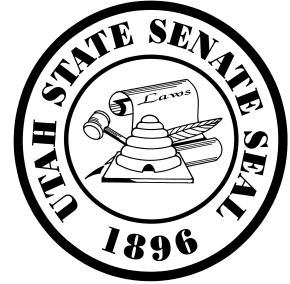




**Performance Note**  
**SB0089S03 - Medical Cannabidiol**  
**Amendments**  
Sponsor: Sen. Vickers, Evan J.



Performance Note Report

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Author: ogilvies

Agency: Department of Agriculture and Food

Funding For:

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New Services or Benefit

Public Benefit:

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**Purpose:** The Department of Agriculture and Food (UDAF) is required by this bill to issue licenses to qualified individuals to operate cannabidiol production establishments. Also, UDAF is directed to issue registration cards to qualified individuals to act as agents of medical cannabidiol establishments. These licenses and registration cards are required to insure that the operations related to the cultivation and processing of medicinal cannabidiol occur within the parameters set by the Legislature.

**Services:** 1. Establish compatibility standards for an inventory control system 2. Offer licenses to a person to operate a cannabidiol production establishment after proved compliance with the requirements in the bill. 3. License renewal in accordance with the stipulations identified in the bill. 4. Monitor the number of licenses issued based on a maximum identified in the bill. 5. Register qualified individuals as cannabidiol production establishment agents. 6. Perform inspections to insure that a cannabidiol production establishment complies with the requirements of the bill. 7. Laboratory services to verify that a cannabidiol batch that does not meet the requirements set forth in the bill are appropriately handled.

**Expected Outcome:** 1. Medical cannabidiol establishments shall maintain an inventory control system that meets the requirements of the bill. 2. Licenses and registration cards will be issued to qualified individuals in accordance with the standards identified in the bill. 3. Inspections will occur that verify cannabidiol production establishments are operating in accordance with the standards identified in the bill. 4. A cannabidiol batch that does not meet the qualifications identified in the bill is properly handled.

**Implementations and Resources:** 1. UDAF will work with the Department of Technology Services to identify the standards for an inventory control system. 2. Licensing and registration will be incorporated into the already existing licensing system utilized by UDAF. 3. Inspectors will receive training to allow them to properly make a determination as to the adequacy of operational measures being performed by cannabidiol production establishments.

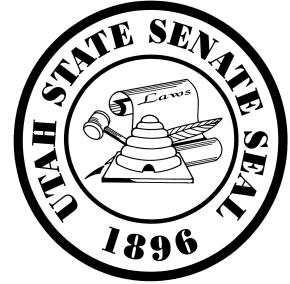
**How:** The activities performed by UDAF personnel will allow qualified individuals operating cannabidiol production establishments to produce cannabidiol that meets the standards identified in the bill. They will also offer, to the public, assurance that the on-going operations of these establishments generate the product intended by the bill.

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**Performance Note**  
**SB0089S03 - Medical Cannabidiol**  
**Amendments**  
Sponsor: Sen. Vickers, Evan J.



Performance Note Report

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Author: rrolfs

Agency: Department of Health

Funding For:

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New Services or Benefit

Public Benefit:

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**Purpose:** This bill allows an individual with a qualifying illness who registers with the state electronic verification system to possess and use cannabidiol (CBD) under certain circumstances. The Department of Health (DOH) is responsible to issue medical CBD cards and medical CBD research licenses to qualifying individuals.

**Services:** Pursuant to SB 89 3rd Sub., the legislature intends for the DOH to support the planning, development, and ongoing operation of the electronic verification system that issues medical CBD cards and medical CBD research licenses.

**Expected Outcome:** DOH will issue 80% of medical CBD cards within 45 days after an individual submits an application. Timely processing of applications will expedite a qualifying patient's obtaining of the medical CBD used to treat their medical condition. Over 45 days may be necessary to process applications that are incomplete when first submitted.

**Implementations and Resources:** DOH currently does not have the personnel resources necessary to implement SB 89 3rd Sub. It is necessary for DOH to create a new position because the workload of existing employees is such that they could not take on the new responsibility. The electronic verification system must be built to prevent incomplete applications from being submitted; however, the system may not stop all incomplete applications.

**How:** Timely processing of applications is not possible without funding a new position. DOH can adequately support the services required by SB 89 3rd Sub. if this funding is appropriated.

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**Performance Note**  
**SB0089S03 - Medical Cannabidiol**  
**Amendments**  
Sponsor: Sen. Vickers, Evan J.



Performance Note Report

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Author: mjones@utah.gov

Agency: Financial Institutions

Funding For:

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New Services or Benefit

Public Benefit:

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**Purpose:** A cannabidiol payment processor, capable of electronically receiving funds from, and distributing funds to a cannabidiol production establishment, a cannabidiol dispensary, and an individual with a medical cannabidiol card, needs to be licensed. Purchase of cannabidiol would require a payment by the individual and, eventually, by the dispensary. Since no entity is currently facilitating this process, an entity needs to be identified and licensed. The Department of Financial Institutions is charged with licensing this entity.

**Services:** One cannabidiol payment processor license will be created and awarded to an entity capable of facilitating the purchase of cannabidiol.

**Expected Outcome:** Cannabidiol will be sold by a cannabidiol production establishment to a cannabidiol dispensary and then from cannabidiol dispensary to an individual with a medical cannabidiol card. And payment for the purchase of cannabidiol will then be processed back up through the same system

**Implementations and Resources:** This will be implemented by reviewing applications from entities interested in being a cannabidiol payment processor, determining which applicants meet the criteria for processing cannabidiol payments, and awarding the license to the one applicant who best demonstrates, in the discretion of the board committee, the ability of processing the cannabidiol payments.

**How:** The Department of Financial Institutions will circulate notices that applications for a cannabidiol payment processor are being accept. After the determined deadline for accepting applications has passed, submitted applications will be reviewed and evaluated. Those applications which meet the criteria identified in the bill will be presented to the board committee, who will select the best applicant. The license will then be awarded to that entity for two years. At the end of two years, the selected entity's qualifications will be reviewed and a determination made whether or not to extend the license with the same entity or award it to a different entity.