laws of Utah 2024, Chapters 217, 240 53 4-41a-1203, as renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and 54 last amended by Coordination Clause, Laws of Utah 2023, Chapter 307 55 **4-41a-1206**, as enacted by Laws of Utah 2024, Chapter 238 56 **26B-1-435**, as last amended by Laws of Utah 2024, Chapters 238, 240 57 **26B-4-201**, as last amended by Laws of Utah 2024, Chapters 217, 240 58 **26B-4-202**, as last amended by Laws of Utah 2024, Chapters 217, 240 59 26B-4-214, as last amended by Laws of Utah 2024, Chapter 240 60 **26B-4-222**, as last amended by Laws of Utah 2024, Chapter 240 61 **26B-4-243**, as enacted by Laws of Utah 2023, Chapter 281 62 **26B-4-247**, as enacted by Laws of Utah 2023, Chapter 273

- 63 **63I-2-204**, as last amended by Laws of Utah 2024, Third Special Session, Chapter 5 64 **63I-2-226**, as last amended by Laws of Utah 2024, Third Special Session, Chapter 5 65 63I-2-236, as last amended by Laws of Utah 2024, Third Special Session, Chapter 5 66 **ENACTS:** 67 **4-41a-1006**, Utah Code Annotated 1953 68 REPEALS: 69 4-41a-801.1, as renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and 70 last amended by Coordination Clause, Laws of Utah 2023, Chapter 307 71 26B-4-236, as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered 72 and amended by Laws of Utah 2023, Chapter 307 and last amended by Coordination Clause, 73 Laws of Utah 2023, Chapter 307 74 75 *Be it enacted by the Legislature of the state of Utah:* 76 Section 1. Section **4-41a-102** is amended to read: 77 4-41a-102 . Definitions. 78 As used in this chapter: 79 (1) "Adulterant" means any poisonous or deleterious substance in a quantity that may be 80 injurious to health, including: 81 (a) pesticides; 82 (b) heavy metals; 83 (c) solvents; 84 (d) microbial life; 85 (e) artificially derived cannabinoid; (f) toxins; or 86 87 (g) foreign matter. 88 (2) "Advertise" or "advertising" means information provided by a person in any medium: 89 (a) to the public; and 90 (b) that is not age restricted to an individual who is at least 21 years old. 91 (3) "Advisory board" means the Medical Cannabis Policy Advisory Board created in 92
- 93 (4)(a) "Anticompetitive business practice" means any practice that reduces the amount
- 94 of competition in the medical cannabis market that would be considered an attempt to
- 95 monopolize, as defined in Section 76-10-3103.

Section 26B-1-435.

96 (b) "Anticompetitive business practice" may include:

97	(i) agreements that may be considered unreasonable when competitors interact to the
98	extent that they are:
99	(A) no longer acting independently; or
100	(B) when collaborating are able to wield market power together;
101	(ii) monopolizing or attempting to monopolize trade by:
102	(A) acting to maintain or acquire a dominant position in the market; or
103	(B) preventing new entry into the market; or
104	(iii) other conduct outlined in rule.
105	(5)(a) "Artificially derived cannabinoid" means a chemical substance that is created by a
106	chemical reaction that changes the molecular structure of any chemical substance
107	derived from the cannabis plant.
108	(b) "Artificially derived cannabinoid" does not include:
109	(i) a naturally occurring chemical substance that is separated from the cannabis plant
110	by a chemical or mechanical extraction process; or
111	(ii) a cannabinoid that is produced by decarboxylation from a naturally occurring
112	cannabinoid acid without the use of a chemical catalyst.
113	(6) "Batch" means a quantity of:
114	(a) cannabis extract produced on a particular date and time and produced between
115	completion of equipment and facility sanitation protocols until the next required
116	sanitation cycle during which lots of cannabis are used;
117	(b) cannabis product produced on a particular date and time and produced between
118	completion of equipment and facility sanitation protocols until the next required
119	sanitation cycle during which cannabis extract is used; or
120	(c) cannabis flower packaged on a particular date and time and produced between
121	completion of equipment and facility sanitation protocols until the next required
122	sanitation cycle during which lots of cannabis are being used.
123	[(6)] (7) "Cannabis Research Review Board" means the Cannabis Research Review Board
124	created in Section 26B-1-420.
125	[(7)] (8) "Cannabis" means the same as that term is defined in Section 26B-4-201.
126	[(8)] (9) "Cannabis concentrate" means:
127	(a) the product of any chemical or physical process applied to naturally occurring
128	biomass that concentrates or isolates the cannabinoids contained in the biomass; and
129	(b) any amount of a natural cannabinoid or artificially derived cannabinoid in an
130	artificially derived cannabinoid's purified state.

131	[(9)] (10) "Cannabis cultivation byproduct" means any portion of a cannabis plant that is not
132	intended to be sold as a cannabis plant product.
133	[(10)] (11) "Cannabis cultivation facility" means a person that:
134	(a) possesses cannabis;
135	(b) grows or intends to grow cannabis; and
136	(c) sells or intends to sell cannabis to a cannabis cultivation facility, a cannabis
137	processing facility, or a medical cannabis research licensee.
138	[(11)] (12) "Cannabis cultivation facility agent" means an individual who
139	holds a valid cannabis production establishment agent registration card with a cannabis
140	cultivation facility designation.
141	[(12)] (13) "Cannabis derivative product" means a product made using cannabis concentrate.
142	[(13)] (14) "Cannabis plant product" means any portion of a cannabis plant intended to be
143	sold in a form that is recognizable as a portion of a cannabis plant.
144	[(14)] (15) "Cannabis processing facility" means a person that:
145	(a) acquires or intends to acquire cannabis from a cannabis production establishment;
146	(b) possesses cannabis with the intent to manufacture a cannabis product;
147	(c) manufactures or intends to manufacture a cannabis product from unprocessed
148	cannabis or a cannabis extract; and
149	(d) sells or intends to sell a cannabis product to a medical cannabis pharmacy or a
150	medical cannabis research licensee.
151	[(15)] (16) "Cannabis processing facility agent" means an individual who
152	holds a valid cannabis production establishment agent registration card with a cannabis
153	processing facility designation.
154	[(16)] (17) "Cannabis product" means the same as that term is defined in Section 26B-4-201.
155	[(17)] (18) "Cannabis production establishment" means a cannabis cultivation facility, a
156	cannabis processing facility, or an independent cannabis testing laboratory.
157	[(18)] (19) "Cannabis production establishment agent" means a cannabis cultivation facility
158	agent, a cannabis processing facility agent, or an independent cannabis testing laboratory
159	agent.
160	[(19)] (20) "Cannabis production establishment agent registration card" means a registration
161	card that the department issues that:
162	(a) authorizes an individual to act as a cannabis production establishment agent; and
163	(b) designates the type of cannabis production establishment for which an individual is
164	authorized to act as an agent.

165	[(20)] (21) "Closed-door medical cannabis pharmacy" means a facility operated by a home
166	delivery medical cannabis pharmacy for delivering [eannabis or a medical cannabis
167	product] medical cannabis.
168	[(21)] (22) "Community location" means a public or private elementary or secondary school,
169	a church, a public library, a public playground, or a public park.
170	[(22)] (23) "Cultivation space" means, quantified in square feet, the horizontal area in which
171	a cannabis cultivation facility cultivates cannabis, including each level of horizontal area
172	if the cannabis cultivation facility hangs, suspends, stacks, or otherwise positions plants
173	above other plants in multiple levels.
174	[(23)] <u>(24)</u> "Delivery address" means:
175	(a) for a medical cannabis cardholder who is not a facility:
176	(i) the medical cannabis cardholder's home address; or
177	(ii) an address designated by the medical cannabis cardholder that:
178	(A) is the medical cannabis cardholder's workplace; and
179	(B) is not a community location; or
180	(b) for a medical cannabis cardholder that is a facility, the facility's address.
181	[(24)] (25) "Department" means the Department of Agriculture and Food.
182	[(25)] (26) "Family member" means a parent, step-parent, spouse, child, sibling,
183	step-sibling, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law,
184	brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild.
185	[(26)] (27) "Government issued photo identification" means the same as that term is defined
186	in Section 26B-4-201, including expired identification in accordance with Section
187	26B-4-244.
188	[(27)] (28) "Home delivery medical cannabis pharmacy" means a medical cannabis
189	pharmacy that the department authorizes, as part of the pharmacy's license, to deliver
190	medical cannabis shipments to a delivery address to fulfill electronic orders[-that the
191	state central patient portal facilitates].
192	[(28)] (29)(a) "Independent cannabis testing laboratory" means a person that:
193	(i) conducts a chemical or other analysis of cannabis or a cannabis product; or
194	(ii) acquires, possesses, and transports cannabis or a cannabis product with the inten-
195	to conduct a chemical or other analysis of the cannabis or cannabis product.
196	(b) "Independent cannabis testing laboratory" includes a laboratory that the department
197	or a research university operates in accordance with Subsection 4-41a-201(14).
198	[(29)] (30) "Independent cannabis testing laboratory agent" means an individual who

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

- 201 [(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.
- 206 [(33)] (34) "Medical cannabis card" means the same as that term is defined in Section 207 26B-4-201.
- 208 [(34)] (35) "Medical cannabis courier" means a courier that:
- 209 (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].
- 213 [(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.
- 216 [(36)] (37) "Medical cannabis pharmacy" means the same as that term is defined in Section 26B-4-201.
- [(37)] (38) "Medical cannabis pharmacy agent" means the same as that term is defined in Section 26B-4-201.
- [(38)] (39) "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)] (40) "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.
- 226 [(40)] (41) "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
- 229 <u>facilitates</u>].
- 230 [(41)] (42) "Medical cannabis treatment" means the same as that term is defined in Section 231 26B-4-201.
- 232 [(42)] (43) "Medicinal dosage form" means the same as that term is defined in Section

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233 26B-4-201. 234 (44) "Patient product information insert" means the same as that term is defined in Section 235 26B-4-201. 236 [(43)] (45) "Pharmacy ownership limit" means an amount equal to 30% of the total number 237 of medical cannabis pharmacy licenses issued by the department rounded down to the 238 nearest whole number. 239 [(44)] (46) "Pharmacy medical provider" means the same as that term is defined in Section 240 26B-4-201. 241 [(45)] (47) "Qualified medical provider" means the same as that term is defined in Section 242 26B-4-201. 243 [46)] (48) "Qualified Production Enterprise Fund" means the fund created in Section 244 4-41a-104. 245 [(47)] (49) "Recommending medical provider" means the same as that term is defined in 246 Section 26B-4-201. 247 [(48)] (50) "Research university" means the same as that term is defined in Section 248 53B-7-702 and a private, nonprofit college or university in the state that: 249 (a) is accredited by the Northwest Commission on Colleges and Universities; 250 (b) grants doctoral degrees; and 251 (c) has a laboratory containing or a program researching a schedule I controlled 252 substance described in Section 58-37-4. 253 [(49)] (51) "State electronic verification system" means the system described in Section 254 26B-4-202. 255 [(50)] (52) "Targeted marketing" means the promotion of [a cannabis product,] medical 256 cannabis, a medical cannabis brand, or a medical cannabis device using any of the 257 following methods: 258 (a) electronic communication to an individual who is at least 21 years old and has 259 requested to receive promotional information; 260 (b) an in-person marketing event that is: 261 (i) held inside a medical cannabis pharmacy; and 262 (ii) in an area where only a medical cannabis cardholder may access the event; 263 (c) other marketing material that is physically available or digitally displayed in a 264 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:

267	(1) in the medical cannabis pharmacy;
268	(ii) at the medical cannabis pharmacy's drive-through pick up window; or
269	(iii) in a medical cannabis shipment.
270	[(51)] (53) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in
271	Section 4-41-102.
272	[(52)] (54) "THC analog" means the same as that term is defined in Section 4-41-102.
273	[(53)] (55) "Total composite tetrahydrocannabinol" means all detectable forms of
274	tetrahydrocannabinol.
275	[(54)] (56) "Total tetrahydrocannabinol" or "total THC" means the same as that term is
276	defined in Section 4-41-102.
277	Section 2. Section 4-41a-110 is amended to read:
278	4-41a-110 . Department coordination.
279	The department shall:
280	(1) provide draft rules made under this chapter to:
281	(a) the advisory board for the advisory board's review; and
282	(b) the Medical Cannabis Governance Structure Working Group created in Section
283	<u>36-12-8.2;</u>
284	(2) consult with the advisory board before issuing an additional:
285	(a) cultivation facility license under Section 4-41a-205; or
286	(b) pharmacy license under Section 4-41a-1005;
287	(3) consult with the advisory board regarding fees set by the department that pertain to the
288	medical cannabis program; and
289	(4) when appropriate, consult with the advisory board regarding issues that arise in the
290	medical cannabis program.
291	Section 3. Section 4-41a-205 is amended to read:
292	4-41a-205 . Number of licenses Cannabis cultivation facilities Cannabis
293	processing facilities.
294	(1) Except as provided in Subsection (2)(a), the department shall issue at least five but no
295	more than eight licenses to operate a cannabis cultivation facility.
296	(2)(a) The department may issue a number of licenses to operate a cannabis cultivation
297	facility that, in addition to the licenses described in Subsection (1), does not cause the
298	total number of licenses to exceed 15 if the department determines, in consultation
299	with the Department of Health and Human Services and after an annual or more
300	frequent analysis of the current and anticipated market for medical cannabis, that

301	each additional license is necessary to provide an adequate supply, quality, or variety
302	of medical cannabis to medical cannabis cardholders.
303	(b) If the recipient of one of the initial licenses described in Subsection (1) ceases
304	operations for any reason or otherwise abandons the license, the department may but
305	is not required to grant the vacant license to another applicant based on an analysis as
306	described in Subsection (2)(a).
307	(3) If there are more qualified applicants than the number of available licenses for cannabis
308	cultivation facilities under Subsections (1) and (2), the department shall evaluate the
309	applicants and award the limited number of licenses described in Subsections (1) and (2)
310	to the applicants that best demonstrate:
311	(a) experience with establishing and successfully operating a business that involves:
312	(i) complying with a regulatory environment;
313	(ii) tracking inventory; and
314	(iii) training, evaluating, and monitoring employees;
315	(b) an operating plan that will best ensure the safety and security of patrons and the
316	community;
317	(c) positive connections to the local community; and
318	(d) the extent to which the applicant can increase efficiency and reduce the cost to
319	patients of medical cannabis.
320	(4) The department may conduct a face-to-face interview with an applicant for a license that
321	the department evaluates under Subsection (3).
322	(5) The licensing board may not issue more than 18 cannabis processing facility licenses.
323	Section 4. Section 4-41a-403 is amended to read:
324	4-41a-403 . Advertising.
325	(1) Except as provided in this section and Section 4-41a-604, a cannabis production
326	establishment may not advertise to the general public in any medium.
327	(2) A cannabis production establishment may advertise an employment opportunity at the
328	cannabis production establishment.
329	(3)(a) A cannabis production establishment may maintain a website that:
330	[(a)] (i) contains information about the establishment and employees; and
331	[(b)] (ii) except as provided in Subsection (3)(b), does not advertise any medical
332	cannabis, cannabis products, or medical cannabis devices.
333	(b) A cannabis processing facility may:
334	(i) if the website has age verification mechanisms that effectively prevent access by

335	individuals under 21 years of age, maintain a website that contains:
336	(A) educational information regarding medical cannabis produced by the cannabis
337	processing facility, including the certificate of analysis that is created by an
338	independent cannabis testing facility; and
339	(B) where medical cannabis produced by the cannabis processing facility may be
340	purchased in the state; and
341	(ii) engage in targeted marketing in accordance with Section 4-41a-604 for
342	advertising a particular medical cannabis product, medical cannabis device, or
343	medical cannabis brand.
344	(4)(a) Notwithstanding any municipal or county ordinance prohibiting signage, a
345	cannabis production establishment may use signage on the outside of the cannabis
346	production establishment that:
347	(i) includes only:
348	(A) in accordance with Subsection (4)(b), the cannabis production establishment's
349	name, logo, and hours of operation; and
350	(B) a green cross; and
351	(ii) complies with local ordinances regulating signage.
352	(b) The department shall define standards for a cannabis production establishment's
353	name and logo to ensure a medical rather than recreational disposition.
354	(5)(a) A cannabis production establishment may hold an educational event for the public
355	or medical providers in accordance with this Subsection (5) and the rules described in
356	Subsection (5)(c).
357	(b) A cannabis production establishment may not include in an educational event
358	described in Subsection (5)(a):
359	(i) any topic that conflicts with this chapter or Title 26B, Chapter 4, Part 2,
360	Cannabinoid Research and Medical Cannabis;
361	(ii) any gift items or merchandise other than educational materials, as those terms are
362	defined by the department;
363	(iii) any marketing for a specific product from the cannabis production establishment
364	or any other statement, claim, or information that would violate the federal Food,
365	Drug, and Cosmetic Act, 21 U.S.C. Sec. 301, et seq.; or
366	(iv) a presenter other than the following:
367	(A) a cannabis production establishment agent;
368	(B) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;

369	(C) an advanced practice registered nurse licensed under Title 58, Chapter 31b,
370	Nurse Practice Act;
371	(D) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
372	Title 58, Chapter 68, Utah Osteopathic Medical Practice Act;
373	(E) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
374	Assistant Act; or
375	(F) a state employee.
376	(c) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
377	Administrative Rulemaking Act, to define the elements of and restrictions on the
378	educational event described in Subsection (5)(a), including a minimum age of 21
379	years old for attendees.
380	Section 5. Section 4-41a-501 is amended to read:
381	4-41a-501. Cannabis cultivation facility Operating requirements.
382	(1) A cannabis cultivation facility shall ensure that any cannabis growing at the cannabis
383	cultivation facility is not visible from the ground level of the cannabis cultivation facility
384	perimeter.
385	(2) A cannabis cultivation facility shall use a unique identifier that is connected to the
386	facility's inventory control system to identify:
387	(a) beginning at the time a cannabis plant is eight inches tall and has a root ball, each
388	cannabis plant;
389	(b) each unique harvest of cannabis plants;
390	(c) each batch of cannabis the facility transfers to a medical cannabis pharmacy, a
391	cannabis processing facility, or an independent cannabis testing laboratory; and
392	(d) any excess, contaminated, or deteriorated cannabis of which the cannabis cultivation
393	facility disposes.
394	(3) A cannabis cultivation facility shall identify cannabis biomass as cannabis byproduct or
395	cannabis plant product before transferring the cannabis biomass from the facility.
396	(4) A cannabis cultivation facility shall either:
397	(a) ensure that a cannabis processing facility chemically or physically processes
398	cannabis cultivation byproduct to produce a cannabis concentrate for incorporation
399	into cannabis derivative products; or
400	(b) destroy cannabis cultivation byproduct in accordance with Section 4-41a-405.
401	(5) A cannabis cultivation facility may utilize radiation-based methods and equipment for
402	quality assurance or remediation purposes.

403	(6) The department shall make rules establishing:
404	(a) the records a cannabis cultivation facility must keep regarding each batch, amount of
405	product treated, and the methods used; and
406	(b) disclosure requirements to a cannabis processor receiving the material subject to the
407	radiation including the methods and equipment used.
408	Section 6. Section 4-41a-701 is amended to read:
409	4-41a-701. Cannabis and cannabis product testing.
410	(1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
411	department may make rules to:
412	(a) determine required adulterant tests for a cannabis plant product, cannabis
413	concentrate, or cannabis product;
414	(b) determine the amount of any adulterant that is safe for human consumption;
415	(c) immediately ban or limit the presence of any ingredient in a medical cannabis
416	product after receiving a recommendation to do so from a public health authority
417	under Section 26B-1-102;
418	(d) establish protocols for a recall of [eannabis or a cannabis product] medical cannabis
419	by a cannabis production establishment; or
420	(e) allow the propagation of testing results forward to derived product if the processing
421	steps the cannabis production establishment uses to produce the product are unlikely
422	to change the results of the test.
423	(2)(a) The department may require testing for a toxin if:
424	[(a)] (i) the department receives information indicating the potential presence of a
425	toxin; or
426	[(b)] (ii) the department's inspector has reason to believe a toxin may be present based
427	on the inspection of a facility.
428	(b) The department may not require a cannabis processor to test a cannabis batch or a
429	cannabis product batch a third time if the cannabis batch or cannabis product has
430	previously met all testing requirements after being tested by:
431	(i) an independent cannabis testing laboratory that is not the department; and
432	(ii) the department.
433	(3)(a) A cannabis production establishment may not:
434	(i) incorporate cannabis concentrate into a cannabis derivative product until an
435	independent cannabis testing laboratory tests the cannabis concentrate in
436	accordance with department rule; or

137	(ii) transfer cannabis or a cannabis product to a medical cannabis pharmacy until an
138	independent cannabis testing laboratory tests a representative sample of the
139	cannabis or cannabis product in accordance with department rule.
140	(b) A medical cannabis pharmacy may not offer any cannabis or cannabis product for
141	sale unless an independent cannabis testing laboratory has tested a representative
142	sample of the cannabis or cannabis product in accordance with department rule.
143	(4) Before the sale of a medical cannabis product, an independent cannabis testing
144	laboratory shall:
145	(a) identify and quantify any cannabinoid known to be present in [a] the medical
146	cannabis product; and
147	(b) test terpene profiles for the following products:
148	(i) raw cannabis; or
149	(ii) a cannabis product:
150	(A) contained in a vaporizer cartridge; or
151	(B) in concentrate form; and
152	(c) record the five highest terpene profiles tested under Subsection (4)(b).
153	(5) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah
154	Administrative Rulemaking Act, the standards, methods, practices, and procedures for
155	the testing of cannabis and cannabis products by independent cannabis testing
156	laboratories.
157	(6) The department may require an independent cannabis testing laboratory to participate in
158	a proficiency evaluation that the department conducts or that an organization that the
159	department approves conducts.
160	Section 7. Section 4-41a-801 is amended to read:
161	4-41a-801 . Enforcement Fine Citation.
162	(1)(a) If a person that is a cannabis production establishment[$-or$], a cannabis production
163	establishment agent, a medical cannabis pharmacy, a medical cannabis pharmacy
164	agent, or a medical cannabis courier violates this chapter, the department may:
165	[(a)] (i) revoke the person's license or [cannabis production establishment] agent
166	registration card;
167	[(b)] (ii) decline to renew the person's license or [cannabis production establishment]
168	agent registration card;
169	(iii) provide a letter of concern in accordance with Subsection (10); or
170	(iv) assess the person an administrative penalty that the department establishes

1 71	by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
172	Act.
173	(b) Except for a violation that threatens public health or for the third violation of the
174	same rule or statute in a 24-month period, the department shall issue a letter of
175	concern before taking other administrative action under this section.
176	(2) The department shall deposit an administrative penalty imposed under this section into
177	the General Fund.
178	(3)(a) The department may take an action described in Subsection (3)(b) if the
179	department concludes, upon investigation, that[, for a person that is] a cannabis
180	production establishment[$-or$] , a cannabis production establishment agent[\div] , a
181	medical cannabis pharmacy, a medical cannabis pharmacy agent, or a medical
182	cannabis courier
183	[(i) the person] has violated the provisions of this chapter, a rule made under this
184	chapter, or an order issued under this chapter[; or] .
185	[(ii) the person produced cannabis or a cannabis product batch that contains a
186	substance, other than cannabis, that poses a significant threat to human health.]
187	(b) If the department makes the determination about a person described in Subsection
188	(3)(a), the department shall:
189	(i) issue the person a written administrative citation;
190	(ii) attempt to negotiate a stipulated settlement;
191	[(iii) seize, embargo, or destroy the cannabis or cannabis product batch;]
192	[(iv)] (iii) order the person to cease and desist from the action that creates a violation; [
193	and] <u>or</u>
194	[(v)] (iv) direct the person to appear before an adjudicative proceeding conducted
195	under Title 63G, Chapter 4, Administrative Procedures Act.
196	(c) If the department concludes, upon investigation, that a cannabis production
197	establishment or a cannabis production establishment agent has produced a cannabis
198	batch or a cannabis product batch that contains a substance that poses a significant
199	threat to human health, the department shall seize, embargo, or destroy the cannabis
500	batch or cannabis product batch.
501	(4) The department may, for a person subject to an uncontested citation, a stipulated
502	settlement, or a finding of a violation in an adjudicative proceeding under this section,
503	for a fine amount not already specified in law, assess the person, who is not an
504	individual, a fine of up to \$5,000 per violation, in accordance with a fine schedule that

505	the department establishes by rule in accordance with Title 63G, Chapter 3, Utah
506	Administrative Rulemaking Act.
507	(5) The department may not revoke a [cannabis production establishment's]license without
508	first directing the [cannabis production establishment] licensee to appear before an
509	adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative
510	Procedures Act.
511	(6) If within $[20]$ 30 calendar days after the day on which a department serves a citation for
512	a violation of this chapter, the person that is the subject of the citation fails to request a
513	hearing to contest the citation, the citation becomes the department's final order.
514	(7) The department may, for a person who fails to comply with a citation under this section:
515	(a) refuse to issue or renew the person's license or cannabis production establishment
516	agent registration card; or
517	(b) suspend, revoke, or place on probation the person's license or cannabis production
518	establishment registration card.
519	(8)(a) Except where a criminal penalty is expressly provided for a specific violation of
520	this chapter, if an individual:
521	(i) violates a provision of this chapter, the individual is:
522	(A) guilty of an infraction; and
523	(B) subject to a \$100 fine; or
524	(ii) intentionally or knowingly violates a provision of this chapter or violates this
525	chapter three or more times, the individual is:
526	(A) guilty of a class B misdemeanor; and
527	(B) subject to a \$1,000 fine.
528	(b) An individual who is guilty of a violation described in Subsection (8)(a) is not guilty
529	of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the
530	conduct underlying the violation described in Subsection (8)(a).
531	(9) Nothing in this section prohibits the department from referring potential criminal
532	activity to law enforcement.
533	(10)(a) A letter of concern shall describe:
534	(i) the violation including the statute or rule being violated;
535	(ii) possible options to remedy the issue; and
536	(iii) possible consequences for not remedying the violation.
537	(b) Under a letter of concern, the department shall provide the person at least 30 days to
538	remedy the violation

539	(c) If the person fails to remedy the violation described in a letter of concern, the
540	department may take other enforcement action as described in this section.
541	(d) If a letter of concern is resolved without an enforcement action being taken under
542	Subsection (10)(c), the department may not report that a letter of concern was issued
543	to the licensing board.
544	(11) An appeal of administrative action taken under this chapter shall be heard by an
545	administrative law judge as an informal proceeding in accordance with Title 63G,
546	Chapter 4, Administrative Procedures Act.
547	Section 8. Section 4-41a-802 is amended to read:
548	4-41a-802 . Report.
549	(1) At or before the November interim meeting each year, the department shall report to the
550	Health and Human Services Interim Committee on:
551	(a) the number of applications and renewal applications that the department receives
552	under this chapter;
553	(b) the number of each type of cannabis production facility that the department licenses
554	in each county;
555	(c) the amount of cannabis that licensees grow;
556	(d) the amount of cannabis that licensees manufacture into cannabis products;
557	(e) the number of licenses the department revokes under this chapter;
558	(f) the department's operation of an independent cannabis testing laboratory under
559	Section 4-41a-201, including:
560	(i) the cannabis and cannabis products the department tested; and
561	(ii) the results of the tests the department performed;
562	(g) the expenses incurred and revenues generated under this chapter; and
563	(h) an analysis of product availability in medical cannabis pharmacies in consultation
564	with the Department of Health and Human Services.
565	(2) The department may not include personally identifying information in the report
566	described in this section.
567	(3) The department shall report to the working group described in Section 36-12-8.2 as
568	requested by the working group.
569	(4)(a) Before August 1, of each year, the department shall provide a report to the
570	working group described in Section 36-12-8.2 that provides the following for each
571	fine issued by the department under this chapter:
572	(i) the date of the fine:

573	(ii) the reference to the statute or rule that was violated for each fine issued; and
574	(iii) a short description explaining why the fine was issued.
575	(b) The report described in Subsection (4)(a) may not include identifying information of
576	the person that was subject to the fine.
577	Section 9. Section 4-41a-1001 is amended to read:
578	4-41a-1001. Medical cannabis pharmacy License Eligibility.
579	(1) A person may not:
580	(a) operate as a medical cannabis pharmacy without a license that the department issues
581	under this part;
582	(b) obtain a medical cannabis pharmacy license if obtaining the license would cause the
583	person to exceed the pharmacy ownership limit;
584	(c) obtain a partial ownership share of a medical cannabis pharmacy if obtaining the
585	partial ownership share would cause the person to exceed the pharmacy ownership
586	limit; or
587	(d) enter into any contract or agreement that allows the person to directly or indirectly
588	control the operations of a medical cannabis pharmacy if the person's control of the
589	medical cannabis pharmacy would cause the person to effectively exceed the
590	pharmacy ownership limit.
591	(2)(a)(i) Subject to Subsections (4) and (5) and to Section 4-41a-1005, the department
592	shall issue a license to operate a medical cannabis pharmacy through the licensing
593	board created under Section 4-41a-201.1.
594	(ii) The department may not issue a license to operate a medical cannabis pharmacy
595	to an applicant who is not eligible for a license under this section.
596	(b) An applicant is eligible for a license under this section if the applicant submits to the
597	department:
598	(i) subject to Subsection (2)(c), a proposed name and address where the applicant will
599	operate the medical cannabis pharmacy;
600	(ii) the name and address of an individual who:
601	(A) for a publicly traded company, has a financial or voting interest of 10% or
602	greater in the proposed medical cannabis pharmacy;
603	(B) for a privately held company, a financial or voting interest in the proposed
604	medical cannabis pharmacy; or
605	(C) has the power to direct or cause the management or control of a proposed
606	medical cannabis pharmacy;

507	(111) for each application that the applicant submits to the department, a statement
508	from the applicant that the applicant will obtain and maintain:
509	(A) a performance bond in the amount of \$100,000 issued by a surety authorized
510	to transact surety business in the state; or
511	(B) a liquid cash account in the amount of \$100,000 with a financial institution;
512	(iv) an operating plan that:
513	(A) complies with Section 4-41a-1004;
514	(B) includes operating procedures to comply with the operating requirements for a
515	medical cannabis pharmacy described in this part and with a relevant municipa
516	or county law that is consistent with Section 4-41a-1106; and
517	(C) the department approves;
518	(v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
519	department sets in accordance with Section 63J-1-504; and
520	(vi) a description of any investigation or adverse action taken by any licensing
521	jurisdiction, government agency, law enforcement agency, or court in any state for
522	any violation or detrimental conduct in relation to any of the applicant's
523	cannabis-related operations or businesses.
524	(c)(i) A person may not locate a medical cannabis pharmacy:
525	(A) within 200 feet of a community location; or
526	(B) in or within 600 feet of a district that the relevant municipality or county has
527	zoned as primarily residential.
528	(ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
529	from the nearest entrance to the medical cannabis pharmacy establishment by
530	following the shortest route of ordinary pedestrian travel to the property boundary
531	of the community location or residential area.
532	(iii) The department may grant a waiver to reduce the proximity requirements in
533	Subsection (2)(c)(i) by up to 20% if the department determines that it is not
534	reasonably feasible for the applicant to cite the proposed medical cannabis
535	pharmacy without the waiver.
536	(iv) An applicant for a license under this section shall provide evidence of
537	compliance with the proximity requirements described in Subsection (2)(c)(i).
538	(d) The department may not issue a license to an eligible applicant that the department
539	has selected to receive a license until the selected eligible applicant complies with the
540	bond or liquid cash requirement described in Subsection (2)(b)(iii)

641	(e) If the department receives more than one application for a medical cannabis
642	pharmacy within the same city or town, the department shall consult with the local
643	land use authority before approving any of the applications pertaining to that city or
644	town.
645	(f) In considering the issuance of a medical cannabis pharmacy license under this
646	section, the department may consider the extent to which the pharmacy can increase
647	efficiency and reduce cost to patients of medical cannabis.
648	[(3) If the department selects an applicant-]
649	(3)(a) After an entity has been selected for a medical cannabis pharmacy license under
650	this section, the department shall:
651	[(a)] (i) charge the applicant an initial license fee in an amount that, subject to
652	Subsection 4-41a-104(5), the department sets in accordance with Section
653	63J-1-504;
654	[(b)] (ii) notify the Department of Public Safety of the license approval and the name
655	of each individual described in Subsection (2)(b)(ii); and
656	[(e)] (iii) charge the licensee a fee in an amount that, subject to Subsection 4-41a-104
657	(5), the department sets in accordance with Section 63J-1-504, for any change in
658	location, ownership, or company structure.
659	(b) For a fee described in Subsection (3)(a)(i), a license fee for a medical cannabis
660	pharmacy located in a medically underserved area as determined by the federal
661	Health Resources and Services Administration shall be 50% less than what is charged
662	for other medical cannabis pharmacies.
663	(4) The department may not issue a license to operate a medical cannabis pharmacy to an
664	applicant if an individual described in Subsection (2)(b)(ii):
665	(a) has been convicted under state or federal law of:
666	(i) a felony in the preceding 10 years; or
667	(ii) after December 3, 2018, a misdemeanor for drug distribution;
668	(b) is younger than 21 years old; or
669	(c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator.
670	(5)[(a)] If an applicant for a medical cannabis pharmacy license under this section holds
671	another license under this chapter, the department may not give preference to the
672	applicant based on the applicant's status as a holder of the license.
673	[(b) If an applicant for a medical cannabis pharmacy license under this section holds a
674	license to operate a cannabis cultivation facility under this section, the department

675	may give consideration to the applicant's status as a holder of the license if:]
676	[(i) the applicant demonstrates that a decrease in costs to patients is more likely to
677	result from the applicant's vertical integration than from a more competitive
678	marketplace; and]
679	[(ii) the department finds multiple other factors, in addition to the existing license,
680	that support granting the new license.]
681	(6) The licensing board may revoke a license under this part:
682	(a) if the medical cannabis pharmacy does not begin operations within one year after the
683	day on which the department issues an announcement of the department's intent to
684	award a license to the medical cannabis pharmacy;
685	(b) after the third the same violation of this chapter in any of the licensee's licensed
686	cannabis production establishments or medical cannabis pharmacies;
687	(c) if an individual described in Subsection (2)(b)(ii) is convicted, while the license is
688	active, under state or federal law of:
689	(i) a felony; or
690	(ii) after December 3, 2018, a misdemeanor for drug distribution;
691	(d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at
692	the time of application, or fails to supplement the information described in
693	Subsection (2)(b)(vi) with any investigation or adverse action that occurs after the
694	submission of the application within 14 calendar days after the licensee receives
695	notice of the investigation or adverse action;
696	(e) if the medical cannabis pharmacy demonstrates a willful or reckless disregard for the
697	requirements of this chapter or the rules the department makes in accordance with
698	this chapter;
699	(f) if, after a change of ownership described in Subsection (11)(c), the department
700	determines that the medical cannabis pharmacy no longer meets the minimum
701	standards for licensure and operation of the medical cannabis pharmacy described in
702	this chapter; or
703	(g) if through an investigation conducted under Subsection 4-41a-201.1(11) and in
704	accordance with Title 63G, Chapter 4, Administrative Procedures Act, the board
705	finds that the licensee has participated in anticompetitive business practices.
706	(7)(a) A person who receives a medical cannabis pharmacy license under this chapter, if
707	the municipality or county where the licensed medical cannabis pharmacy will be
708	located requires a local land use permit, shall submit to the department a copy of the

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709	licensee's approved application for the land use permit within 120 days after the day
710	on which the department issues the license.
711	(b) If a licensee fails to submit to the department a copy the licensee's approved land use
712	permit application in accordance with Subsection (7)(a), the department may revoke
713	the licensee's license.
714	(8) The department shall deposit the proceeds of a fee imposed by this section into the
715	Qualified Production Enterprise Fund.
716	(9) The department shall begin accepting applications under this part on or before March 1,
717	2020.
718	(10)(a) The department's authority to issue a license under this section is plenary and is
719	not subject to review.
720	(b) Notwithstanding Subsection (2), the decision of the department to award a license to
721	an applicant is not subject to:
722	(i) Title 63G, Chapter 6a, Part 16, Protests; or
723	(ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.
724	(11)(a) A medical cannabis pharmacy license is not transferrable or assignable.
725	(b) A medical cannabis pharmacy shall report in writing to the department no later than
726	10 business days before the date of any change of ownership of the medical cannabis
727	pharmacy.
728	(c) If the ownership of a medical cannabis pharmacy changes by 50% or more:
729	(i) concurrent with the report described in Subsection (11)(b), the medical cannabis
730	pharmacy shall submit a new application described in Subsection (2)(b), subject to
731	Subsection (2)(c);
732	(ii) within 30 days of the submission of the application, the department shall:
733	(A) conduct an application review; and
734	(B) award a license to the medical cannabis pharmacy for the remainder of the
735	term of the medical cannabis pharmacy's license before the ownership change
736	if the medical cannabis pharmacy meets the minimum standards for licensure
737	and operation of the medical cannabis pharmacy described in this chapter; and
738	(iii) if the department approves the license application, notwithstanding Subsection
739	(3), the medical cannabis pharmacy shall pay a license fee that the department sets
740	in accordance with Section 63J-1-504 in an amount that covers the department's
741	cost of conducting the application review.

Section 10. Section **4-41a-1003** is amended to read:

743	4-41a-1003 . Renewal - Notice of available license.
744	(1)(a) The department shall renew a license [under Sections 4-41a-1001 through
745	4-41a-1005] issued under this part every year if, at the time of renewal:
746	[(a)] (i) the licensee meets the requirements of Section 4-41a-1001;
747	[(b)] (ii) the licensee pays the department a license renewal fee in an amount that,
748	subject to Subsection 4-41a-1004(5), the department sets in accordance with
749	Section 63J-1-504; and
750	[(e)] (iii) if the medical cannabis pharmacy changes the operating plan described in
751	Section 4-41a-1004 that the department approved under Subsection
752	4-41a-1001(2)(b)(iv), the department approves the new operating plan.
753	(b) A license fee for a medical cannabis pharmacy located in a county of the third,
754	fourth, fifth, or sixth class shall be 50% less than what is charged for other medical
755	cannabis pharmacies.
756	(2)(a) If a licensed medical cannabis pharmacy abandons the medical cannabis
757	pharmacy's license, the department shall publish notice of an available license[-], for
758	the geographic area in which the medical cannabis pharmacy license is available, as a
759	class A notice under Section 63G-30-102, for at least seven days.
760	(b) The department may establish criteria, in collaboration with the Division of
761	Professional Licensing and the Board of Pharmacy and in accordance with Title 63G
762	Chapter 3, Utah Administrative Rulemaking Act, to identify the medical cannabis
763	pharmacy actions that constitute abandonment of a medical cannabis pharmacy
764	license.
765	(3) If the department has not completed the necessary processes to make a determination on
766	a license renewal under Subsections (1)(a) and (c) before the expiration of a license, the
767	department may issue a conditional medical cannabis pharmacy license to a licensed
768	medical cannabis pharmacy that has applied for license renewal under this section and
769	paid the fee described in Subsection (1)(b).
770	Section 11. Section 4-41a-1005 is amended to read:
771	4-41a-1005 . Maximum number of licenses.
772	(1)(a) [Except as provided in Subsection (1)(b) or (d), if a sufficient number of
773	applicants apply, the department] The licensing board shall issue up to [15] 17 medical
774	cannabis pharmacy licenses in accordance with this section including the two medical
775	cannabis pharmacy licenses in accordance with Section 4-41a-1006.
776	[(b) If an insufficient number of qualified applicants apply for the available number of

777	medical cannabis pharmacy licenses, the department shall issue a medical cannabis
778	pharmacy license to each qualified applicant.]
779	[(e) The department may issue the licenses described in Subsection (1)(a) in accordance
780	with this Subsection (1)(e).]
781	[(i) Using one procurement process, the department may issue eight licenses to an
782	initial group of medical cannabis pharmacies and six licenses to a second group of
783	medical cannabis pharmacies.]
784	[(ii) The department shall:]
785	[(A) divide the state into no less than four geographic regions, set by the
786	department in rule;]
787	[(B) issue at least one license in each geographic region during each phase of
788	issuing licenses; and]
789	[(C) complete the process of issuing medical cannabis pharmacy licenses no later
790	than July 1, 2020.]
791	[(iii) In issuing a 15th license under Subsection (1), the department shall ensure that
792	the license recipient will locate the medical cannabis pharmacy within Dagget,
793	Duchesne, Uintah, Carbon, Sevier, Emery, Grand, or San Juan County.]
794	[(d)(i) The department may issue licenses to operate a medical cannabis pharmacy in
795	addition to the licenses described in Subsection (1)(a) if the department
796	determines, in consultation with the Department of Health and Human Services
797	and after an annual or more frequent analysis of the current and anticipated market
798	for medical cannabis, that each additional license is necessary to provide an
799	adequate supply, quality, or variety of medical cannabis to medical cannabis
300	eardholders.]
301	[(ii) The department shall:]
302	[(A) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
303	Act, make rules to establish criteria and processes for the consultation,
304	analysis, and application for a license described in Subsection (1)(d)(i); and]
305	[(B) report to the Executive Appropriations Committee of the Legislature before
306	each time the department issues an additional license under Subsection
307	(1)(d)(i) regarding the results of the consultation and analysis described in
308	Subsection (1)(d)(i) and the application of the criteria described in Subsection
309	$\frac{(1)(d)(ii)(A).}{(ii)(a)}$
310	(2)(a) [If there are more qualified applicants than there are available licenses for medical

811	cannabis pharmacies, the department] The licensing board shall:
812	(i) evaluate each applicant and award the license to the applicant that best
813	demonstrates:
814	(A) experience with establishing and successfully operating a business that
815	involves complying with a regulatory environment, tracking inventory, and
816	training, evaluating, and monitoring employees;
817	(B) an operating plan that will best ensure the safety and security of patrons and
818	the community;
819	(C) positive connections to the local community;
820	(D) the suitability of the proposed location and the location's accessibility for
821	qualifying patients;
822	(E) the extent to which the applicant can increase efficiency and reduce the cost of
823	medical cannabis for patients; and
824	(F) a strategic plan described in Subsection 4-41a-1004(7) that has a
825	comparatively high likelihood of success; and
826	(ii) ensure a geographic dispersal among licensees that is sufficient to reasonably
827	maximize access to the largest number of medical cannabis cardholders.
828	(b) In making the evaluation described in Subsection (2)(a), the licensing board may
829	give increased consideration to applicants who indicate a willingness to:
830	(i) site a medical cannabis pharmacy in an area or population center designated as a
831	medically underserved area or population as determined by the federal Health
832	Resources and Services Administration; and
833	(ii) operate as a home delivery medical cannabis pharmacy that accepts electronic
834	medical cannabis orders.
835	[(b) In making the evaluation described in Subsection (2)(a), the department may give
836	increased consideration to applicants who indicate a willingness to:]
837	[(i) operate as a home delivery medical cannabis pharmacy that accepts electronic
838	medical cannabis orders that the state central patient portal facilitates; and]
839	[(ii) accept payments through:]
840	[(A) a payment provider that the Division of Finance approves, in consultation
841	with the state treasurer, in accordance with Section 4-41a-108; or]
842	[(B) a financial institution in accordance with Subsection 4-41a-108(4).]
843	(3) The [department] licensing board may conduct a face-to-face interview with an applicant
844	for a license that the [department] licensing board evaluates under Subsection (2).

845	Section 12. Section 4-41a-1006 is enacted to read:
846	4-41a-1006 . Independent medical cannabis licenses.
847	(1)(a) Subject to the requirements of Subsection (3) and the criteria established for
848	obtaining a medical cannabis pharmacy license under this chapter, the licensing
849	board shall:
850	(i) before January 1, 2026, select one entity to receive a medical cannabis pharmacy
851	license; and
852	(ii) before January 1, 2027, but not before January 1, 2026, select one entity to
853	receive a medical cannabis pharmacy license.
854	(b) When selecting entities under this section, if there is a conflict between the criteria
855	established for obtaining a medical cannabis pharmacy license under the other
856	sections of this chapter and this section, this section controls.
857	(2) For the license described in Subsection (1)(a)(ii), the licensing board may not select an
858	entity:
859	(a) that owns any interest in or operates a medical cannabis production establishment; or
860	(b) that is owned, partially or entirely, or operated by a medical cannabis production
861	<u>establishment.</u>
862	(3) The licensing board:
863	(a) may not select an entity to receive a license under this section if the entity owns a
864	financial interest in a medical cannabis pharmacy or is owned by an entity that owns
865	a financial interest in a medical cannabis pharmacy; and
866	(b) shall select an entity that will site a medical cannabis pharmacy license issued under
867	this section in an area:
868	(i) designated as a medically underserved area as determined by the federal Health
869	Resources and Services Administration; and
870	(ii) located in a county of the third, fourth, fifth, or sixth class.
871	(4) A license described in this section may not be transferred to another entity unless that
872	entity meets the requirements of Subsections (2) and (3) that the transferring entity met
873	when obtaining the license.
874	(5) Notwithstanding Subsection (4), for a license described in Subsection (1)(a)(i), an
875	applicant shall commit to not alienating or otherwise transferring control of the license
876	or of the entity that holds the license to another person for at least 15 years from the day
877	the license is issued under this chapter.
878	(6) The department shall provide regular updates to the Medical Cannabis Governance

8/9	Structure Working Group created in Section 36-12-8.2 regarding the application and
880	selection process for licenses issued under this section.
881	Section 13. Section 4-41a-1101 is amended to read:
882	4-41a-1101 . Operating requirements General.
883	(1)(a) A medical cannabis pharmacy shall operate:
884	(i) at the physical address provided to the department under Section 4-41a-1001; and
885	(ii) in accordance with the operating plan provided to the department under Section
886	4-41a-1001 and, if applicable, Section 4-41a-1004.
887	(b) A medical cannabis pharmacy shall notify the department before a change in the
888	medical cannabis pharmacy's physical address or operating plan.
889	(2) An individual may not enter a medical cannabis pharmacy unless the individual:
890	(a) is at least 18 years old or is an emancipated minor under Section 80-7-105; and
891	(b) except as provided in Subsection (4):
892	(i) possesses a valid:
893	(A) medical cannabis pharmacy agent registration card;
894	(B) pharmacy medical provider registration card; or
895	(C) medical cannabis card;
896	(ii) is an employee of the department performing an inspection under Section
897	4-41a-1103; or
898	(iii) is another individual as the department provides.
899	(3) A medical cannabis pharmacy may not employ an individual who is younger than 21
900	years old.
901	(4) Notwithstanding Subsection (2)(a), a medical cannabis pharmacy may authorize an
902	individual who is not a medical cannabis pharmacy agent or pharmacy medical provider
903	to access the medical cannabis pharmacy if the medical cannabis pharmacy tracks and
904	monitors the individual at all times while the individual is at the medical cannabis
905	pharmacy and maintains a record of the individual's access.
906	(5) A medical cannabis pharmacy shall operate in a facility that has:
907	(a) a single, secure public entrance;
908	(b) a security system with a backup power source that:
909	(i) detects and records entry into the medical cannabis pharmacy; and
910	(ii) provides notice of an unauthorized entry to law enforcement when the medical
911	cannabis pharmacy is closed; and
912	(c) a lock on each area where the medical cannabis pharmacy stores [cannabis or a

913	cannabis product] medical cannabis.
914	(6) A medical cannabis pharmacy shall post, both clearly and conspicuously in the medical
915	cannabis pharmacy, the limit on the purchase of cannabis described in Subsection
916	4-41a-1102(2).
917	(7) Except for an emergency situation described in Subsection 26B-4-213(3)(c), a medical
918	cannabis pharmacy may not allow any individual to consume cannabis on the property
919	or premises of the medical cannabis pharmacy.
920	(8) A medical cannabis pharmacy may not sell [eannabis or a cannabis product] medical
921	cannabis without first indicating on the [cannabis or cannabis product] medical cannabis
922	label the name of the medical cannabis pharmacy.
923	(9)(a) Each medical cannabis pharmacy shall retain in the pharmacy's records the
924	following information regarding each recommendation underlying a transaction:
925	(i) the recommending medical provider's name, address, and telephone number;
926	(ii) the patient's name and address;
927	(iii) the date of issuance;
928	(iv) directions of use and dosing guidelines or an indication that the recommending
929	medical provider did not recommend specific directions of use or dosing
930	guidelines; and
931	(v) if the patient did not complete the transaction, the name of the medical cannabis
932	cardholder who completed the transaction.
933	(b)(i) Except as provided in Subsection (9)(b)(iii), a medical cannabis pharmacy may
934	not sell medical cannabis unless the medical cannabis has a label securely affixed
935	to the container indicating the following minimum information:
936	(A) the name, address, and telephone number of the medical cannabis pharmacy;
937	(B) the unique identification number that the medical cannabis pharmacy assigns;
938	(C) the date of the sale;
939	(D) the name of the patient;
940	(E) the name of the recommending medical provider who recommended the
941	medical cannabis treatment;
942	(F) directions for use and cautionary statements, if any;
943	(G) the amount dispensed and the cannabinoid content;
944	(H) the suggested use date;
945	(I) for unprocessed cannabis flower, the legal use termination date; and
946	(J) any other requirements that the department determines, in consultation with the

947	Division of Professional Licensing and the Board of Pharmacy.
948	(ii) A medical cannabis pharmacy is exempt from the requirement to provide the
949	following information under Subsection (9)(b)(i) if the information is already
950	provided on the product label that a cannabis production establishment affixes:
951	(A) a unique identification number;
952	(B) directions for use and cautionary statements;
953	(C) amount and cannabinoid content; and
954	(D) a suggested use date.
955	(iii) If the size of a medical cannabis container does not allow sufficient space to
956	include the labeling requirements described in Subsection (9)(b)(i), the medical
957	cannabis pharmacy may provide the following information described in
958	Subsection (9)(b)(i) on a supplemental label attached to the container or an
959	informational enclosure that accompanies the container:
960	(A) the cannabinoid content;
961	(B) the suggested use date; and
962	(C) any other requirements that the department determines.
963	(iv) A medical cannabis pharmacy may sell medical cannabis to another medical
964	cannabis pharmacy without a label described in Subsection (9)(b)(i).
965	(10) A pharmacy medical provider or medical cannabis pharmacy agent shall:
966	(a) upon receipt of an order from a limited medical provider in accordance with
967	Subsections 26B-4-204(1)(b) through (d):
968	(i) for a written order or an electronic order under circumstances that the department
969	determines, contact the limited medical provider or the limited medical provider's
970	office to verify the validity of the recommendation; and
971	(ii) for an order that the pharmacy medical provider or medical cannabis pharmacy
972	agent verifies under Subsection (10)(a)(i) or an electronic order that is not subject
973	to verification under Subsection (10)(a)(i), enter the limited medical provider's
974	recommendation or renewal, including any associated directions of use, dosing
975	guidelines, or caregiver indication, in the state electronic verification system;
976	(b) in processing an order for a holder of a conditional medical cannabis card described
977	in Subsection 26B-4-213(1)(b) that appears irregular or suspicious in the judgment of
978	the pharmacy medical provider or medical cannabis pharmacy agent, contact the
979	recommending medical provider or the recommending medical provider's office to
980	verify the validity of the recommendation before processing the cardholder's order;

981	(c) unless the medical cannabis cardholder has had a consultation under Subsection
982	26B-4-231(5), verbally offer to a medical cannabis cardholder at the time of a
983	purchase of [eannabis, a eannabis product,] medical cannabis or a medical cannabis
984	device, personal counseling with the pharmacy medical provider; and
985	(d) provide a telephone number or website by which the cardholder may contact a
986	pharmacy medical provider for counseling.
987	(11)(a) A medical cannabis pharmacy may create a medical cannabis disposal program
988	that allows an individual to deposit unused or excess medical cannabis or cannabis
989	residue from a medical cannabis device in a locked box or other secure receptacle
990	within the medical cannabis pharmacy.
991	(b) A medical cannabis pharmacy with a disposal program described in Subsection
992	(11)(a) shall ensure that only a medical cannabis pharmacy agent or pharmacy
993	medical provider can access deposited medical cannabis.
994	(c) A medical cannabis pharmacy shall dispose of any deposited medical cannabis by:
995	(i) rendering the deposited medical cannabis unusable and unrecognizable before
996	transporting deposited medical cannabis from the medical cannabis pharmacy; and
997	(ii) disposing of the deposited medical cannabis in accordance with:
998	(A) federal and state law, rules, and regulations related to hazardous waste;
999	(B) the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 et seq.;
1000	(C) Title 19, Chapter 6, Part 5, Solid Waste Management Act; and
1001	(D) other regulations that the department makes in accordance with Title 63G,
1002	Chapter 3, Utah Administrative Rulemaking Act.
1003	(12) A medical cannabis pharmacy:
1004	(a) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy
1005	Practice Act, as a pharmacy medical provider;
1006	(b) may employ a physician who has the authority to write a prescription and is licensed
1007	under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah
1008	Osteopathic Medical Practice Act, as a pharmacy medical provider;
1009	(c) shall ensure that a pharmacy medical provider described in Subsection (12)(a) works
1010	onsite during all business hours;
1011	(d) shall designate one pharmacy medical provider described in Subsection (12)(a) as the
1012	pharmacist-in-charge to oversee the operation of and generally supervise the medical
1013	cannabis pharmacy;[-and]
1014	(e) shall allow the pharmacist-in-charge to determine which [cannabis and cannabis

1015	products] medical cannabis products the medical cannabis pharmacy maintains in the
1016	medical cannabis pharmacy's inventory[-];
1017	(f) if a patient product information insert is available, shall provide a patient who
1018	purchases a medical cannabis product the medical cannabis product's patient product
1019	information insert using any of the following methods:
1020	(i) a physical document;
1021	(ii) an email message;
1022	(iii) a text message; or
1023	(iv) a quick response code; and
1024	(g) for each medical cannabis product sold by the medical cannabis pharmacy, shall:
1025	(i) allow a medical cannabis cardholder located in the pharmacy to view the back
1026	panel of the product when requested; and
1027	(ii) beginning July 1, 2025, include a picture of the back panel of the product on the
1028	medical cannabis pharmacy's website.
1029	(13) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah
1030	Administrative Rulemaking Act, protocols for a recall of cannabis and cannabis products
1031	by a medical cannabis pharmacy.
1032	Section 14. Section 4-41a-1201 is amended to read:
1033	4-41a-1201. Medical cannabis home delivery designation.
1034	(1) The department may designate a medical cannabis pharmacy as a home delivery
1035	medical cannabis pharmacy if the department determines that the medical cannabis
1036	pharmacy's operating plan demonstrates the functional and technical ability to:
1037	(a) safely conduct transactions for medical cannabis shipments;
1038	(b) accept electronic medical cannabis orders[-that the state central patient portal
1039	facilitates]; and
1040	(c) accept payments through:
1041	(i) a payment provider that the Division of Finance approves, in consultation with the
1042	state treasurer, in accordance with Section 26-61a-603; or
1043	(ii) a financial institution in accordance with Subsection 26-61a-603(4).
1044	(2) An applicant seeking a designation as a home delivery medical cannabis pharmacy shall
1045	identify in the applicant's operating plan any information relevant to the department's
1046	evaluation described in Subsection (1), including:
1047	(a) the name and contact information of the payment provider;
1048	(b) the nature of the relationship between the prospective licensee and the payment

1049	provider;
1050	(c) the processes of the following to safely and reliably conduct transactions for medical
1051	cannabis shipments:
1052	(i) the prospective licensee; and
1053	(ii) the electronic payment provider or the financial institution described in
1054	Subsection (1)(c); and
1055	(d) the ability of the licensee to comply with the department's rules regarding the secure
1056	transportation and delivery of medical cannabis [or medical cannabis product] to a
1057	medical cannabis cardholder.
1058	(3) Notwithstanding any county or municipal ordinance, a medical cannabis pharmacy that
1059	the department designates as a home delivery medical cannabis pharmacy may deliver
1060	medical cannabis shipments in accordance with this part.
1061	Section 15. Section 4-41a-1202 is amended to read:
1062	4-41a-1202 . Home delivery of medical cannabis shipments Medical cannabis
1063	couriers License.
1064	(1) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
1065	Administrative Rulemaking Act, to ensure the safety, security, and efficiency of a home
1066	delivery medical cannabis pharmacy's fulfillment of electronic medical cannabis orders[
1067	that the state central patient portal facilitates], including rules regarding the safe and
1068	controlled delivery of medical cannabis shipments.
1069	(2) A person may not operate as a medical cannabis courier without a license that the
1070	department issues under this section.
1071	(3)(a) Subject to Subsections (5) and (6), the department shall issue a license to operate
1072	as a medical cannabis courier to an applicant who is eligible for a license under this
1073	section.
1074	(b) An applicant is eligible for a license under this section if the applicant submits to the
1075	department:
1076	(i) the name and address of an individual who:
1077	(A) has a financial or voting interest of 10% or greater in the proposed medical
1078	cannabis courier; or
1079	(B) has the power to direct or cause the management or control of a proposed
1080	cannabis production establishment;
1081	(ii) an operating plan that includes operating procedures to comply with the operating
1082	requirements for a medical cannabis courier described in this chapter; and

1083	(iii) an application fee in an amount that, subject to Subsection 4-41a-104(5), the	
1084	department sets in accordance with Section 63J-1-504.	
1085	(4) If the department determines that an applicant is eligible for a license under this section	ι,
1086	the department shall:	
1087	(a) charge the applicant an initial license fee in an amount that, subject to Subsection	
1088	4-41a-104(5), the department sets in accordance with Section 63J-1-504; and	
1089	(b) notify the Department of Public Safety of the license approval and the names of each	ch
1090	individual described in Subsection (3)(b)(i).	
1091	(5) The department may not issue a license to operate as a medical cannabis courier to an	
1092	applicant if an individual described in Subsection (3)(b)(i):	
1093	(a) has been convicted under state or federal law of:	
1094	(i) a felony in the preceding 10 years; or	
1095	(ii) after September 23, 2019, a misdemeanor for drug distribution; or	
1096	(b) is younger than 21 years old.	
1097	(6) The department may revoke a license under this part if:	
1098	(a) the medical cannabis courier does not begin operations within one year after the day	y
1099	on which the department issues the initial license;	
1100	(b) the medical cannabis courier makes the same violation of this chapter three times;	
1101	(c) an individual described in Subsection (3)(b)(i) is convicted, while the license is	
1102	active, under state or federal law of:	
1103	(i) a felony; or	
1104	(ii) after September 23, 2019, a misdemeanor for drug distribution; or	
1105	(d) after a change of ownership described in Subsection (14)(c), the department	
1106	determines that the medical cannabis courier no longer meets the minimum standar	ds
1107	for licensure and operation of the medical cannabis courier described in this chapte	r.
1108	(7) The department shall deposit the proceeds of a fee imposed by this section in the	
1109	Qualified Production Enterprise Fund.	
1110	(8) The department's authority to issue a license under this section is plenary and is not	
1111	subject to review.	
1112	(9) Each applicant for a license as a medical cannabis courier shall submit, at the time of	
1113	application, from each individual who has a financial or voting interest of 10% or	
1114	greater in the applicant or who has the power to direct or cause the management or	
1115	control of the applicant:	
1116	(a) a fingerprint card in a form acceptable to the Department of Public Safety;	

1117	(b) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the
1118	registration of the individual's fingerprints in the Federal Bureau of Investigation
1119	Next Generation Identification System's Rap Back Service; and
1120	(c) consent to a fingerprint background check by:
1121	(i) the Bureau of Criminal Identification; and
1122	(ii) the Federal Bureau of Investigation.
1123	(10) The Bureau of Criminal Identification shall:
1124	(a) check the fingerprints the applicant submits under Subsection (9) against the
1125	applicable state, regional, and national criminal records databases, including the
1126	Federal Bureau of Investigation Next Generation Identification System;
1127	(b) report the results of the background check to the department;
1128	(c) maintain a separate file of fingerprints that applicants submit under Subsection (9)
1129	for search by future submissions to the local and regional criminal records databases,
1130	including latent prints;
1131	(d) request that the fingerprints be retained in the Federal Bureau of Investigation Next
1132	Generation Identification System's Rap Back Service for search by future
1133	submissions to national criminal records databases, including the Next Generation
1134	Identification System and latent prints; and
1135	(e) establish a privacy risk mitigation strategy to ensure that the department only
1136	receives notifications for an individual with whom the department maintains an
1137	authorizing relationship.
1138	(11) The department shall:
1139	(a) assess an individual who submits fingerprints under Subsection (9) a fee in an
1140	amount that the department sets in accordance with Section 63J-1-504 for the
1141	services that the Bureau of Criminal Identification or another authorized agency
1142	provides under this section; and
1143	(b) remit the fee described in Subsection (11)(a) to the Bureau of Criminal Identification.
1144	(12) The department shall renew a license under this section every year if, at the time of
1145	renewal:
1146	(a) the licensee meets the requirements of this section; and
1147	(b) the licensee pays the department a license renewal fee in an amount that, subject to
1148	Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504.
1149	(13) A person applying for a medical cannabis courier license shall submit to the
1150	department a proposed operating plan that complies with this section and that includes:

1151	(a)	a description of the physical characteristics of any proposed facilities, including a
1152		floor plan and an architectural elevation, and delivery vehicles;
1153	(b)	a description of the credentials and experience of each officer, director, or owner of
1154		the proposed medical cannabis courier;
1155	(c)	the medical cannabis courier's employee training standards;
1156	(d)	a security plan; and
1157	(e)	storage and delivery protocols, both short and long term, to ensure that medical
1158		cannabis shipments are stored and delivered in a manner that is sanitary and
1159		preserves the integrity of the cannabis.
1160	(14)(a)	A medical cannabis courier license is not transferable or assignable.
1161	(b)	A medical cannabis courier shall report in writing to the department no later than 10
1162		business days before the date of any change of ownership of the medical cannabis
1163		courier.
1164	(c)	If the ownership of a medical cannabis courier changes by 50% or more:
1165		(i) concurrent with the report described in Subsection (14)(b), the medical cannabis
1166		courier shall submit a new application described in Subsection (3)(b);
1167		(ii) within 30 days of the submission of the application, the department shall:
1168		(A) conduct an application review; and
1169		(B) award a license to the medical cannabis courier for the remainder of the term
1170		of the medical cannabis courier's license before the ownership change if the
1171		medical cannabis courier meets the minimum standards for licensure and
1172		operation of the medical cannabis courier described in this chapter; and
1173		(iii) if the department approves the license application, notwithstanding Subsection
1174		(4), the medical cannabis courier shall pay a license fee that the department sets in
1175		accordance with Section 63J-1-504 in an amount that covers the board's cost of
1176		conducting the application review.
1177	(15)(a)	Except as provided in Subsection(15)(b), a person may not advertise regarding
1178	the	transportation of medical cannabis.
1179	(b)	Notwithstanding Subsection (14)(a) and subject to Section 4-41a-109, a licensed
1180		home delivery medical cannabis pharmacy or a licensed medical cannabis courier
1181		may advertise:
1182		(i) a green cross;
1183		(ii) the pharmacy's or courier's name and logo; and
1184		(iii) that the pharmacy or courier is licensed to transport medical cannabis shipments.

1185	Section 16. Section 4-41a-1203 is amended to read:
1186	4-41a-1203 . Medical cannabis shipment transportation.
1187	(1) The department shall ensure that each home delivery medical cannabis pharmacy is
1188	capable of delivering, directly or through a medical cannabis courier, medical cannabis
1189	shipments in a secure manner.
1190	(2)(a) A home delivery medical cannabis pharmacy may contract with a licensed
1191	medical cannabis courier to deliver medical cannabis shipments to fulfill electronic
1192	medical cannabis orders[that the state central patient portal facilitates].
1193	(b) If a home delivery medical cannabis pharmacy enters into a contract described in
1194	Subsection (2)(a), the pharmacy shall:
1195	(i) impose security and personnel requirements on the medical cannabis courier
1196	sufficient to ensure the security and safety of medical cannabis shipments; and
1197	(ii) provide regular oversight of the medical cannabis courier.
1198	(3) Notwithstanding Subsection 4-41a-404(1), an individual may transport a medical
1199	cannabis shipment if the individual is:
1200	(a) a registered pharmacy medical provider;
1201	(b) a registered medical cannabis pharmacy agent; or
1202	(c) a registered agent of the medical cannabis courier described in Subsection (2).
1203	(4) An individual transporting a medical cannabis shipment under Subsection (3) shall
1204	comply with the requirements of Subsection 4-41a-404(3).
1205	(5) In addition to the requirements in Subsections (3) and (4), the department may establish
1206	by rule, in collaboration with the Division of Professional Licensing and the Board of
1207	Pharmacy and in accordance with Title 63G, Chapter 3, Utah Administrative
1208	Rulemaking Act, requirements for transporting medical cannabis shipments that are
1209	related to safety for human consumption of [eannabis or a cannabis product] medical
1210	cannabis.
1211	(6)(a) It is unlawful for an individual to transport a medical cannabis shipment with a
1212	manifest that does not meet the requirements of Subsection (4).
1213	(b) Except as provided in Subsection (6)(d), an individual who violates Subsection (6)(a)
1214	is:
1215	(i) guilty of an infraction; and
1216	(ii) subject to a \$100 fine.
1217	(c) An individual who is guilty of a violation described in Subsection (6)(b) is not guilty
1218	of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the

1219	conduct underlying the violation described in Subsection (6)(b).
1220	(d) If the individual described in Subsection (6)(a) is transporting more cannabis,
1221	cannabis product, or medical cannabis devices than the manifest identifies, except for
1222	a de minimis administrative error:
1223	(i) this chapter does not apply; and
1224	(ii) the individual is subject to penalties under Title 58, Chapter 37, Utah Controlled
1225	Substances Act.
1226	Section 17. Section 4-41a-1206 is amended to read:
1227	4-41a-1206. Closed-door medical cannabis pharmacy.
1228	(1)(a) Subject to Subsections (1)(b) and (c), a home delivery medical cannabis pharmacy
1229	may open a single closed-door medical cannabis pharmacy.
1230	(b) A home delivery medical cannabis pharmacy may not open a closed-door medical
1231	cannabis pharmacy unless the home delivery medical cannabis pharmacy:
1232	(i) has an operating plan that includes a closed-door medical cannabis pharmacy; and
1233	(ii) obtains a license issued by the department for a closed-door medical cannabis
1234	pharmacy.
1235	(c) An entity that owns multiple home delivery medical cannabis pharmacies may open
1236	only one closed-door medical cannabis pharmacy.
1237	(d) The department may institute a fee in accordance with Section 63J-1-504 to
1238	administer this section.
1239	(2) A home delivery medical cannabis pharmacy that opens a closed-door medical cannabis
1240	pharmacy under Subsection (1) shall ensure:
1241	(a) that a pharmacy medical provider who is a licensed pharmacist:
1242	(i) is directly supervising the packaging of an order; and
1243	(ii) is present in the closed-door medical cannabis pharmacy when an order is
1244	packaged for delivery; and
1245	(b) all record keeping requirements, labeling requirements, and patient counseling
1246	requirements described in this chapter and Title 26B, Chapter 4, Part 2, Cannabinoid
1247	Research and Medical Cannabis, are satisfied before sending out an order.
1248	(3) An individual who prepares an order at a closed-door medical cannabis pharmacy under
1249	this section shall be registered as:
1250	(a) a pharmacy medical provider; or
1251	(b) a medical cannabis pharmacy agent.
1252	(4)(a) A closed-door medical cannabis pharmacy shall operate:

1253	(i) except as provided in Subsection (4)(b), in a facility that is accessible only by a	n
1254	individual who is a pharmacy medical provider or a medical cannabis pharmac	У
1255	agent; and	
1256	(ii) at a physical address in accordance with Subsection (6).	
1257	(b) A closed-door medical cannabis pharmacy may authorize an individual who is at	
1258	least 18 years old and is not a pharmacy medical provider or a cannabis pharmacy	
1259	agent to access the closed-door medical cannabis pharmacy if the closed-door	
1260	medical cannabis pharmacy:	
1261	(i) tracks and monitors the individual at all times while the individual is at the	
1262	closed-door medical cannabis pharmacy; and	
1263	(ii) maintains a record of the individual's access, including arrival and departure.	
1264	(c) A closed-door medical cannabis pharmacy shall operate in a facility that has:	
1265	(i) a single, secure public entrance; and	
1266	(ii) a security system with a backup power source that:	
1267	(A) detects and records entry into the closed-door medical cannabis pharmacy	;
1268	(B) provides notice of an unauthorized entry to law enforcement when the	
1269	closed-door medical cannabis pharmacy is closed; and	
1270	(C) a lock or equivalent restrictive security feature on any area where the	
1271	closed-door medical cannabis pharmacy stores a cannabis product.	
1272	(d) A closed-door medical cannabis pharmacy shall ensure that any cannabis or cannab	ois
1273	products in the closed-door medical cannabis pharmacy that are intended for home	
1274	delivery are separated in a manner that is readily distinguishable from any other	
1275	cannabis or cannabis product in the facility.	
1276	(5) A closed-door medical cannabis pharmacy may only provide cannabis or a cannabis	
1277	product to an individual through a delivery that complies with this part.	
1278	(6)(a) A person may not locate a closed-door medical cannabis pharmacy:	
1279	(i) within 1,000 feet of a community location; or	
1280	(ii) in or within 600 feet of a district that the relevant municipality or county has	
1281	zoned as primarily residential.	
1282	(b) The proximity requirements described in Subsection (6)(a) shall be measured from	
1283	the nearest entrance to the closed-door medical cannabis pharmacy by following th	e
1284	shortest route of ordinary pedestrian travel to the property boundary of the	
1285	community location or residential area.	
1286	(c) The licensing board may grant a waiver to reduce the proximity requirements in	

1287	Subsection (6)(a) by up to 20% if the licensing board determines that it is not
1288	reasonably feasible for the applicant to site the proposed closed-door medical
1289	cannabis pharmacy without the waiver.
1290	(d) An applicant for a license under this section shall provide evidence of compliance
1291	with the proximity requirements described in Subsection (6)(a).
1292	(7) When determining where a closed-door medical cannabis pharmacy may open, the
1293	licensing board:
1294	(a) shall utilize geographic regions created by the department through rule;
1295	(b) shall prioritize allowing entities that do not have a medical cannabis pharmacy in a
1296	region to open a closed-door medical cannabis pharmacy in the region;
1297	(c) of the total amount of closed-door medical cannabis pharmacies, may allow only
1298	three closed-door medical cannabis pharmacies to operate in counties of the first and
1299	second class as described in Section 17-50-501; and
1300	(d) for determining the three closed-door medical cannabis pharmacies described in
1301	Subsection (7)(c), consider the following:
1302	(i) the history of compliance with state law and rules for all licenses issued under this
1303	chapter;
1304	(ii) the medical cannabis pharmacy's willingness to offer a variety of brands and
1305	products;
1306	(iii) the ability of the operating plan to ensure the safety and security of the
1307	community;
1308	(iv) the suitability of the proposed location and the location's ability to serve the loca
1309	community; and
1310	(v) any other relevant information determined through rule.
1311	(8) A closed-door medical cannabis pharmacy may not account for more than:
1312	(a) for an entity that holds a single medical cannabis pharmacy license, the greater of:
1313	(i) 35% of the medical cannabis pharmacy's total revenue; or
1314	(ii) \$2,000,000 in total revenue; or
1315	(b) for an entity that holds more than one medical cannabis pharmacy license, the greater
1316	of:
1317	(i) 35% of the total revenue of the entity's medical cannabis pharmacy that generates
1318	the most revenue; or
1319	(ii) \$2,000,000 in total revenue.
1320	(9) Notwithstanding any other provision of this section, the [department] licensing board

1321	may issue only [three] one closed-door medical cannabis pharmacy [licenses] license
1322	before July 1, 2027.
1323	(10) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1324	department shall make rules to implement this section.
1325	Section 18. Section 26B-1-435 is amended to read:
1326	26B-1-435 . Medical Cannabis Policy Advisory Board creation Membership
1327	Duties.
1328	(1) There is created within the department the Medical Cannabis Policy Advisory Board.
1329	(2)(a) The advisory board shall consist of the following members:
1330	(i) appointed by the executive director:
1331	(A) a qualified medical provider who has recommended medical cannabis to at
1332	least 100 patients before being appointed;
1333	[(B) a medical research professional;]
1334	[(C)] (B) a mental health specialist;
1335	[(D)] (C) an individual who represents an organization that advocates for medical
1336	cannabis patients;
1337	[(E)] (D) [an individual] a member of the general public who holds a medical
1338	cannabis patient card; and
1339	[(F)] <u>(E)</u> a member of the general public who does not hold a medical cannabis
1340	card;[-and]
1341	(ii) appointed by the commissioner of the Department of Agriculture and Food:
1342	(A) an individual who owns or operates a licensed cannabis cultivation facility, as
1343	defined in Section 4-41a-102;
1344	(B) an individual who owns or operates a licensed medical cannabis pharmacy;
1345	and
1346	(C) a law enforcement officer[-] ; and
1347	(iii) a representative from the Center for Medical Cannabis Research created in
1348	Section 53B-14-1402, appointed by the Center for Medical Cannabis Research.
1349	(b) The commissioner of the Department of Agriculture and Food shall ensure that at
1350	least one individual appointed under Subsection (2)(a)(ii)(A) or (B) also owns or
1351	operates a licensed cannabis processing facility.
1352	(3)(a) Subject to Subsection (3)(b), a member of the advisory board shall serve for a four
1353	year term.
1354	(b) When appointing the initial membership of the advisory board, the executive director

1333	and the commissioner of the Department of Agriculture and Food shall coordinate to
1356	appoint four advisory board members to serve a term of two years to ensure that
1357	approximately half of the board is appointed every two years.
1358	(4)(a) If an advisory board member is no longer able to serve as a member, a new
1359	member shall be appointed in the same manner as the original appointment.
1360	(b) A member appointed in accordance with Subsection (4)(a) shall serve for the
1361	remainder of the unexpired term of the original appointment.
1362	(5)(a) A majority of the advisory board members constitutes a quorum.
1363	(b) The action of a majority of a quorum constitutes an action of the advisory board.
1364	(c) For a term lasting one year, the advisory board shall annually designate members of
1365	the advisory board to serve as chair and vice-chair.
1366	(d) When designating the chair and vice-chair, the advisory board shall ensure that at
1367	least one individual described Subsection (2)(a)(i) is appointed as chair or vice-chair.
1368	(6) An advisory board member may not receive compensation or benefits for the member's
1369	service on the advisory board but may receive per diem and reimbursement for travel
1370	expenses incurred as an advisory board member in accordance with:
1371	(a) Sections 63A-3-106 and 63A-3-107; and
1372	(b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
1373	63A-3-107.
1374	(7) The department shall:
1375	(a) provide staff support for the advisory board; and
1376	(b) assist the advisory board in conducting meetings.
1377	(8) The advisory board may recommend:
1378	(a) to the department or the Department of Agriculture and Food changes to current or
1379	proposed medical cannabis rules or statutes; and
1380	(b) to the appropriate legislative committee whether the advisory board supports a
1381	change to medical cannabis statutes.
1382	(9) The advisory board shall:
1383	(a) review any draft rule that is authorized under [this chapter] Chapter 4, Part 2,
1384	Cannabinoid Research and Medical Cannabis, or Title 4, Chapter 41a, Cannabis
1385	Production Establishments and Pharmacies;
1386	(b) consult with the Department of Agriculture and Food regarding the issuance of an
1387	additional:
1388	(i) cultivation facility license under Section 4-41a-205; or

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Section 4-41a-102.

- 1389 (ii) pharmacy license under Section 4-41a-1005; 1390 (c) consult with the department regarding cannabis patient education; 1391 (d) consult regarding the reasonableness of any fees set by the department or the 1392 Department of Agriculture and Food that pertain to the medical cannabis program; 1393 and 1394 (e) consult regarding any issue pertaining to medical cannabis when asked by the 1395 department or the Utah Department of Agriculture and Food. 1396 Section 19. Section **26B-4-201** is amended to read: 1397 26B-4-201 . Definitions. 1398 As used in this part: 1399 (1) "Active tetrahydrocannabinol" means THC, any THC analog, and 1400 tetrahydrocannabinolic acid. 1401 (2) "Administration of criminal justice" means the performance of detection, apprehension, 1402 detention, pretrial release, post-trial release, prosecution, and adjudication. 1403 (3) "Advertise" means information provided by a person in any medium: 1404 (a) to the public; and 1405 (b) that is not age restricted to an individual who is at least 21 years old. 1406 (4) "Advisory board" means the Medical Cannabis Policy Advisory Board created in 1407 Section 26B-1-435. 1408 (5) "Cannabis Research Review Board" means the Cannabis Research Review Board 1409 created in Section 26B-1-420. (6) "Cannabis" means marijuana. 1410 (7) "Cannabis processing facility" means the same as that term is defined in Section 1411 1412 4-41a-102. 1413 (8) "Cannabis product" means a product that: 1414 (a) is intended for human use; and 1415 (b) contains cannabis or any tetrahydrocannabinol or THC analog in a total 1416 concentration of 0.3% or greater on a dry weight basis. 1417 (9) "Cannabis production establishment" means the same as that term is defined in Section 1418 4-41a-102. 1419 (10) "Cannabis production establishment agent" means the same as that term is defined in
- 1421 (11) "Cannabis production establishment agent registration card" means the same as that term is defined in Section 4-41a-102.

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portal facilitates].

1423	(12) "Conditional medical cannabis card" means an electronic medical cannabis card that
1424	the department issues in accordance with Subsection 26B-4-213(1)(b) to allow an
1425	applicant for a medical cannabis card to access medical cannabis during the department's
1426	review of the application.
1427	(13) "Controlled substance database" means the controlled substance database created in
1428	Section 58-37f-201.
1429	(14) "Delivery address" means the same as that term is defined in Section 4-41a-102.
1430	(15) "Department" means the Department of Health and Human Services.
1431	(16) "Designated caregiver" means:
1432	(a) an individual:
1433	(i) whom an individual with a medical cannabis patient card or a medical cannabis
1434	guardian card designates as the patient's caregiver; and
1435	(ii) who registers with the department under Section 26B-4-214; or
1436	(b)(i) a facility that an individual designates as a designated caregiver in accordance
1437	with Subsection 26B-4-214(1)(b); or
1438	(ii) an assigned employee of the facility described in Subsection 26B-4-214(1)(b)(ii)
1439	(17) "Directions of use" means recommended routes of administration for a medical
1440	cannabis treatment and suggested usage guidelines.
1441	(18) "Dosing guidelines" means a quantity range and frequency of administration for a
1442	recommended treatment of medical cannabis.
1443	(19) "Government issued photo identification" means any of the following forms of
1444	identification:
1445	(a) a valid state-issued driver license or identification card;
1446	(b) a valid United States federal-issued photo identification, including:
1447	(i) a United States passport;
1448	(ii) a United States passport card;
1449	(iii) a United States military identification card; or
1450	(iv) a permanent resident card or alien registration receipt card; or
1451	(c) a foreign passport.
1452	(20) "Home delivery medical cannabis pharmacy" means a medical cannabis pharmacy that
1453	the department authorizes, as part of the pharmacy's license, to deliver medical cannabis
1454	shipments to a delivery address to fulfill electronic orders[-that the state central patient

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

1457	(22) "Legal dosage limit" means an amount that:
1458	(a) is sufficient to provide 30 days of treatment based on the dosing guidelines that the
1459	relevant recommending medical provider or [the state central patient portal or]
1460	pharmacy medical provider, in accordance with Subsection 26B-4-230(5),
1461	recommends; and
1462	(b) may not exceed:
1463	(i) for unprocessed cannabis in a medicinal dosage form, 113 grams by weight; and
1464	(ii) for a cannabis product in a medicinal dosage form, a quantity that contains, in
1465	total, greater than 20 grams of active tetrahydrocannabinol.
1466	(23) "Legal use termination date" means a date on the label of a container of unprocessed
1467	cannabis flower:
1468	(a) that is 60 days after the date of purchase of the cannabis; and
1469	(b) after which, the cannabis is no longer in a medicinal dosage form outside of the
1470	primary residence of the relevant medical cannabis patient cardholder.
1471	(24) "Limited medical provider" means an individual who:
1472	(a) meets the recommending qualifications; and
1473	(b) has no more than 15 patients with a valid medical cannabis patient card as a result of
1474	the individual's recommendation, in accordance with Subsection 26B-4-204(1)(b).
1475	(25) "Marijuana" means the same as that term is defined in Section 58-37-2.
1476	(26) "Medical cannabis" or "medical cannabis product" means cannabis in a medicinal
1477	dosage form or a cannabis product in a medicinal dosage form.
1478	(27) "Medical cannabis card" means a medical cannabis patient card, a medical cannabis
1479	guardian card, a medical cannabis caregiver card, or a conditional medical cannabis card.
1480	(28) "Medical cannabis cardholder" means:
1481	(a) a holder of a medical cannabis card; or
1482	(b) a facility or assigned employee, described in Subsection (16)(b), only:
1483	(i) within the scope of the facility's or assigned employee's performance of the role of
1484	a medical cannabis patient cardholder's caregiver designation under Subsection
1485	26B-4-214(1)(b); and
1486	(ii) while in possession of documentation that establishes:
1487	(A) a caregiver designation described in Subsection 26B-4-214(1)(b);
1488	(B) the identity of the individual presenting the documentation; and
1489	(C) the relation of the individual presenting the documentation to the caregiver
1490	designation.

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1492	may print or store on an electronic device or a physical card or document that:
1493	(a) the department issues to an individual whom a medical cannabis patient cardholder
1494	or a medical cannabis guardian cardholder designates as a designated caregiver; and
1495	(b) is connected to the electronic verification system.
1496	(30) "Medical cannabis courier" means the same as that term is defined in Section
1497	4-41a-102.
1498	(31)(a) "Medical cannabis device" means a device that an individual uses to ingest or
1499	inhale [cannabis in a medicinal dosage form or a cannabis product in a medicinal
1500	dosage form] medical cannabis.
1501	(b) "Medical cannabis device" does not include a device that:
1502	(i) facilitates cannabis combustion; or
1503	(ii) an individual uses to ingest substances other than cannabis.
1504	(32) "Medical cannabis guardian card" means an electronic document that a cardholder may
1505	print or store on an electronic device or a physical card or document that:
1506	(a) the department issues to the parent or legal guardian of a minor with a qualifying
1507	condition; and
1508	(b) is connected to the electronic verification system.
1509	(33) "Medical cannabis patient card" means an electronic document that a cardholder may
1510	print or store on an electronic device or a physical card or document that:
1511	(a) the department issues to an individual with a qualifying condition; and
1512	(b) is connected to the electronic verification system.
1513	(34) "Medical cannabis pharmacy" means a person that:
1514	(a)(i) acquires or intends to acquire medical cannabis [or a cannabis product in a
1515	medicinal dosage form-]from a cannabis processing facility or another medical
1516	cannabis pharmacy or a medical cannabis device; or
1517	(ii) possesses medical cannabis or a medical cannabis device; and
1518	(b) sells or intends to sell medical cannabis or a medical cannabis device to a medical
1519	cannabis cardholder.
1520	(35) "Medical cannabis pharmacy agent" means an individual who holds a valid medical
1521	cannabis pharmacy agent registration card issued by the department.
1522	(36) "Medical cannabis pharmacy agent registration card" means a registration card issued
1523	by the department that authorizes an individual to act as a medical cannabis pharmacy
1524	agent.

(29) "Medical cannabis caregiver card" means an electronic document that a cardholder

1525	(37) "Medical cannabis shipment" means the same as that term is defined in Section
1526	4-41a-102.
1527	(38) "Medical cannabis treatment" means [eannabis in a medicinal dosage form, a cannabis
1528	product in a medicinal dosage form, or] medical cannabis or a medical cannabis device.
1529	(39)(a) "Medicinal dosage form" means:
1530	(i) for processed medical cannabis, the following with a specific and consistent
1531	cannabinoid content:
1532	(A) a tablet;
1533	(B) a capsule;
1534	(C) a concentrated liquid or viscous oil;
1535	(D) a liquid suspension that does not exceed 30 milliliters;
1536	(E) a topical preparation;
1537	(F) a transdermal preparation;
1538	(G) a sublingual preparation;
1539	(H) a gelatinous cube, gelatinous rectangular cuboid, or lozenge in a cube or
1540	rectangular cuboid shape;
1541	(I) a resin or wax;
1542	(J) an aerosol;
1543	(K) a suppository preparation; or
1544	(L) a soft or hard confection that is a uniform rectangular cuboid or uniform
1545	spherical shape, is homogeneous in color and texture, and each piece is a single
1546	serving; or
1547	(ii) for unprocessed cannabis flower, a container described in Section 4-41a-602 that:
1548	(A) contains cannabis flower in a quantity that varies by no more than 10% from
1549	the stated weight at the time of packaging;
1550	(B) at any time the medical cannabis cardholder transports or possesses the
1551	container in public, is contained within an opaque bag or box that the medical
1552	cannabis pharmacy provides; and
1553	(C) is labeled with the container's content and weight, the date of purchase, the
1554	legal use termination date, and a barcode that provides information connected
1555	to an inventory control system.
1556	(b) "Medicinal dosage form" includes a portion of unprocessed cannabis flower that:
1557	(i) the medical cannabis cardholder has recently removed from the container
1558	described in Subsection (39)(a)(ii) for use: and

1559	(ii) does not exceed the quantity described in Subsection (39)(a)(ii).
1560	(c) "Medicinal dosage form" does not include:
1561	(i) any unprocessed cannabis flower outside of the container described in Subsection
1562	(39)(a)(ii), except as provided in Subsection (39)(b);
1563	(ii) any unprocessed cannabis flower in a container described in Subsection
1564	(39)(a)(ii) after the legal use termination date;
1565	(iii) a process of vaporizing and inhaling concentrated cannabis by placing the
1566	cannabis on a nail or other metal object that is heated by a flame, including a
1567	blowtorch;
1568	(iv) a liquid suspension that is branded as a beverage;
1569	(v) a substance described in Subsection (39)(a)(i) or (ii) if the substance is not
1570	measured in grams, milligrams, or milliliters; or
1571	(vi) a substance that contains or is covered to any degree with chocolate.
1572	(40) "Nonresident patient" means an individual who:
1573	(a) is not a resident of Utah or has been a resident of Utah for less than 45 days;
1574	(b) has a currently valid medical cannabis card or the equivalent of a medical cannabis
1575	card under the laws of another state, district, territory, commonwealth, or insular
1576	possession of the United States; and
1577	(c) has been diagnosed with a qualifying condition as described in Section 26B-4-203.
1578	(41) "Patient product information insert" means a single page document or webpage that
1579	contains information about a medical cannabis product regarding:
1580	(a) how to use the product;
1581	(b) common side effects;
1582	(c) serious side effects;
1583	(d) dosage;
1584	(e) contraindications;
1585	(f) safe storage;
1586	(g) information on when a product should not be used; and
1587	(h) other information the department deems appropriate in consultation with the
1588	cannabis processing facility that created the product.
1589	(42) "Pharmacy medical provider" means the medical provider required to be on site at a
1590	medical cannabis pharmacy under Section 26B-4-219.
1591	[(42)] (43) "Provisional patient card" means a card that:
1592	(a) the department issues to a minor with a qualifying condition for whom:

1593	(i) a recommending medical provider has recommended a medical cannabis
1594	treatment; and
1595	(ii) the department issues a medical cannabis guardian card to the minor's parent or
1596	legal guardian; and
1597	(b) is connected to the electronic verification system.
1598	[(43)] (44) "Qualified medical provider" means an individual:
1599	(a) who meets the recommending qualifications; and
1600	(b) whom the department registers to recommend treatment with cannabis in a medicinal
1601	dosage form under Section 26B-4-204.
1602	[(44)] (45) "Qualified Patient Enterprise Fund" means the enterprise fund created in Section
1603	26B-1-310.
1604	[(45)] (46) "Qualifying condition" means a condition described in Section 26B-4-203.
1605	[(46)] (47) "Recommend" or "recommendation" means, for a recommending medical
1606	provider, the act of suggesting the use of medical cannabis treatment, which:
1607	(a) certifies the patient's eligibility for a medical cannabis card; and
1608	(b) may include, at the recommending medical provider's discretion, directions of use,
1609	with or without dosing guidelines.
1610	[(47)] (48) "Recommending medical provider" means a qualified medical provider or a
1611	limited medical provider.
1612	[(48)] (49) "Recommending qualifications" means that an individual:
1613	(a)(i) has the authority to write a prescription;
1614	(ii) is licensed to prescribe a controlled substance under Title 58, Chapter 37, Utah
1615	Controlled Substances Act; and
1616	(iii) possesses the authority, in accordance with the individual's scope of practice, to
1617	prescribe a Schedule II controlled substance; and
1618	(b) is licensed as:
1619	(i) a podiatrist under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
1620	(ii) an advanced practice registered nurse under Title 58, Chapter 31b, Nurse Practice
1621	Act;
1622	(iii) a physician under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58,
1623	Chapter 68, Utah Osteopathic Medical Practice Act; or
1624	(iv) a physician assistant under Title 58, Chapter 70a, Utah Physician Assistant Act.
1625	[(49) "State central patient portal" means the website the department creates, in accordance
1626	with Section 26B-4-236, to facilitate patient safety, education, and an electronic medical

1627	cannabis order.]
1628	(50) "State electronic verification system" means the system described in Section 26B-4-202
1629	(51) "Targeted marketing" means the promotion by a qualified medical provider, medical
1630	clinic, or medical office that employs a qualified medical provider of a medical cannabis
1631	recommendation service using any of the following methods:
1632	(a) electronic communication to an individual who is at least 21 years old and has
1633	requested to receive promotional information;
1634	(b) an in-person marketing event that is held in an area where only an individual who is
1635	at least 21 years old may access the event;
1636	(c) other marketing material that is physically or digitally displayed in the office of the
1637	medical clinic or office that employs a qualified medical provider; or
1638	(d) a leaflet that a qualified medical provider, medical clinic, or medical office that
1639	employs a qualified medical provider shares with an individual who is at least 21
1640	years old.
1641	(52) "Tetrahydrocannabinol" or "THC" means a substance derived from cannabis or a
1642	synthetic equivalent as described in Subsection 58-37-4(2)(a)(iii)(AA).
1643	(53) "THC analog" means the same as that term is defined in Section 4-41-102.
1644	Section 20. Section 26B-4-202 is amended to read:
1645	26B-4-202 . Electronic verification system.
1646	(1) The Department of Agriculture and Food, the department, the Department of Public
1647	Safety, and the Division of Technology Services shall:
1648	(a) enter into a memorandum of understanding in order to determine the function and
1649	operation of the state electronic verification system in accordance with Subsection
1650	(2);
1651	(b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah
1652	Procurement Code, to develop a request for proposals for a third-party provider to
1653	develop and maintain the state electronic verification system in coordination with the
1654	Division of Technology Services; and
1655	(c) select a third-party provider who:
1656	(i) meets the requirements contained in the request for proposals issued under
1657	Subsection (1)(b); and
1658	(ii) may not have any commercial or ownership interest in a cannabis production
1659	establishment or a medical cannabis pharmacy.
1660	(2) The Department of Agriculture and Food, the department, the Department of Public

1661	Safety, and the Division of Technology Services shall ensure that the state electronic
1662	verification system described in Subsection (1):
1663	(a) allows an individual to apply for a medical cannabis patient card or, if applicable, a
1664	medical cannabis guardian card, provided that the card may not become active until:
1665	(i) the relevant qualified medical provider completes the associated medical cannabis
1666	recommendation; or
1667	(ii) for a medical cannabis card related to a limited medical provider's
1668	recommendation, the medical cannabis pharmacy completes the recording
1669	described in Subsection (2)(d);
1670	(b) allows an individual to apply to renew a medical cannabis patient card or a medical
1671	cannabis guardian card in accordance with Section 26B-4-213;
1672	(c) allows a qualified medical provider, or an employee described in Subsection (3)
1673	acting on behalf of the qualified medical provider, to:
1674	(i) access dispensing and card status information regarding a patient:
1675	(A) with whom the qualified medical provider has a provider-patient relationship;
1676	and
1677	(B) for whom the qualified medical provider has recommended or is considering
1678	recommending a medical cannabis card;
1679	(ii) electronically recommend treatment with [eannabis in a medicinal dosage form or
1680	a cannabis product in a medicinal dosage form] medical cannabis and optionally
1681	recommend dosing guidelines;
1682	(iii) electronically renew a recommendation to a medical cannabis patient cardholder
1683	or medical cannabis guardian cardholder:
1684	(A) using telehealth services, for the qualified medical provider who originally
1685	recommended a medical cannabis treatment during a face-to-face visit with the
1686	patient; or
1687	(B) during a face-to-face visit with the patient, for a qualified medical provider
1688	who did not originally recommend the medical cannabis treatment during a
1689	face-to-face visit; and
1690	(iv) submit an initial application, renewal application, or application payment on
1691	behalf of an individual applying for any of the following:
1692	(A) a medical cannabis patient card;
1693	(B) a medical cannabis guardian card; or
1694	(C) a medical cannabis caregiver card:

1695	(d) allows a medical cannabis pharmacy medical provider or medical cannabis pharmacy
1696	agent, in accordance with Subsection 4-41a-1101(10)(a), to:
1697	
	(i) access the electronic verification system to review the history within the system of
1698	a patient with whom the provider or agent is interacting, limited to read-only
1699	access for medical cannabis pharmacy agents unless the medical cannabis
1700	pharmacy's pharmacist in charge authorizes add and edit access;
1701	(ii) record a patient's recommendation from a limited medical provider, including any
1702	directions of use, dosing guidelines, or caregiver indications from the limited
1703	medical provider;
1704	(iii) record a limited medical provider's renewal of the provider's previous
1705	recommendation; and
1706	(iv) submit an initial application, renewal application, or application payment on
1707	behalf of an individual applying for any of the following:
1708	(A) a medical cannabis patient card;
1709	(B) a medical cannabis guardian card; or
1710	(C) a medical cannabis caregiver card;
1711	(e) connects with:
1712	(i) an inventory control system that a medical cannabis pharmacy uses to track in real
1713	time and archive purchases of any [eannabis in a medicinal dosage form, eannabis
1714	product in a medicinal dosage form,] medical cannabis or a medical cannabis
1715	device, including:
1716	(A) the time and date of each purchase;
1717	(B) the quantity and type of [eannabis, eannabis product,] medical cannabis or
1718	medical cannabis device purchased;
1719	(C) any cannabis production establishment, any medical cannabis pharmacy, or
1720	any medical cannabis courier associated with the [eannabis, cannabis product,]
1721	medical cannabis or medical cannabis device; and
1722	(D) the personally identifiable information of the medical cannabis cardholder
1723	who made the purchase; and
1724	(ii) any commercially available inventory control system that a cannabis production
1725	establishment utilizes in accordance with Section 4-41a-103 to use data that the
1726	Department of Agriculture and Food requires by rule, in accordance with Title
1727	63G, Chapter 3, Utah Administrative Rulemaking Act, from the inventory
1728	tracking system that a licensee uses to track and confirm compliance;
1/28	tracking system that a licensee uses to track and confirm compliance;

1729	(f) provides access to:
1730	(i) the department to the extent necessary to carry out the department's functions and
1731	responsibilities under this part;
1732	(ii) the Department of Agriculture and Food to the extent necessary to carry out the
1733	functions and responsibilities of the Department of Agriculture and Food under
1734	Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies; and
1735	(iii) the Division of Professional Licensing to the extent necessary to carry out the
1736	functions and responsibilities related to the participation of the following in the
1737	recommendation and dispensing of medical cannabis:
1738	(A) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing
1739	Act;
1740	(B) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
1741	(C) an advanced practice registered nurse licensed under Title 58, Chapter 31b,
1742	Nurse Practice Act;
1743	(D) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
1744	Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
1745	(E) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
1746	Assistant Act;
1747	[(g) provides access to and interaction with the state central patient portal;]
1748	[(h)] (g) communicates dispensing information from a record that a medical cannabis
1749	pharmacy submits to the state electronic verification system under Subsection
1750	4-41a-1102(3)(a)(ii) to the controlled substance database;
1751	[(i)] (h) provides access to state or local law enforcement only to verify the validity of an
1752	individual's medical cannabis card for the administration of criminal justice and
1753	through a database used by law enforcement; and
1754	[(j)] (i) creates a record each time a person accesses the system that identifies the person
1755	who accesses the system and the individual whose records the person accesses.
1756	(3)(a) An employee of a qualified medical provider may access the electronic
1757	verification system for a purpose described in Subsection (2)(c) on behalf of the
1758	qualified medical provider if:
1759	(i) the qualified medical provider has designated the employee as an individual
1760	authorized to access the electronic verification system on behalf of the qualified
1761	medical provider;
1762	(ii) the qualified medical provider provides written notice to the department of the

1763	employee's identity and the designation described in Subsection (3)(a)(i); and
1764	(iii) the department grants to the employee access to the electronic verification
1765	system.
1766	(b) An employee of a business that employs a qualified medical provider may access the
1767	electronic verification system for a purpose described in Subsection (2)(c) on behalf
1768	of the qualified medical provider if:
1769	(i) the qualified medical provider has designated the employee as an individual
1770	authorized to access the electronic verification system on behalf of the qualified
1771	medical provider;
1772	(ii) the qualified medical provider and the employing business jointly provide written
1773	notice to the department of the employee's identity and the designation described
1774	in Subsection (3)(b)(i); and
1775	(iii) the department grants to the employee access to the electronic verification
1776	system.
1777	(4)(a) As used in this Subsection (4), "prescribing provider" means:
1778	(i) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
1779	(ii) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse
1780	Practice Act;
1781	(iii) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
1782	Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
1783	(iv) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
1784	Assistant Act.
1785	(b) A prescribing provider may access information in the electronic verification system
1786	regarding a patient the prescribing provider treats.
1787	(5) The department may release limited data that the system collects for the purpose of:
1788	(a) conducting medical and other department approved research;
1789	(b) providing the report required by Section 26B-4-222; and
1790	(c) other official department purposes.
1791	(6) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
1792	Administrative Rulemaking Act, to establish:
1793	(a) the limitations on access to the data in the state electronic verification system as
1794	described in this section; and
1795	(b) standards and procedures to ensure accurate identification of an individual requesting
1796	information or receiving information in this section.

1797	(7) Any person who negligently or recklessly releases any information in the state
1798	electronic verification system in violation of this section is guilty of a class C
1799	misdemeanor.
1800	(8) Any person who obtains or attempts to obtain information from the state electronic
1801	verification system by misrepresentation or fraud is guilty of a third degree felony.
1802	(9)(a) Except as provided in Subsections (9)(c) and (9)(e), a person may not knowingly
1803	and intentionally use, release, publish, or otherwise make available to any other
1804	person information obtained from the state electronic verification system for any
1805	purpose other than a purpose specified in this section.
1806	(b) Each separate violation of this Subsection (9) is:
1807	(i) a third degree felony; and
1808	(ii) subject to a civil penalty not to exceed \$5,000.
1809	(c) A law enforcement officer who uses the database used by law enforcement to access
1810	information in the electronic verification system for a reason that is not the
1811	administration of criminal justice is guilty of a class B misdemeanor.
1812	(d) The department shall determine a civil violation of this Subsection (9) in accordance
1813	with Title 63G, Chapter 4, Administrative Procedures Act.
1814	(e) Civil penalties assessed under this Subsection (9) shall be deposited into the General
1815	Fund.
1816	(f) This Subsection (9) does not prohibit a person who obtains information from the state
1817	electronic verification system under Subsection (2)(a), (c), or (f) from:
1818	(i) including the information in the person's medical chart or file for access by a
1819	person authorized to review the medical chart or file;
1820	(ii) providing the information to a person in accordance with the requirements of the
1821	Health Insurance Portability and Accountability Act of 1996; or
1822	(iii) discussing or sharing that information about the patient with the patient.
1823	Section 21. Section 26B-4-214 is amended to read:
1824	26B-4-214. Medical cannabis caregiver card Registration Renewal
1825	Revocation.
1826	(1)(a) A cardholder described in Section 26B-4-213 may designate[, through the state
1827	central patient portal,] up to two individuals, or an individual and a facility in
1828	accordance with Subsection (1)(b), to serve as a designated caregiver for the
1829	cardholder.
1830	(b)(i) A cardholder described in Section 26B-4-213 may designate one of the

1831	following types of facilities as one of the caregivers described in Subsection (1)(a):
1832	(A) for a patient or resident, an assisted living facility, as that term is defined in
1833	Section 26B-2-201;
1834	(B) for a patient or resident, a nursing care facility, as that term is defined in
1835	Section 26B-2-201; or
1836	(C) for a patient, a general acute hospital, as that term is defined in Section
1837	26B-2-201.
1838	(ii) A facility may:
1839	(A) assign one or more employees to assist patients with medical cannabis
1840	treatment under the caregiver designation described in this Subsection (1)(b);
1841	and
1842	(B) receive a medical cannabis shipment from a medical cannabis pharmacy or a
1843	medical cannabis courier on behalf of the medical cannabis cardholder within
1844	the facility who designated the facility as a caregiver.
1845	(iii) The department shall make rules to regulate the practice of facilities and facility
1846	employees serving as designated caregivers under this Subsection (1)(b).
1847	(c) A parent or legal guardian described in Subsection 26B-4-213(2)(d), in consultation
1848	with the minor and the minor's qualified medical provider, may designate[, through
1849	the state central patient portal, up to two individuals to serve as a designated
1850	caregiver for the minor, if the department determines that the parent or legal guardian
1851	is not eligible for a medical cannabis guardian card under Section 26B-4-213.
1852	(d)(i) Upon the entry of a caregiver designation under Subsection (1) by a patient
1853	with a terminal illness described in Section 26B-4-203, the department shall issue
1854	to the designated caregiver an electronic conditional medical cannabis caregiver
1855	card, in accordance with this Subsection (1)(d).
1856	(ii) A conditional medical cannabis caregiver card is valid for the lesser of:
1857	(A) 60 days; or
1858	(B) the day on which the department completes the department's review and issues
1859	a medical cannabis caregiver card under Subsection (1)(a), denies the patient's
1860	medical cannabis caregiver card application, or revokes the conditional
1861	medical cannabis caregiver card under <u>Section</u> 26B-4-246.
1862	(iii) The department may issue a conditional medical cannabis card to an individual
1863	applying for a medical cannabis patient card for which approval of the
1864	Compassionate Use Board is not required.

1865	(iv) An individual described in Subsection (1)(b)(iii) has the rights, restrictions, and
1866	obligations under law applicable to a holder of the medical cannabis card for
1867	which the individual applies and for which the department issues the conditional
1868	medical cannabis card.
1869	(2) An individual that the department registers as a designated caregiver under this section
1870	and a facility described in Subsection (1)(b):
1871	(a) for an individual designated caregiver, may carry a valid medical cannabis caregiver
1872	card;
1873	(b) in accordance with this part, may purchase, possess, transport, or assist the patient in
1874	the use of [cannabis in a medicinal dosage form, a cannabis product in a medicinal
1875	dosage form,] medical cannabis or a medical cannabis device on behalf of the
1876	designating medical cannabis cardholder;
1877	(c) may not charge a fee to an individual to act as the individual's designated caregiver
1878	or for a service that the designated caregiver provides in relation to the role as a
1879	designated caregiver; and
1880	(d) may accept reimbursement from the designating medical cannabis cardholder for
1881	direct costs the designated caregiver incurs for assisting with the designating
1882	cardholder's medicinal use of cannabis.
1883	(3)(a) The department shall:
1884	(i) within 15 days after the day on which an individual submits an application in
1885	compliance with this section, issue a medical cannabis card to the applicant if the
1886	applicant:
1887	(A) is designated as a caregiver under Subsection (1);
1888	(B) is eligible for a medical cannabis caregiver card under Subsection (4); and
1889	(C) complies with this section; and
1890	(ii) notify the Department of Public Safety of each individual that the department
1891	registers as a designated caregiver.
1892	(b) The department shall ensure that a medical cannabis caregiver card contains the
1893	information described in Subsections (5)(b) and (3)(c)(i).
1894	(c) If a cardholder described in Section 26B-4-213 designates an individual as a
1895	caregiver who already holds a medical cannabis caregiver card, the individual with
1896	the medical cannabis caregiver card:
1897	(i) shall report to the department the information required of applicants under
1898	Subsection (5)(b) regarding the new designation;

1899	(ii) if the individual makes the report described in Subsection (3)(c)(i), is not required
1900	to file an application for another medical cannabis caregiver card;
1901	(iii) may receive an additional medical cannabis caregiver card in relation to each
1902	additional medical cannabis patient who designates the caregiver; and
1903	(iv) is not subject to an additional background check.
1904	(4) An individual is eligible for a medical cannabis caregiver card if the individual:
1905	(a) is at least 21 years old;
1906	(b) is a Utah resident;
1907	(c) pays to the department a fee in an amount that, subject to Subsection 26B-1-310(5),
1908	the department sets in accordance with Section 63J-1-504, plus the cost of the
1909	criminal background check described in Section 26B-4-215; and
1910	(d) signs an acknowledgment stating that the applicant received the information
1911	described in Subsection 26B-4-213(9)[-].
1912	(5) An eligible applicant for a medical cannabis caregiver card shall:
1913	(a) submit an application for a medical cannabis caregiver card to the department
1914	through an electronic application connected to the state electronic verification
1915	system; and
1916	(b) submit the following information in the application described in Subsection (5)(a):
1917	(i) the applicant's name, gender, age, and address;
1918	(ii) the name, gender, age, and address of the cardholder described in Section
1919	26B-4-213 who designated the applicant;
1920	(iii) if a medical cannabis guardian cardholder designated the caregiver, the name,
1921	gender, and age of the minor receiving a medical cannabis treatment in relation to
1922	the medical cannabis guardian cardholder; and
1923	(iv) any additional information that the department requests to assist in matching the
1924	application with the designating medical cannabis patient.
1925	(6) Except as provided in Subsection (6)(b), a medical cannabis caregiver card that the
1926	department issues under this section is valid for the lesser of:
1927	(a) an amount of time that the cardholder described in Section 26B-4-213 who
1928	designated the caregiver determines; or
1929	(b) the amount of time remaining before the card of the cardholder described in Section
1930	26B-4-213 expires.
1931	(7)(a) If a designated caregiver meets the requirements of Subsection (4), the designated
1932	caregiver's medical cannabis caregiver card renews automatically at the time the

1933 cardholder described in Section 26B-4-213 who designated the caregiver: 1934 (i) renews the cardholder's card; and 1935 (ii) renews the caregiver's designation, in accordance with Subsection (7)(b). 1936 (b) The department shall provide a method in the card renewal process to allow a 1937 cardholder described in Section 26B-4-213 who has designated a caregiver to: 1938 (i) signify that the cardholder renews the caregiver's designation; 1939 (ii) remove a caregiver's designation; or 1940 (iii) designate a new caregiver. (8) The department shall record the issuance or revocation of a medical cannabis card under 1941 1942 this section in the controlled substance database. 1943 Section 22. Section **26B-4-222** is amended to read: 1944 26B-4-222 . Report. 1945 (1) By the November interim meeting each year, the department shall report to the Health 1946 and Human Services Interim Committee on: 1947 (a) the number of applications and renewal applications filed for medical cannabis cards; 1948 (b) the number of qualifying patients and designated caregivers; 1949 (c) the nature of the debilitating medical conditions of the qualifying patients; 1950 (d) the age and county of residence of cardholders; 1951 (e) the number of medical cannabis cards revoked; 1952 (f) the number of practitioners providing recommendations for qualifying patients; 1953 (g) the number of license applications and renewal license applications received; 1954 (h) the number of licenses the department has issued in each county; 1955 (i) the number of licenses the department has revoked; 1956 (j) the quantity of medical cannabis shipments that the state central patient portal 1957 facilitates1: 1958 (k) the number of overall purchases of medical cannabis [and medical cannabis products] 1959 from each medical cannabis pharmacy; 1960 (1) the expenses incurred and revenues generated from the medical cannabis program; 1961 and 1962 (m) an analysis of product availability in medical cannabis pharmacies in consultation 1963 with the Department of Agriculture and Food. 1964 (2) The report shall include information provided by the Center for Medical Cannabis 1965 Research described in Section 53B-17-1402. 1966 (3) The department may not include personally identifying information in the report

1967	described in this section.
1968	(4) The department shall report to the working group described in Section 36-12-8.2 as
1969	requested by the working group.
1970	Section 23. Section 26B-4-243 is amended to read:
1971	26B-4-243. Guidance for treatment with medical cannabis.
1972	The department, in consultation with the Center for Medical Cannabis Research created
1973	in Section 53B-17-1402, shall:
1974	(1) develop evidence-based guidance for treatment with medical cannabis based on the
1975	latest medical research that shall include:
1976	(a) for each qualifying condition, a summary of the latest medical research regarding the
1977	treatment of the qualifying condition with medical cannabis;
1978	(b) risks, contraindications, side effects, and adverse reactions that are associated with
1979	medical cannabis use; and
1980	(c) potential drug interactions between medical cannabis and medications that have been
1981	approved by the United States Food and Drug Administration; [-and]
1982	(2) educate recommending medical providers, pharmacy medical providers, medical
1983	cannabis cardholders, and the public regarding:
1984	(a) the evidence-based guidance for treatment with medical cannabis described in
1985	Subsection (1)(a);
1986	(b) relevant warnings and safety information related to medical cannabis use; and
1987	(c) other topics related to medical cannabis use as determined by the department[-]; and
1988	(3) develop patient product information inserts for medical cannabis products:
1989	(a) in consultation with the cannabis processing facility that created the product; and
1990	(b) that do not contain proprietary information about the product.
1991	Section 24. Section 26B-4-247 is amended to read:
1992	26B-4-247 . Department coordination.
1993	The department shall:
1994	(1) provide draft rules made under this chapter to the:
1995	(a) advisory board for the advisory board's review; and
1996	(b) Medical Cannabis Governance Structure Working Group created in Section 36-12-8.2;
1997	(2) consult with the advisory board regarding:
1998	(a) patient education; and
1999	(b) fees set by the department that pertain to the medical cannabis program; and
2000	(3) when appropriate, consult with the advisory board regarding issues that arise in the

- 2001 medical cannabis program.
- Section 25. Section **63I-2-204** is amended to read:
- 2003 **63I-2-204** . Repeal dates: Title 4.
- 2004 (1) Section 4-11-117, Beekeeping working group -- Development of standards, is repealed
- 2005 May 1, 2025.
- 2006 (2) Subsection 4-41a-102(6), regarding the Cannabis Research Review Board, is repealed
- 2007 July 1, [2026] 2025.
- 2008 (3) Section 4-46-104, Transition, is repealed July 1, 2024.
- Section 26. Section **63I-2-226** is amended to read:
- 2010 **63I-2-226** . Repeal dates: Titles 26 through 26B.
- 2011 (1) Section 26B-1-241, Tardive dyskinesia, is repealed July 1, 2024.
- 2012 (2) Section 26B-1-302, National Professional Men's Basketball Team Support of Women
- and Children Issues Restricted Account, is repealed July 1, 2024.
- 2014 (3) Section 26B-1-309, Medicaid Restricted Account, is repealed July 1, 2024.
- 2015 (4) Section 26B-1-313, Cancer Research Restricted Account, is repealed July 1, 2024.
- 2016 (5) Section 26B-1-420, Cannabis Research Review Board, is repealed July 1, [2026] 2025.
- 2017 (6) Subsection 26B-1-421(9)(a), regarding a report to the Cannabis Research Review
- 2018 Board, is repealed July 1, [2026] 2025.
- 2019 (7) Section 26B-1-423, Rural Physician Loan Repayment Program Advisory Committee --
- 2020 Membership -- Compensation -- Duties, is repealed July 1, 2026.
- 2021 (8) Section 26B-2-243, Data collection and reporting requirements concerning incidents of
- abuse, neglect, or exploitation, is repealed July 1, 2027.
- 2023 (9) Section 26B-3-142, Long-acting injectables, is repealed July 1, 2024.
- 2024 (10) Subsection 26B-3-215(5), regarding reporting on coverage for in vitro fertilization and
- 2025 genetic testing, is repealed July 1, 2030.
- 2026 (11) Subsection 26B-4-201(5), regarding the Cannabis Research Review Board, is repealed
- 2027 July 1, [2026] 2025.
- 2028 (12) Subsection 26B-4-212(1)(b), regarding the Cannabis Research Review Board, is
- 2029 repealed July 1, [2026] 2025.
- 2030 (13) Section 26B-4-702, Creation of Utah Health Care Workforce Financial Assistance
- 2031 Program, is repealed July 1, 2027.
- 2032 (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.
- 2034 (15) Subsection 26B-4-703(3)(c), regarding expenses for the Rural Physician Loan

- 2035 Repayment Program, is repealed July 1, 2026.
- 2036 (16) Subsection 26B-4-703(6)(b), regarding recommendations from the Rural Physician
- 2037 Loan Repayment Program Advisory Committee, is repealed July 1, 2026.
- 2038 (17) Section 26B-5-117, Early childhood mental health support grant program, is repealed
- 2039 January 2, 2025.
- 2040 (18) Section 26B-5-302.5, Study concerning civil commitment and the Utah State Hospital,
- 2041 is repealed July 1, 2025.
- 2042 (19) Section 26B-6-414, Respite care services, is repealed July 1, 2025.
- 2043 (20) Section 26B-7-120, Invisible condition alert program education and outreach, is
- 2044 repealed July 1, 2025.
- Section 27. Section **63I-2-236** is amended to read:
- 2046 **63I-2-236** . Repeal dates: Title 36.
- 2047 (1) Section 36-12-8.2, Medical cannabis governance structure working group, is repealed
- 2048 July 1, [2025] <u>2026</u>.
- 2049 (2) Section 36-29-107.5, Murdered and Missing Indigenous Relatives Task Force --
- 2050 Creation -- Membership -- Quorum -- Compensation -- Staff -- Vacancies -- Duties --
- Interim report, is repealed November 30, 2024.
- 2052 (3) Section 36-29-109, Utah Broadband Center Advisory Commission, is repealed
- 2053 November 30, 2027.
- 2054 (4) Section 36-29-110, Blockchain and Digital Innovation Task Force, is repealed
- 2055 November 30, 2024.
- 2056 Section 28. **Repealer.**
- This bill repeals:
- 2058 Section 4-41a-801.1, Enforcement for medical cannabis pharmacies and couriers -- Fine
- 2059 -- Citation.
- 2060 Section 26B-4-236, State central patient portal -- Department duties.
- Section 29. **Effective Date.**
- 2062 This bill takes effect on May 7, 2025.