HB0389S03 compared with HB0389

~~{Omitted text}~~ shows text that was in HB0389 but was omitted in HB0389S03
inserted text shows text that was not in HB0389 but was inserted into HB0389S03

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

{~~Medical~~ } Cannabis Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jennifer Dailey-Provost

Senate Sponsor:Evan J. Vickers

LONG TITLE

General Description:

This bill amends provisions related to {~~medical~~ } cannabis.

Highlighted Provisions:

This bill:

- **amends provisions related to hazardous waste and cannabinoid (hemp) disposal;**
- **requires industrial hemp retailers to check an individual's identification to ensure a purchaser is at least 21 years old;**
- **repeals video surveillance requirements for industrial hemp retailers;**
- **amends provisions related to unlawful acts concerning hemp products;**
- exempts medical cannabis processors from obtaining an additional license to process {~~cannabinoid (hemp)~~ } hemp products;
- creates a fee on medical cannabis purchases for use in enforcement of various laws;
- renames the Cannabis Production Establishment and Pharmacy Licensing Advisory Board to the Specialized Product Authority Licensing Board (licensing board);
- reconstitutes the licensing board's membership;

- amends provisions related to labeling and packaging;
- modifies the licensing board's duties;
- moves control of the Qualified Patient Enterprise Fund to the Department of Agriculture and Food(UDAF);
- **moves all Department of Health and Human Services duties related to the medical cannabis program to UDAF;**
- allows medical cannabis processors to make cannabis products with a THC content below .3% (low THC products); and
- allows medical cannabis pharmacies to sell low THC products{~~; and~~} .
- {~~**allows any patient to obtain a medical cannabis patient card from a recommending medical provider through a virtual visit.**~~}

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

4-41-102 , as last amended by Laws of Utah 2025, Chapter 114

4-41-103.2 , as last amended by Laws of Utah 2025, Chapter 114

4-41-103.3 , as last amended by Laws of Utah 2025, Chapter 114

4-41-103.4 , as last amended by Laws of Utah 2024, Chapter 35

4-41-105 , as last amended by Laws of Utah 2025, Chapter 114

4-41a-102 , as last amended by Laws of Utah 2025, First Special Session, Chapter 9

4-41a-104 , as last amended by Coordination Clause, Laws of Utah 2023, Chapter 307 and enacted by Laws of Utah 2018, Third Special Session, Chapter 1

4-41a-201 , as last amended by Laws of Utah 2025, Chapter 414

4-41a-201.1 , as last amended by Laws of Utah 2025, Chapter 414

4-41a-204 , as last amended by Laws of Utah 2025, First Special Session, Chapter 16

4-41a-602 , as last amended by Laws of Utah 2025, Chapter 392

4-41a-801 , as last amended by Laws of Utah 2025, Chapters 114, 414

4-41a-1102 , as last amended by Laws of Utah 2025, Chapter 414

26B-4-201 , as last amended by Laws of Utah 2025, Chapter 392

26B-4-202 , as last amended by Laws of Utah 2025, Chapter 392

26B-4-203 , as last amended by Laws of Utah 2025, Chapter 392

26B-4-213 , as last amended by Laws of Utah 2025, Chapter 392

26B-4-214 , as last amended by Laws of Utah 2025, Chapter 392

26B-4-219 , as last amended by Laws of Utah 2025, Chapter 414

26B-4-222 , as last amended by Laws of Utah 2025, First Special Session, Chapter 9

26B-4-245 , as last amended by Laws of Utah 2025, Chapter 392

52-4-205 , as last amended by Laws of Utah 2025, Chapter 391

ENACTS:

26B-4-201.1 , Utah Code Annotated 1953

RENUMBERS AND AMENDS:

4-41a-104.1 , (Renumbered from 26B-1-310, as last amended by Laws of Utah 2025, First Special Session, Chapter 9)

4-41a-111 , (Renumbered from 26B-1-435, as last amended by Laws of Utah 2025, First Special Session, Chapter 9)

4-41a-112 , (Renumbered from 26B-1-421, as last amended by Laws of Utah 2025, Chapter 494)

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

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

4-41-102. Definitions.

As used in this chapter:

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

(a) pesticides;

(b) heavy metals;

(c) solvents;

(d) microbial life;

(e) artificially derived cannabinoids;

(f) toxins; or

(g) foreign matter.

(2)

(a) "Artificially derived cannabinoid" means a chemical substance that is created by a chemical reaction that changes the molecular structure of any chemical substances 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) cannabinoids that are produced by decarboxylation from a naturally occurring cannabinoid acid without the use of a chemical catalyst.

(3) "Cannabidiol" or "CBD" means the cannabinoid identified as CAS# 13956-29-1.

(4) "Cannabidiolic acid" or "CBDA" means the cannabinoid identified as CAS# 1244-58-2.

(5) "Cannabinoid processor license" means a license that the department issues to a person for the purpose of processing a cannabinoid product.

(6) "Cannabinoid product" means a product that:

(a) contains or is represented to contain one or more naturally occurring cannabinoids;

(b) contains less than the cannabinoid product THC level, by dry weight;

(c) contains a combined amount of total THC and any THC analog that does not exceed 10% of the total cannabinoid content;

(d) does not exceed a total of THC and any THC analog that is greater than:

(i) 5 milligrams per serving; and

(ii) 150 milligrams per package; and

(e) unless the product is in an oil based suspension, has a serving size that:

(i) is an integer; and

(ii) is a discrete unit of the cannabinoid product.

(7) "Cannabinoid product class" means a group of cannabinoid products that:

(a) have all ingredients in common; and

(b) are produced by or for the same company.

(8) "Cannabinoid product THC level" means a combined concentration of total THC and any THC analog of less than 0.3% on a dry weight basis if laboratory testing confirms a result within a measurement of uncertainty that includes the combined concentration of 0.3%[.] .

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

(10) "Delta-9-tetrahydrocannabinol" or "delta-9-THC" means the cannabinoid identified as CAS# 1972-08-3, the primary psychotropic cannabinoid in cannabis.

(11) "Hazardous waste laws" means:

(a) federal and state laws, rules, and regulations related to hazardous waste;

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

(c) Title 19, Chapter 6, Part 5, Solid Waste Management Act.

[~~(11)~~] (12) "Industrial hemp" means any part of a cannabis plant, whether growing or not, with a concentration of less than 0.3% tetrahydrocannabinol by dry weight.

[~~(12)~~] (13) "Industrial hemp producer registration" means a registration that the department issues to a person for the purpose of processing industrial hemp or an industrial hemp product.

[~~(13)~~] (14)

(a) "Industrial hemp product" means a product made by processing industrial hemp plants or industrial hemp parts.

(b) "Industrial hemp product" does not include cannabinoid material or a cannabinoid product.

[~~(14)~~] (15) "Industrial hemp retailer permit" means a permit that the department issues to a retailer who sells any viable industrial hemp seed or cannabinoid product.

[~~(15)~~] (16) "Key participant" means any of the following:

(a) a licensee;

(b) an operation manager;

(c) a site manager; or

(d) an employee who has access to any industrial hemp material with a THC concentration above 0.3%.

[~~(16)~~] (17) "Licensee" means a person possessing a cannabinoid processor license that the department issues under this chapter.

[~~(17)~~] (18) "Newly identified cannabinoid" means a cannabinoid that:

(a) is not expressly identified by chemical name or CAS number in this chapter; and

(b) is identified by the department under Section 4-41-405.

[~~(18)~~] (19) "Non-compliant material" means:

(a) a hemp plant that does not comply with this chapter, including a cannabis plant with a concentration of 0.3% tetrahydrocannabinol or greater by dry weight;

(b) a cannabinoid product, chemical, or compound with a concentration that exceeds the cannabinoid product THC level; and

(c) a cannabinoid product containing any of the following:

(i) delta-9-tetrahydrocannabiphorol (THCP), the cannabinoid identified as CAS# 54763-99-4;

(ii) delta-8-tetrahydrocannabiphorol (THCP), the cannabinoid identified as CAS# 51768-60-6;

(iii) delta-9-tetrahyrdocannabinol (THC) acetate, the cannabinoid identified as CAS# 23132-17-4;

(iv) delta-8-tetrahydrocannabinol (THC) acetate, the cannabinoid identified as CAS# 23050-54-6;

(v) 9(s)-hexahydrocannabinol (HHC), the cannabinoid identified as CAS# 36403-91-5; or

(vi) 9(r)-hexahyrdocannabinol (HHC), the cannabinoid identified as CAS# 36403-90-4.

[~~(19)~~] (20) "Permittee" means a person possessing a permit that the department issues under this chapter.

[~~(20)~~] (21) "Person" means:

(a) an individual, partnership, association, firm, trust, limited liability company, or corporation; and

(b) an agent or employee of an individual, partnership, association, firm, trust, limited liability company, or corporation.

[~~(21)~~] (22) "Retailer permittee" means a person possessing an industrial hemp retailer permit that the department issues under this chapter.

[~~(22)~~] (23) "Tetrahydrocannabinol" or "THC" means a delta-9-tetrahydrocannabinol, the cannabinoid identified as CAS# 1972-08-3.

[~~(23)~~] (24)

(a) "THC analog" means a substance that is structurally or pharmacologically substantially similar to, or is represented as being similar to, delta-9-THC.

(b) "THC analog" does not include the following substances or the naturally occurring acid forms of the following substances:

(i) cannabichromene (CBC), the cannabinoid identified as CAS# 20675-51-8;

(ii) cannabicyclol (CBL), the cannabinoid identified as CAS# 21366-63-2;

(iii) cannabidiol (CBD), the cannabinoid identified as CAS# 13956-29-1;

(iv) cannabidivarol (CBDV), the cannabinoid identified as CAS# 24274-48-4;

(v) cannabielsoin (CBE), the cannabinoid identified as CAS# 52025-76-0;

(vi) cannabigerol (CBG), the cannabinoid identified as CAS# 25654-31-3;

(vii) cannabigerovarin (CBGV), the cannabinoid identified as CAS# 55824-11-8;

(viii) cannabinol (CBN), the cannabinoid identified as CAS# 521-35-7;

(ix) cannabivarin (CBV), the cannabinoid identified as CAS# 33745-21-0; or

(x) delta-9-tetrahydrocannabivarin (THCV), the cannabinoid identified as CAS# 31262-37-0.

[~~(24)~~] (25) "Total cannabidiol" or "total CBD" means the combined amounts of cannabidiol and cannabidiolic acid, calculated as "total CBD = CBD + (CBDA x 0.877)".

[~~(25)~~] (26) "Total tetrahydrocannabinol" or "total THC" means the sum of the determined amounts of delta-9-THC, tertrahydrocannabinolic acid, calculated as "total THC = delta-9-THC + (THCA x 0.877)".

[~~(26)~~] (27) "Transportable industrial hemp concentrate" means any amount of a natural cannabinoid in a purified state that:

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

(b) is derived from a cannabis plant that, based on sampling that was collected no more than 30 days before the day on which the cannabis plant was harvested, contains a combined concentration of total THC and any THC analog of less than 0.3% on a dry weight basis;

(c) has a THC and THC analog concentration total that is less than 20% when concentrated from the cannabis plant to the purified state; and

(d) is intended to be processed into a cannabinoid product.

Section 2. Section **4-41-103.2** is amended to read:

4-41-103.2. Cannabinoid processor license.

(1) The department or a licensee of the department may process a cannabinoid product.

(2) A person seeking a cannabinoid processor license shall provide to the department:

(a) the legal description and global positioning coordinates sufficient for locating the facility the person uses to process industrial hemp; and

(b) written consent allowing a representative of the department and local law enforcement to enter all premises where the person processes or stores industrial hemp for the purpose of:

(i) conducting a physical inspection; or

(ii) ensuring compliance with the requirements of this chapter.

(3) The department may set a fee in accordance with Subsection 4-2-103(2) for the application for a cannabinoid processor license.

(4) A licensee:

(a) may only market a cannabinoid product that the licensee processes[.] ; and

(b) shall dispose of waste and unused material from the production of a cannabinoid product in accordance with hazardous waste laws.

(5)

(a) An applicant for a cannabinoid processor license shall:

(i) be at least 18 years old; and

(ii) submit a nationwide criminal history from the Federal Bureau of Investigation to the department.

(b) The department shall reject an individual's application for a cannabinoid processor license if the criminal history described in Subsection (5)(a)(ii) was not completed in the previous 90 days before the day the applicant submits the license application to the department.

(6) An applicant is not eligible to receive a cannabinoid processor license if the applicant has:

(a) been convicted of a felony; or

(b) been convicted of a drug-related misdemeanor within the previous 10 years.

(7) A person licensed under Section 4-41a-201 as a cannabis processing facility as defined in Section 4-41a-102 may produce a cannabinoid product that complies with the requirements of this chapter without obtaining a license under this section{.}

Section 3. Section **4-41-103.3** is amended to read:

4-41-103.3. Industrial hemp retailer permit.

(1) Except as provided in Subsection (5), a retailer permittee of the department may market or sell a cannabinoid product or a viable industrial hemp seed.

(2) A person seeking an industrial hemp retailer permit shall provide to the department:

(a) the name of the person that is seeking to market or sell a cannabinoid product or a viable industrial hemp seed;

(b) the address of each location where a cannabinoid product or a viable industrial hemp seed will be sold; and

(c) written consent allowing a representative of the department to enter all premises where the person is selling a cannabinoid product or a viable industrial hemp seed for the purpose of:

(i) conducting a physical inspection; or

(ii) ensuring compliance with the requirements of this chapter.

[~~(3) Beginning January 1, 2026, an industrial hemp retailer permittee shall:~~]

[~~(a) maintain a video surveillance system that:~~]

[~~(i) is able to monitor who purchases a cannabinoid product from the permittee;~~]

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

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

[~~(b) provide the department access to the video surveillance system upon request.~~]

(3) An industrial hemp retailer permittee shall:

(a) check the identification of any individual purchasing a cannabinoid product to ensure the individual is at least 21 years old; and

(b) dispose of waste and unused material related to a cannabinoid product in accordance with hazardous waste laws.

(4) The department may set a fee in accordance with Subsection 4-2-103(2) for the application for an industrial hemp retailer permit.

(5) Any marketing for a cannabinoid product or a viable industrial hemp seed shall include a notice to consumers that the product is hemp and is not cannabis or medical cannabis, as those terms are defined in Section 26B-4-201.

Section 4. Section **4-41-103.4** is amended to read:

4-41-103.4. Industrial hemp laboratory testing.

[~~(1) The department or a laboratory contracted with the department may test industrial hemp and cannabinoid products.~~]

[~~(2)~~] The department or a laboratory contracted with the department:

(1) may test industrial hemp and cannabinoid products;

(2) may dispose of non-compliant material[~~.~~] ; and

(3) shall dispose of waste and unused material related to a cannabinoid product in accordance with hazardous waste laws.

Section 5. Section **4-41-105** is amended to read:

4-41-105. Unlawful acts.

(1) It is unlawful for a person to handle, process, or market living industrial hemp plants, viable hemp seeds, leaf materials, or floral materials derived from industrial hemp without the appropriate license or permit issued by the department under this chapter.

(2)

(a) It is unlawful for any person to:

(i) distribute, sell, or market a cannabinoid product that is:

(A) not registered with the department under Section 4-41-104; or

(B) noncompliant material;

(ii) except as provided in Subsection (2)(b), transport into or out of the state extracted material or final product that contains 0.3% or more of total THC and any THC analog;

(iii) sell or use a cannabinoid product that is:

(A) added to a conventional food or beverage, as the department further defines in rules described in Section 4-41-403;

(B) marketed or manufactured to be enticing to children, as further defined in rules described in Section 4-41-403; or

(C) smokable flower;[~~or~~]

(iv) knowingly or intentionally sell or give a cannabinoid product that contains THC or a THC analog in the course of business to an individual who is not at least 21 years old[~~.~~] ; or

(v) delay or deny an inspection authorized under this chapter.

(b) A person may transport transportable industrial hemp concentrate if the person:

(i) complies with rules created by the department under Section 4-41-103.1 related to transportable industrial hemp concentrate; and

(ii)

(A) has a cannabinoid processor license; or

(B) the equivalent to a cannabinoid processor license from another state.

(3) The department may seize and destroy non-compliant material.

(4) Nothing in this chapter authorizes any person to violate federal law, regulation, or any provision of this title.

Section 6. 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~~] 4-41a-111.

(4)

(a) "Anticompetitive business practice" means any practice that is an illegal anticompetitive activity under Section 76-16-510.

(b) "Anticompetitive business practice" may include:

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

(A) no longer acting independently; or

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

(ii) monopolizing or attempting to monopolize trade by:

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

(B) preventing new entry into the market; or

(iii) other conduct outlined in rule.

(5)

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

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

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

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

(6) "Batch" means a quantity of:

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

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

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

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

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

(9) "Cannabis concentrate" means:

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

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

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

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

(a) possesses cannabis;

(b) grows or intends to grow cannabis; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(21) "Closed-door medical cannabis pharmacy" means a facility operated by a home delivery medical cannabis pharmacy for delivering medical cannabis.

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

(23) "Cultivation space" means, quantified in square feet, the horizontal area in which a cannabis cultivation facility cultivates cannabis, including each level of horizontal area if the cannabis

cultivation facility hangs, suspends, stacks, or otherwise positions plants above other plants in multiple levels.

(24) "Delivery address" means:

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

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

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

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

(B) is not a community location; or

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

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

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

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

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

(29)

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

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

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

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

(30) "Independent cannabis testing laboratory agent" means an individual who holds a valid cannabis production establishment agent registration card with an independent cannabis testing laboratory designation.

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

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

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

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

(35) "Medical cannabis courier" means a courier that:

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

(b) contracts with a home delivery medical cannabis pharmacy to deliver medical cannabis shipments to fulfill electronic orders.

(36) "Medical cannabis courier agent" means an individual who:

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

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

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

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

(39) "Medical cannabis research license" means a license that the department issues to a research university for the purpose of obtaining and possessing medical cannabis for academic research.

(40) "Medical cannabis research licensee" means a research university that the department licenses to obtain and possess medical cannabis for academic research, in accordance with Section 4-41a-901.

(41) "Medical cannabis shipment" means a shipment of medical cannabis that a home delivery medical cannabis pharmacy or a medical cannabis courier delivers to a delivery address to fulfill an electronic medical cannabis order.

(42) "Medical cannabis treatment" means the same as that term is defined in Section 26B-4-201.

(43) "Medicinal dosage form" means the same as that term is defined in Section 26B-4-201.

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

(45) "Pharmacy ownership limit" means an amount equal to 30% of the total number of medical cannabis pharmacy licenses issued by the department rounded down to the nearest whole number.

(46) "Pharmacy medical provider" means the same as that term is defined in Section 26B-4-201.

(47) "Qualified Production Enterprise Fund" means the fund created in Section 4-41a-104.

(48) "Recommending medical provider" means the same as that term is defined in Section 26B-4-201.

(49) "Research university" means the same as that term is defined in Section 53H-8-202 and a private, nonprofit college or university in the state that:

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

(b) grants doctoral degrees; and

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

(50) "State electronic verification system" means the system described in Section 26B-4-202.

(51) "Targeted marketing" means the promotion of medical cannabis, a medical cannabis brand, or a medical cannabis device using any of the following methods:

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

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

(i) held inside a medical cannabis pharmacy; and

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

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

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

(i) in the medical cannabis pharmacy;

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

(iii) in a medical cannabis shipment.

(52) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in Section 4-41-102.

(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.

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

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

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

Section 7. Section **4-41a-104** is amended to read:

4-41a-104. Qualified Production Enterprise Fund -- Creation -- Revenue neutrality.

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

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

(a) money the department deposits into the fund under this chapter;

(b) appropriations the Legislature makes to the fund;[{} ~~and~~]

(c) the interest described in Subsection (3)[.] ; and

(d) the fee described in Subsection (6).

(3) Interest earned on the Qualified Production Enterprise Fund shall be deposited into the fund.

(4) The department may [~~only~~]use money in the fund to fund the department's implementation of[~~this chapter.~~] :

(a) this chapter;

(b) Chapter 41, Hemp and Cannabinoid Act; or

(c) Chapter 45, Kratom Consumer Protection Act.

(5) The department shall set fees authorized under this chapter in amounts that the department anticipates are necessary, in total, to cover the department's cost to implement this chapter.

(6) The department may impose a uniform fee on each medical cannabis transaction in a medical cannabis pharmacy in an amount that the department sets in accordance with Section 63J-1-504.

Section 8. Section **4-41a-104.1** is renumbered and amended to read:

~~[26B-1-310]~~ 4-41a-104.1. Qualified Patient Enterprise Fund -- Creation -- Revenue neutrality -- Uniform fee.

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

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

(a) money the {[department{]} ~~Department of Health and Human Services~~} deposits into the fund under [~~Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis~~] Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis;

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

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

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

(4) Money deposited into the fund may only be used by:

(a) the department to accomplish the department's responsibilities described in [~~Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis~~] Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis;

(b) the Center for Medical Cannabis Research created in Section 53H-4-206 to accomplish the Center for Medical Cannabis Research's responsibilities; and

(c) [~~the Department of Agriculture and Food for the one time purchase of equipment to meet the requirements described in Section 4-41a-204.1~~] expenses for employing the licensing board.

(5) The department shall set fees authorized under [~~Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis~~] Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis, in amounts that the department anticipates are necessary, in total, to cover the department's cost to implement [~~Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis~~] Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis.

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

Section 9. Section **4-41a-111** is renumbered and amended to read:

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

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

(2)

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

[~~(i) appointed by the executive director:~~]

[~~(A) a recommending medical provider who has recommended medical cannabis to at least 100 patients before being appointed;~~]

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

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

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

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

[~~(ii)~~] (i) appointed by the commissioner of the Department of Agriculture and Food:

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

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

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

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

(E) a mental health specialist;

(F) an individual who represents an organization that advocates for medical cannabis patients;

(G) a member of the general public who holds a medical cannabis patient card; and

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

[~~(iii)~~] (ii) a representative from the Center for Medical Cannabis Research created in Section 53H-4-206, appointed by the Center for Medical Cannabis Research.

(b) The commissioner of the Department of Agriculture and Food shall ensure that at least one individual appointed under Subsection [~~(2)(a)(ii)(A)~~] (2)(a)(i)(A) or (B) also owns or operates a licensed cannabis processing facility.

(3)

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

(b) When appointing the initial membership of the advisory board, the executive director and the commissioner of the Department of Agriculture and Food shall coordinate to appoint four advisory board members to serve a term of two years to ensure that approximately half of the board is appointed every two years.

(4)

(a) If an advisory board member is no longer able to serve as a member, a new member shall be appointed in the same manner as the original appointment.

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

(5)

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

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

(c) For a term lasting one year, the advisory board shall annually designate members of the advisory board to serve as chair and vice-chair.

(d) When designating the chair and vice-chair, the advisory board shall ensure that at least one individual described [~~Subsection~~] [~~(2)(a)(i)~~] in Subsections (2)(a)(i)(D) through (H) is appointed as chair or vice-chair.

(6) An advisory board member may not receive compensation or benefits for the member's service on the advisory board but may receive per diem and reimbursement for travel expenses incurred as an advisory board member in accordance with:

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

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

(7) The [~~department~~] licensing board shall:

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

(b) assist the advisory board in conducting meetings.

(8) The advisory board may recommend:

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

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

(9) The advisory board shall:

(a) review any draft rule that is authorized under Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis, or [~~Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies~~] this chapter;

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

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

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

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

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

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

Section 10. Section **4-41a-112** is renumbered and amended to read:

[~~26B-1-421~~] . Compassionate Use Board.

[~~(1) The definitions in Section 26B-4-201 apply to this section.~~]

[~~(2)~~] (1)

(a) The [~~department~~] licensing board shall establish a Compassionate Use Board consisting of:

(i) seven qualified medical providers that the [~~executive director~~] commissioner appoints with the advice and consent of the Senate:

(A) who are knowledgeable about the medicinal use of cannabis;

(B) who are physicians licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; and

(C) who are board certified by the American Board of Medical Specialties or an American Osteopathic Association Specialty Certifying Board in the specialty of neurology, pain medicine and pain management, medical oncology, psychiatry, infectious disease, internal medicine, pediatrics, family medicine, or gastroenterology; and

(ii) as a nonvoting member and the chair of the Compassionate Use Board, the [~~executive director~~] commissioner or the director's designee.

(b) In appointing the seven qualified medical providers described in Subsection [~~(2)(a)~~] (1)(a), the [~~executive director~~] commissioner shall ensure that at least two have a board certification in pediatrics.

[~~(3)~~] (2)

(a) Of the members of the Compassionate Use Board that the [~~executive director~~] commissioner first appoints:

(i) three shall serve an initial term of two years; and

(ii) the remaining members shall serve an initial term of four years.

(b) After an initial term described in Subsection [~~(3)(a)~~] (2)(a) expires:

(i) each term is four years; and

(ii) each [~~board~~]member is eligible for reappointment.

(c) A member of the Compassionate Use Board may serve until a successor is appointed.

(d) Four members constitute a quorum of the Compassionate Use Board.

[~~(4)~~] (3) A member of the Compassionate Use Board may receive:

(a) notwithstanding Section 63A-3-106, compensation or benefits for the member's service; and

(b) travel expenses in accordance with Section 63A-3-107 and rules made by the Division of Finance in accordance with Section 63A-3-107.

[~~(5)~~] (4) The Compassionate Use Board shall:

(a) review and recommend for [~~department~~] licensing board approval a petition to the [~~board~~] Compassionate Use Board regarding an individual described in Subsection 26B-4-213(2)(a), a minor described in Subsection 26B-4-213(2)(c), or an individual who is not otherwise qualified to receive a medical cannabis card to obtain a medical cannabis card for compassionate use, for the standard or a reduced period of validity, if:

(i) for an individual who is not otherwise qualified to receive a medical cannabis card, the individual's recommending medical provider is actively treating the individual for an intractable condition that:

(A) substantially impairs the individual's quality of life; and

(B) has not, in the recommending medical provider's professional opinion, adequately responded to conventional treatments;

(ii) the recommending medical provider:

(A) recommends that the individual or minor be allowed to use medical cannabis; and

(B) provides a letter, relevant treatment history, and notes or copies of progress notes describing relevant treatment history including rationale for considering the use of medical cannabis; and

(iii) the Compassionate Use Board determines that:

(A) the recommendation of the individual's recommending medical provider is justified; and

(B) based on available information, it may be in the best interests of the individual to allow the use of medical cannabis;

(b) when a recommending medical provider recommends that an individual described in Subsection 26B-4-213(2)(a)(i)(B) or a minor described in Subsection 26B-4-213(2)(c) be allowed to use a medical cannabis device or medical cannabis to vaporize a medical cannabis treatment, review and approve or deny the use of the medical cannabis device or medical cannabis;

(c) unless no petitions are pending:

(i) meet to receive or review compassionate use petitions at least quarterly; and

(ii) if there are more petitions than the [~~board~~] Compassionate Use Board can receive or review during the [~~board's~~] Compassionate Use Board's regular schedule, meet as often as necessary;

(d) except as provided in Subsection [~~(6)~~] (5), complete a review of each petition and recommend to the [~~department~~] licensing board approval or denial of the applicant for qualification for a medical cannabis card within 90 days after the day on which the [~~board~~] Compassionate Use Board received the petition; and

(e) consult with the [~~department~~] licensing board regarding the criteria described in Subsection [~~(6)~~] (5).

[~~(6)~~] (5) The [~~department~~] licensing board shall make rules, in consultation with the Compassionate Use Board and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish a process and criteria for a petition to the [~~board~~] Compassionate Use Board to automatically qualify for expedited final review and approval or denial by the

[~~department~~] licensing board in cases where, in the determination of the [~~department~~] licensing board and the [~~board~~] Compassionate Use Board:

(a) time is of the essence;

(b) engaging the full review process would be unreasonable in light of the petitioner's physical condition; and

(c) sufficient factors are present regarding the petitioner's safety.

[~~(7)~~] (6)

(a)

(i) The [~~department~~] licensing board shall review:

(A) any compassionate use for which the Compassionate Use Board recommends approval under Subsection [~~(5)(d)~~] (4)(d) to determine whether the [~~board~~] Compassionate Use Board properly exercised the [~~board's~~]discretion under this section; and

(B) any expedited petitions the [~~department~~] licensing board receives under the process described in Subsection [~~(6)~~] (5).

(ii) If the [~~department~~] licensing board determines that the Compassionate Use Board properly exercised the [~~board's~~] Compassionate Use Board's discretion in recommending approval under Subsection [~~(5)(d)~~] (4)(d) or that the expedited petition merits approval based on the criteria established in accordance with Subsection [~~(6)~~] (5), the [~~department~~] licensing board shall:

(A) issue the relevant medical cannabis card; and

(B) provide for the renewal of the medical cannabis card in accordance with the recommendation of the recommending medical provider described in Subsection [~~(5)(a)~~] (4)(a).

(b) If the Compassionate Use Board recommends denial under Subsection [~~(5)(d)~~] (4)(d), the individual seeking to obtain a medical cannabis card may petition the [~~department~~] licensing board to review the [~~board's~~] Compassionate Use Board's decision.

(c) In reviewing the Compassionate Use Board's recommendation for approval or denial under Subsection [~~(5)(d)~~] (4)(d) in accordance with this Subsection [~~(7)~~] (6), the [~~department~~] licensing board shall presume the [~~board~~] Compassionate Use Board properly exercised the [~~board's~~] Compassionate Use Board's discretion unless the [~~department~~] licensing board determines that the [~~board's~~]recommendation was arbitrary or capricious.

[~~(8)~~] (7) Any individually identifiable health information contained in a petition that the Compassionate Use Board or [~~department~~] licensing board receives under this section is a protected record in accordance with Title 63G, Chapter 2, Government Records Access and Management Act.

[~~(9)~~] (8) The Compassionate Use Board shall annually report [~~the board's~~]activity to the advisory board.

Section 11. 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, 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;

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

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

(iii) an operating plan that:

(A) complies with Section 4-41a-204;

(B) includes operating procedures that comply with this chapter and any law the municipality or county in which the person is located adopts that is consistent with Section 4-41a-406; and

(C) the department or licensing board approves;

(iv) a statement that the applicant will obtain and maintain a liquid cash account with a financial institution or a performance bond that a surety authorized to transact surety business in the state issues in an amount of at least:

(A) $100,000 for each cannabis cultivation facility for which the applicant applies; or

(B) $50,000 for each cannabis processing facility or independent cannabis testing laboratory for which the applicant applies;

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

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

(c)

(i) A person may not locate a cannabis production establishment:

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

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

(ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured from the nearest entrance to the cannabis production establishment by following the shortest route of ordinary pedestrian travel to the property boundary of the community location or residential area.

(iii) The licensing board may grant a waiver to reduce the proximity requirements in Subsection (2)(c)(i) by up to 20% if the licensing board determines that it is not reasonably feasible for the applicant to site the proposed cannabis production establishment without the waiver.

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

(3) If the licensing board approves an application for a license under this section and Section 4-41a-201.1:

(a) the applicant shall pay the department an initial license fee in an amount that, subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504; and

(b) the department shall notify the Department of Public Safety of the license approval and the names of each individual described in Subsection (2)(b)(ii).

(4)

(a) Except as provided in this Subsection (4), a cannabis production establishment shall obtain a separate license for each type of cannabis production establishment and each location of a cannabis production establishment.

(b) The licensing board may issue a cannabis cultivation facility license and a cannabis processing facility license to a person to operate at the same physical location or at separate physical locations.

(c) A cannabis cultivation facility may operate at [~~two~~] three addresses under a single license.

(d) A tier one cannabis processing facility may operate at a second address under the same tier one license if:

(i) the second address is co-located at a cannabis cultivation facility operated by the same licensee; and

(ii) the licensee pays a fee of $70,000 for the second location.

(e) An applicant for a tier two cannabis processing facility license that has a cannabis cultivation facility license and intends to process cannabis at the cannabis cultivation facility shall pay a fee of $25,000 for the tier two cannabis processing facility license.

(5) If the licensing board receives more than one application for a cannabis production establishment within the same city or town, the licensing board shall consult with the local land use authority before approving any of the applications pertaining to that city or town.

(6) The licensing board may not issue a license to operate an independent cannabis testing laboratory to a person who:

(a) holds a license or has an ownership interest in a medical cannabis pharmacy, a cannabis processing facility, or a cannabis cultivation facility;

(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 finds that the licensee has participated in an anticompetitive business 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)~~] (2)(a)(ii), 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:

(A) conduct the application review described in Section 4-41a-201.1; and

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

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

Section 12. Section **4-41a-201.1** is amended to read:

4-41a-201.1. Specialized Product Authority Licensing Board -- Composition -- Duties.

(1) There is created within the department the [~~Cannabis Production Establishment and Pharmacy Licensing Advisory~~] Specialized Product Authority Licensing Board.

(2) The commissioner shall[:]

[~~(a) appoint the~~ {[}~~members~~{]} ~~directors~~} ~~of~~] hire three directors as employees of the department to be on the licensing board[;] .

[~~(b) submit the name of each individual that the commissioner appoints under Subsection (2)(a) to the governor for confirmation or rejection; and~~]

[~~(c) if the governor rejects an appointee that the commissioner submits under Subsection (2)(b), appoint another individual in accordance with this Subsection (2).~~]

(3)

(a) [~~Except as provided in Subsection (3)(b), the~~] The licensing board shall consist of [~~the following eight members:~~] three directors.

[~~(i) the following seven voting members whom the commissioner appoints:~~]

[~~(A) one member of the public;~~]

[~~(B) one member with knowledge and experience in the pharmaceutical or nutraceutical manufacturing industry;~~]

[~~(C) one member representing law enforcement;~~]

[~~(D) one member whom an organization representing medical cannabis patients recommends;~~]

[~~(E) a chemist who has experience with cannabis and who is associated with a research university;~~]

[~~(F) a pharmacist who is not associated with the medical cannabis industry; and~~]

[~~(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 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 licensing board.~~]

[~~(d)~~] (b) An individual is not eligible [~~for appointment to be a member~~] as a director of the 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.

(c) At least one member of the licensing board shall have experience related to public health or medicine.

[~~(4)~~

{[(a)} ~~Except as provided in Subsection (4)(b), a voting 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 licensing board, the commissioner shall stagger the length of the terms of licensing board members to ensure that the commissioner appoints two or three licensing board members every two years.~~]

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

[~~(i) the 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 licensing board for any reason other than the expiration of a 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 licensing board are employed by or represent the same company or nonprofit organization.~~]

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

(4) A director {~~may only be terminated for just cause, including inefficiency, incompetency, failure to maintain skills or adequate performance levels, insubordination, disloyalty to~~ } serves at the {~~orders of a superior, misfeasance, malfeasance, or nonfeasance~~} pleasure of the commissioner.

(5)

(a)

[~~(i)~~ {[} ~~Five~~] Two members of the licensing board constitute a quorum of the licensing board.

[~~(ii)~~] (b) An action of the majority of the licensing board members when a quorum is present constitutes an action of the licensing board.

[~~(b) The department shall provide staff support to the licensing board.~~]

[~~(c) A member of the licensing board may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:~~]

[~~(i) Section 63A-3-106;~~]

[~~(ii) Section 63A-3-107; and~~]

[~~(iii) rules made by the Division of Finance in accordance with Sections 63A-3-106 and 63A-3-107.~~]

(6) The licensing board shall:

(a) [~~meet as called by the chair to~~]review cannabis production establishment, medical cannabis pharmacy, and medical cannabis courier license applications;

(b) review each license application for compliance with:

(i) this chapter; and

(ii) department rules;

(c) conduct a public hearing to consider the license application;

(d) approve the department's license application forms and checklists; and

(e) make a determination on each license application.

(7) The licensing board shall hold a public hearing to review a cannabis production establishment's or medical cannabis pharmacy's license if the establishment:

(a) changes ownership by an interest of 20% or more;

(b) changes or adds a location;

(c) upgrades to a different licensing tier under department rule;

(d) changes extraction or formulation standard operating procedures;

(e) adds an industrial hemp processing or cultivation [~~license~~] operation to the same location as the cannabis production establishment's processing facility; or

(f) as necessary based on the recommendation of the department.

(8) In a public hearing held under Subsection (7), the licensing board may consider the following in determining whether to approve a request to change pharmacy locations:

(a) medical cannabis availability, quality, and variety;

(b) whether geographic dispersal among licensees is sufficient to reasonably maximize access to the largest number of medical cannabis cardholders;

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

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

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

(10)

(a) The licensing board shall meet as necessary to consider cannabis production establishment, medical cannabis pharmacy, and medical cannabis courier license renewal applications.

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

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

(A) attend in person or electronically; or

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

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

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

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

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

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

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

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

(A) methods and procedures for extraction;

(B) standard operating procedures; and

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

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

(A) product availability, quality, and variety;

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

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

(c) Following consideration of the information provided under Subsection (10)(b), the 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 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 licensing board with the information regarding business confidentiality required in Section 63G-2-309.

(11)

(a) In cooperation with the attorney general, the 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 76-16-506.

[~~(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.~~]

(13){(12)}

(a) The licensing board shall hear all appeals related to administrative action taken under this chapter, Chapter 41, Hemp and Cannabinoid Act, and Chapter 45, Kratom Consumer Protection Act, as an informal proceeding under Title 63G, Chapter 4, Administrative Procedures Act.

(b) The licensing board shall create rules for hearing appeals in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(13)

(14){(a)} The licensing board in consultation with the Compassionate Use Board described in Section {~~26B-1-421~~ } 4-41a-112 shall provide recommendations, if any, to the Medical Cannabis Governance Structure Working Group regarding additional conditions to be added to the qualifying conditions list described in Section 26B-4-203.

(b) The licensing board shall create a process that allows the public to suggest conditions that should be recommended to the Legislature for inclusion on the qualifying conditions list.

(15){(14)} For rules made under this chapter, the department shall collaborate with the licensing board when making the rules.

(15) The licensing board shall supervise and assist the department in carrying out the duties described in Title 26B, Chapter 4, Part 2, Cannabinoid Research and Medical Cannabis.

(16) Except as required by this chapter to hold a public meeting or hearing, the licensing board is not subject to Title 52, Chapter 4, Open and Public Meetings Act.

Section 13. 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 each proposed facility, 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);

(i) for an independent cannabis testing laboratory, the information described in Subsection (4); and

(j) for a cannabis production establishment located in an industrial zone, a plan to reduce odor created by the cannabis production establishment that:

(i) meets local ordinance nuisance laws; and

(ii) identifies:

(A) operations and materials that generate odors; and

(B) equipment, operations, or materials the cannabis production establishment will use to mitigate odor emissions, including plans to maintain equipment.

(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 plant food 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~~] three separate locations.

(ii) If the department authorizes multiple locations under Subsection (2)(f)(i)[~~,~~] :

(A) [-]the [~~two~~] multiple cannabis cultivation facility locations combined may not exceed the cultivation limitations described in this Subsection (2)[~~.~~] ; and

(B) the cannabis cultivation facility shall pay a $15,000 fee for each location after the second location.

(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 implemented by a local land use authority under Title 10, Chapter 20, Municipal Land Use, Development, and Management Act, or Title 17, Chapter 79, County Land Use, Development, and Management Act, regarding the availability of outdoor cultivation in an industrial zone.

Section 14. Section **4-41a-602** is amended to read:

4-41a-602. Cannabis product -- Labeling and child-resistant packaging.

(1) For any cannabis product that a cannabis processing facility processes or produces and for any raw cannabis that the facility packages, the facility shall:

(a) label the cannabis or cannabis product with a label that:

(i) clearly and unambiguously states that the cannabis product or package contains cannabis;

(ii) clearly displays the amount of total composite tetrahydrocannabinol, cannabidiol, and any known cannabinoid that is greater than 1% of the total cannabinoids contained in the cannabis or cannabis product as determined under Subsection 4-41a-701(4);

(iii) has a unique identification number that:

(A) is connected to the inventory control system; and

(B) identifies the unique cannabis product manufacturing process the cannabis processing facility used to manufacture the cannabis product;

(iv) identifies the cannabinoid extraction process that the cannabis processing facility used to create the cannabis product;

(v) does not display an image, word, or phrase that the facility knows or should know appeals to children; and

(vi) discloses each active or potentially active ingredient, in order of prominence, and possible allergen; and

(b) package the raw cannabis or cannabis product in a medicinal dosage form in a container that:

(i) is tamper evident and tamper resistant;

(ii) does not appeal to children;

(iii) does not mimic a candy container;

(iv) complies with child-resistant effectiveness standards that the United States Consumer Product Safety Commission establishes;

(v) includes a warning label that states:

(A) for a container labeled on or after January 1, 2024, "WARNING: Cannabis has intoxicating effects, may be addictive, and may increase risk of mental illness. Do not operate a vehicle or machinery under its influence. KEEP OUT OF REACH OF CHILDREN. This product is for medical use only. Use only as directed by a recommending medical provider."; or

(B) for a container labeled on or after January 1, 2026, "WARNING: Cannabis use by pregnant or breastfeeding women, may result in fetal injury, preterm birth, or developmental problems for the child. Cannabis may be addictive and may increase risk of mental illness. Do not operate a vehicle or machinery under its influence. KEEP OUT OF REACH OF CHILDREN. This product is for medical use only. Use only as directed by a recommending medical provider."; and

(vi) for raw cannabis or a cannabis product sold in a vaporizer cartridge labeled on or after May 3, 2023, includes a warning label that states:

(A) "WARNING: Vaping of cannabis-derived products has been associated with lung injury."; and

(B) "WARNING: Inhalation of cannabis smoke has been associated with lung injury.".

(2) To ensure that a cannabis product that a cannabis processing facility processes or produces has a medical rather than recreational disposition, the facility may not produce or process a product whose logo, product name, or brand name includes terms related to recreational marijuana, including "weed," "pot," "reefer," "grass," "hash," "ganja," "Mary Jane," "high," "haze," "stoned," "joint," "bud," "smoke," "euphoria," "dank," "doobie," "kush," "frost," "cookies," "rec," "bake," "blunt," "combust," "bong," "budtender," "dab," "blaze," "toke," or "420."

(3) For any cannabis or cannabis product that the cannabis processing facility processes into a gelatinous cube, gelatinous rectangular cuboid, or lozenge in a cube or rectangular cuboid shape, the facility shall:

(a) ensure that the label described in Subsection (1)(a) does not contain a photograph or other image of the content of the container; and

(b) include on the label described in Subsection (1)(a) a warning about the risks of over-consumption.

(4) For any cannabis product that contains an artificially derived cannabinoid, the cannabis processing facility shall ensure that the label clearly:

(a) identifies each artificially derived cannabinoid; and

(b) identifies that each artificially derived cannabinoid is an artificially derived cannabinoid.

(5)

(a) A cannabis processor may not distribute medical cannabis with a label, logo, brand name, or in packaging if the label, logo, brand name, or packaging has not been pre-approved by the department.

(b) If the department has approved a label or packaging, a cannabis processor may change the approved label or packaging and use the changed label or packaging for use with another medical cannabis product without obtaining the department's approval if:

(i) the label or packaging complies with the requirements of this chapter and rules made under this chapter;

(ii) the only change to the label and packaging are changes to one or more of the following:

(A) flavor information;

(B) terpene information; or

(C) cultivar information; and

(iii) no other changes were made to the label or package including graphics, fonts, sizing, or colors.

[~~(5)~~] (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department:

(a) shall make rules to establish:

(i) a standard labeling format that:

(A) complies with the requirements of this section; and

(B) ensures inclusion of a pharmacy label; and

(ii) additional requirements on packaging for cannabis and cannabis products to ensure safety and product quality; and

(b) may make rules to further define standards regarding images, words, phrases, or containers that may appeal to children under Subsection (1)(a)(v) or (1)(b)(ii).

Section 15. 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, 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:

(i) revoke the person's license or agent registration card;

(ii) decline to renew the person's license or agent registration card;

(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, a cannabis production establishment agent, a medical cannabis pharmacy, a medical cannabis pharmacy agent, or a medical cannabis courier:

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

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

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

(i) issue the person a written administrative citation;

(ii) attempt to negotiate a stipulated settlement;

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

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

(c) If the department concludes, upon investigation, that a cannabis production establishment or a cannabis production establishment agent has produced a cannabis batch or a cannabis product batch

that contains a substance that poses a significant threat to human health, the department shall seize, embargo, or destroy the cannabis batch or cannabis product batch.

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

(5) The department may not revoke a license without first directing the licensee to appear before an adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative Procedures Act.

(6) If within 30 calendar days after the day on which a department serves a citation for a violation of this chapter, the person that is the subject of the citation fails to request a hearing to contest the citation, the citation becomes the department's final order.

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

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

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

(8)

(a) A letter of concern shall describe:

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

(ii) possible options to remedy the issue; and

(iii) possible consequences for not remedying the violation.

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

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

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

(9)

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

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

(A) guilty of an infraction; and

(B) subject to a $100 fine; or

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

(A) guilty of a class B misdemeanor; and

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

(b) An individual who is guilty of a violation described in Subsection (9)(a) is not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct underlying the violation described in Subsection (9)(a).

(10) Nothing in this section prohibits:

(a) the department from referring potential criminal activity to law enforcement; or

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

[~~(11) An appeal of administrative action taken under this chapter shall be heard by an administrative law judge as an informal proceeding in accordance with Title 63G, Chapter 4, Administrative Procedures Act.~~]

Section 16. Section **4-41a-1102** is amended to read:

4-41a-1102. Dispensing -- Amount a medical cannabis pharmacy may dispense -- Reporting -- Form of cannabis or cannabis product.

(1)

(a) A medical cannabis pharmacy may not sell a product other than:

(i) 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;

(ii) a medical cannabis device; or

(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)~~] 4-41a-112(4).

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

(3)

(a) A medical cannabis pharmacy shall:

(i)

(A) access the state electronic verification system before dispensing medical cannabis to a medical cannabis cardholder in order to determine if the cardholder or, where applicable, the associated patient has met the maximum amount of medical cannabis described in Subsection (2); and

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

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

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

(iv) package any medical cannabis in a container that:

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

(B) is tamper-resistant and tamper-evident;

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

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

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

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

(4)

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

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

(5)

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

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

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

Section 17. Section **26B-4-201** is amended to read:

26B-4-201. Definitions.

As used in this part:

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

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

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

(a) to the public; and

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

(4) "Advisory board" means the Medical Cannabis Policy Advisory Board created in Section [~~26B-1-435~~] 4-41a-111.

(5) "Cannabis" means marijuana.

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

[~~(6)~~] (7) "Cannabis processing facility" means the same as that term is defined in Section 4-41a-102.

[~~(7)~~] (8) "Cannabis product" means a product that:

(a) is intended for human use; and

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

[~~(8)~~] (9) "Cannabis production establishment" means the same as that term is defined in Section 4-41a-102.

[~~(9)~~] (10) "Cannabis production establishment agent" means the same as that term is defined in Section 4-41a-102.

[~~(10)~~] (11) "Cannabis production establishment agent registration card" means the same as that term is defined in Section 4-41a-102.

[~~(11)~~] (12) "Conditional medical cannabis card" means an electronic medical cannabis card that the department issues in accordance with Subsection 26B-4-213(1)(b) to allow an applicant for a medical cannabis card to access medical cannabis during the department's review of the application.

[~~(12)~~] (13) "Controlled substance database" means the controlled substance database created in Section 58-37f-201.

[~~(13)~~] (14) "Delivery address" means the same as that term is defined in Section 4-41a-102.

[~~(14)~~] (15) "Department" means the [~~Department of Health and Human Services~~] Department of Agriculture and Food.

[~~(15)~~] (16) "Designated caregiver" means:

(a) an individual:

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

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

(b)

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

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

[~~(16)~~] (17) "Directions of use" means recommended routes of administration for a medical cannabis treatment and suggested usage guidelines.

[~~(17)~~] (18) "Dosing guidelines" means a quantity range and frequency of administration for a recommended treatment of medical cannabis.

[~~(18)~~] (19) "Government issued photo identification" means any of the following forms of identification:

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

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

(i) a United States passport;

(ii) a United States passport card;

(iii) a United States military identification card; or

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

(c) a foreign passport.

[~~(19)~~] (20) "Home delivery medical cannabis pharmacy" means a medical cannabis pharmacy that the department authorizes, as part of the pharmacy's license, to deliver medical cannabis shipments to a delivery address to fulfill electronic orders.

[~~(20)~~] (21) "Inventory control system" means the system described in Section 4-41a-103.

[~~(21)~~] (22) "Legal dosage limit" means an amount that:

(a) is sufficient to provide 30 days of treatment based on the dosing guidelines that the relevant recommending medical provider or pharmacy medical provider, in accordance with Subsection 26B-4-231(5), recommends; and

(b) may not exceed:

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

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

[~~(22)~~] (23) "Legal use termination date" means a date on the label of a container of unprocessed cannabis flower:

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

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

(24) "Licensing board" means the same as that term is defined in Section 4-41a-102.

(24)(25)

(a) "Low THC product" means a product that:

(i) is intended for human use;

(ii) contains cannabis or any tetrahydrocannabinol or THC analog in a total concentration of less than 0.3% on a dry weight basis; and

(iii) is processed by a cannabis processing facility.

(b) "Low THC product" does not include a product registered under Chapter 41, Hemp and Cannabinoid Act.

[~~(23)~~] (25){(26)} "Marijuana" means the same as that term is defined in Section 58-37-2.

[~~(24)~~] (26){(27)} "Medical cannabis" or "medical cannabis product" means

{~~(a)~~} {~~[~~} }:

(a) [~~-~~]cannabis in a medicinal dosage form[~~ or~~] ;

(b) a cannabis product in a medicinal dosage form[~~.~~] ; or

(c) a low THC product in a medicinal dosage form.

[~~(25)~~] (27){(28)} "Medical cannabis card" means a medical cannabis patient card, a medical cannabis guardian card, a medical cannabis caregiver card, or a conditional medical cannabis card.

[~~(26)~~] (28){(29)} "Medical cannabis cardholder" means:

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

(b) a facility or assigned employee, described in Subsection [~~(15)(b)~~] (16)(b), only:

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

(ii) while in possession of documentation that establishes:

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

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

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

[~~(27)~~] (29){(30)} "Medical cannabis caregiver card" means an electronic document that a cardholder may print or store on an electronic device or a physical card or document that:

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

(b) is connected to the electronic verification system.

[~~(28)~~] (30){(31)} "Medical cannabis courier" means the same as that term is defined in Section 4-41a-102.

[~~(29)~~] (31){(32)}

(a) "Medical cannabis device" means a device that an individual uses to ingest or inhale medical cannabis.

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

(i) facilitates cannabis combustion; or

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

[~~(30)~~] (32){(33)} "Medical cannabis guardian card" means an electronic document that a cardholder may print or store on an electronic device or a physical card or document that:

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

(b) is connected to the electronic verification system.

[~~(31)~~] (33){(34)} "Medical cannabis patient card" means an electronic document that a cardholder may print or store on an electronic device or a physical card or document that:

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

(b) is connected to the electronic verification system.

[~~(32)~~] (34){(35)} "Medical cannabis pharmacy" means a person that:

(a)

(i) acquires or intends to acquire medical cannabis from a cannabis processing facility or another medical cannabis pharmacy or a medical cannabis device; or

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

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

[~~(33)~~] (35){(36)} "Medical cannabis pharmacy agent" means an individual who holds a valid medical cannabis pharmacy agent registration card issued by the department.

[~~(34)~~] (36){(37)} "Medical cannabis pharmacy agent registration card" means a registration card issued by the department that authorizes an individual to act as a medical cannabis pharmacy agent.

[~~(35)~~] (37){(38)} "Medical cannabis shipment" means the same as that term is defined in Section 4-41a-102.

[~~(36)~~] (38){(39)} "Medical cannabis treatment" means medical cannabis or a medical cannabis device.

[~~(37)~~] (39){(40)}

(a) "Medicinal dosage form" means:

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

(A) a tablet;

(B) a capsule;

(C) a concentrated liquid or viscous oil;

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

(E) a topical preparation;

(F) a transdermal preparation;

(G) a sublingual preparation;

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

(I) a resin or wax;

(J) an aerosol;

(K) a suppository preparation; or

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

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

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

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

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

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

(i) the medical cannabis cardholder has recently removed from the container described in Subsection [~~(37)(a)(ii)~~] (39)(a)(ii) for use; and

(ii) does not exceed the quantity described in Subsection [~~(37)(a)(ii)~~] (39)(a)(ii).

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

(i) any unprocessed cannabis flower outside of the container described in Subsection [~~(37)(a)(ii)~~] (39)(a)(ii), except as provided in Subsection [~~(37)(b)~~] (39)(b);

(ii) any unprocessed cannabis flower in a container described in Subsection [~~(37)(a)(ii)~~] (39)(a)(ii) after the legal use termination date;

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

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

(v) a substance described in Subsection [~~(37)(a)(i)~~] (39)(a)(i) or (ii) if the substance is not measured in grams, milligrams, or milliliters; or

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

[~~(38)~~] (40){(41)} "Nonresident patient" means an individual who:

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

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

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

[~~(39)~~] (41){(42)} "Patient product information insert" means a single page document or webpage that contains information about a medical cannabis product regarding:

(a) how to use the product;

(b) common side effects;

(c) serious side effects;

(d) dosage;

(e) contraindications;

(f) safe storage;

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

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

[~~(40)~~] (42){(43)} "Pharmacy medical provider" means the medical provider required to be on site at a medical cannabis pharmacy under Section 26B-4-219.

[~~(41)~~] (43){(44)} "Provisional patient card" means a card that:

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

(i) a recommending medical provider has recommended a medical cannabis treatment; and

(ii) the department issues a medical cannabis guardian card to the minor's parent or legal guardian; and

(b) is connected to the electronic verification system.

[~~(42)~~] (44){(45)} "Qualified Patient Enterprise Fund" means the enterprise fund created in Section [~~26B-1-310~~] 4-41a-104.1.

[~~(43)~~] (45){(46)} "Qualifying condition" means a condition described in Section 26B-4-203.

[~~(44)~~] (46){(47)} "Recommend" or "recommendation" means, for a recommending medical provider, the act of suggesting the use of medical cannabis treatment, which:

(a) certifies the patient's eligibility for a medical cannabis card; and

(b) may include, at the recommending medical provider's discretion, directions of use, with or without dosing guidelines.

[~~(45)~~] (47){(48)} "Recommending medical provider" means an individual who:

(a) meets the recommending qualifications;

(b) completes four hours of continuing medical education specific to medical cannabis through formal or informal sources; and

(c) every two years, provides an acknowledgment to the department that the individual completed four hours of continuing medical education.

[~~(46)~~] (48){(49)} "Recommending qualifications" means that an individual:

(a)

(i) has the authority to write a prescription;

(ii) is licensed to prescribe a controlled substance under Title 58, Chapter 37, Utah Controlled Substances Act; and

(iii) possesses the authority, in accordance with the individual's scope of practice, to prescribe a Schedule II controlled substance; and

(b) is licensed as:

(i) a podiatrist under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

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

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

(iv) a physician assistant under Title 58, Chapter 70a, Utah Physician Assistant Act.

[~~(47)~~] (49){(50)} "State electronic verification system" means the system described in Section 26B-4-202.

[~~(48)~~] (50){(51)} "Targeted marketing" means the promotion by a recommending medical provider, medical clinic, or medical office that employs a recommending medical provider of a medical cannabis recommendation service using any of the following methods:

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

(b) an in-person marketing event that is held in an area where only an individual who is at least 21 years old may access the event;

(c) other marketing material that is physically or digitally displayed in the office of the medical clinic or office that employs a recommending medical provider; or

(d) a leaflet that a recommending medical provider, medical clinic, or medical office that employs a recommending medical provider shares with an individual who is at least 21 years old.

[~~(49)~~] (51){(52)} "Tetrahydrocannabinol" or "THC" means a substance derived from cannabis or a synthetic equivalent as described in Subsection 58-37-4(2)(a)(iii)(AA).

[~~(50)~~] (52){(53)} "THC analog" means the same as that term is defined in Section 4-41-102.

Section 18. Section **18** is enacted to read:

26B-4-201.1. Transition of duties.

(1) As used in this section, "transition period" means the period of time beginning on May 6, 2026, and ending on January 1, 2027.

(2) During the transition period:

(a) the department may request:

(i) the Department of Health and Human Services to carry out the duties described in this part; or

(ii) technical assistance from the Department of Health and Human Services related to carrying out the duties described in this part;

(b) the department may terminate or limit the scope of the Department of Health and Human Services's power to carry out duties described in this part; or

(c) if the department requests the Department of Health and Human Services to carry out duties described in this part, the department may make personnel available to the Department of Health and Human Services for carrying out the duties.

(3) Upon the request of the department under this section, the Department of Health and Human Services has the authority to carry out any duties:

(a) within the scope of the request; and

(b) if related to this part.

(4) Notwithstanding any other provision of law, the Department of Health and Human Services may use funds from the Qualified Patient Enterprise Fund to cover any costs incurred by the Department of Health and Human Services related to carrying out duties requested by the department under this section.

Section 19. Section **26B-4-202** is amended to read:

26B-4-202. Electronic verification system.

(1) The [~~Department of Agriculture and Food, the~~]department, the Department of Public Safety, and the Division of Technology Services shall:

(a) enter into a memorandum of understanding in order to determine the function and operation of the state electronic verification system in accordance with Subsection (2);

(b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah Procurement Code, to develop a request for proposals for a third-party provider to develop and maintain the state electronic verification system in coordination with the Division of Technology Services; and

(c) select a third-party provider who:

(i) meets the requirements contained in the request for proposals issued under Subsection (1)(b); and

(ii) may not have any commercial or ownership interest in a cannabis production establishment or a medical cannabis pharmacy.

(2) The [~~Department of Agriculture and Food, the~~]department, the Department of Public Safety, and the Division of Technology Services shall ensure that the state electronic verification system described in Subsection (1):

(a) allows an individual to apply for a medical cannabis patient card or, if applicable, a medical cannabis guardian card, provided that the card may not become active until:

(i) the relevant recommending medical provider completes the associated medical cannabis recommendation; or

(ii) the medical cannabis pharmacy completes the recording described in Subsection (2)(d);

(b) allows an individual to apply to renew a medical cannabis patient card or a medical cannabis guardian card in accordance with Section 26B-4-213;

(c) allows a recommending medical provider, or an employee described in Subsection (3) acting on behalf of the recommending medical provider, to:

(i) access dispensing and card status information regarding a patient:

(A) with whom the recommending medical provider has a provider-patient relationship; and

(B) for whom the recommending medical provider has recommended or is considering recommending a medical cannabis card;

(ii) electronically recommend treatment with medical cannabis and optionally recommend dosing guidelines;

(iii) electronically renew a recommendation to a medical cannabis patient cardholder or medical cannabis guardian cardholder:

(A) using telehealth services, for the recommending medical provider who originally recommended a medical cannabis treatment during a face-to-face visit with the patient; or

(B) during a face-to-face visit with the patient, for a recommending medical provider who did not originally recommend the medical cannabis treatment during a face-to-face visit; and

(iv) submit an initial application, renewal application, or application payment on behalf of an individual applying for any of the following:

(A) a medical cannabis patient card;

(B) a medical cannabis guardian card; or

(C) a medical cannabis caregiver card;

(d) allows a medical cannabis pharmacy medical provider or medical cannabis pharmacy agent, in accordance with Subsection 4-41a-1101(10)(a), to:

(i) access the electronic verification system to review the history within the system of a patient with whom the provider or agent is interacting, limited to read-only access for medical cannabis pharmacy agents unless the medical cannabis pharmacy's pharmacist in charge authorizes add and edit access;

(ii) record a patient's recommendation from a recommending medical provider, including any directions of use, dosing guidelines, or caregiver indications from the recommending medical provider;

(iii) record a recommending medical provider's renewal of the provider's previous recommendation; and

(iv) submit an initial application, renewal application, or application payment on behalf of an individual applying for any of the following:

(A) a medical cannabis patient card;

(B) a medical cannabis guardian card; or

(C) a medical cannabis caregiver card;

(e) connects with:

(i) an inventory control system that a medical cannabis pharmacy uses to track in real time and archive purchases of any medical cannabis or a medical cannabis device, including:

(A) the time and date of each purchase;

(B) the quantity and type of medical cannabis or medical cannabis device purchased;

(C) any cannabis production establishment, any medical cannabis pharmacy, or any medical cannabis courier associated with the medical cannabis or medical cannabis device; and

(D) the personally identifiable information of the medical cannabis cardholder who made the purchase; and

(ii) any commercially available inventory control system that a cannabis production establishment utilizes in accordance with Section 4-41a-103 to use data that the [~~Department of Agriculture and Food~~] department requires by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, from the inventory tracking system that a licensee uses to track and confirm compliance;

(f) provides access to:

(i) the department to the extent necessary to carry out the department's functions and responsibilities under this part;

(ii) the [~~Department of Agriculture and Food~~] department to the extent necessary to carry out the functions and responsibilities of the [~~Department of Agriculture and Food~~] department under Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies; and

(iii) the Division of Professional Licensing to the extent necessary to carry out the functions and responsibilities related to the participation of the following in the recommendation and dispensing of medical cannabis:

(A) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

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

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

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

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

(g) communicates dispensing information from a record that a medical cannabis pharmacy submits to the state electronic verification system under Subsection 4-41a-1102(3)(a)(ii) to the controlled substance database;

(h) provides access to state or local law enforcement only to verify the validity of an individual's medical cannabis card for the administration of criminal justice and through a database used by law enforcement; and

(i) creates a record each time a person accesses the system that identifies the person who accesses the system and the individual whose records the person accesses.

(3)

(a) An employee of a recommending medical provider may access the electronic verification system for a purpose described in Subsection (2)(c) on behalf of the recommending medical provider if:

(i) the recommending medical provider has designated the employee as an individual authorized to access the electronic verification system on behalf of the recommending medical provider;

(ii) the recommending medical provider provides written notice to the department of the employee's identity and the designation described in Subsection (3)(a)(i); and

(iii) the department grants to the employee access to the electronic verification system.

(b) An employee of a business that employs a recommending medical provider may access the electronic verification system for a purpose described in Subsection (2)(c) on behalf of the recommending medical provider if:

(i) the recommending medical provider has designated the employee as an individual authorized to access the electronic verification system on behalf of the recommending medical provider;

(ii) the recommending medical provider and the employing business jointly provide written notice to the department of the employee's identity and the designation described in Subsection (3)(b)(i); and

(iii) the department grants to the employee access to the electronic verification system.

(c) Every two years, an employee described in Subsections (3)(a) and (3)(b) shall complete at least one hour of education regarding health information privacy laws that is offered by the department or an accredited or approved education provider that the department recognizes before the department may grant the employee access to the electronic verification system.

(4)

(a) As used in this Subsection (4), "prescribing provider" means:

(i) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

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

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

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

(b) A prescribing provider may access information in the electronic verification system regarding a patient the prescribing provider treats.

(5) The department may release limited data that the system collects for the purpose of:

(a) conducting medical and other department approved research;

(b) providing the report required by Section 26B-4-222; and

(c) other official department purposes.

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

(a) the limitations on access to the data in the state electronic verification system as described in this section; and

(b) standards and procedures to ensure accurate identification of an individual requesting information or receiving information in this section.

(7) Any person who negligently or recklessly releases any information in the state electronic verification system in violation of this section is guilty of a class C misdemeanor.

(8) Any person who obtains or attempts to obtain information from the state electronic verification system by misrepresentation or fraud is guilty of a third degree felony.

(9)

(a) Except as provided in Subsections (9)(c) and (9)(e), a person may not knowingly and intentionally use, release, publish, or otherwise make available to any other person information obtained from the state electronic verification system for any purpose other than a purpose specified in this section.

(b) Each separate violation of this Subsection (9) is:

(i) a third degree felony; and

(ii) subject to a civil penalty not to exceed $5,000.

(c) A law enforcement officer who uses the database used by law enforcement to access information in the electronic verification system for a reason that is not the administration of criminal justice is guilty of a class B misdemeanor.

(d) The department shall determine a civil violation of this Subsection (9) in accordance with Title 63G, Chapter 4, Administrative Procedures Act.

(e) Civil penalties assessed under this Subsection (9) shall be deposited into the General Fund.

(f) This Subsection (9) does not prohibit a person who obtains information from the state electronic verification system under Subsection (2)(a), (c), or (f) from:

(i) including the information in the person's medical chart or file for access by a person authorized to review the medical chart or file;

(ii) providing the information to a person in accordance with the requirements of the Health Insurance Portability and Accountability Act of 1996; or

(iii) discussing or sharing that information about the patient with the patient.

Section 20. Section **26B-4-203** is amended to read:

26B-4-203. Qualifying condition.

(1) By designating a particular condition under Subsection (2) for which the use of medical cannabis to treat symptoms is decriminalized, the Legislature does not conclusively state that:

(a) current scientific evidence clearly supports the efficacy of a medical cannabis treatment for the condition; or

(b) a medical cannabis treatment will treat, cure, or positively affect the condition.

(2) For the purposes of this part, each of the following conditions is a qualifying condition:

(a) HIV or acquired immune deficiency syndrome;

(b) Alzheimer's disease;

(c) amyotrophic lateral sclerosis;

(d) cancer;

(e) cachexia;

(f) persistent nausea that is not significantly responsive to traditional treatment, except for nausea related to:

(i) pregnancy;

(ii) cannabis-induced cyclical vomiting syndrome; or

(iii) cannabinoid hyperemesis syndrome;

(g) Crohn's disease or ulcerative colitis;

(h) epilepsy or debilitating seizures;

(i) multiple sclerosis or persistent and debilitating muscle spasms;

(j) post-traumatic stress disorder that is being treated and monitored by a licensed mental health therapist, as that term is defined in Section 58-60-102, and that:

(i) has been diagnosed by a healthcare provider or mental health provider employed or contracted by the United States Veterans Administration, evidenced by copies of medical records from the United States Veterans Administration that are included as part of the recommending medical provider's pre-treatment assessment and medical record documentation; or

(ii) has been diagnosed or confirmed, through face-to-face or telehealth evaluation of the patient, by a provider who is:

(A) a licensed board-eligible or board-certified psychiatrist;

(B) a licensed psychologist with a master's-level degree;

(C) a licensed clinical social worker with a master's-level degree;

(D) a licensed advanced practice registered nurse who is qualified to practice within the psychiatric mental health nursing specialty and who has completed the clinical practice requirements in psychiatric mental health nursing, including in psychotherapy, in accordance with Subsection 58-31b-302(5)(g); or

(E) a licensed physician assistant who is qualified to specialize in mental health care under Section 58-70a-501.1;

(k) autism;

(l) a terminal illness when the patient's remaining life expectancy is less than six months;

(m) a condition resulting in the individual receiving hospice care;

(n) a rare condition or disease that:

(i) affects less than 200,000 individuals in the United States, as defined in Section 526 of the Federal Food, Drug, and Cosmetic Act; and

(ii) is not adequately managed despite treatment attempts using:

(A) conventional medications other than opioids or opiates; or

(B) physical interventions;

(o) pain lasting longer than two weeks that is not adequately managed, in the recommending medical provider's opinion, despite treatment attempts using:

(i) conventional medications other than opioids or opiates; or

(ii) physical interventions;

(p) pain that is expected to last for two weeks or longer for an acute condition, including a surgical procedure, for which a medical professional may generally prescribe opioids for a limited duration, subject to Subsection 26B-4-213(5)(c); and

(q) a condition that the Compassionate Use Board approves under Section [~~26B-1-421~~] 4-41a-112, on an individual, case-by-case basis.

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

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

(1)

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

(i) issue a medical cannabis patient card to an individual described in Subsection (2)(a);

(ii) issue a medical cannabis guardian card to an individual described in Subsection (2)(b);

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

(iv) issue a medical cannabis caregiver card to an individual described in Subsection 26B-4-214(4).

(b)

(i) Upon the entry of a recommending medical provider's medical cannabis recommendation for a patient in the state electronic verification system, either by the provider or the provider's employee or by a medical cannabis pharmacy medical provider or medical cannabis pharmacy

in accordance with Subsection 4-41a-1101(10)(a), the department shall issue to the patient an electronic conditional medical cannabis card, in accordance with this Subsection (1)(b).

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

(A) 60 days; or

(B) the day on which the department completes the department's review and issues a medical cannabis card under Subsection (1)(a), denies the patient's medical cannabis card application, or revokes the conditional medical cannabis card under Subsection (8).

(iii) The department may issue a conditional medical cannabis card to an individual applying for a medical cannabis patient card for which approval of the Compassionate Use Board is not required.

(iv) An individual described in Subsection (1)(b)(iii) has the rights, restrictions, and obligations under law applicable to a holder of the medical cannabis card for which the individual applies and for which the department issues the conditional medical cannabis card.

(2)

(a) An individual is eligible for a medical cannabis patient card if:

(i)

(A) the individual is at least 21 years old; or

(B) the individual is 18, 19, or 20 years old, the individual petitions the Compassionate Use Board under Section [~~26B-1-421~~] 4-41a-112, and the Compassionate Use Board recommends department approval of the petition;

(ii) the individual is a Utah resident;

(iii) the individual's recommending medical provider recommends treatment with medical cannabis in accordance with Subsection (4);

(iv) the individual signs an acknowledgment stating that the individual received the information described in Subsection (9); and

(v) the individual pays to the department a fee in an amount that, subject to Subsection [~~26B-1-310(5)~~] 4-41a-104.1(5), the department sets in accordance with Section 63J-1-504.

(b)

(i) An individual is eligible for a medical cannabis guardian card if the individual:

(A) is at least 18 years old;

(B) is a Utah resident;

(C) is the parent or legal guardian of a minor for whom the minor's recommending medical provider recommends a medical cannabis treatment, the individual petitions the Compassionate Use Board under Section [~~26B-1-421~~] 4-41a-112, and the Compassionate Use Board recommends department approval of the petition;

(D) the individual signs an acknowledgment stating that the individual received the information described in Subsection (9); and

(E) pays to the department a fee in an amount that, subject to Subsection [~~26B-1-310(5)~~] 4-41a-104.1(5), the department sets in accordance with Section 63J-1-504, plus the cost of the criminal background check described in Section 26B-4-215.

(ii) The department shall notify the Department of Public Safety of each individual that the department registers for a medical cannabis guardian card.

(c)

(i) A minor is eligible for a provisional patient card if:

(A) the minor has a qualifying condition;

(B) the minor's recommending medical provider recommends a medical cannabis treatment to address the minor's qualifying condition;

(C) one of the minor's parents or legal guardians petitions the Compassionate Use Board under Section [~~26B-1-421~~] 4-41a-112, and the Compassionate Use Board 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)

(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 through the order described in Subsections 26B-4-204(1)(b) and (c).

(ii) If a recommending medical provider makes the indication described in Subsection (3)(b)(i):

(A) the department shall add a label to the relevant medical cannabis patient card indicating the cardholder's need for assistance;

(B) any adult who is 18 years old or older and who is physically present with the cardholder at the time the cardholder needs to use the recommended medical cannabis treatment may handle the medical cannabis treatment and any associated medical cannabis device as needed to assist the cardholder in administering the recommended medical cannabis treatment; and

(C) an individual of any age who is physically present with the cardholder in the event of an emergency medical condition, as that term is defined in Section 31A-1-301, may handle the medical cannabis treatment and any associated medical cannabis device as needed to assist the cardholder in administering the recommended medical cannabis treatment.

(iii) A non-cardholding individual acting under Subsection (3)(b)(ii)(B) or (C) may not:

(A) ingest or inhale medical cannabis;

(B) possess, transport, or handle medical cannabis or a medical cannabis device outside of the immediate area where the cardholder is present or with an intent other than to provide assistance to the cardholder; or

(C) possess, transport, or handle medical cannabis or a medical cannabis device when the cardholder is not in the process of being dosed with medical cannabis.

(4)

(a) {[Except as provided in Subsection (4)(b), a]} ~~A~~ }recommending medical provider may {[not]} recommend medical cannabis to a patient through a virtual visit.

{[(b) A recommending medical provider may recommend medical cannabis to a patient through a virtual visit if the patient:]}

{[(i) is on hospice or has a terminal illness according to the patient's medical provider;]}

{[(ii) is a resident of an assisted living facility, as defined in Section 26B-2-201, or a nursing care facility, as defined in Section 26B-2-201;]}

{[(iii) has previously received a medical cannabis recommendation from the recommending medical provider through a face-to-face visit; or]}

{[(iv) is a current patient of the recommending medical provider and has met with the recommending medical provider face-to-face previously.]}

{[(c)]} {~~(b)~~ } A recommending medical provider shall:

(i) before recommending or renewing a recommendation for medical cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form:

(A) verify the patient's and, for a minor patient, the minor patient's parent or legal guardian's government issued photo identification described in Subsection (3)(a);

(B) review any record related to the patient and, for a minor patient, the patient's parent or legal guardian accessible to the recommending medical provider including in the controlled substance database created in Section 58-37f-201; and

(C) consider the recommendation in light of the patient's qualifying condition, history of substance use or opioid use disorder, and history of medical cannabis and controlled substance use during a visit with the patient; and

(ii) state in the recommending medical provider's recommendation that the patient:

(A) suffers from a qualifying condition, including the type of qualifying condition; and

(B) may benefit from treatment with cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form.

(5)

(a) Except as provided in Subsection (5)(b) or (c), a medical cannabis card that the department issues under this section is valid for the lesser of:

(i) an amount of time that the recommending medical provider determines; or

(ii) one year from the day the card is issued.

(b)

(i) A medical cannabis card that the department issues in relation to a terminal illness described in Section 26B-4-203 expires after one year.

(ii) The recommending medical provider may revoke a recommendation that the provider made in relation to a terminal illness described in Section 26B-4-203 if the medical cannabis cardholder no longer has the terminal illness.

(c) A medical cannabis card that the department issues in relation to acute pain as described in Section 26B-4-203 expires 30 days after the day on which the department first issues a conditional or full medical cannabis card.

(6)

(a) A medical cannabis patient card or a medical cannabis guardian card is renewable if:

(i) at the time of renewal, the cardholder meets the requirements of Subsection (2)(a) or (b); or

(ii) the cardholder received the medical cannabis card through the recommendation of the Compassionate Use Board under Section [~~26B-1-421~~] 4-41a-112.

(b) The recommending medical provider who made the underlying recommendation for the card of a cardholder described in Subsection (6)(a) may renew the cardholder's card through phone or video conference with the cardholder, at the recommending medical provider's discretion.

(c) Before having access to a renewed card, a cardholder under Subsection (2)(a) or (b) shall pay to the department a renewal fee in an amount that:

(i) subject to Subsection [~~26B-1-310(5)~~] 4-41a-104.1(5), the department sets in accordance with Section 63J-1-504; and

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

(d) If a minor meets the requirements of Subsection (2)(c), the minor's provisional patient card renews automatically at the time the minor's parent or legal guardian renews the parent or legal guardian's associated medical cannabis guardian card.

(7)

(a) A cardholder under this section shall carry the cardholder's valid medical cannabis card with the patient's name.

(b)

(i) A medical cannabis patient cardholder or a provisional patient cardholder may purchase, in accordance with this part and the recommendation underlying the card, cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device.

(ii) A cardholder under this section may possess or transport, in accordance with this part and the recommendation underlying the card, cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device.

(iii) To address the qualifying condition underlying the medical cannabis treatment recommendation:

(A) a medical cannabis patient cardholder or a provisional patient cardholder may use medical cannabis or a medical cannabis device; and

(B) a medical cannabis guardian cardholder may assist the associated provisional patient cardholder with the use of medical cannabis or a medical cannabis device.

(8)

(a) The department may revoke a medical cannabis card that the department issues under this section if:

(i) the recommending medical provider withdraws the medical provider's recommendation for medical cannabis; or

(ii) the cardholder:

(A) violates this part; or

(B) is convicted under state or federal law of, after March 17, 2021, a drug distribution offense.

(b) The department may not refuse to issue a medical cannabis card to a patient solely based on a prior revocation under Subsection (8)(a)(i).

(9) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, a process to provide information regarding the following to an individual receiving a medical cannabis card:

(a) risks associated with medical cannabis treatment;

(b) the fact that a condition's listing as a qualifying condition does not suggest that medical cannabis treatment is an effective treatment or cure for that condition, as described in Subsection 26B-4-203(1); and

(c) other relevant warnings and safety information that the department determines.

(10) The department may establish procedures by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to implement the application and issuance provisions of this section.

(11)

(a) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, a process to allow an individual from another state to register with the department in order to purchase medical cannabis or a medical cannabis device from a medical cannabis pharmacy while the individual is visiting the state.

(b) The department may only provide the registration process described in Subsection (11)(a):

(i) to a nonresident patient; and

(ii) for no more than two visitation periods per calendar year of up to 21 calendar days per visitation period.

(12)

(a) A person may submit to the department a request to conduct a research study using medical cannabis cardholder data that the state electronic verification system contains.

(b) The department shall review a request described in Subsection (12)(a) to determine whether an institutional review board, as that term is defined in Section 26B-4-201, could approve the research study.

(c) At the time an individual applies for a medical cannabis card, the department shall notify the individual:

(i) of how the individual's information will be used as a cardholder;

(ii) that by applying for a medical cannabis card, unless the individual withdraws consent under Subsection (12)(d), the individual consents to the use of the individual's information for external research; and

(iii) that the individual may withdraw consent for the use of the individual's information for external research at any time, including at the time of application.

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

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

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

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

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

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

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

Section 22. Section **26B-4-214** is amended to read:

26B-4-214. Medical cannabis caregiver card -- Registration -- Renewal -- Revocation.

(1)

(a) A cardholder described in Section 26B-4-213 may designate up to two individuals, or an individual and a facility in accordance with Subsection (1)(b), to serve as a designated caregiver for the cardholder.

(b)

(i) A cardholder described in Section 26B-4-213 may designate one of the following types of facilities as one of the caregivers described in Subsection (1)(a):

(A) for a patient or resident, an assisted living facility, as that term is defined in Section 26B-2-201;

(B) for a patient or resident, a nursing care facility, as that term is defined in Section 26B-2-201; or

(C) for a patient, a general acute hospital, as that term is defined in Section 26B-2-201.

(ii) A facility may:

(A) assign one or more employees to assist patients with medical cannabis treatment under the caregiver designation described in this Subsection (1)(b); and

(B) receive a medical cannabis shipment from a medical cannabis pharmacy or a medical cannabis courier on behalf of the medical cannabis cardholder within the facility who designated the facility as a caregiver.

(iii) The department shall make rules to regulate the practice of facilities and facility employees serving as designated caregivers under this Subsection (1)(b).

(c) A parent or legal guardian described in Subsection 26B-4-213(2)(d), in consultation with the minor and the minor's recommending medical provider, may designate up to two individuals to serve as a designated caregiver for the minor, if the department determines that the parent or legal guardian is not eligible for a medical cannabis guardian card under Section 26B-4-213.

(d)

(i) Upon the entry of a caregiver designation under Subsection (1)(c) by a patient with a terminal illness described in Section 26B-4-203, the department shall issue to the designated caregiver an electronic conditional medical cannabis caregiver card, in accordance with this Subsection (1)(d).

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

(A) 60 days; or

(B) the day on which the department completes the department's review and issues a medical cannabis caregiver card under Subsection (1)(a), denies the patient's medical cannabis caregiver card application, or revokes the conditional medical cannabis caregiver card under Section 26B-4-246.

(iii) The department may issue a conditional medical cannabis card to an individual applying for a medical cannabis patient card for which approval of the Compassionate Use Board is not required.

(iv) An individual described in Subsection (1)(b)(iii) has the rights, restrictions, and obligations under law applicable to a holder of the medical cannabis card for which the individual applies and for which the department issues the conditional medical cannabis card.

(2) An individual that the department registers as a designated caregiver under this section and a facility described in Subsection (1)(b):

(a) for an individual designated caregiver, may carry a valid medical cannabis caregiver card;

(b) in accordance with this part, may purchase, possess, transport, or assist the patient in the use of medical cannabis or a medical cannabis device on behalf of the designating medical cannabis cardholder;

(c) may not charge a fee to an individual to act as the individual's designated caregiver or for a service that the designated caregiver provides in relation to the role as a designated caregiver; and

(d) may accept reimbursement from the designating medical cannabis cardholder for direct costs the designated caregiver incurs for assisting with the designating cardholder's medicinal use of cannabis.

(3)

(a) The department shall:

(i) within 15 days after the day on which an individual submits an application in compliance with this section, issue a medical cannabis card to the applicant if the applicant:

(A) is designated as a caregiver under Subsection (1);

(B) is eligible for a medical cannabis caregiver card under Subsection (4); and

(C) complies with this section; and

(ii) notify the Department of Public Safety of each individual that the department registers as a designated caregiver.

(b) The department shall ensure that a medical cannabis caregiver card contains the information described in Subsections (5)(b) and (3)(c)(i).

(c) If a cardholder described in Section 26B-4-213 designates an individual as a caregiver who already holds a medical cannabis caregiver card, the individual with the medical cannabis caregiver card:

(i) shall report to the department the information required of applicants under Subsection (5)(b) regarding the new designation;

(ii) if the individual makes the report described in Subsection (3)(c)(i), is not required to file an application for another medical cannabis caregiver card;

(iii) may receive an additional medical cannabis caregiver card in relation to each additional medical cannabis patient who designates the caregiver; and

(iv) is not subject to an additional background check.

(4) An individual is eligible for a medical cannabis caregiver card if the individual:

(a) is at least 21 years old;

(b) is a Utah resident;

(c) pays to the department a fee in an amount that, subject to Subsection [~~26B-1-310(5)~~] 4-41a-104.1(5), the department sets in accordance with Section 63J-1-504, plus the cost of the criminal background check described in Section 26B-4-215; and

(d) signs an acknowledgment stating that the applicant received the information described in Subsection 26B-4-213(9).

(5) An eligible applicant for a medical cannabis caregiver card shall:

(a) submit an application for a medical cannabis caregiver card to the department through an electronic application connected to the state electronic verification system; and

(b) submit the following information in the application described in Subsection (5)(a):

(i) the applicant's name, gender, age, and address;

(ii) the name, gender, age, and address of the cardholder described in Section 26B-4-213 who designated the applicant;

(iii) if a medical cannabis guardian cardholder designated the caregiver, the name, gender, and age of the minor receiving a medical cannabis treatment in relation to the medical cannabis guardian cardholder; and

(iv) any additional information that the department requests to assist in matching the application with the designating medical cannabis patient.

(6) Except as provided in Subsection (6)(b), a medical cannabis caregiver card that the department issues under this section is valid for the lesser of:

(a) an amount of time that the cardholder described in Section 26B-4-213 who designated the caregiver determines; or

(b) the amount of time remaining before the card of the cardholder described in Section 26B-4-213 expires.

(7)

(a) If a designated caregiver meets the requirements of Subsection (4), the designated caregiver's medical cannabis caregiver card renews automatically at the time the cardholder described in Section 26B-4-213 who designated the caregiver:

(i) renews the cardholder's card; and

(ii) renews the caregiver's designation, in accordance with Subsection (7)(b).

(b) The department shall provide a method in the card renewal process to allow a cardholder described in Section 26B-4-213 who has designated a caregiver to:

(i) signify that the cardholder renews the caregiver's designation;

(ii) remove a caregiver's designation; or

(iii) designate a new caregiver.

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

Section 23. Section **26B-4-219** is amended to read:

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

(1)

(a) A medical cannabis pharmacy:

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

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

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

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

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

(c) An individual may not serve as a pharmacy medical provider unless the department registers the individual as a pharmacy medical provider in accordance with Subsection (2).

(2)

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

(i) provides to the department:

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

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

(C) an acknowledgment that the individual has completed four hours of continuing education related to medical cannabis; and

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

(ii) pays a fee to the department in an amount that, subject to Subsection [~~26B-1-310(5)~~] 4-41a-104.1(5), the department sets in accordance with Section 63J-1-504.

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

(3)

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

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

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

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

(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)~~] 4-41a-104.1(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 renewal in comparison to the original application process.

(5)

(a) Except as provided in Subsection (5)(b), a person may not advertise that the person or another person dispenses medical cannabis.

(b) Notwithstanding Subsection (5)(a) and Section 4-41a-109, a registered pharmacy medical provider may advertise the following:

(i) a green cross;

(ii) that the person is registered as a pharmacy medical provider and dispenses medical cannabis; or

(iii) a scientific study regarding medical cannabis use.

(6)

(a) The department may revoke a pharmacy medical provider's registration for a violation of this chapter.

(b) The department may inspect patient records held by a medical cannabis pharmacy to ensure a pharmacy medical provider is practicing in accordance with this chapter and applicable rules.

Section 24. Section **26B-4-222** is amended to read:

26B-4-222. Report.

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

(a) the number of applications and renewal applications filed for medical cannabis cards;

(b) the number of qualifying patients and designated caregivers;

(c) the nature of the debilitating medical conditions of the qualifying patients;

(d) the age and county of residence of cardholders;

(e) the number of medical cannabis cards revoked;

(f) the number of practitioners providing recommendations for qualifying patients; and

(g) the expenses and revenues of the Qualified Patient Enterprise Fund created in Section [~~26B-1-310~~] 4-41a-104.1.

(2) The report shall include information provided by the Center for Medical Cannabis Research described in Section 53H-4-206.

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

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

Section 25. Section **26B-4-245** is amended to read:

26B-4-245. Purchasing and use limitations.

(1) An individual with a medical cannabis card:

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

(i) unprocessed cannabis in a medicinal dosage form; and

(ii) a cannabis product in a medicinal dosage form;

(b) may not purchase:

(i) except as provided in Subsection (2), more medical cannabis than described in Subsection (1)(a); or

(ii) if the relevant recommending medical provider did not recommend directions of use and dosing guidelines, until the individual consults with the pharmacy medical provider in accordance with Subsection 26B-4-231(5), any medical cannabis; and

(c) may not use a route of administration that the relevant recommending medical provider or the pharmacy medical provider, in accordance with Subsection 26B-4-231(5), has not recommended.

(2)

(a) A recommending medical provider may petition the department to waive the 28-day period limit described in Subsection (1)(a) for a medical cannabis cardholder if the medical cannabis cardholder:

(i) has been diagnosed with a terminal illness;

(ii) has a life expectancy of six months or less; and

(iii) needs the waiver for palliative purposes.

(b) The department shall:

(i) consult with the Compassionate Use Board to determine whether the waiver should be granted; and

(ii) issue a response to the petition within 10 days from the day on which the petition is received.

(c) The department may waive the 28-day period limit for no more than 180 days.

(d) A petition described in this Subsection (2) may be combined with the petition described in Subsection [~~26B-1-421(6)~~] 4-41a-112(5).

Section 26. Section **52-4-205** is amended to read:

52-4-205. Purposes of closed meetings -- Certain issues prohibited in closed meetings.

(1) A closed meeting described under Section 52-4-204 may only be held for:

(a) except as provided in Subsection (3), discussion of the character, professional competence, or physical or mental health of an individual;

(b) strategy sessions to discuss collective bargaining;

(c) strategy sessions to discuss pending or reasonably imminent litigation;

(d) strategy sessions to discuss the purchase, exchange, or lease of real property, including any form of a water right or water shares, or to discuss a proposed development agreement, project proposal, or financing proposal related to the development of land owned by the state or a political subdivision, if public discussion would:

(i) disclose the appraisal or estimated value of the property under consideration; or

(ii) prevent the public body from completing the transaction on the best possible terms;

(e) strategy sessions to discuss the sale of real property, including any form of a water right or water shares, if:

(i) public discussion of the transaction would:

(A) disclose the appraisal or estimated value of the property under consideration; or

(B) prevent the public body from completing the transaction on the best possible terms;

(ii) the public body previously gave public notice that the property would be offered for sale; and

(iii) the terms of the sale are publicly disclosed before the public body approves the sale;

(f) discussion regarding deployment of security personnel, devices, or systems;

(g) investigative proceedings regarding allegations of criminal misconduct;

(h) as relates to the Independent Legislative Ethics Commission, conducting business relating to the receipt or review of ethics complaints;

(i) as relates to an ethics committee of the Legislature, a purpose permitted under Section 52-4-204;

(j) as relates to the Independent Executive Branch Ethics Commission created in Section 63A-14-202, conducting business relating to an ethics complaint;

(k) as relates to a county legislative body, discussing commercial information as defined in Section 59-1-404;

(l) as relates to the Utah Higher Education Savings Board of Trustees and its appointed board of directors, discussing fiduciary or commercial information;

(m) deliberations, not including any information gathering activities, of a public body acting in the capacity of:

(i) an evaluation committee under Title 63G, Chapter 6a, Utah Procurement Code, during the process of evaluating responses to a solicitation, as defined in Section 63G-6a-103;

(ii) a protest officer, defined in Section 63G-6a-103, during the process of making a decision on a protest under Title 63G, Chapter 6a, Part 16, Protests; or

(iii) a procurement appeals panel under Title 63G, Chapter 6a, Utah Procurement Code, during the process of deciding an appeal under Title 63G, Chapter 6a, Part 17, Procurement Appeals Board;

(n) the purpose of considering information that is designated as a trade secret, as defined in Section 13-24-2, if the public body's consideration of the information is necessary to properly conduct a procurement under Title 63G, Chapter 6a, Utah Procurement Code;

(o) the purpose of discussing information provided to the public body during the procurement process under Title 63G, Chapter 6a, Utah Procurement Code, if, at the time of the meeting:

(i) the information may not, under Title 63G, Chapter 6a, Utah Procurement Code, be disclosed to a member of the public or to a participant in the procurement process; and

(ii) the public body needs to review or discuss the information to properly fulfill its role and responsibilities in the procurement process;

(p) as relates to the governing board of a governmental nonprofit corporation, as that term is defined in Section 11-13a-102, the purpose of discussing information that is designated as a trade secret, as that term is defined in Section 13-24-2, if:

(i) public knowledge of the discussion would reasonably be expected to result in injury to the owner of the trade secret; and

(ii) discussion of the information is necessary for the governing board to properly discharge the board's duties and conduct the board's business;

(q) as it relates to the Cannabis Production Establishment Licensing Advisory Board, to review confidential information regarding violations and security requirements in relation to the operation of cannabis production establishments;

(r) considering a loan application, if public discussion of the loan application would disclose:

(i) nonpublic personal financial information; or

(ii) a nonpublic trade secret, as defined in Section 13-24-2, or nonpublic business financial information the disclosure of which would reasonably be expected to result in unfair competitive injury to the person submitting the information;

(s) a discussion of the board of the Point of the Mountain State Land Authority, created in Section 11-59-201, regarding a potential tenant of point of the mountain state land, as defined in Section 11-59-102; or

(t) a purpose for which a meeting is required to be closed under Subsection (2).

(2) The following meetings shall be closed:

(a) a meeting of the Health and Human Services Interim Committee to review a report described in Subsection 26B-1-506(1)(a), and a response to the report described in Subsection 26B-1-506(2);

(b) a meeting of the Child Welfare Legislative Oversight Panel to:

(i) review a report described in Subsection 26B-1-506(1)(a), and a response to the report described in Subsection 26B-1-506(2); or

(ii) review and discuss an individual case, as described in Section 36-33-103;

(c) a meeting of a conservation district as defined in Section 17D-3-102 for the purpose of advising the Natural Resource Conservation Service of the United States Department of Agriculture on a farm improvement project if the discussed information is protected information under federal law;

(d) a meeting of the Compassionate Use Board established in Section [~~26B-1-421~~] 4-41a-112 for the purpose of reviewing petitions for a medical cannabis card in accordance with Section 26B-1-421;

(e) a meeting of the Colorado River Authority of Utah if:

(i) the purpose of the meeting is to discuss an interstate claim to the use of the water in the Colorado River system; and

(ii) failing to close the meeting would:

(A) reveal the contents of a record classified as protected under Subsection 63G-2-305(81);

(B) reveal a legal strategy relating to the state's claim to the use of the water in the Colorado River system;

(C) harm the ability of the Colorado River Authority of Utah or river commissioner to negotiate the best terms and conditions regarding the use of water in the Colorado River system; or

(D) give an advantage to another state or to the federal government in negotiations regarding the use of water in the Colorado River system;

(f) a meeting of the General Regulatory Sandbox Program Advisory Committee if:

(i) the purpose of the meeting is to discuss an application for participation in the regulatory sandbox as defined in Section 63N-16-102; and

(ii) failing to close the meeting would reveal the contents of a record classified as protected under Subsection 63G-2-305(82);

(g) a meeting of a project entity if:

(i) the purpose of the meeting is to conduct a strategy session to discuss market conditions relevant to a business decision regarding the value of a project entity asset if the terms of the business decision are publicly disclosed before the decision is finalized and a public discussion would:

(A) disclose the appraisal or estimated value of the project entity asset under consideration; or

(B) prevent the project entity from completing on the best possible terms a contemplated transaction concerning the project entity asset;

(ii) the purpose of the meeting is to discuss a record, the disclosure of which could cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of, the project entity;

(iii) the purpose of the meeting is to discuss a business decision, the disclosure of which could cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of, the project entity; or

(iv) failing to close the meeting would prevent the project entity from getting the best price on the market; and

(h) a meeting of the Rules Review and General Oversight Committee to review and discuss:

(i) an individual child welfare case as described in Subsection 36-35-102(3)(c); or

(ii) information that is subject to a confidentiality agreement as described in Subsection 36-35-102(3)(c).

(3) In a closed meeting, a public body may not:

(a) interview a person applying to fill an elected position;

(b) discuss filling a midterm vacancy or temporary absence governed by Title 20A, Chapter 1, Part 5, Candidate Vacancy and Vacancy and Temporary Absence in Elected Office; or

(c) discuss the character, professional competence, or physical or mental health of the person whose name was submitted for consideration to fill a midterm vacancy or temporary absence governed by Title 20A, Chapter 1, Part 5, Candidate Vacancy and Vacancy and Temporary Absence in Elected Office.

Section 27. **Effective date.**

Effective Date.

This bill takes effect on May 6, 2026.

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