

**Representative Rebecca Chavez-Houck** proposes the following substitute bill:

**UTAH MEDICAL CANNABIS ACT**

2018 THIRD SPECIAL SESSION

STATE OF UTAH

**Chief Sponsor: Gregory H. Hughes**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill addresses provisions that Proposition 2 technically repealed by implication.

**Highlighted Provisions:**

This bill:

- ▶ technically renumbers the medical cannabis provisions that voters enacted in the 2018 election under Proposition 2;
- ▶ reenacts provisions that Proposition 2 repealed by implication through use of outdated code; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

**AMENDS:**

**10-9a-104**, as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018

**17-27a-104**, as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018

**30-3-10**, as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018



- 26 [58-37-3.7](#), as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018
- 27 [58-37-3.9](#), as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018
- 28 [62A-4a-202.1](#), as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018
- 29 [63I-1-226](#), as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018 and last
- 30 amended by Laws of Utah 2018, Chapters 180, 281, 384, 430, and 468
- 31 [63I-1-258](#), as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018 and last
- 32 amended by Laws of Utah 2018, Chapter 399
- 33 [78A-6-508 \(Superseded 07/01/19\)](#), as last amended by Laws of Utah 2014, Chapter
- 34 409
- 35 [78A-6-508 \(Effective 07/01/19\)](#), as last amended by Laws of Utah 2018, Chapter 452

36 ENACTS:

- 37 [26-36d-101](#), Utah Code Annotated 1953
- 38 [26-36d-102](#), Utah Code Annotated 1953
- 39 [26-36d-103](#), Utah Code Annotated 1953
- 40 [26-36d-201](#), Utah Code Annotated 1953
- 41 [26-36d-202](#), Utah Code Annotated 1953
- 42 [26-36d-203](#), Utah Code Annotated 1953
- 43 [26-36d-204](#), Utah Code Annotated 1953
- 44 [26-36d-205](#), Utah Code Annotated 1953
- 45 [26-36d-206](#), Utah Code Annotated 1953
- 46 [26-36d-207](#), Utah Code Annotated 1953
- 47 [26-36d-208](#), Utah Code Annotated 1953
- 48 [58-20b-101](#), Utah Code Annotated 1953
- 49 [58-20b-102](#), Utah Code Annotated 1953
- 50 [58-20b-201](#), Utah Code Annotated 1953
- 51 [58-20b-301](#), Utah Code Annotated 1953
- 52 [58-20b-302](#), Utah Code Annotated 1953
- 53 [58-20b-303](#), Utah Code Annotated 1953
- 54 [58-20b-304](#), Utah Code Annotated 1953
- 55 [58-20b-305](#), Utah Code Annotated 1953
- 56 [58-20b-401](#), Utah Code Annotated 1953

57           **58-20b-501**, Utah Code Annotated 1953  
58           **59-12-104.10**, Utah Code Annotated 1953  
59 RENUMBERS AND AMENDS:  
60           **4-41a-101**, (Renumbered from 4-41b-101, as enacted by Statewide Initiative --  
61 Proposition 2, Nov. 6, 2018)  
62           **4-41a-102**, (Renumbered from 4-41b-102, as enacted by Statewide Initiative --  
63 Proposition 2, Nov. 6, 2018)  
64           **4-41a-103**, (Renumbered from 4-41b-103, as enacted by Statewide Initiative --  
65 Proposition 2, Nov. 6, 2018)  
66           **4-41a-104**, (Renumbered from 4-41b-104, as enacted by Statewide Initiative --  
67 Proposition 2, Nov. 6, 2018)  
68           **4-41a-201**, (Renumbered from 4-41b-201, as enacted by Statewide Initiative --  
69 Proposition 2, Nov. 6, 2018)  
70           **4-41a-202**, (Renumbered from 4-41b-202, as enacted by Statewide Initiative --  
71 Proposition 2, Nov. 6, 2018)  
72           **4-41a-203**, (Renumbered from 4-41b-203, as enacted by Statewide Initiative --  
73 Proposition 2, Nov. 6, 2018)  
74           **4-41a-204**, (Renumbered from 4-41b-204, as enacted by Statewide Initiative --  
75 Proposition 2, Nov. 6, 2018)  
76           **4-41a-301**, (Renumbered from 4-41b-301, as enacted by Statewide Initiative --  
77 Proposition 2, Nov. 6, 2018)  
78           **4-41a-302**, (Renumbered from 4-41b-302, as enacted by Statewide Initiative --  
79 Proposition 2, Nov. 6, 2018)  
80           **4-41a-303**, (Renumbered from 4-41b-303, as enacted by Statewide Initiative --  
81 Proposition 2, Nov. 6, 2018)  
82           **4-41a-401**, (Renumbered from 4-41b-401, as enacted by Statewide Initiative --  
83 Proposition 2, Nov. 6, 2018)  
84           **4-41a-402**, (Renumbered from 4-41b-402, as enacted by Statewide Initiative --  
85 Proposition 2, Nov. 6, 2018)  
86           **4-41a-403**, (Renumbered from 4-41b-403, as enacted by Statewide Initiative --  
87 Proposition 2, Nov. 6, 2018)

- 88           **4-41a-404**, (Renumbered from 4-41b-404, as enacted by Statewide Initiative --  
89 Proposition 2, Nov. 6, 2018)
- 90           **4-41a-405**, (Renumbered from 4-41b-405, as enacted by Statewide Initiative --  
91 Proposition 2, Nov. 6, 2018)
- 92           **4-41a-501**, (Renumbered from 4-41b-501, as enacted by Statewide Initiative --  
93 Proposition 2, Nov. 6, 2018)
- 94           **4-41a-502**, (Renumbered from 4-41b-502, as enacted by Statewide Initiative --  
95 Proposition 2, Nov. 6, 2018)
- 96           **4-41a-601**, (Renumbered from 4-41b-601, as enacted by Statewide Initiative --  
97 Proposition 2, Nov. 6, 2018)
- 98           **4-41a-602**, (Renumbered from 4-41b-602, as enacted by Statewide Initiative --  
99 Proposition 2, Nov. 6, 2018)
- 100          **4-41a-603**, (Renumbered from 4-41b-603, as enacted by Statewide Initiative --  
101 Proposition 2, Nov. 6, 2018)
- 102          **4-41a-701**, (Renumbered from 4-41b-701, as enacted by Statewide Initiative --  
103 Proposition 2, Nov. 6, 2018)
- 104          **4-41a-702**, (Renumbered from 4-41b-702, as enacted by Statewide Initiative --  
105 Proposition 2, Nov. 6, 2018)
- 106          **4-41a-801**, (Renumbered from 4-41b-801, as enacted by Statewide Initiative --  
107 Proposition 2, Nov. 6, 2018)
- 108          **4-41a-802**, (Renumbered from 4-41b-802, as enacted by Statewide Initiative --  
109 Proposition 2, Nov. 6, 2018)
- 110          **26-61a-101**, (Renumbered from 26-60b-101, as enacted by Statewide Initiative --  
111 Proposition 2, Nov. 6, 2018)
- 112          **26-61a-102**, (Renumbered from 26-60b-102, as enacted by Statewide Initiative --  
113 Proposition 2, Nov. 6, 2018)
- 114          **26-61a-103**, (Renumbered from 26-60b-103, as enacted by Statewide Initiative --  
115 Proposition 2, Nov. 6, 2018)
- 116          **26-61a-104**, (Renumbered from 26-60b-104, as enacted by Statewide Initiative --  
117 Proposition 2, Nov. 6, 2018)
- 118          **26-61a-105**, (Renumbered from 26-60b-105, as enacted by Statewide Initiative --

- 119 Proposition 2, Nov. 6, 2018)
- 120 **26-61a-106**, (Renumbered from 26-60b-106, as enacted by Statewide Initiative --
- 121 Proposition 2, Nov. 6, 2018)
- 122 **26-61a-107**, (Renumbered from 26-60b-107, as enacted by Statewide Initiative --
- 123 Proposition 2, Nov. 6, 2018)
- 124 **26-61a-108**, (Renumbered from 26-60b-108, as enacted by Statewide Initiative --
- 125 Proposition 2, Nov. 6, 2018)
- 126 **26-61a-109**, (Renumbered from 26-60b-109, as enacted by Statewide Initiative --
- 127 Proposition 2, Nov. 6, 2018)
- 128 **26-61a-110**, (Renumbered from 26-60b-110, as enacted by Statewide Initiative --
- 129 Proposition 2, Nov. 6, 2018)
- 130 **26-61a-201**, (Renumbered from 26-60b-201, as enacted by Statewide Initiative --
- 131 Proposition 2, Nov. 6, 2018)
- 132 **26-61a-202**, (Renumbered from 26-60b-202, as enacted by Statewide Initiative --
- 133 Proposition 2, Nov. 6, 2018)
- 134 **26-61a-203**, (Renumbered from 26-60b-203, as enacted by Statewide Initiative --
- 135 Proposition 2, Nov. 6, 2018)
- 136 **26-61a-204**, (Renumbered from 26-60b-204, as enacted by Statewide Initiative --
- 137 Proposition 2, Nov. 6, 2018)
- 138 **26-61a-301**, (Renumbered from 26-60b-301, as enacted by Statewide Initiative --
- 139 Proposition 2, Nov. 6, 2018)
- 140 **26-61a-302**, (Renumbered from 26-60b-302, as enacted by Statewide Initiative --
- 141 Proposition 2, Nov. 6, 2018)
- 142 **26-61a-303**, (Renumbered from 26-60b-303, as enacted by Statewide Initiative --
- 143 Proposition 2, Nov. 6, 2018)
- 144 **26-61a-304**, (Renumbered from 26-60b-304, as enacted by Statewide Initiative --
- 145 Proposition 2, Nov. 6, 2018)
- 146 **26-61a-401**, (Renumbered from 26-60b-401, as enacted by Statewide Initiative --
- 147 Proposition 2, Nov. 6, 2018)
- 148 **26-61a-402**, (Renumbered from 26-60b-402, as enacted by Statewide Initiative --
- 149 Proposition 2, Nov. 6, 2018)

150 **26-61a-403**, (Renumbered from 26-60b-403, as enacted by Statewide Initiative --  
151 Proposition 2, Nov. 6, 2018)

152 **26-61a-501**, (Renumbered from 26-60b-501, as enacted by Statewide Initiative --  
153 Proposition 2, Nov. 6, 2018)

154 **26-61a-502**, (Renumbered from 26-60b-502, as enacted by Statewide Initiative --  
155 Proposition 2, Nov. 6, 2018)

156 **26-61a-503**, (Renumbered from 26-60b-503, as enacted by Statewide Initiative --  
157 Proposition 2, Nov. 6, 2018)

158 **26-61a-504**, (Renumbered from 26-60b-504, as enacted by Statewide Initiative --  
159 Proposition 2, Nov. 6, 2018)

160 **26-61a-505**, (Renumbered from 26-60b-505, as enacted by Statewide Initiative --  
161 Proposition 2, Nov. 6, 2018)

162 **26-61a-506**, (Renumbered from 26-60b-506, as enacted by Statewide Initiative --  
163 Proposition 2, Nov. 6, 2018)

164 **26-61a-601**, (Renumbered from 26-60b-601, as enacted by Statewide Initiative --  
165 Proposition 2, Nov. 6, 2018)

166 **26-61a-602**, (Renumbered from 26-60b-602, as enacted by Statewide Initiative --  
167 Proposition 2, Nov. 6, 2018)

168 REPEALS:

169 **59-12-104.7 (Repealed 01/01/19)**, as repealed by Laws of Utah 2018, Second Special  
170 Session, Chapter 6



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

173 Section 1. Section **4-41a-101**, which is renumbered from Section 4-41b-101 is  
174 renumbered and amended to read:

175 **Part 1. General Provisions**

176 ~~[4-41b-101]~~. **4-41a-101. Title.**

177 [(†)] This chapter is known as "Cannabis Production Establishments."

178 Section 2. Section **4-41a-102**, which is renumbered from Section 4-41b-102 is  
179 renumbered and amended to read:

180 ~~[4-41b-102]~~. **4-41a-102. Definitions.**

181 As used in this chapter:

182 (1) "Cannabis" means the same as that term is defined in Section [58-37-3.9](#).

183 (2) "Cannabis cultivation facility" means a person that:

184 (a) possesses cannabis;

185 (b) grows or intends to grow cannabis; and

186 (c) sells or intends to sell cannabis to cannabis production establishments or to  
187 cannabis dispensaries.

188 (3) "Cannabis cultivation facility agent" means an individual who is an owner, officer,  
189 director, board member, employee, or volunteer of a cannabis cultivation facility.

190 (4) "Cannabis dispensary" means the same as that term is defined in Section  
191 ~~[26-60b-102]~~ [26-61a-102](#).

192 (5) "Cannabis dispensary agent" means the same as that term is defined in Section  
193 ~~[26-60b-102]~~ [26-61a-102](#).

194 (6) "Cannabis processing facility" means a person that:

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

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

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

199 (d) sells or intends to sell a cannabis product to a cannabis dispensary.

200 (7) "Cannabis processing facility agent" means an individual who is an owner, officer,  
201 director, board member, employee, or volunteer of a cannabis processing facility.

202 (8) "Cannabis product" means the same as that term is defined in Section [58-37-3.9](#).

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

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

207 (11) "Cannabis production establishment agent registration card" means a registration  
208 card, issued by the department, that authorizes an individual to act as a cannabis production  
209 establishment agent and designates the type of cannabis production establishment for which an  
210 individual is authorized to act as an agent.

211 (12) "Community location" means a public or private school, a church, a public library,

212 a public playground, or a public park.

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

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

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

217 (14) "Independent cannabis testing laboratory agent" means an individual who is an  
218 owner, officer, director, board member, employee, or volunteer of an independent cannabis  
219 testing laboratory.

220 (15) "Inventory control system" means the system described in Section [~~4-41b-103~~]  
221 [4-41a-103](#).

222 (16) "Medical cannabis card" means the same as that term is defined in Section  
223 [~~26-60b-102~~] [26-61a-102](#).

224 (17) "Medical Cannabis Restricted Account" means the account created in Section  
225 [~~26-60b-109~~] [26-61a-109](#).

226 (18) "Physician" means the same as that term is defined in Section [~~26-60b-107~~]  
227 [26-61a-107](#).

228 (19) "State electronic verification system" means the system described in Section  
229 [~~26-60b-103~~] [26-61a-103](#).

230 Section 3. Section **4-41a-103**, which is renumbered from Section 4-41b-103 is  
231 renumbered and amended to read:

232 [~~4-41b-103~~]. **4-41a-103. Inventory control system.**

233 (1) A cannabis production establishment and a cannabis dispensary shall maintain an  
234 inventory control system that meets the requirements of this section.

235 (2) An inventory control system shall track cannabis using a unique identifier, in real  
236 time, from the point that a cannabis plant is eight inches tall, and has a root ball, until the  
237 cannabis is disposed of or sold, in the form of unprocessed cannabis or a cannabis product, to  
238 an individual with a medical cannabis card.

239 (3) An inventory control system shall store in real time a record of the amount of  
240 cannabis and cannabis products in the cannabis production establishment's or cannabis  
241 dispensary's possession.

242 (4) An inventory control system shall include a video recording system that:



243 (a) tracks all handling and processing of cannabis or a cannabis product in the cannabis  
244 production establishment or cannabis dispensary;

245 (b) is tamper proof; and

246 (c) is capable of storing a video record for 45 days.

247 (5) An inventory control system installed in a cannabis production establishment or  
248 cannabis dispensary shall maintain compatibility with the state electronic verification system.

249 (6) A cannabis production establishment or cannabis dispensary shall allow the  
250 department or the Department of Health access to the cannabis production establishment's or  
251 cannabis dispensary's inventory control system during an inspection.

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

255 Section 4. Section ~~4-41a-104~~, which is renumbered from Section 4-41b-104 is  
256 renumbered and amended to read:

257 ~~[4-41b-104]~~. 4-41a-104. Preemption.

258 This chapter preempts any ordinance or rule enacted by a political subdivision of the  
259 state regarding a cannabis production establishment.

260 Section 5. Section ~~4-41a-201~~, which is renumbered from Section 4-41b-201 is  
261 renumbered and amended to read:

262 **Part 2. Cannabis Production Establishment**

263 ~~[4-41b-201]~~. 4-41a-201. Cannabis production establishment -- License.

264 (1) A person may not operate a cannabis production establishment without a license  
265 issued by the department under this chapter.

266 (2) Subject to Subsections (6) and (7) and to Section ~~[4-41b-204]~~ 4-41a-204, the  
267 department shall, within 90 days after receiving a complete application, issue a license to  
268 operate a cannabis production establishment to a person who submits to the department:

269 (a) a proposed name and address where the person will operate the cannabis production  
270 establishment that is not within 600 feet of a community location or within 300 feet of an area  
271 zoned exclusively for residential use, as measured from the nearest entrance to the cannabis  
272 production establishment by following the shortest route of ordinary pedestrian travel to the  
273 property boundary of the community location or residential area;

274 (b) the name and address of any individual who has a financial or voting interest of two  
275 percent or greater in the proposed cannabis production establishment or who has the power to  
276 direct or cause the management or control of a proposed medical cannabis production  
277 establishment;

278 (c) an operating plan that complies with Section [~~4-41b-203~~] [4-41a-203](#) and that  
279 includes operating procedures to comply with the requirements of this chapter and with any  
280 laws adopted by the municipality or county that are consistent with Section [~~4-41b-405~~]  
281 [4-41a-405](#);

282 (d) financial statements demonstrating that the person possesses a minimum of  
283 \$500,000 in liquid assets available for each cannabis cultivation facility for which the person  
284 applies or a minimum of \$100,000 in liquid assets available for each cannabis processing  
285 facility or independent cannabis testing laboratory for which the person applies;

286 (e) if the municipality or county where the proposed cannabis production establishment  
287 would be located has enacted zoning restrictions, a sworn statement certifying that the  
288 proposed cannabis production establishment is in compliance with the restrictions;

289 (f) if the municipality or county where the proposed cannabis production establishment  
290 would be located requires a local permit or license, a copy of the application for the local  
291 permit or license; and

292 (g) an application fee established by the department in accordance with Section  
293 [63J-1-504](#), that is necessary to cover the department's cost to implement this chapter.

294 (3) If the department determines that a cannabis production establishment is eligible for  
295 a license under this section, the department shall charge the cannabis establishment an initial  
296 license fee in an amount determined by the department in accordance with Section [63J-1-504](#).

297 (4) Except as provided in Subsection (5), the department shall require a separate  
298 license for each type of cannabis production establishment and each location of a cannabis  
299 production establishment.

300 (5) The department may issue a cannabis cultivation facility license and a cannabis  
301 processing facility license to a person to operate at the same physical location or at separate  
302 physical locations.

303 (6) The department may not issue a license to operate an independent cannabis testing  
304 laboratory to a person:

305 (a) that holds a license or has an ownership interest in a cannabis dispensary, a  
306 cannabis processing facility, or a cannabis cultivation facility in the state;

307 (b) that has an owner, officer, director, or employee whose immediate family member  
308 holds a license or has an ownership interest in a cannabis dispensary, a cannabis processing  
309 facility, or a cannabis cultivation facility; or

310 (c) who proposes to operate the independent cannabis testing laboratory at the same  
311 physical location as a cannabis dispensary, a cannabis processing facility, or a cannabis  
312 cultivation facility.

313 (7) The department may not issue a license to operate a cannabis production  
314 establishment to an applicant if any individual who has a financial or voting interest of two  
315 percent or greater in the applicant or who has the power to direct or cause the management or  
316 control of the applicant:

317 (a) has been convicted of an offense that is a felony under either state or federal law; or  
318 (b) is less than 21 years of age.

319 (8) The department may revoke a license under this part if the cannabis production  
320 establishment is not operating within one year of the issuance of the initial license.

321 (9) The department shall deposit the proceeds of a fee imposed by this section in the  
322 Medical Cannabis Restricted Account.

323 (10) The department shall begin accepting applications under this part no later than  
324 January 1, 2020.

325 Section 6. Section **4-41a-202**, which is renumbered from Section 4-41b-202 is  
326 renumbered and amended to read:

327 ~~[4-41b-202]~~. **4-41a-202. Renewal.**

328 (1) The department shall renew a person's license issued under Section ~~[4-41b-201]~~  
329 4-41a-201 every two years, if, at the time of renewal:

330 (a) the person meets the requirements of Section ~~[4-41b-201]~~ 4-41a-201; and

331 (b) the person pays the department a license renewal fee in an amount determined by  
332 the department in accordance with Section 63J-1-504.

333 Section 7. Section **4-41a-203**, which is renumbered from Section 4-41b-203 is  
334 renumbered and amended to read:

335 ~~[4-41b-203]~~. **4-41a-203. Operating plan.**

336 (1) A person applying for a cannabis production facility license shall submit to the  
337 department a proposed operation plan that complies with this section and that includes:

338 (a) a description of the physical characteristics of the proposed facility, including a  
339 floor plan and an architectural elevation;

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

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

342 and

343 (ii) any highly skilled or experienced prospective employee;

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

345 (d) a security plan;

346 (e) a description of the cannabis production establishment's inventory control system,  
347 including a plan to make the inventory control system compatible with the state electronic  
348 verification system;

349 (f) for a cannabis cultivation facility, the information described in Subsection (2);

350 (g) for a cannabis processing facility, the information described in Subsection (3); and

351 (h) for an independent cannabis testing laboratory, the information described in  
352 Subsection (4).

353 (2) A cannabis cultivation facility's operating plan shall include the cannabis  
354 cultivation facility's intended cannabis cultivation practices, including the cannabis cultivation  
355 facility's intended pesticide use, fertilizer use, square footage under cultivation, and anticipated  
356 cannabis yield.

357 (3) A cannabis processing facility's operating plan shall include the cannabis  
358 processing facility's intended cannabis processing practices, including the cannabis processing  
359 facility's intended offered variety of cannabis product, cannabinoid extraction method,  
360 cannabinoid extraction equipment, processing equipment, processing techniques, and sanitation  
361 and food safety procedures.

362 (4) An independent cannabis testing laboratory's operating plan shall include the  
363 independent cannabis testing laboratory's intended cannabis and cannabis product testing  
364 capability and cannabis and cannabis product testing equipment.

365 Section 8. Section **4-41a-204**, which is renumbered from Section 4-41b-204 is  
366 renumbered and amended to read:

367 ~~[4-41b-204]~~. 4-41a-204. Number of licenses -- Cannabis cultivation  
368 **facilities.**

369 (1) Except as otherwise provided in Subsection (2), the department may issue not more  
370 than 15 licenses to operate cannabis cultivation facilities.

371 (2) After January 1, 2022, the department may issue additional licenses to operate  
372 cannabis cultivation facilities if the department determines, after an analysis of the current and  
373 anticipated market for medical cannabis and medical cannabis products, that additional licenses  
374 are needed to provide an adequate supply, quality, or variety of medical cannabis and medical  
375 cannabis products to medical cannabis card holders in Utah.

376 (3) If there are more qualified applicants than there are available licenses for cannabis  
377 cultivation facilities, the department shall evaluate the applicants and award licenses to the  
378 applicants that best demonstrate:

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

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

384 (c) positive connections to the local community; and

385 (d) the extent to which the applicant can reduce the cost of cannabis or cannabis  
386 products for patients.

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

389 Section 9. Section ~~4-41b-301~~, which is renumbered from Section 4-41b-301 is  
390 renumbered and amended to read:

### 391 **Part 3. Cannabis Production Establishment Agents**

392 ~~[4-41b-301]~~. 4-41a-301. Cannabis production establishment agent --  
393 **Registration.**

394 (1) An individual may not act as a cannabis production establishment agent unless the  
395 individual is registered by the department as a cannabis production establishment agent.

396 (2) A physician may not serve as a cannabis production establishment agent.

397 (3) An independent cannabis testing laboratory agent may not act as an agent for a

398 cannabis dispensary, a cannabis processing facility, or a cannabis cultivation facility.

399 (4) The department shall, within 15 business days after receiving a complete  
400 application from a cannabis production establishment on behalf of a prospective cannabis  
401 production establishment agent, register and issue a cannabis production establishment agent  
402 registration card to an individual who:

403 (a) provides to the department the individual's name and address and the name and  
404 location of a licensed cannabis production establishment where the individual will act as the  
405 cannabis production establishment's agent; and

406 (b) pays a fee to the department, in an amount determined by the department in  
407 accordance with Section 63J-1-504, that is necessary to cover the department's cost to  
408 implement this part.

409 (5) The department shall designate, on an individual's cannabis production  
410 establishment agent registration card:

411 (a) the name of the cannabis production establishment where the individual is  
412 registered as an agent; and

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

415 (6) A cannabis production establishment agent shall comply with a certification  
416 standard developed by the department or with a third party certification standard designated by  
417 the department by rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
418 Rulemaking Act.

419 (7) The certification standard described in Subsection (6) shall include training:

420 (a) in Utah medical cannabis law;

421 (b) for a cannabis cultivation facility agent, in cannabis cultivation best practices;

422 (c) for a cannabis processing facility agent, in cannabis processing, food safety, and  
423 sanitation best practices; and

424 (d) for an independent cannabis testing laboratory agent, in cannabis testing best  
425 practices.

426 (8) The department may revoke or refuse to issue the cannabis production  
427 establishment agent registration card of an individual who:

428 (a) violates the requirements of this chapter; or

429 (b) is convicted of an offense that is a felony under state or federal law.

430 Section 10. Section ~~4-41a-302~~, which is renumbered from Section 4-41b-302 is  
431 renumbered and amended to read:

432 ~~[4-41b-302]~~. 4-41a-302. Cannabis production establishment -- Criminal  
433 background checks.

434 (1) Each applicant shall submit, at the time of application, from each individual who  
435 has a financial or voting interest of two percent or greater in the applicant or who has the power  
436 to direct or cause the management or control of the applicant:

437 (a) a fingerprint card in a form acceptable to the department; and

438 (b) consent to a fingerprint background check by the Utah Bureau of Criminal  
439 Identification and the Federal Bureau of Investigation.

440 (2) The department shall request that the Department of Public Safety complete a  
441 Federal Bureau of Investigation criminal background check for the individual described in  
442 Subsection (1).

443 Section 11. Section ~~4-41a-303~~, which is renumbered from Section 4-41b-303 is  
444 renumbered and amended to read:

445 ~~[4-41b-303]~~. 4-41a-303. Cannabis production establishment agent  
446 registration card -- Rebuttable presumption.

447 (1) A cannabis production establishment agent who is registered with the department  
448 under Section ~~[4-41b-301]~~ 4-41a-301 shall carry the individual's cannabis production  
449 establishment agent registration card with the individual at all times when:

450 (a) the individual is on the premises of a cannabis production establishment where the  
451 individual is a cannabis production establishment agent; and

452 (b) the individual is transporting cannabis, a cannabis product, or a medical cannabis  
453 device between two cannabis production establishments or between a cannabis production  
454 establishment and a cannabis dispensary.

455 (2) If an individual handling cannabis, a cannabis product, or a medical cannabis  
456 device at a cannabis production establishment, or transporting cannabis, a cannabis product, or  
457 a medical cannabis device, possesses the cannabis, cannabis product, or medical cannabis  
458 device in compliance with Subsection (1):

459 (a) there is a rebuttable presumption that the individual possesses the cannabis,

460 cannabis product, or medical cannabis device legally; and

461 (b) a law enforcement officer does not have probable cause, based solely on the  
462 individual's possession of the cannabis, cannabis product, or medical cannabis device in  
463 compliance with Subsection (1), to believe that the individual is engaging in illegal activity.

464 (3) An individual who violates Subsection (1) is:

465 (a) guilty of an infraction; and

466 (b) is subject to a \$100 fine.

467 Section 12. Section ~~4-41a-401~~, which is renumbered from Section 4-41b-401 is  
468 renumbered and amended to read:

469 **Part 4. General Cannabis Production Establishment Operating Requirements**  
470 ~~[4-41b-401]~~. **4-41a-401. Cannabis production establishment -- General**  
471 **operating requirements.**

472 (1) (a) A cannabis production establishment shall operate in accordance with the  
473 operating plan provided to the department under Section [~~4-41b-203~~] 4-41a-203.

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

476 (2) A cannabis production establishment shall operate:

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

480 (b) at the physical address provided to the department under Section [~~4-41b-201~~]  
481 4-41a-201.

482 (3) A cannabis production establishment may not employ any person who is younger  
483 than 21 years of age.

484 (4) A cannabis production establishment shall conduct a background check into the  
485 criminal history of every person who will become an agent of the cannabis production  
486 establishment and may not employ any person who has been convicted of an offense that is a  
487 felony under either state or federal law.

488 (5) A cannabis production establishment may authorize an individual who is not a  
489 cannabis production establishment agent to access the cannabis production establishment if the  
490 cannabis production establishment tracks and monitors the individual at all times while the



491 individual is at the cannabis production establishment and maintains a record of the individual's  
492 access.

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

494 (a) a single, secure public entrance;

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

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

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

499 (c) a lock on any area where the cannabis production establishment stores cannabis or a  
500 cannabis product.

501 Section 13. Section ~~4-41a-402~~, which is renumbered from Section 4-41b-402 is  
502 renumbered and amended to read:

503 ~~[4-41b-402]~~. **4-41a-402. Inspections.**

504 The department may inspect the records and facility of a cannabis production  
505 establishment at any time in order to determine if the cannabis production establishment  
506 complies with the requirements of this chapter.

507 Section 14. Section ~~4-41a-403~~, which is renumbered from Section 4-41b-403 is  
508 renumbered and amended to read:

509 ~~[4-41b-403]~~. **4-41a-403. Advertising.**

510 (1) A cannabis production establishment may not advertise to the general public in any  
511 medium.

512 (2) Notwithstanding Subsection (1), a cannabis production establishment may advertise  
513 employment opportunities at the cannabis production facility.

514 Section 15. Section ~~4-41a-404~~, which is renumbered from Section 4-41b-404 is  
515 renumbered and amended to read:

516 ~~[4-41b-404]~~. **4-41a-404. Cannabis, cannabis product, or medical cannabis  
517 device transportation.**

518 (1) Except for an individual with a valid medical cannabis card pursuant to Title 26,  
519 Chapter ~~[60b]~~ 61a, Medical Cannabis Act, an individual may not transport cannabis, a cannabis  
520 product, or a medical cannabis device unless the individual is:

521 (a) a registered cannabis production establishment agent; or

522 (b) a registered cannabis dispensary agent.

523 (2) Except for an individual with a valid medical cannabis card pursuant to Title 26,  
524 Chapter ~~[60b]~~ 61a, Medical Cannabis Act, an individual transporting cannabis, a cannabis  
525 product, or a medical cannabis device shall possess a transportation manifest that:

526 (a) includes a unique identifier that links the cannabis, cannabis product, or medical  
527 cannabis device to a relevant inventory control system;

528 (b) includes origin and destination information for any cannabis, cannabis product, or  
529 medical cannabis device the individual is transporting; and

530 (c) indicates the departure and arrival times and locations of the individual transporting  
531 the cannabis, cannabis product, or medical cannabis device.

532 (3) In addition to the requirements in Subsections (1) and (2), the department may  
533 establish, by rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
534 Rulemaking Act, requirements for transporting cannabis, a cannabis product, or a medical  
535 cannabis device that are related to safety for human cannabis or cannabis product consumption.

536 (4) An individual who transports cannabis, a cannabis product, or a medical cannabis  
537 device with a manifest that does not meet the requirements of this section is:

538 (a) guilty of an infraction; and

539 (b) subject to a \$100 fine.

540 Section 16. Section ~~4-41a-405~~, which is renumbered from Section 4-41b-405 is  
541 renumbered and amended to read:

542 ~~[4-41b-405]~~. 4-41a-405. Local control.

543 (1) A municipality or county may not enact a zoning ordinance that prohibits a  
544 cannabis production establishment from operating in a location within the municipality's or  
545 county's jurisdiction on the sole basis that the cannabis production establishment possesses,  
546 grows, manufactures, or sells cannabis.

547 (2) A municipality or county may not deny or revoke a permit or license to operate a  
548 cannabis production facility on the sole basis that the applicant or cannabis production  
549 establishment violates a law of the United States.

550 Section 17. Section ~~4-41a-501~~, which is renumbered from Section 4-41b-501 is  
551 renumbered and amended to read:

552 **Part 5. Cannabis Cultivation Facility Operating Requirements**

553            ~~[4-41b-501]~~.            4-41a-501. Cannabis cultivation facility -- Operating  
554 **requirements.**

555            (1) A cannabis cultivation facility shall ensure that any cannabis growing at the  
556 cannabis cultivation facility is not visible at the cannabis cultivation facility perimeter.

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

559            (a) beginning at the time a cannabis plant is 8 inches tall and has a root ball, each  
560 cannabis plant;

561            (b) each unique harvest of cannabis plants;

562            (c) each batch of cannabis transferred to a cannabis dispensary, a cannabis processing  
563 facility, or an independent cannabis testing laboratory; and

564            (d) disposal of excess, contaminated, or deteriorated cannabis.

565            Section 18. Section ~~4-41a-502~~, which is renumbered from Section 4-41b-502 is  
566 renumbered and amended to read:

567            ~~[4-41b-502]~~.            4-41a-502. Cannabis -- Labeling and packaging.

568            (1) Cannabis shall have a label that:

569            (a) has a unique batch identification number that is connected to the inventory control  
570 system; and

571            (b) does not display images, words, or phrases that are intended to appeal to children.

572            (2) A cannabis cultivation facility shall package cannabis in a container that:

573            (a) is tamper evident;

574            (b) is not appealing to children or similar to a candy container;

575            (c) is opaque; and

576            (d) complies with child-resistant effectiveness standards established by the United  
577 States Consumer Product Safety Commission.

578            Section 19. Section ~~4-41a-601~~, which is renumbered from Section 4-41b-601 is  
579 renumbered and amended to read:

580            **Part 6. Cannabis Processing Facility Operating Requirements**

581            ~~[4-41b-601]~~.            4-41a-601. Cannabis processing facility -- Operating  
582 **requirements -- General.**

583            (1) A cannabis processing facility shall ensure that a cannabis product sold by the

584 cannabis processing facility complies with the requirements of this part.

585 (2) If a cannabis processing facility extracts cannabinoids from cannabis using a  
586 hydrocarbon process, the cannabis processing facility shall extract the cannabinoids under a  
587 blast hood and shall use a system to reclaim solvents.

588 Section 20. Section **4-41a-602**, which is renumbered from Section 4-41b-602 is  
589 renumbered and amended to read:

590 ~~[4-41b-602]~~. **4-41a-602. Cannabis product -- Labeling and packaging.**

591 (1) A cannabis product shall have a label that:

592 (a) clearly and unambiguously states that the cannabis product contains cannabis;

593 (b) clearly displays the amount of tetrahydrocannabinol and cannabidiol in the cannabis  
594 product;

595 (c) has a unique identification number that:

596 (i) is connected to the inventory control system; and

597 (ii) identifies the unique cannabis product manufacturing process by which the  
598 cannabis product was manufactured;

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

601 (e) does not display images, words, or phrases that are intended to appeal to children;

602 and

603 (f) discloses ingredients and possible allergens.

604 (2) A cannabis processing facility shall package a cannabis product in a container that:

605 (a) is tamper evident;

606 (b) is not appealing to children or similar to a candy container;

607 (c) is opaque; and

608 (d) complies with child-resistant effectiveness standards established by the United  
609 States Consumer Product Safety Commission.

610 Section 21. Section **4-41a-603**, which is renumbered from Section 4-41b-603 is  
611 renumbered and amended to read:

612 ~~[4-41b-603]~~. **4-41a-603. Cannabis product -- Product quality.**

613 (1) A cannabis processing facility may not produce a cannabis product in a physical  
614 form that:

615 (a) is intended to appeal to children; or

616 (b) is designed to mimic or be mistaken for an existing candy product.

617 (2) A cannabis processing facility may not manufacture a cannabis product by applying  
618 a cannabis agent only to the surface of a pre-manufactured food product that is not produced by  
619 the cannabis processing facility.

620 (3) A cannabis product may vary in the cannabis product's labeled cannabis profile by  
621 up to 15% of the indicated amount of a given cannabinoid, by weight.

622 (4) The department shall adopt, by rule made in accordance with Title 63G, Chapter 3,  
623 Utah Administrative Rulemaking Act, human safety standards for manufacture of cannabis  
624 products that are consistent, to the extent possible, with rules for similar products that do not  
625 contain cannabis.

626 Section 22. Section ~~4-41a-701~~, which is renumbered from Section 4-41b-701 is  
627 renumbered and amended to read:

628 **Part 7. Independent Cannabis Testing Laboratories**

629 ~~[4-41b-701]~~. **4-41a-701. Cannabis and cannabis product testing.**

630 (1) No cannabis or cannabis product may be offered for sale at a cannabis dispensary  
631 unless a representative sample of the cannabis or cannabis product has been tested by an  
632 independent cannabis testing laboratory to determine:

633 (a) the amount of tetrahydrocannabinol and cannabidiol in the cannabis or cannabis  
634 product;

635 (b) that the presence of contaminants, including mold, fungus, pesticides, microbial  
636 contaminants, or foreign material, does not exceed an amount that is safe for human  
637 consumption; and

638 (c) for a cannabis product that is manufactured using a process that involves extraction  
639 using hydrocarbons, that the cannabis product does not contain an unhealthy level of a residual  
640 solvent.

641 (2) The department may determine, by rule made in accordance with Title 63G,  
642 Chapter 3, Utah Administrative Rulemaking Act, the amount of a substance described in  
643 Subsection (1) that is safe for human consumption.

644 Section 23. Section ~~4-41a-702~~, which is renumbered from Section 4-41b-702 is  
645 renumbered and amended to read:

646 ~~[4-41b-702]~~. 4-41a-702. Reporting -- Inspections -- Seizure by the  
647 department.

648 (1) If an independent cannabis testing laboratory determines that the results of a lab test  
649 indicate that a cannabis or cannabis product batch may be unsafe for human consumption, the  
650 independent cannabis testing laboratory shall:

651 (a) report the results and the cannabis or cannabis product batch to:

652 (i) the department; and

653 (ii) the cannabis production establishment that prepared the cannabis or cannabis  
654 product batch;

655 (b) retain possession of the cannabis or cannabis product batch for one week in order to  
656 investigate the cause of the defective batch and to make a determination; and

657 (c) allow the cannabis production establishment that prepared the cannabis or cannabis  
658 product batch to appeal the determination described in Subsection (1)(b).

659 (2) If, under Subsection (1)(b), the department determines, following an appeal, that a  
660 cannabis or cannabis product prepared by a cannabis production establishment is unsafe for  
661 human consumption, the department may seize, embargo, or destroy the cannabis or cannabis  
662 product batch.

663 Section 24. Section ~~4-41a-801~~, which is renumbered from Section 4-41b-801 is  
664 renumbered and amended to read:

#### Part 8. Enforcement

665 ~~[4-41b-801]~~. 4-41a-801. Enforcement -- Fine -- Citation.

666 (1) The department may, for a violation of this chapter by a person that is a cannabis  
667 production establishment or a cannabis production establishment agent:

668 (a) revoke the person's license or cannabis production establishment agent registration  
669 card;

670 (b) refuse to renew the person's license or cannabis production establishment agent  
671 registration card; or

672 (c) assess the person an administrative penalty.

673 (2) The department shall deposit an administrative penalty imposed under this section  
674 in the general fund.

675 (3) (a) The department may take an action described in Subsection (3)(b) if the  
676

677 department concludes, upon inspection or investigation, that, for a person that is a cannabis  
678 production establishment or a cannabis production establishment agent:

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

681 (ii) the person produced cannabis or a cannabis product batch that contains a substance  
682 that poses a threat to human health.

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

685 (i) issue the person a written citation;

686 (ii) attempt to negotiate a stipulated settlement;

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

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

690 (4) The department may, for a person subject to an uncontested citation, a stipulated  
691 settlement, or a finding of a violation in an adjudicative proceeding under this section:

692 (a) assess the person a fine, established in accordance with Section [63J-1-504](#), of up to  
693 \$5,000 per violation, in accordance with a fine schedule established by rule made in accordance  
694 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; or

695 (b) order the person to cease and desist from the action that creates a violation.

696 (5) The department may not revoke a cannabis production establishment's license  
697 without first direct the cannabis production establishment to appear before an adjudicative  
698 proceeding conducted under Title 63G, Chapter 4, Administrative Procedures Act.

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

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

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

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

708 (8) If the department makes a final determination under this section that an individual  
709 violated a provision of this chapter, the individual is guilty of an infraction.

710 Section 25. Section ~~4-41a-802~~, which is renumbered from Section 4-41b-802 is  
711 renumbered and amended to read:

712 ~~[4-41b-802].~~ **4-41a-802. Report.**

713 (1) The department shall report annually to the Health and Human Services Interim  
714 Committee on the number of applications and renewal applications received, the number of  
715 each type of cannabis production facility licensed in each county, the amount of cannabis  
716 grown by licensees, the amount of cannabis manufactured into cannabis products by licensees,  
717 the number of licenses revoked, and the expenses incurred and revenues generated from the  
718 medical cannabis program.

719 (2) The department may not include personally identifying information in the report.

720 Section 26. Section ~~10-9a-104~~ is amended to read:

721 **10-9a-104. Stricter requirements or higher standards.**

722 (1) Except as provided in Subsection (2), a municipality may enact ~~[an ordinance]~~ a  
723 land use regulation imposing stricter requirements or higher standards than are required by this  
724 chapter[-] or by:

725 (a) Section 4-41a-405; or

726 (b) Section 26-61a-506.

727 (2) A municipality may not impose ~~[stricter requirements or higher standards than are~~  
728 required by:] a requirement or standard that conflicts with a provision of this chapter, other  
729 state law, or federal law.

730 ~~[(a) Section 4-41b-405;]~~

731 ~~[(b) Section 10-9a-305;]~~

732 ~~[(c) Section 10-9a-514; and]~~

733 ~~[(d) Section 26-60b-506;]~~

734 Section 27. Section ~~17-27a-104~~ is amended to read:

735 **17-27a-104. Stricter requirements or higher standards.**

736 (1) Except as provided in Subsection (2), a county may enact ~~[an ordinance]~~ a land use  
737 regulation imposing stricter requirements or higher standards than are required by this  
738 chapter[-] or by:



739 (a) Section 4-41a-405; or

740 (b) Section 26-61a-506.

741 (2) A county may not impose [~~stricter requirements or higher standards than are~~  
742 ~~required by:~~] a requirement or standard that conflicts with a provision of this chapter, other  
743 state law, or federal law.

744 [~~(a) Section 4-41b-405;~~]

745 [~~(b) Section 17-27a-305;~~]

746 [~~(c) Section 17-27a-513; and~~]

747 [~~(d) Section 26-60b-506;~~]

748 Section 28. Section **26-36d-101** is enacted to read:

749 **CHAPTER 36d. HOSPITAL PROVIDER ASSESSMENT ACT**

750 **Part 1. General Provisions**

751 **26-36d-101. Title.**

752 This chapter is known as the "Hospital Provider Assessment Act."

753 Section 29. Section **26-36d-102** is enacted to read:

754 **26-36d-102. Legislative findings.**

755 (1) The Legislature finds that there is an important state purpose to improve the access  
756 of Medicaid patients to quality care in Utah hospitals because of continuous decreases in state  
757 revenues and increases in enrollment under the Utah Medicaid program.

758 (2) The Legislature finds that in order to improve this access to those persons described  
759 in Subsection (1):

760 (a) the rates paid to Utah hospitals shall be adequate to encourage and support  
761 improved access; and

762 (b) adequate funding shall be provided to increase the rates paid to Utah hospitals  
763 providing services pursuant to the Utah Medicaid program.

764 Section 30. Section **26-36d-103** is enacted to read:

765 **26-36d-103. Definitions.**

766 As used in this chapter:

767 (1) "Accountable care organization" means a managed care organization, as defined in  
768 42 C.F.R. Sec. 438, that contracts with the department under the provisions of Section  
769 26-18-405.

770 (2) "Assessment" means the Medicaid hospital provider assessment established by this  
771 chapter.

772 (3) "Discharges" means the number of total hospital discharges reported on worksheet  
773 S-3 Part I, column 15, lines 12, 14, and 14.01 of the 2552-96 Medicare Cost Report or on  
774 Worksheet S-3 Part I, column 15, lines 14, 16, and 17 of the 2552-10 Medicare Cost Report for  
775 the applicable assessment year.

776 (4) "Division" means the Division of Health Care Financing of the department.

777 (5) "Hospital":

778 (a) means a privately owned:

779 (i) general acute hospital operating in the state as defined in Section [26-21-2](#); and

780 (ii) specialty hospital operating in the state, which shall include a privately owned

781 hospital whose inpatient admissions are predominantly:

782 (A) rehabilitation;

783 (B) psychiatric;

784 (C) chemical dependency; or

785 (D) long-term acute care services; and

786 (b) does not include:

787 (i) a human services program, as defined in Section [62A-2-101](#);

788 (ii) a hospital owned by the federal government, including the Veterans Administration

789 Hospital; or

790 (iii) a hospital that is owned by the state government, a state agency, or a political

791 subdivision of the state, including:

792 (A) a state-owned teaching hospital; and

793 (B) the Utah State Hospital.

794 (6) "Medicare cost report" means CMS-2552-96 or CMS-2552-10, the cost report for

795 electronic filing of hospitals.

796 (7) "State plan amendment" means a change or update to the state Medicaid plan.

797 Section 31. Section **26-36d-201** is enacted to read:

798 **Part 2. Application of Chapter**

799 **26-36d-201. Application of chapter.**

800 (1) Other than for the imposition of the assessment described in this chapter, nothing in

801 this chapter shall affect the nonprofit or tax exempt status of any nonprofit charitable, religious,  
802 or educational health care provider under:

803 (a) Section 501(c), as amended, of the Internal Revenue Code;

804 (b) other applicable federal law;

805 (c) any state law;

806 (d) any ad valorem property taxes;

807 (e) any sales or use taxes; or

808 (f) any other taxes, fees, or assessments, whether imposed or sought to be imposed by  
809 the state or any political subdivision, county, municipality, district, authority, or any agency or  
810 department thereof.

811 (2) All assessments paid under this chapter may be included as an allowable cost of a  
812 hospital for purposes of any applicable Medicaid reimbursement formula.

813 (3) This chapter does not authorize a political subdivision of the state to:

814 (a) license a hospital for revenue;

815 (b) impose a tax or assessment upon hospitals; or

816 (c) impose a tax or assessment measured by the income or earnings of a hospital.

817 Section 32. Section **26-36d-202** is enacted to read:

818 **26-36d-202. Assessment, collection, and payment of hospital provider assessment.**

819 (1) A uniform, broad based, assessment is imposed on each hospital as defined in  
820 Subsection [26-36d-103\(5\)\(a\)](#):

821 (a) in the amount designated in Section [26-36d-203](#); and

822 (b) in accordance with Section [26-36d-204](#).

823 (2) (a) The assessment imposed by this chapter is due and payable on a quarterly basis  
824 in accordance with Section [26-36d-204](#).

825 (b) The collecting agent for this assessment is the department which is vested with the  
826 administration and enforcement of this chapter, including the right to adopt administrative rules  
827 in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, necessary to:

828 (i) implement and enforce the provisions of this act; and

829 (ii) audit records of a facility:

830 (A) that is subject to the assessment imposed by this chapter; and

831 (B) does not file a Medicare cost report.

832 (c) The department shall forward proceeds from the assessment imposed by this  
833 chapter to the state treasurer for deposit in the expendable special revenue fund as specified in  
834 Section 26-36d-207.

835 (3) The department may, by rule, extend the time for paying the assessment.

836 Section 33. Section **26-36d-203** is enacted to read:

837 **26-36d-203. Calculation of assessment.**

838 (1) (a) An annual assessment is payable on a quarterly basis for each hospital in an  
839 amount calculated at a uniform assessment rate for each hospital discharge, in accordance with  
840 this section.

841 (b) The uniform assessment rate shall be determined using the total number of hospital  
842 discharges for assessed hospitals divided into the total non-federal portion in an amount  
843 consistent with Section 26-36d-205 that is needed to support capitated rates for accountable  
844 care organizations for purposes of hospital services provided to Medicaid enrollees.

845 (c) Any quarterly changes to the uniform assessment rate shall be applied uniformly to  
846 all assessed hospitals.

847 (d) The annual uniform assessment rate may not generate more than:

848 (i) \$1,000,000 to offset Medicaid mandatory expenditures; and

849 (ii) the non-federal share to seed amounts needed to support capitated rates for  
850 accountable care organizations as provided for in Subsection (1)(b).

851 (2) (a) For each state fiscal year, discharges shall be determined using the data from  
852 each hospital's Medicare Cost Report contained in the Centers for Medicare and Medicaid  
853 Services' Healthcare Cost Report Information System file. The hospital's discharge data will be  
854 derived as follows:

855 (i) for state fiscal year 2013, the hospital's cost report data for the hospital's fiscal year  
856 ending between July 1, 2009, and June 30, 2010;

857 (ii) for state fiscal year 2014, the hospital's cost report data for the hospital's fiscal year  
858 ending between July 1, 2010, and June 30, 2011;

859 (iii) for state fiscal year 2015, the hospital's cost report data for the hospital's fiscal year  
860 ending between July 1, 2011, and June 30, 2012;

861 (iv) for state fiscal year 2016, the hospital's cost report data for the hospital's fiscal year  
862 ending between July 1, 2012, and June 30, 2013; and

863 (v) for each subsequent state fiscal year, the hospital's cost report data for the hospital's  
864 fiscal year that ended in the state fiscal year two years prior to the assessment fiscal year.

865 (b) If a hospital's fiscal year Medicare Cost Report is not contained in the Centers for  
866 Medicare and Medicaid Services' Healthcare Cost Report Information System file:

867 (i) the hospital shall submit to the division a copy of the hospital's Medicare Cost  
868 Report applicable to the assessment year; and

869 (ii) the division shall determine the hospital's discharges.

870 (c) If a hospital is not certified by the Medicare program and is not required to file a  
871 Medicare Cost Report:

872 (i) the hospital shall submit to the division its applicable fiscal year discharges with  
873 supporting documentation;

874 (ii) the division shall determine the hospital's discharges from the information  
875 submitted under Subsection (2)(c)(i); and

876 (iii) the failure to submit discharge information shall result in an audit of the hospital's  
877 records and a penalty equal to 5% of the calculated assessment.

878 (3) Except as provided in Subsection (4), if a hospital is owned by an organization that  
879 owns more than one hospital in the state:

880 (a) the assessment for each hospital shall be separately calculated by the department;  
881 and

882 (b) each separate hospital shall pay the assessment imposed by this chapter.

883 (4) Notwithstanding the requirement of Subsection (3), if multiple hospitals use the  
884 same Medicaid provider number:

885 (a) the department shall calculate the assessment in the aggregate for the hospitals  
886 using the same Medicaid provider number; and

887 (b) the hospitals may pay the assessment in the aggregate.

888 Section 34. Section **26-36d-204** is enacted to read:

889 **26-36d-204. Quarterly notice -- Collection.**

890 Quarterly assessments imposed by this chapter shall be paid to the division within 15  
891 business days after the original invoice date that appears on the invoice issued by the division.

892 Section 35. Section **26-36d-205** is enacted to read:

893 **26-36d-205. Medicaid hospital adjustment under accountable care organization**

894 **rates.**

895 To preserve and improve access to hospital services, the division shall, for accountable  
896 care organization rates effective on or after April 1, 2013, incorporate an annualized amount  
897 equal to \$154,000,000 into the accountable care organization rate structure calculation  
898 consistent with the certified actuarial rate range.

899 Section 36. Section **26-36d-206** is enacted to read:

900 **26-36d-206. Penalties and interest.**

901 (1) A facility that fails to pay any assessment or file a return as required under this  
902 chapter, within the time required by this chapter, shall pay, in addition to the assessment,  
903 penalties and interest established by the department.

904 (2) (a) Consistent with Subsection (2)(b), the department shall adopt rules in  
905 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, which establish  
906 reasonable penalties and interest for the violations described in Subsection (1).

907 (b) If a hospital fails to timely pay the full amount of a quarterly assessment, the  
908 department shall add to the assessment:

909 (i) a penalty equal to 5% of the quarterly amount not paid on or before the due date;

910 and

911 (ii) on the last day of each quarter after the due date until the assessed amount and the  
912 penalty imposed under Subsection (2)(b)(i) are paid in full, an additional 5% penalty on:

913 (A) any unpaid quarterly assessment; and

914 (B) any unpaid penalty assessment.

915 (c) Upon making a record of its actions, and upon reasonable cause shown, the division  
916 may waive, reduce, or compromise any of the penalties imposed under this part.

917 Section 37. Section **26-36d-207** is enacted to read:

918 **26-36d-207. Hospital Provider Assessment Expendable Revenue Fund.**

919 (1) There is created an expendable special revenue fund known as the "Hospital  
920 Provider Assessment Expendable Revenue Fund."

921 (2) The fund shall consist of:

922 (a) the assessments collected by the department under this chapter;

923 (b) any interest and penalties levied with the administration of this chapter; and

924 (c) any other funds received as donations for the fund and appropriations from other

925 sources.

926 (3) Money in the fund shall be used:

927 (a) to support capitated rates consistent with Subsection [26-36d-203\(1\)\(d\)](#) for  
928 accountable care organizations; and

929 (b) to reimburse money collected by the division from a hospital through a mistake  
930 made under this chapter.

931 Section 38. Section **26-36d-208** is enacted to read:

932 **26-36d-208. Repeal of assessment.**

933 (1) The repeal of the assessment imposed by this chapter shall occur upon the  
934 certification by the executive director of the department that the sooner of the following has  
935 occurred:

936 (a) the effective date of any action by Congress that would disqualify the assessment  
937 imposed by this chapter from counting toward state Medicaid funds available to be used to  
938 determine the federal financial participation;

939 (b) the effective date of any decision, enactment, or other determination by the  
940 Legislature or by any court, officer, department, or agency of the state, or of the federal  
941 government that has the effect of:

942 (i) disqualifying the assessment from counting towards state Medicaid funds available  
943 to be used to determine federal financial participation for Medicaid matching funds; or

944 (ii) creating for any reason a failure of the state to use the assessments for the Medicaid  
945 program as described in this chapter;

946 (c) the effective date of:

947 (i) an appropriation for any state fiscal year from the General Fund for hospital  
948 payments under the state Medicaid program that is less than the amount appropriated for state  
949 fiscal year 2012;

950 (ii) the annual revenues of the state General Fund budget return to the level that was  
951 appropriated for fiscal year 2008;

952 (iii) a division change in rules that reduces any of the following below July 1, 2011  
953 payments:

954 (A) aggregate hospital inpatient payments;

955 (B) adjustment payment rates; or

956 (C) any cost settlement protocol; or  
957 (iv) a division change in rules that reduces the aggregate outpatient payments below  
958 July 1, 2011 payments; and

959 (d) the sunset of this chapter in accordance with Section [63I-1-226](#).

960 (2) If the assessment is repealed under Subsection (1), money in the fund that was  
961 derived from assessments imposed by this chapter, before the determination made under  
962 Subsection (1), shall be disbursed under Section [26-36d-205](#) to the extent federal matching is  
963 not reduced due to the impermissibility of the assessments. Any funds remaining in the special  
964 revenue fund shall be refunded to the hospitals in proportion to the amount paid by each  
965 hospital.

966 Section 39. Section **26-61a-101**, which is renumbered from Section 26-60b-101 is  
967 renumbered and amended to read:

968 **CHAPTER 61a. MEDICAL CANNABIS ACT**

969 ~~[26-60b-101]~~. **26-61a-101. Title.**

970 This chapter is known as "Medical Cannabis Act."

971 Section 40. Section **26-61a-102**, which is renumbered from Section 26-60b-102 is  
972 renumbered and amended to read:

973 ~~[26-60b-102]~~. **26-61a-102. Definitions.**

974 As used in this chapter:

975 (1) "Cannabis" means the same as that term is defined in Section [~~58-37-3.6b~~]  
976 [58-37-3.9](#).

977 (2) "Cannabis cultivation facility" means the same as that term is defined in Section  
978 [~~4-41b-102~~] [4-41a-102](#).

979 (3) "Cannabis dispensary" means a person that:

980 (a) acquires or intends to acquire cannabis or a cannabis product from a cannabis  
981 production establishment and acquires or intends to acquire a medical cannabis device;

982 (b) possesses cannabis, a cannabis product, or a medical cannabis device; and

983 (c) sells or intends to sell cannabis, a cannabis product, or a medical cannabis device.

984 (4) "Cannabis dispensary agent" means an owner, officer, director, board member,  
985 employee, or volunteer of a cannabis dispensary.

986 (5) "Cannabis dispensary agent registration card" means a registration card issued by



987 the department that authorizes an individual to act as a cannabis dispensary agent.

988 (6) "Cannabis processing facility" means the same as that term is defined in Section  
989 ~~[4-41b-102]~~ [4-41a-102](#).

990 (7) "Cannabis product" means the same as that term is defined in Section [58-37-3.9](#).

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

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

995 (10) "Community location" means a public or private school, a church, a public library,  
996 a public playground, or a public park.

997 (11) "Designated caregiver" means an individual:

998 (a) whom a patient with a medical cannabis card designates as the patient's caregiver;  
999 and

1000 (b) registers with the department under Section ~~[26-60b-202]~~ [26-61a-202](#).

1001 (12) "Independent cannabis testing laboratory" means the same as that term is defined  
1002 in Section ~~[4-41b-102]~~ [4-41a-102](#).

1003 (13) "Inventory control system" means the system described in Section ~~[4-41b-103]~~  
1004 [4-41a-103](#).

1005 (14) "Medical cannabis card" means an official card issued by the department to an  
1006 individual with a qualifying illness, or the individual's designated caregiver under this chapter,  
1007 that is connected to the electronic verification system.

1008 (15) "Medical cannabis device" means the same as that term is defined in Section  
1009 [58-37-3.9](#).

1010 (16) "Medical Cannabis Restricted Account" means the account created in Section  
1011 ~~[26-60b-109]~~ [26-61a-109](#).

1012 (17) "Physician" means an individual who is qualified to recommend cannabis under  
1013 Section ~~[26-60b-107]~~ [26-61a-107](#).

1014 (18) "Qualifying illness" means a condition described in Section ~~[26-60b-105]~~  
1015 [26-61a-105](#).

1016 (19) "State electronic verification system" means the system described in Section  
1017 ~~[26-60b-103]~~ [26-61a-103](#).

1018 Section 41. Section **26-61a-103**, which is renumbered from Section 26-60b-103 is  
1019 renumbered and amended to read:

1020 ~~[26-60b-103]~~. **26-61a-103. Electronic verification system.**

1021 (1) The Department of Agriculture and Food, the Department of Health, the  
1022 Department of Public Safety, and the Department of Technology Services shall:

1023 (a) enter into a memorandum of understanding in order to determine the function and  
1024 operation of an electronic verification system;

1025 (b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah  
1026 Procurement Code, to develop a request for proposals for a third-party provider to develop and  
1027 maintain an electronic verification system in coordination with the Department of Technology  
1028 Services; and

1029 (c) select a third-party provider described in Subsection (1)(b).

1030 (2) The electronic verification system described in Subsection (1) shall:

1031 (a) allow an individual, with the individual's physician in the physician's office, to  
1032 apply for a medical cannabis card;

1033 (b) allow a physician to electronically recommend, during a visit with a patient,  
1034 treatment with cannabis or a cannabis product;

1035 (c) connect with an inventory control system used by a cannabis dispensary to track, in  
1036 real time, and to archive for no more than 60 days, purchase history of cannabis or a cannabis  
1037 product by a medical cannabis card holder, including the time and date of the purchase, the  
1038 quantity and type of cannabis or cannabis product purchased, and any cannabis production  
1039 establishment and cannabis dispensary associated with the cannabis or cannabis product;

1040 (d) provide access to the Department of Health and the Department of Agriculture and  
1041 Food to the extent necessary to carry out the Department of Health's and the Department of  
1042 Agriculture and Food's functions and responsibilities under this chapter and under Title 4,  
1043 Chapter ~~[41b]~~ 41a, Cannabis Production ~~[Establishment]~~ Establishments;

1044 (e) provide access to state or local law enforcement during a traffic stop for the purpose  
1045 of determining if the individual subject to the traffic stop is complying with state medical  
1046 cannabis law, or after obtaining a warrant;

1047 (f) create a record each time a person accesses the database that identifies the person  
1048 who accessed the database and the individual whose records are accessed; and

1049 (g) ~~(9)~~ be operational no later than March 1, 2020.

1050 (3) The Department of Health may release de-identified data collected by the system  
1051 for the purpose of conducting medical research and for providing the report required by Section  
1052 ~~[26-60b-602]~~ [26-61a-602](#).

1053 Section 42. Section **26-61a-104**, which is renumbered from Section 26-60b-104 is  
1054 renumbered and amended to read:

1055 ~~[26-60b-104]~~. **26-61a-104. Preemption.**

1056 This chapter preempts any ordinance or rule enacted by a political subdivision of the  
1057 state regarding a cannabis dispensary or a medical cannabis card.

1058 Section 43. Section **26-61a-105**, which is renumbered from Section 26-60b-105 is  
1059 renumbered and amended to read:

1060 ~~[26-60b-105]~~. **26-61a-105. Qualifying illness.**

1061 (1) For the purposes of this chapter, the following conditions are considered a  
1062 qualifying illness:

1063 (a) HIV, acquired immune deficiency syndrome or an autoimmune disorder;

1064 (b) Alzheimer's disease;

1065 (c) amyotrophic lateral sclerosis;

1066 (d) cancer, cachexia, or a condition manifest by physical wasting, nausea, or  
1067 malnutrition associated with chronic disease;

1068 (e) Crohn's disease, ulcerative colitis, or a similar gastrointestinal disorder;

1069 (f) epilepsy or a similar condition that causes debilitating seizures;

1070 (g) multiple sclerosis or a similar condition that causes persistent and debilitating  
1071 muscle spasms;

1072 (h) post-traumatic stress disorder;

1073 (i) autism;

1074 (j) a rare condition or disease that affects less than 200,000 persons in the United  
1075 States, as defined in Section 526 of the Federal Food, Drug, and Cosmetic Act; and

1076 (k) chronic or debilitating pain in an individual, if:

1077 (i) a physician determines that the individual is at risk of becoming chemically  
1078 dependent on, or overdosing on, opiate-based pain medication; or

1079 (ii) a physician determines that the individual is allergic to opiates or is otherwise

1080 medically unable to use opiates.

1081 (2) In addition to the conditions described in Subsection (1), a condition approved  
1082 under Section [~~26-60b-106~~] 26-61a-106, in an individual, on a case-by-case basis, is considered  
1083 a qualifying illness for the purposes of this chapter.

1084 Section 44. Section **26-61a-106**, which is renumbered from Section 26-60b-106 is  
1085 renumbered and amended to read:

1086 ~~[26-60b-106]~~. **26-61a-106. Compassionate Use Board.**

1087 (1) The department shall establish a Compassionate Use Board consisting of:

1088 (a) five physicians who are knowledgeable about the medicinal use of cannabis and  
1089 certified by the appropriate board in one of the following specialties: neurology, pain medicine  
1090 and pain management, medical oncology, psychiatry, infectious disease, internal medicine,  
1091 pediatrics, and gastroenterology; and

1092 (b) the director of the Department of Health or the director's designee as a non-voting  
1093 member.

1094 (2) (a) Two of the members of the board first appointed shall serve for a term of three  
1095 years and two of the members of the board first appointed shall serve for a term of four years.

1096 (b) After the first members' terms expire, members of the board shall serve for a term  
1097 of four years and shall be eligible for reappointment.

1098 (c) Any member of the board may serve until a successor is appointed.

1099 (d) The director of the Department of Health or the director's designee shall serve as  
1100 the chair of the board.

1101 (3) A quorum of the Compassionate Use Board shall consist of three members.

1102 (4) A member of the board may not receive compensation or benefits for the member's  
1103 service, but may receive per diem and travel expenses in accordance with Section 63A-3-106,  
1104 Section 63A-3-107, and rules made by the Division of Finance pursuant to Sections 63A-3-106  
1105 and 63A-3-107.

1106 (5) The Compassionate Use Board shall:

1107 (a) review and recommend to the department approval for an individual who is not  
1108 otherwise qualified to receive a medical cannabis card to obtain a medical cannabis card for  
1109 compassionate use if:

1110 (i) the individual offers, in the board's discretion, satisfactory evidence that the

1111 individual suffers from a condition that substantially impairs the individual's quality of life and  
1112 is intractable; and

1113 (ii) the board determines it is in the best interest of the patient to allow the  
1114 compassionate use of medical cannabis;

1115 (b) meet to receive or review compassionate use petitions quarterly, unless no petitions  
1116 are pending, or as often as necessary if there are more petitions than the board can receive or  
1117 review during the board's regular schedule;

1118 (c) complete a review of each petition and recommend approval or denial of the  
1119 applicant for qualification for a medical cannabis card within 90 days of receipt; and

1120 (d) report, before November 1 of each year, to the Health and Human Services Interim  
1121 Committee, the number of compassionate use approvals the board issued during the past year  
1122 and the types of conditions for which the board approved compassionate use.

1123 (6) The department shall review any compassionate use approved by the board under  
1124 this section to determine if the board properly exercised the board's discretion under this  
1125 section.

1126 (7) If the department determines the board properly approved an individual for  
1127 compassionate use under this section, the department shall issue a medical cannabis card.

1128 (8) Any individually identifiable health information contained in a petition received  
1129 under this section shall be a protected record in accordance with Title 63G, Chapter 2,  
1130 Government Records Access and Management Act.

1131 (9) The Compassionate Use Board may recommend to the Health and Human Services  
1132 Interim Committee:

1133 (a) a condition to designate as a qualifying illness under Section [~~26-60b-105~~]  
1134 [26-61a-105](#); or

1135 (b) a condition to remove as a qualifying illness under Section [~~26-60b-105~~]  
1136 [26-61a-105](#).

1137 Section 45. Section ~~26-61a-107~~, which is renumbered from Section 26-60b-107 is  
1138 renumbered and amended to read:

1139 [~~26-60b-107~~]. **26-61a-107. Physician qualification.**

1140 (1) For the purposes of this chapter, a physician means an individual, other than a  
1141 veterinarian, who is licensed to prescribe a controlled substance under Title 58, Chapter 37,

1142 Utah Controlled Substances Act, and who possesses the authority, in accordance with the  
1143 individual's scope of practice, to prescribe Schedule II controlled substances.

1144 (2) A physician may recommend cannabis if the physician recommends cannabis to no  
1145 more than 20% of the physician's patients at any given time.

1146 (3) A physician may recommend cannabis to greater than 20% of the physician's  
1147 patients if the physician is certified, by the appropriate American medical board, in one of the  
1148 following specialties: anesthesiology, gastroenterology, neurology, oncology, pain and  
1149 palliative care, physiatry, or psychiatry.

1150 (4) A physician may recommend cannabis to an individual under this chapter only in  
1151 the course of a physician-patient relationship after the physician has completed a full  
1152 assessment of the patient's condition and medical history.

1153 (5) (a) Except as provided in Subsection (5)(b), a physician eligible to recommend  
1154 cannabis or a cannabis product under this section may not advertise that the physician  
1155 recommends cannabis or a cannabis product.

1156 (b) A physician may advertise via a website that displays only:

1157 (i) a green cross;

1158 (ii) the location and hours of operation of the physician's office;

1159 (iii) a qualifying illness that the physician treats; and

1160 (iv) a scientific study regarding cannabis use.

1161 Section 46. Section **26-61a-108**, which is renumbered from Section 26-60b-108 is  
1162 renumbered and amended to read:

1163 ~~**[26-60b-108].**~~ **26-61a-108. Standard of care -- Medical practitioners not**  
1164 **liable -- No private right of action.**

1165 A physician who recommends treatment with cannabis or a cannabis product to an  
1166 individual in accordance with this chapter may not, based on the recommendation, be subject to  
1167 civil liability, criminal liability, or licensure sanctions under Title 58, Chapter 67, Utah Medical  
1168 Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act.

1169 Section 47. Section **26-61a-109**, which is renumbered from Section 26-60b-109 is  
1170 renumbered and amended to read:

1171 ~~**[26-60b-109].**~~ **26-61a-109. Medical Cannabis Restricted Account --**  
1172 **Creation.**

1173 (1) There is created in the General Fund a restricted account known as the "Medical  
1174 Cannabis Restricted Account."

1175 (2) The account created in this section is funded from:

1176 (a) money deposited into the account by the Department of Agriculture and Food under  
1177 Title 4, Chapter ~~[41b]~~ 41a, Cannabis Production Establishments;

1178 (b) money deposited into the account by the department under this chapter;

1179 (c) appropriations made to the account by the Legislature; and

1180 (d) the interest described in Subsection (3).

1181 (3) Interest earned on the account is deposited in the account.

1182 (4) Money in the account may only be used to fund the state medical cannabis program,  
1183 including Title 26, Chapter ~~[60b]~~ 61a, Medical Cannabis Act and Title 4, Chapter ~~[41b]~~ 41a,  
1184 Cannabis Production Establishments.

1185 Section 48. Section **26-61a-110**, which is renumbered from Section 26-60b-110 is  
1186 renumbered and amended to read:

1187 ~~[26-60b-110]~~. **26-61a-110. Nondiscrimination for use of cannabis, a**  
1188 **cannabis product, or a medical cannabis device.**

1189 (1) For purposes of medical care, including organ and tissue transplants, the use of  
1190 cannabis by a patient who holds a medical cannabis card in accordance with this chapter is  
1191 considered the equivalent of the authorized use of any other medication used at the discretion  
1192 of a physician and does not constitute the use of an illicit substance or otherwise disqualify an  
1193 individual from needed medical care.

1194 (2) No landlord may refuse to lease to and may not otherwise penalize a person solely  
1195 for the person's status as a medical cannabis card holder, unless failing to do so would cause  
1196 the landlord to lose a monetary or licensing-related benefit under federal law.

1197 Section 49. Section **26-61a-201**, which is renumbered from Section 26-60b-201 is  
1198 renumbered and amended to read:

1199 **Part 2. Medical Cannabis Card Registration**

1200 ~~[26-60b-201]~~. **26-61a-201. Medical cannabis card -- Application -- Fees --**  
1201 **Database.**

1202 (1) The Department of Health shall, no later than March 1, 2020, and within 15 days  
1203 after an individual submits an application in compliance with this section, issue a medical

1204 cannabis card to an individual who complies with this section.

1205 (2) An individual is eligible for a medical cannabis card if:

1206 (a) the individual is at least 18 years old, the individual is a Utah resident, and  
1207 treatment with medical cannabis has been recommended by the individual's physician under  
1208 Subsection (4); or

1209 (b) the individual is the parent or legal guardian of a minor, the individual is at least 18  
1210 years old, the individual is a Utah resident, and treatment with medical cannabis has been  
1211 recommended by the minor's physician under Subsection (4).

1212 (3) An individual who is eligible for a medical cannabis card under Subsection (2)  
1213 shall submit an application for a medical cannabis card to the department via an electronic  
1214 application connected to the electronic verification system, with the recommending physician  
1215 while in the recommending physician's office, and that includes the individual's name, gender,  
1216 age, and address.

1217 (4) A physician who recommends treatment with medical cannabis to an individual or  
1218 minor shall:

1219 (a) state in the physician's recommendation that the individual suffers from a qualifying  
1220 illness, including the type of qualifying illness, and that the individual may benefit from  
1221 treatment with cannabis or a cannabis product; and

1222 (b) before recommending cannabis or a cannabis product, look up the individual in the  
1223 controlled substance database created in Section [58-37f-201](#).

1224 (5) A medical cannabis card issued by the department under this section is valid for the  
1225 lesser of an amount of time determined by the physician or six months.

1226 (6) An individual who has been issued a medical cannabis card under this section may:

1227 (a) carry a valid medical cannabis card with the patient's name;

1228 (b) purchase, possess, and transport, in accordance with this chapter, cannabis, a  
1229 cannabis product, or a medical cannabis device;

1230 (c) use or assist with the use of medical cannabis or medical cannabis products to treat  
1231 the qualifying illness or symptoms associated with the qualifying illness of the person for  
1232 whom medical cannabis has been recommended; and

1233 (d) after January 1, 2021, if a licensed cannabis dispensary is not operating within 100  
1234 miles of the medical cannabis card holder's primary residence, grow up to six cannabis plants



1235 for personal medical use within an enclosed and locked space and not within view from a  
1236 public place and that is not within 600 feet of a community location or within 300 feet of an  
1237 area zoned exclusively for residential use, as measured from the nearest entrance to the space  
1238 and following the shortest route or ordinary pedestrian travel to the property boundary of the  
1239 community location or residential area.

1240 (7) The department may establish procedures, by rule in accordance with Title 63G,  
1241 Chapter 3, Utah Administrative Rulemaking Act, to implement the medical cannabis card  
1242 application and issuance provisions of this section.

1243 (8) (a) A person may submit, to the department, a request to conduct a medical research  
1244 study using medical cannabis cardholder data contained in the electronic verification system.

1245 (b) The department shall review a request submitted under Subsection (8)(a) to  
1246 determine if the medical research study is valid.

1247 (c) If the department determines that the medical research study is valid under  
1248 Subsection (8)(b), the department shall notify a relevant medical cannabis cardholder asking  
1249 for the medical cannabis cardholder's participation in the study.

1250 (d) The department may release, for the purposes of a study, information about a  
1251 medical cannabis cardholder who consents to participation under Subsection (8)(c).

1252 (e) The department may establish standards for a medical research study's validity, by  
1253 rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

1254 Section 50. Section **26-61a-202**, which is renumbered from Section 26-60b-202 is  
1255 renumbered and amended to read:

1256 ~~[26-60b-202]~~. **26-61a-202. Medical cannabis card --- Designated caregiver**  
1257 **-- Registration -- Renewal -- Revocation.**

1258 (1) An individual may designate up to two individuals to serve as designated caregivers  
1259 for the individual if:

1260 (a) the individual has a valid medical cannabis card under Section ~~[26-60b-201]~~

1261 26-61a-201; and

1262 (b) a physician determines that, due to physical difficulty or undue hardship, the  
1263 individual needs assistance to obtain cannabis or a cannabis product from a cannabis  
1264 dispensary.

1265 (2) An individual registered as a designated caregiver under this section may:

1266 (a) carry a valid medical cannabis card with the designating patient's name and the  
1267 designated caregiver's name;

1268 (b) purchase, possess, and transport, in accordance with this chapter, cannabis, a  
1269 cannabis product, or a medical cannabis device on behalf of the designating patient;

1270 (c) accept reimbursement from the designating patient for direct costs incurred by the  
1271 designated caregiver for assisting with the designating patient's medicinal use of cannabis; and

1272 (d) after January 1, 2021, if a licensed cannabis dispensary is not operating within 100  
1273 miles of the designating patient's primary residence, assist the designating patient with growing  
1274 up to six cannabis plants for personal medicinal use within an enclosed and locked space and  
1275 not within view from a public place and that is not within 600 feet of a community location or  
1276 within 300 feet of an area zoned exclusively for residential use, as measured from the nearest  
1277 entrance to the space and following the shortest route or ordinary pedestrian travel to the  
1278 property boundary of the community location or residential area.

1279 (3) The department shall, within 30 days after an individual submits an application in  
1280 compliance with this section, issue a medical cannabis card to an individual designated as a  
1281 caregiver under Subsection (1) and who complies with this section.

1282 (4) An individual is eligible for a medical cannabis card as a designated caregiver if the  
1283 individual:

1284 (a) is at least 18 years old;

1285 (b) is a Utah resident;

1286 (c) pays, to the department, a fee established by the department in accordance with  
1287 Section [63J-1-504](#), plus the cost of a criminal background check required by Section  
1288 ~~[26-60b-203]~~ [26-61a-203](#); and

1289 (d) has not been convicted of an offense that is a felony under either state or federal  
1290 law, unless any sentence imposed was completed seven or more years earlier.

1291 (5) An individual who is eligible for a medical cannabis card as a designated caregiver  
1292 shall submit an application for a medical cannabis card to the department via an electronic  
1293 application connected to the electronic verification system and shall include the individual's  
1294 name, gender, age, and address and the name of the patient that designated the individual under  
1295 Subsection (1).

1296 (6) A medical cannabis card issued by the department under this section is valid for the

1297 lesser of an amount of time determined by the physician, by the patient, or 6 months.

1298 (7) A medical cannabis card is renewable for a designated caregiver if, at the time of  
1299 renewal:

1300 (a) the individual with a medical cannabis card described in Subsection (1) renews the  
1301 caregiver's designation; and

1302 (b) the designated caregiver meets the requirements of Subsection (4).

1303 (8) A designated caregiver may not charge an individual a fee to act as the individual's  
1304 designated caregiver or for services provided.

1305 (9) The Department of Health may revoke a designated caregiver's medical cannabis  
1306 card if the individual:

1307 (a) violates this chapter; or

1308 (b) is convicted of an offense that is a felony under either state or federal law.

1309 Section 51. Section **26-61a-203**, which is renumbered from Section 26-60b-203 is  
1310 renumbered and amended to read:

1311 ~~[26-60b-203]~~. **26-61a-203. Designated caregiver -- Criminal background**  
1312 **check.**

1313 (1) An individual registered as a designated caregiver under Section ~~[26-60b-202]~~  
1314 26-61a-202 shall submit to a criminal background check in accordance with Subsection (2).

1315 (2) Each designated caregiver shall:

1316 (a) submit, to the department, a fingerprint card in a form acceptable to the department  
1317 and the Department of Public Safety; and

1318 (b) consent to a fingerprint background check by:

1319 (i) the Utah Bureau of Criminal Identification; and

1320 (ii) the Federal Bureau of Investigation.

1321 (3) The Department of Public Safety shall complete a Federal Bureau of Investigation  
1322 Criminal Background Check for each designated caregiver under Subsection (2) and report the  
1323 results of the background check to the department.

1324 Section 52. Section **26-61a-204**, which is renumbered from Section 26-60b-204 is  
1325 renumbered and amended to read:

1326 ~~[26-60b-204]~~. **26-61a-204. Medical cannabis card -- Patient and designated**  
1327 **caregiver requirements -- Rebuttable presumption.**

1328 (1) An individual who has a medical cannabis card and who possesses cannabis or a  
1329 cannabis product outside of the individual's residence shall:

1330 (a) carry, with the individual at all times, the individual's medical cannabis card;

1331 (b) carry, with the cannabis or cannabis product, a label that identifies that the cannabis  
1332 or cannabis product was originally sold from a licensed cannabis dispensary and includes an  
1333 identification number that links the cannabis or cannabis product to the inventory control  
1334 system; and

1335 (c) possess not more than four ounces of unprocessed cannabis or an amount of  
1336 cannabis product that contains 20 or fewer grams of tetrahydrocannabinol or cannabidiol.

1337 (2) (a) Except as described in Subsection (2)(b), an individual who has a medical  
1338 cannabis card may not use cannabis or a cannabis product in public view.

1339 (b) An individual may use cannabis or a cannabis product in public view in the event of  
1340 a medical emergency.

1341 (3) If an individual possesses cannabis or a cannabis product in compliance with  
1342 Subsection (1), or a medical cannabis device that corresponds with the cannabis or cannabis  
1343 product:

1344 (a) there is a rebuttable presumption that the individual possesses the cannabis,  
1345 cannabis product, or medical cannabis device legally; and

1346 (b) a law enforcement officer does not have probable cause, based solely on the  
1347 individual's possession of the cannabis, cannabis product, or medical cannabis device, to  
1348 believe that the individual is engaging in illegal activity.

1349 (4) (a) If a law enforcement officer stops an individual who possesses cannabis, a  
1350 cannabis product, or a medical cannabis device, and the individual represents to the law  
1351 enforcement officer that the individual holds a valid medical cannabis card, but the individual  
1352 does not have the medical cannabis card in the individual's possession at the time of the stop by  
1353 the law enforcement officer, the law enforcement officer shall attempt to access the electronic  
1354 verification system to determine whether the individual holds a valid medical cannabis card.

1355 (b) If the law enforcement officer is able to verify that the individual described in  
1356 Subsection (4)(a) holds a valid medical cannabis card, the law enforcement officer:

1357 (i) may not arrest or take the individual into custody for the sole reason that the  
1358 individual is in possession of cannabis, a cannabis product, or a medical cannabis device; and

1359 (ii) may not seize the cannabis, cannabis product, or medical cannabis device.

1360 (5) An individual who possesses cannabis, a cannabis product, or a medical cannabis  
1361 device in violation of Subsection (1)(a) or Subsection 1(b) is guilty of an infraction and subject  
1362 to a \$100 fine.

1363 Section 53. Section **26-61a-301**, which is renumbered from Section 26-60b-301 is  
1364 renumbered and amended to read:

1365 **Part 3. Cannabis Dispensary License**

1366 ~~[26-60b-301]~~. **26-61a-301. Cannabis dispensary -- License -- Eligibility.**

1367 (1) A person may not operate as a cannabis dispensary without a license issued by the  
1368 department issued under this part.

1369 (2) Subject to ~~[Subsections]~~ Subsection (5) and to Section ~~[26-60b-304]~~ 26-61a-304,  
1370 the department shall, within 90 business days after receiving a complete application, issue a  
1371 license to operate a cannabis dispensary to a person who submits to the department:

1372 (a) a proposed name and address where the person will operate the cannabis dispensary  
1373 that is not within 600 feet of a community location or within 300 feet of an area zoned  
1374 exclusively for residential use, as measured from the nearest entrance to the cannabis  
1375 production establishment by following the shortest route of ordinary pedestrian travel to the  
1376 property boundary of the community location or residential area;

1377 (b) the name and address of any individual who has a financial or voting interest of two  
1378 percent or greater in the proposed cannabis dispensary or who has the power to direct or cause  
1379 the management or control of a proposed cannabis production establishment;

1380 (c) financial statements demonstrating that the person possesses a minimum of  
1381 \$250,000 in liquid assets available for each application submitted to the department;

1382 (d) an operating plan that complies with Section ~~[26-60b-303]~~ 26-61a-303 and that  
1383 includes operating procedures to comply with the operating requirements for a cannabis  
1384 dispensary described in this chapter and with any laws adopted by the municipality or county  
1385 that are consistent with Section ~~[26-60b-506]~~ 26-61a-506;

1386 (e) if the municipality or county where the proposed cannabis production establishment  
1387 would be located has enacted zoning restrictions, a sworn statement certifying that the  
1388 proposed cannabis dispensary is in compliance with the restrictions;

1389 (f) if the municipality or county where the proposed cannabis dispensary would be

1390 located requires a local permit or license, a copy of the application for the local permit or  
1391 license; and

1392 (g) an application fee established by the department in accordance with Section  
1393 [63J-1-504](#) that is necessary to cover the department's cost to implement this part[;].

1394 [(4)] (3) If the department determines that a cannabis dispensary is eligible for a license  
1395 under this section, the department shall charge the cannabis dispensary an initial license fee in  
1396 an amount determined by the department in accordance with Section [63J-1-504](#).

1397 [(5)] (4) The department may not issue a license to operate a cannabis dispensary to an  
1398 applicant if any individual who has a financial or voter interest of two percent or greater in the  
1399 cannabis dispensary applicant or who has power to direct or cause the management or control  
1400 of the applicant:

1401 (a) has been convicted of an offense that is a felony under either state or federal law; or

1402 (b) is less than 21 years of age.

1403 [(6)] (5) The department may revoke a license under this part if the cannabis  
1404 dispensary is not operating within one year of the issuance of the initial license.

1405 [(7)] (6) The department shall deposit the proceeds of a fee imposed by this section in  
1406 the Medical Cannabis Restricted Account.

1407 [(8)] (7) The department shall begin accepting applications under this part no later than  
1408 March 1, 2020.

1409 Section 54. Section **26-61a-302**, which is renumbered from Section 26-60b-302 is  
1410 renumbered and amended to read:

1411 ~~**26-60b-302**~~. **26-61a-302**. **Renewal**.

1412 (1) Except as provided in Subsection (3), the department shall renew a person's license  
1413 under this part every two years if, at the time of renewal:

1414 (a) the person meets the requirements of Section [~~26-60b-301~~] [26-61a-301](#); and

1415 (b) the person pays the department a license renewal fee in an amount determined by  
1416 the department in accordance with Section [63J-1-504](#).

1417 (2) (a) If a licensed cannabis dispensary abandons the cannabis dispensary's license, the  
1418 department shall publish notice of an available license in a newspaper of general circulation for  
1419 the geographic area in which the cannabis dispensary license is available or on the Utah Public  
1420 Notice Website established in Section [63F-1-701](#).

1421 (b) The department may establish criteria, in accordance with Title 63G, Chapter 3,  
1422 Utah Administrative Rulemaking Act, for what actions by a cannabis dispensary constitute  
1423 abandonment of a cannabis dispensary license.

1424 Section 55. Section **26-61a-303**, which is renumbered from Section 26-60b-303 is  
1425 renumbered and amended to read:

1426 ~~[26-60b-303]~~. **26-61a-303. Operating plan.**

1427 [(†)] A person applying for a cannabis dispensary license shall submit to the  
1428 department a proposed operation plan for the cannabis dispensary that complies with this  
1429 section and that includes:

1430 [(a)] (1) a description of the physical characteristics of the proposed facility, including  
1431 a floor plan and an architectural elevation;

1432 [(b)] (2) a description of the credentials and experience of:

1433 [(i)] (a) each officer, director, or owner of the proposed cannabis dispensary; and

1434 [(ii)] (b) any highly skilled or experienced prospective employee;

1435 [(c)] (3) the cannabis dispensary's employee training standards;

1436 [(d)] (4) a security plan; and

1437 [(e)] (5) a description of the cannabis dispensary's inventory control system, including  
1438 a plan to make the inventory control system compatible with the electronic verification system.

1439 Section 56. Section **26-61a-304**, which is renumbered from Section 26-60b-304 is  
1440 renumbered and amended to read:

1441 ~~[26-60b-304]~~. **26-61a-304. Maximum number of licenses.**

1442 (1) The department may not issue more than the greater of, in each county in the state:

1443 (a) one cannabis dispensary license; or

1444 (b) an amount of cannabis dispensary licenses equal to the number of residents in the  
1445 county divided by 150,000, rounded up to the nearest greater whole number.

1446 (2) If there are more qualified applicants than there are available licenses for cannabis  
1447 dispensaries, the department shall evaluate the applicants and award the license to the applicant  
1448 that best demonstrates:

1449 (a) experience with establishing and successfully operating a business that involves  
1450 complying with a regulatory environment, tracking inventory, and training, evaluating, and  
1451 monitoring employees;

1452 (b) an operating plan that will best ensure the safety and security of patrons and the  
1453 community;

1454 (c) positive connections to the local community;

1455 (d) the suitability of the proposed location and its accessibility for qualifying patients;

1456 and

1457 (e) the extent to which the applicant can reduce the cost of cannabis or cannabis  
1458 products for patients.

1459 (3) The department may conduct a face-to-face interview with an applicant for a  
1460 license that the department evaluates under Subsection (2).

1461 Section 57. Section ~~26-61a-401~~, which is renumbered from Section 26-60b-401 is  
1462 renumbered and amended to read:

1463 **Part 4. Cannabis Dispensary Agents**

1464 ~~[26-60b-401]~~. **26-61a-401. Cannabis dispensary agent -- Registration.**

1465 (1) An individual may not serve as a cannabis dispensary agent of a cannabis  
1466 dispensary unless the individual is registered by the department as a cannabis dispensary agent.

1467 (2) A physician may not act as a cannabis dispensary agent.

1468 (3) The department shall, within 15 days after receiving a complete application from a  
1469 cannabis dispensary on behalf of a prospective cannabis dispensary agent, register and issue a  
1470 cannabis dispensary agent registration card to an individual who:

1471 (a) provides to the department the individual's name and address and the name and  
1472 location of the licensed cannabis dispensary where the individual seeks to act as the cannabis  
1473 dispensary agent; and

1474 (b) pays a fee to the department, in an amount determined by the department in  
1475 accordance with Section ~~63J-1-504~~, that is necessary to cover the department's cost to  
1476 implement this part.

1477 (4) The department shall designate, on an individual's cannabis dispensary agent  
1478 registration card, the name of the cannabis dispensary where the individual is registered as an  
1479 agent.

1480 (5) A cannabis dispensary agent shall comply with a certification standard developed  
1481 by the department, or a third party certification standard designated by the department, by rule  
1482 made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.



1483 (6) The certification standard described in Subsection (5) shall include training in:

1484 (a) Utah medical cannabis law; and

1485 (b) cannabis dispensary best practices.

1486 (7) The department may revoke or refuse to issue the cannabis dispensary agent

1487 registration card of an individual who:

1488 (a) violates the requirements of this chapter; or

1489 (b) is convicted of an offense that is a felony under state or federal law.

1490 Section 58. Section ~~26-61a-402~~, which is renumbered from Section 26-60b-402 is

1491 renumbered and amended to read:

1492 ~~[26-60b-402]~~. 26-61a-402. Cannabis dispensary agents -- Criminal

1493 **background checks.**

1494 (1) Each applicant shall submit, at the time of application, from each individual who  
1495 has a financial or voting interest of two percent or greater in the applicant or who has the power  
1496 to direct or cause the management or control of the applicant:

1497 (a) a fingerprint card in a form acceptable to the department; and

1498 (b) consent to a fingerprint background check by the Utah Bureau of Criminal

1499 Identification and the Federal Bureau of Investigation.

1500 (2) The department shall request that the Department of Public Safety complete a  
1501 Federal Bureau of Investigation criminal background check for each individual described in  
1502 Subsection (1).

1503 Section 59. Section ~~26-61a-403~~, which is renumbered from Section 26-60b-403 is  
1504 renumbered and amended to read:

1505 ~~[26-60b-403]~~. 26-61a-403. Cannabis dispensary agent registration card --

1506 **Rebuttable presumption.**

1507 (1) A cannabis dispensary agent who is registered with the department under [section]  
1508 ~~[26-60b-401]~~ Section 26-61a-401 shall carry the individual's cannabis dispensary agent  
1509 registration card with the individual at all times when:

1510 (a) the individual is on the premises of a cannabis dispensary; and

1511 (b) the individual is transporting cannabis, a cannabis product, or a medical cannabis

1512 device between two cannabis production establishments or between a cannabis production

1513 establishment and a cannabis dispensary.

1514 (2) If an individual handling cannabis, a cannabis product, or a medical cannabis  
1515 device at a cannabis dispensary, or transporting cannabis, a cannabis product, or a medical  
1516 cannabis device, possesses the cannabis, cannabis product, or medical cannabis device in  
1517 compliance with Subsection (1):

1518 (a) there is a rebuttable presumption that the individual possesses the cannabis,  
1519 cannabis product, or medical cannabis device legally; and

1520 (b) a law enforcement officer does not have probable cause, based solely on the  
1521 individual's possession of the cannabis, cannabis product, or medical cannabis device in  
1522 compliance with Subsection (1), to believe that the individual is engaging in illegal activity.

1523 (3) An individual who violates Subsection (1) is:

1524 (a) guilty of an infraction; and

1525 (b) is subject to a \$100 fine.

1526 Section 60. Section **26-61a-501**, which is renumbered from Section 26-60b-501 is  
1527 renumbered and amended to read:

1528 **Part 5. Cannabis Dispensary Operation**

1529 ~~[26-60b-501]~~. **26-61a-501. Operating requirements -- General.**

1530 (1) (a) A cannabis dispensary shall operate in accordance with the operating plan  
1531 provided to the department under Section ~~[26-60b-303]~~ 26-61a-303.

1532 (b) A cannabis dispensary shall notify the department before a change in the cannabis  
1533 dispensary's operating plan.

1534 (2) A cannabis dispensary shall operate:

1535 (a) except as provided in Subsection (5), in a facility that is accessible only by an  
1536 individual with a valid cannabis dispensary agent registration card or a medical cannabis card;  
1537 and

1538 (b) at the physical address provided to the department under Section ~~[26-60b-301]~~  
1539 26-61a-301.

1540 (3) A cannabis dispensary may not employ any person who is younger than 21 years of  
1541 age.

1542 (4) A cannabis dispensary shall conduct a background check into the criminal history  
1543 of every person who will become an agent of the cannabis dispensary and may not employ any  
1544 person who has been convicted of an offense that is a felony under either state or federal law.

1545 (5) A cannabis dispensary may authorize an individual who is not a cannabis  
1546 dispensary agent to access the cannabis dispensary if the cannabis dispensary tracks and  
1547 monitors the individual at all times while the individual is at the cannabis dispensary and  
1548 maintains a record of the individual's access.

1549 (6) A cannabis dispensary shall operate in a facility that has:

1550 (a) a single, secure public entrance;

1551 (b) a security system with a backup power source that:

1552 (i) detects and records entry into the cannabis dispensary; and

1553 (ii) provides notice of an unauthorized entry to law enforcement when the cannabis  
1554 dispensary is closed; and

1555 (c) a lock on any area where the cannabis dispensary stores cannabis or a cannabis  
1556 product.

1557 (7) A cannabis dispensary shall post, clearly and conspicuously in the cannabis  
1558 dispensary, the limit on the purchase of cannabis described in Subsection [~~26-60b-502(3)~~]  
1559 [26-61a-502\(3\)](#).

1560 (8) A cannabis dispensary may not allow any individual to consume cannabis on the  
1561 property or premises of the cannabis dispensary.

1562 (9) A cannabis dispensary may not sell cannabis or a cannabis product without first  
1563 indicating on the cannabis or cannabis product label the name of the cannabis dispensary.

1564 Section 61. Section **26-61a-502**, which is renumbered from Section 26-60b-502 is  
1565 renumbered and amended to read:

1566 ~~[26-60b-502]~~. **26-61a-502. Dispensing -- Amount a cannabis dispensary**  
1567 **may dispense -- Reporting -- Form of cannabis or cannabis product.**

1568 (1) A cannabis dispensary may only sell, subject to this chapter:

1569 (a) cannabis;

1570 (b) a cannabis product;

1571 (c) a medical cannabis device; or

1572 (d) educational materials related to the medical use of cannabis.

1573 (2) A cannabis dispensary may only sell the items listed in Subsection (1) to an  
1574 individual with a medical cannabis card issued by the department.

1575 (3) A cannabis dispensary may not dispense on behalf of any one individual with a

1576 medical cannabis card, in any one 14-day period:

1577 (a) an amount of unprocessed cannabis that exceeds two ounces by weight; or

1578 (b) an amount of cannabis products that contains, in total, greater than 10 grams of  
1579 tetrahydrocannabinol or cannabidiol.

1580 (4) An individual with a medical cannabis card may not purchase more cannabis or  
1581 cannabis products than the amounts designated in Subsection (3) in any one 14-day period.

1582 (5) A cannabis dispensary shall:

1583 (a) access the electronic verification system before dispensing cannabis or a cannabis  
1584 product to an individual with a medical cannabis card in order to determine if the individual  
1585 has met the maximum amount of cannabis or cannabis products described in Subsection (3);  
1586 and

1587 (b) submit a record to the electronic verification system each time the cannabis  
1588 dispensary dispenses cannabis or a cannabis product to an individual with a medical cannabis  
1589 card.

1590 (6) (a) Except as provided in Subsection (6)(b), a cannabis dispensary may not sell  
1591 medical cannabis in the form of a cigarette or a medical cannabis device that is intentionally  
1592 designed or constructed to resemble a cigarette.

1593 (b) A cannabis dispensary may sell a medical cannabis device that warms cannabis  
1594 material into a vapor without the use of a flame and that delivers cannabis to an individual's  
1595 respiratory system.

1596 (7) A cannabis dispensary may give to an individual with a medical cannabis card, at  
1597 no cost, a product that the cannabis dispensary is allowed to sell under Subsection (1).

1598 Section 62. Section **26-61a-503**, which is renumbered from Section 26-60b-503 is  
1599 renumbered and amended to read:

1600 ~~[26-60b-503]~~. **26-61a-503. Inspections.**

1601 The department may inspect the records and facility of a cannabis dispensary at any  
1602 time in order to determine if the cannabis dispensary complies with the licensing requirements  
1603 of this part.

1604 Section 63. Section **26-61a-504**, which is renumbered from Section 26-60b-504 is  
1605 renumbered and amended to read:

1606 ~~[26-60b-504]~~. **26-61a-504. Advertising.**

1607 (1) Except as provided in Subsections (2) and (3), a cannabis dispensary may not  
1608 advertise in any medium.

1609 (2) A cannabis dispensary may use signage on the outside of the cannabis dispensary  
1610 that includes only:

1611 (a) the cannabis dispensary's name and hours of operation; and

1612 (b) a green cross.

1613 (3) A cannabis dispensary may maintain a website that includes information about:

1614 (a) the location and hours of operation of the cannabis dispensary;

1615 (b) the products and services available at the cannabis dispensary;

1616 (c) personnel affiliated with the cannabis dispensary;

1617 (d) best practices that the cannabis dispensary upholds; and

1618 (e) educational materials related to the medical use of cannabis.

1619 Section 64. Section **26-61a-505**, which is renumbered from Section 26-60b-505 is  
1620 renumbered and amended to read:

1621 ~~[26-60b-505]~~. **26-61a-505. Cannabis, cannabis product, or medical**  
1622 **cannabis device transportation.**

1623 (1) Except for an individual with a valid medical cannabis card, an individual may not  
1624 transport cannabis, a cannabis product, or a medical cannabis device unless the individual is:

1625 (a) a registered cannabis production establishment agent; or

1626 (b) a registered cannabis dispensary agent.

1627 (2) Except for an individual with a valid medical cannabis card, an individual  
1628 transporting cannabis, a cannabis product, or a medical cannabis device shall possess a  
1629 transportation manifest that:

1630 (a) includes a unique identifier that links the cannabis, cannabis product, or medical  
1631 cannabis device to a relevant inventory control system;

1632 (b) includes origin and destination information for any cannabis, cannabis product, or  
1633 medical cannabis device the individual is transporting; and

1634 (c) indicates the departure and arrival times and locations of the individual transporting  
1635 the cannabis, cannabis product, or medical cannabis device.

1636 (3) In addition to the requirements in Subsections (1) and (2), the department may  
1637 establish, by rule made in accordance with Title 63G, Chapter 3, Utah Administrative

1638 Rulemaking Act, requirements for transporting cannabis, a cannabis product, or a medical  
1639 cannabis device that are related to safety for human cannabis or cannabis product consumption.

1640 (4) An individual who transports cannabis, a cannabis product, or a medical cannabis  
1641 device with a manifest that does not meet the requirements of Subsection (2) is:

- 1642 (a) guilty of an infraction; and
- 1643 (b) subject to a \$100 fine.

1644 Section 65. Section ~~26-61a-506~~, which is renumbered from Section 26-60b-506 is  
1645 renumbered and amended to read:

~~[26-60b-506].~~            **26-61a-506. Local control.**

1647 (1) A municipality or county may not enact a zoning ordinance that prohibits a  
1648 cannabis dispensary from operating in a location within the municipality's or county's  
1649 jurisdiction on the sole basis that the cannabis dispensary is a cannabis dispensary.

1650 (2) A municipality or county may not deny or revoke a permit or license to operate a  
1651 cannabis dispensary on the sole basis that the applicant or cannabis dispensary violates a law of  
1652 the United States.

1653 (3) A municipality or county may enact ordinances not in conflict with this chapter  
1654 governing the time, place, and manner of cannabis dispensary operations in the municipality or  
1655 county.

1656 Section 66. Section ~~26-61a-601~~, which is renumbered from Section 26-60b-601 is  
1657 renumbered and amended to read:

**Part 6. Enforcement**

~~[26-60b-601].~~            **26-61a-601. Enforcement -- Fine -- Citation.**

1660 (1) The department may, for a violation of this chapter by a person who is a cannabis  
1661 dispensary or cannabis dispensary agent:

- 1662 (a) revoke the person's license or cannabis dispensary agent registration card;
- 1663 (b) refuse to renew the person's license or cannabis dispensary agent registration card;
- 1664 or
- 1665 (c) assess the person an administrative penalty.

1666 (2) The department shall deposit an administrative penalty imposed under this section  
1667 [~~in the general fund~~] into the General Fund.

1668 (3) The department may, for a person subject to an uncontested citation, a stipulated

1669 settlement, or a finding of a violation in an adjudicative proceeding under this section:

1670 (a) assess the person a fine, established in accordance with Section 63J-1-504, of up to  
1671 \$5,000 per violation, in accordance with a fine schedule established by rule made in accordance  
1672 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; or

1673 (b) order the person to cease and desist from the action that creates a violation.

1674 (4) The department may not revoke a cannabis dispensary's license without first  
1675 directing the cannabis dispensary to appear before an adjudicative proceeding conducted under  
1676 Title 63G, Chapter 4, Administrative Procedures Act.

1677 (5) If, within 20 calendar days after the day on which the department issues a citation  
1678 for a violation of this chapter, the person that is the subject of the citation fails to request a  
1679 hearing to contest the citation, the citation becomes the department's final order.

1680 (6) The department may, for a person who fails to comply with a citation under this  
1681 section:

1682 (a) refuse to issue or renew the person's license or cannabis dispensary agent  
1683 registration card; or

1684 (b) suspend, revoke, or place on probation the person's license or cannabis dispensary  
1685 agent registration card.

1686 (7) If the department makes a final determination under this section that an individual  
1687 violated a provision of this chapter, the individual is guilty of an infraction.

1688 Section 67. Section **26-61a-602**, which is renumbered from Section 26-60b-602 is  
1689 renumbered and amended to read:

1690 ~~[26-60b-602]~~. **26-61a-602. Report.**

1691 (1) The department shall report annually to the Health and Human Services Interim  
1692 Committee on the number of applications and renewal applications filed for medical cannabis  
1693 cards, the number of qualifying patients and designated caregivers, the nature of the debilitating  
1694 medical conditions of the qualifying patients, the age and county of residence of cardholders,  
1695 the number of medical cannabis cards revoked, the number of practitioners providing  
1696 recommendations for qualifying patients, the number of license applications and renewal  
1697 license applications received, the number of licenses issued in each county, the number of  
1698 licenses revoked, and the expenses incurred and revenues generated from the medical cannabis  
1699 program.

1700 (2) The department may not include personally identifying information in the report.

1701 Section 68. Section **30-3-10** is amended to read:

1702 **30-3-10. Custody of children in case of separation or divorce -- Custody**  
1703 **consideration.**

1704 (1) If a [~~husband and wife~~] married couple having [~~minor~~] one or more children are  
1705 separated, or their marriage is declared void or dissolved, the court shall make an order for the  
1706 future care and custody of the minor children as it considers appropriate.

1707 (a) In determining any form of custody, including a change in custody, the court shall  
1708 consider the best interests of the child without preference for either [~~the mother or father~~]  
1709 parent solely because of the biological sex of the parent and, among other factors the court  
1710 finds relevant, the following:

1711 (i) the past conduct and demonstrated moral standards of each of the parties;

1712 (ii) which parent is most likely to act in the best interest of the child, including  
1713 allowing the child frequent and continuing contact with the noncustodial parent;

1714 (iii) the extent of bonding between the parent and child, meaning the depth, quality,  
1715 and nature of the relationship between a parent and child;

1716 (iv) whether the parent has intentionally exposed the child to pornography or material  
1717 harmful to a minor, as defined in Section [76-10-1201](#); and

1718 (v) those factors outlined in Section [30-3-10.2](#).

1719 (b) There shall be a rebuttable presumption that joint legal custody, as defined in  
1720 Section [30-3-10.1](#), is in the best interest of the child, except in cases where there is:

1721 (i) domestic violence in the home or in the presence of the child;

1722 (ii) special physical or mental needs of a parent or child, making joint legal custody  
1723 unreasonable;

1724 (iii) physical distance between the residences of the parents, making joint decision  
1725 making impractical in certain circumstances; or

1726 (iv) any other factor the court considers relevant including those listed in this section  
1727 and Section [30-3-10.2](#).

1728 (c) The person who desires joint legal custody shall file a proposed parenting plan in  
1729 accordance with Sections [30-3-10.8](#) and [30-3-10.9](#). A presumption for joint legal custody may  
1730 be rebutted by a showing by a preponderance of the evidence that it is not in the best interest of



1731 the child.

1732 (d) ~~[The children]~~ A child may not be required by either party to testify unless the trier  
1733 of fact determines that extenuating circumstances exist that would necessitate the testimony of  
1734 the ~~[children]~~ child be heard and there is no other reasonable method to present ~~[their]~~ the  
1735 child's testimony.

1736 (e) The court may inquire of ~~[the children]~~ a child and take into consideration the  
1737 ~~[children's]~~ child's desires regarding future custody or parent-time schedules, but the expressed  
1738 desires are not controlling and the court may determine the ~~[children's]~~ child's custody or  
1739 parent-time otherwise. The desires of a child 14 years of age or older shall be given added  
1740 weight, but is not the single controlling factor.

1741 (f) If ~~[interviews]~~ an interview with ~~[the children are]~~ a child is conducted by the court  
1742 pursuant to Subsection (1)(e), ~~[they]~~ the interview shall be conducted by the judge in camera.  
1743 The prior consent of the parties may be obtained but is not necessary if the court finds that an  
1744 interview with ~~[the children]~~ a child is the only method to ascertain the child's desires regarding  
1745 custody.

1746 (2) In awarding custody, the court shall consider, among other factors the court finds  
1747 relevant, which parent is most likely to act in the best interests of the child, including allowing  
1748 the child frequent and continuing contact with the noncustodial parent as the court finds  
1749 appropriate.

1750 (3) If the court finds that one parent does not desire custody of the child, the court shall  
1751 take that evidence into consideration in determining whether to award custody to the other  
1752 parent.

1753 (4) (a) Except as provided in Subsection (4)(b), a court may not discriminate against a  
1754 parent due to a disability, as defined in Section 57-21-2, in awarding custody or determining  
1755 whether a substantial change has occurred for the purpose of modifying an award of custody.

1756 (b) ~~[If a]~~ The court ~~[takes a parent's]~~ may not consider the disability ~~[into account]~~ of a  
1757 parent as a factor in awarding custody or ~~[determining whether]~~ modifying an award of custody  
1758 based on a determination of a substantial change ~~[has occurred for the purpose of modifying an~~  
1759 ~~award of custody, the parent with a disability may rebut any evidence, presumption, or~~  
1760 ~~inference arising from the disability by showing]~~ in circumstances, unless the court makes  
1761 specific findings that:

1762 (i) the disability [~~does not~~] significantly or substantially [~~inhibit~~] inhibits the parent's  
1763 ability to provide for the physical and emotional needs of the child at issue; and

1764 (ii) the parent with a disability [~~has~~] lacks sufficient human, monetary, or other  
1765 resources available to supplement the parent's ability to provide for the physical and emotional  
1766 needs of the child at issue.

1767 (c) Nothing in this section may be construed to apply to adoption proceedings under  
1768 Title 78B, Chapter 6, Part 1, Utah Adoption Act.

1769 (5) This section establishes neither a preference nor a presumption for or against joint  
1770 physical custody or sole physical custody, but allows the court and the family the widest  
1771 discretion to choose a parenting plan that is in the best interest of the child.

1772 (6) When an issue before the court involves custodial responsibility in the event of a  
1773 deployment of one or both parents who are servicemembers, and the servicemember has not yet  
1774 been notified of deployment, the court shall resolve the issue based on the standards in Sections  
1775 78B-20-306 through 78B-20-309.

1776 [~~(6)~~] (7) In considering the past conduct and demonstrated moral standards of each of  
1777 the parties as described under Subsection (1)(a)(i), a court may not discriminate against a  
1778 parent because of the parent's possession or consumption of cannabis, a cannabis product, or a  
1779 medical cannabis device, in accordance with Title 26, Chapter [~~60b~~] 61a, Medical Cannabis  
1780 Act, or because of the parent's status as a cannabis production establishment agent in  
1781 accordance with Title 4, Chapter [~~41b~~] 41a, Cannabis Production Establishments, a cannabis  
1782 dispensary agent in accordance with Title 26, Chapter [~~60b~~] 61a, Medical Cannabis Act, or a  
1783 medical cannabis card holder in accordance with Title 26, Chapter [~~60b~~] 61a, Medical  
1784 Cannabis Act.

1785 Section 69. Section **58-20b-101** is enacted to read:

1786 **CHAPTER 20b. ENVIRONMENTAL HEALTH SCIENTIST ACT**

1787 **Part 1. General Provisions**

1788 **58-20b-101. Title.**

1789 This chapter is known as the "Environmental Health Scientist Act."

1790 Section 70. Section **58-20b-102** is enacted to read:

1791 **58-20b-102. Definitions.**

1792 In addition to the definitions in Section 58-1-102, as used in this chapter:

- 1793 (1) "Accredited program" means a degree-offering program from:  
1794 (a) an institution, college, or university that is accredited by the Department of  
1795 Education or the Council for Higher Education Accreditation; or  
1796 (b) a non-accredited institution, college, or university that offers education equivalent  
1797 to Department of Education-accredited programs, as determined by a third party selected by the  
1798 board.
- 1799 (2) "Board" means the Environmental Health Scientist Board created in Section  
1800 [58-20b-201](#).
- 1801 (3) "General supervision" means the supervising environmental health scientist is  
1802 available for immediate voice communication with the person he or she is supervising.
- 1803 (4) "Practice of environmental health science" means:  
1804 (a) the enforcement of, the issuance of permits required by, or the inspection for the  
1805 purpose of enforcing state and local public health laws in the following areas:
- 1806 (i) air quality;  
1807 (ii) food quality;  
1808 (iii) solid, hazardous, and toxic substances disposal;  
1809 (iv) consumer product safety;  
1810 (v) housing;  
1811 (vi) noise control;  
1812 (vii) radiation protection;  
1813 (viii) water quality;  
1814 (ix) vector control;  
1815 (x) drinking water quality;  
1816 (xi) milk sanitation;  
1817 (xii) rabies control;  
1818 (xiii) public health nuisances;  
1819 (xiv) indoor clean air regulations;  
1820 (xv) institutional and residential sanitation; or  
1821 (xvi) recreational facilities sanitation; or  
1822 (b) representing oneself in any manner as, or using the titles "environmental health  
1823 scientist," "environmental health scientist-in-training," or "registered sanitarian."

1824 (5) "Unlawful conduct" means the same as that term is defined in Section 58-1-501.

1825 (6) "Unprofessional conduct" means the same as that term is defined in Sections

1826 58-1-501 and 58-20b-501 and as may be further defined by division rule.

1827 Section 71. Section **58-20b-201** is enacted to read:

1828 **Part 2. Board**

1829 **58-20b-201. Board.**

1830 (1) There is created the Environmental Health Scientist Board consisting of four  
1831 environmental health scientists in good standing and one member of the general public.

1832 (2) The board shall be appointed and serve in accordance with Section 58-1-201.

1833 (3) The duties and responsibilities of the board shall be in accordance with Sections  
1834 58-1-202 and 58-1-203. In addition, the board shall designate one of its members on a  
1835 permanent or rotating basis to:

1836 (a) assist the division in reviewing complaints concerning the unlawful or  
1837 unprofessional conduct of a licensee; and

1838 (b) advise the division in its investigation of these complaints.

1839 (4) A board member who has, under Subsection (3), reviewed a complaint or advised  
1840 in the investigation of the complaint is disqualified from participating with the board when the  
1841 board serves as a presiding officer in an adjudicative proceeding concerning the complaint.

1842 Section 72. Section **58-20b-301** is enacted to read:

1843 **Part 3. Licensing**

1844 **58-20b-301. Licensure required -- License classifications.**

1845 (1) A person shall hold a license under this chapter in order to engage in the practice of  
1846 environmental health science while employed by any of the following, except as specifically  
1847 exempted in Section 58-20b-305 or 58-1-307:

1848 (a) a local health department;

1849 (b) the state Department of Health;

1850 (c) the state Department of Human Services;

1851 (d) the Department of Agriculture and Food as a food and dairy compliance officer; or

1852 (e) a local health department as its director of environmental health services.

1853 (2) Any other individual not subject to Subsection (1) may also be licensed under this  
1854 chapter upon compliance with all requirements.

1855 (3) The division shall issue to persons who qualify under this chapter a license in the  
1856 classification:

1857 (a) environmental health scientist; or

1858 (b) environmental health scientist-in-training.

1859 Section 73. Section **58-20b-302** is enacted to read:

1860 **58-20b-302. Qualifications for licensure.**

1861 (1) Except as provided in Subsection (2), an applicant for licensure as an  
1862 environmental health scientist shall:

1863 (a) submit an application in a form prescribed by the division;

1864 (b) pay a fee determined by the department under Section [63J-1-504](#);

1865 (c) be of good moral character;

1866 (d) hold, at a minimum, a bachelor's degree from an accredited program in a university  
1867 or college, which degree includes completion of specific course work as defined by rule;

1868 (e) pass an examination as determined by division rule in collaboration with the board;

1869 and

1870 (f) pass the Utah Law and Rules Examination for Environmental Health Scientists

1871 administered by the division.

1872 (2) An applicant for licensure as an environmental health scientist-in-training shall:

1873 (a) submit an application in a form prescribed by the division;

1874 (b) pay a fee determined by the department under Section [63J-1-504](#);

1875 (c) be of good moral character;

1876 (d) hold, at a minimum, a bachelor's degree from an accredited program in a university  
1877 or college, which degree includes completion of specific course work as defined by rule;

1878 (e) pass the Utah Law and Rules Examination for Environmental Health Scientists

1879 administered by the division; and

1880 (f) present evidence acceptable to the division and the board that the applicant, when

1881 licensed, will practice as an environmental health scientist-in-training only under the general

1882 supervision of a supervising environmental health scientist licensed under this chapter.

1883 Section 74. Section **58-20b-303** is enacted to read:

1884 **58-20b-303. Term of license -- Expiration -- Renewal.**

1885 (1) (a) The division shall issue each license for an environmental health scientist in

1886 accordance with a two-year renewal cycle established by rule.

1887 (b) The division may by rule extend or shorten a renewal period by as much as one year  
1888 to stagger the renewal cycles it administers.

1889 (2) Each license for an environmental health scientist-in-training shall be issued for a  
1890 term of two years and may not be renewed.

1891 (3) Each license issued under this chapter automatically expires on the expiration date  
1892 shown on the license unless the licensee renews it in accordance with Section [58-1-308](#).

1893 Section 75. Section **58-20b-304** is enacted to read:

1894 **58-20b-304. Continuing education.**

1895 Each person holding a license under this chapter as an environmental health scientist or  
1896 an environmental health scientist-in-training shall complete in each two-year period of  
1897 licensure not fewer than 30 hours of professional continuing education in accordance with  
1898 standards defined by division rule.

1899 Section 76. Section **58-20b-305** is enacted to read:

1900 **58-20b-305. Exemptions from licensure.**

1901 In addition to the exemptions from licensure in Section [58-1-307](#), a person is exempt  
1902 from the licensure requirements of this chapter if:

1903 (1) the person's practice of environmental health science is limited to inspecting in  
1904 order to enforce compliance with an inspection and maintenance program established pursuant  
1905 to Section [41-6a-1642](#) or to issuing permits under that program;

1906 (2) the person is a laboratory staff person employed by the Department of Agriculture  
1907 and Food or the Department of Health, and in the person's employment inspects, permits,  
1908 certifies, or otherwise enforces laboratory standards in laboratories regulated by state or local  
1909 public health laws; or

1910 (3) the person is the local health officer of a local public health department, which  
1911 employs a director of environmental health services licensed under this chapter.

1912 Section 77. Section **58-20b-401** is enacted to read:

1913 **Part 4. License Denial and Discipline**

1914 **58-20b-401. Grounds for denial of license -- Disciplinary proceedings.**

1915 Grounds for refusing to issue a license to an applicant, for refusing to renew the license  
1916 of a licensee, for revoking, suspending, restricting, or placing on probation the license of a

1917 licensee, for issuing a public or private reprimand to a licensee, and for issuing a cease and  
1918 desist order shall be in accordance with Section [58-1-401](#).

1919 Section 78. Section **58-20b-501** is enacted to read:

1920 **Part 5. Unprofessional Conduct**

1921 **58-20b-501. Unprofessional conduct.**

1922 "Unprofessional conduct" includes:

1923 (1) acting dishonestly or fraudulently in the performance of professional duties as an  
1924 environmental health scientist or environmental health scientist-in-training;

1925 (2) intentionally filing a false report or record in the performance of professional duties  
1926 as an environmental health scientist or environmental health scientist-in-training; and

1927 (3) willfully impeding or obstructing another person from filing a report in the  
1928 performance of professional duties as an environmental health scientist or environmental health  
1929 scientist-in-training.

1930 Section 79. Section **58-37-3.7** is amended to read:

1931 **58-37-3.7. Affirmative defense.**

1932 (1) Before July 1, 2020, it is an affirmative defense to criminal charges against an  
1933 individual for the use, possession, or manufacture of marijuana, tetrahydrocannabinol, or  
1934 marijuana drug paraphernalia under this chapter that the individual would be eligible for a  
1935 medical cannabis card, and that the individuals conduct would have been lawful, after July 1,  
1936 2020.

1937 (2) It is an affirmative defense to criminal charges against an individual for the use or  
1938 possession of marijuana, tetrahydrocannabinol, or marijuana drug paraphernalia under this  
1939 chapter if:

1940 (a) the individual is a not a resident of Utah or has been a resident of Utah for less than  
1941 45 days and was issued a currently valid medical cannabis identification card or its equivalent  
1942 under the laws of another state, district, territory, commonwealth, or insular possession of the  
1943 United States; and

1944 (b) the individual has been diagnosed with a qualifying illness as described in Section  
1945 ~~[26-60b-105]~~ [26-61a-105](#).

1946 (3) A court shall, for charges that the court dismisses under Subsection (1) or  
1947 ~~[Subsection]~~ (2), dismiss the charges without prejudice.

1948 Section 80. Section **58-37-3.9** is amended to read:

1949 **58-37-3.9. Exemption for possession or use of cannabis to treat a qualifying**  
1950 **illness.**

1951 (1) As used in this section:

1952 (a) "Cannabis" means marijuana.

1953 (b) "Cannabis dispensary" means the same as that term is defined in Section  
1954 ~~[26-60b-102]~~ 26-61a-102.

1955 (c) "Cannabis product" means a product that:

1956 (i) is intended for human ingestion; and

1957 (ii) contains cannabis or tetrahydrocannabinol.

1958 (d) "Designated caregiver" means the same as that term is defined in Section  
1959 ~~[26-60b-102]~~ 26-61a-102.

1960 (e) "Drug paraphernalia" means the same as that term is defined in Section 58-37a-3.

1961 (f) "Marijuana" means the same as that term is defined in Section 58-37-2.

1962 (g) "Medical cannabis card" means the same as that term is defined in Section  
1963 ~~[26-60b-102]~~ 26-61a-102.

1964 (h) (i) "Medical cannabis device" means a device that an individual uses to ingest  
1965 cannabis or a cannabis product.

1966 (ii) "Medical cannabis device" does not include a device that facilitates cannabis  
1967 combustion at a temperature of greater than 750 degrees Fahrenheit.

1968 (i) "Qualifying illness" means the same as that term is defined in Section 26-60b-102.

1969 (j) "Tetrahydrocannabinol" means a substance derived from cannabis that meets the  
1970 description in Subsection 58-37-4(2)(a)(iii)(AA).

1971 (2) Notwithstanding any other provision of law, except as otherwise provided in this  
1972 section:

1973 (a) an individual who possesses, produces, manufactures, dispenses, distributes, sells,  
1974 or offers to sell cannabis or a cannabis product or who possesses with intent to produce,  
1975 manufacture, dispense, distribute, sell, or offer to sell cannabis or a cannabis product is not  
1976 subject to the penalties described in this title for the conduct to the extent that the individual's  
1977 conduct complies with:

1978 (i) Title 4, Chapter ~~[41b]~~ 41a, Cannabis Production ~~[Establishment]~~ Establishments;



1979 and

1980 (ii) Title 26, Chapter [~~60b~~] 61a, Medical Cannabis Act; and

1981 (b) an individual who possesses, manufactures, distributes, sells, or offers to sell a  
1982 medical cannabis device or who possesses with intent to manufacture, distribute, sell, or offer  
1983 to sell a medical cannabis device is authorized and is not subject to the penalties described in  
1984 this title for the possession, manufacture, distribution, sale, or offer for sale of drug  
1985 paraphernalia to the extent that the individual's conduct complies with:

1986 (i) Title 4, Chapter [~~41b~~] 41a, Cannabis Production [~~Establishment~~] Establishments;

1987 and

1988 (ii) Title 26, Chapter [~~60b~~] 61a, Medical Cannabis Act.

1989 (3) For purposes of state law, except as otherwise provided in this section, activities  
1990 related to cannabis shall be considered lawful and any cannabis consumed shall be considered  
1991 legally ingested, as long as the conduct is in accordance with:

1992 (a) Title 4, Chapter [~~41b~~] 41a, Cannabis Production Establishment; and

1993 (b) Title 26, Chapter [~~60b~~] 61a, Medical Cannabis Act.

1994 (4) It is not lawful for a medical cannabis card holder to smoke cannabis or to use a  
1995 device to facilitate the smoking of cannabis. An individual convicted of violating this section is  
1996 guilty of an infraction. For purposes of this section, smoking does not include a means of  
1997 administration that involves cannabis combustion at a temperature that is not greater than 750  
1998 degrees Fahrenheit and that does not involve using a flame.

1999 (5) An individual is not exempt from the penalties described in this title for ingesting  
2000 cannabis or a cannabis product while operating a motor vehicle.

2001 (6) An individual who is assessed a penalty or convicted of an infraction under Title 4,  
2002 Chapter [~~41b~~] 41a, Cannabis Production [~~Establishment~~] Establishments, or Title 26, Chapter  
2003 [~~60b~~] 61a, Medical Cannabis Act, is not subject to the penalties described in this chapter for:

2004 (a) the possession, manufacture, sale, or offer for sale of cannabis or a cannabis  
2005 product; or

2006 (b) the possession, manufacture, sale, or offer for sale of drug paraphernalia.

2007 Section 81. Section **59-12-104.10** is enacted to read:

2008 **59-12-104.10. Exemption from sales tax for medical cannabis.**

2009 (1) As used in this section:

- 2010 (a) "Cannabis" means the same as that term is defined in Section 58-37-3.8.
- 2011 (b) "Cannabis dispensary" means the same as that term is defined in Section
- 2012 26-61a-102.
- 2013 (c) "Cannabis product" means the same as that term is defined in Section 58-37-3.8.
- 2014 (d) "Medical cannabis device" means the same as that term is defined in Section
- 2015 58-37-3.8.

2016 (2) In addition to the exemptions described in Section 59-12-104, the sale, by a

2017 licensed cannabis dispensary, of cannabis, a cannabis product, or a medical cannabis device, is

2018 not subject to the taxes imposed by this chapter.

2019 Section 82. Section **62A-4a-202.1** is amended to read:

2020 **62A-4a-202.1. Entering home of a child -- Taking a child into protective custody**

2021 **-- Caseworker accompanied by peace officer -- Preventive services -- Shelter facility or**

2022 **emergency placement.**

2023 (1) A peace officer or child welfare worker may not:

2024 (a) enter the home of a child who is not under the jurisdiction of the court, remove a

2025 child from the child's home or school, or take a child into protective custody unless authorized

2026 under Subsection 78A-6-106(2); or

2027 (b) remove a child from the child's home or take a child into custody under this section

2028 solely on the basis of:

2029 (i) educational neglect, truancy, or failure to comply with a court order to attend

2030 school; or

2031 (ii) the possession or use of cannabis, a cannabis product, or a medical cannabis device

2032 in the home, if the use and possession of the cannabis, cannabis product, or medical cannabis

2033 device is in compliance with Title 26, Chapter [~~60b~~] 61a, Medical Cannabis Act.

2034 (2) A child welfare worker within the division may take action under Subsection [~~(10)~~]

2035 (1) accompanied by a peace officer, or without a peace officer when a peace officer is not

2036 reasonably available.

2037 (3) (a) If possible, consistent with the child's safety and welfare, before taking a child

2038 into protective custody, the child welfare worker shall also determine whether there are

2039 services available that, if provided to a parent or guardian of the child, would eliminate the

2040 need to remove the child from the custody of the child's parent or guardian.

2041 (b) If the services described in Subsection (3)(a) are reasonably available, they shall be  
2042 utilized.

2043 (c) In determining whether the services described in Subsection (3)(a) are reasonably  
2044 available, and in making reasonable efforts to provide those services, the child's health, safety,  
2045 and welfare shall be the child welfare worker's paramount concern.

2046 (4) (a) A child removed or taken into custody under this section may not be placed or  
2047 kept in a secure detention facility pending court proceedings unless the child is detainable  
2048 based on guidelines promulgated by the Division of Juvenile Justice Services.

2049 (b) A child removed from the custody of the child's parent or guardian but who does  
2050 not require physical restriction shall be given temporary care in:

2051 (i) a shelter facility; or

2052 (ii) an emergency placement in accordance with Section [62A-4a-209](#).

2053 (c) When making a placement under Subsection (4)(b), the Division of Child and  
2054 Family Services shall give priority to a placement with a noncustodial parent, relative, or  
2055 friend, in accordance with Section [62A-4a-209](#).

2056 [~~(a)~~] (d) If the child is not placed with a noncustodial parent, a relative, or a designated  
2057 friend, the caseworker assigned to the child shall file a report with the caseworker's supervisor  
2058 explaining why a different placement was in the child's best interest.

2059 (5) When a child is removed from the child's home or school or taken into protective  
2060 custody, the caseworker shall give a parent of the child a pamphlet or flier explaining:

2061 (a) the parent's rights under this part, including the right to be present and participate in  
2062 any court proceeding relating to the child's case;

2063 (b) that it may be in the parent's best interest to contact an attorney and that, if the  
2064 parent cannot afford an attorney, the court will appoint one;

2065 (c) the name and contact information of a division employee the parent may contact  
2066 with questions;

2067 (d) resources that are available to the parent, including:

2068 (i) mental health resources;

2069 (ii) substance abuse resources; and

2070 (iii) parenting classes; and

2071 (e) any other information considered relevant by the division.

- 2072 (6) The pamphlet or flier described in Subsection (5) shall be:  
2073 (a) evaluated periodically for its effectiveness at conveying necessary information and  
2074 revised accordingly;  
2075 (b) written in simple, easy-to-understand language; and  
2076 (c) available in English and other languages as the division determines to be  
2077 appropriate and necessary.

2078 Section 83. Section **63I-1-226** is amended to read:

2079 **63I-1-226. Repeal dates, Title 26.**

2080 (1) Section 26-1-40 is repealed July 1, 2019.

2081 ~~[(1)]~~ (2) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed  
2082 July 1, 2025.

2083 ~~[(2)]~~ (3) Section 26-10-11 is repealed July 1, 2020.

2084 ~~[(3)]~~ Section 26-21-23, Licensing of non-Medicaid nursing facility beds, is repealed  
2085 July 1, 2018.

2086 (4) Subsection 26-18-417(3) is repealed July 1, 2020.

2087 ~~[(4)]~~ (5) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1,  
2088 2024.

2089 ~~[(5)]~~ (6) Title 26, Chapter [36a] 36d, Hospital Provider Assessment Act, is repealed  
2090 July 1, [2016] 2019.

2091 (7) Title 26, Chapter 36b, Inpatient Hospital Assessment Act, is repealed July 1, 2024.

2092 (8) Title 26, Chapter 36c, Medicaid Expansion Hospital Assessment Act, is repealed  
2093 July 1, 2024.

2094 ~~[(6)]~~ Section 26-38-2.5 is repealed July 1, 2017.

2095 ~~[(7)]~~ Section 26-38-2.6 is repealed July 1, 2017.

2096 ~~[(8)]~~ (9) Title 26, Chapter 56, Hemp Extract Registration Act, is repealed January 1,  
2097 2019.

2098 (10) Title 26, Chapter 63, Nurse Home Visiting Pay-for-Success Program, is repealed  
2099 July 1, 2026.

2100 Section 84. Section **63I-1-258** is amended to read:

2101 **63I-1-258. Repeal dates, Title 58.**

2102 (1) Title 58, Chapter 13, Health Care Providers Immunity from Liability Act, is

- 2103 repealed July 1, 2026.
- 2104 (2) Title 58, Chapter 15, Health Facility Administrator Act, is repealed July 1, 2025.
- 2105 (3) Title 58, Chapter ~~[20a]~~ 20b, Environmental Health Scientist Act, is repealed July 1,
- 2106 ~~[2018]~~ 2028.
- 2107 (4) Section 58-37-4.3 is repealed January 1, 2020.
- 2108 (5) Subsection 58-37-6(7)(f)(iii) is repealed July 1, 2022, and the Office of Legislative
- 2109 Research and General Counsel is authorized to renumber the remaining subsections
- 2110 accordingly.
- 2111 ~~[(5)]~~ (6) Title 58, Chapter 40, Recreational Therapy Practice Act, is repealed July 1,
- 2112 2023.
- 2113 ~~[(6)]~~ (7) Title 58, Chapter 41, Speech-Language Pathology and Audiology Licensing
- 2114 Act, is repealed July 1, 2019.
- 2115 ~~[(7)]~~ (8) Title 58, Chapter 42a, Occupational Therapy Practice Act, is repealed July 1,
- 2116 2025.
- 2117 ~~[(8)]~~ (9) Title 58, Chapter 46a, Hearing Instrument Specialist Licensing Act, is
- 2118 repealed July 1, 2023.
- 2119 ~~[(9)]~~ (10) Title 58, Chapter 47b, Massage Therapy Practice Act, is repealed July 1,
- 2120 2024.
- 2121 ~~[(10)]~~ (11) Title 58, Chapter 61, Part 7, Behavior Analyst Licensing Act, is repealed
- 2122 July 1, 2026.
- 2123 ~~[(11)]~~ (12) Title 58, Chapter 72, Acupuncture Licensing Act, is repealed July 1, 2027.
- 2124 (13) Title 58, Chapter 86, State Certification of Commercial Interior Designers Act, is
- 2125 repealed July 1, 2021.
- 2126 (14) The following sections are repealed on July 1, 2019:
- 2127 (a) Section 58-5a-502;
- 2128 (b) Section 58-31b-502.5;
- 2129 (c) Section 58-67-502.5;
- 2130 (d) Section 58-68-502.5; and
- 2131 (e) Section 58-69-502.5.
- 2132 Section 85. Section **78A-6-508 (Superseded 07/01/19)** is amended to read:
- 2133 **78A-6-508 (Superseded 07/01/19). Evidence of grounds for termination.**

2134 (1) In determining whether a parent or parents have abandoned a child, it is prima facie  
2135 evidence of abandonment that the parent or parents:

2136 (a) although having legal custody of the child, have surrendered physical custody of the  
2137 child, and for a period of six months following the surrender have not manifested to the child  
2138 or to the person having the physical custody of the child a firm intention to resume physical  
2139 custody or to make arrangements for the care of the child;

2140 (b) have failed to communicate with the child by mail, telephone, or otherwise for six  
2141 months;

2142 (c) failed to have shown the normal interest of a natural parent, without just cause; or

2143 (d) have abandoned an infant, as described in Subsection 78A-6-316(1).

2144 (2) In determining whether a parent or parents are unfit or have neglected a child the  
2145 court shall consider, but is not limited to, the following circumstances, conduct, or conditions:

2146 (a) emotional illness, mental illness, or mental deficiency of the parent that renders the  
2147 parent unable to care for the immediate and continuing physical or emotional needs of the child  
2148 for extended periods of time;

2149 (b) conduct toward a child of a physically, emotionally, or sexually cruel or abusive  
2150 nature;

2151 (c) habitual or excessive use of intoxicating liquors, controlled substances, or  
2152 dangerous drugs that render the parent unable to care for the child;

2153 (d) repeated or continuous failure to provide the child with adequate food, clothing,  
2154 shelter, education, or other care necessary for the child's physical, mental, and emotional health  
2155 and development by a parent or parents who are capable of providing that care;

2156 (e) whether the parent is incarcerated as a result of conviction of a felony, and the  
2157 sentence is of such length that the child will be deprived of a normal home for more than one  
2158 year;

2159 (f) a history of violent behavior; or

2160 (g) whether the parent has intentionally exposed the child to pornography or material  
2161 harmful to a minor, as defined in Section 76-10-1201.

2162 (3) Notwithstanding Subsection (2)(c), the court may not discriminate against a parent  
2163 because of the parent's possession or consumption of cannabis, a cannabis product, or a  
2164 medical cannabis device, in accordance with Title 26, Chapter ~~60b~~ 61a, Medical Cannabis

2165 Act.

2166 (4) A parent who, legitimately practicing the parent's religious beliefs, does not provide  
2167 specified medical treatment for a child is not, for that reason alone, a negligent or unfit parent.

2168 (5) (a) Notwithstanding Subsection (2), a parent may not be considered neglectful or  
2169 unfit because of a health care decision made for a child by the child's parent unless the state or  
2170 other party to the proceeding shows, by clear and convincing evidence, that the health care  
2171 decision is not reasonable and informed.

2172 (b) Nothing in Subsection (5)(a) may prohibit a parent from exercising the right to  
2173 obtain a second health care opinion.

2174 (6) If a child has been placed in the custody of the division and the parent or parents  
2175 fail to comply substantially with the terms and conditions of a plan within six months after the  
2176 date on which the child was placed or the plan was commenced, whichever occurs later, that  
2177 failure to comply is evidence of failure of parental adjustment.

2178 (7) The following circumstances constitute prima facie evidence of unfitness:

2179 (a) sexual abuse, sexual exploitation, injury, or death of a sibling of the child, or of any  
2180 child, due to known or substantiated abuse or neglect by the parent or parents;

2181 (b) conviction of a crime, if the facts surrounding the crime are of such a nature as to  
2182 indicate the unfitness of the parent to provide adequate care to the extent necessary for the  
2183 child's physical, mental, or emotional health and development;

2184 (c) a single incident of life-threatening or gravely disabling injury to or disfigurement  
2185 of the child;

2186 (d) the parent has committed, aided, abetted, attempted, conspired, or solicited to  
2187 commit murder or manslaughter of a child or child abuse homicide; or

2188 (e) the parent intentionally, knowingly, or recklessly causes the death of another parent  
2189 of the child, without legal justification.

2190 Section 86. Section **78A-6-508 (Effective 07/01/19)** is amended to read:

2191 **78A-6-508 (Effective 07/01/19). Evidence of grounds for termination.**

2192 (1) In determining whether a parent or parents have abandoned a child, it is prima facie  
2193 evidence of abandonment that the parent or parents:

2194 (a) although having legal custody of the child, have surrendered physical custody of the  
2195 child, and for a period of six months following the surrender have not manifested to the child

2196 or to the person having the physical custody of the child a firm intention to resume physical  
2197 custody or to make arrangements for the care of the child;

2198 (b) have failed to communicate with the child by mail, telephone, or otherwise for six  
2199 months;

2200 (c) failed to have shown the normal interest of a natural parent, without just cause; or

2201 (d) have abandoned an infant, as described in Subsection 78A-6-316(1).

2202 (2) In determining whether a parent or parents are unfit or have neglected a child the  
2203 court shall consider, but is not limited to, the following circumstances, conduct, or conditions:

2204 (a) emotional illness, mental illness, or mental deficiency of the parent that renders the  
2205 parent unable to care for the immediate and continuing physical or emotional needs of the child  
2206 for extended periods of time;

2207 (b) conduct toward a child of a physically, emotionally, or sexually cruel or abusive  
2208 nature;

2209 (c) habitual or excessive use of intoxicating liquors, controlled substances, or  
2210 dangerous drugs that render the parent unable to care for the child;

2211 (d) repeated or continuous failure to provide the child with adequate food, clothing,  
2212 shelter, education, or other care necessary for the child's physical, mental, and emotional health  
2213 and development by a parent or parents who are capable of providing that care;

2214 (e) whether the parent is incarcerated as a result of conviction of a felony, and the  
2215 sentence is of such length that the child will be deprived of a normal home for more than one  
2216 year;

2217 (f) a history of violent behavior; or

2218 (g) whether the parent has intentionally exposed the child to pornography or material  
2219 harmful to a minor, as defined in Section 76-10-1201.

2220 (3) Notwithstanding Subsection (2)(c), the court may not discriminate against a parent  
2221 because of the parent's possession or consumption of cannabis, a cannabis product, or a  
2222 medical cannabis device, in accordance with Title 26, Chapter ~~60b~~ 61a, Medical Cannabis  
2223 Act.

2224 (4) A parent who, legitimately practicing the parent's religious beliefs, does not provide  
2225 specified medical treatment for a child is not, for that reason alone, a negligent or unfit parent.

2226 (5) (a) Notwithstanding Subsection (2), a parent may not be considered neglectful or



2227 unfit because of a health care decision made for a child by the child's parent unless the state or  
2228 other party to the proceeding shows, by clear and convincing evidence, that the health care  
2229 decision is not reasonable and informed.

2230 (b) Nothing in Subsection (5)(a) may prohibit a parent from exercising the right to  
2231 obtain a second health care opinion.

2232 (6) If a child has been placed in the custody of the division and the parent or parents  
2233 fail to comply substantially with the terms and conditions of a plan within six months after the  
2234 date on which the child was placed or the plan was commenced, whichever occurs later, that  
2235 failure to comply is evidence of failure of parental adjustment.

2236 (7) The following circumstances constitute prima facie evidence of unfitness:

2237 (a) sexual abuse, sexual exploitation, injury, or death of a sibling of the child, or of any  
2238 child, due to known or substantiated abuse or neglect by the parent or parents;

2239 (b) conviction of a crime, if the facts surrounding the crime are of such a nature as to  
2240 indicate the unfitness of the parent to provide adequate care to the extent necessary for the  
2241 child's physical, mental, or emotional health and development;

2242 (c) a single incident of life-threatening or gravely disabling injury to or disfigurement  
2243 of the child;

2244 (d) the parent has committed, aided, abetted, attempted, conspired, or solicited to  
2245 commit murder or manslaughter of a child or child abuse homicide; or

2246 (e) the parent intentionally, knowingly, or recklessly causes the death of another parent  
2247 of the child, without legal justification.

2248 Section 87. **Repealer.**

2249 This bill repeals:

2250 Section [59-12-104.7](#) (Repealed 01/01/19), **Reporting by purchaser of certain sales**  
2251 **and use tax exempt purchases.**

2252 Section 88. **Effective date.**

2253 If approved by two-thirds of all the members elected to each house, this bill takes effect  
2254 upon approval by the governor, or the day following the constitutional time limit of Utah  
2255 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,  
2256 the date of veto override.