

Walt Brooks proposes the following substitute bill:

Medical Cannabis Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Evan J. Vickers

House Sponsor: Walt Brooks

LONG TITLE

General Description:

This bill amends provisions related to medical cannabis.

Highlighted Provisions:

This bill:

- amends surveillance requirements;
- allows the Cannabis Production Establishment and Pharmacy Licensing Advisory Board (licensing board) to renew or approve medical cannabis courier licenses;
- allows the licensing board to renew licenses as necessary instead of only in December;
- allows a cannabis processing facility to operate at a second location under certain circumstances;
- amends reporting requirements;
- limits the number of licenses that the Department of Agriculture and Food (department) may issue for cannabis processing facilities;
- allows the department to issue letters of concern;
- prohibits a medical cannabis pharmacy from allowing the recommendation of medical cannabis near the pharmacy under certain circumstances;
- removes the requirement that pharmacy and courier agent registration cards include the agent's employer on the card;
- allows for medical cannabis cardholders to bring their own opaque bag or box to transport medical cannabis from the pharmacy;
- requires medical cannabis pharmacies and couriers to report a change in ownership at least 45 days before the change occurs;
- requires qualified medical provider employee proxies to complete a course on health information privacy;
- removes certain information from the medical cannabis card;

- repeals provisions related to the Division of Finance and the medical cannabis program;
- aligns continuing education provisions of qualified medical providers and pharmacy medical providers;
- 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;
- includes a coordination clause with H.B. 21, Criminal Code Recodification and Cross References, to align a definition and cross reference; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a coordination clause.

Utah Code Sections Affected:**AMENDS:**

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

4-41a-103, as last amended by Laws of Utah 2023, Chapter 327

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

4-41a-201.1, as last amended by Laws of Utah 2024, Chapter 217

4-41a-204, as last amended by Laws of Utah 2023, Chapter 327

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

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

4-41a-801, as renumbered and amended by Laws of Utah 2018, Third Special Session,

Chapter 1

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

4-41a-1001, as last amended by Laws of Utah 2024, Chapters 217, 238 and 240

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

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

4-41a-1102, as last amended by Laws of Utah 2024, Chapters 217, 240

4-41a-1106, as last amended by Laws of Utah 2024, Chapter 217

4-41a-1202, as last amended by Laws of Utah 2024, Chapters 217, 240

4-41a-1204, as last amended by Laws of Utah 2023, Chapter 317 and renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and last amended by Coordination Clause, Laws of Utah 2023, Chapter 307

26B-1-435, as last amended by Laws of Utah 2024, Chapters 238, 240
26B-4-201, as last amended by Laws of Utah 2024, Chapters 217, 240
26B-4-202, as last amended by Laws of Utah 2024, Chapters 217, 240
26B-4-204, as last amended by Laws of Utah 2024, Chapter 217
26B-4-213, as last amended by Laws of Utah 2024, Chapters 217, 240
26B-4-219, as last amended by Laws of Utah 2024, Chapter 507
26B-4-222, as last amended by Laws of Utah 2024, Chapter 240
26B-4-243, as enacted by Laws of Utah 2023, Chapter 281
63I-2-204, as last amended by Laws of Utah 2024, Third Special Session, Chapter 5
63I-2-226, as last amended by Laws of Utah 2024, Third Special Session, Chapter 5
63I-2-236, as last amended by Laws of Utah 2024, Third Special Session, Chapter 5

REPEALS:

4-41a-108, as renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and
 last amended by Coordination Clause, Laws of Utah 2023, Chapter 307
4-41a-801.1, as renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and
 last amended by Coordination Clause, Laws of Utah 2023, Chapter 307

Utah Code Sections affected by Coordination Clause:

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

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

The following section is affected by a coordination clause at the end of this bill.

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

4-41a-102 . Definitions.

As used in this chapter:

- (1) "Adulterant" means any poisonous or deleterious substance in a quantity that may be injurious to health, including:
 - (a) pesticides;
 - (b) heavy metals;
 - (c) solvents;
 - (d) microbial life;
 - (e) artificially derived cannabinoid;
 - (f) toxins; or
 - (g) foreign matter.
- (2) "Advertise" or "advertising" means information provided by a person in any medium:

(a) to the public; and

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

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

(4)(a) "Anticompetitive business practice" ~~[means any practice that reduces the amount of competition in the medical cannabis market that would be considered an attempt to monopolize, as defined in Section 76-10-3103]~~ means any practice that is an illegal anticompetitive activity under Section 76-10-3104.

(b) "Anticompetitive business practice" may include:

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

(A) no longer acting independently; or

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

(ii) monopolizing or attempting to monopolize trade by:

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

(B) preventing new entry into the market; or

(iii) other conduct outlined in rule.

(5)(a) "Artificially derived cannabinoid" means a chemical substance that is created by a chemical reaction that changes the molecular structure of any chemical substance derived from the cannabis plant.

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

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

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

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

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

(8) "Cannabis concentrate" means:

(a) the product of any chemical or physical process applied to naturally occurring biomass that concentrates or isolates the cannabinoids contained in the biomass; and

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

(9) "Cannabis cultivation byproduct" means any portion of a cannabis plant that is not

intended to be sold as a cannabis plant product.

(10) "Cannabis cultivation facility" means a person that:

(a) possesses cannabis;

(b) grows or intends to grow cannabis; and

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

(11) "Cannabis cultivation facility agent" means an individual who

holds a valid cannabis production establishment agent registration card with a cannabis cultivation facility designation.

(12) "Cannabis derivative product" means a product made using cannabis concentrate.

(13) "Cannabis plant product" means any portion of a cannabis plant intended to be sold in a form that is recognizable as a portion of a cannabis plant.

(14) "Cannabis processing facility" means a person that:

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

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

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

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

(15) "Cannabis processing facility agent" means an individual who

holds a valid cannabis production establishment agent registration card with a cannabis processing facility designation.

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

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

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

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

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

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

(20) "Closed-door medical cannabis pharmacy" means a facility operated by a home

delivery medical cannabis pharmacy for delivering cannabis or a medical cannabis

product.

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

(22) "Cultivation space" means, quantified in square feet, the horizontal area in which a cannabis cultivation facility cultivates cannabis, including each level of horizontal area if the cannabis cultivation facility hangs, suspends, stacks, or otherwise positions plants above other plants in multiple levels.

(23) "Delivery address" means:

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

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

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

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

(B) is not a community location; or

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

(24) "Department" means the Department of Agriculture and Food.

(25) "Family member" means a parent, step-parent, spouse, child, sibling, step-sibling, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild.

(26) "Government issued photo identification" means the same as that term is defined in Section 26B-4-201, including expired identification in accordance with Section 26B-4-244.

(27) "Home delivery medical cannabis pharmacy" means a medical cannabis pharmacy that the department authorizes, as part of the pharmacy's license, to deliver medical cannabis shipments to a delivery address to fulfill electronic orders that the state central patient portal facilitates.

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

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

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

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

(29) "Independent cannabis testing laboratory agent" means an individual who

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

- 199 (30) "Inventory control system" means a system described in Section 4-41a-103.
- 200 (31) "Licensing board" or "board" means the Cannabis Production Establishment and
201 Pharmacy Licensing Advisory Board created in Section 4-41a-201.1.
- 202 (32) "Medical cannabis" means the same as that term is defined in Section 26B-4-201.
- 203 (33) "Medical cannabis card" means the same as that term is defined in Section 26B-4-201.
- 204 (34) "Medical cannabis courier" means a courier that:
- 205 (a) the department licenses in accordance with Section 4-41a-1201; and
- 206 (b) contracts with a home delivery medical cannabis pharmacy to deliver medical
207 cannabis shipments to fulfill electronic orders that the state central patient portal
208 facilitates.
- 209 (35) "Medical cannabis courier agent" means an individual who:
- 210 (a) is an employee of a medical cannabis courier; and
- 211 (b) who holds a valid medical cannabis courier agent registration card.
- 212 (36) "Medical cannabis pharmacy" means the same as that term is defined in Section
213 26B-4-201.
- 214 (37) "Medical cannabis pharmacy agent" means the same as that term is defined in Section
215 26B-4-201.
- 216 (38) "Medical cannabis research license" means a license that the department issues to a
217 research university for the purpose of obtaining and possessing medical cannabis for
218 academic research.
- 219 (39) "Medical cannabis research licensee" means a research university that the department
220 licenses to obtain and possess medical cannabis for academic research, in accordance
221 with Section 4-41a-901.
- 222 (40) "Medical cannabis shipment" means a shipment of medical cannabis that a home
223 delivery medical cannabis pharmacy or a medical cannabis courier delivers to a delivery
224 address to fulfill an electronic medical cannabis order that the state central patient portal
225 facilitates.
- 226 (41) "Medical cannabis treatment" means the same as that term is defined in Section
227 26B-4-201.
- 228 (42) "Medicinal dosage form" means the same as that term is defined in Section 26B-4-201.
- 229 (43) "Patient product information insert" means the same as that term is defined in Section
230 26B-4-201.
- 231 [(43)] (44) "Pharmacy ownership limit" means an amount equal to 30% of the total number
232 of medical cannabis pharmacy licenses issued by the department rounded down to the

233 nearest whole number.

234 ~~[(44)]~~ (45) "Pharmacy medical provider" means the same as that term is defined in Section

235 26B-4-201.

236 ~~[(45)]~~ (46) "Qualified medical provider" means the same as that term is defined in Section

237 26B-4-201.

238 ~~[(46)]~~ (47) "Qualified Production Enterprise Fund" means the fund created in Section

239 4-41a-104.

240 ~~[(47)]~~ (48) "Recommending medical provider" means the same as that term is defined in

241 Section 26B-4-201.

242 ~~[(48)]~~ (49) "Research university" means the same as that term is defined in Section

243 53B-7-702 and a private, nonprofit college or university in the state that:

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

245 (b) grants doctoral degrees; and

246 (c) has a laboratory containing or a program researching a schedule I controlled

247 substance described in Section 58-37-4.

248 ~~[(49)]~~ (50) "State electronic verification system" means the system described in Section

249 26B-4-202.

250 ~~[(50)]~~ (51) "Targeted marketing" means the promotion of a cannabis product, medical

251 cannabis brand, or a medical cannabis device using any of the following methods:

252 (a) electronic communication to an individual who is at least 21 years old and has

253 requested to receive promotional information;

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

255 (i) held inside a medical cannabis pharmacy; and

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

257 (c) other marketing material that is physically available or digitally displayed in a

258 medical cannabis pharmacy; or

259 (d) a leaflet a medical cannabis pharmacy places in the opaque package or box that is

260 provided to an individual when obtaining medical cannabis:

261 (i) in the medical cannabis pharmacy;

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

263 (iii) in a medical cannabis shipment.

264 ~~[(51)]~~ (52) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in

265 Section 4-41-102.

266 (53) "Tier one cannabis processing facility" means a cannabis processing facility that is

able to:

(a) create cannabis concentrate;

(b) create cannabis derivative product; and

(c) package and label medical cannabis.

(54) "Tier two cannabis processing facility" means a cannabis processing facility that is able to package and label medical cannabis only if the medical cannabis is a cannabis plant product.

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

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

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

Section 2. Section **4-41a-103** is amended to read:

4-41a-103 . Inventory control system.

(1) Each cannabis production establishment and each medical cannabis pharmacy shall maintain an inventory control system that meets the requirements of this section.

(2) A cannabis production establishment and a medical cannabis pharmacy shall ensure that the inventory control system maintained by the establishment or pharmacy:

(a) tracks cannabis using a unique identifier, in real time, from the point that a cannabis plant is eight inches tall and has a root ball until the cannabis is disposed of or sold, in the form of unprocessed cannabis or a cannabis product, to an individual with a medical cannabis card;

(b) maintains in real time a record of the amount of cannabis and cannabis products in the possession of the establishment or pharmacy; and

[(e) includes a video recording system that:]

[(i) ~~tracks all handling and processing of cannabis or a cannabis product in the establishment or pharmacy;~~]

[(ii) ~~is tamper proof; and~~]

[(iii) ~~stores a video record for at least 45 days; and~~]

[(d)] (c) preserves compatibility with the state electronic verification system described in Section 26B-4-202.

(3) A cannabis production establishment and a medical cannabis pharmacy shall allow the following to access the cannabis production establishment's or the medical cannabis pharmacy's inventory control system at any time:

(a) the department; and

(b) the Department of Health and Human Services[; and] .

~~[(c) a financial institution that the Division of Finance validates, in accordance with Subsection (6).]~~

(4) The department may establish compatibility standards for an inventory control system by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(5)(a) The department shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, establishing requirements for aggregate or batch records regarding the planting and propagation of cannabis before being tracked in an inventory control system described in this section.

(b) The department shall ensure that the rules described in Subsection (5)(a) address record-keeping for the amount of planted seed, number of cuttings taken, date and time of cutting and planting, number of plants established, and number of plants culled or dead.

(6)(a) The department may provide reports from the inventory control system to a financial institution to allow them to reconcile transactions and other financial activity of cannabis production establishments, medical cannabis pharmacies, and medical cannabis couriers that use financial services that the financial institution provides.

(b) A report:

(i) may only include information related to financial transactions; and

(ii) may not include any identifying patient information.

~~[(6)(a) The Division of Finance shall, in consultation with the state treasurer:]~~

~~[(i) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, make rules to:]~~

~~[(A) establish a process for validating financial institutions for access to an inventory control system in accordance with Subsections (3)(c) and (6)(b); and]~~

~~[(B) establish qualifications for the validation described in Subsection (6)(a)(i)(A);]~~

~~[(ii) review applications the Division of Finance receives in accordance with the process established under Subsection (6)(a)(i);]~~

~~[(iii) validate a financial institution that meets the qualifications described in Subsection (6)(a)(i); and]~~

~~[(iv) provide a list of validated financial institutions to the department and the~~

Department of Health and Human Services.]

[(b) A financial institution that the Division of Finance validates under Subsection (6)(a):]

[(i) may only access an inventory control system for the purpose of reconciling transactions and other financial activity of cannabis production establishments, medical cannabis pharmacies, and medical cannabis couriers that use financial services that the financial institution provides;]

[(ii) may only access information related to financial transactions; and]

[(iii) may not access any identifying patient information.]

Section 3. Section **4-41a-201** is amended to read:

4-41a-201 . Cannabis production establishment -- License.

(1) Except as provided in Subsection (14), a person may not operate a cannabis production establishment without a license that the department issues under this chapter.

(2)(a)(i) Subject to Subsections (6), (7), (8), and (13) and to Section 4-41a-205, for a licensing process that the department initiates after March 17, 2021, the department, through the licensing board, shall issue licenses in accordance with Section 4-41a-201.1.

(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department shall make rules to specify a transparent and efficient process to:

(A) solicit applications for a license under this section;

(B) allow for comments and questions in the development of applications;

(C) timely and objectively evaluate applications;

(D) hold public hearings that the department deems appropriate; and

(E) select applicants to receive a license.

(iii) The department may not issue a license to operate a cannabis production establishment to an applicant who is not eligible for a license under this section.

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

(i) subject to Subsection (2)(c), a proposed name and each address~~[-or, for a cannabis cultivation facility, addresses of no more than two facility locations]~~, located in a zone described in Subsection 4-41a-406(2)(a) or (b), where the applicant will operate the cannabis production establishment;

(ii) the name and address of any individual who has:

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

- 369 (B) for a privately held company, a financial or voting interest in the proposed
370 cannabis production establishment; or
- 371 (C) the power to direct or cause the management or control of a proposed cannabis
372 production establishment;
- 373 (iii) an operating plan that:
- 374 (A) complies with Section 4-41a-204;
- 375 (B) includes operating procedures that comply with this chapter and any law the
376 municipality or county in which the person is located adopts that is consistent
377 with Section 4-41a-406; and
- 378 (C) the department or licensing board approves;
- 379 (iv) a statement that the applicant will obtain and maintain a liquid cash account with
380 a financial institution or a performance bond that a surety authorized to transact
381 surety business in the state issues in an amount of at least:
- 382 (A) \$100,000 for each cannabis cultivation facility for which the applicant applies;
383 or
- 384 (B) \$50,000 for each cannabis processing facility or independent cannabis testing
385 laboratory for which the applicant applies;
- 386 (v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
387 department sets in accordance with Section 63J-1-504; and
- 388 (vi) a description of any investigation or adverse action taken by any licensing
389 jurisdiction, government agency, law enforcement agency, or court in any state for
390 any violation or detrimental conduct in relation to any of the applicant's
391 cannabis-related operations or businesses.
- 392 (c)(i) A person may not locate a cannabis production establishment:
- 393 (A) within 1,000 feet of a community location; or
- 394 (B) in or within 600 feet of a district that the relevant municipality or county has
395 zoned as primarily residential.
- 396 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
397 from the nearest entrance to the cannabis production establishment by following
398 the shortest route of ordinary pedestrian travel to the property boundary of the
399 community location or residential area.
- 400 (iii) The licensing board may grant a waiver to reduce the proximity requirements in
401 Subsection (2)(c)(i) by up to 20% if the licensing board determines that it is not
402 reasonably feasible for the applicant to site the proposed cannabis production

- 403 establishment without the waiver.
- 404 (iv) An applicant for a license under this section shall provide evidence of
- 405 compliance with the proximity requirements described in Subsection (2)(c)(i).
- 406 (3) If the licensing board approves an application for a license under this section and
- 407 Section 4-41a-201.1:
- 408 (a) the applicant shall pay the ~~[departmentan]~~ department an initial license fee in an
- 409 amount that, subject to Subsection 4-41a-104(5), the department sets in accordance
- 410 with Section 63J-1-504; and
- 411 (b) the department shall notify the Department of Public Safety of the license approval
- 412 and the names of each individual described in Subsection (2)(b)(ii).
- 413 (4)(a) Except as provided in ~~[Subsection (4)(b)]~~ this Subsection (4), a cannabis
- 414 production establishment shall obtain a separate license for each type of cannabis
- 415 production establishment and each location of a cannabis production establishment.
- 416 (b) The licensing board may issue a cannabis cultivation facility license and a cannabis
- 417 processing facility license to a person to operate at the same physical location or at
- 418 separate physical locations.
- 419 (c) A cannabis cultivation facility may operate at two addresses under a single license.
- 420 (d) A tier one cannabis processing facility may operate at a second address under the
- 421 same tier one license if:
- 422 (i) the second address is co-located at a cannabis cultivation facility operated by the
- 423 same licensee; and
- 424 (ii) the licensee pays a fee of \$70,000 for the second location.
- 425 (e) An applicant for a tier two cannabis processing facility license that has a cannabis
- 426 cultivation facility license and intends to process cannabis at the cannabis cultivation
- 427 facility shall pay a fee of \$25,000 for the tier two cannabis processing facility license.
- 428 (5) If the licensing board receives more than one application for a cannabis production
- 429 establishment within the same city or town, the licensing board shall consult with the
- 430 local land use authority before approving any of the applications pertaining to that city
- 431 or town.
- 432 (6) The licensing board may not issue a license to operate an independent cannabis testing
- 433 laboratory to a person who:
- 434 (a) holds a license or has an ownership interest in a medical cannabis pharmacy, a
- 435 cannabis processing facility, or a cannabis cultivation facility;
- 436 (b) has an owner, officer, director, or employee whose family member holds a license or

has an ownership interest in a medical cannabis pharmacy, a cannabis processing facility, or a cannabis cultivation facility; or

(c) proposes to operate the independent cannabis testing laboratory at the same physical location as a medical cannabis pharmacy, a cannabis processing facility, or a cannabis cultivation facility.

(7) The licensing board may not issue a license to operate a cannabis production establishment to an applicant if any individual described in Subsection (2)(b)(ii):

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

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

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

(b) is younger than 21 years old; or

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

(8)(a) If an applicant for a cannabis production establishment license under this section holds a license under Title 4, Chapter 41, Hemp and Cannabinoid Act, the licensing board may not give preference to the applicant based on the applicant's status as a holder of the license.

(b) If an applicant for a license to operate a cannabis cultivation facility under this section holds a license to operate a medical cannabis pharmacy under this title, the licensing board may give consideration to the applicant based on the applicant's status as a holder of a medical cannabis pharmacy license if:

(i) the applicant demonstrates that a decrease in costs to patients is more likely to result from the applicant's vertical integration than from a more competitive marketplace; and

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

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

(a) if the cannabis production establishment does not begin cannabis production operations within one year after the day on which the licensing board issues the initial license;

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

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

(i) a felony; or

- (ii) after December 3, 2018, a misdemeanor for drug distribution;
- (d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at the time of application, or fails to supplement the information described in Subsection (2)(b)(vi) with any investigation or adverse action that occurs after the submission of the application within 14 calendar days after the licensee receives notice of the investigation or adverse action;
- (e) if the cannabis production establishment demonstrates a willful or reckless disregard for the requirements of this chapter or the rules the department makes in accordance with this chapter;
- (f) if, after a change of ownership described in Subsection (15)(b), the board determines that the cannabis production establishment no longer meets the minimum standards for licensure and operation of the cannabis production establishment described in this chapter;
- (g) for an independent cannabis testing laboratory, if the independent cannabis testing laboratory fails to substantially meet the performance standards described in Subsection (14)(b); or
- (h) if, following an investigation conducted pursuant to Subsection 4-41a-201.1(11), the board [~~identifies~~] finds that the licensee has participated in an anticompetitive business [~~practices~~] practice.
- (10)(a) A person who receives a cannabis production establishment license under this chapter, if the municipality or county where the licensed cannabis production establishment will be located requires a local land use permit, shall submit to the licensing board a copy of the licensee's approved application for the land use permit within 120 days after the day on which the licensing board issues the license.
- (b) If a licensee fails to submit to the licensing board a copy of the licensee's approved land use permit application in accordance with Subsection (10)(a), the licensing board may revoke the licensee's license.
- (11) The department shall deposit the proceeds of a fee that the department imposes under this section into the Qualified Production Enterprise Fund.
- (12) The department shall begin accepting applications under this part on or before January 1, 2020.
- (13)(a) The department's authority, and consequently the licensing board's authority, to issue a license under this section is plenary and is not subject to review.
- (b) Notwithstanding Subsection (2)(a)(ii)(A), the decision of the department to award a

license to an applicant is not subject to:

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

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

(14)(a) Notwithstanding this section, the department:

(i) may operate or partner with a research university to operate an independent cannabis testing laboratory;

(ii) if the department operates or partners with a research university to operate an independent cannabis testing laboratory, may not cease operating or partnering with a research university to operate the independent cannabis testing laboratory unless:

(A) the department issues at least two licenses to independent cannabis testing laboratories; and

(B) the department has ensured that the licensed independent cannabis testing laboratories have sufficient capacity to provide the testing necessary to support the state's medical cannabis market; and

(iii) after ceasing department or research university operations under Subsection (14)(a)(ii) shall resume independent cannabis testing laboratory operations at any time if:

(A) fewer than two licensed independent cannabis testing laboratories are operating; or

(B) the licensed independent cannabis testing laboratories become, in the department's determination, unable to fully meet the market demand for testing.

(b)(i) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish performance standards for the operation of an independent cannabis testing laboratory, including deadlines for testing completion.

(ii) A license that the department issues to an independent cannabis testing laboratory is contingent upon substantial satisfaction of the performance standards described in Subsection (14)(b)(i), as determined by the board.

(15)(a) A cannabis production establishment license is not transferrable or assignable.

(b) If the ownership of a cannabis production establishment changes by 50% or more:

(i) the cannabis production establishment shall submit a new application described in Subsection (2)(b), subject to Subsection (2)(c);

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

- 539 (A) conduct the application review described in Section 4-41a-201.1; and
540 (B) award a license to the cannabis production establishment for the remainder of
541 the term of the cannabis production establishment's license before the
542 ownership change if the cannabis production establishment meets the minimum
543 standards for licensure and operation of the cannabis production establishment
544 described in this chapter; and
545 (iii) if the board approves the license application, notwithstanding Subsection (3), the
546 cannabis production establishment shall pay a license fee that the department sets
547 in accordance with Section 63J-1-504 in an amount that covers the board's cost of
548 conducting the application review.

549 Section 4. Section **4-41a-201.1** is amended to read:

550 **4-41a-201.1 . Cannabis Production Establishment and Pharmacy Licensing**

551 **Advisory Board -- Composition -- Duties.**

- 552 (1) There is created within the department the Cannabis Production Establishment and
553 Pharmacy Licensing Advisory Board.
554 (2) The commissioner shall:
555 (a) appoint the members of the [board] licensing board;
556 (b) submit the name of each individual that the commissioner appoints under Subsection
557 (2)(a) to the governor for confirmation or rejection; and
558 (c) if the governor rejects an appointee that the commissioner submits under Subsection
559 (2)(b), appoint another individual in accordance with this Subsection (2).
560 (3)(a) Except as provided in Subsection [~~(3)(e)~~] (3)(b), the [board] licensing board shall
561 consist of the following eight members:
562 (i) the following seven voting members whom the commissioner appoints:
563 (A) one member of the public;
564 (B) one member with knowledge and experience in the pharmaceutical or
565 nutraceutical manufacturing industry;
566 (C) one member representing law enforcement;
567 (D) one member whom an organization representing medical cannabis patients
568 recommends;
569 (E) a chemist who has experience with cannabis and who is associated with a
570 research university;
571 (F) a pharmacist who is not associated with the medical cannabis industry; and
572 (G) an accountant; and

(ii) the commissioner or the commissioner's designee as a non-voting member, except to cast a deciding vote in the event of a tie.

(b) The commissioner may appoint a ninth member to the [board] licensing board who has a background in the cannabis cultivation and processing industry.

(c) The commissioner or the commissioner's designee shall serve as the chair of the [board] licensing board.

(d) An individual is not eligible for appointment to be a member of the [board] licensing board if the individual:

(i) has any commercial or ownership interest in a cannabis production establishment, medical cannabis pharmacy, or medical cannabis courier;

(ii) has an owner, officer, director, or employee whose family member holds a license or has an ownership interest in a cannabis production establishment, medical cannabis pharmacy, or medical cannabis courier; or

(iii) is employed or contracted to lobby on behalf of any cannabis production establishment, medical cannabis pharmacy, or medical cannabis courier.

(4)(a) Except as provided in Subsection (4)(b), a voting [board] licensing board member shall serve a term of four years, beginning July 1 and ending June 30.

(b) Notwithstanding Subsection (4)(a), for the initial appointments to the [board] licensing board, the commissioner shall stagger the length of the terms of [board] licensing board members to ensure that the commissioner appoints two or three [board] licensing board members every two years.

(c) As a [board] licensing board member's term expires:

(i) the [board] licensing board member is eligible for reappointment; and

(ii) the commissioner shall make an appointment, in accordance with Subsection (2), for the new term before the end of the member's term.

(d) When a vacancy occurs on the [board] licensing board for any reason other than the expiration of a [board] licensing board member's term, the commissioner shall appoint a replacement to the vacant position, in accordance with Subsection (2), for the unexpired term.

(e) In making appointments, the commissioner shall ensure that no two members of the [board] licensing board are employed by or represent the same company or nonprofit organization.

(f) The commissioner may remove a [board] licensing board member for cause, neglect of duty, inefficiency, or malfeasance.

- 607 (5)(a)(i) Five members of the [board] licensing board constitute a quorum of the [
608 board] licensing board.
- 609 (ii) An action of the majority of the [board] licensing board members when a quorum
610 is present constitutes an action of the [board] licensing board.
- 611 (b) The department shall provide staff support to the [board] licensing board.
- 612 (c) A member of the [board] licensing board may not receive compensation or benefits
613 for the member's service, but may receive per diem and travel expenses in accordance
614 with:
- 615 (i) Section 63A-3-106;
616 (ii) Section 63A-3-107; and
617 (iii) rules made by the Division of Finance in accordance with Sections 63A-3-106
618 and 63A-3-107.
- 619 (6) The [board] licensing board shall:
- 620 (a) meet as called by the chair to review cannabis production establishment[-and] ,
621 medical cannabis pharmacy, and medical cannabis courier license applications;
622 (b) review each license application for compliance with:
623 (i) this chapter; and
624 (ii) department rules;
625 (c) conduct a public hearing to consider the license application;
626 (d) approve the department's license application forms and checklists; and
627 (e) make a determination on each license application.
- 628 (7) The [board] licensing board shall hold a public hearing to review a cannabis production
629 establishment's or medical cannabis pharmacy's license if the establishment:
630 (a) changes ownership by an interest of 20% or more;
631 (b) changes or adds a location;
632 (c) upgrades to a different licensing tier under department rule;
633 (d) changes extraction or formulation standard operating procedures;
634 (e) adds an industrial hemp processing or cultivation license to the same location as the
635 cannabis production establishment's processing facility; or
636 (f) as necessary based on the recommendation of the department.
- 637 (8) In a public hearing held under Subsection (7), the [board] licensing board may consider
638 the following in determining whether to approve a request to change pharmacy locations:
639 (a) medical cannabis availability, quality, and variety;
640 (b) whether geographic dispersal among licensees is sufficient to reasonably maximize

641 access to the largest number of medical cannabis cardholders;

642 (c) the extent to which the pharmacy can increase efficiency and reduce the cost to
643 patients of medical cannabis; and

644 (d) the factors listed in Subsection 4-41a-1004(7).

645 (9) In a public hearing held pursuant to Subsection (7), the [board] licensing board may not
646 approve a request to change a medical cannabis pharmacy location outside of the
647 pharmacy's current region established under Subsection 4-41a-1005(1)(c)(ii)(A).

648 (10)(a) The [board] licensing board shall meet [~~annually in December~~] as necessary to
649 consider cannabis production establishment[~~and~~] , medical cannabis pharmacy, and
650 medical cannabis courier license renewal applications.

651 (b) During the meeting described in Subsection (10)(a):

652 (i) a representative from each applicant for renewal shall:

653 (A) attend in person or electronically; or

654 (B) submit information before the meeting, as the [board] licensing board may
655 require, for the [board's] licensing board's consideration;

656 (ii) the [board] licensing board shall consider, for each cannabis cultivation facility
657 seeking renewal, information including:

658 (A) the amount of biomass the licensee produced during the current calendar year;

659 (B) the amount of biomass the licensee projects to produce during the following
660 year;

661 (C) the amount of hemp waste the licensee currently holds;

662 (D) the current square footage or acres of growing area the licensee uses; and

663 (E) the square footage or acres of growing area the licensee projects to use in the
664 following year;

665 (iii) the [board] licensing board shall consider, for each cannabis processing facility
666 seeking renewal, information including:

667 (A) methods and procedures for extraction;

668 (B) standard operating procedures; and

669 (C) a complete listing of the medical dosage forms that the licensee produces; and

670 (iv) the [board] licensing board shall consider, for each cannabis pharmacy seeking
671 renewal, information including:

672 (A) product availability, quality, and variety;

673 (B) the pharmacy's operating procedures and practices; and

674 (C) the factors listed in Subsection 4-41a-1003(1).

(c) Following consideration of the information provided under Subsection (10)(b), the [board] licensing board may elect to approve, deny, or issue conditional approval of a cannabis production establishment or pharmacy license renewal application.

(d) The information a licensee or license applicant provides to the [board] licensing board for a license determination constitutes a protected record under Subsection 63G-2-305 (1) or (2) if the applicant or licensee provides the [board] licensing board with the information regarding business confidentiality required in Section 63G-2-309.

(11)(a) In cooperation with the attorney general, the [board] licensing board may investigate information received by the department indicating that a licensee is potentially engaging in anticompetitive business practices.

(b) In investigating potential anticompetitive business practices under this section, the attorney general may issue civil investigative demands as set forth in Section 76-10-3107.

(12) The department shall:

(a) provide staff support for the licensing board;

(b) assist the licensing board in conducting meetings; and

(c) review all submitted applications for completion and accuracy.

Section 5. Section **4-41a-204** is amended to read:

4-41a-204 . Operating plan.

(1) A person applying for a cannabis production establishment license or license renewal shall submit to the department for the department's review a proposed operating plan that complies with this section and that includes:

(a) a description of the physical characteristics of [the] each proposed facility[~~or, for a cannabis cultivation facility, no more than two facility locations~~], including a floor plan and an architectural elevation;

(b) a description of the credentials and experience of:

(i) each officer, director, and owner of the proposed cannabis production establishment; and

(ii) any highly skilled or experienced prospective employee;

(c) the cannabis production establishment's employee training standards;

(d) a security plan;

(e) a description of the cannabis production establishment's inventory control system, including a description of how the inventory control system is compatible with the state electronic verification system described in Section 26B-4-202;

- (f) storage protocols, both short- and long-term, to ensure that cannabis is stored in a manner that is sanitary and preserves the integrity of the cannabis;
- (g) for a cannabis cultivation facility, the information described in Subsection (2);
- (h) for a cannabis processing facility, the information described in Subsection (3); and
- (i) for an independent cannabis testing laboratory, the information described in Subsection (4).

(2)(a) A cannabis cultivation facility shall ensure that the facility's operating plan includes the facility's intended:

- (i) cannabis cultivation practices, including the facility's intended pesticide use and fertilizer use; and
- (ii) subject to Subsection (2)(b), acreage or square footage under cultivation and anticipated cannabis yield.

(b) Except as provided in Subsection (2)(c)(i) or (c)(ii), a cannabis cultivation facility may not:

- (i) for a facility that cultivates cannabis only indoors, use more than 100,000 total square feet of cultivation space;
- (ii) for a facility that cultivates cannabis only outdoors, use more than four acres for cultivation; and
- (iii) for a facility that cultivates cannabis through a combination of indoor and outdoor cultivation, use more combined indoor square footage and outdoor acreage than allowed under the department's formula described in Subsection (2)(e).

(c)(i) Each licensee may apply to the department for:

- (A) a one-time, permanent increase of up to 20% of the limitation on the cannabis cultivation facility's cultivation space; or
 - (B) a short-term increase, not to exceed 12 months, of up to 40% of the limitation on the cannabis cultivation facility's cultivation space.
- (ii) After conducting a review equivalent to the review described in Subsection 4-41a-205(2)(a), if the department determines that additional cultivation is needed, the department may:
- (A) grant the one-time, permanent increase described in Subsection (2)(c)(i)(A); or
 - (B) grant the short-term increase described in Subsection (2)(c)(i)(B).

(d) If a licensee describes an intended acreage or square footage under cultivation under Subsection (2)(a)(ii) that is less than the limitation described in Subsection (2)(b), the

licensee may not cultivate more than the licensee's identified intended acreage or square footage under cultivation.

(e) The department shall, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, establish a formula for combined usage of indoor and outdoor cultivation that:

(i) does not exceed, in estimated cultivation yield, the aggregate limitations described in Subsection (2)(b)(i) or (ii); and

(ii) allows a cannabis cultivation facility to operate both indoors and outdoors.

(f)(i) The department may authorize a cannabis cultivation facility to operate at no more than two separate locations.

(ii) If the department authorizes multiple locations under Subsection (2)(f)(i), the two cannabis cultivation facility locations combined may not exceed the cultivation limitations described in this Subsection (2).

(3) A cannabis processing facility's operating plan shall include the facility's intended cannabis processing practices, including the cannabis processing facility's intended:

(a) offered variety of cannabis product;

(b) cannabinoid extraction method;

(c) cannabinoid extraction equipment;

(d) processing equipment;

(e) processing techniques; and

(f) sanitation and manufacturing safety procedures for items for human consumption.

(4) An independent cannabis testing laboratory's operating plan shall include the laboratory's intended:

(a) cannabis and cannabis product testing capability;

(b) cannabis and cannabis product testing equipment; and

(c) testing methods, standards, practices, and procedures for testing cannabis and cannabis products.

(5) Notwithstanding an applicant's proposed operating plan, a cannabis production establishment is subject to land use regulations, as defined in Sections 10-9a-103 and 17-27a-103, regarding the availability of outdoor cultivation in an industrial zone.

Section 6. Section **4-41a-205** is amended to read:

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

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

- (2)(a) The department may issue a number of licenses to operate a cannabis cultivation facility that, in addition to the licenses described in Subsection (1), does not cause the total number of licenses to exceed 15 if the department determines, in consultation with the Department of Health and Human Services and after an annual or more frequent analysis of the current and anticipated market for medical cannabis, that each additional license is necessary to provide an adequate supply, quality, or variety of medical cannabis to medical cannabis cardholders.
- (b) If the recipient of one of the initial licenses described in Subsection (1) ceases operations for any reason or otherwise abandons the license, the department may but is not required to grant the vacant license to another applicant based on an analysis as described in Subsection (2)(a).
- (3) If there are more qualified applicants than the number of available licenses for cannabis cultivation facilities under Subsections (1) and (2), the department shall evaluate the applicants and award the limited number of licenses described in Subsections (1) and (2) to the applicants that best demonstrate:
- (a) experience with establishing and successfully operating a business that involves:
 - (i) complying with a regulatory environment;
 - (ii) tracking inventory; and
 - (iii) training, evaluating, and monitoring employees;
 - (b) an operating plan that will best ensure the safety and security of patrons and the community;
 - (c) positive connections to the local community; and
 - (d) the extent to which the applicant can increase efficiency and reduce the cost to patients of medical cannabis.
- (4) The department may conduct a face-to-face interview with an applicant for a license that the department evaluates under Subsection (3).
- (5) The licensing board may not issue more than 18 tier one cannabis processing facility licenses.

Section 7. Section **4-41a-401** is amended to read:

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

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

the cannabis production establishment's operating plan.

(c)(i) If a cannabis production establishment changes the cannabis production establishment's operating plan, the establishment shall ensure that the new operating plan complies with this chapter.

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

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

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

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

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

(2) A cannabis production establishment shall operate:

(a) except as provided in Subsection (5), in a facility that is accessible only by an individual with a valid cannabis production establishment agent registration card issued under Section 4-41a-301; and

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

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

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

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

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

(5) A cannabis production establishment may authorize an individual who is at least 18 years old and is not a cannabis production establishment agent to access the cannabis production establishment if the cannabis production establishment:

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

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

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

(a) a single, secure public entrance;

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

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

- (ii) provides notice of an unauthorized entry to law enforcement when the cannabis production establishment is closed; and
- (c) a lock or equivalent restrictive security feature on any area where the cannabis production establishment stores cannabis or a cannabis product.

(7)(a) A cannabis production establishment shall maintain a video surveillance system that:

- (i) tracks all handling and processing of cannabis or a cannabis product in the establishment;
- (ii) is tamper proof; and
- (iii) stores a video record for at least 45 days.
- (b) A cannabis production establishment shall provide the department access to the video surveillance system upon request.

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

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

- (1)(a) If a person that is a cannabis production establishment, ~~[or]~~ a cannabis production establishment agent, a medical cannabis pharmacy, a medical cannabis pharmacy agent, or a medical cannabis courier, violates this chapter, the department may:
- ~~[(a)]~~ (i) revoke the person's license or ~~[cannabis production establishment]~~ agent registration card;
- ~~[(b)]~~ (ii) decline to renew the person's license or ~~[cannabis production establishment]~~ agent registration card;~~[-or]~~
- ~~[(c)]~~ (iii) assess the person an administrative penalty that the department establishes by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act~~[-]~~ ; or
- (iv) provide a letter of concern in accordance with Subsection (8).
- (b) Except for a violation that threatens public health or for the third violation of the same rule or statute in a 24-month period, the department shall issue a letter of concern before taking other administrative action under this section.
- (2) The department shall deposit an administrative penalty imposed under this section into the General Fund.
- (3)(a) The department may take an action described in Subsection (3)(b) if the department concludes, upon investigation, that, for a person that is a cannabis production establishment,~~[-or]~~ a cannabis production establishment agent, a medical cannabis pharmacy, a medical cannabis pharmacy agent, or a medical cannabis

879 courier:

880 (i) the person has violated the provisions of this chapter, a rule made under this
881 chapter, or an order issued under this chapter; or

882 (ii) the person produced cannabis or a cannabis product batch that contains a
883 substance, other than cannabis, that poses a significant threat to human health.

884 (b) If the department makes the determination about a person described in Subsection
885 (3)(a), the department ~~[shall]~~ may:

886 (i) issue the person a written administrative citation;

887 (ii) attempt to negotiate a stipulated settlement;

888 (iii) seize, embargo, or destroy the cannabis or cannabis product batch;

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

890 or

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

893 (4) The department may, for a person subject to an uncontested citation, a stipulated
894 settlement, or a finding of a violation in an adjudicative proceeding under this section,
895 for a fine amount not already specified in law, assess the person, who is not an
896 individual, a fine of up to \$5,000 per violation, in accordance with a fine schedule that
897 the department establishes by rule in accordance with Title 63G, Chapter 3, Utah
898 Administrative Rulemaking Act.

899 (5) The department may not revoke a ~~[cannabis production establishment's]~~ license without
900 first directing the ~~[cannabis production establishment]~~ licensee to appear before an
901 adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative
902 Procedures Act.

903 (6) If within 20 calendar days after the day on which a department serves a citation for a
904 violation of this chapter, the person that is the subject of the citation fails to request a
905 hearing to contest the citation, the citation becomes the department's final order.

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

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

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

911 (8)(a) A letter of concern shall describe:

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

913 (ii) possible options to remedy the issue; and

914 (iii) possible consequences for not remedying the violation.

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

917 (c) If the person fails to remedy the violation described in a letter of concern, the
918 department may take other enforcement action as described in this section.

919 (d) If a letter of concern is resolved without an enforcement action being taken under
920 Subsection (8)(c), the department may not report that a letter of concern was issued to
921 the licensing board.

922 [(8)] (9)(a) Except where a criminal penalty is expressly provided for a specific violation
923 of this chapter, or where civil and criminal penalties are provided for violations of
924 Section 76-10-31, if an individual:

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

926 (A) guilty of an infraction; and

927 (B) subject to a \$100 fine; or

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

930 (A) guilty of a class B misdemeanor; and

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

932 (b) An individual who is guilty of a violation described in Subsection (8)(a) is not guilty
933 of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the
934 conduct underlying the violation described in Subsection (8)(a).

935 [(9)] (10) Nothing in this section prohibits:

936 (a) the department from referring potential criminal activity to law enforcement[-] ; or

937 (b) the attorney general from investigating or prosecuting individuals or businesses for
938 violations of Title 76, Chapter 10, Part 31, Utah Antitrust Act.

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

940 **4-41a-802 . Report.**

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

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

945 (b) the number of each type of [~~cannabis production facility~~] license that the department [~~licenses~~]
946 issues in each county;

- (c) the amount of cannabis that licensees grow;
- (d) the amount of cannabis that licensees manufacture into cannabis products;
- (e) the number of licenses the department revokes under this chapter;
- (f) the department's operation of an independent cannabis testing laboratory under Section 4-41a-201, including:
 - (i) the cannabis and cannabis products the department tested; and
 - (ii) the results of the tests the department performed;
- (g) the expenses incurred and revenues generated under this chapter; ~~and~~
- (h) the total quantity of medical cannabis shipments;
- (i) the number of overall purchases of medical cannabis from each medical cannabis pharmacy; and
- ~~[(h)]~~ (j) an analysis of product availability in medical cannabis pharmacies in consultation with the Department of Health and Human Services.

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

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

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

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

(1) A person may not:

- (a) operate as a medical cannabis pharmacy without a license that the department issues under this part;
- (b) obtain a medical cannabis pharmacy license if obtaining the license would cause the person to exceed the pharmacy ownership limit;
- (c) obtain a partial ownership share of a medical cannabis pharmacy if obtaining the partial ownership share would cause the person to exceed the pharmacy ownership limit; or
- (d) enter into any contract or agreement that allows the person to directly or indirectly control the operations of a medical cannabis pharmacy if the person's control of the medical cannabis pharmacy would cause the person to effectively exceed the pharmacy ownership limit.

(2)(a)(i) Subject to Subsections (4) and (5) and to Section 4-41a-1005, the [~~department shall issue a license to operate a medical cannabis pharmacy through~~
~~the licensing board created under Section 4-41a-201.1]~~ licensing board shall issue

981 a license to operate a medical cannabis pharmacy.

982 (ii) The [department] licensing board may not issue a license to operate a medical
983 cannabis pharmacy to an applicant who is not eligible for a license under this
984 section.

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

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

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

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

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

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

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

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

1000 (B) a liquid cash account in the amount of \$100,000 with a financial institution;

1001 (iv) an operating plan that:

1002 (A) complies with Section 4-41a-1004;

1003 (B) includes operating procedures to comply with the operating requirements for a
1004 medical cannabis pharmacy described in this part and with a relevant municipal
1005 or county law that is consistent with Section 4-41a-1106; and

1006 (C) the department approves;

1007 (v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
1008 department sets in accordance with Section 63J-1-504; and

1009 (vi) a description of any investigation or adverse action taken by any licensing
1010 jurisdiction, government agency, law enforcement agency, or court in any state for
1011 any violation or detrimental conduct in relation to any of the applicant's
1012 cannabis-related operations or businesses.

1013 (c)(i) A person may not locate a medical cannabis pharmacy:

1014 (A) within 200 feet of a community location; or

- 1015 (B) in or within 600 feet of a district that the relevant municipality or county has
1016 zoned as primarily residential.
- 1017 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
1018 from the nearest entrance to the medical cannabis pharmacy establishment by
1019 following the shortest route of ordinary pedestrian travel to the property boundary
1020 of the community location or residential area.
- 1021 (iii) The [department] licensing board may grant a waiver to reduce the proximity
1022 requirements in Subsection (2)(c)(i) by up to 20% if the department determines
1023 that it is not reasonably feasible for the applicant to cite the proposed medical
1024 cannabis pharmacy without the waiver.
- 1025 (iv) An applicant for a license under this section shall provide evidence of
1026 compliance with the proximity requirements described in Subsection (2)(c)(i).
- 1027 (d) The [department] licensing board may not issue a license to an eligible applicant that
1028 the department has selected to receive a license until the selected eligible applicant
1029 complies with the bond or liquid cash requirement described in Subsection (2)(b)(iii).
- 1030 (e) If the [department] licensing board receives more than one application for a medical
1031 cannabis pharmacy within the same city or town, the department shall consult with
1032 the local land use authority before approving any of the applications pertaining to that
1033 city or town.
- 1034 (f) In considering the issuance of a medical cannabis pharmacy license under this
1035 section, the [department] licensing board may consider the extent to which the
1036 pharmacy can increase efficiency and reduce cost to patients of medical cannabis.
- 1037 (3) If the [department] licensing board selects an applicant for a medical cannabis pharmacy
1038 license under this section, the department shall:
- 1039 (a) charge the applicant an initial license fee in an amount that, subject to Subsection
1040 4-41a-104(5), the department sets in accordance with Section 63J-1-504;
- 1041 (b) notify the Department of Public Safety of the license approval and the names of each
1042 individual described in Subsection (2)(b)(ii); and
- 1043 (c) charge the licensee a fee in an amount that, subject to Subsection 4-41a-104(5), the
1044 department sets in accordance with Section 63J-1-504, for any change in location,
1045 ownership, or company structure.
- 1046 (4) The [department] licensing board may not issue a license to operate a medical cannabis
1047 pharmacy to an applicant if an individual described in Subsection (2)(b)(ii):
1048 (a) has been convicted under state or federal law of:

- 1049 (i) a felony in the preceding 10 years; or
1050 (ii) after December 3, 2018, a misdemeanor for drug distribution;
1051 (b) is younger than 21 years old; or
1052 (c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator.
- 1053 (5)(a) If an applicant for a medical cannabis pharmacy license under this section holds
1054 another license under this chapter, the [department] licensing board may not give
1055 preference to the applicant based on the applicant's status as a holder of the license.
- 1056 (b) If an applicant for a medical cannabis pharmacy license under this section holds a
1057 license to operate a cannabis cultivation facility under this section, the [department]
1058 licensing board may give consideration to the applicant's status as a holder of the
1059 license if:
- 1060 (i) the applicant demonstrates that a decrease in costs to patients is more likely to
1061 result from the applicant's vertical integration than from a more competitive
1062 marketplace; and
1063 (ii) the department finds multiple other factors, in addition to the existing license, that
1064 support granting the new license.
- 1065 (6) The [~~licensing board~~] licensing board may revoke a license under this part:
- 1066 (a) if the medical cannabis pharmacy does not begin operations within one year after the
1067 day on which the department issues an announcement of the department's intent to
1068 award a license to the medical cannabis pharmacy;
- 1069 (b) after the third of the same violation of this chapter in any of the licensee's licensed
1070 cannabis production establishments or medical cannabis pharmacies;
- 1071 (c) if an individual described in Subsection (2)(b)(ii) is convicted, while the license is
1072 active, under state or federal law of:
- 1073 (i) a felony; or
1074 (ii) after December 3, 2018, a misdemeanor for drug distribution;
- 1075 (d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at
1076 the time of application, or fails to supplement the information described in
1077 Subsection (2)(b)(vi) with any investigation or adverse action that occurs after the
1078 submission of the application within 14 calendar days after the licensee receives
1079 notice of the investigation or adverse action;
- 1080 (e) if the medical cannabis pharmacy demonstrates a willful or reckless disregard for the
1081 requirements of this chapter or the rules the department makes in accordance with
1082 this chapter;

- 1083 (f) if, after a change of ownership described in Subsection ~~[(11)(e)]~~ (10)(c), the
1084 department determines that the medical cannabis pharmacy no longer meets the
1085 minimum standards for licensure and operation of the medical cannabis pharmacy
1086 described in this chapter; or
- 1087 (g) if through an investigation conducted under Subsection 4-41a-201.1(11) and in
1088 accordance with Title 63G, Chapter 4, Administrative Procedures Act, the ~~[board]~~
1089 licensing board finds that the licensee has participated in anticompetitive business
1090 practices.
- 1091 (7)(a) A person who receives a medical cannabis pharmacy license under this chapter, if
1092 the municipality or county where the licensed medical cannabis pharmacy will be
1093 located requires a local land use permit, shall submit to the department a copy of the
1094 licensee's approved application for the land use permit within 120 days after the day
1095 on which the department issues the license.
- 1096 (b) If a licensee fails to submit to the department a copy the licensee's approved land use
1097 permit application in accordance with Subsection (7)(a), the department may revoke
1098 the licensee's license.
- 1099 (8) The department shall deposit the proceeds of a fee imposed by this section into the
1100 Qualified Production Enterprise Fund.
- 1101 ~~[(9) The department shall begin accepting applications under this part on or before March 1,~~
1102 ~~2020.]~~
- 1103 ~~[(10)]~~ (9)(a) The ~~[department's]~~ licensing board's authority to issue a license under this
1104 section is plenary and is not subject to review.
- 1105 (b) Notwithstanding Subsection (2), the decision of the department to award a license to
1106 an applicant is not subject to:
- 1107 (i) Title 63G, Chapter 6a, Part 16, Protests; or
1108 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.
- 1109 ~~[(11)]~~ (10)(a) A medical cannabis pharmacy license is not transferrable or assignable.
- 1110 (b) A medical cannabis pharmacy shall report in writing to the department no later than [
1111 ~~40]~~ 45 business days before the date of any change of ownership of the medical
1112 cannabis pharmacy.
- 1113 (c) If the ownership of a medical cannabis pharmacy changes by 50% or more:
- 1114 (i) concurrent with the report described in Subsection ~~[(11)(b)]~~ (10)(b), the medical
1115 cannabis pharmacy shall submit a new application described in Subsection (2)(b),
1116 subject to Subsection (2)(c);

(ii) within 30 days of the submission of the application, the [department] licensing board shall:

(A) conduct an application review; and

(B) award a license to the medical cannabis pharmacy for the remainder of the term of the medical cannabis pharmacy's license before the ownership change if the medical cannabis pharmacy meets the minimum standards for licensure and operation of the medical cannabis pharmacy described in this chapter; and

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

Section 11. Section **4-41a-1005** is amended to read:

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

(1)(a) Except as provided in Subsection (1)(b) or (d), if a sufficient number of applicants apply, the department shall issue up to 15 medical cannabis pharmacy licenses in accordance with this section.

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

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

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

(ii) The department shall:

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

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

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

(iii) In issuing a 15th license under Subsection (1), the department shall ensure that the license recipient will locate the medical cannabis pharmacy within Dagget, Duchesne, Uintah, Carbon, Sevier, Emery, Grand, or San Juan County.

(d)(i) The department may issue licenses to operate a medical cannabis pharmacy in addition to the licenses described in Subsection (1)(a) if the department determines, in consultation with the Department of Health and Human Services and after an annual or more frequent analysis of the current and anticipated market for medical cannabis, that each additional license is necessary to provide an adequate supply, quality, or variety of medical cannabis to medical cannabis cardholders.

(ii) The department shall:

(A) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, make rules to establish criteria and processes for the consultation,

analysis, and application for a license described in Subsection (1)(d)(i); and

(B) report to the Executive Appropriations Committee of the Legislature before each time the department issues an additional license under Subsection

(1)(d)(i) regarding the results of the consultation and analysis described in

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

(1)(d)(ii)(A).

(2)(a) If there are more qualified applicants than there are available licenses for medical cannabis pharmacies, the department shall:

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

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

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

(C) positive connections to the local community;

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

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

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

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

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

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

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

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

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

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

Section 12. Section **4-41a-1101** is amended to read:

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

(1)(a) A medical cannabis pharmacy shall operate:

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

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

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

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

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

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

(i) possesses a valid:

(A) medical cannabis pharmacy agent registration card;

(B) pharmacy medical provider registration card; or

(C) medical cannabis card;

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

(iii) is another individual as the department provides.

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

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

- 1219 pharmacy and maintains a record of the individual's access.
- 1220 (5) A medical cannabis pharmacy shall operate in a facility that has:
- 1221 (a) a single, secure public entrance;
- 1222 (b) a security system with a backup power source that:
- 1223 (i) detects and records entry into the medical cannabis pharmacy; and
- 1224 (ii) provides notice of an unauthorized entry to law enforcement when the medical
- 1225 cannabis pharmacy is closed; and
- 1226 (c) a lock on each area where the medical cannabis pharmacy stores cannabis or a
- 1227 cannabis product.
- 1228 (6) A medical cannabis pharmacy shall post, both clearly and conspicuously in the medical
- 1229 cannabis pharmacy, the limit on the purchase of cannabis described in Subsection
- 1230 4-41a-1102(2).
- 1231 (7) Except for an emergency situation described in Subsection [~~26B-4-213(3)(e)~~]
- 1232 ~~26B-4-213(3)(b)~~, a medical cannabis pharmacy may not allow any individual to
- 1233 consume cannabis on the property or premises of the medical cannabis pharmacy.
- 1234 (8) A medical cannabis pharmacy may not sell cannabis or a cannabis product without first
- 1235 indicating on the cannabis or cannabis product label the name of the medical cannabis
- 1236 pharmacy.
- 1237 (9)(a) Each medical cannabis pharmacy shall retain in the pharmacy's records the
- 1238 following information regarding each recommendation underlying a transaction:
- 1239 (i) the recommending medical provider's name, address, and telephone number;
- 1240 (ii) the patient's name and address;
- 1241 (iii) the date of issuance;
- 1242 (iv) directions of use and dosing guidelines or an indication that the recommending
- 1243 medical provider did not recommend specific directions of use or dosing
- 1244 guidelines; and
- 1245 (v) if the patient did not complete the transaction, the name of the medical cannabis
- 1246 cardholder who completed the transaction.
- 1247 (b)(i) Except as provided in Subsection (9)(b)(iii), a medical cannabis pharmacy may
- 1248 not sell medical cannabis unless the medical cannabis has a label securely affixed
- 1249 to the container indicating the following minimum information:
- 1250 (A) the name, address, and telephone number of the medical cannabis pharmacy;
- 1251 (B) the unique identification number that the medical cannabis pharmacy assigns;
- 1252 (C) the date of the sale;

- 1253 (D) the name of the patient;
- 1254 (E) the name of the recommending medical provider who recommended the
- 1255 medical cannabis treatment;
- 1256 (F) directions for use and cautionary statements, if any;
- 1257 (G) the amount dispensed and the cannabinoid content;
- 1258 (H) the suggested use date;
- 1259 (I) for unprocessed cannabis flower, the legal use termination date; and
- 1260 (J) any other requirements that the department determines, in consultation with the
- 1261 Division of Professional Licensing and the Board of Pharmacy.
- 1262 (ii) A medical cannabis pharmacy is exempt from the requirement to provide the
- 1263 following information under Subsection (9)(b)(i) if the information is already
- 1264 provided on the product label that a cannabis production establishment affixes:
- 1265 (A) a unique identification number;
- 1266 (B) directions for use and cautionary statements;
- 1267 (C) amount and cannabinoid content; and
- 1268 (D) a suggested use date.
- 1269 (iii) If the size of a medical cannabis container does not allow sufficient space to
- 1270 include the labeling requirements described in Subsection (9)(b)(i), the medical
- 1271 cannabis pharmacy may provide the following information described in
- 1272 Subsection (9)(b)(i) on a supplemental label attached to the container or an
- 1273 informational enclosure that accompanies the container:
- 1274 (A) the cannabinoid content;
- 1275 (B) the suggested use date; and
- 1276 (C) any other requirements that the department determines.
- 1277 (iv) A medical cannabis pharmacy may sell medical cannabis to another medical
- 1278 cannabis pharmacy without a label described in Subsection (9)(b)(i).
- 1279 (10) A pharmacy medical provider or medical cannabis pharmacy agent shall:
- 1280 (a) upon receipt of an order from a limited medical provider in accordance with
- 1281 Subsections 26B-4-204(1)(b) through (d):
- 1282 (i) for a written order or an electronic order under circumstances that the department
- 1283 determines, contact the limited medical provider or the limited medical provider's
- 1284 office to verify the validity of the recommendation; and
- 1285 (ii) for an order that the pharmacy medical provider or medical cannabis pharmacy
- 1286 agent verifies under Subsection (10)(a)(i) or an electronic order that is not subject

- 1287 to verification under Subsection (10)(a)(i), enter the limited medical provider's
1288 recommendation or renewal, including any associated directions of use, dosing
1289 guidelines, or caregiver indication, in the state electronic verification system;
- 1290 (b) in processing an order for a holder of a conditional medical cannabis card described
1291 in Subsection 26B-4-213(1)(b) that appears irregular or suspicious in the judgment of
1292 the pharmacy medical provider or medical cannabis pharmacy agent, contact the
1293 recommending medical provider or the recommending medical provider's office to
1294 verify the validity of the recommendation before processing the cardholder's order;
- 1295 (c) unless the medical cannabis cardholder has had a consultation under Subsection
1296 26B-4-231(5), verbally offer to a medical cannabis cardholder at the time of a
1297 purchase of cannabis, a cannabis product, or a medical cannabis device, personal
1298 counseling with the pharmacy medical provider; and
- 1299 (d) provide a telephone number or website by which the cardholder may contact a
1300 pharmacy medical provider for counseling.
- 1301 (11)(a) A medical cannabis pharmacy may create a medical cannabis disposal program
1302 that allows an individual to deposit unused or excess medical cannabis or cannabis
1303 residue from a medical cannabis device in a locked box or other secure receptacle
1304 within the medical cannabis pharmacy.
- 1305 (b) A medical cannabis pharmacy with a disposal program described in Subsection
1306 (11)(a) shall ensure that only a medical cannabis pharmacy agent or pharmacy
1307 medical provider can access deposited medical cannabis.
- 1308 (c) A medical cannabis pharmacy shall dispose of any deposited medical cannabis by:
- 1309 (i) rendering the deposited medical cannabis unusable and unrecognizable before
1310 transporting deposited medical cannabis from the medical cannabis pharmacy; and
1311 (ii) disposing of the deposited medical cannabis in accordance with:
- 1312 (A) federal and state law, rules, and regulations related to hazardous waste;
1313 (B) the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 et seq.;
1314 (C) Title 19, Chapter 6, Part 5, Solid Waste Management Act; and
1315 (D) other regulations that the department makes in accordance with Title 63G,
1316 Chapter 3, Utah Administrative Rulemaking Act.
- 1317 (12) A medical cannabis pharmacy:
- 1318 (a) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy
1319 Practice Act, as a pharmacy medical provider;
- 1320 (b) may employ a physician who has the authority to write a prescription and is licensed

- 1321 under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah
1322 Osteopathic Medical Practice Act, as a pharmacy medical provider;
- 1323 (c) shall ensure that a pharmacy medical provider described in Subsection (12)(a) works
1324 onsite during all business hours;
- 1325 (d) shall designate one pharmacy medical provider described in Subsection (12)(a) as the
1326 pharmacist-in-charge to oversee the operation of and generally supervise the medical
1327 cannabis pharmacy;[-and]
- 1328 (e) shall allow the pharmacist-in-charge to determine which cannabis and cannabis
1329 products the medical cannabis pharmacy maintains in the medical cannabis
1330 pharmacy's inventory[-] ;
- 1331 (f) shall maintain a video surveillance system that:
- 1332 (i) tracks all handling of medical cannabis in the pharmacy;
- 1333 (ii) is tamper proof; and
- 1334 (iii) stores a video record for at least 45 days;
- 1335 (g) shall provide the department access to the video surveillance system upon request;
- 1336 (h) if a patient product information insert is available, shall provide a patient who
1337 purchases a medical cannabis product the medical cannabis product's patient product
1338 information insert using any of the following methods:
- 1339 (i) a physical document;
- 1340 (ii) an email message;
- 1341 (iii) a text message; or
- 1342 (iv) a quick response code; and
- 1343 (i) may not allow a recommending medical provider to recommend medical cannabis as
1344 part of an event that:
- 1345 (i) is a temporary gathering, market, clinic, or promotional event;
- 1346 (ii) operates in a temporary tent or structure; and
- 1347 (iii) is held within 500 feet of the medical cannabis pharmacy's property line.
- 1348 (13) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah
1349 Administrative Rulemaking Act, protocols for a recall of cannabis and cannabis products
1350 by a medical cannabis pharmacy.
- 1351 Section 13. Section **4-41a-1102** is amended to read:
- 1352 **4-41a-1102 . Dispensing -- Amount a medical cannabis pharmacy may dispense --**
1353 **Reporting -- Form of cannabis or cannabis product.**
- 1354 (1)(a) A medical cannabis pharmacy may not sell a product other than:

~~[(i) cannabis in a medicinal dosage form that the medical cannabis pharmacy acquired from another medical cannabis pharmacy or a cannabis processing facility that is licensed under Section 4-41a-201;]~~

~~[(ii)]~~ (i) ~~[a cannabis product in a medicinal dosage form]~~ medical cannabis that the medical cannabis pharmacy acquired from another medical cannabis pharmacy or a cannabis processing facility that is licensed under Section 4-41a-201;

~~[(iii)]~~ (ii) a medical cannabis device; or

~~[(iv)]~~ (iii) educational material related to the medical use of cannabis.

(b) A medical cannabis pharmacy may only sell an item listed in Subsection (1)(a) to an individual with:

(i)(A) a medical cannabis card; or

(B) a Department of Health and Human Services registration described in Subsection 26B-4-213(10); and

(ii) a corresponding government issued photo identification.

(c) Notwithstanding Subsection (1)(a), a medical cannabis pharmacy may not sell a cannabis-based drug that the United States Food and Drug Administration has approved.

(d) Notwithstanding Subsection (1)(b), a medical cannabis pharmacy may not sell a medical cannabis device or medical cannabis to an individual described in Subsection 26B-4-213(2)(a)(i)(B) or to a minor described in Subsection 26B-4-213(2)(c) unless the individual or minor has the approval of the Compassionate Use Board in accordance with Subsection 26B-1-421(5).

(2) A medical cannabis pharmacy:

(a) may dispense to a medical cannabis cardholder, in any one 28-day period, up to the legal dosage limit of:

(i) unprocessed cannabis that:

(A) is in a medicinal dosage form; and

(B) carries a label clearly displaying the amount of tetrahydrocannabinol and cannabidiol in the cannabis; and

(ii) a cannabis product that is in a medicinal dosage form; and

(b) may not dispense:

(i) except for a medical cannabis cardholder approved under Subsection 26B-4-245(2), more medical cannabis than described in Subsection (2)(a); or

(ii) any medical cannabis to an individual whose recommending medical provider did

1389 not recommend directions of use and dosing guidelines, until the individual
1390 consults with the pharmacy medical provider in accordance with Subsection
1391 26B-4-231(5).

1392 (3)(a) A medical cannabis pharmacy shall:

1393 (i)(A) access the state electronic verification system before dispensing [~~cannabis~~
1394 ~~or a cannabis product~~] medical cannabis to a medical cannabis cardholder in
1395 order to determine if the cardholder or, where applicable, the associated patient
1396 has met the maximum amount of medical cannabis described in Subsection (2);
1397 and

1398 (B) if the verification in Subsection (3)(a)(i)(A) indicates that the individual has
1399 met the maximum amount described in Subsection (2), decline the sale, and
1400 notify the recommending medical provider who made the underlying
1401 recommendation;

1402 (ii) submit a record to the state electronic verification system each time the medical
1403 cannabis pharmacy dispenses medical cannabis to a medical cannabis cardholder;

1404 (iii) ensure that the pharmacy medical provider who is a licensed pharmacist reviews
1405 each medical cannabis transaction before dispensing the medical cannabis to the
1406 cardholder in accordance with pharmacy practice standards;

1407 (iv) package any medical cannabis[~~that is~~] in a container that:

1408 (A) complies with Subsection 4-41a-602(1)(b) or, if applicable, provisions related
1409 to a container for unprocessed cannabis flower in the definition of "medicinal
1410 dosage form" in Section 26B-4-201; and

1411 (B) is tamper-resistant and tamper-evident; [~~and~~]

1412 [~~(C) provides an opaque bag or box for the medical cannabis cardholder's use in~~
1413 ~~transporting the container in public;~~]

1414 (v) for a product that is a cube that is designed for ingestion through chewing or
1415 holding in the mouth for slow dissolution, include a separate, off-label warning
1416 about the risks of over-consumption; and

1417 (vi) beginning January 1, 2024, for [~~a cannabis product~~] medical cannabis that is
1418 cannabis flower, vaporizer cartridges, or concentrate, provide the product's terpene
1419 profiles collected under Subsection 4-41a-701(4) at or before the point of sale.

1420 (b) A medical cannabis cardholder transporting or possessing the container described in
1421 Subsection (3)(a)(iv) in public shall keep the container within the opaque bag or box
1422 that the medical cannabis pharmacist provides.

1423 (c) A medical cannabis pharmacy shall provide an opaque bag or box for the medical
1424 cannabis cardholder to use in transporting the medical cannabis in public if the
1425 medical cannabis cardholder does not provide an opaque bag or box.

1426 (4)(a) Except as provided in Subsection (4)(b), a medical cannabis pharmacy may not
1427 sell medical cannabis in the form of a cigarette or a medical cannabis device that is
1428 intentionally designed or constructed to resemble a cigarette.

1429 (b) A medical cannabis pharmacy may sell a medical cannabis device that warms
1430 cannabis material into a vapor without the use of a flame and that delivers cannabis to
1431 an individual's respiratory system.

1432 (5)(a) A medical cannabis pharmacy may not give, at no cost, a product that the medical
1433 cannabis pharmacy is allowed to sell under Subsection (1)(a)(i)[;] or (ii)[, or (iii)].

1434 (b) A medical cannabis pharmacy may give, at no cost, educational material related to
1435 the medical use of cannabis.

1436 (6) A medical cannabis pharmacy may purchase and store medical cannabis devices
1437 regardless of whether the seller has a cannabis-related license under this chapter or Title
1438 26B, Utah Health and Human Services Code.

1439 Section 14. Section **4-41a-1106** is amended to read:

1440 **4-41a-1106 . Medical cannabis pharmacy agent -- Registration.**

1441 (1) An individual may not serve as a medical cannabis pharmacy agent of a medical
1442 cannabis pharmacy unless the department registers the individual as a medical cannabis
1443 pharmacy agent.

1444 (2) A recommending medical provider may not act as a medical cannabis pharmacy agent,
1445 have a financial or voting interest of 2% or greater in a medical cannabis pharmacy, or
1446 have the power to direct or cause the management or control of a medical cannabis
1447 pharmacy.

1448 (3)(a) The department shall, within 15 days after the day on which the department
1449 receives a complete application from a medical cannabis pharmacy on behalf of a
1450 prospective medical cannabis pharmacy agent, register and issue a medical cannabis
1451 pharmacy agent registration card to the prospective agent if the medical cannabis
1452 pharmacy:

1453 (i) provides to the department:

1454 (A) the prospective agent's name and address;

1455 (B) the name and location of the licensed medical cannabis pharmacy where the
1456 prospective agent seeks to act as the medical cannabis pharmacy agent; and

- 1457 (C) the submission required under Subsection (3)(b); and
1458 (ii) pays a fee to the department in an amount that, subject to Subsection 4-41a-104
1459 (5), the department sets in accordance with Section 63J-1-504.
- 1460 (b) Each prospective agent described in Subsection (3)(a) shall:
- 1461 (i) submit to the department:
- 1462 (A) a fingerprint card in a form acceptable to the Department of Public Safety; and
1463 (B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging
1464 the registration of the prospective agent's fingerprints in the Federal Bureau of
1465 Investigation Next Generation Identification System's Rap Back Service; and
- 1466 (ii) consent to a fingerprint background check by:
- 1467 (A) the Bureau of Criminal Identification; and
1468 (B) the Federal Bureau of Investigation.
- 1469 (c) The Bureau of Criminal Identification shall:
- 1470 (i) check the fingerprints the prospective agent submits under Subsection (3)(b)
1471 against the applicable state, regional, and national criminal records databases,
1472 including the Federal Bureau of Investigation Next Generation Identification
1473 System;
- 1474 (ii) report the results of the background check to the department;
- 1475 (iii) maintain a separate file of fingerprints that prospective agents submit under
1476 Subsection (3)(b) for search by future submissions to the local and regional
1477 criminal records databases, including latent prints;
- 1478 (iv) request that the fingerprints be retained in the Federal Bureau of Investigation
1479 Next Generation Identification System's Rap Back Service for search by future
1480 submissions to national criminal records databases, including the Next Generation
1481 Identification System and latent prints; and
- 1482 (v) establish a privacy risk mitigation strategy to ensure that the department only
1483 receives notifications for an individual with whom the department maintains an
1484 authorizing relationship.
- 1485 (d) The department shall:
- 1486 (i) assess an individual who submits fingerprints under Subsection (3)(b) a fee in an
1487 amount that the department sets in accordance with Section 63J-1-504 for the
1488 services that the Bureau of Criminal Identification or another authorized agency
1489 provides under this section; and
- 1490 (ii) remit the fee described in Subsection (3)(d)(i) to the Bureau of Criminal

1491 Identification.

1492 [~~(4)~~] ~~The department shall designate, on an individual's medical cannabis pharmacy agent~~
1493 ~~registration card the name of the medical cannabis pharmacy where the individual is~~
1494 ~~registered as an agent.]~~

1495 [(5)] (4) A medical cannabis pharmacy agent shall comply with a certification standard that
1496 the department develops in collaboration with the Division of Professional Licensing
1497 and the Board of Pharmacy, or a third-party certification standard that the department
1498 designates by rule, in collaboration with the Division of Professional Licensing and the
1499 Board of Pharmacy and in accordance with Title 63G, Chapter 3, Utah Administrative
1500 Rulemaking Act.

1501 [(6)] (5) The department shall ensure that the certification standard described in Subsection [
1502 (5)] (4) includes training in:

- 1503 (a) Utah medical cannabis law; and
1504 (b) medical cannabis pharmacy best practices.

1505 [(7)] (6) The department may revoke the medical cannabis pharmacy agent registration card
1506 of, or refuse to issue a medical cannabis pharmacy agent registration card to, an
1507 individual who:

- 1508 (a) violates the requirements of this chapter; or
1509 (b) is convicted under state or federal law of:
1510 (i) a felony within the preceding 10 years; or
1511 (ii) after December 3, 2018, a misdemeanor for drug distribution.

1512 [(8)] (7)(a) A medical cannabis pharmacy agent registration card expires two years after
1513 the day on which the department issues or renews the card.

1514 (b) A medical cannabis pharmacy agent may renew the agent's registration card if the
1515 agent:

- 1516 (i) is eligible for a medical cannabis pharmacy agent registration card under this
1517 section;
1518 (ii) certifies to the department in a renewal application that the information in
1519 Subsection (3)(a) is accurate or updates the information; and
1520 (iii) pays to the department a renewal fee in an amount that:
1521 (A) subject to Subsection 4-41a-104(5), the department sets in accordance with
1522 Section 63J-1-504; and
1523 (B) may not exceed the cost of the relatively lower administrative burden of
1524 renewal in comparison to the original application process.

- 1525 ~~[(9)]~~ (8)(a) As a condition precedent to registration and renewal of a medical cannabis
1526 pharmacy agent registration card, a medical cannabis pharmacy agent shall:
- 1527 (i) complete at least one hour of continuing education regarding patient privacy and
1528 federal health information privacy laws that is offered by the department under
1529 Subsection ~~[(9)(b)]~~ (8)(b) or an accredited or approved continuing education
1530 provider that the department recognizes as offering continuing education
1531 appropriate for the medical cannabis pharmacy practice; and
- 1532 (ii) make a continuing education report to the department in accordance with a
1533 process that the department establishes by rule, in accordance with Title 63G,
1534 Chapter 3, Utah Administrative Rulemaking Act, and in collaboration with the
1535 Division of Professional Licensing and the Board of Pharmacy.
- 1536 (b) The department may, in consultation with the Division of Professional Licensing,
1537 develop the continuing education described in this Subsection ~~[(9)]~~ (8).
- 1538 (c) The pharmacist-in-charge described in Section 26B-4-219 shall ensure that each
1539 medical cannabis pharmacy agent working in the medical cannabis pharmacy who
1540 has access to the state electronic verification system is in compliance with this
1541 Subsection ~~[(9)]~~ (8).
- 1542 (d) A medical cannabis pharmacy agent may not access the electronic verification
1543 system following the termination of the medical cannabis pharmacy agent's
1544 employment.
- 1545 ~~[(10)]~~ (9) A medical cannabis pharmacy shall:
- 1546 (a) maintain a list of employees that have a medical cannabis pharmacy agent
1547 registration card; and
- 1548 (b) provide the list to the department upon request.
- 1549 Section 15. Section **4-41a-1202** is amended to read:
- 1550 **4-41a-1202 . Home delivery of medical cannabis shipments -- Medical cannabis**
1551 **couriers -- License.**
- 1552 (1) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
1553 Administrative Rulemaking Act, to ensure the safety, security, and efficiency of a home
1554 delivery medical cannabis pharmacy's fulfillment of electronic medical cannabis orders
1555 that the state central patient portal facilitates, including rules regarding the safe and
1556 controlled delivery of medical cannabis shipments.
- 1557 (2) A person may not operate as a medical cannabis courier without a license that the [
1558 ~~department~~] licensing board issues under this section.

- 1559 (3)(a) Subject to Subsections (5) and (6), the [department] licensing board shall issue a
1560 license to operate as a medical cannabis courier to an applicant who is eligible for a
1561 license under this section.
- 1562 (b) An applicant is eligible for a license under this section if the applicant submits to the [
1563 department] licensing board:
- 1564 (i) the name and address of an individual who:
- 1565 (A) has a financial or voting interest of 10% or greater in the proposed medical
1566 cannabis courier; or
- 1567 (B) has the power to direct or cause the management or control of a proposed
1568 cannabis production establishment;
- 1569 (ii) an operating plan that includes operating procedures to comply with the operating
1570 requirements for a medical cannabis courier described in this chapter; and
- 1571 (iii) an application fee in an amount that, subject to Subsection 4-41a-104(5), the
1572 department sets in accordance with Section 63J-1-504.
- 1573 (4) If the [department] licensing board determines that an applicant is eligible for a license
1574 under this section, the department shall:
- 1575 (a) charge the applicant an initial license fee in an amount that, subject to Subsection
1576 4-41a-104(5), the department sets in accordance with Section 63J-1-504; and
- 1577 (b) notify the Department of Public Safety of the license approval and the names of each
1578 individual described in Subsection (3)(b)(i).
- 1579 (5) The [department] licensing board may not issue a license to operate as a medical
1580 cannabis courier to an applicant if an individual described in Subsection (3)(b)(i):
- 1581 (a) has been convicted under state or federal law of:
- 1582 (i) a felony in the preceding 10 years; or
- 1583 (ii) after September 23, 2019, a misdemeanor for drug distribution; or
- 1584 (b) is younger than 21 years old.
- 1585 (6) The [department] licensing board may revoke a license under this part if:
- 1586 (a) the medical cannabis courier does not begin operations within one year after the day
1587 on which the department issues the initial license;
- 1588 (b) the medical cannabis courier makes the same violation of this chapter three times;
- 1589 (c) an individual described in Subsection (3)(b)(i) is convicted, while the license is
1590 active, under state or federal law of:
- 1591 (i) a felony; or
- 1592 (ii) after September 23, 2019, a misdemeanor for drug distribution; or

- 1593 (d) after a change of ownership described in Subsection (14)(c), the [department]
1594 licensing board determines that the medical cannabis courier no longer meets the
1595 minimum standards for licensure and operation of the medical cannabis courier
1596 described in this chapter.
- 1597 (7) The department shall deposit the proceeds of a fee imposed by this section [~~in~~] into the
1598 Qualified Production Enterprise Fund.
- 1599 (8) The [department's] licensing board's authority to issue a license under this section is
1600 plenary and is not subject to review.
- 1601 (9) Each applicant for a license as a medical cannabis courier shall submit, at the time of
1602 application, from each individual who has a financial or voting interest of 10% or
1603 greater in the applicant or who has the power to direct or cause the management or
1604 control of the applicant:
- 1605 (a) a fingerprint card in a form acceptable to the Department of Public Safety;
1606 (b) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the
1607 registration of the individual's fingerprints in the Federal Bureau of Investigation
1608 Next Generation Identification System's Rap Back Service; and
- 1609 (c) consent to a fingerprint background check by:
1610 (i) the Bureau of Criminal Identification; and
1611 (ii) the Federal Bureau of Investigation.
- 1612 (10) The Bureau of Criminal Identification shall:
- 1613 (a) check the fingerprints the applicant submits under Subsection (9) against the
1614 applicable state, regional, and national criminal records databases, including the
1615 Federal Bureau of Investigation Next Generation Identification System;
- 1616 (b) report the results of the background check to the department;
- 1617 (c) maintain a separate file of fingerprints that applicants submit under Subsection (9)
1618 for search by future submissions to the local and regional criminal records databases,
1619 including latent prints;
- 1620 (d) request that the fingerprints be retained in the Federal Bureau of Investigation Next
1621 Generation Identification System's Rap Back Service for search by future
1622 submissions to national criminal records databases, including the Next Generation
1623 Identification System and latent prints; and
- 1624 (e) establish a privacy risk mitigation strategy to ensure that the department only
1625 receives notifications for an individual with whom the department maintains an
1626 authorizing relationship.

- 1627 (11) The department shall:
- 1628 (a) assess an individual who submits fingerprints under Subsection (9) a fee in an
- 1629 amount that the department sets in accordance with Section 63J-1-504 for the
- 1630 services that the Bureau of Criminal Identification or another authorized agency
- 1631 provides under this section; and
- 1632 (b) remit the fee described in Subsection (11)(a) to the Bureau of Criminal Identification.
- 1633 (12) The [department] licensing board shall renew a license under this section every year if,
- 1634 at the time of renewal:
- 1635 (a) the licensee meets the requirements of this section; and
- 1636 (b) the licensee pays the department a license renewal fee in an amount that, subject to
- 1637 Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504.
- 1638 (13) A person applying for a medical cannabis courier license shall submit to the [
- 1639 ~~department~~] licensing board a proposed operating plan that complies with this section
- 1640 and that includes:
- 1641 (a) a description of the physical characteristics of any proposed facilities, including a
- 1642 floor plan and an architectural elevation, and delivery vehicles;
- 1643 (b) a description of the credentials and experience of each officer, director, or owner of
- 1644 the proposed medical cannabis courier;
- 1645 (c) the medical cannabis courier's employee training standards;
- 1646 (d) a security plan; and
- 1647 (e) storage and delivery protocols, both short and long term, to ensure that medical
- 1648 cannabis shipments are stored and delivered in a manner that is sanitary and
- 1649 preserves the integrity of the cannabis.
- 1650 (14)(a) A medical cannabis courier license is not transferable or assignable.
- 1651 (b) A medical cannabis courier shall report in writing to the department no later than [10]
- 1652 45 business days before the date of any change of ownership of the medical cannabis
- 1653 courier.
- 1654 (c) If the ownership of a medical cannabis courier changes by 50% or more:
- 1655 (i) concurrent with the report described in Subsection (14)(b), the medical cannabis
- 1656 courier shall submit a new application described in Subsection (3)(b);
- 1657 (ii) within 30 days of the submission of the application, the [department] licensing
- 1658 board shall:
- 1659 (A) conduct an application review; and
- 1660 (B) award a license to the medical cannabis courier for the remainder of the term

- of the medical cannabis courier's license before the ownership change if the medical cannabis courier meets the minimum standards for licensure and operation of the medical cannabis courier described in this chapter; and
- (iii) if the [department] licensing board approves the license application, notwithstanding Subsection (4), the medical cannabis courier shall pay a license fee that the department sets in accordance with Section 63J-1-504 in an amount that covers the [board] licensing board's cost of conducting the application review.
- (15)(a) Except as provided in Subsection(15)(b), a person may not advertise regarding the transportation of medical cannabis.
- (b) Notwithstanding Subsection (14)(a) and subject to Section 4-41a-109, a licensed home delivery medical cannabis pharmacy or a licensed medical cannabis courier may advertise:
- (i) a green cross;
 - (ii) the pharmacy's or courier's name and logo; and
 - (iii) that the pharmacy or courier is licensed to transport medical cannabis shipments.
- Section 16. Section **4-41a-1204** is amended to read:
- 4-41a-1204 . Medical cannabis courier agent -- Background check -- Registration card -- Rebuttable presumption.**
- (1) An individual may not serve as a medical cannabis courier agent unless the department registers the individual as a medical cannabis courier agent.
- (2)(a) The department shall, within 15 days after the day on which the department receives a complete application from a medical cannabis courier on behalf of a medical cannabis courier agent, register and issue a medical cannabis courier agent registration card to the prospective agent if the medical cannabis courier:
- (i) provides to the department:
 - (A) the prospective agent's name and address;
 - (B) the name and address of the medical cannabis courier;
 - (C) the name and address of each home delivery medical cannabis pharmacy with which the medical cannabis courier contracts to deliver medical cannabis shipments; and
 - (D) the submission required under Subsection (2)(b);
 - (ii) as reported under Subsection (2)(c), has not been convicted under state or federal law of:
 - (A) a felony; or

- 1695 (B) after December 3, 2018, a misdemeanor for drug distribution; and
1696 (iii) pays the department a fee in an amount that, subject to Subsection 4-41a-104(5),
1697 the department sets in accordance with Section 63J-1-504.
- 1698 (b) Each prospective agent described in Subsection (2)(a) shall:
1699 (i) submit to the department:
1700 (A) a fingerprint card in a form acceptable to the Department of Public Safety; and
1701 (B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging
1702 the registration of the prospective agent's fingerprints in the Federal Bureau of
1703 Investigation Next Generation Identification System's Rap Back Service; and
1704 (ii) consent to a fingerprint background check by:
1705 (A) the Bureau of Criminal Identification; and
1706 (B) the Federal Bureau of Investigation.
- 1707 (c) The Bureau of Criminal Identification shall:
1708 (i) check the fingerprints the prospective agent submits under Subsection (2)(b)
1709 against the applicable state, regional, and national criminal records databases,
1710 including the Federal Bureau of Investigation Next Generation Identification
1711 System;
1712 (ii) report the results of the background check to the department;
1713 (iii) maintain a separate file of fingerprints that prospective agents submit under
1714 Subsection (2)(b) for search by future submissions to the local and regional
1715 criminal records databases, including latent prints;
1716 (iv) request that the fingerprints be retained in the Federal Bureau of Investigation
1717 Next Generation Identification System's Rap Back Service for search by future
1718 submissions to national criminal records databases, including the Next Generation
1719 Identification System and latent prints; and
1720 (v) establish a privacy risk mitigation strategy to ensure that the department only
1721 receives notifications for an individual with whom the department maintains an
1722 authorizing relationship.
- 1723 (d) The department shall:
1724 (i) assess an individual who submits fingerprints under Subsection (2)(b) a fee in an
1725 amount that the department sets in accordance with Section 63J-1-504 for the
1726 services that the Bureau of Criminal Identification or another authorized agency
1727 provides under this section; and
1728 (ii) remit the fee described in Subsection (2)(d)(i) to the Bureau of Criminal

1729 Identification.

1730 [~~(3)~~ The department shall designate on an individual's medical cannabis courier agent
1731 registration card the name of the medical cannabis pharmacy where the individual is
1732 registered as an agent and each home delivery medical cannabis courier for which the
1733 medical cannabis courier delivers medical cannabis shipments.]

1734 [(4)] (3)(a) A medical cannabis courier agent shall comply with a certification standard
1735 that the department develops, in collaboration with the Division of Professional
1736 Licensing and the Board of Pharmacy, or a third-party certification standard that the
1737 department designates by rule in collaboration with the Division of Professional
1738 Licensing and the Board of Pharmacy and in accordance with Title 63G, Chapter 3,
1739 Utah Administrative Rulemaking Act.

1740 (b) The department shall ensure that the certification standard described in Subsection [
1741 ~~(4)(a)~~] (3)(a) includes training in:
1742 (i) Utah medical cannabis law;
1743 (ii) the medical cannabis shipment process; and
1744 (iii) medical cannabis courier agent best practices.

1745 [(5)] (4)(a) A medical cannabis courier agent registration card expires two years after the
1746 day on which the department issues or renews the card.

1747 (b) A medical cannabis courier agent may renew the agent's registration card if the agent:
1748 (i) is eligible for a medical cannabis courier agent registration card under this section;
1749 (ii) certifies to the department in a renewal application that the information in
1750 Subsection (2)(a) is accurate or updates the information; and
1751 (iii) pays to the department a renewal fee in an amount that:
1752 (A) subject to Subsection 4-41a-104(5), the department sets in accordance with
1753 Section 63J-1-504; and
1754 (B) may not exceed the cost of the relatively lower administrative burden of
1755 renewal in comparison to the original application process.

1756 [(6)] (5) The department may revoke or refuse to issue or renew the medical cannabis
1757 courier agent registration card of an individual who:

1758 (a) violates the requirements of this chapter; or
1759 (b) is convicted under state or federal law of:
1760 (i) a felony within the preceding 10 years; or
1761 (ii) after December 3, 2018, a misdemeanor for drug distribution.

1762 [(7)] (6) A medical cannabis courier agent whom the department has registered under this

1763 section shall carry the agent's medical cannabis courier agent registration card with the
1764 agent at all times when:

1765 (a) the agent is on the premises of the medical cannabis courier, a medical cannabis
1766 pharmacy, or a delivery address; and

1767 (b) the agent is handling a medical cannabis shipment.

1768 [(8)] (7) If a medical cannabis courier agent handling a medical cannabis shipment
1769 possesses the shipment in compliance with Subsection [(7)] (6):

1770 (a) there is a rebuttable presumption that the agent possesses the shipment legally; and

1771 (b) there is no probable cause, based solely on the agent's possession of the medical
1772 cannabis shipment that the agent is engaging in illegal activity.

1773 [(9)] (8)(a) A medical cannabis courier agent who violates Subsection [(7)] (6) is:

1774 (i) guilty of an infraction; and

1775 (ii) subject to a \$100 fine.

1776 (b) An individual who is guilty of a violation described in Subsection [(9)(a)] (8)(a) is

1777 not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for

1778 the conduct underlying the violation described in Subsection [(9)(a)] (8)(a).

1779 [(10)] (9) A medical cannabis courier shall:

1780 (a) maintain a list of employees who have a medical cannabis courier agent card; and

1781 (b) provide the list to the department upon request.

1782 Section 17. Section **26B-1-435** is amended to read:

1783 **26B-1-435 . Medical Cannabis Policy Advisory Board creation -- Membership --**

1784 **Duties.**

1785 (1) There is created within the department the Medical Cannabis Policy Advisory Board.

1786 (2)(a) The advisory board shall consist of the following members:

1787 (i) appointed by the executive director:

1788 (A) a qualified medical provider who has recommended medical cannabis to at
1789 least 100 patients before being appointed;

1790 (B) a medical research professional;

1791 (C) a mental health specialist;

1792 (D) an individual who represents an organization that advocates for medical
1793 cannabis patients;

1794 (E) an individual who holds a medical cannabis patient card; and

1795 (F) a member of the general public who does not hold a medical cannabis card; and

1796 (ii) appointed by the commissioner of the Department of Agriculture and Food:

- 1797 (A) an individual who owns or operates a licensed cannabis cultivation facility, as
1798 defined in Section 4-41a-102;
- 1799 (B) an individual who owns or operates a licensed medical cannabis pharmacy;
1800 and
1801 (C) a law enforcement officer.
- 1802 (b) The commissioner of the Department of Agriculture and Food shall ensure that at
1803 least one individual appointed under Subsection (2)(a)(ii)(A) or (B) also owns or
1804 operates a licensed cannabis processing facility.
- 1805 (3)(a) Subject to Subsection (3)(b), a member of the advisory board shall serve for a four
1806 year term.
- 1807 (b) When appointing the initial membership of the advisory board, the executive director
1808 and the commissioner of the Department of Agriculture and Food shall coordinate to
1809 appoint four advisory board members to serve a term of two years to ensure that
1810 approximately half of the board is appointed every two years.
- 1811 (4)(a) If an advisory board member is no longer able to serve as a member, a new
1812 member shall be appointed in the same manner as the original appointment.
- 1813 (b) A member appointed in accordance with Subsection (4)(a) shall serve for the
1814 remainder of the unexpired term of the original appointment.
- 1815 (5)(a) A majority of the advisory board members constitutes a quorum.
- 1816 (b) The action of a majority of a quorum constitutes an action of the advisory board.
- 1817 (c) For a term lasting one year, the advisory board shall annually designate members of
1818 the advisory board to serve as chair and vice-chair.
- 1819 (d) When designating the chair and vice-chair, the advisory board shall ensure that at
1820 least one individual described Subsection (2)(a)(i) is appointed as chair or vice-chair.
- 1821 (6) An advisory board member may not receive compensation or benefits for the member's
1822 service on the advisory board but may receive per diem and reimbursement for travel
1823 expenses incurred as an advisory board member in accordance with:
- 1824 (a) Sections 63A-3-106 and 63A-3-107; and
1825 (b) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
1826 63A-3-107.
- 1827 (7) The department shall:
- 1828 (a) provide staff support for the advisory board; and
1829 (b) assist the advisory board in conducting meetings.
- 1830 (8) The advisory board may recommend:

1831 (a) to the department or the Department of Agriculture and Food changes to current or
1832 proposed medical cannabis rules or statutes; and

1833 (b) to the appropriate legislative committee whether the advisory board supports a
1834 change to medical cannabis statutes.

1835 (9) The advisory board shall:

1836 (a) review any draft rule that is authorized under [~~this chapter~~] Chapter 4, Part 2,
1837 Cannabinoid Research and Medical Cannabis, or Title 4, Chapter 41a, Cannabis
1838 Production Establishments and Pharmacies;

1839 (b) consult with the Department of Agriculture and Food regarding the issuance of an
1840 additional:

1841 (i) cultivation facility license under Section 4-41a-205; or

1842 (ii) pharmacy license under Section 4-41a-1005;

1843 (c) consult with the department regarding cannabis patient education;

1844 (d) consult regarding the reasonableness of any fees set by the department or the
1845 Department of Agriculture and Food that pertain to the medical cannabis program;
1846 and

1847 (e) consult regarding any issue pertaining to medical cannabis when asked by the
1848 department or the Utah Department of Agriculture and Food.

1849 Section 18. Section **26B-4-201** is amended to read:

1850 **26B-4-201 . Definitions.**

1851 As used in this part:

1852 (1) "Active tetrahydrocannabinol" means THC, any THC analog, and
1853 tetrahydrocannabinolic acid.

1854 (2) "Administration of criminal justice" means the performance of detection, apprehension,
1855 detention, pretrial release, post-trial release, prosecution, and adjudication.

1856 (3) "Advertise" means information provided by a person in any medium:

1857 (a) to the public; and

1858 (b) that is not age restricted to an individual who is at least 21 years old.

1859 (4) "Advisory board" means the Medical Cannabis Policy Advisory Board created in
1860 Section 26B-1-435.

1861 (5) "Cannabis Research Review Board" means the Cannabis Research Review Board
1862 created in Section 26B-1-420.

1863 (6) "Cannabis" means marijuana.

1864 (7) "Cannabis processing facility" means the same as that term is defined in Section

- 1865 4-41a-102.
- 1866 (8) "Cannabis product" means a product that:
- 1867 (a) is intended for human use; and
- 1868 (b) contains cannabis or any tetrahydrocannabinol or THC analog in a total
- 1869 concentration of 0.3% or greater on a dry weight basis.
- 1870 (9) "Cannabis production establishment" means the same as that term is defined in Section
- 1871 4-41a-102.
- 1872 (10) "Cannabis production establishment agent" means the same as that term is defined in
- 1873 Section 4-41a-102.
- 1874 (11) "Cannabis production establishment agent registration card" means the same as that
- 1875 term is defined in Section 4-41a-102.
- 1876 (12) "Conditional medical cannabis card" means an electronic medical cannabis card that
- 1877 the department issues in accordance with Subsection 26B-4-213(1)(b) to allow an
- 1878 applicant for a medical cannabis card to access medical cannabis during the department's
- 1879 review of the application.
- 1880 (13) "Controlled substance database" means the controlled substance database created in
- 1881 Section 58-37f-201.
- 1882 (14) "Delivery address" means the same as that term is defined in Section 4-41a-102.
- 1883 (15) "Department" means the Department of Health and Human Services.
- 1884 (16) "Designated caregiver" means:
- 1885 (a) an individual:
- 1886 (i) whom an individual with a medical cannabis patient card or a medical cannabis
- 1887 guardian card designates as the patient's caregiver; and
- 1888 (ii) who registers with the department under Section 26B-4-214; or
- 1889 (b)(i) a facility that an individual designates as a designated caregiver in accordance
- 1890 with Subsection 26B-4-214(1)(b); or
- 1891 (ii) an assigned employee of the facility described in Subsection 26B-4-214(1)(b)(ii).
- 1892 (17) "Directions of use" means recommended routes of administration for a medical
- 1893 cannabis treatment and suggested usage guidelines.
- 1894 (18) "Dosing guidelines" means a quantity range and frequency of administration for a
- 1895 recommended treatment of medical cannabis.
- 1896 (19) "Government issued photo identification" means any of the following forms of
- 1897 identification:
- 1898 (a) a valid state-issued driver license or identification card;

- 1899 (b) a valid United States federal-issued photo identification, including:
1900 (i) a United States passport;
1901 (ii) a United States passport card;
1902 (iii) a United States military identification card; or
1903 (iv) a permanent resident card or alien registration receipt card; or
1904 (c) a foreign passport.
- 1905 (20) "Home delivery medical cannabis pharmacy" means a medical cannabis pharmacy that
1906 the department authorizes, as part of the pharmacy's license, to deliver medical cannabis
1907 shipments to a delivery address to fulfill electronic orders that the state central patient
1908 portal facilitates.
- 1909 (21) "Inventory control system" means the system described in Section 4-41a-103.
- 1910 (22) "Legal dosage limit" means an amount that:
1911 (a) is sufficient to provide 30 days of treatment based on the dosing guidelines that the
1912 relevant recommending medical provider or the state central patient portal or
1913 pharmacy medical provider, in accordance with Subsection 26B-4-230(5),
1914 recommends; and
1915 (b) may not exceed:
1916 (i) for unprocessed cannabis in a medicinal dosage form, 113 grams by weight; and
1917 (ii) for a cannabis product in a medicinal dosage form, a quantity that contains, in
1918 total, greater than 20 grams of active tetrahydrocannabinol.
- 1919 (23) "Legal use termination date" means a date on the label of a container of unprocessed
1920 cannabis flower:
1921 (a) that is 60 days after the date of purchase of the cannabis; and
1922 (b) after which, the cannabis is no longer in a medicinal dosage form outside of the
1923 primary residence of the relevant medical cannabis patient cardholder.
- 1924 (24) "Limited medical provider" means an individual who:
1925 (a) meets the recommending qualifications; and
1926 (b) has no more than 15 patients with a valid medical cannabis patient card as a result of
1927 the individual's recommendation, in accordance with Subsection 26B-4-204(1)(b).
- 1928 (25) "Marijuana" means the same as that term is defined in Section 58-37-2.
- 1929 (26) "Medical cannabis" means cannabis in a medicinal dosage form or a cannabis product
1930 in a medicinal dosage form.
- 1931 (27) "Medical cannabis card" means a medical cannabis patient card, a medical cannabis
1932 guardian card, a medical cannabis caregiver card, or a conditional medical cannabis card.

- 1933 (28) "Medical cannabis cardholder" means:
- 1934 (a) a holder of a medical cannabis card; or
- 1935 (b) a facility or assigned employee, described in Subsection (16)(b), only:
- 1936 (i) within the scope of the facility's or assigned employee's performance of the role of
- 1937 a medical cannabis patient cardholder's caregiver designation under Subsection
- 1938 26B-4-214(1)(b); and
- 1939 (ii) while in possession of documentation that establishes:
- 1940 (A) a caregiver designation described in Subsection 26B-4-214(1)(b);
- 1941 (B) the identity of the individual presenting the documentation; and
- 1942 (C) the relation of the individual presenting the documentation to the caregiver
- 1943 designation.
- 1944 (29) "Medical cannabis caregiver card" means an electronic document that a cardholder
- 1945 may print or store on an electronic device or a physical card or document that:
- 1946 (a) the department issues to an individual whom a medical cannabis patient cardholder
- 1947 or a medical cannabis guardian cardholder designates as a designated caregiver; and
- 1948 (b) is connected to the electronic verification system.
- 1949 (30) "Medical cannabis courier" means the same as that term is defined in Section
- 1950 4-41a-102.
- 1951 (31)(a) "Medical cannabis device" means a device that an individual uses to ingest or
- 1952 inhale cannabis in a medicinal dosage form or a cannabis product in a medicinal
- 1953 dosage form.
- 1954 (b) "Medical cannabis device" does not include a device that:
- 1955 (i) facilitates cannabis combustion; or
- 1956 (ii) an individual uses to ingest substances other than cannabis.
- 1957 (32) "Medical cannabis guardian card" means an electronic document that a cardholder may
- 1958 print or store on an electronic device or a physical card or document that:
- 1959 (a) the department issues to the parent or legal guardian of a minor with a qualifying
- 1960 condition; and
- 1961 (b) is connected to the electronic verification system.
- 1962 (33) "Medical cannabis patient card" means an electronic document that a cardholder may
- 1963 print or store on an electronic device or a physical card or document that:
- 1964 (a) the department issues to an individual with a qualifying condition; and
- 1965 (b) is connected to the electronic verification system.
- 1966 (34) "Medical cannabis pharmacy" means a person that:

- 1967 (a)(i) acquires or intends to acquire medical cannabis or a cannabis product in a
1968 medicinal dosage form from a cannabis processing facility or another medical
1969 cannabis pharmacy or a medical cannabis device; or
1970 (ii) possesses medical cannabis or a medical cannabis device; and
1971 (b) sells or intends to sell medical cannabis or a medical cannabis device to a medical
1972 cannabis cardholder.
- 1973 (35) "Medical cannabis pharmacy agent" means an individual who holds a valid medical
1974 cannabis pharmacy agent registration card issued by the department.
- 1975 (36) "Medical cannabis pharmacy agent registration card" means a registration card issued
1976 by the department that authorizes an individual to act as a medical cannabis pharmacy
1977 agent.
- 1978 (37) "Medical cannabis shipment" means the same as that term is defined in Section
1979 4-41a-102.
- 1980 (38) "Medical cannabis treatment" means cannabis in a medicinal dosage form, a cannabis
1981 product in a medicinal dosage form, or a medical cannabis device.
- 1982 (39)(a) "Medicinal dosage form" means:
- 1983 (i) for processed medical cannabis, the following with a specific and consistent
1984 cannabinoid content:
- 1985 (A) a tablet;
- 1986 (B) a capsule;
- 1987 (C) a concentrated liquid or viscous oil;
- 1988 (D) a liquid suspension that does not exceed 30 milliliters;
- 1989 (E) a topical preparation;
- 1990 (F) a transdermal preparation;
- 1991 (G) a sublingual preparation;
- 1992 (H) a gelatinous cube, gelatinous rectangular cuboid, or lozenge in a cube or
1993 rectangular cuboid shape;
- 1994 (I) a resin or wax;
- 1995 (J) an aerosol;
- 1996 (K) a suppository preparation; or
- 1997 (L) a soft or hard confection that is a uniform rectangular cuboid or uniform
1998 spherical shape, is homogeneous in color and texture, and each piece is a single
1999 serving; or
- 2000 (ii) for unprocessed cannabis flower, a container described in Section 4-41a-602 that:

- 2001 (A) contains cannabis flower in a quantity that varies by no more than 10% from
2002 the stated weight at the time of packaging;
- 2003 (B) at any time the medical cannabis cardholder transports or possesses the
2004 container in public, is contained within an opaque bag or box that the medical
2005 cannabis pharmacy provides; and
- 2006 (C) is labeled with the container's content and weight, the date of purchase, the
2007 legal use termination date, and a barcode that provides information connected
2008 to an inventory control system.
- 2009 (b) "Medicinal dosage form" includes a portion of unprocessed cannabis flower that:
- 2010 (i) the medical cannabis cardholder has recently removed from the container
2011 described in Subsection (39)(a)(ii) for use; and
- 2012 (ii) does not exceed the quantity described in Subsection (39)(a)(ii).
- 2013 (c) "Medicinal dosage form" does not include:
- 2014 (i) any unprocessed cannabis flower outside of the container described in Subsection
2015 (39)(a)(ii), except as provided in Subsection (39)(b);
- 2016 (ii) any unprocessed cannabis flower in a container described in Subsection
2017 (39)(a)(ii) after the legal use termination date;
- 2018 (iii) a process of vaporizing and inhaling concentrated cannabis by placing the
2019 cannabis on a nail or other metal object that is heated by a flame, including a
2020 blowtorch;
- 2021 (iv) a liquid suspension that is branded as a beverage;
- 2022 (v) a substance described in Subsection (39)(a)(i) or (ii) if the substance is not
2023 measured in grams, milligrams, or milliliters; or
- 2024 (vi) a substance that contains or is covered to any degree with chocolate.
- 2025 (40) "Nonresident patient" means an individual who:
- 2026 (a) is not a resident of Utah or has been a resident of Utah for less than 45 days;
- 2027 (b) has a currently valid medical cannabis card or the equivalent of a medical cannabis
2028 card under the laws of another state, district, territory, commonwealth, or insular
2029 possession of the United States; and
- 2030 (c) has been diagnosed with a qualifying condition as described in Section 26B-4-203.
- 2031 (41) "Patient product information insert" means a single page document or webpage that
2032 contains information about a medical cannabis product regarding:
- 2033 (a) how to use the product;
- 2034 (b) common side effects;

2035 (c) serious side effects;
2036 (d) dosage;
2037 (e) contraindications;
2038 (f) safe storage;
2039 (g) information on when a product should not be used; and
2040 (h) other information the department deems appropriate in consultation with the
2041 cannabis processing facility that created the product.

2042 [(41)] (42) "Pharmacy medical provider" means the medical provider required to be on site
2043 at a medical cannabis pharmacy under Section 26B-4-219.

2044 [(42)] (43) "Provisional patient card" means a card that:
2045 (a) the department issues to a minor with a qualifying condition for whom:
2046 (i) a recommending medical provider has recommended a medical cannabis
2047 treatment; and
2048 (ii) the department issues a medical cannabis guardian card to the minor's parent or
2049 legal guardian; and
2050 (b) is connected to the electronic verification system.

2051 [(43)] (44) "Qualified medical provider" means an individual:
2052 (a) who meets the recommending qualifications; and
2053 (b) whom the department registers to recommend treatment with cannabis in a medicinal
2054 dosage form under Section 26B-4-204.

2055 [(44)] (45) "Qualified Patient Enterprise Fund" means the enterprise fund created in Section
2056 26B-1-310.

2057 [(45)] (46) "Qualifying condition" means a condition described in Section 26B-4-203.

2058 [(46)] (47) "Recommend" or "recommendation" means, for a recommending medical
2059 provider, the act of suggesting the use of medical cannabis treatment, which:
2060 (a) certifies the patient's eligibility for a medical cannabis card; and
2061 (b) may include, at the recommending medical provider's discretion, directions of use,
2062 with or without dosing guidelines.

2063 [(47)] (48) "Recommending medical provider" means a qualified medical provider or a
2064 limited medical provider.

2065 [(48)] (49) "Recommending qualifications" means that an individual:
2066 (a)(i) has the authority to write a prescription;
2067 (ii) is licensed to prescribe a controlled substance under Title 58, Chapter 37, Utah
2068 Controlled Substances Act; and

- 2069 (iii) possesses the authority, in accordance with the individual's scope of practice, to
2070 prescribe a Schedule II controlled substance; and
- 2071 (b) is licensed as:
- 2072 (i) a podiatrist under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
- 2073 (ii) an advanced practice registered nurse under Title 58, Chapter 31b, Nurse Practice
2074 Act;
- 2075 (iii) a physician under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58,
2076 Chapter 68, Utah Osteopathic Medical Practice Act; or
- 2077 (iv) a physician assistant under Title 58, Chapter 70a, Utah Physician Assistant Act.
- 2078 ~~[(49)]~~ (50) "State central patient portal" means the website the department creates, in
2079 accordance with Section 26B-4-236, to facilitate patient safety, education, and an
2080 electronic medical cannabis order.
- 2081 ~~[(50)]~~ (51) "State electronic verification system" means the system described in Section
2082 26B-4-202.
- 2083 ~~[(51)]~~ (52) "Targeted marketing" means the promotion by a qualified medical provider,
2084 medical clinic, or medical office that employs a qualified medical provider of a medical
2085 cannabis recommendation service using any of the following methods:
- 2086 (a) electronic communication to an individual who is at least 21 years old and has
2087 requested to receive promotional information;
- 2088 (b) an in-person marketing event that is held in an area where only an individual who is
2089 at least 21 years old may access the event;
- 2090 (c) other marketing material that is physically or digitally displayed in the office of the
2091 medical clinic or office that employs a qualified medical provider; or
- 2092 (d) a leaflet that a qualified medical provider, medical clinic, or medical office that
2093 employs a qualified medical provider shares with an individual who is at least 21
2094 years old.
- 2095 ~~[(52)]~~ (53) "Tetrahydrocannabinol" or "THC" means a substance derived from cannabis or a
2096 synthetic equivalent as described in Subsection 58-37-4(2)(a)(iii)(AA).
- 2097 ~~[(53)]~~ (54) "THC analog" means the same as that term is defined in Section 4-41-102.
- 2098 Section 19. Section **26B-4-202** is amended to read:
- 2099 **26B-4-202 . Electronic verification system.**
- 2100 (1) The Department of Agriculture and Food, the department, the Department of Public
2101 Safety, and the Division of Technology Services shall:
- 2102 (a) enter into a memorandum of understanding in order to determine the function and

- 2103 operation of the state electronic verification system in accordance with Subsection
2104 (2);
- 2105 (b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah
2106 Procurement Code, to develop a request for proposals for a third-party provider to
2107 develop and maintain the state electronic verification system in coordination with the
2108 Division of Technology Services; and
- 2109 (c) select a third-party provider who:
- 2110 (i) meets the requirements contained in the request for proposals issued under
2111 Subsection (1)(b); and
- 2112 (ii) may not have any commercial or ownership interest in a cannabis production
2113 establishment or a medical cannabis pharmacy.
- 2114 (2) The Department of Agriculture and Food, the department, the Department of Public
2115 Safety, and the Division of Technology Services shall ensure that the state electronic
2116 verification system described in Subsection (1):
- 2117 (a) allows an individual to apply for a medical cannabis patient card or, if applicable, a
2118 medical cannabis guardian card, provided that the card may not become active until:
- 2119 (i) the relevant qualified medical provider completes the associated medical cannabis
2120 recommendation; or
- 2121 (ii) for a medical cannabis card related to a limited medical provider's
2122 recommendation, the medical cannabis pharmacy completes the recording
2123 described in Subsection (2)(d);
- 2124 (b) allows an individual to apply to renew a medical cannabis patient card or a medical
2125 cannabis guardian card in accordance with Section 26B-4-213;
- 2126 (c) allows a qualified medical provider, or an employee described in Subsection (3)
2127 acting on behalf of the qualified medical provider, to:
- 2128 (i) access dispensing and card status information regarding a patient:
- 2129 (A) with whom the qualified medical provider has a provider-patient relationship;
2130 and
- 2131 (B) for whom the qualified medical provider has recommended or is considering
2132 recommending a medical cannabis card;
- 2133 (ii) electronically recommend treatment with cannabis in a medicinal dosage form or
2134 a cannabis product in a medicinal dosage form and optionally recommend dosing
2135 guidelines;
- 2136 (iii) electronically renew a recommendation to a medical cannabis patient cardholder

- 2137 or medical cannabis guardian cardholder:
- 2138 (A) using telehealth services, for the qualified medical provider who originally
- 2139 recommended a medical cannabis treatment during a face-to-face visit with the
- 2140 patient; or
- 2141 (B) during a face-to-face visit with the patient, for a qualified medical provider
- 2142 who did not originally recommend the medical cannabis treatment during a
- 2143 face-to-face visit; and
- 2144 (iv) submit an initial application, renewal application, or application payment on
- 2145 behalf of an individual applying for any of the following:
- 2146 (A) a medical cannabis patient card;
- 2147 (B) a medical cannabis guardian card; or
- 2148 (C) a medical cannabis caregiver card;
- 2149 (d) allows a medical cannabis pharmacy medical provider or medical cannabis pharmacy
- 2150 agent, in accordance with Subsection 4-41a-1101(10)(a), to:
- 2151 (i) access the electronic verification system to review the history within the system of
- 2152 a patient with whom the provider or agent is interacting, limited to read-only
- 2153 access for medical cannabis pharmacy agents unless the medical cannabis
- 2154 pharmacy's pharmacist in charge authorizes add and edit access;
- 2155 (ii) record a patient's recommendation from a limited medical provider, including any
- 2156 directions of use, dosing guidelines, or caregiver indications from the limited
- 2157 medical provider;
- 2158 (iii) record a limited medical provider's renewal of the provider's previous
- 2159 recommendation; and
- 2160 (iv) submit an initial application, renewal application, or application payment on
- 2161 behalf of an individual applying for any of the following:
- 2162 (A) a medical cannabis patient card;
- 2163 (B) a medical cannabis guardian card; or
- 2164 (C) a medical cannabis caregiver card;
- 2165 (e) connects with:
- 2166 (i) an inventory control system that a medical cannabis pharmacy uses to track in real
- 2167 time and archive purchases of any cannabis in a medicinal dosage form, cannabis
- 2168 product in a medicinal dosage form, or a medical cannabis device, including:
- 2169 (A) the time and date of each purchase;
- 2170 (B) the quantity and type of cannabis, cannabis product, or medical cannabis

- 2171 device purchased;
- 2172 (C) any cannabis production establishment, any medical cannabis pharmacy, or
- 2173 any medical cannabis courier associated with the cannabis, cannabis product,
- 2174 or medical cannabis device; and
- 2175 (D) the personally identifiable information of the medical cannabis cardholder
- 2176 who made the purchase; and
- 2177 (ii) any commercially available inventory control system that a cannabis production
- 2178 establishment utilizes in accordance with Section 4-41a-103 to use data that the
- 2179 Department of Agriculture and Food requires by rule, in accordance with Title
- 2180 63G, Chapter 3, Utah Administrative Rulemaking Act, from the inventory
- 2181 tracking system that a licensee uses to track and confirm compliance;
- 2182 (f) provides access to:
- 2183 (i) the department to the extent necessary to carry out the department's functions and
- 2184 responsibilities under this part;
- 2185 (ii) the Department of Agriculture and Food to the extent necessary to carry out the
- 2186 functions and responsibilities of the Department of Agriculture and Food under
- 2187 Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies; and
- 2188 (iii) the Division of Professional Licensing to the extent necessary to carry out the
- 2189 functions and responsibilities related to the participation of the following in the
- 2190 recommendation and dispensing of medical cannabis:
- 2191 (A) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing
- 2192 Act;
- 2193 (B) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
- 2194 (C) an advanced practice registered nurse licensed under Title 58, Chapter 31b,
- 2195 Nurse Practice Act;
- 2196 (D) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
- 2197 Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
- 2198 (E) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
- 2199 Assistant Act;
- 2200 (g) provides access to and interaction with the state central patient portal;
- 2201 (h) communicates dispensing information from a record that a medical cannabis
- 2202 pharmacy submits to the state electronic verification system under Subsection
- 2203 4-41a-1102(3)(a)(ii) to the controlled substance database;
- 2204 (i) provides access to state or local law enforcement only to verify the validity of an

- 2205 individual's medical cannabis card for the administration of criminal justice and
2206 through a database used by law enforcement; and
- 2207 (j) creates a record each time a person accesses the system that identifies the person who
2208 accesses the system and the individual whose records the person accesses.
- 2209 (3)(a) An employee of a qualified medical provider may access the electronic
2210 verification system for a purpose described in Subsection (2)(c) on behalf of the
2211 qualified medical provider if:
- 2212 (i) the qualified medical provider has designated the employee as an individual
2213 authorized to access the electronic verification system on behalf of the qualified
2214 medical provider;
- 2215 (ii) the qualified medical provider provides written notice to the department of the
2216 employee's identity and the designation described in Subsection (3)(a)(i); and
- 2217 (iii) the department grants to the employee access to the electronic verification
2218 system.
- 2219 (b) An employee of a business that employs a qualified medical provider may access the
2220 electronic verification system for a purpose described in Subsection (2)(c) on behalf
2221 of the qualified medical provider if:
- 2222 (i) the qualified medical provider has designated the employee as an individual
2223 authorized to access the electronic verification system on behalf of the qualified
2224 medical provider;
- 2225 (ii) the qualified medical provider and the employing business jointly provide written
2226 notice to the department of the employee's identity and the designation described
2227 in Subsection (3)(b)(i); and
- 2228 (iii) the department grants to the employee access to the electronic verification
2229 system.
- 2230 (c) Every two years, an employee described in Subsections (3)(a) and (3)(b) shall
2231 complete at least one hour of education regarding health information privacy laws
2232 that is offered by the department or an accredited or approved education provider that
2233 the department recognizes before the department may grant the employee access to
2234 the electronic verification system.
- 2235 (4)(a) As used in this Subsection (4), "prescribing provider" means:
- 2236 (i) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
- 2237 (ii) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse
2238 Practice Act;

- 2239 (iii) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
2240 Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
2241 (iv) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
2242 Assistant Act.
- 2243 (b) A prescribing provider may access information in the electronic verification system
2244 regarding a patient the prescribing provider treats.
- 2245 (5) The department may release limited data that the system collects for the purpose of:
2246 (a) conducting medical and other department approved research;
2247 (b) providing the report required by Section 26B-4-222; and
2248 (c) other official department purposes.
- 2249 (6) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
2250 Administrative Rulemaking Act, to establish:
2251 (a) the limitations on access to the data in the state electronic verification system as
2252 described in this section; and
2253 (b) standards and procedures to ensure accurate identification of an individual requesting
2254 information or receiving information in this section.
- 2255 (7) Any person who negligently or recklessly releases any information in the state
2256 electronic verification system in violation of this section is guilty of a class C
2257 misdemeanor.
- 2258 (8) Any person who obtains or attempts to obtain information from the state electronic
2259 verification system by misrepresentation or fraud is guilty of a third degree felony.
- 2260 (9)(a) Except as provided in Subsections (9)(c) and (9)(e), a person may not knowingly
2261 and intentionally use, release, publish, or otherwise make available to any other
2262 person information obtained from the state electronic verification system for any
2263 purpose other than a purpose specified in this section.
- 2264 (b) Each separate violation of this Subsection (9) is:
2265 (i) a third degree felony; and
2266 (ii) subject to a civil penalty not to exceed \$5,000.
- 2267 (c) A law enforcement officer who uses the database used by law enforcement to access
2268 information in the electronic verification system for a reason that is not the
2269 administration of criminal justice is guilty of a class B misdemeanor.
- 2270 (d) The department shall determine a civil violation of this Subsection (9) in accordance
2271 with Title 63G, Chapter 4, Administrative Procedures Act.
- 2272 (e) Civil penalties assessed under this Subsection (9) shall be deposited into the General

- 2273 Fund.
- 2274 (f) This Subsection (9) does not prohibit a person who obtains information from the state
- 2275 electronic verification system under Subsection (2)(a), (c), or (f) from:
- 2276 (i) including the information in the person's medical chart or file for access by a
- 2277 person authorized to review the medical chart or file;
- 2278 (ii) providing the information to a person in accordance with the requirements of the
- 2279 Health Insurance Portability and Accountability Act of 1996; or
- 2280 (iii) discussing or sharing that information about the patient with the patient.
- 2281 Section 20. Section **26B-4-204** is amended to read:
- 2282 **26B-4-204 . Qualified medical provider registration -- Continuing education --**
- 2283 **Treatment recommendation -- Limited medical provider.**
- 2284 (1)(a)(i) Except as provided in Subsection (1)(b), an individual may not recommend a
- 2285 medical cannabis treatment unless the department registers the individual as a
- 2286 qualified medical provider in accordance with this section.
- 2287 (ii) Notwithstanding Subsection (1)(a)(i), a qualified medical provider who is
- 2288 podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act,
- 2289 may not recommend a medical cannabis treatment except within the course and
- 2290 scope of a practice of podiatry, as that term is defined in Section 58-5a-102.
- 2291 (b) An individual who meets the recommending qualifications may recommend a
- 2292 medical cannabis treatment as a limited medical provider without registering under
- 2293 Subsection (1)(a) if:
- 2294 (i) the individual recommends the use of medical cannabis to the patient through an
- 2295 order described in Subsection (1)(c) after:
- 2296 (A) a face-to-face visit for an initial recommendation or the renewal of a
- 2297 recommendation for a patient for whom the limited medical provider did not
- 2298 make the patient's original recommendation; or
- 2299 (B) a visit using telehealth services for a renewal of a recommendation for a
- 2300 patient for whom the limited medical provider made the patient's original
- 2301 recommendation; and
- 2302 (ii) the individual's recommendation or renewal would not cause the total number of
- 2303 the individual's patients who have a valid medical cannabis patient card or
- 2304 provisional patient card resulting from the individual's recommendation to exceed
- 2305 15.
- 2306 (c) The individual described in Subsection (1)(b) shall communicate the individual's

recommendation through an order for the medical cannabis pharmacy to record the individual's recommendation or renewal in the state electronic verification system under the individual's recommendation that:

(i)(A) the individual or the individual's employee sends electronically to a medical cannabis pharmacy; or

(B) the individual gives to the patient in writing for the patient to deliver to a medical cannabis pharmacy; and

(ii) may include:

(A) directions of use or dosing guidelines; and

(B) an indication of a need for a caregiver in accordance with Subsection [

~~26B-4-213(3)(c)~~] 26B-4-213(3)(b).

(d) If the limited medical provider gives the patient a written recommendation to deliver to a medical cannabis pharmacy under Subsection (1)(c)(i)(B), the limited medical provider shall ensure that the document includes all of the information that is included on a prescription the provider would issue for a controlled substance, including:

(i) the date of issuance;

(ii) the provider's name, address and contact information, controlled substance license information, and signature; and

(iii) the patient's name, address and contact information, age, and diagnosed qualifying condition.

(e) In considering making a recommendation as a limited medical provider, an individual may consult information that the department makes available on the department's website for recommending providers.

(2)(a) The department shall, within 15 days after the day on which the department receives an application from an individual, register and issue a qualified medical provider registration card to the individual if the individual:

(i) provides to the department the individual's name and address;

(ii) provides to the department an acknowledgment that the individual has completed four hours of continuing education related to medical cannabis;

(iii) provides to the department evidence that the individual meets the recommending qualifications;

(iv) for an applicant on or after November 1, 2021, provides to the department the information described in Subsection (10)(a); and

- 2341 (v) pays the department a fee in an amount that:
- 2342 (A) the department sets, in accordance with Section 63J-1-504; and
- 2343 (B) does not exceed \$300 for an initial registration.
- 2344 (b) The department may not register an individual as a qualified medical provider if the
- 2345 individual is:
- 2346 (i) a pharmacy medical provider; or
- 2347 (ii) an owner, officer, director, board member, employee, or agent of a cannabis
- 2348 production establishment, a medical cannabis pharmacy, or a medical cannabis
- 2349 courier.
- 2350 (3)(a) An individual shall complete the continuing education related to medical cannabis
- 2351 in the following amounts:
- 2352 (i) for an individual as a condition precedent to registration, four hours; and
- 2353 (ii) for a qualified medical provider as a condition precedent to renewal, four hours
- 2354 every two years.
- 2355 (b) The department may, in consultation with the Division of Professional Licensing,
- 2356 develop continuing education related to medical cannabis.
- 2357 (c) The continuing education described in this Subsection (3) may discuss:
- 2358 (i) the provisions of this part;
- 2359 (ii) general information about medical cannabis under federal and state law;
- 2360 (iii) the latest scientific research on the endocannabinoid system and medical
- 2361 cannabis, including risks and benefits;
- 2362 (iv) recommendations for medical cannabis as it relates to the continuing care of a
- 2363 patient in pain management, risk management, potential addiction, or palliative
- 2364 care; and
- 2365 (v) best practices for recommending the form and dosage of medical cannabis based
- 2366 on the qualifying condition underlying a medical cannabis recommendation.
- 2367 (4)(a) Except as provided in Subsection (4)(b), a qualified medical provider may not
- 2368 recommend a medical cannabis treatment to more than 1.5% of the total amount of
- 2369 medical cannabis patient cardholders.
- 2370 (b) If a qualified medical provider receives payment from an insurance plan for services
- 2371 provided under this chapter, then the patient whose insurance plan was billed does
- 2372 not count toward the 1.5% patient cap described in Subsection (4)(a).
- 2373 (5) A recommending medical provider may recommend medical cannabis to an individual
- 2374 under this part only in the course of a provider-patient relationship after the

2375 recommending medical provider has completed and documented in the patient's medical
2376 record a thorough assessment of the patient's condition and medical history based on the
2377 appropriate standard of care for the patient's condition.

2378 (6)(a) Except as provided in Subsections (6)(b) and (c), a person may not advertise that
2379 the person or the person's employee recommends a medical cannabis treatment.

2380 (b) Notwithstanding Subsection (6)(a) and Section 4-41a-109, a qualified medical
2381 provider, medical clinic, or medical office that employs a qualified medical provider
2382 may advertise only the following:

2383 (i) a green cross;

2384 (ii) the provider's or clinic's name and logo;

2385 (iii) a qualifying condition that the individual treats;

2386 (iv) that the qualified medical provider, medical clinic, or medical office evaluates
2387 patients for medical cannabis recommendations;

2388 (v) a scientific study regarding medical cannabis use; or

2389 (vi) contact information.

2390 (c) Notwithstanding Subsection (6)(a) and Section 4-41a-109, qualified medical
2391 provider, medical clinic, or medical office that employs a qualified medical provider
2392 may engage in targeted marketing, as determined by the department through rule, for
2393 advertising medical cannabis recommendation services.

2394 (7)(a) A qualified medical provider registration card expires two years after the day on
2395 which the department issues the card.

2396 (b) The department shall renew a qualified medical provider's registration card if the
2397 provider:

2398 (i) applies for renewal;

2399 (ii) is eligible for a qualified medical provider registration card under this section,
2400 including maintaining an unrestricted license under the recommending
2401 qualifications;

2402 (iii) certifies to the department in a renewal application that the information in
2403 Subsection (2)(a) is accurate or updates the information;

2404 (iv) submits a report detailing the completion of the continuing education
2405 requirement described in Subsection (3); and

2406 (v) pays the department a fee in an amount that:

2407 (A) the department sets, in accordance with Section 63J-1-504; and

2408 (B) does not exceed \$50 for a registration renewal.

- 2409 (8) The department may revoke the registration of a qualified medical provider who fails to
2410 maintain compliance with the requirements of this section.
- 2411 (9) A recommending medical provider may not:
- 2412 (a) receive any compensation or benefit for the qualified medical provider's medical
2413 cannabis treatment recommendation from:
- 2414 (i) a cannabis production establishment or an owner, officer, director, board member,
2415 employee, or agent of a cannabis production establishment;
- 2416 (ii) a medical cannabis pharmacy or an owner, officer, director, board member,
2417 employee, or agent of a medical cannabis pharmacy; or
- 2418 (iii) a recommending medical provider or pharmacy medical provider; or
- 2419 (b) provide a medical cannabis recommendation at a medical clinic or medical office
2420 that is violating the advertising limitations described in Subsection (6).
- 2421 (10)(a) Each quarter, a qualified medical provider shall report to the department, in a
2422 manner designated by the department:
- 2423 (i) if applicable, that the qualified medical provider or the entity that employs the
2424 qualified medical provider represents online or on printed material that the
2425 qualified medical provider is a qualified medical provider or offers medical
2426 cannabis recommendations to patients; and
- 2427 (ii)(A) for cash payment without insurance, the fee amount that the qualified
2428 medical provider or the entity that employs the qualified medical provider
2429 charges a patient for a medical cannabis recommendation as an actual cash
2430 rate; and
- 2431 (B) whether the qualified medical provider or the entity that employs the qualified
2432 medical provider bills insurance.
- 2433 (b) The department shall:
- 2434 (i) ensure that the following information related to qualified medical providers and
2435 entities described in Subsection (10)(a)(i) is available on the department's website
2436 or on the health care price transparency tool under Subsection (10)(b)(ii):
- 2437 (A) the name of the qualified medical provider and, if applicable, the name of the
2438 entity that employs the qualified medical provider;
- 2439 (B) the address of the qualified medical provider's office or, if applicable, the
2440 entity that employs the qualified medical provider; and
- 2441 (C) the fee amount described in Subsection (10)(a)(ii)(A); and
- 2442 (ii) share data collected under this Subsection (10) with the state auditor for use in the

2443 health care price transparency tool described in Section 67-3-11.

2444 Section 21. Section **26B-4-213** is amended to read:

2445 **26B-4-213 . Medical cannabis patient card -- Medical cannabis guardian card --**
2446 **Conditional medical cannabis card -- Application -- Fees -- Studies.**

2447 (1)(a) Subject to Section 26B-4-246, within 15 days after the day on which an individual
2448 who satisfies the eligibility criteria in this section or Section 26B-4-214 submits an
2449 application in accordance with this section or Section 26B-4-214, the department
2450 shall:

2451 (i) issue a medical cannabis patient card to an individual described in Subsection

2452 (2)(a);

2453 (ii) issue a medical cannabis guardian card to an individual described in Subsection

2454 (2)(b);

2455 (iii) issue a provisional patient card to a minor described in Subsection (2)(c); and

2456 (iv) issue a medical cannabis caregiver card to an individual described in Subsection

2457 26B-4-214(4).

2458 (b)(i) Upon the entry of a recommending medical provider's medical cannabis

2459 recommendation for a patient in the state electronic verification system, either by

2460 the provider or the provider's employee or by a medical cannabis pharmacy

2461 medical provider or medical cannabis pharmacy in accordance with Subsection

2462 4-41a-1101(10)(a), the department shall issue to the patient an electronic

2463 conditional medical cannabis card, in accordance with this Subsection (1)(b).

2464 (ii) A conditional medical cannabis card is valid for the lesser of:

2465 (A) 60 days; or

2466 (B) the day on which the department completes the department's review and issues

2467 a medical cannabis card under Subsection (1)(a), denies the patient's medical

2468 cannabis card application, or revokes the conditional medical cannabis card

2469 under Subsection (8).

2470 (iii) The department may issue a conditional medical cannabis card to an individual

2471 applying for a medical cannabis patient card for which approval of the

2472 Compassionate Use Board is not required.

2473 (iv) An individual described in Subsection (1)(b)(iii) has the rights, restrictions, and

2474 obligations under law applicable to a holder of the medical cannabis card for

2475 which the individual applies and for which the department issues the conditional

2476 medical cannabis card.

- 2477 (2)(a) An individual is eligible for a medical cannabis patient card if:
- 2478 (i)(A) the individual is at least 21 years old; or
- 2479 (B) the individual is 18, 19, or 20 years old, the individual petitions the
- 2480 Compassionate Use Board under Section 26B-1-421, and the Compassionate
- 2481 Use Board recommends department approval of the petition;
- 2482 (ii) the individual is a Utah resident;
- 2483 (iii) the individual's recommending medical provider recommends treatment with
- 2484 medical cannabis in accordance with Subsection (4);
- 2485 (iv) the individual signs an acknowledgment stating that the individual received the
- 2486 information described in Subsection (9); and
- 2487 (v) the individual pays to the department a fee in an amount that, subject to
- 2488 Subsection 26B-1-310(5), the department sets in accordance with Section
- 2489 63J-1-504.
- 2490 (b)(i) An individual is eligible for a medical cannabis guardian card if the individual:
- 2491 (A) is at least 18 years old;
- 2492 (B) is a Utah resident;
- 2493 (C) is the parent or legal guardian of a minor for whom the minor's recommending
- 2494 medical provider recommends a medical cannabis treatment, the individual
- 2495 petitions the Compassionate Use Board under Section 26B-1-421, and the
- 2496 Compassionate Use Board recommends department approval of the petition;
- 2497 (D) the individual signs an acknowledgment stating that the individual received
- 2498 the information described in Subsection (9); and
- 2499 (E) pays to the department a fee in an amount that, subject to Subsection
- 2500 26B-1-310(5), the department sets in accordance with Section 63J-1-504, plus
- 2501 the cost of the criminal background check described in Section 26B-4-215.
- 2502 (ii) The department shall notify the Department of Public Safety of each individual
- 2503 that the department registers for a medical cannabis guardian card.
- 2504 (c)(i) A minor is eligible for a provisional patient card if:
- 2505 (A) the minor has a qualifying condition;
- 2506 (B) the minor's recommending medical provider recommends a medical cannabis
- 2507 treatment to address the minor's qualifying condition;
- 2508 (C) one of the minor's parents or legal guardians petitions the Compassionate Use
- 2509 Board under Section 26B-1-421, and the Compassionate Use Board
- 2510 recommends department approval of the petition; and

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

- 2545 Subsection [~~(3)(e)(i)~~] (3)(b)(i):
- 2546 (A) the department shall add a label to the relevant medical cannabis patient card
- 2547 indicating the cardholder's need for assistance;
- 2548 (B) any adult who is 18 years old or older and who is physically present with the
- 2549 cardholder at the time the cardholder needs to use the recommended medical
- 2550 cannabis treatment may handle the medical cannabis treatment and any
- 2551 associated medical cannabis device as needed to assist the cardholder in
- 2552 administering the recommended medical cannabis treatment; and
- 2553 (C) an individual of any age who is physically present with the cardholder in the
- 2554 event of an emergency medical condition, as that term is defined in Section
- 2555 31A-1-301, may handle the medical cannabis treatment and any associated
- 2556 medical cannabis device as needed to assist the cardholder in administering the
- 2557 recommended medical cannabis treatment.
- 2558 (iii) A non-cardholding individual acting under Subsection [~~(3)(e)(ii)(B)~~] (3)(b)(ii)(B)
- 2559 or (C) may not:
- 2560 (A) ingest or inhale medical cannabis;
- 2561 (B) possess, transport, or handle medical cannabis or a medical cannabis device
- 2562 outside of the immediate area where the cardholder is present or with an intent
- 2563 other than to provide assistance to the cardholder; or
- 2564 (C) possess, transport, or handle medical cannabis or a medical cannabis device
- 2565 when the cardholder is not in the process of being dosed with medical cannabis.
- 2566 (4) To recommend a medical cannabis treatment to a patient or to renew a recommendation,
- 2567 a recommending medical provider shall:
- 2568 (a) visit with the patient face-to-face for an initial recommendation unless the patient:
- 2569 (i) prefers a virtual visit; and
- 2570 (ii)(A) is on hospice or has a terminal illness according to the patient's medical
- 2571 provider; or
- 2572 (B) is a resident of an assisted living facility, as defined in Section 26B-2-201, or
- 2573 a nursing care facility, as defined in Section 26B-2-201;
- 2574 (b) before recommending or renewing a recommendation for medical cannabis in a
- 2575 medicinal dosage form or a cannabis product in a medicinal dosage form:
- 2576 (i) verify the patient's and, for a minor patient, the minor patient's parent or legal
- 2577 guardian's government issued photo identification described in Subsection (3)(a);
- 2578 (ii) review any record related to the patient and, for a minor patient, the patient's

- 2579 parent or legal guardian in:
- 2580 (A) for a qualified medical provider, the state electronic verification system; and
- 2581 (B) the controlled substance database created in Section 58-37f-201; and
- 2582 (iii) consider the recommendation in light of the patient's qualifying condition,
- 2583 history of substance use or opioid use disorder, and history of medical cannabis
- 2584 and controlled substance use during a visit with the patient; and
- 2585 (c) state in the recommending medical provider's recommendation that the patient:
- 2586 (i) suffers from a qualifying condition, including the type of qualifying condition; and
- 2587 (ii) may benefit from treatment with cannabis in a medicinal dosage form or a
- 2588 cannabis product in a medicinal dosage form.
- 2589 (5)(a) Except as provided in Subsection (5)(b) or (c), a medical cannabis card that the
- 2590 department issues under this section is valid for the lesser of:
- 2591 (i) an amount of time that the recommending medical provider determines; or
- 2592 (ii) one year from the day the card is issued.
- 2593 (b)(i) A medical cannabis card that the department issues in relation to a terminal
- 2594 illness described in Section 26B-4-203 expires after one year.
- 2595 (ii) The recommending medical provider may revoke a recommendation that the
- 2596 provider made in relation to a terminal illness described in Section 26B-4-203 if
- 2597 the medical cannabis cardholder no longer has the terminal illness.
- 2598 (c) A medical cannabis card that the department issues in relation to acute pain as
- 2599 described in Section 26B-4-203 expires 30 days after the day on which the
- 2600 department first issues a conditional or full medical cannabis card.
- 2601 (6)(a) A medical cannabis patient card or a medical cannabis guardian card is renewable
- 2602 if:
- 2603 (i) at the time of renewal, the cardholder meets the requirements of Subsection (2)(a)
- 2604 or (b); or
- 2605 (ii) the cardholder received the medical cannabis card through the recommendation of
- 2606 the Compassionate Use Board under Section 26B-1-421.
- 2607 (b) The recommending medical provider who made the underlying recommendation for
- 2608 the card of a cardholder described in Subsection (6)(a) may renew the cardholder's
- 2609 card through phone or video conference with the cardholder, at the recommending
- 2610 medical provider's discretion.
- 2611 (c) Before having access to a renewed card, a cardholder under Subsection (2)(a) or (b)
- 2612 shall pay to the department a renewal fee in an amount that:

- 2613 (i) subject to Subsection 26B-1-310(5), the department sets in accordance with
2614 Section 63J-1-504; and
- 2615 (ii) may not exceed the cost of the relatively lower administrative burden of renewal
2616 in comparison to the original application process.
- 2617 (d) If a minor meets the requirements of Subsection (2)(c), the minor's provisional
2618 patient card renews automatically at the time the minor's parent or legal guardian
2619 renews the parent or legal guardian's associated medical cannabis guardian card.
- 2620 (7)(a) A cardholder under this section shall carry the cardholder's valid medical cannabis
2621 card with the patient's name.
- 2622 (b)(i) A medical cannabis patient cardholder or a provisional patient cardholder may
2623 purchase, in accordance with this part and the recommendation underlying the
2624 card, cannabis in a medicinal dosage form, a cannabis product in a medicinal
2625 dosage form, or a medical cannabis device.
- 2626 (ii) A cardholder under this section may possess or transport, in accordance with this
2627 part and the recommendation underlying the card, cannabis in a medicinal dosage
2628 form, a cannabis product in a medicinal dosage form, or a medical cannabis
2629 device.
- 2630 (iii) To address the qualifying condition underlying the medical cannabis treatment
2631 recommendation:
- 2632 (A) a medical cannabis patient cardholder or a provisional patient cardholder may
2633 use medical cannabis or a medical cannabis device; and
- 2634 (B) a medical cannabis guardian cardholder may assist the associated provisional
2635 patient cardholder with the use of medical cannabis or a medical cannabis
2636 device.
- 2637 (8)(a) The department may revoke a medical cannabis card that the department issues
2638 under this section if:
- 2639 (i) the recommending medical provider withdraws the medical provider's
2640 recommendation for medical cannabis; or
- 2641 (ii) the cardholder:
- 2642 (A) violates this part; or
- 2643 (B) is convicted under state or federal law of, after March 17, 2021, a drug
2644 distribution offense.
- 2645 (b) The department may not refuse to issue a medical cannabis card to a patient solely
2646 based on a prior revocation under Subsection (8)(a)(i).

- 2647 (9) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah
2648 Administrative Rulemaking Act, a process to provide information regarding the
2649 following to an individual receiving a medical cannabis card:
- 2650 (a) risks associated with medical cannabis treatment;
 - 2651 (b) the fact that a condition's listing as a qualifying condition does not suggest that
2652 medical cannabis treatment is an effective treatment or cure for that condition, as
2653 described in Subsection 26B-4-203(1); and
 - 2654 (c) other relevant warnings and safety information that the department determines.
- 2655 (10) The department may establish procedures by rule, in accordance with Title 63G,
2656 Chapter 3, Utah Administrative Rulemaking Act, to implement the application and
2657 issuance provisions of this section.
- 2658 (11)(a) The department shall establish by rule, in accordance with Title 63G, Chapter 3,
2659 Utah Administrative Rulemaking Act, a process to allow an individual from another
2660 state to register with the department in order to purchase medical cannabis or a
2661 medical cannabis device from a medical cannabis pharmacy while the individual is
2662 visiting the state.
- 2663 (b) The department may only provide the registration process described in Subsection
2664 (11)(a):
 - 2665 (i) to a nonresident patient; and
 - 2666 (ii) for no more than two visitation periods per calendar year of up to 21 calendar
2667 days per visitation period.
- 2668 (12)(a) A person may submit to the department a request to conduct a research study
2669 using medical cannabis cardholder data that the state electronic verification system
2670 contains.
- 2671 (b) The department shall review a request described in Subsection (12)(a) to determine
2672 whether an institutional review board, as that term is defined in Section 26B-4-201,
2673 could approve the research study.
 - 2674 (c) At the time an individual applies for a medical cannabis card, the department shall
2675 notify the individual:
 - 2676 (i) of how the individual's information will be used as a cardholder;
 - 2677 (ii) that by applying for a medical cannabis card, unless the individual withdraws
2678 consent under Subsection (12)(d), the individual consents to the use of the
2679 individual's information for external research; and
 - 2680 (iii) that the individual may withdraw consent for the use of the individual's

2681 information for external research at any time, including at the time of application.

2682 (d) An applicant may, through the medical cannabis card application, and a medical
2683 cannabis cardholder may, through the state central patient portal, withdraw the
2684 applicant's or cardholder's consent to participate in external research at any time.

2685 (e) The department may release, for the purposes of a study described in this Subsection
2686 (12), information about a cardholder under this section who consents to participate
2687 under Subsection (12)(c).

2688 (f) If an individual withdraws consent under Subsection (12)(d), the withdrawal of
2689 consent:

2690 (i) applies to external research that is initiated after the withdrawal of consent; and

2691 (ii) does not apply to research that was initiated before the withdrawal of consent.

2692 (g) The department may establish standards for a medical research study's validity, by
2693 rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
2694 Act.

2695 (13) The department shall record the issuance or revocation of a medical cannabis card
2696 under this section in the controlled substance database.

2697 Section 22. Section **26B-4-219** is amended to read:

2698 **26B-4-219 . Pharmacy medical providers -- Registration -- Continuing education.**

2699 (1)(a) A medical cannabis pharmacy:

2700 (i) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy
2701 Practice Act, as a pharmacy medical provider;

2702 (ii) may employ a physician who has the authority to write a prescription and is
2703 licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58,
2704 Chapter 68, Utah Osteopathic Medical Practice Act, as a pharmacy medical
2705 provider;

2706 (iii) shall ensure that a pharmacy medical provider described in Subsection (1)(a)(i)
2707 works onsite during all business hours; and

2708 (iv) shall designate one pharmacy medical provider described in Subsection (1)(a)(i)
2709 as the pharmacist-in-charge to oversee the operation of and generally supervise
2710 the medical cannabis pharmacy.

2711 (b) The pharmacist-in-charge shall determine which cannabis and cannabis products the
2712 medical cannabis pharmacy maintains in the medical cannabis pharmacy's inventory.

2713 (c) An individual may not serve as a pharmacy medical provider unless the department
2714 registers the individual as a pharmacy medical provider in accordance with

2715 Subsection (2).

2716 (2)(a) The department shall, within 15 days after the day on which the department
2717 receives an application from a medical cannabis pharmacy on behalf of a prospective
2718 pharmacy medical provider, register and issue a pharmacy medical provider
2719 registration card to the prospective pharmacy medical provider if the medical
2720 cannabis pharmacy:

2721 (i) provides to the department:

2722 (A) the prospective pharmacy medical provider's name and address;

2723 (B) the name and location of the licensed medical cannabis pharmacy where the
2724 prospective pharmacy medical provider seeks to act as a pharmacy medical
2725 provider;

2726 (C) ~~[a report detailing the completion of the continuing education requirement~~
2727 ~~described in Subsection (3);]~~ an acknowledgment that the individual has
2728 completed four hours of continuing education related to medical cannabis; and

2729 (D) evidence that the prospective pharmacy medical provider is a pharmacist who
2730 is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, or a physician
2731 who has the authority to write a prescription and is licensed under Title 58,
2732 Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah
2733 Osteopathic Medical Practice Act; and

2734 (ii) pays a fee to the department in an amount that, subject to Subsection 26B-1-310
2735 (5), the department sets in accordance with Section 63J-1-504.

2736 (b) The department may not register a recommending medical provider as a pharmacy
2737 medical provider.

2738 (3)(a) A pharmacy medical provider shall complete the continuing education described
2739 in this Subsection (3) in the following amounts:

2740 (i) as a condition precedent to registration, four hours; and

2741 (ii) as a condition precedent to renewal of the registration, four hours every two years.

2742 ~~[(b) In accordance with Subsection (3)(a), the pharmacy medical provider shall:]~~

2743 ~~[(i) complete continuing education:]~~

2744 ~~[(A) regarding the topics described in Subsection (3)(d); and]~~

2745 ~~[(B) offered by the department under Subsection (3)(e) or an accredited or~~

2746 ~~approved continuing education provider that the department recognizes as~~

2747 ~~offering continuing education appropriate for the medical cannabis pharmacy~~

2748 ~~practice; and]~~

~~[(ii) make a continuing education report to the department in accordance with a process that the department establishes by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and in collaboration with the Division of Professional Licensing and:]~~
~~[(A) for a pharmacy medical provider who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, the Board of Pharmacy; or]~~
~~[(B) for a pharmacy medical provider licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, the Medical Licensing Board.]~~

~~[(e)]~~ (b) The department may, in consultation with the Division of Professional Licensing, develop the continuing education described in this Subsection (3).

~~[(d)]~~ (c) The continuing education described in this Subsection (3) may discuss:

- (i) the provisions of this part;
- (ii) general information about medical cannabis under federal and state law;
- (iii) the latest scientific research on the endocannabinoid system and medical cannabis, including risks and benefits;
- (iv) recommendations for medical cannabis as it relates to the continuing care of a patient in pain management, risk management, potential addiction, and palliative care; or
- (v) best practices for recommending the form and dosage of medical cannabis based on the qualifying condition underlying a medical cannabis recommendation.

(4)(a) A pharmacy medical provider registration card expires two years after the day on which the department issues or renews the card.

(b) A pharmacy medical provider may renew the provider's registration card if the provider:

- (i) is eligible for a pharmacy medical provider registration card under this section;
- (ii) certifies to the department in a renewal application that the information in Subsection (2)(a) is accurate or updates the information;
- (iii) submits a report detailing the completion of the continuing education requirement described in Subsection (3); and
- (iv) pays to the department a renewal fee in an amount that:
 - (A) subject to Subsection 26B-1-310(5), the department sets in accordance with Section 63J-1-504; and
 - (B) may not exceed the cost of the relatively lower administrative burden of

- 2783 renewal in comparison to the original application process.
- 2784 (5)(a) Except as provided in Subsection (5)(b), a person may not advertise that the
2785 person or another person dispenses medical cannabis.
- 2786 (b) Notwithstanding Subsection (5)(a) and Section 4-41a-109, a registered pharmacy
2787 medical provider may advertise the following:
- 2788 (i) a green cross;
- 2789 (ii) that the person is registered as a pharmacy medical provider and dispenses
2790 medical cannabis; or
- 2791 (iii) a scientific study regarding medical cannabis use.
- 2792 (6)(a) The department may revoke a pharmacy medical provider's registration for a
2793 violation of this chapter.
- 2794 (b) The department may inspect patient records held by a medical cannabis pharmacy to
2795 ensure a pharmacy medical provider is practicing in accordance with this chapter and
2796 applicable rules.
- 2797 Section 23. Section **26B-4-222** is amended to read:
- 2798 **26B-4-222 . Report.**
- 2799 (1) By the November interim meeting each year, the department shall report to the Health
2800 and Human Services Interim Committee on:
- 2801 (a) the number of applications and renewal applications filed for medical cannabis cards;
- 2802 (b) the number of qualifying patients and designated caregivers;
- 2803 (c) the nature of the debilitating medical conditions of the qualifying patients;
- 2804 (d) the age and county of residence of cardholders;
- 2805 (e) the number of medical cannabis cards revoked;
- 2806 (f) the number of practitioners providing recommendations for qualifying patients; and
- 2807 ~~[(g) the number of license applications and renewal license applications received;]~~
- 2808 ~~[(h) the number of licenses the department has issued in each county;]~~
- 2809 ~~[(i) the number of licenses the department has revoked;]~~
- 2810 ~~[(j) the quantity of medical cannabis shipments that the state central patient portal~~
2811 ~~facilitates;]~~
- 2812 ~~[(k) the number of overall purchases of medical cannabis and medical cannabis products~~
2813 ~~from each medical cannabis pharmacy;]~~
- 2814 ~~[(l) (g) the expenses [incurred] and revenues [generated from the medical cannabis~~
2815 ~~program; and] of the Qualified Patient Enterprise Fund created in Section 26B-1-310.~~
- 2816 ~~[(m) an analysis of product availability in medical cannabis pharmacies in consultation~~

2817 ~~with the Department of Agriculture and Food.]~~

2818 (2) The report shall include information provided by the Center for Medical Cannabis
2819 Research described in Section 53B-17-1402.

2820 (3) The department may not include personally identifying information in the report
2821 described in this section.

2822 (4) The department shall report to the working group described in Section 36-12-8.2 as
2823 requested by the working group.

2824 Section 24. Section **26B-4-243** is amended to read:

2825 **26B-4-243 . Guidance for treatment with medical cannabis.**

2826 The department, in consultation with the Center for Medical Cannabis Research created
2827 in Section 53B-17-1402, shall:

2828 (1) develop evidence-based guidance for treatment with medical cannabis based on the
2829 latest medical research that shall include:

2830 (a) for each qualifying condition, a summary of the latest medical research regarding the
2831 treatment of the qualifying condition with medical cannabis;

2832 (b) risks, contraindications, side effects, and adverse reactions that are associated with
2833 medical cannabis use; and

2834 (c) potential drug interactions between medical cannabis and medications that have been
2835 approved by the United States Food and Drug Administration;~~[-and]~~

2836 (2) educate recommending medical providers, pharmacy medical providers, medical
2837 cannabis cardholders, and the public regarding:

2838 (a) the evidence-based guidance for treatment with medical cannabis described in
2839 Subsection (1)(a);

2840 (b) relevant warnings and safety information related to medical cannabis use; and

2841 (c) other topics related to medical cannabis use as determined by the department~~[-]~~ ; and

2842 (3) develop patient product information inserts for medical cannabis products:

2843 (a) in consultation with the cannabis processing facility that created the product; and

2844 (b) that do not contain proprietary information about the product.

2845 Section 25. Section **63I-2-204** is amended to read:

2846 **63I-2-204 . Repeal dates: Title 4.**

2847 (1) Section 4-11-117, Beekeeping working group -- Development of standards, is repealed
2848 May 1, 2025.

2849 (2) Subsection 4-41a-102(6), regarding the Cannabis Research Review Board, is repealed
2850 July 1, [2026] 2025.

- 2851 (3) Section 4-46-104, Transition, is repealed July 1, 2024.
- 2852 Section 26. Section **63I-2-226** is amended to read:
- 2853 **63I-2-226 . Repeal dates: Titles 26 through 26B.**
- 2854 (1) Section 26B-1-241, Tardive dyskinesia, is repealed July 1, 2024.
- 2855 (2) Section 26B-1-302, National Professional Men's Basketball Team Support of Women
2856 and Children Issues Restricted Account, is repealed July 1, 2024.
- 2857 (3) Section 26B-1-309, Medicaid Restricted Account, is repealed July 1, 2024.
- 2858 (4) Section 26B-1-313, Cancer Research Restricted Account, is repealed July 1, 2024.
- 2859 (5) Section 26B-1-420, Cannabis Research Review Board, is repealed July 1, [2026] 2025.
- 2860 (6) Subsection 26B-1-421(9)(a), regarding a report to the Cannabis Research Review
2861 Board, is repealed July 1, [2026] 2025.
- 2862 (7) Section 26B-1-423, Rural Physician Loan Repayment Program Advisory Committee --
2863 Membership -- Compensation -- Duties, is repealed July 1, 2026.
- 2864 (8) Section 26B-2-243, Data collection and reporting requirements concerning incidents of
2865 abuse, neglect, or exploitation, is repealed July 1, 2027.
- 2866 (9) Section 26B-3-142, Long-acting injectables, is repealed July 1, 2024.
- 2867 (10) Subsection 26B-3-215(5), regarding reporting on coverage for in vitro fertilization and
2868 genetic testing, is repealed July 1, 2030.
- 2869 (11) Subsection 26B-4-201(5), regarding the Cannabis Research Review Board, is repealed
2870 July 1, [2026] 2025.
- 2871 (12) Subsection 26B-4-212(1)(b), regarding the Cannabis Research Review Board, is
2872 repealed July 1, [2026] 2025.
- 2873 (13) Section 26B-4-702, Creation of Utah Health Care Workforce Financial Assistance
2874 Program, is repealed July 1, 2027.
- 2875 (14) Subsection 26B-4-703(3)(b), regarding per diem and expenses for the Rural Physician
2876 Loan Repayment Program Advisory Committee, is repealed July 1, 2026.
- 2877 (15) Subsection 26B-4-703(3)(c), regarding expenses for the Rural Physician Loan
2878 Repayment Program, is repealed July 1, 2026.
- 2879 (16) Subsection 26B-4-703(6)(b), regarding recommendations from the Rural Physician
2880 Loan Repayment Program Advisory Committee, is repealed July 1, 2026.
- 2881 (17) Section 26B-5-117, Early childhood mental health support grant program, is repealed
2882 January 2, 2025.
- 2883 (18) Section 26B-5-302.5, Study concerning civil commitment and the Utah State Hospital,
2884 is repealed July 1, 2025.

2885 (19) Section 26B-6-414, Respite care services, is repealed July 1, 2025.

2886 (20) Section 26B-7-120, Invisible condition alert program education and outreach, is
2887 repealed July 1, 2025.

2888 Section 27. Section **63I-2-236** is amended to read:

2889 **63I-2-236 . Repeal dates: Title 36.**

2890 (1) Section 36-12-8.2, Medical cannabis governance structure working group, is repealed
2891 July 1, [2025] 2026.

2892 (2) Section 36-29-107.5, Murdered and Missing Indigenous Relatives Task Force --
2893 Creation -- Membership -- Quorum -- Compensation -- Staff -- Vacancies -- Duties --
2894 Interim report, is repealed November 30, 2024.

2895 (3) Section 36-29-109, Utah Broadband Center Advisory Commission, is repealed
2896 November 30, 2027.

2897 (4) Section 36-29-110, Blockchain and Digital Innovation Task Force, is repealed
2898 November 30, 2024.

2899 Section 28. **Repealer.**

2900 This bill repeals:

2901 Section **4-41a-108, Payment provider for electronic medical cannabis transactions.**

2902 Section **4-41a-801.1, Enforcement for medical cannabis pharmacies and couriers -- Fine**
2903 **-- Citation.**

2904 Section 29. **Effective Date.**

2905 This bill takes effect on May 7, 2025.

2906 Section 30. **Coordinating S.B. 64 with H.B. 21.**

2907 If S.B. 64, Medical Cannabis Amendments, and H.B. 21, Criminal Code Recodification
2908 and Cross References, both pass and become law, the Legislature intends that, on May 7, 2025,
2909 Subsection 4-41a-102(4)(a) be amended to read:

2910 "Anticompetitive business practice" [means any practice that reduces the amount of
2911 competition in the medical cannabis market that would be considered an attempt to
2912 monopolize, as defined in Section 76-10-3103] means any practice that is an illegal
2913 anticompetitive business activity under Section 76-16-510.".