{deleted text} shows text that was in HB3001 but was deleted in HB3001S01.

Inserted text shows text that was not in HB3001 but was inserted into HB3001S01.

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

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: {Evan J. Vickers}_____

LONG TITLE

General Description:

This bill {provides for the cultivation, processing, medical recommendation, and patient use of medical cannabis} addresses provisions that Proposition 2 technically repealed by implication.

Highlighted Provisions:

This bill:

- \{\text{defines terms};}
- provides for licensing and regulation of a cannabis cultivation facility, a cannabis
 processing facility, an independent cannabis testing laboratory, and a medical
 cannabis pharmacy;
- provides for security and tracking of medical cannabis and a medical cannabis
 product from cultivation to use to ensure safety and chemical content;

requires certain labeling and childproof packaging of medical cannabis and a medical cannabis product; requires the Department of Agriculture and Food, the Department of Health, the Department of Public Safety, and the Department of Technology Services to create an electronic verification system to facilitate recommendation, dispensing, and record-keeping for medical cannabis transactions; allows physicians, osteopathic physicians, advanced practice registered nurses, and physician assistants to recommend medical cannabis; allows an individual with a qualifying condition to obtain a medical cannabis patient card on the recommendation of a certain medical professional to gain access to medical cannabis; allows a patient to designate a caregiver to assist with accessing medical cannabis; provides for a parent or legal guardian to obtain a medical cannabis guardian card for an eligible minor patient and for the minor patient to concurrently receive a provisional patient card; provides certain state employment discrimination protection for an individual who lawfully uses medical cannabis; limits the form and amount of medical cannabis available to a patient at one time; prohibits a minor from entering a medical cannabis pharmacy; requires the Department of Health to establish the state central fill medical cannabis pharmacy; provides for a process of state central fill shipment of medical cannabis and cannabis product to a local health department for patient retrieval; creates certain enterprise funds; imposes criminal penalties for improperly giving or selling medical cannabis; decriminalizes certain conduct for certain individuals before}technically renumbers the medical cannabis {card program and medical cannabis pharmacies are operational; creates protections from state prosecution for the lawful possession, use, and sale of medical cannabis;

exempts medical cannabis and medical cannabis products from sales tax;

prohibits a court from considering the lawful use of medical cannabis in a custody proceeding; repeals superfluous sections related to authorized use of cannabis or a cannabis product; provides a severability clause; re-enacts language that the voter initiative} 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 {and conforming} changes. **Money Appropriated in this Bill:** None **Other Special Clauses:** This bill provides a special effective date. This bill provides revisor instructions. **†**Utah Code Sections Affected: AMENDS: 4-41-102, as last amended by Laws of Utah 2018, Chapters 227 and 452 7-1-401, as last amended by Laws of Utah 2018, Chapter 446 } 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 26-61-202, as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018 and last amended by Laws of Utah 2018, Chapter 110 26-65-102 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452 26-65-103 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452 **30-3-10**, as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018 } 34A-2-418, as last amended by Laws of Utah 2016, Chapter 242 41-6a-517 (Superseded 07/01/19), as last amended by Laws of Utah 2017, Chapter 446 41-6a-517 (Effective 07/01/19), as last amended by Laws of Utah 2018, Chapter 452 **49-11-1401**, as last amended by Laws of Utah 2018, Chapter 61 53-1-106.5, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018

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58-17b-302, as last amended by Laws of Utah 2014, Chapter 72
       58-17b-310, as enacted by Laws of Utah 2004, Chapter 280
       58-17b-502, as last amended by Laws of Utah 2018, Chapter 295
       58-31b-305, as last amended by Laws of Utah 2014, Chapter 316
       58-31b-502, as last amended by Laws of Utah 2016, Chapter 127
       58-37-3.6 (Superseded 07/01/19), as last amended by Laws of Utah 2018, Chapters
          333 and 446
       58-37-3.6 (Effective 07/01/19), as last amended by Laws of Utah 2018, Chapters 333,
          446, and 452
}
       58-37-3.7, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018
       58-37-3. 8, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018
       58-37-3. 9, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018
       58-37f-203 (Effective 07/01/19), as last amended by Laws of Utah 2018, Chapters 123
          and 452
       58-67-304, as last amended by Laws of Utah 2018, Chapters 282 and 318
       58-67-502, as last amended by Laws of Utah 2017, Chapter 299
       58-68-304, as last amended by Laws of Utah 2018, Chapter 318
       58-68-502, as last amended by Laws of Utah 2017, Chapter 299
       58-70a-303, as last amended by Laws of Utah 2001, Chapter 268
       58-70a-503, as last amended by Laws of Utah 2017, Chapter 309
       58-85-102, as last amended by Laws of Utah 2018, Chapter 333
       58-85-104, as last amended by Laws of Utah 2018, Chapter 333
       58-85-105, as last amended by Laws of Utah 2018, Chapter 333
}
       62A-4a-202.1, as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018
       63I-1-226, as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018 and last
          amended by Laws of Utah 2018, Chapters 180, 281, 384, 430, and 468
       63I-1-258, as amended by Statewide Initiative -- Proposition 2, Nov. 6, 2018 and last
          amended by Laws of Utah 2018, Chapter 399
       67-19-33, as last amended by Laws of Utah 2006, Chapter 139
}
       78A-6-508 (Superseded 07/01/19), as last amended by Laws of Utah 2014, Chapter
          409
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78A-6-508 (Effective 07/01/19), as last amended by Laws of Utah 2018, Chapter 452 ENACTS:

{	4-41a-104, Utah Code Annotated 1953
	4-41a-105, Utah Code Annotated 1953
	4-41a-106, Utah Code Annotated 1953
	4-41a-405, Utah Code Annotated 1953
}	26-36d-101 , Utah Code Annotated 1953
	26-36d-102 , Utah Code Annotated 1953
	26-36d-103 , Utah Code Annotated 1953
	26-36d-201 , Utah Code Annotated 1953
	26-36d-202 , Utah Code Annotated 1953
	26-36d-203 , Utah Code Annotated 1953
	26-36d-204 , Utah Code Annotated 1953
	26-36d-205 , Utah Code Annotated 1953
	26-36d-206 , Utah Code Annotated 1953
	26-36d-207 , Utah Code Annotated 1953
	26-36d-208 , Utah Code Annotated 1953
	20 200, 200, 2 tan 2000 1 nmiotated 1,23
{	26-61a-108 , Utah Code Annotated 1953
{	
{	26-61a-108 , Utah Code Annotated 1953
	26-61a-108 , Utah Code Annotated 1953 26-61a-110 , Utah Code Annotated 1953
-	26-61a-108, Utah Code Annotated 1953 26-61a-110, Utah Code Annotated 1953 26-61a-112, Utah Code Annotated 1953
{	26-61a-108, Utah Code Annotated 1953 26-61a-110, Utah Code Annotated 1953 26-61a-112, Utah Code Annotated 1953 26-61a-113, Utah Code Annotated 1953
{	26-61a-108, Utah Code Annotated 1953 26-61a-110, Utah Code Annotated 1953 26-61a-112, Utah Code Annotated 1953 26-61a-113, Utah Code Annotated 1953 26-61a-114, Utah Code Annotated 1953
{	26-61a-108, Utah Code Annotated 1953 26-61a-110, Utah Code Annotated 1953 26-61a-112, Utah Code Annotated 1953 26-61a-113, Utah Code Annotated 1953 26-61a-114, Utah Code Annotated 1953 26-61a-205, Utah Code Annotated 1953
{	26-61a-108, Utah Code Annotated 1953 26-61a-110, Utah Code Annotated 1953 26-61a-112, Utah Code Annotated 1953 26-61a-113, Utah Code Annotated 1953 26-61a-114, Utah Code Annotated 1953 26-61a-205, Utah Code Annotated 1953 26-61a-403, Utah Code Annotated 1953
{	26-61a-108, Utah Code Annotated 1953 26-61a-110, Utah Code Annotated 1953 26-61a-112, Utah Code Annotated 1953 26-61a-113, Utah Code Annotated 1953 26-61a-114, Utah Code Annotated 1953 26-61a-205, Utah Code Annotated 1953 26-61a-403, Utah Code Annotated 1953 26-61a-503, Utah Code Annotated 1953
{	26-61a-108, Utah Code Annotated 1953 26-61a-110, Utah Code Annotated 1953 26-61a-112, Utah Code Annotated 1953 26-61a-113, Utah Code Annotated 1953 26-61a-114, Utah Code Annotated 1953 26-61a-205, Utah Code Annotated 1953 26-61a-403, Utah Code Annotated 1953 26-61a-503, Utah Code Annotated 1953 26-61a-601, Utah Code Annotated 1953
{	26-61a-108, Utah Code Annotated 1953 26-61a-110, Utah Code Annotated 1953 26-61a-112, Utah Code Annotated 1953 26-61a-113, Utah Code Annotated 1953 26-61a-114, Utah Code Annotated 1953 26-61a-205, Utah Code Annotated 1953 26-61a-403, Utah Code Annotated 1953 26-61a-503, Utah Code Annotated 1953 26-61a-601, Utah Code Annotated 1953 26-61a-601, Utah Code Annotated 1953
{	26-61a-108, Utah Code Annotated 1953 26-61a-110, Utah Code Annotated 1953 26-61a-112, Utah Code Annotated 1953 26-61a-113, Utah Code Annotated 1953 26-61a-114, Utah Code Annotated 1953 26-61a-205, Utah Code Annotated 1953 26-61a-403, Utah Code Annotated 1953 26-61a-503, Utah Code Annotated 1953 26-61a-601, Utah Code Annotated 1953 26-61a-602, Utah Code Annotated 1953 26-61a-603, Utah Code Annotated 1953

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26-61a-607, Utah Code Annotated 1953
      26-61a-608, Utah Code Annotated 1953
      26-61a-609, Utah Code Annotated 1953
       26-61a-610, Utah Code Annotated 1953
      26-61a-611, Utah Code Annotated 1953
       26-61a-701, Utah Code Annotated 1953
}
       58-20b-101, Utah Code Annotated 1953
       58-20b-102, Utah Code Annotated 1953
       58-20b-201, Utah Code Annotated 1953
       58-20b-301, Utah Code Annotated 1953
       58-20b-302, Utah Code Annotated 1953
       58-20b-303, Utah Code Annotated 1953
       58-20b-304, Utah Code Annotated 1953
       58-20b-305, Utah Code Annotated 1953
       58-20b-401, Utah Code Annotated 1953
       58-20b-501, Utah Code Annotated 1953
       59-12-104.10, Utah Code Annotated 1953
      62A-3-322, Utah Code Annotated 1953
*RENUMBERS AND AMENDS:
       4-41a-101, (Renumbered from 4-41b-101, as enacted by Statewide Initiative --
          Proposition 2, Nov. 6, 2018)
       4-41a-102, (Renumbered from 4-41b-102, as enacted by Statewide Initiative --
          Proposition 2, Nov. 6, 2018)
       4-41a-103, (Renumbered from 4-41b-103, as enacted by Statewide Initiative --
          Proposition 2, Nov. 6, 2018)
       4-41a-104, (Renumbered from 4-41b-104, as enacted by Statewide Initiative --
          Proposition 2, Nov. 6, 2018)
       4-41a-201, (Renumbered from 4-41b-201, as enacted by Statewide Initiative --
          Proposition 2, Nov. 6, 2018)
       4-41a-202, (Renumbered from \frac{4-41b-302}{4-41b-202}, as enacted by Statewide
          Initiative -- Proposition 2, Nov. 6, 2018)
```

- **4-41a-203**, (Renumbered from {4-41b-202} <u>4-41b-203</u>, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-204**, (Renumbered from {4-41b-203}<u>4-41b-204</u>, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {4-41a-205}4-41a-301, (Renumbered from {4-41b-204}4-41b-301, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {4-41a-301}4-41a-302, (Renumbered from {4-41b-301}4-41b-302, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {4-41a-302} <u>4-41a-303</u>, (Renumbered from 4-41b-303, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-401**, (Renumbered from 4-41b-401, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-402**, (Renumbered from 4-41b-402, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-403**, (Renumbered from 4-41b-403, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-404**, (Renumbered from 4-41b-404, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {4-41a-406}4-41a-405, (Renumbered from 4-41b-405, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-501**, (Renumbered from 4-41b-501, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-502**, (Renumbered from 4-41b-502, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-601**, (Renumbered from 4-41b-601, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-602**, (Renumbered from 4-41b-602, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-603**, (Renumbered from 4-41b-603, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- 4-41a-701, (Renumbered from 4-41b-701, as enacted by Statewide Initiative --

- Proposition 2, Nov. 6, 2018)
- **4-41a-702**, (Renumbered from 4-41b-702, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-801**, (Renumbered from 4-41b-801, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **4-41a-802**, (Renumbered from 4-41b-802, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-101**, (Renumbered from 26-60b-101, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-102**, (Renumbered from 26-60b-102, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-103**, (Renumbered from 26-60b-103, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-104**, (Renumbered from {26-60b-105}<u>26-60b-104</u>, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-105**, (Renumbered from {26-60b-106}<u>26-60b-105</u>, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-106**, (Renumbered from {26-60b-107}<u>26-60b-106</u>, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-107**, (Renumbered from {26-60b-108}<u>26-60b-107</u>, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- <u>26-61a-108</u>, (Renumbered from 26-60b-108, as enacted by Statewide Initiative -- <u>Proposition 2, Nov. 6, 2018)</u>
- **26-61a-109**, (Renumbered from 26-60b-109, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {26-61a-111}26-61a-110, (Renumbered from 26-60b-110, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-201**, (Renumbered from 26-60b-201, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-202**, (Renumbered from 26-60b-202, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)

- **26-61a-203**, (Renumbered from 26-60b-203, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-204**, (Renumbered from 26-60b-204, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-301**, (Renumbered from 26-60b-301, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-302**, (Renumbered from {26-60b-402}<u>26-60b-302</u>, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-303**, (Renumbered from {26-60b-302}<u>26-60b-303</u>, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-304**, (Renumbered from {26-60b-303}<u>26-60b-304</u>, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {26-61a-305}26-61a-401, (Renumbered from {26-60b-304}26-60b-401, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {26-61a-401}26-61a-402, (Renumbered from {26-60b-401}26-60b-402, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {26-61a-402}26-61a-403, (Renumbered from 26-60b-403, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-501**, (Renumbered from 26-60b-501, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- **26-61a-502**, (Renumbered from 26-60b-502, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {26-61a-504}26-61a-503, (Renumbered from 26-60b-503, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {26-61a-505}26-61a-504, (Renumbered from 26-60b-504, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {26-61a-506}26-61a-505, (Renumbered from 26-60b-505, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {26-61a-507}26-61a-506, (Renumbered from 26-60b-506, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)
- {26-61a-702}26-61a-601, (Renumbered from 26-60b-601, as enacted by Statewide

Initiative -- Proposition 2, Nov. 6, 2018)

{26-61a-703}26-61a-602, (Renumbered from 26-60b-602, as enacted by Statewide Initiative -- Proposition 2, Nov. 6, 2018)

REPEALS:

{	4-41-201, as enacted by Laws of Utah 2018, Chapter 446
	4-41-202, as enacted by Laws of Utah 2018, Chapter 446
	4-41-203, as enacted by Laws of Utah 2018, Chapter 446
	4-41-301, as enacted by Laws of Utah 2018, Chapter 446
	4-41-302, as enacted by Laws of Utah 2018, Chapter 446
	4-41-303, as enacted by Laws of Utah 2018, Chapter 446
	4-41-304, as enacted by Laws of Utah 2018, Chapter 446
	4-41b-104, as enacted by Statewide Initiative Proposition 2, Nov. 6, 2018
	4-43-101 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-102 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-201 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-202 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-203 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-301 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-401 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-402 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-501 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-502 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-503 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-601 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-602 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-701 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-702 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-703 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	4-43-801 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
	26-60b-104, as enacted by Statewide Initiative Proposition 2, Nov. 6, 2018
	58-67-808 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452

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58-68-808 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
       58-85-103.5, as enacted by Laws of Utah 2018, Chapter 333
       58-88-101 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
       58-88-102 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
       58-88-103 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
       58-88-104 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
       59-12-104.7 (Repealed 01/01/19), as repealed by Laws of Utah 2018, Second Special
}
          Session, Chapter 6
      59-12-104.9 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
      59-29-101 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
       59-29-102 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
      59-29-103 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
       59-29-104 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
      59-29-105 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
      59-29-106 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
       59-29-107 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
       59-29-108 (Effective 07/01/19), as enacted by Laws of Utah 2018, Chapter 452
Utah Code Sections Affected by Revisor Instructions:
      4-41a-106, Utah Code Annotated 1953
       4-41a-201, Utah Code Annotated 1953
       4-41a-301, (Renumbered from 4-41b-301, as enacted by Statewide Initiative --
          Proposition 2, Nov. 6, 2018)
       4-41a-401, (Renumbered from 4-41b-401, as enacted by Statewide Initiative --
          Proposition 2, Nov. 6, 2018)
       26-61a-114, Utah Code Annotated 1953
       26-61a-202, (Renumbered from 26-60b-202, as enacted by Statewide Initiative --
          Proposition 2, Nov. 6, 2018)
       26-61a-301, (Renumbered from 26-60b-301, as enacted by Statewide Initiative --
          Proposition 2, Nov. 6, 2018)
       26-61a-401, (Renumbered from 26-60b-401, as enacted by Statewide Initiative --
          Proposition 2, Nov. 6, 2018)
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26-61a-602, Utah Code Annotated 1953 26-61a-606, Utah Code Annotated 1953 Be it enacted by the Legislature of the state of Utah: Section 1. Section 4-41-102 is amended to read: 4-41-102. **Definitions.** [For purposes of] As used in this chapter: (1) "Agricultural pilot program" means a program to study the growth, cultivation, or marketing of industrial hemp. (2) "Cannabidiol product" means a chemical compound extracted from a hemp product that: (a) is processed into a medicinal dosage form; and (b) contains less than 0.3% tetrahydrocannabinol by dry weight [before processing and no more than a 10:1 ratio of cannabidiol to tetrahydrocannabinol after processing]. (3) "Industrial hemp" means any part of a cannabis plant, whether growing or not, with a concentration of less than 0.3% tetrahydrocannabinol by dry weight. (4) "Industrial hemp certificate" means a certificate issued by the department to a higher education institution to grow or cultivate industrial hemp under Subsection 4-41-103(1). (5) "Industrial hemp license" means a license issued by the department to a person for the purpose of participating in a research pilot program. (6) "Industrial hemp product" means a product derived from, or made by, processing industrial hemp plants or industrial hemp parts. (7) "Licensee" means an individual or business entity possessing a license issued by the department under this chapter to grow, cultivate, process, or market industrial hemp or an industrial hemp product. (8) "Medicinal dosage form" means [the same as that term is defined in Section 26-65-102.]: (a) a tablet; (b) a capsule; (c) a concentrated oil; (d) a sublingual preparation;

- (e) a topical preparation;
 - (f) a transdermal preparation;
- (g) a gelatinous cube, gelatinous rectangular cuboid, or lozenge in a cube or rectangular cuboid shape; or
 - (h) other preparations that the department approves.
 - (9) "Person" means:
- (a) an individual, partnership, association, firm, trust, limited liability company, or corporation; and
- (b) an agent or employee of an individual, partnership, association, firm, trust, limited liability company, or corporation.
- (10) "Research pilot program" means a program conducted by the department in collaboration with at least one licensee to study methods of cultivating, processing, or marketing industrial hemp.
- Section (2)1. Section 4-41a-101, which is renumbered from Section 4-41b-101 is renumbered and amended to read:

{CHAPTER 41a. CANNABIS PRODUCTION ESTABLISHMENTS

†Part 1. General Provisions €

[4-41b-101]. 4-41a-101. Title.

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

Section (3)2. Section 4-41a-102, which is renumbered from Section 4-41b-102 is renumbered and amended to read:

[4-41b-102]. 4-41a-102. Definitions.

As used in this chapter:

- (1) "Cannabis" means the same as that term is defined in Section \{\begin{cases} \} 58-37-3.9\{\end{cases} \} \\ \frac{26-61a-102}{\end{cases}}.
 - (2) "Cannabis cultivation facility" means a person that:
 - (a) possesses cannabis;
 - (b) grows or intends to grow cannabis; and
- (c) sells or intends to sell cannabis to $\{\underline{a}\}$ cannabis $\{\underline{f}\}$ production establishments $\{\underline{f}\}$ or to $\{\underline{a}\}$ cannabis $\{\underline{f}\}$ dispensaries $\{\underline{f}\}$ processing facility.
 - (3) "Cannabis cultivation facility agent" means an individual who

(a) is an \ owner, officer, director, board member, \ employee \, or volunteer \ of a cannabis cultivation facility \\ \frac{1}{1}, \frac{1}{1}, \text{ and} (b) holds a valid cannabis production establishment agent registration card.} (4) "Cannabis dispensary" means the same as that term is defined in Section [26-60b-102{.}] <u>26-61a-102.</u> (5) "Cannabis dispensary agent" means the same as that term is defined in Section $[26-60b-102\{...\}]$ 26-61a-102. $\{(6), (4)\}$ "Cannabis processing facility" means a person that: (a) acquires or intends to acquire cannabis from a cannabis production establishment or a holder of an industrial hemp processor license under Title 4, Chapter 41, Hemp and Cannabidiol Act}; (b) possesses cannabis with the intent to manufacture a cannabis product; (c) manufactures or intends to manufacture a cannabis product from unprocessed cannabis { or a cannabis extract}; and (d) sells or intends to sell a cannabis product to a {medical cannabis [dispensary] pharmacy or the state central fill medical cannabis pharmacy. $\{(7)\}$ (5) cannabis dispensary. (7) "Cannabis processing facility agent" means an individual who (a) is an {{}} owner, officer, director, board member, {{}} employee {{}}, or volunteer {{}} of a cannabis processing facility {[.]; and (b) holds a valid cannabis production establishment agent registration card. - [(8)] <u>(6)</u>}. (8) "Cannabis product" means the same as that term is defined in Section $\{\{\}\}$ 58-37-3.9 $\{\{\}\}$ 26-61a-102 $\}$. $\{\{\}\}$ "Cannabis production establishment" means a cannabis cultivation facility, a cannabis processing facility, or an independent cannabis testing laboratory. $\{\{\}\}$ "Cannabis production establishment agent" means a cannabis cultivation facility agent, a cannabis processing facility agent, or an independent cannabis testing laboratory agent. $\{\{\}\}$ "Cannabis production establishment agent registration card" means a registration card{{}}, issued by{} that} the department{{}},{} issues} that{:

(a) authorizes an individual to act as a cannabis production establishment agent and{ (b) designates the type of cannabis production establishment for which an individual is authorized to act as an agent. $\{\{\}\}$ "Community location" means a public or private school, a church, a public library, a public playground, or a public park. (11) "Department" means the Department of Agriculture and Food. (12) "Family member" means a parent, step-parent, spouse, child, sibling, step-sibling, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild. (13) "Independent cannabis testing laboratory" means a person that: } (a) conducts a chemical or other analysis of cannabis or a cannabis product; or (b) acquires, possesses, and transports cannabis or a cannabis product with the intent to conduct a chemical or other analysis of the cannabis or cannabis product. (14) "Independent cannabis testing laboratory agent" means an individual who (a) is an \ owner, officer, director, board member, \ employee \, or volunteer \ of an independent cannabis testing laboratory { . . . ; and (b) holds a valid cannabis production establishment agent registration card.}. (15) "Inventory control system" means {{}} the {{}} <u>a</u>} system described in Section [4-41b-103] 4-41a-103. (16) "Medical cannabis <u>card</u>" means the same as that term is defined in Section {26-61a-102. -[(16)] (17) "Medical cannabis card" means the same as that term is defined in Section }[26-60b-102] <u>26-61a-102</u>. {(18) "Medical cannabis pharmacy" means the same as that term is defined in Section 26-61a-102. (19) "Medical cannabis pharmacy agent" means the same as that term is defined in Section 26-61a-102. (17) "Medical Cannabis Restricted Account" means the account created in Section 26-60b-109{.]

(20) "Medical cannabis treatment" means the same as that term is defined in Section

26-61a-102.

(21) "Medicinal dosage form" means the same as that term is defined in Section 26-61a-102.

3 26-61a-109.

- (18) "Physician" {] (22) "Qualified medical provider"} means the same as that term is defined in Section [26-60b-107] {26-61a-102.
- (23) "Qualified Production Enterprise Account" means the account created in Section 4-41a-104.
- (24) "State central fill agent" means the same as that term is defined in Section 26-61a-102.
- (25) "State central fill medical cannabis pharmacy" means the same as that term is defined in Section 26-61a-102.
- (26) "State central fill shipment" means the same as that term is defined in Section 26-61a-102.

[(19)] <u>(27)</u>}26-61a-107.

- (19) "State electronic verification system" means the system described in Section [26-60b-103] 26-61a-103.
- { (28) "Tetrahydrocannabinol" means a substance derived from cannabis or a synthetic equivalent as described in Subsection 58-37-4(2)(a)(iii)(AA).
- (29) "Total composite tetrahydrocannabinol" means delta-9-tetrahydrocannabinol and tetrahydrocannabinolic acid.
- Section \(\frac{4+\frac{3}{2}}{2}\). Section \(\frac{4-41a-103}{a-103}\), which is renumbered from Section 4-41b-103 is renumbered and amended to read:

[4-41b-103]. <u>4-41a-103.</u> Inventory control system.

- (1) {{}}A{{} Each} cannabis production establishment {{}} and a{{}, each medical}} cannabis {{}} dispensary{{} pharmacy, and the state central fill medical cannabis pharmacy} shall maintain an inventory control system that meets the requirements of this section.
- (2) {[An] A cannabis production establishment, a medical cannabis pharmacy, and the state central fill medical cannabis pharmacy shall ensure that the} An inventory control system {[}shall{ track} maintained by the establishment or pharmacy:
- (a) tracks track cannabis using a unique identifier, in real time, from the point that a

cannabis plant is eight inches tall \{\{\}\}, \{\}\} and has a root ball \{\{\}\}, \{\}\} until the cannabis is disposed of or sold, in the form of unprocessed cannabis or a cannabis product, to an individual with a medical cannabis card \{\{\}\}. \{\}

- (3) An inventory control system shall store \{\frac{1}{2}}
- (b) maintains} in real time a record of the amount of cannabis and cannabis products in the {{}} cannabis production establishment's or cannabis dispensary's {{}} possession {{}}.{}
 - (4) An inventory control system shall include {] of the establishment or pharmacy;
 - (c) includes} a video recording system that:
- {[}(a){[ii]} tracks all handling and processing of cannabis or a cannabis product in the {[}cannabis production{]} establishment or {[}cannabis dispensary{[]pharmacy]};
 - $\{(b)\}$ is tamper proof; $\{(b)\}$ and $\{(b)\}$
 - (c) is capable of storing
 - (iii) stores a video record for {at least }45 days{[}.{}
- (5) An inventory control system installed in a cannabis production establishment or cannabis dispensary shall maintain { }; and
- (d) preserves} compatibility with the state electronic verification system{ described in Section 26-61a-103}.
- {[}(6){](3)} A cannabis production establishment {[}or{], a medical} cannabis {[}dispensary{] pharmacy, and the state central fill medical cannabis pharmacy} shall allow the department or the Department of Health access to the cannabis production establishment's {[}or{], medical} cannabis {[}dispensary's{] pharmacy's, or state central fill medical cannabis pharmacy's} inventory control system {[}during an inspection{] at any time}.
- {[}(7){] (4)} The department may establish compatibility standards for an inventory control system by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (5) (a) The department shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, establishing requirements for aggregate or batch records regarding the planting and propagation of cannabis before being tracked in an inventory control system described in this section.
- (b) The department shall ensure that the rules described in Subsection (5)(a) address record-keeping for the amount of planted seed, number of cuttings taken, date and time of

cutting and planting, number of plants established, and number of plants culled or dead. Section $\frac{5}{4}$. Section 4-41a-104 is enacted to read: t, which is renumbered from Section 4-41b-104 is renumbered and amended to read: 4-41a-104. Qualified Production Enterprise Fund --[4-41b-104].__ **Creation -- Revenue neutrality.** (1) There is created an enterprise fund known as the "Qualified Production **Enterprise Fund."** (2) The fund created in this section is funded from: (a) money the department deposits into the fund under this chapter; (b) appropriations the Legislature makes to the fund; and (c) the interest described in Subsection (3). (3) Interest earned on the Qualified Production Enterprise Fund shall be deposited into the fund. (4) The department may only use money in the fund to fund the department's implementation of this chapter. (5) The department shall set fees authorized under this chapter in amounts that the department anticipates are necessary, in total, to cover the department's cost to implement this chapter. 4-41b-104. Preemption? Preemption. This chapter preempts any ordinance or rule enacted by a political subdivision of the state regarding a cannabis production establishment. Section 6. Section 4-41a-105 is enacted to read: 4-41a-105. Agreement with a tribe. (1) As used in this section, "tribe" means a federally recognized Indian tribe or Indian band. (2) (a) In accordance with this section, the governor may enter into an agreement with a tribe to allow for the operation of a cannabis production establishment on tribal land located within the state. (b) An agreement described in Subsection (2)(a) may not exempt any person from the requirements of this chapter. (c) The governor shall ensure that an agreement described in Subsection (2)(a):

(i) is in writing; (ii) is signed by: (A) the governor; and (B) the governing body of the tribe that the tribe designates and has the authority to bind the tribe to the terms of the agreement; (iii) states the effective date of the agreement; (iv) provides that the governor shall renegotiate the agreement if the agreement is or becomes inconsistent with a state statute; and (v) includes any accommodation that the tribe makes: (A) to which the tribe agrees; and (B) that is reasonably related to the agreement. (d) Before executing an agreement under this Subsection (2), the governor shall consult with the department. (e) At least 30 days before the execution of an agreement described in this Subsection (2), the governor or the governor's designee shall provide a copy of the agreement in the form in which the agreement will be executed to: (i) the chairs of the Native American Legislative Liaison Committee; and (ii) the Office of Legislative Research and General Counsel. Section 7. Section 4-41a-106 is enacted to read: 4-41a-106. Severability clause. (1) If a final decision of a court of competent jurisdiction holds invalid any provision of this title or this bill or the application of any provision of this title or this bill to any person or circumstance, the remaining provisions of this title and this bill remain effective without the invalidated provision or application. (2) The provisions of this title and this bill are severable. Section (8) 5. Section 4-41a-201, which is renumbered from Section 4-41b-201 is renumbered and amended to read: Part 2. Cannabis Production Establishment [4-41b-201].

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

(1) A person may not operate a cannabis production establishment without a license {{} issued by{{} that{}} the department{{ issues}} under this chapter.

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(2) \frac{(a)}{(a)} Subject to Subsections (6) \frac{\{and\}, (7), \}}{\{and\}, (7), \}} and (\frac{\{8\}, 7\}}{\{nad\}, \{nad\}, \{na
[4-41b-204] \{4-41a-205\} 4-41a-204, the department shall, \{\{\}\} within 90 days after receiving a
complete application { in accordance with Title 63G, Chapter 6a, Utah Procurement Code },
issue a license to operate a cannabis production establishment to { [a person who] an applicant
who is eligible for a license under this section.
                     (b) An applicant is eligible for a license under this section if the applicant}a person
who submits to the department:
                      {{}}(a)<del>{}}(i)}</del> a proposed name and address<del>{, located in a zone described in Subsection</del>
\frac{4-41a-406(1)(a) \text{ or (b)}}{2} where the \frac{1}{2} person \frac{1}{2} applicant will operate the cannabis production
establishment that is not within \{\{\}\} 600\{\{\}\} feet of a community location or within
\{\{\}\} 300\{\} feet of an area zoned \{\{\}\} exclusively \{\} primarily for residential use, as
measured from the nearest entrance to the cannabis production establishment by following the
shortest route of ordinary pedestrian travel to the property boundary of the community location
or residential area {, unless the relevant county or municipality recommends in writing that the
<u>department waive the community location proximity limit</u>};
                      \{\{\}\} the name and address of any individual who has \{\}
                     \frac{A}{A} a financial or voting interest of \frac{A}{A} two percent \frac{A}{A} or greater in the proposed
cannabis production establishment (2) or (1) who has (1)
                    (B) the power to direct or cause the management or control of a proposed
medical cannabis production establishment;
                      \{(c)\} an operating plan that \{(c)\}
                    \frac{A}{A} complies with Section [4-41b-203 { and that}] \frac{4-41a-204}{A}
                    requirements of \text{\text{\text{\text{this chapter and } \text{\text{\text{\text{this chapter and } \text{\text{\text{\text{this chapter and } \text{\text{\text{\text{this chapter and } \text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\texi}\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\tex
or county {{}} that are{{} in which the person is located adopts that is} consistent with Section
[4-41b-405] \{4-41a-406\} 4-41a-405; \{ and \}
                      \{ \{C\} \underline{d} \} (the department approves;
                     [(d)] (iv) [} financial statements demonstrating that the person possesses a minimum
of{} evidence that the applicant has obtained and maintains a performance bond that a surety
authorized to transact surety business in the state issues in an amount of at least:
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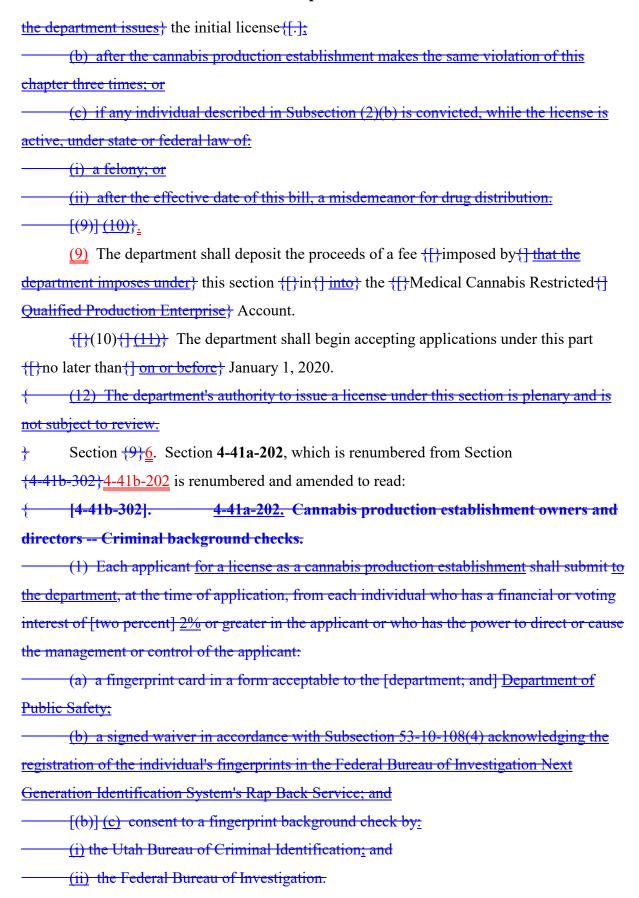
(A) $\{\}$ \$500,000 in liquid assets available $\{\}$ \$250,000 $\}$ for each cannabis cultivation

- facility for which the \{\}\person\{\}\ \applicant\}\ applies\{\}\ or \{\}\ a minimum of \$100,000\{\}\ (B) $\{ \{ \} \}$ in liquid assets available $\{ \{ \} \}$ for each cannabis processing facility or independent cannabis testing laboratory for which the \{\text{\congression} person\{\text{\congression} applies}; applies; (e) if the municipality or county where the proposed cannabis production establishment would be located has enacted zoning restrictions, a sworn statement certifying that the proposed cannabis production establishment is in compliance with the restrictions; $\{\{\}\}$ if the municipality or county where the proposed cannabis production establishment would be located requires a local {| land use } permit {| } or license {| } , a copy of the { applicant's approved} application for the local {land use } permit {{}} or license{{}}; and $\{\{\}\}$ an application fee $\{\}\}$ established by $\{\}$ in an amount that, subject to Subsection 4-41a-104(5), the department $\{ \underline{\text{sets}} \}$ in accordance with Section 63J-1-504 $\{ \{ \} \}$, that is necessary to cover the department's cost to implement this chapter. (3) If the department \(\frac{\{1\}}{1}\) determines that a cannabis production establishment is eligible { | approves an application } for a license under this section { [}, {]: (a) the applicant shall pay} the department {[} shall charge the cannabis establishment {}} an initial license fee in an amount {{}} determined by {{}} that, subject to Subsection 4-41a-104(5), the department $\{ \underline{\text{sets}} \}$ in accordance with Section 63J-1-504 $\{ [.] \}$ and (b) the department shall notify the Department of Public Safety of the license approval and the names of each individual described in Subsection (2)(b)(ii). $\frac{(4)(a)}{(a)}$. (4) Except as provided in Subsection $\{\{\}\}$ (5) $\{\{\}\}$, the department shall require a separate license for each type of cannabis production establishment and each location of a cannabis production establishment. $\{\{\}\}$ The department may issue a cannabis cultivation facility license and a cannabis processing facility license to a person to operate at the same physical location or at separate physical locations. (5) If the department receives more than one application for a cannabis production establishment within the same city or town, the department shall consult with the local land use authority before approving any of the applications pertaining to that city or town.

(6) The department may not issue a license to operate an independent cannabis testing

laboratory to a person { who }:

- (a) {{} that{{}} holds a license or has an ownership interest in a {medical} cannabis {{} dispensary{{} pharmacy}}, a cannabis processing facility, or a cannabis cultivation facility {{}} in the state{{}};
- (b) {{} that {{}} has an owner, officer, director, or employee whose {{}} immediate {{}} family member holds a license or has an ownership interest in a {medical} cannabis {{}} dispensary {{}} pharmacy}, a cannabis processing facility, or a cannabis cultivation facility; or
- (c) {{}} who{{}} proposes to operate the independent cannabis testing laboratory at the same physical location as a {medical} cannabis {{}} dispensary{{}} pharmacy}, a cannabis processing facility, or a cannabis cultivation facility.
- (7) The department may not issue a license to operate a cannabis production establishment to an applicant if any individual {} who has a financial or voting interest of two percent or greater in the applicant or who has the power to direct or cause the management or control of the applicant{ described in Subsection (2)(b)(ii)}:
- (a) has been convicted {{}} of an offense that is a felony{{}} under {{}} either{{}} state or federal law{{}; or of:
- (i) a felony; or
 - (ii) after the effective date of this bill, a misdemeanor for drug distribution; or
 - (b) is [less] younger than 21 years [of age] old.
- (8) If an applicant for a cannabis production establishment license under this section holds a license under Title 4, Chapter 41, Hemp and Cannabidiol Act, or Title 26, Chapter 61a, Utah Medical Cannabis Act, the department:
- (a) shall consult with the Department of Health regarding the applicant if the license the applicant holds is a license under Title 26, Chapter 61a, Utah Medical Cannabis Act; and
- (b) may not give preference to the applicant based on the applicant's status as a holder of a license described in this Subsection (8).
 - [(8)] <u>(9)</u>}; or
 - (b) is less than 21 years of age.
 - (8) The department may revoke a license under this part :
- (a) } if the cannabis production establishment {[} is {] does} not {[} operating {] begin cannabis production operations} within one year {[} of the issuance of {] after the day on which



(2) The department shall request that the Department of Public Safety complete a Federal Bureau of Investigation criminal background check for the individual described in Subsection (1). (2) The Bureau of Criminal Identification shall: (a) check the fingerprints the applicant submits under Subsection (1) against the applicable state, regional, and national criminal records databases, including the Federal Bureau of Investigation Next Generation Identification System; (b) report the results of the background check to the department; (c) maintain a separate file of fingerprints that applicants submit under Subsection (1) for search by future submissions to the local and regional criminal records databases, including latent prints; (d) request that the fingerprints be retained in the Federal Bureau of Investigation Next Generation Identification System's Rap Back Service for search by future submissions to national criminal records databases, including the Next Generation Identification System and latent prints; and (e) establish a privacy risk mitigation strategy to ensure that the department only receives notifications for an individual with whom the department maintains an authorizing relationship. (3) The department shall: (a) assess an individual who submits fingerprints under Subsection (1) a fee in an amount that the department sets in accordance with Section 63J-1-504 for the services that the Bureau of Criminal Identification or another authorized agency provides under this section; and (b) remit the fee described in Subsection (3)(a) to the Bureau of Criminal **Identification**. Section 10. Section 4-41a-203, which is renumbered from Section 4-41b-202 is renumbered and amended to read: {4-41a-203}4-41a-202. Renewal. } [4-41b-202]. $\{\{\}\}\}$ The department shall renew a $\{\{\}\}$ license issued under Section [4-41b-201] 4-41a-201 every $\{\}\}$ two years, $\{\}\}$ if, at the time of renewal: $\{\{\}\}$ the $\{\{\}\}$ person $\{\}\}$ the $\{\{\}\}$ person $\{\}\}$ meets the requirements of Section $[\{\}\}$ 4-41a-201; ∰and ∰

 $\{[](b)\{](2)\}\$ the $\{[]$ person $\{]$ licensee $\}$ pays the department a license renewal fee in an amount $\{[]$ determined by $\{]$ that, subject to Subsection 4-41a-104(5), $\}$ the department $\{$ sets $\}$ in accordance with Section 63J-1-504 $\{[.]$; and

(3) if the cannabis production establishment changes the operating plan described in Section 4-41a-204 that the department approved under Subsection 4-41a-201(2)(b)(iii), the department approves the new operating plan.

Section 11}.

Section 7. Section 4-41a-204} 4-41a-203, which is renumbered from Section 4-41b-203 is renumbered and amended to read:

[4-41b-203]. $\frac{4-41a-204}{4-41a-203}$. Operating plan.

- (1) A person applying for a cannabis production {{}} facility{{}} establishment{}} license{
 or license renewal} shall submit to the department {for the department's review} a proposed
 {{}} operation{{}} operating{}} plan that complies with this section and that includes:
- (a) a description of the physical characteristics of the proposed facility, including a floor plan and an architectural elevation;
 - (b) a description of the credentials and experience of:
- (i) each officer, director, $\{\{\}\}$ or $\{\}\}$ owner of the proposed cannabis production establishment; and
 - (ii) any highly skilled or experienced prospective employee;
 - (c) the cannabis production establishment's employee training standards;
 - (d) a security plan;
- (e) a description of the cannabis production establishment's inventory control system, including a {{}} plan to make{{}} description of how} the inventory control system{{ is}} compatible with the state electronic verification system{{ described in Section 26-61a-103;}
- (f) storage protocols, both short- and long-term, to ensure that cannabis is stored in a manner that is sanitary and preserves the integrity of the cannabis;

[(f)] (g)}<u>:</u>

- (f) for a cannabis cultivation facility, the information described in Subsection (2);
- {[}(g){] (h)} for a cannabis processing facility, the information described in Subsection (3); and
 - (h) (1) (ii) for an independent cannabis testing laboratory, the information described

in Subsection (4).
(2) {(a) } A cannabis cultivation { facility shall ensure that the} facility's operating plan
\$\frac{\{\}}{\}\$ shall include the cannabis cultivation \$\frac{\}{\}\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
(i) cannabis cultivation practices, including the {[] cannabis cultivation {]} facility's
intended pesticide use {[],{] and} fertilizer use {[],{]; and }
(ii) subject to Subsection (2)(b), acreage or} square footage under cultivation {[]}, {[]}
and anticipated cannabis yield.
(b) Except as provided in Subsection (2)(c) or (d):
(i) a cannabis cultivation facility that cultivates cannabis indoors may not:
(A) use more than 100,000 square feet for cultivation; or
(B) hang, suspend, stack or otherwise position plants above other plants to cultivate
more plants through use of vertical space; and
(ii) a cannabis cultivation facility that cultivates cannabis outdoors may not use more
than four acres for cultivation.
(c) (i) Each licensee may annually apply to the department for authorization to exceed
the cannabis cultivation facility's current cultivation size limitation by up to 20%.
(ii) The department may, after conducting a review as described in Subsection
4-41a-205(2)(a), grant the authorization described in Subsection (2)(c)(i).
(d) If a licensee describes an intended acreage or square footage under cultivation
under Subsection (2)(a)(ii) that is less than the limitation described in Subsection (2)(b):
(i) the licensee may not cultivate more than the licensee's identified intended acreage or
square footage under cultivation; and
(ii) notwithstanding Subsection (2)(b), the department may allocate the remaining
difference in acreage or square footage under cultivation to another licensee.
processing { } facility's intended cannabis processing practices, including the cannabis
processing facility's intended \{\}\) offered variety of cannabis product, cannabinoid extraction
method, cannabinoid extraction equipment, processing equipment, processing techniques, and
sanitation and food safety procedures. {]:
(a) offered variety of cannabis product;
(b) cannabinoid extraction method;

(c) cannabinoid extraction equipment; (d) processing equipment; (e) processing techniques; and (f) sanitation and manufacturing safety procedures for items for human consumption. (4) An independent cannabis testing laboratory's operating plan shall include the ∰independent cannabis testing∰ laboratory's intended {: (a) cannabis and cannabis product testing capability (f) and (1); (b) cannabis and cannabis product testing equipment {[.]; and (c) testing methods, standards, practices, and procedures for testing cannabis and cannabis products. Section 12}. <u>Section 8</u>. Section $\frac{4-41a-205}{4-41a-204}$, which is renumbered from Section 4-41b-204 is renumbered and amended to read: {4-41a-205}4-41a-204. Number of licenses -- Cannabis [4-41b-204]. cultivation facilities. (1) Except as $\{\{\}\}$ otherwise $\{\}\}$ provided in Subsection $\{\{\}\}$ (2) $\{\{\}\}$ (2) $\{a\}$, the department may $\frac{\text{not}}{\text{issue}}$ issue $\frac{\text{f}}{\text{not}}$ more than $\frac{\text{f}}{\text{issue}}$ licenses to operate $\frac{\text{a}}{\text{a}}$ cannabis cultivation {{}} facilities {{}} facility}. (2) {(a)} { { After January 1, 2022, the { The } department may issue { { }} additional { }} up to five} licenses to operate{ a} cannabis cultivation { [facilities] facility in addition to the 10 licenses described in Subsection (1) facilities if the department determines, {in consultation with the Department of Health and after an annual or more frequent analysis of the current and anticipated market for \{\} medical\{\} cannabis \{\frac{\text{in a medicinal dosage form }}{\text{and}}\} and

(b) If the recipient of one of the initial 10 licenses described in Subsection (1) ceases operations or otherwise abandons the license, the department may but is not required to grant

##|medical | cannabis products | in a medicinal dosage form |, that | each | additional

of {{}} medical{{}} cannabis {<u>in a medicinal dosage form</u>} and {{}} medical{{}} cannabis

products { in a medicinal dosage form} to medical cannabis { | card holders in Utah { |

cardholders.

{{} licenses are needed{{} license is necessary} to provide an adequate supply, quality, or variety

the vacant license to another applicant based on an analysis as described in Subsection (2)(a).}.

- (3) If there are more qualified applicants than {{}} there are {{}} the number of{}} available licenses for cannabis cultivation facilities { under Subsections (1) and (2)}, the department shall evaluate the applicants and award {the limited number of } licenses { described in Subsections (1) and (2)} to the applicants that best demonstrate:
 - (a) experience with establishing and successfully operating a business that involves
- (i) complying with a regulatory environment { [}, {];
 - (ii) tracking inventory (; , , ; and (
- (iii) } training, evaluating, and monitoring employees;
- (b) an operating plan that will best ensure the safety and security of patrons and the community;
 - (c) positive connections to the local community; and
- (d) the extent to which the applicant can reduce the cost {to patients} of cannabis { in a medicinal dosage form} or cannabis products {[] for patients {] in a medicinal dosage form}.
- (4) The department may conduct a face-to-face interview with an applicant for a license that the department evaluates under Subsection (3).

Section \(\frac{\{13\}9}{2}\). Section 4-41a-301, which is renumbered from Section 4-41b-301 is renumbered and amended to read:

Part 3. Cannabis Production {Establishments} <u>Establishment</u> Agents [4-41b-301]. 4-41a-301. Cannabis production establishment agent -- Registration.

- (1) An individual may not act as a cannabis production establishment agent unless {the department registers} the individual {{}} is registered by the department{{}} as a cannabis production establishment agent.
- (2) {{}} A physician{} The following individuals, regardless of the individual's status as a qualified medical provider,} may not serve as a cannabis production establishment agent{{}.}, have a financial or voting interest of 2% or greater in a cannabis production establishment, or have the power to direct or cause the management or control of a cannabis production establishment:
 - (a) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
 - (b) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse

Practice Act;

- (c) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
- (d) a physician assistant licensed under Title 58, Chapter 70a, Physician Assistant Act.}.
- (3) An independent cannabis testing laboratory agent may not act as an agent for a {medical} cannabis {[]} dispensary{] pharmacy, the state central fill medical cannabis pharmacy}, a cannabis processing facility, or a cannabis cultivation facility.
- (4) {(a)} The department shall, within 15 business days after {{}} receiving {{}} the day on which the department receives} a complete application from a cannabis production establishment on behalf of a prospective cannabis production establishment agent, register and issue a cannabis production establishment agent registration card to {{}} an individual who {{}} the prospective agent if the cannabis production establishment}:
 - $\{(a), (a), (a)\}$ provides to the department $\{(a), (a)\}$
 - (A) the {{} individual's{} prospective agent's} name and address {{} and {{};}
- (B) the name and location of a licensed cannabis production establishment where the {{} individual {{} prospective agent}} will act as the cannabis production establishment's agent; and
 - {(C) the submission required under Subsection (4)}(b){; and
- [(b)] (ii)} pays a fee to the department{[},{]} in an amount {[} determined by{] that, subject to Subsection 4-41a-104(5),} the department{ sets} in accordance with Section 63J-1-504{[}, that is necessary to cover the department's cost to implement this part{].
 - (b) Each prospective agent described in Subsection (4)(a) shall:
- (i) submit to the department:
 - (A) a fingerprint card in a form acceptable to the Department of Public Safety; and
- (B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the registration of the prospective agent's fingerprints in the Federal Bureau of Investigation Next Generation Identification System's Rap Back Service; and
 - (ii) consent to a fingerprint background check by:
 - (A) the Bureau of Criminal Identification; and
- (B) the Federal Bureau of Investigation.

(c) The Bureau of Criminal Identification shall: (i) check the fingerprints the prospective agent submits under Subsection (4)(b) against the applicable state, regional, and national criminal records databases, including the Federal Bureau of Investigation Next Generation Identification System; (ii) report the results of the background check to the department; (iii) maintain a separate file of fingerprints that prospective agents submit under Subsection (4)(b) for search by future submissions to the local and regional criminal records databases, including latent prints; (iv) request that the fingerprints be retained in the Federal Bureau of Investigation Next Generation Identification System's Rap Back Service for search by future submissions to national criminal records databases, including the Next Generation Identification System and latent prints; and (v) establish a privacy risk mitigation strategy to ensure that the department only receives notifications for an individual with whom the department maintains an authorizing relationship. (d) The department shall: (i) assess an individual who submits fingerprints under Subsection (4)(b) a fee in an amount that the department sets in accordance with Section 63J-1-504 for the services that the Bureau of Criminal Identification or another authorized agency provides under this section; and (ii) remit the fee described in Subsection (4)(d) to the Bureau of Criminal Identification. \}. (5) The department shall designate, on an individual's cannabis production establishment agent registration card: (a) the name of the cannabis production establishment where the individual is registered as an agent; and (b) the type of cannabis production establishment for which the individual is authorized to act as an agent. (6) A cannabis production establishment agent shall comply with \(\frac{1}{12}\): (a) a certification standard {{}}developed by{{}} that{} the department {develops; }or{ (b) { {} with a third party{} a third-party} certification standard {{}} designated by{} that the department {designates } by rule { made { } in accordance with Title 63G, Chapter

- 3, Utah Administrative Rulemaking Act.
- (7) The {department shall ensure that the } certification standard described in Subsection (6) {{}} shall include{{}} includes{}} training:
 - (a) in Utah medical cannabis law;
 - (b) for a cannabis cultivation facility agent, in cannabis cultivation best practices;
- (c) for a cannabis processing facility agent, in cannabis processing, {{}} food{{}} manufacturing} safety{ procedures for items for human consumption}, and sanitation best practices; and
- (d) for an independent cannabis testing laboratory agent, in cannabis testing best practices.
- (8) {{}} The department may revoke or refuse to issue the {{}} For an individual who holds or applies for a} cannabis production establishment agent registration card {{}} of an individual who {{}}:
- (a) { the department may revoke or refuse to issue the card if the individual} violates the requirements of this chapter; {[or] and
- (b) the department shall revoke or refuse to issue the card if the individual is convicted [}or
 - (b) is convicted of an offense that is a felony { } under state or federal law { of:
- (i) a felony; or
- (ii) after the effective date of this bill, a misdemeanor for drug distribution.
- (9) (a) A cannabis}.

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

[4-41b-302]. 4-41a-302. Cannabis production establishment {agent registration card expires two years after the day on which the department issues the card.

- (b) A cannabis production establishment agent may renew the agent's registration card if the agent:
- (i) is eligible for a cannabis production establishment registration card under this section;
 - (ii) certifies}-- Criminal background checks.
 - (1) Each applicant shall submit, at the time of application, from each individual who

has a financial or voting interest of two percent or greater in the applicant or who has the power to direct or cause the management or control of the applicant:

- (a) a fingerprint card in a form acceptable to the department { in a renewal application that the information}; and
- (b) consent to a fingerprint background check by the Utah Bureau of Criminal Identification and the Federal Bureau of Investigation.
- (2) The department shall request that the Department of Public Safety complete a Federal Bureau of Investigation criminal background check for the individual described in Subsection (\{4\)(a) is accurate or updates the information; and
 - (iii) pays to the department a renewal fee in an amount that:
- (A) subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504; and
- (B) may not exceed the cost of the relatively lower administrative burden of renewal in comparison to the original application process.
- Section 14}1).
- Section 11. Section \(\frac{4-41a-302}{4-41a-303}\), which is renumbered from Section 4-41b-303 is renumbered and amended to read:
- [4-41b-303]. <u>{4-41a-302}4-41a-303.</u> Cannabis production establishment agent registration card -- Rebuttable presumption.
- (1) A cannabis production establishment agent {{}} who is registered with {{}} whom} the department {{registers}} under Section [4-41b-301] 4-41a-301 shall carry the individual's cannabis production establishment agent registration card with the {{}} individual {{}} agent} at all times when:
- (a) the {{} individual {{} agent}} is on the premises of a cannabis production establishment where the {{} individual {{} agent}} is {{} a cannabis production establishment agent {{} registered}; {{} and {{}}}
- (b) the {{} individual{{} agent{}} is transporting cannabis{ in a medicinal dosage form{}}, a cannabis product{ in a medicinal dosage form{}}, or a medical cannabis device between{:
 - $\frac{(i)}{}$ two cannabis production establishments $\frac{(\cdot)}{(\cdot)}$ or $\frac{(\cdot)}{(\cdot)}$ between $\frac{(\cdot)}{(\cdot)}$
- (ii) } a cannabis production establishment and {:
- (A) a medical cannabis [dispensary] pharmacy; or

- (B) the state central fill medical cannabis pharmacy; and
- (c) if the cannabis production establishment agent is an agent of a cannabis cultivating facility, the agent is transporting raw cannabis plants to a cannabis processing facility or an independent cannabis testing laboratory.
- (2) If [an individual] a cannabis processing facility agent possesses cannabis in a medicinal dosage form} a cannabis dispensary.
- (2) If an individual handling cannabis, a cannabis product { in a medicinal dosage form}, or a medical cannabis device {and produces the registration card in the agent's possession in compliance with Subsection (1) while handling, at a cannabis production establishment, or transporting the cannabis, [a] cannabis product, or [a] medical cannabis device [} at a cannabis production establishment, or transporting cannabis, a cannabis product, or a medical cannabis device, possesses the cannabis, cannabis product, or medical cannabis device { }} in compliance with Subsection (1):
- (a) there is a rebuttable presumption that the {{}}individual {{}} agent} possesses the cannabis, cannabis product, or medical cannabis device legally; and
- (b) a law enforcement officer does not have probable cause, based solely on the {{} individual's{{} agent's}} possession of the cannabis, cannabis product, or medical cannabis device in compliance with Subsection (1), to believe that the individual is engaging in illegal activity.
- (3) {(a) [An individual] A cannabis production establishment agent who [violates] fails to carry the agent's cannabis production establishment agent registration card in accordance with} An individual who violates Subsection (1) is:
 - {(i) for a first or second offense in a two-year period:
- $\{(a) \in \{(A)\}\}$ guilty of an infraction; and
- { [(b)] (B) [is] subject to a \$100 fine[.]; or
- (ii) for a third or subsequent offense in a two-year period:
 - (A) guilty of a class C misdemeanor; and
- $\frac{}{}$ $\frac{}{}$ $\frac{}{}$ $\frac{}{}$ subject to a $\frac{}{}$ $\frac{}{}$ subject to a $\frac{}{}$
- (b) (i) The prosecuting entity shall notify the department and the relevant cannabis production establishment of each conviction under Subsection (3)(a).
 - (ii) For each violation described in Subsection (3)(a)(ii), the department may assess the

relevant cannabis production establishment a fine of up to \$5,000, in accordance with a fine schedule that the department establishes by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(c) An individual who is guilty of a violation described in Subsection (3)(a) is not guilty for a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct underlying the violation described in Subsection (3)(a).

Section 15}\$100 fine.

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

- Part 4. General Cannabis Production Establishment Operating Requirements

 [4-41b-401]. 4-41a-401. Cannabis production establishment -- General operating requirements.
- (1) (a) A cannabis production establishment shall operate in accordance with the operating plan {[}-41b-203] {described in Sections} 4-41a-201 and 4-41a-204} 4-41a-203.
- (b) A cannabis production establishment shall notify the department before a change in the cannabis production establishment's operating plan.
- (ii) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, a process to:
 - (A) review a change notification described in Subsection (1)(b);
- (B) identify for the cannabis production establishment each point of noncompliance between the new operating plan and this chapter;
- (C) provide an opportunity for the cannabis production establishment to address each identified point of noncompliance; and
- (D) suspend or revoke a license if the cannabis production establishment fails to cure the noncompliance.
- † (2) A cannabis production establishment shall operate:
 - (a) except as provided in Subsection (5), in a facility that is accessible only by an

individual with a valid cannabis production establishment agent registration card issued under Section [4-41b-301] 4-41a-301; and

- (b) at the physical address provided to the department under Section [4-41b-201] 4-41a-201.
- (3) A cannabis production establishment may not employ {{}} any person{{}} any individual{}} who is younger than 21 years {{}} of age{{}} old{}}.
- (4) A cannabis production establishment {{}} shall conduct a background check into the criminal history of every person who will become an agent of the cannabis production establishment and{{}} may not employ {{}} any person{{}} an individual{}} who has been convicted{{}} {{}} {{}} of an offense that is a felony{{}} under {{}} either{{}} state or federal law{{}}.{{}} of:{}}
- { (a) a felony; or
 - (b) after the effective date of this bill, a misdemeanor for drug distribution.
- † (5) A cannabis production establishment may authorize an individual who is { at least 18 years old and is} not a cannabis production establishment agent to access the cannabis production establishment if the cannabis production establishment {:
- $\frac{\text{(a)}}{\text{(a)}}$ tracks and monitors the individual at all times while the individual is at the cannabis production establishment $\frac{\text{(a)}}{\text{(a)}}$ and $\frac{\text{(b)}}{\text{(c)}}$
 - (b) maintains a record of the individual's access {, including arrival and departure}.
 - (6) A cannabis production establishment shall operate in a facility that has:
 - (a) a single, secure public entrance;
 - (b) a security system with a backup power source that:
 - (i) detects and records entry into the cannabis production establishment; and
- (ii) provides notice of an unauthorized entry to law enforcement when the cannabis production establishment is closed; and
- (c) a lock {or equivalent restrictive security feature } on any area where the cannabis production establishment stores cannabis or a cannabis product.

Section $\frac{16}{13}$. Section 4-41a-402, which is renumbered from Section 4-41b-402 is renumbered and amended to read:

[4-41b-402]. <u>4-41a-402.</u> Inspections.

{(1) }The department may inspect the records and facility of a cannabis production

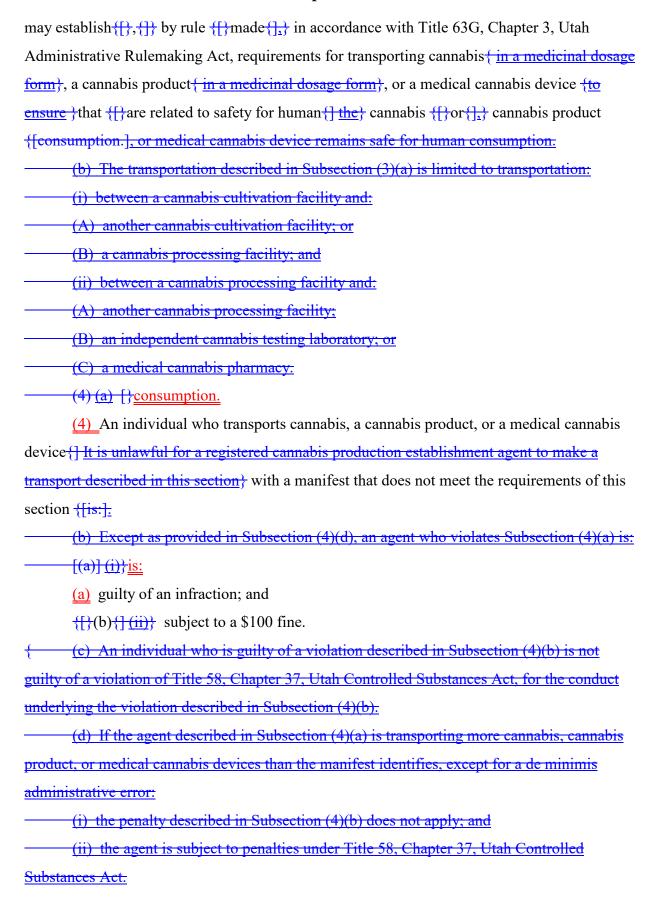
establishment at any time {{}} in order{{}} during business hours} to determine if the cannabis production establishment complies with {} the requirements of {} this chapter. (2) (a) An inspection under this section may include: (i) inspection of a site, facility, vehicle, book, record, paper, document, data, and other physical or electronic information; (ii) questioning of any relevant individual; (iii) observation of an independent cannabis testing laboratory's methods, standards, practices, and procedures; (iv) the taking of a specimen of cannabis or cannabis products sufficient for testing purposes; or (v) inspection of equipment, an instrument, a tool, or machinery, including a container or label. (b) Notwithstanding Section 4-41a-404, an authorized department employee may possess and transport a specimen of cannabis or cannabis products for testing described in Subsection (2)(a). (3) In making an inspection under this section, the department may freely access any area and review and make copies of a book, record, paper, document, data, or other physical or electronic information, including financial data, sales data, shipping data, pricing data, and employee data. (4) Failure to provide the department or the department's authorized agents immediate access to records and facilities during business hours in accordance with this section may result in: (a) the imposition of a civil monetary penalty that the department sets in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; (b) license or registration suspension or revocation; or (c) an immediate cessation of operations under a cease and desist order that the department issues. Section 17} this chapter. Section 14. Section 4-41a-403, which is renumbered from Section 4-41b-403 is renumbered and amended to read: [4-41b-403]. 4-41a-403. Advertising.

- (1) A cannabis production establishment may not advertise to the general public in any medium.
- (2) Notwithstanding Subsection (1), a cannabis production establishment may advertise {an } employment {{} opportunity} at the cannabis production facility.

Section {18} <u>15</u>. Section **4-41a-404**, which is renumbered from Section 4-41b-404 is renumbered and amended to read:

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

- (1) {{}} Except for an individual with a valid medical cannabis card pursuant to Title 26, Chapter [60b] 61a, Medical Cannabis Act, an individual {{}}
- (a) Only the following individuals} may {[} not{]} transport cannabis { in a medicinal dosage form}, a cannabis product { in a medicinal dosage form}, or a medical cannabis device {[} unless the individual is {] under this chapter}:
 - $\{(a), (a), (b)\}$ a registered cannabis production establishment agent; or
- {[}(b){] (ii)} {[}a registered cannabis dispensary agent.{] a medical cannabis cardholder who is transporting a medical cannabis treatment that the cardholder is authorized to possess under this chapter.
- (b) Only an agent of a cannabis cultivating facility, when the agent is transporting cannabis plants to a cannabis processing facility or an independent cannabis testing laboratory, may transport unprocessed cannabis outside of a medicinal dosage form.}
- (a) includes a unique identifier that links the cannabis, cannabis product, or medical cannabis device to a relevant inventory control system;
- (b) includes origin and destination information for any cannabis, cannabis product, or medical cannabis device {that } the individual is transporting; and
- (c) {{} indicates{{} identifies}} the departure and arrival times and locations of the individual transporting the cannabis, cannabis product, or medical cannabis device.
 - (3) $\{(a)\}$ In addition to the requirements in Subsections (1) and (2), the department



- (5) Nothing in this section prevents the department from taking administrative enforcement action against a cannabis production establishment or another person for failing to make a transport in compliance with the requirements of this section.
 - Section 19. Section 4-41a-405 is enacted to read:
- 4-41a-405. Excess and disposal.
- (1) As used in this section, "medical cannabis waste" means waste and unused material from the cultivation and production of medical cannabis.
 - (2) A cannabis production establishment shall:
- (a) render medical cannabis waste unusable and unrecognizable before transporting the medical cannabis waste from the cannabis production establishment; and
 - (b) dispose of medical cannabis waste in accordance with:
 - (i) federal and state laws, rules, and regulations related to hazardous waste;
 - (ii) the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 et seq.;
 - (iii) Title 19, Chapter 6, Part 5, Solid Waste Management Act; and
- (iv) other regulations that the department makes in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (3) An individual may not transport or dispose of medical cannabis waste other than as provided in this section.
- Section $\frac{20}{16}$. Section $\frac{4-41a-406}{4-41a-405}$, which is renumbered from Section 4-41b-405 is renumbered and amended to read:

[4-41b-405]. $\{4-41a-406\}$ 4-41a-405. Local control.

- (1) {{}} A municipality or county may not enact a zoning ordinance that prohibits a cannabis production establishment from operating in a location within the municipality's or county's jurisdiction on the sole basis that the cannabis production establishment possesses, grows, manufactures, or sells cannabis.{{}}
- (a) If a municipality's or county's zoning ordinances provide for an industrial zone, the municipality or county shall ensure that the ordinances allow for cannabis production establishments in at least one type of industrial zone.
- (b) If a municipality's or county's zoning ordinances provide for an agricultural zone, the municipality or county shall ensure that the ordinances allow for cannabis production establishments in at least one type of agricultural zone.

(2) (a) A municipality or county may not deny or revoke a <u>land use</u> permit [or license] to operate a cannabis production facility on the sole basis that the applicant or cannabis production establishment violates [a] <u>federal</u> law [of] <u>regarding</u> the [United States] <u>legal status</u> of cannabis.

<u>(b)</u>

(2) A municipality or county may not deny or revoke a {business}permit or license to operate a cannabis production facility on the sole basis that the applicant or cannabis production establishment violates {federal}a law {regarding}of the {legal status of cannabis}United States.

Section $\frac{21}{17}$. Section 4-41a-501, which is renumbered from Section 4-41b-501 is renumbered and amended to read:

- (1) A cannabis cultivation facility shall ensure that any cannabis growing at the cannabis cultivation facility is not visible {[] at {] from} the { ground level of the} cannabis cultivation facility perimeter.
- (2) A cannabis cultivation facility shall use a unique identifier that is connected to the cannabis cultivation facility's inventory control system {{}} for {{}} to identify}:
- (a) beginning at the time a cannabis plant is {{}} 8{{}} eight} inches tall and has a root ball, each cannabis plant;
 - (b) each unique harvest of cannabis plants;
- (c) each batch of cannabis {[} transferred {] the facility transfers} to a { medical} cannabis {[} dispensary {] pharmacy, the state central fill medical cannabis pharmacy}, a cannabis processing facility, or an independent cannabis testing laboratory; and
- (d) {{} disposal of{} any} excess, contaminated, or deteriorated cannabis { of which the cannabis cultivation facility disposes}.

Section {22}<u>18</u>. Section **4-41a-502**, which is renumbered from Section 4-41b-502 is renumbered and amended to read:

[4-41b-502]. 4-41a-502. Cannabis -- Labeling and {child-resistant packaging.

For any cannabis that a cannabis cultivation facility cultivates or otherwise produces and subsequently ships to another cannabis production establishment, the facility shall:

- (1) |}packaging.
 - (1) Cannabis shall have a $\{\frac{1}{2}\}$ label that $\{\frac{1}{2}\}$ label that $\{\frac{1}{2}\}$
- (a) {|}} has a unique batch identification number that is connected to the inventory control system; and {|}}
- (b) does not display images, words, or phrases that are intended to appeal to children. ₹
 - (2) A cannabis cultivation facility shall
- (2) package (the) cannabis in a container that (is):
 - (a) $\{\{\}\}$ tamper evident; $\{\{\}\}$
 - (b) {{} is{{}} not appealing to children{{}} {{}} for similar to a candy container;{{}}
 - $\{\{\}\}$ (c) is opaque; and $\{\}\}$
- {{}}(d) complies with child-resistant effectiveness standards established by the United States Consumer Product Safety Commission. {{}}

Section {23} <u>19</u>. Section **4-41a-601**, which is renumbered from Section 4-41b-601 is renumbered and amended to read:

Part 6. Cannabis Processing Facility Operating Requirements

[4-41b-601]. 4-41a-601. Cannabis processing facility -- Operating requirements -- General.

- $\{\{\}\}$ A cannabis processing facility shall ensure that a cannabis product $\{\{\}\}$ sold by $\{\}\}$ the cannabis processing facility $\{\}$ complies with the requirements of this part.
- {{}}(2) If a cannabis processing facility extracts cannabinoids from cannabis using a hydrocarbon process, the cannabis processing facility shall extract the cannabinoids under a blast hood and shall use a system to reclaim solvents.{}

Section $\frac{24}{20}$. Section 4-41a-602, which is renumbered from Section 4-41b-602 is renumbered and amended to read:

[4-41b-602]. 4-41a-602. Cannabis product -- Labeling and {child-resistant} packaging.

(1) {[]}A{[] For any} cannabis product {that a cannabis processing facility processes or

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produces, the facility shall [have a]:
               (a) label the cannabis product with a label that:
               <del>[(a)] (i)</del> shall have a label that:
                (a) clearly and unambiguously states that the cannabis product contains cannabis;
                \{(b)\} clearly displays the amount of \{total composite\} tetrahydrocannabinol
and cannabidiol in the \{\} cannabis product\{\} \frac{\labeled container}{\};
                \{(c)\} has a unique identification number that:
                \{(i), (i), (A)\} is connected to the inventory control system; and
                {{\}(ii)<del>{}</del> identifies the unique cannabis product manufacturing process <del>{}</del> by
which{] the cannabis processing facility used to manufacture} the cannabis product {[} was
manufactured \;
                \{(d), (d), (d)\} identifies the cannabinoid extraction process that the cannabis
processing facility used to create the cannabis product;
                \{\{\}\} does not display \{\}\} images, words, or phrases \{\}\} an image, word, or
\underline{phrase} that \{[] are intended to appeal \{] \underline{the\ facility\ knows\ or\ should\ know\ appeals}\} to
children; and
                {{}}(f){{}}(vi) discloses [ingredients] each active or potentially active ingredient, in order
of prominence, and possible [allergens.] allergen; and
               [(2)] (b) [} discloses ingredients and possible allergens.
                (2) A cannabis processing facility shall \(\frac{1}{12}\) package \(\frac{12}{12}\) annabis product in a
{medicinal dosage form in a } container that:
                \{(a)\} \{(a)\} \{(a)\} \{(a)\} except for a blister pack, \{(a)\} is tamper evident \{(a)\} and tamper resistant;
              [(b)] (ii) does not appeal to children;
               <del>(iii) [}</del>:
                (b) is not appealing to children or similar to { | does not mimic | a candy container;
                {[(c)] (iv) except for a blister pack, is opaque; [and]
               <del>[(d)] (v)}(c) is opaque; and</del>
               (d) complies with child-resistant effectiveness standards {{}}established by{{}} that} the
United States Consumer Product Safety Commission \{\int_\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\climath{\
               (vi) includes a warning label that states: "WARNING: Cannabis has intoxicating
effects and may be addictive. Do not operate a vehicle or machinery under its influence. KEEP
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OUT OF REACH OF CHILDREN. This product is for medical use only. Use only as directed by a qualified medical provider."

- (2) For any cannabis or cannabis product that the cannabis processing facility processes into a gelatinous cube, gelatinous rectangular cuboid, or lozenge in a cube or rectangular cuboid shape, the facility shall:
- (a) ensure that the label described in Subsection (1)(a) does not contain a photograph or other image of the content of the container; and
- (b) include on the label described in Subsection (1)(a) a warning about the risks of over-consumption.
- (3) The department shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, establishing a standard labeling format that:
 - (a) complies with the requirements of this section; and
 - (b) ensures inclusion of a pharmacy label.
- Section 25}.

<u>Section 21</u>. Section **4-41a-603**, which is renumbered from Section 4-41b-603 is renumbered and amended to read:

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

- (1) A cannabis processing facility may not produce a cannabis product in a physical form that:
- (a) {{}} is intended to appeal {{}} the facility knows or should know appeals}} to children; {{}} or {{}}
- (b) is designed to mimic or {could } be mistaken for {[] a candy product[.]; or
- (c) for a product used in vaporization, includes a candy-like flavor or another flavor that the facility knows or should know appeals to children.
- candy product.
- (2) A cannabis processing facility may not manufacture a cannabis product by applying a cannabis agent only to the surface of a pre-manufactured food product that is not produced by the cannabis processing facility. \{\frac{1}{2}}
- $\{\{\}\}$ (3) $\{\}$ (2) $\{\}$ A cannabis product may vary in the cannabis product's labeled $\{\{\}\}$ cannabis $\{\}$ profile by up to $\{\{\}\}$ 15% $\{\}$ of the indicated amount of a

given cannabinoid, by weight.

{[}(4){](3)} The department shall adopt{[},{]} by rule {[}made{]_} in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, human safety standards for {[}manufacture{] the manufacturing} of cannabis products that are consistent{[}, to the extent possible,{]} with {[}rules for similar products that do not contain{] best practices for the use of} cannabis.

Section {26}<u>22</u>. Section **4-41a-701**, which is renumbered from Section 4-41b-701 is renumbered and amended to read:

Part 7. Independent Cannabis Testing Laboratories

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

- (1) {[No] A medical cannabis pharmacy and the state central fill medical cannabis

 pharmacy may not offer any} No cannabis or cannabis product {[} may be offered {]} for sale

 {[} at a cannabis dispensary {]} unless { an independent cannabis testing laboratory has tested} a

 representative sample of the cannabis or cannabis product {[} has been tested by an independent

 cannabis testing laboratory {[} to determine:
- (a) {(i) } the amount of { total composite} tetrahydrocannabinol and cannabidiol in the cannabis or cannabis product; { and
- (ii) the amount of any other cannabinoid in the cannabis or cannabis product that the label claims the cannabis or cannabis product contains;}
- (b) that the presence of contaminants, including mold, fungus, pesticides, microbial contaminants, {heavy metals, } or foreign material, does not exceed an amount that is safe for human consumption; and
- (c) for a cannabis product that is manufactured using a process that involves extraction using hydrocarbons, that the cannabis product does not contain \{\}\text{an unhealthy}\{\}\text{a}\}\ level of a residual solvent\{\text{that is not safe for human consumption}\}.
- (2) {[]} The department may determine, by {] <u>By rule [made], in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department:</u>
- (i) may determine the amount of [a] any substance described in [Subsection (1)] Subsections (1)(b) and (c) that is safe for human consumption[.]; and
- (ii) shall establish protocols for a recall of cannabis or a cannabis product by a cannabis production establishment.

(3) The department may require testing for a toxin if: (a) the department receives information indicating the potential presence of a toxin; or (b) the department's inspector has reason to believe a toxin may be present based on the inspection of a facility. (4) The department shall establish by rule, rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the \{\text{standards, methods, practices, and}\} procedures for the testing of cannabis and cannabis products by independent cannabis testing laboratories. (5) The department may require an independent cannabis testing laboratory to participate in a proficiency evaluation that the department conducts or that an organization that the department approves conducts. Section 27 amount of a substance described in Subsection (1) that is safe for human consumption. Section 23. Section 4-41a-702, which is renumbered from Section 4-41b-702 is renumbered and amended to read: [4-41b-702]. 4-41a-702. Reporting -- Inspections -- Seizure by the department. (1) If an independent cannabis testing laboratory determines that the results of a lab test indicate that a cannabis or cannabis product batch may be unsafe for human \{\}\consumption, (a) the independent cannabis testing laboratory shall: [(a)] <u>(i)</u>}: (a) report the results and the cannabis or cannabis product batch to: $\{(i)\}\{(A)\}$ the department; and $\{\{\{i\}\}\}\}$ the cannabis production establishment that prepared the cannabis or cannabis product batch; { and} \$\frac{\{\}}{\(\)}\) retain possession of the cannabis or cannabis product batch for \$\frac{\{\}}{\(\)}\) one week { two weeks} in order to investigate the cause of the defective batch and to make a determination; and $\{\{\}\}$ $\{\{\}\}$ allow $\{\}\}$ the cannabis production establishment that prepared the

cannabis or cannabis product batch \text{\text{to} \text{may}} appeal the determination described in

Subsection $\{\{\}\}(1)(b)\{\{\}\}(1)(a)(ii)$ to the department $\}$.

- (2) If {[}, under Subsection (1)(b),{]} the department determines, {under Subsection (1)(a)(ii) or } following an appeal { under Subsection (1)(b)}, that a cannabis or cannabis product prepared by a cannabis production establishment is unsafe for human consumption, the department may seize, embargo, or destroy {, in the same manner as a cannabis production establishment under Section 4-41a-405,} the cannabis or cannabis product batch.
- { (3) If an independent cannabis testing laboratory determines that the results of a lab test indicate that the cannabinoid content of a cannabis or cannabis product batch diverges more than 10% from the amounts the label indicates, the cannabis processing facility may not sell the cannabis or cannabis product batch unless the facility replaces the incorrect label with a label that correctly indicates the cannabinoid content.
- Section \(\frac{28}{24}\). Section \(\frac{4-41a-801}{a-801}\), which is renumbered from Section 4-41b-801 is renumbered and amended to read:

Part 8. Enforcement

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

- (1) {{}} The department may, for a violation of this chapter by {{}} If} a person that is a cannabis production establishment or a cannabis production establishment agent { violates this chapter, the department may}:
- (a) revoke the person's license or cannabis production establishment agent registration card;
- (b) {{} refuse{{} decline}} to renew the person's license or cannabis production establishment agent registration card; or
 - (c) assess the person an administrative penalty { that } .
- (2) The department shall deposit an administrative penalty imposed under this section in the general fund.
- (3) (a) The department may take an action described in Subsection (3)(b) if the department {establishes by rule} concludes, upon inspection or investigation, that, for a person that is a cannabis production establishment or a cannabis production establishment agent:
- (i) the person has violated the provisions of this chapter, a rule made under this chapter, or an order issued under this chapter; or
 - (ii) the person produced cannabis or a cannabis product batch that contains a substance

that poses a threat to human health.

- (b) If the department makes the determination about a person described in Subsection (3)(a), the department shall:
 - (i) issue the person a written citation;
 - (ii) attempt to negotiate a stipulated settlement;
 - (iii) seize, embargo, or destroy the cannabis or cannabis product batch; and
- (iv) direct the person to appear before an adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative Procedures Act.
- (4) The department may, for a person subject to an uncontested citation, a stipulated settlement, or a finding of a violation in an adjudicative proceeding under this section:
- (a) assess the person a fine, established in accordance with Section 63J-1-504, of up to \$5,000 per violation, in accordance with a fine schedule established by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act {.}
 - (b) order the person to cease and desist from the action that creates a violation.
- (5) The department may not revoke a cannabis production establishment's license without first direct the cannabis production establishment to appear before an adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative Procedures Act.
- (6) If within 20 calendar days after the day on which a department serves a citation for a violation of this chapter, the person that is the subject of the citation fails to request a hearing to contest the citation, the citation becomes the department's final order.
- (7) The department may, for a person who fails to comply with a citation under this section:
- (a) refuse to issue or renew the person's license or cannabis production establishment agent registration card; or
- (b) suspend, revoke, or place on probation the person's license or cannabis production establishment registration card.
- (8) If the department makes a final determination under this section that an individual violated a provision of this chapter, the individual is guilty of an infraction.
- Section 25. Section 4-41a-802, which is renumbered from Section 4-41b-802 is renumbered and amended to read:

[4-41b-802]. <u>4-41a-802. Report.</u>

- (1) The department shall report annually to the Health and Human Services Interim

 Committee on the number of applications and renewal applications received, the number of
 each type of cannabis production facility licensed in each county, the amount of cannabis
 grown by licensees, the amount of cannabis manufactured into cannabis products by licensees,
 the number of licenses revoked, and the expenses incurred and revenues generated from the
 medical cannabis program.
 - (2) The department may not include personally identifying information in the report.

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

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

- (1) Except as provided in Subsection (2), a municipality may enact [an ordinance] a land use regulation imposing stricter requirements or higher standards than are required by this chapter[-] or by:
 - (a) Section 4-41a-405; or
 - (b) Section 26-61a-506.
- (2) A municipality may not impose [stricter requirements or higher standards than are required by:] a requirement or standard that conflicts with a provision of this chapter, other state law, or federal law.
 - [(a) Section 4-41b-405;]
 - [(b) Section 10-9a-305;]
 - [(c) Section 10-9a-514; and]
 - [(d) Section 26-60b-506.]

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

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

- (1) Except as provided in Subsection (2), a county may enact [an ordinance] a land use regulation imposing stricter requirements or higher standards than are required by this chapter[-] or by:
 - (a) Section 4-41a-405; or
 - (b) Section 26-61a-506.
- (2) A county may not impose [stricter requirements or higher standards than are required by:] a requirement or standard that conflicts with a provision of this chapter, other

state law, or federal law.

- [(a) Section 4-41b-405;]
- [(b) Section 17-27a-305;]
- [(c) Section 17-27a-513; and]
- [(d) Section 26-60b-506.]

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

CHAPTER 36d. HOSPITAL PROVIDER ASSESSMENT ACT

Part 1. General Provisions

26-36d-101. Title.

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

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

26-36d-102. Legislative findings.

- (1) The Legislature finds that there is an important state purpose to improve the access of Medicaid patients to quality care in Utah hospitals because of continuous decreases in state revenues and increases in enrollment under the Utah Medicaid program.
- (2) The Legislature finds that in order to improve this access to those persons described in Subsection (1):
- (a) the rates paid to Utah hospitals shall be adequate to encourage and support improved access; and
- (b) adequate funding shall be provided to increase the rates paid to Utah hospitals providing services pursuant to the Utah Medicaid program.

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

26-36d-103. Definitions.

As used in this chapter:

- (1) "Accountable care organization" means a managed care organization, as defined in 42 C.F.R. Sec. 438, that contracts with the department under the provisions of Section 26-18-405.
- (2) "Assessment" means the Medicaid hospital provider assessment established by this chapter.
- (3) "Discharges" means the number of total hospital discharges reported on worksheet S-3 Part I, column 15, lines 12, 14, and 14.01 of the 2552-96 Medicare Cost Report or on

Worksheet S-3 Part I, column 15, lines 14, 16, and 17 of the 2552-10 Medicare Cost Report for the applicable assessment year.

- (4) "Division" means the Division of Health Care Financing of the department.
- (5) "Hospital":
- (a) means a privately owned:
- (i) general acute hospital operating in the state as defined in Section 26-21-2; and
- (ii) specialty hospital operating in the state, which shall include a privately owned hospital whose inpatient admissions are predominantly:
 - (A) rehabilitation;
 - (B) psychiatric;
 - (C) chemical dependency; or
 - (D) long-term acute care services; and
 - (b) does not include:
 - (i) a human services program, as defined in Section 62A-2-101;
- (ii) a hospital owned by the federal government, including the Veterans Administration Hospital; or
- (iii) a hospital that is owned by the state government, a state agency, or a political subdivision of the state, including:
 - (A) a state-owned teaching hospital; and
 - (B) the Utah State Hospital.
- (6) "Medicare cost report" means CMS-2552-96 or CMS-2552-10, the cost report for electronic filing of hospitals.
 - (7) "State plan amendment" means a change or update to the state Medicaid plan.

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

Part 2. Application of Chapter

26-36d-201. Application of chapter.

- (1) Other than for the imposition of the assessment described in this chapter, nothing in this chapter shall affect the nonprofit or tax exempt status of any nonprofit charitable, religious, or educational health care provider under:
 - (a) Section 501(c), as amended, of the Internal Revenue Code;
 - (b) other applicable federal law;

- (c) any state law;
- (d) any ad valorem property taxes;
- (e) any sales or use taxes; or
- (f) any other taxes, fees, or assessments, whether imposed or sought to be imposed by the state or any political subdivision, county, municipality, district, authority, or any agency or department thereof.
- (2) All assessments paid under this chapter may be included as an allowable cost of a hospital for purposes of any applicable Medicaid reimbursement formula.
 - (3) This chapter does not authorize a political subdivision of the state to:
 - (a) license a hospital for revenue;
 - (b) impose a tax or assessment upon hospitals; or
 - (c) impose a tax or assessment measured by the income or earnings of a hospital. Section 32. Section 26-36d-202 is enacted to read:

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

- (1) A uniform, broad based, assessment is imposed on each hospital as defined in Subsection 26-36d-103(5)(a):
 - (a) in the amount designated in Section 26-36d-203; and
 - (b) in accordance with Section 26-36d-204.
- (2) (a) The assessment imposed by this chapter is due and payable on a quarterly basis in accordance with Section 26-36d-204.
- (b) The collecting agent for this assessment is the department which is vested with the administration and enforcement of this chapter, including the right to adopt administrative rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, necessary to:
 - (i) implement and enforce the provisions of this act; and
 - (ii) audit records of a facility:
 - (A) that is subject to the assessment imposed by this chapter; and
 - (B) does not file a Medicare cost report.
- (c) The department shall forward proceeds from the assessment imposed by this chapter to the state treasurer for deposit in the expendable special revenue fund as specified in Section 26-36d-207.
 - (3) The department may, by rule, extend the time for paying the assessment.

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

26-36d-203. Calculation of assessment.

- (1) (a) An annual assessment is payable on a quarterly basis for each hospital in an amount calculated at a uniform assessment rate for each hospital discharge, in accordance with this section.
- (b) The uniform assessment rate shall be determined using the total number of hospital discharges for assessed hospitals divided into the total non-federal portion in an amount consistent with Section 26-36d-205 that is needed to support capitated rates for accountable care organizations for purposes of hospital services provided to Medicaid enrollees.
- (c) Any quarterly changes to the uniform assessment rate shall be applied uniformly to all assessed hospitals.
 - (d) The annual uniform assessment rate may not generate more than:
 - (i) \$1,000,000 to offset Medicaid mandatory expenditures; and
- (ii) the non-federal share to seed amounts needed to support capitated rates for accountable care organizations as provided for in Subsection (1)(b).
- (2) (a) For each state fiscal year, discharges shall be determined using the data from each hospital's Medicare Cost Report contained in the Centers for Medicare and Medicaid

 Services' Healthcare Cost Report Information System file. The hospital's discharge data will be derived as follows:
- (i) for state fiscal year 2013, the hospital's cost report data for the hospital's fiscal year ending between July 1, 2009, and June 30, 2010;
- (ii) for state fiscal year 2014, the hospital's cost report data for the hospital's fiscal year ending between July 1, 2010, and June 30, 2011;
- (iii) for state fiscal year 2015, the hospital's cost report data for the hospital's fiscal year ending between July 1, 2011, and June 30, 2012;
- (iv) for state fiscal year 2016, the hospital's cost report data for the hospital's fiscal year ending between July 1, 2012, and June 30, 2013; and
- (v) for each subsequent state fiscal year, the hospital's cost report data for the hospital's fiscal year that ended in the state fiscal year two years prior to the assessment fiscal year.
- (b) If a hospital's fiscal year Medicare Cost Report is not contained in the Centers for Medicare and Medicaid Services' Healthcare Cost Report Information System file:

- (i) the hospital shall submit to the division a copy of the hospital's Medicare Cost

 Report applicable to the assessment year; and
 - (ii) the division shall determine the hospital's discharges.
- (c) If a hospital is not certified by the Medicare program and is not required to file a Medicare Cost Report:
- (i) the hospital shall submit to the division its applicable fiscal year discharges with supporting documentation;
- (ii) the division shall determine the hospital's discharges from the information submitted under Subsection (2)(c)(i); and
- (iii) the failure to submit discharge information shall result in an audit of the hospital's records and a penalty equal to 5% of the calculated assessment.
- (3) Except as provided in Subsection (4), if a hospital is owned by an organization that owns more than one hospital in the state:
- (a) the assessment for each hospital shall be separately calculated by the department; and
 - (b) each separate hospital shall pay the assessment imposed by this chapter.
- (4) Notwithstanding the requirement of Subsection (3), if multiple hospitals use the same Medicaid provider number:
- (a) the department shall calculate the assessment in the aggregate for the hospitals using the same Medicaid provider number; and
 - (b) the hospitals may pay the assessment in the aggregate.

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

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

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

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

<u>26-36d-205. Medicaid hospital adjustment under accountable care organization</u> <u>rates.</u>

To preserve and improve access to hospital services, the division shall, for accountable care organization rates effective on or after April 1, 2013, incorporate an annualized amount equal to \$154,000,000 into the accountable care organization rate structure calculation

consistent with the certified actuarial rate range.

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

26-36d-206. Penalties and interest.

- (1) A facility that fails to pay any assessment or file a return as required under this chapter, within the time required by this chapter, shall pay, in addition to the assessment, penalties and interest established by the department.
- (2) (a) Consistent with Subsection (2)(b), the department shall adopt rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, which establish reasonable penalties and interest for the violations described in Subsection (1).
- (b) If a hospital fails to timely pay the full amount of a quarterly assessment, the department shall add to the assessment:
- (i) a penalty equal to 5% of the quarterly amount not paid on or before the due date; and
- (ii) on the last day of each quarter after the due date until the assessed amount and the penalty imposed under Subsection (2)(b)(i) are paid in full, an additional 5% penalty on:
 - (A) any unpaid quarterly assessment; and
 - (B) any unpaid penalty assessment.
- (c) Upon making a record of its actions, and upon reasonable cause shown, the division may waive, reduce, or compromise any of the penalties imposed under this part.

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

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

- (1) There is created an expendable special revenue fund known as the "Hospital Provider Assessment Expendable Revenue Fund."
 - (2) The fund shall consist of:
 - (a) the assessments collected by the department under this chapter;
 - (b) any interest and penalties levied with the administration of this chapter; and
- (c) any other funds received as donations for the fund and appropriations from other sources.
 - (3) Money in the fund shall be used:
- (a) to support capitated rates consistent with Subsection 26-36d-203(1)(d) for accountable care organizations; and

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

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

26-36d-208. Repeal of assessment.

- (1) The repeal of the assessment imposed by this chapter shall occur upon the certification by the executive director of the department that the sooner of the following has occurred:
- (a) the effective date of any action by Congress that would disqualify the assessment imposed by this chapter from counting toward state Medicaid funds available to be used to determine the federal financial participation;
- (b) the effective date of any decision, enactment, or other determination by the Legislature or by any court, officer, department, or agency of the state, or of the federal government that has the effect of:
- (i) disqualifying the assessment from counting towards state Medicaid funds available to be used to determine federal financial participation for Medicaid matching funds; or
- (ii) creating for any reason a failure of the state to use the assessments for the Medicaid program as described in this chapter;
 - (c) the effective date of:
- (i) an appropriation for any state fiscal year from the General Fund for hospital payments under the state Medicaid program that is less than the amount appropriated for state fiscal year 2012;
- (ii) the annual revenues of the state General Fund budget return to the level that was appropriated for fiscal year 2008;
- (iii) a division change in rules that reduces any of the following below July 1, 2011 payments:
 - (A) aggregate hospital inpatient payments;
 - (B) adjustment payment rates; or
 - (C) any cost settlement protocol; or
- (iv) a division change in rules that reduces the aggregate outpatient payments below July 1, 2011 payments; and
 - (d) the sunset of this chapter in accordance with Section 63I-1-226.

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

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

CHAPTER 61a. MEDICAL CANNABIS ACT

[26-60b-101]. <u>26-61a-101. Title.</u>

This chapter is known as "Medical Cannabis Act."

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

[26-60b-102]. <u>26-61a-102</u>. Definitions.

As used in this chapter:

- (1) "Cannabis" means the same as that term is defined in Section [58-37-3.6b] 58-37-3.9.
- (2) "Cannabis cultivation facility" means the same as that term is defined in Section [4-41b-102] 4-41a-102.
 - (3) "Cannabis dispensary" means a person that:
- (a) acquires or intends to acquire cannabis or a cannabis product from a cannabis production establishment and acquires or intends to acquire a medical cannabis device;
 - (b) possesses cannabis, a cannabis product, or a medical cannabis device; and
 - (c) sells or intends to sell cannabis, a cannabis product, or a medical cannabis device.
- (4) "Cannabis dispensary agent" means an owner, officer, director, board member, employee, or volunteer of a cannabis dispensary.
- (5) "Cannabis dispensary agent registration card" means a registration card issued by the department that authorizes an individual to act as a cannabis dispensary agent.
- (6) "Cannabis processing facility" means the same as that term is defined in Section [4-41b-102] 4-41a-102.
 - (7) "Cannabis product" means the same as that term is defined in Section 58-37-3.9.

- (8) "Cannabis production establishment agent" means the same as that term is defined in Section [4-41b-102] 4-41a-102.
- (9) "Cannabis production establishment agent registration card" means the same as that term is defined in Section [4-41b-102] 4-41a-102.
- (10) "Community location" means a public or private school, a church, a public library, a public playground, or a public park.
 - (11) "Designated caregiver" means an individual:
- (a) whom a patient with a medical cannabis card designates as the patient's caregiver; and
 - (b) registers with the department under Section [26-60b-202] 26-61a-202.
- (12) "Independent cannabis testing laboratory" means the same as that term is defined in Section [4-41b-102] 4-41a-102.
- (13) "Inventory control system" means the system described in Section [4-41b-103] 4-41a-103.
- (14) "Medical cannabis card" means an official card issued by the department to an individual with a qualifying illness, or the individual's designated caregiver under this chapter, that is connected to the electronic verification system.
- (15) "Medical cannabis device" means the same as that term is defined in Section 58-37-3.9.
- (16) "Medical Cannabis Restricted Account" means the account created in Section [26-60b-109] 26-61a-109.
- (17) "Physician" means an individual who is qualified to recommend cannabis under Section [26-60b-107] 26-61a-107.
- (18) "Qualifying illness" means a condition described in Section [26-60b-105] 26-61a-105.
- (19) "State electronic verification system" means the system described in Section [26-60b-103] 26-61a-103.
- <u>Section 41. Section 26-61a-103</u>, which is renumbered from Section 26-60b-103 is renumbered and amended to read:
 - [26-60b-103]. <u>26-61a-103. Electronic verification system.</u>
 - (1) The Department of Agriculture and Food, the Department of Health, the

Department of Public Safety, and the Department of Technology Services shall:

- (a) enter into a memorandum of understanding in order to determine the function and operation of an electronic verification system;
- (b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah

 Procurement Code, to develop a request for proposals for a third-party provider to develop and

 maintain an electronic verification system in coordination with the Department of Technology

 Services; and
 - (c) select a third-party provider described in Subsection (1)(b).
 - (2) The electronic verification system described in Subsection (1) shall:
- (a) allow an individual, with the individual's physician in the physician's office, to apply for a medical cannabis card;
- (b) allow a physician to electronically recommend, during a visit with a patient, treatment with cannabis or a cannabis product;
- (c) connect with an inventory control system used by a cannabis dispensary to track, in real time, and to archive for no more than 60 days, purchase history of cannabis or a cannabis product by a medical cannabis card holder, including the time and date of the purchase, the quantity and type of cannabis or cannabis product purchased, and any cannabis production establishment and cannabis dispensary associated with the cannabis or cannabis product;
- (d) provide access to the Department of Health and the Department of Agriculture and Food to the extent necessary to carry out the Department of Health's and the Department of Agriculture and Food's functions and responsibilities under this chapter and under Title 4.

 Chapter [41b] 41a, Cannabis Production [Establishment] Establishments;
- (e) provide access to state or local law enforcement during a traffic stop for the purpose of determining if the individual subject to the traffic stop is complying with state medical cannabis law, or after obtaining a warrant;
- (f) create a record each time a person accesses the database that identifies the person who accessed the database and the individual whose records are accessed; and
 - (g) [(9)] be operational no later than March 1, 2020.
- (3) The Department of Health may release de-identified data collected by the system for the purpose of conducting medical research and for providing the report required by Section [26-60b-602] 26-61a-602.

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

[26-60b-104]. <u>26-61a-104. Preemption.</u>

<u>This chapter preempts any ordinance or rule enacted by a political subdivision of the</u>
state regarding a cannabis dispensary or a medical cannabis card.

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

[26-60b-105]. <u>26-61a-105. Qualifying illness.</u>

- (1) For the purposes of this chapter, the following conditions are considered a qualifying illness:
 - (a) HIV, acquired immune deficiency syndrome or an autoimmune disorder;
 - (b) Alzheimer's disease;
 - (c) amyotrophic lateral sclerosis;
- (d) cancer, cachexia, or a condition manifest by physical wasting, nausea, or malnutrition associated with chronic disease;
 - (e) Crohn's disease, ulcerative colitis, or a similar gastrointestinal disorder;
 - (f) epilepsy or a similar condition that causes debilitating seizures;
- (g) multiple sclerosis or a similar condition that causes persistent and debilitating muscle spasms;
 - (h) post-traumatic stress disorder;
 - (i) autism:
- (j) a rare condition or disease that affects less than 200,000 persons in the United States, as defined in Section 526 of the Federal Food, Drug, and Cosmetic Act; and
 - (k) chronic or debilitating pain in an individual, if:
- (i) a physician determines that the individual is at risk of becoming chemically dependent on, or overdosing on, opiate-based pain medication; or
- (ii) a physician determines that the individual is allergic to opiates or is otherwise medically unable to use opiates.
- (2) In addition to the conditions described in Subsection (1), a condition approved under Section [26-60b-106] 26-61a-106, in an individual, on a case-by-case basis, is considered a qualifying illness for the purposes of this chapter.

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

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

- (1) The department shall establish a Compassionate Use Board consisting of:
- (a) five physicians who are knowledgeable about the medicinal use of cannabis and certified by the appropriate board in one of the following specialties: neurology, pain medicine and pain management, medical oncology, psychiatry, infectious disease, internal medicine, pediatrics, and gastroenterology; and
- (b) the director of the Department of Health or the director's designee as a non-voting member.
- (2) (a) Two of the members of the board first appointed shall serve for a term of three years and two of the members of the board first appointed shall serve for a term of four years.
- (b) After the first members' terms expire, members of the board shall serve for a term of four years and shall be eligible for reappointment.
 - (c) Any member of the board may serve until a successor is appointed.
- (d) The director of the Department of Health or the director's designee shall serve as the chair of the board.
 - (3) A quorum of the Compassionate Use Board shall consist of three members.
- (4) A member of the board may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with Section 63A-3-106, Section 63A-3-107, and rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.
 - (5) The Compassionate Use Board shall:
- (a) review and recommend to the department approval for an individual who is not otherwise qualified to receive a medical cannabis card to obtain a medical cannabis card for compassionate use if:
- (i) the individual offers, in the board's discretion, satisfactory evidence that the individual suffers from a condition that substantially impairs the individual's quality of life and is intractable; and
- (ii) the board determines it is in the best interest of the patient to allow the compassionate use of medical cannabis;

- (b) meet to receive or review compassionate use petitions quarterly, unless no petitions are pending, or as often as necessary if there are more petitions than the board can receive or review during the board's regular schedule;
- (c) complete a review of each petition and recommend approval or denial of the applicant for qualification for a medical cannabis card within 90 days of receipt; and
- (d) report, before November 1 of each year, to the Health and Human Services Interim

 Committee, the number of compassionate use approvals the board issued during the past year

 and the types of conditions for which the board approved compassionate use.
- (6) The department shall review any compassionate use approved by the board under this section to determine if the board properly exercised the board's discretion under this section.
- (7) If the department determines the board properly approved an individual for compassionate use under this section, the department shall issue a medical cannabis card.
- (8) Any individually identifiable health information contained in a petition received under this section shall be a protected record in accordance with Title 63G, Chapter 2, Government Records Access and Management Act.
- (9) The Compassionate Use Board may recommend to the Health and Human Services Interim Committee:
- (a) a condition to designate as a qualifying illness under Section [26-60b-105] 26-61a-105; or
- (b) a condition to remove as a qualifying illness under Section [26-60b-105] 26-61a-105.
- Section 45. Section 26-61a-107, which is renumbered from Section 26-60b-107 is renumbered and amended to read:

[26-60b-107]. <u>26-61a-107. Physician qualification.</u>

- (1) For the purposes of this chapter, a physician means an individual, other than a veterinarian, who is licensed to prescribe a controlled substance under Title 58, Chapter 37, Utah Controlled Substances Act, and who possesses the authority, in accordance with the individual's scope of practice, to prescribe Schedule II controlled substances.
- (2) A physician may recommend cannabis if the physician recommends cannabis to no more than 20% of the physician's patients at any given time.

- (3) A physician may recommend cannabis to greater than 20% of the physician's patients if the physician is certified, by the appropriate American medical board, in one of the following specialties: anesthesiology, gastroenterology, neurology, oncology, pain and palliative care, physiatry, or psychiatry.
- (4) A physician may recommend cannabis to an individual under this chapter only in the course of a physician-patient relationship after the physician has completed a full assessment of the patient's condition and medical history.
- (5) (a) Except as provided in Subsection (5)(b), a physician eligible to recommend cannabis or a cannabis product under this section may not advertise that the physician recommends cannabis or a cannabis product.
 - (b) A physician may advertise via a website that displays only:
 - (i) a green cross;
 - (ii) the location and hours of operation of the physician's office;
 - (iii) a qualifying illness that the physician treats; and
 - (iv) a scientific study regarding cannabis use.

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

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

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

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

[26-60b-109]. 26-61a-109. Medical Cannabis Restricted Account -Creation.

- (1) There is created in the General Fund a restricted account known as the "Medical Cannabis Restricted Account."
 - (2) The account created in this section is funded from:
 - (a) money deposited into the account by the Department of Agriculture and Food under

Title 4, Chapter [41b] 41a, Cannabis Production Establishments;

- (b) money deposited into the account by the department under this chapter;
- (c) appropriations made to the account by the Legislature; and
- (d) the interest described in Subsection (3).
- (3) Interest earned on the account is deposited in the account.
- (4) Money in the account may only be used to fund the state medical cannabis program, including Title 26, Chapter [60b] 61a, Medical Cannabis Act and Title 4, Chapter [41b] 41a, Cannabis Production Establishments.

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

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

- (1) For purposes of medical care, including organ and tissue transplants, the use of cannabis by a patient who holds a medical cannabis card in accordance with this chapter is considered the equivalent of the authorized use of any other medication used at the discretion of a physician and does not constitute the use of an illicit substance or otherwise disqualify an individual from needed medical care.
- (2) No landlord may refuse to lease to and may not otherwise penalize a person solely for the person's status as a medical cannabis card holder, unless failing to do so would cause the landlord to lose a monetary or licensing-related benefit under federal law.

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

Part 2. Medical Cannabis Card Registration

<u>[26-60b-201].</u> <u>26-61a-201. Medical cannabis card -- Application -- Fees --</u> Database.

- (1) The Department of Health shall, no later than March 1, 2020, and within 15 days after an individual submits an application in compliance with this section, issue a medical cannabis card to an individual who complies with this section.
 - (2) An individual is eligible for a medical cannabis card if:
- (a) the individual is at least 18 years old, the individual is a Utah resident, and treatment with medical cannabis has been recommended by the individual's physician under

Subsection (4); or

- (b) the individual is the parent or legal guardian of a minor, the individual is at least 18 years old, the individual is a Utah resident, and treatment with medical cannabis has been recommended by the minor's physician under Subsection (4).
- (3) An individual who is eligible for a medical cannabis card under Subsection (2) shall submit an application for a medical cannabis card to the department via an electronic application connected to the electronic verification system, with the recommending physician while in the recommending physician's office, and that includes the individual's name, gender, age, and address.
- (4) A physician who recommends treatment with medical cannabis to an individual or minor shall:
- (a) state in the physician's recommendation that the individual suffers from a qualifying illness, including the type of qualifying illness, and that the individual may benefit from treatment with cannabis or a cannabis product; and
- (b) before recommending cannabis or a cannabis product, look up the individual in the controlled substance database created in Section 58-37f-201.
- (5) A medical cannabis card issued by the department under this section is valid for the lesser of an amount of time determined by the physician or six months.
 - (6) An individual who has been issued a medical cannabis card under this section may:
 - (a) carry a valid medical cannabis card with the patient's name;
- (b) purchase, possess, and transport, in accordance with this chapter, cannabis, a cannabis product, or a medical cannabis device;
- (c) use or assist with the use of medical cannabis or medical cannabis products to treat

 the qualifying illness or symptoms associated with the qualifying illness of the person for

 whom medical cannabis has been recommended; and
- (d) after January 1, 2021, if a licensed cannabis dispensary is not operating within 100 miles of the medical cannabis card holder's primary residence, grow up to six cannabis plants for personal medical use within an enclosed and locked space and not within view from a public place and that is not within 600 feet of a community location or within 300 feet of an area zoned exclusively for residential use, as measured from the nearest entrance to the space and following the shortest route or ordinary pedestrian travel to the property boundary of the

community location or residential area.

-- Registration -- Renewal -- Revocation.

- (7) The department may establish procedures, by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to implement the medical cannabis card application and issuance provisions of this section.
- (8) (a) A person may submit, to the department, a request to conduct a medical research study using medical cannabis cardholder data contained in the electronic verification system.
- (b) The department shall review a request submitted under Subsection (8)(a) to determine if the medical research study is valid.
- (c) If the department determines that the medical research study is valid under Subsection (8)(b), the department shall notify a relevant medical cannabis cardholder asking for the medical cannabis cardholder's participation in the study.
- (d) The department may release, for the purposes of a study, information about a medical cannabis cardholder who consents to participation under Subsection (8)(c).
- (e) The department may establish standards for a medical research study's validity, by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

 Section 50. Section 26-61a-202, which is renumbered from Section 26-60b-202 is

renumbered and amended to read:

26-60b-202].

26-61a-202. Medical cannabis card --- Designated caregiver

- (1) An individual may designate up to two individuals to serve as designated caregivers for the individual if:
- (a) the individual has a valid medical cannabis card under Section [26-60b-201] 26-61a-201; and
- (b) a physician determines that, due to physical difficulty or undue hardship, the individual needs assistance to obtain cannabis or a cannabis product from a cannabis dispensary.
 - (2) An individual registered as a designated caregiver under this section may:
- (a) carry a valid medical cannabis card with the designating patient's name and the designated caregiver's name;
- (b) purchase, possess, and transport, in accordance with this chapter, cannabis, a cannabis product, or a medical cannabis device on behalf of the designating patient;

- (c) accept reimbursement from the designating patient for direct costs incurred by the designated caregiver for assisting with the designating patient's medicinal use of cannabis; and
- (d) after January 1, 2021, if a licensed cannabis dispensary is not operating within 100 miles of the designating patient's primary residence, assist the designating patient with growing up to six cannabis plants for personal medicinal use within an enclosed and locked space and not within view from a public place and that is not within 600 feet of a community location or within 300 feet of an area zoned exclusively for residential use, as measured from the nearest entrance to the space and following the shortest route or ordinary pedestrian travel to the property boundary of the community location or residential area.
- (3) The department shall, within 30 days after an individual submits an application in compliance with this section, issue a medical cannabis card to an individual designated as a caregiver under Subsection (1) and who complies with this section.
- (4) An individual is eligible for a medical cannabis card as a designated caregiver if the individual:
 - (a) is at least 18 years old;
 - (b) is a Utah resident;
- (c) pays, to the department, a fee established by the department in accordance with Section 63J-1-504, plus the cost of a criminal background check required by Section [26-60b-203] 26-61a-203; and
- (d) has not been convicted of an offense that is a felony under either state or federal law, unless any sentence imposed was completed seven or more years earlier.
- (5) An individual who is eligible for a medical cannabis card as a designated caregiver shall submit an application for a medical cannabis card to the department via an electronic application connected to the electronic verification system and shall include the individual's name, gender, age, and address and the name of the patient that designated the individual under Subsection (1).
- (6) A medical cannabis card issued by the department under this section is valid for the lesser of an amount of time determined by the physician, by the patient, or 6 months.
- (7) A medical cannabis card is renewable for a designated caregiver if, at the time of renewal:
 - (a) the individual with a medical cannabis card described in Subsection (1) renews the

caregiver's designation; and

- (b) the designated caregiver meets the requirements of Subsection (4).
- (8) A designated caregiver may not charge an individual a fee to act as the individual's designated caregiver or for services provided.
- (9) The Department of Health may revoke a designated caregiver's medical cannabis card if the individual:
 - (a) violates this chapter; or
 - (b) is convicted of an offense that is a felony under either state or federal law.
- Section 51. Section 26-61a-203, which is renumbered from Section 26-60b-203 is renumbered and amended to read:
- [26-60b-203]. 26-61a-203. Designated caregiver -- Criminal background check.
- (1) An individual registered as a designated caregiver under Section [26-60b-202] 26-61a-202 shall submit to a criminal background check in accordance with Subsection (2).
 - (2) Each designated caregiver shall:
- (a) submit, to the department, a fingerprint card in a form acceptable to the department and the Department of Public Safety; and
 - (b) consent to a fingerprint background check by:
 - (i) the Utah Bureau of Criminal Identification; and
 - (ii) the Federal Bureau of Investigation.
- (3) The Department of Public Safety shall complete a Federal Bureau of Investigation
 Criminal Background Check for each designated caregiver under Subsection (2) and report the
 results of the background check to the department.
- Section 52. Section 26-61a-204, which is renumbered from Section 26-60b-204 is renumbered and amended to read:
- [26-60b-204]. 26-61a-204. Medical cannabis card -- Patient and designated caregiver requirements -- Rebuttable presumption.
- (1) An individual who has a medical cannabis card and who possesses cannabis or a cannabis product outside of the individual's residence shall:
 - (a) carry, with the individual at all times, the individual's medical cannabis card;
 - (b) carry, with the cannabis or cannabis product, a label that identifies that the cannabis

- or cannabis product was originally sold from a licensed cannabis dispensary and includes an identification number that links the cannabis or cannabis product to the inventory control system; and
- (c) possess not more than four ounces of unprocessed cannabis or an amount of cannabis product that contains 20 or fewer grams of tetrahydrocannabinol or cannabidiol.
- (2) (a) Except as described in Subsection (2)(b), an individual who has a medical cannabis card may not use cannabis or a cannabis product in public view.
- (b) An individual may use cannabis or a cannabis product in public view in the event of a medical emergency.
- (3) If an individual possesses cannabis or a cannabis product in compliance with Subsection (1), or a medical cannabis device that corresponds with the cannabis or cannabis product:
- (a) there is a rebuttable presumption that the individual possesses the cannabis, cannabis product, or medical cannabis device legally; and
- (b) a law enforcement officer does not have probable cause, based solely on the individual's possession of the cannabis, cannabis product, or medical cannabis device, to believe that the individual is engaging in illegal activity.
- (4) (a) If a law enforcement officer stops an individual who possesses cannabis, a cannabis product, or a medical cannabis device, and the individual represents to the law enforcement officer that the individual holds a valid medical cannabis card, but the individual does not have the medical cannabis card in the individual's possession at the time of the stop by the law enforcement officer, the law enforcement officer shall attempt to access the electronic verification system to determine whether the individual holds a valid medical cannabis card.
- (b) If the law enforcement officer is able to verify that the individual described in Subsection (4)(a) holds a valid medical cannabis card, the law enforcement officer:
- (i) may not arrest or take the individual into custody for the sole reason that the individual is in possession of cannabis, a cannabis product, or a medical cannabis device; and
 - (ii) may not seize the cannabis, cannabis product, or medical cannabis device.
- (5) An individual who possesses cannabis, a cannabis product, or a medical cannabis device in violation of Subsection (1)(a) or Subsection 1(b) is guilty of an infraction and subject to a \$100 fine.

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

Part 3. Cannabis Dispensary License

- [26-60b-301]. <u>26-61a-301. Cannabis dispensary -- License -- Eligibility.</u>
- (1) A person may not operate as a cannabis dispensary without a license issued by the department issued under this part.
- (2) Subject to [Subsections] Subsection (5) and to Section [26-60b-304] 26-61a-304, the department shall, within 90 business days after receiving a complete application, issue a license to operate a cannabis dispensary to a person who submits to the department:
- (a) a proposed name and address where the person will operate the cannabis dispensary that is not within 600 feet of a community location or within 300 feet of an area zoned exclusively for residential use, as measured from the nearest entrance to the cannabis production establishment by following the shortest route of ordinary pedestrian travel to the property boundary of the community location or residential area;
- (b) the name and address of any individual who has a financial or voting interest of two percent or greater in the proposed cannabis dispensary or who has the power to direct or cause the management or control of a proposed cannabis production establishment;
- (c) financial statements demonstrating that the person possesses a minimum of \$250,000 in liquid assets available for each application submitted to the department;
- (d) an operating plan that complies with Section [26-60b-303] 26-61a-303 and that includes operating procedures to comply with the operating requirements for a cannabis dispensary described in this chapter and with any laws adopted by the municipality or county that are consistent with Section [26-60b-506] 26-61a-506;
- (e) if the municipality or county where the proposed cannabis production establishment would be located has enacted zoning restrictions, a sworn statement certifying that the proposed cannabis dispensary is in compliance with the restrictions;
- (f) if the municipality or county where the proposed cannabis dispensary would be located requires a local permit or license, a copy of the application for the local permit or license; and
- (g) an application fee established by the department in accordance with Section 63J-1-504 that is necessary to cover the department's cost to implement this part[;].

- [(4)] (3) If the department determines that a cannabis dispensary is eligible for a license under this section, the department shall charge the cannabis dispensary an initial license fee in an amount determined by the department in accordance with Section 63J-1-504.
- [(5)] (4) The department may not issue a license to operate a cannabis dispensary to an applicant if any individual who has a financial or voter interest of two percent or greater in the cannabis dispensary applicant or who has power to direct or cause the management or control of the applicant:
 - (a) has been convicted of an offense that is a felony under either state or federal law; or(b) is less than 21 years of age.
- [(6)] (5) The department may revoke a license under this part if the cannabis dispensary is not operating within one year of the issuance of the initial license.
- [(7)] (6) The department shall deposit the proceeds of a fee imposed by this section in the Medical Cannabis Restricted Account.
- [(8)] (7) The department shall begin accepting applications under this part no later than March 1, 2020.
- Section 54. Section 26-61a-302, which is renumbered from Section 26-60b-302 is renumbered and amended to read:

[26-60b-302]. 26-61a-302. Renewal.

- (1) Except as provided in Subsection (3), the department shall renew a person's license under this part every two years if, at the time of renewal:
 - (a) the person meets the requirements of Section [26-60b-301] 26-61a-301; and
- (b) the person pays the department a license renewal fee in an amount determined by the department in accordance with Section 63J-1-504.
- (2) (a) If a licensed cannabis dispensary abandons the cannabis dispensary's license, the department shall publish notice of an available license in a newspaper of general circulation for the geographic area in which the cannabis dispensary license is available or on the Utah Public Notice Website established in Section 63F-1-701.
- (b) The department may establish criteria, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for what actions by a cannabis dispensary constitute abandonment of a cannabis dispensary license.
 - Section 55. Section 26-61a-303, which is renumbered from Section 26-60b-303 is

renumbered and amended to read:

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

- [(1)] A person applying for a cannabis dispensary license shall submit to the department a proposed operation plan for the cannabis dispensary that complies with this section and that includes:
- [(a)] (1) a description of the physical characteristics of the proposed facility, including a floor plan and an architectural elevation;
 - [(b)] (2) a description of the credentials and experience of:
 - [(i)] (a) each officer, director, or owner of the proposed cannabis dispensary; and
 - [(ii)] (b) any highly skilled or experienced prospective employee;
 - [(c)] (3) the cannabis dispensary's employee training standards;
 - [(d)] (4) a security plan; and
- [(e)] (5) a description of the cannabis dispensary's inventory control system, including a plan to make the inventory control system compatible with the electronic verification system.
- Section 56. Section 26-61a-304, which is renumbered from Section 26-60b-304 is renumbered and amended to read:

[26-60b-304]. <u>26-61a-304. Maximum number of licenses.</u>

- (1) The department may not issue more than the greater of, in each county in the state:
- (a) one cannabis dispensary license; or
- (b) an amount of cannabis dispensary licenses equal to the number of residents in the county divided by 150,000, rounded up to the nearest greater whole number.
- (2) If there are more qualified applicants than there are available licenses for cannabis dispensaries, the department shall evaluate the applicants and award the license to the applicant that best demonstrates:
- (a) experience with establishing and successfully operating a business that involves complying with a regulatory environment, tracking inventory, and training, evaluating, and monitoring employees;
- (b) an operating plan that will best ensure the safety and security of patrons and the community;
 - (c) positive connections to the local community;
 - (d) the suitability of the proposed location and its accessibility for qualifying patients;

and

- (e) the extent to which the applicant can reduce the cost of cannabis or cannabis products for patients.
- (3) The department may conduct a face-to-face interview with an applicant for a license that the department evaluates under Subsection (2).
- Section 57. Section 26-61a-401, which is renumbered from Section 26-60b-401 is renumbered and amended to read:

Part 4. Cannabis Dispensary Agents

[26-60b-401]. <u>26-61a-401. Cannabis dispensary agent -- Registration.</u>

- (1) An individual may not serve as a cannabis dispensary agent of a cannabis dispensary unless the individual is registered by the department as a cannabis dispensary agent.
 - (2) A physician may not act as a cannabis dispensary agent.
- (3) The department shall, within 15 days after receiving a complete application from a cannabis dispensary on behalf of a prospective cannabis dispensary agent, register and issue a cannabis dispensary agent registration card to an individual who:
- (a) provides to the department the individual's name and address and the name and location of the licensed cannabis dispensary where the individual seeks to act as the cannabis dispensary agent; and
- (b) pays a fee to the department, in an amount determined by the department in accordance with Section 63J-1-504, that is necessary to cover the department's cost to implement this part.
- (4) The department shall designate, on an individual's cannabis dispensary agent registration card, the name of the cannabis dispensary where the individual is registered as an agent.
- (5) A cannabis dispensary agent shall comply with a certification standard developed by the department, or a third party certification standard designated by the department, by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
 - (6) The certification standard described in Subsection (5) shall include training in:
 - (a) Utah medical cannabis law; and
 - (b) cannabis dispensary best practices.
 - (7) The department may revoke or refuse to issue the cannabis dispensary agent

registration card of an individual who:

- (a) violates the requirements of this chapter; or
- (b) is convicted of an offense that is a felony under state or federal law.

Section 58. Section 26-61a-402, which is renumbered from Section 26-60b-402 is renumbered and amended to read:

<u>[26-60b-402].</u> <u>26-61a-402. Cannabis dispensary agents -- Criminal background checks.</u>

- (1) Each applicant shall submit, at the time of application, from each individual who has a financial or voting interest of two percent or greater in the applicant or who has the power to direct or cause the management or control of the applicant:
 - (a) a fingerprint card in a form acceptable to the department; and
- (b) consent to a fingerprint background check by the Utah Bureau of Criminal Identification and the Federal Bureau of Investigation.
- (2) The department shall request that the Department of Public Safety complete a Federal Bureau of Investigation criminal background check for each individual described in Subsection (1).
- Section 59. Section 26-61a-403, which is renumbered from Section 26-60b-403 is renumbered and amended to read:

[26-60b-403]. 26-61a-403. Cannabis dispensary agent registration card -Rebuttable presumption.

- (1) A cannabis dispensary agent who is registered with the department under [section]

 [26-60b-401] Section 26-61a-401 shall carry the individual's cannabis dispensary agent

 registration card with the individual at all times when:
 - (a) the individual is on the premises of a cannabis dispensary; and
- (b) the individual is transporting cannabis, a cannabis product, or a medical cannabis device between two cannabis production establishments or between a cannabis production establishment and a cannabis dispensary.
- (2) If an individual handling cannabis, a cannabis product, or a medical cannabis device at a cannabis dispensary, or transporting cannabis, a cannabis product, or a medical cannabis device, possesses the cannabis, cannabis product, or medical cannabis device in compliance with Subsection (1):

- (a) there is a rebuttable presumption that the individual possesses the cannabis, cannabis product, or medical cannabis device legally; and
- (b) a law enforcement officer does not have probable cause, based solely on the individual's possession of the cannabis, cannabis product, or medical cannabis device in compliance with Subsection (1), to believe that the individual is engaging in illegal activity.
 - (3) An individual who violates Subsection (1) is:
 - (a) guilty of an infraction; and
 - (b) is subject to a \$100 fine.

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

Part 5. Cannabis Dispensary Operation

[26-60b-501]. <u>26-61a-501. Operating requirements -- General.</u>

- (1) (a) A cannabis dispensary shall operate in accordance with the operating plan provided to the department under Section [26-60b-303] 26-61a-303.
- (b) A cannabis dispensary shall notify the department before a change in the cannabis dispensary's operating plan.
 - (2) A cannabis dispensary shall operate:
- (a) except as provided in Subsection (5), in a facility that is accessible only by an individual with a valid cannabis dispensary agent registration card or a medical cannabis card; and
- (b) at the physical address provided to the department under Section [26-60b-301] 26-61a-301.
- (3) A cannabis dispensary may not employ any person who is younger than 21 years of age.
- (4) A cannabis dispensary shall conduct a background check into the criminal history of every person who will become an agent of the cannabis dispensary and may not employ any person who has been convicted of an offense that is a felony under either state or federal law.
- (5) A cannabis dispensary may authorize an individual who is not a cannabis dispensary agent to access the cannabis dispensary if the cannabis dispensary tracks and monitors the individual at all times while the individual is at the cannabis dispensary and maintains a record of the individual's access.

- (6) A cannabis dispensary shall operate in a facility that has:
- (a) a single, secure public entrance;
- (b) a security system with a backup power source that:
- (i) detects and records entry into the cannabis dispensary; and
- (ii) provides notice of an unauthorized entry to law enforcement when the cannabis dispensary is closed; and
- (c) a lock on any area where the cannabis dispensary stores cannabis or a cannabis product.
- (7) A cannabis dispensary shall post, clearly and conspicuously in the cannabis dispensary, the limit on the purchase of cannabis described in Subsection [26-60b-502(3)] 26-61a-502(3).
- (8) A cannabis dispensary may not allow any individual to consume cannabis on the property or premises of the cannabis dispensary.
- (9) A cannabis dispensary may not sell cannabis or a cannabis product without first indicating on the cannabis or cannabis product label the name of the cannabis dispensary.
- Section 61. Section 26-61a-502, which is renumbered from Section 26-60b-502 is renumbered and amended to read:
- <u>[26-60b-502].</u> <u>26-61a-502. Dispensing -- Amount a cannabis dispensary</u> may dispense -- Reporting -- Form of cannabis or cannabis product.
 - (1) A cannabis dispensary may only sell, subject to this chapter:
 - (a) cannabis;
 - (b) a cannabis product;
 - (c) a medical cannabis device; or
 - (d) educational materials related to the medical use of cannabis.
- (2) A cannabis dispensary may only sell the items listed in Subsection (1) to an individual with a medical cannabis card issued by the department.
- (3) A cannabis dispensary may not dispense on behalf of any one individual with a medical cannabis card, in any one 14-day period:
 - (a) an amount of unprocessed cannabis that exceeds two ounces by weight; or
- (b) an amount of cannabis products that contains, in total, greater than 10 grams of tetrahydrocannabinol or cannabidiol.

- (4) An individual with a medical cannabis card may not purchase more cannabis or cannabis products than the amounts designated in Subsection (3) in any one 14-day period.
 - (5) A cannabis dispensary shall:
- (a) access the electronic verification system before dispensing cannabis or a cannabis product to an individual with a medical cannabis card in order to determine if the individual has met the maximum amount of cannabis or cannabis products described in Subsection (3); and
- (b) submit a record to the electronic verification system each time the cannabis dispensary dispenses cannabis or a cannabis product to an individual with a medical cannabis card.
- (6) (a) Except as provided in Subsection (6)(b), a cannabis dispensary may not sell medical cannabis in the form of a cigarette or a medical cannabis device that is intentionally designed or constructed to resemble a cigarette.
- (b) A cannabis dispensary may sell a medical cannabis device that warms cannabis material into a vapor without the use of a flame and that delivers cannabis to an individual's respiratory system.
- (7) A cannabis dispensary may give to an individual with a medical cannabis card, at no cost, a product that the cannabis dispensary is allowed to sell under Subsection (1).
- Section 62. Section 26-61a-503, which is renumbered from Section 26-60b-503 is renumbered and amended to read:

[26-60b-503]. <u>26-61a-503</u>. Inspections.

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

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

[26-60b-504]. 26-61a-504. Advertising.

- (1) Except as provided in Subsections (2) and (3), a cannabis dispensary may not advertise in any medium.
- (2) A cannabis dispensary may use signage on the outside of the cannabis dispensary that includes only:

- (a) the cannabis dispensary's name and hours of operation; and
- (b) a green cross.
- (3) A cannabis dispensary may maintain a website that includes information about:
- (a) the location and hours of operation of the cannabis dispensary;
- (b) the products and services available at the cannabis dispensary;
- (c) personnel affiliated with the cannabis dispensary;
- (d) best practices that the cannabis dispensary upholds; and
- (e) educational materials related to the medical use of cannabis.

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

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

- (1) Except for an individual with a valid medical cannabis card, an individual may not transport cannabis, a cannabis product, or a medical cannabis device unless the individual is:
 - (a) a registered cannabis production establishment agent; or
 - (b) a registered cannabis dispensary agent.
- (2) Except for an individual with a valid medical cannabis card, an individual transporting cannabis, a cannabis product, or a medical cannabis device shall possess a transportation manifest that:
- (a) includes a unique identifier that links the cannabis, cannabis product, or medical cannabis device to a relevant inventory control system;
- (b) includes origin and destination information for any cannabis, cannabis product, or medical cannabis device the individual is transporting; and
- (c) indicates the departure and arrival times and locations of the individual transporting the cannabis, cannabis product, or medical cannabis device.
- (3) In addition to the requirements in Subsections (1) and (2), the department may establish, by rule made in accordance with Title 63G, Chapter 3, Utah Administrative

 Rulemaking Act, requirements for transporting cannabis, a cannabis product, or a medical cannabis device that are related to safety for human cannabis or cannabis product consumption.
- (4) An individual who transports cannabis, a cannabis product, or a medical cannabis device with a manifest that does not meet the requirements of Subsection (2) is:

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

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

[26-60b-506]. <u>26-61a-506. Local control.</u>

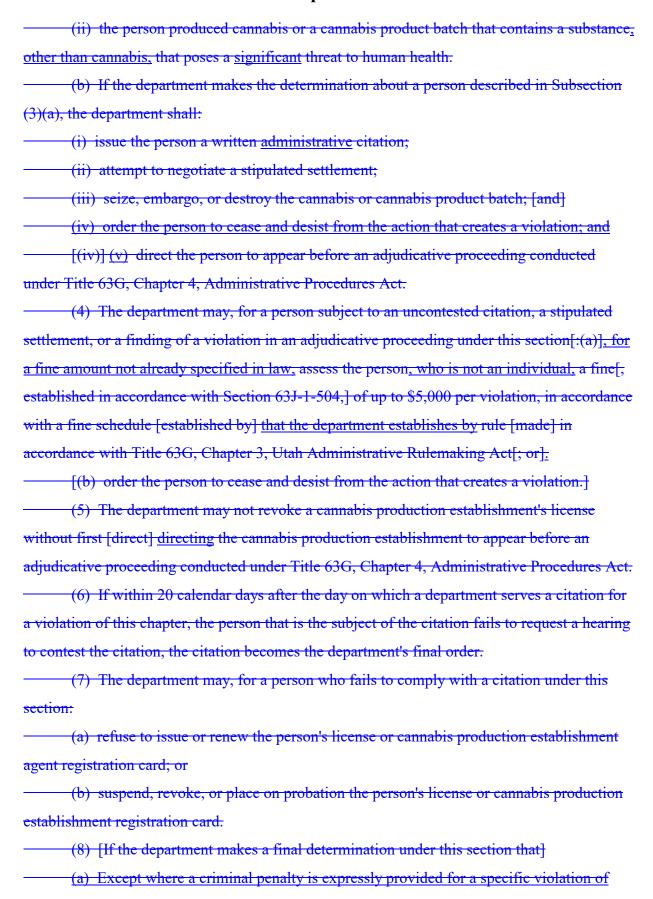
- (1) A municipality or county may not enact a zoning ordinance that prohibits a cannabis dispensary from operating in a location within the municipality's or county's jurisdiction on the sole basis that the cannabis dispensary is a cannabis dispensary.
- (2) A municipality or county may not deny or revoke a permit or license to operate a cannabis dispensary on the sole basis that the applicant or cannabis dispensary violates a law of the United States.
- (3) A municipality or county may enact ordinances not in conflict with this chapter governing the time, place, and manner of cannabis dispensary operations in the municipality or county.

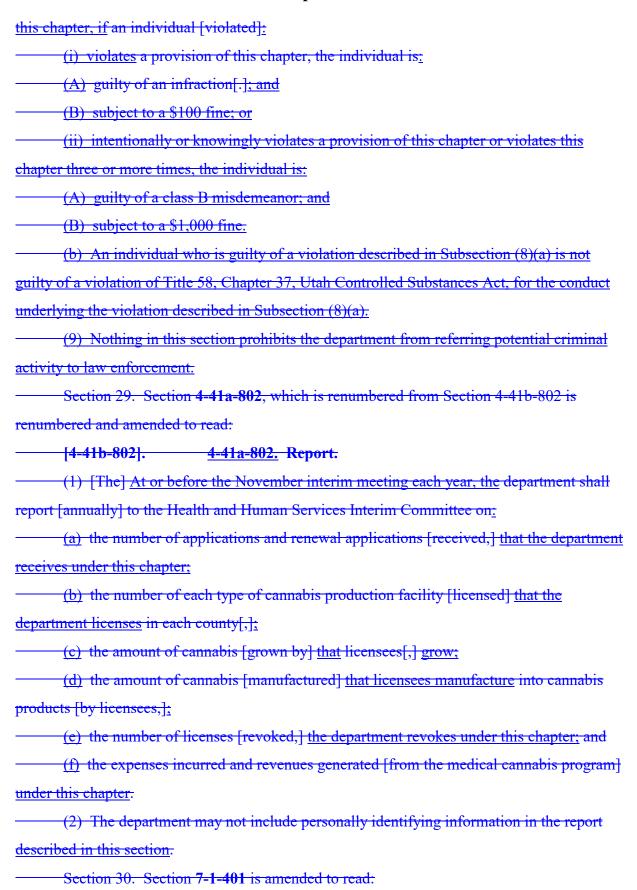
Section 66. Section 26-61a-601, which is renumbered from Section 26-60b-601 is renumbered and amended to read:

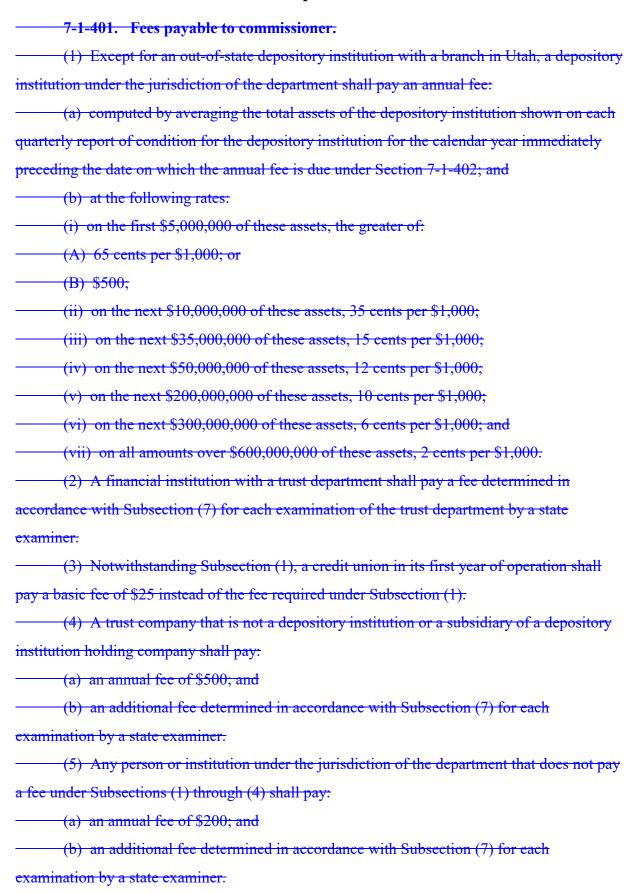
Part 6. Enforcement

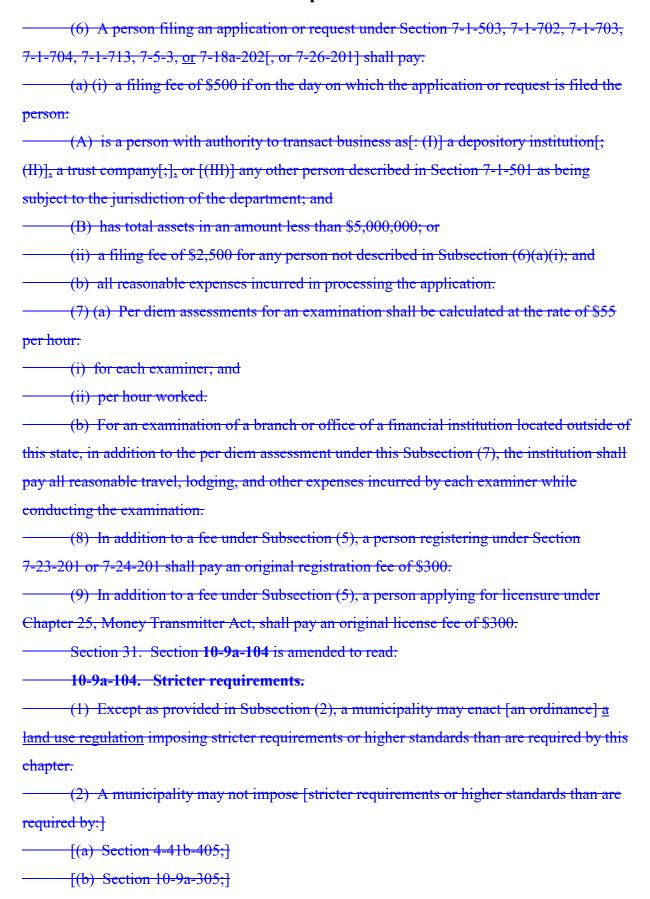
[26-60b-601]. <u>26-61a-601. Enforcement -- Fine -- Citation.</u>

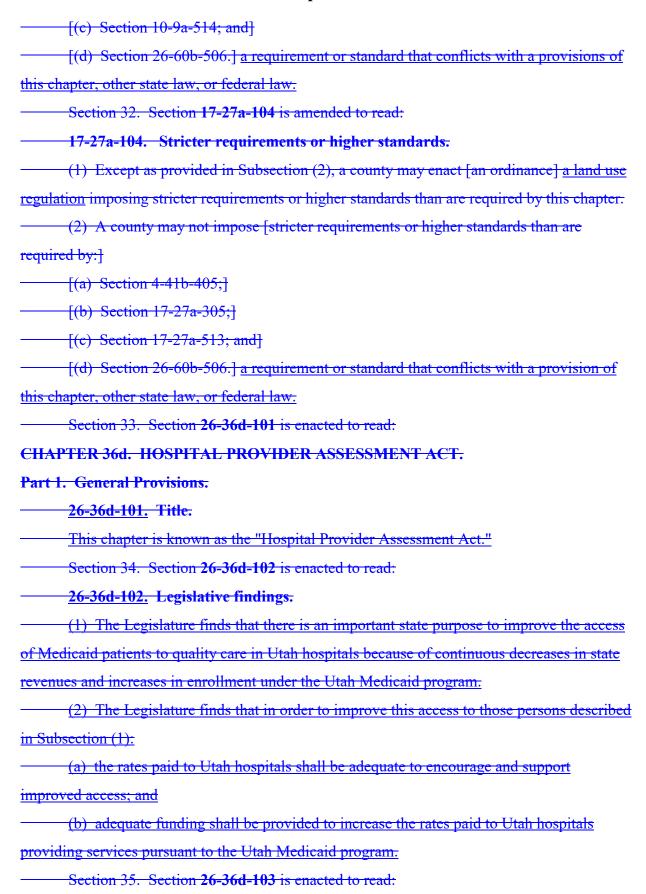
- (1) The department may, for a violation of this chapter by a person who is a cannabis dispensary or cannabis dispensary agent:
 - (a) revoke the person's license or cannabis dispensary agent registration card;
- (b) refuse to renew the person's license or cannabis dispensary agent registration card; or
 - (c) assess the person an administrative penalty.
- (2) The department shall deposit an administrative penalty imposed under this section [in the general fund] into the General Fund.
- (3) {(a) The department may take an action described in Subsection (3)(b) if the department concludes, upon [inspection or] investigation, that, for a person that is a cannabis production establishment or a cannabis production establishment agent:
- (i) the person has violated the provisions of this chapter, a rule made under this chapter, or an order issued under this chapter; or

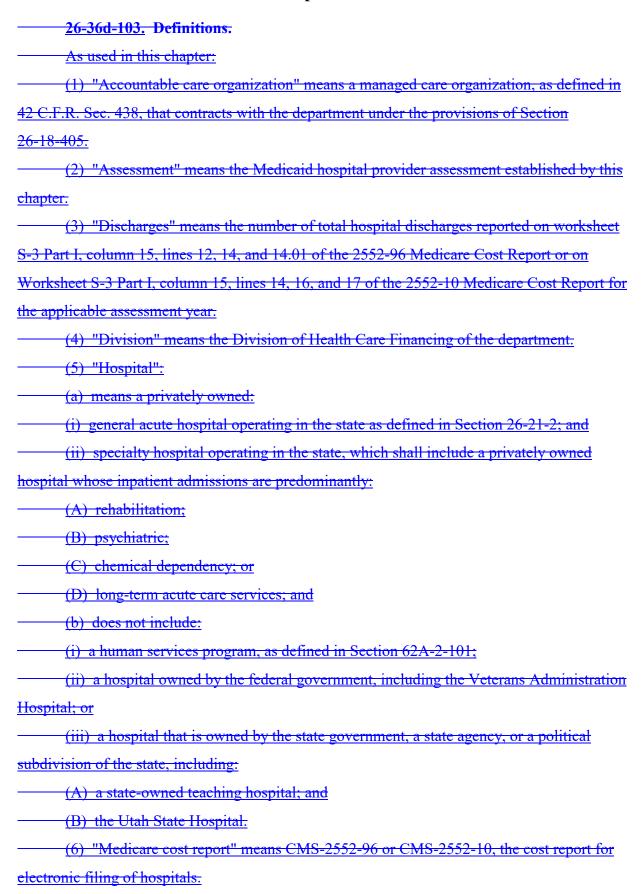


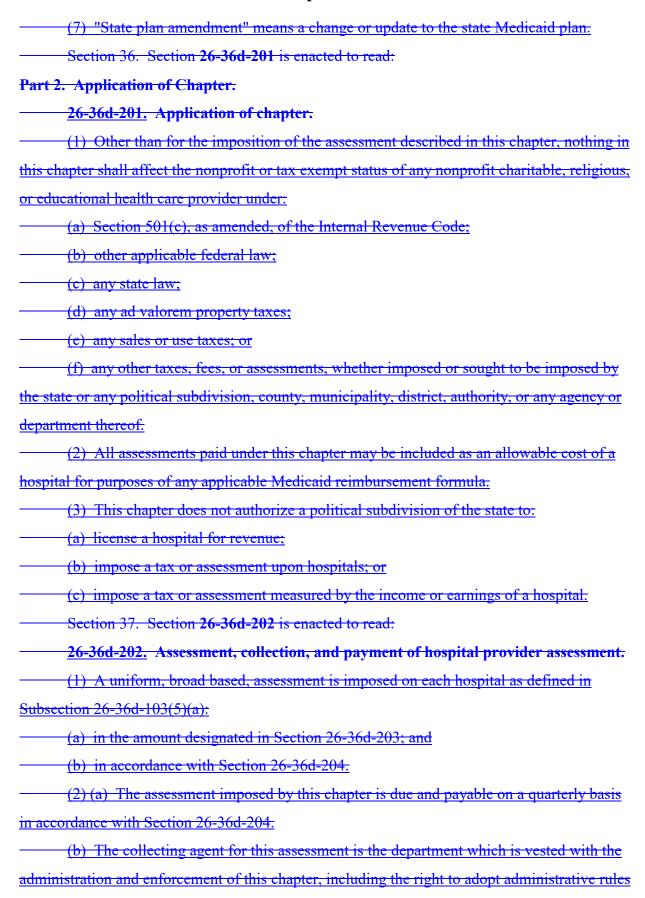


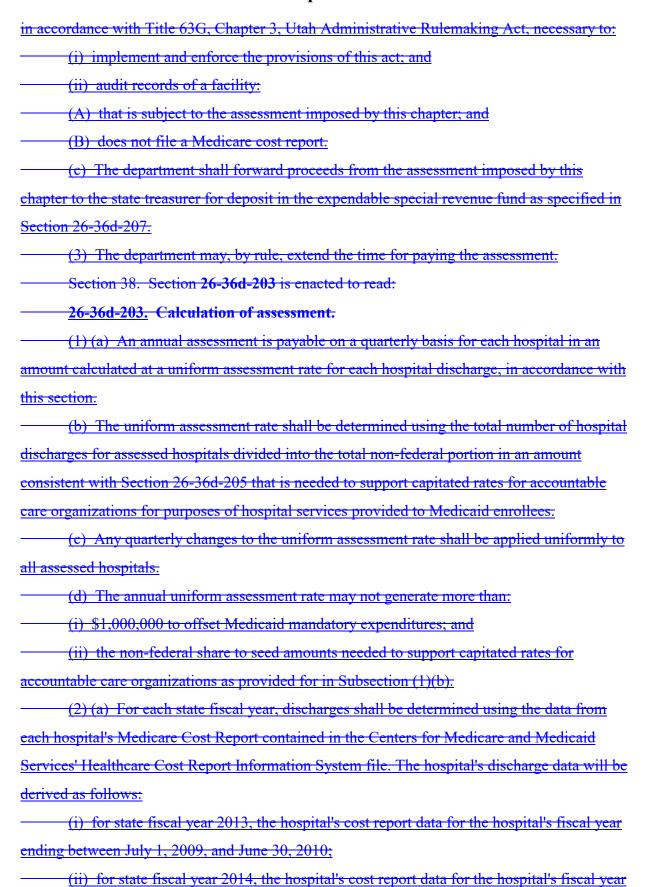




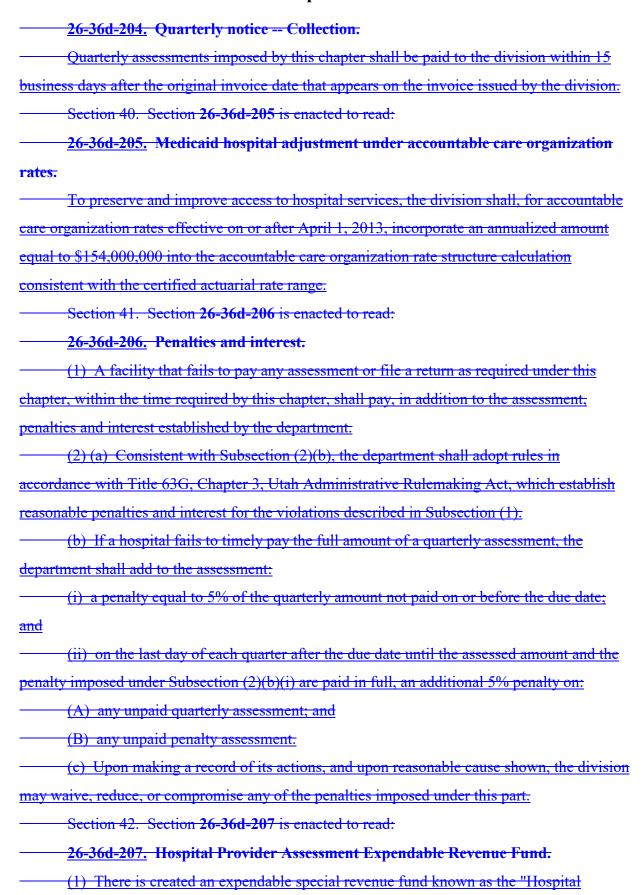


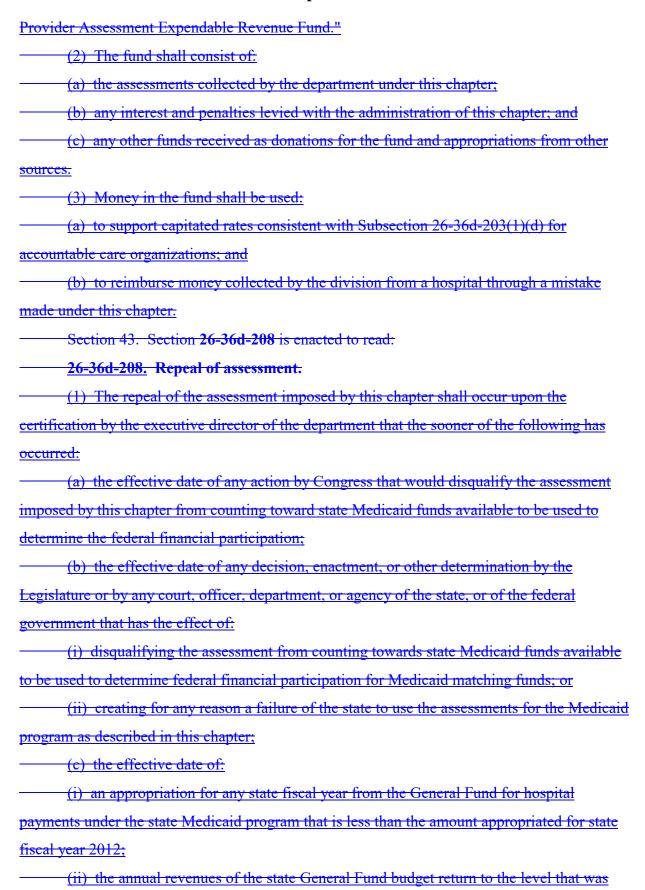


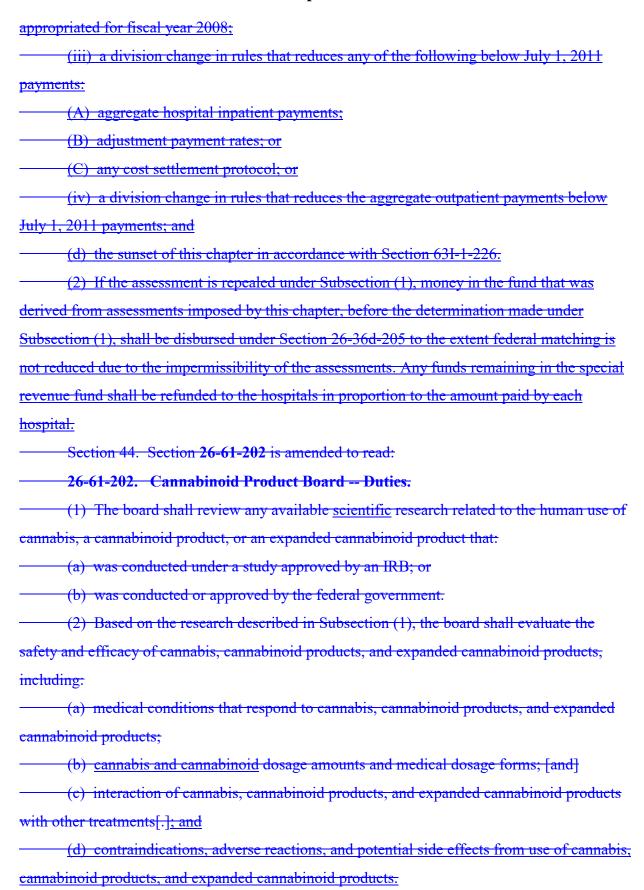


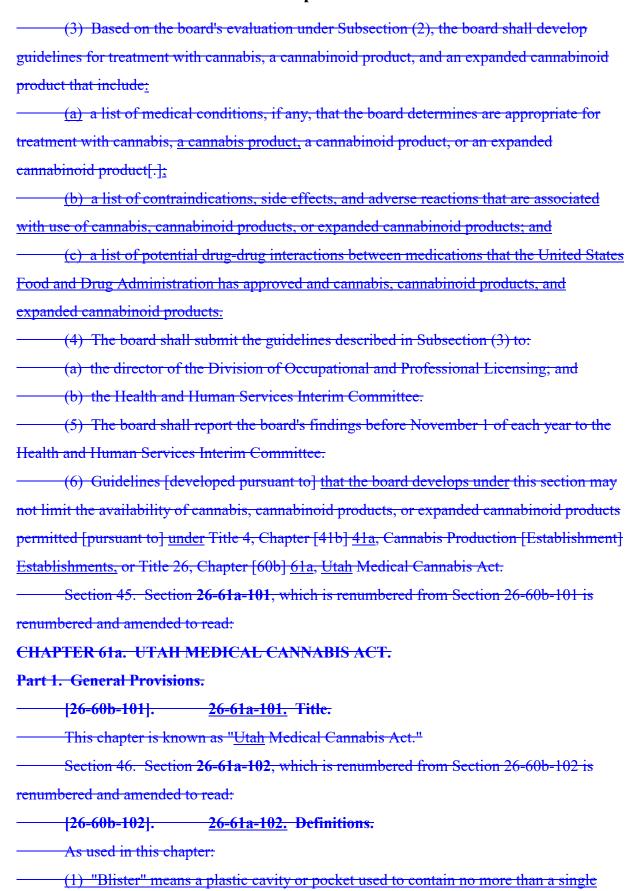


ending between July 1, 2010, and June 30, 2011;
(iii) for state fiscal year 2015, the hospital's cost report data for the hospital's fiscal year
ending between July 1, 2011, and June 30, 2012;
(iv) for state fiscal year 2016, the hospital's cost report data for the hospital's fiscal year
ending between July 1, 2012, and June 30, 2013; and
(v) for each subsequent state fiscal year, the hospital's cost report data for the hospital's
fiscal year that ended in the state fiscal year two years prior to the assessment fiscal year.
(b) If a hospital's fiscal year Medicare Cost Report is not contained in the Centers for
Medicare and Medicaid Services' Healthcare Cost Report Information System file:
(i) the hospital shall submit to the division a copy of the hospital's Medicare Cost
Report applicable to the assessment year; and
(ii) the division shall determine the hospital's discharges.
(c) If a hospital is not certified by the Medicare program and is not required to file a
Medicare Cost Report:
(i) the hospital shall submit to the division its applicable fiscal year discharges with
supporting documentation;
(ii) the division shall determine the hospital's discharges from the information
submitted under Subsection (2)(c)(i); and
(iii) the failure to submit discharge information shall result in an audit of the hospital's
records and a penalty equal to 5% of the calculated assessment.
(3) Except as provided in Subsection (4), if a hospital is owned by an organization that
owns more than one hospital in the state:
(a) the assessment for each hospital shall be separately calculated by the department;
and
(b) each separate hospital shall pay the assessment imposed by this chapter.
(4) Notwithstanding the requirement of Subsection (3), if multiple hospitals use the
same Medicaid provider number:
(a) the department shall calculate the assessment in the aggregate for the hospitals
using the same Medicaid provider number; and
(b) the hospitals may pay the assessment in the aggregate.
Section 39. Section 26-36d-204 is enacted to read:



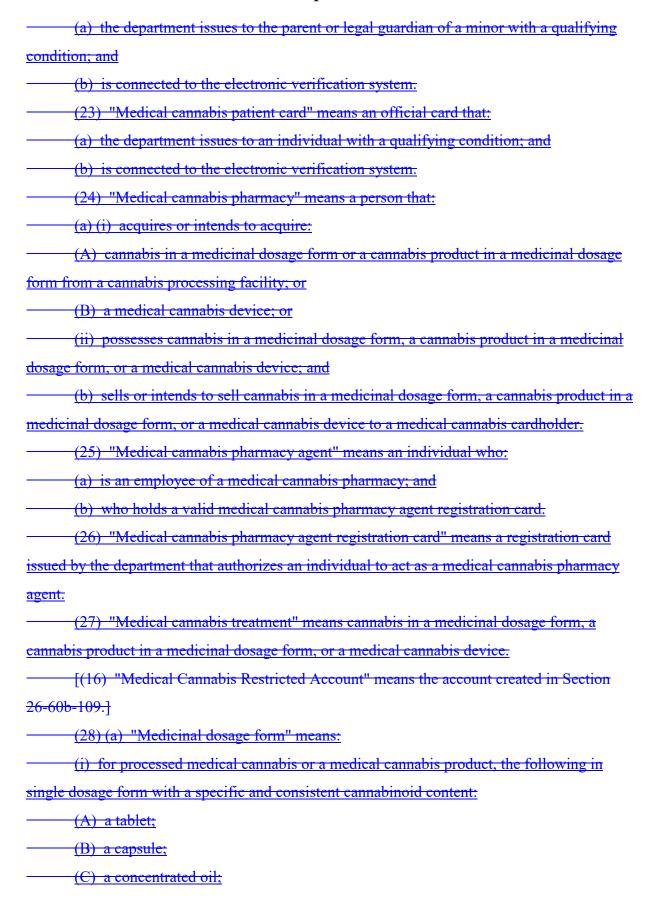


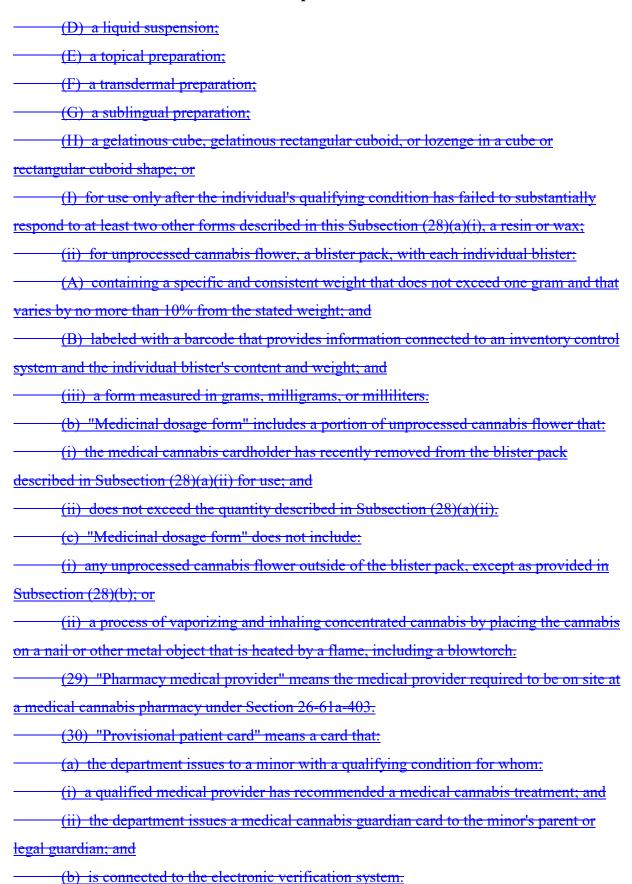




dose of cannabis or a cannabis product in a blister pack. (2) "Blister pack" means a plastic, paper, or foil package with multiple blisters each containing no more than a single dose of cannabis or a cannabis product. [(1)] (3) "Cannabis" means [the same as that term is defined in Section 58-37-3.9] marijuana. [(2)] (4) "Cannabis cultivation facility" means the same as that term is defined in Section [4-41b-102] 4-41a-102. [(3) "Cannabis dispensary" means a person that:] [(a) acquires or intends to acquire cannabis or a cannabis product from a cannabis production establishment and acquires or intends to acquire a medical cannabis device; [(b) possesses cannabis, a cannabis product, or a medical cannabis device; and] [(c) sells or intends to sell cannabis, a cannabis product, or a medical cannabis device.] [(4) "Cannabis dispensary agent" means an owner, officer, director, board member, employee, or volunteer of a cannabis dispensary.] [(5) "Cannabis dispensary agent registration card" means a registration card issued by the department that authorizes an individual to act as a cannabis dispensary agent.] [(6)] (5) "Cannabis processing facility" means the same as that term is defined in Section [4-41b-102] 4-41a-102. [(7)] (6) "Cannabis product" means [the same as that term is defined in Section 58-37-3.9.] a product that: (a) is intended for human use; and (b) contains cannabis or tetrahydrocannabinol. [(8)] (7) "Cannabis production establishment agent" means the same as that term is defined in Section [4-41b-102] 4-41a-102. [(9)] (8) "Cannabis production establishment agent registration card" means the same as that term is defined in Section [4-41b-102] 4-41a-102. [(10) "Community location" means a public or private school, a church, a public library, a public playground, or a public park.] (9) "Department" means the Department of Health. [(11)] (10) "Designated caregiver" means an individual: (a) whom [a patient] an individual with a medical cannabis patient card or a medical

cannabis guardian card designates as the patient's caregiver; and (b) who registers with the department under Section [26-60b-202] 26-61a-202. (11) "Dosing parameters" means quantity, routes, and frequency of administration for a recommended treatment of cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form. (12) "Independent cannabis testing laboratory" means the same as that term is defined in Section [4-41b-102] 4-41a-102. (13) "Inventory control system" means the system described in Section [4-41b-103] 4-41a-103. (14) "Local health department" means the same as that term is defined in Section 26A-1-102. (15) "Local health department distribution agent" means an agent designated and registered to distribute state central fill shipments under Sections 26-61a-606 and 26-61a-607. (16) "Marijuana" means the same as that term is defined in Section 58-37-2. (17) "Medical cannabis" means cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form. [(14)] (18) "Medical cannabis card" means a medical cannabis patient card, a medical cannabis guardian card, or a medical cannabis caregiver card. (19) "Medical cannabis cardholder" means a holder of a medical cannabis card. (20) "Medical cannabis caregiver card" means an official card [issued by] that: (a) the department <u>issues</u> to an individual [with a qualifying illness, or the individual's] whom a medical cannabis patient cardholder or a medical cannabis guardian cardholder designates as a designated caregiver [under this chapter, that]; and (b) is connected to the electronic verification system. -[(15)] (21) (a) "Medical cannabis device" means [the same as that term is defined in Section 58-37-3.9.] a device that an individual uses to ingest cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form. (b) "Medical cannabis device" does not include a device that: (i) facilitates cannabis combustion; or (ii) an individual uses to ingest substances other than cannabis. (22) "Medical cannabis guardian card" means an official card that:



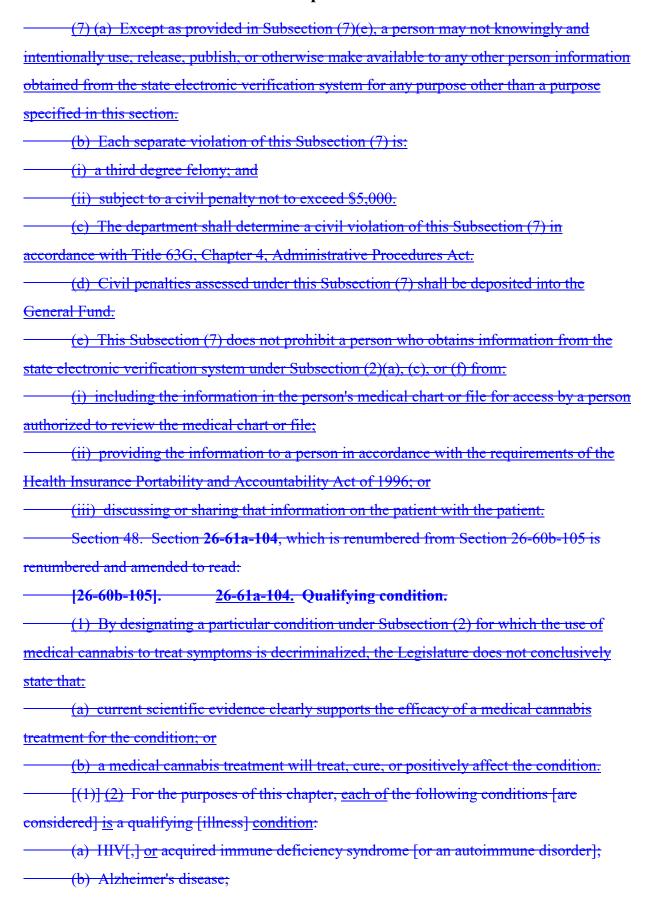


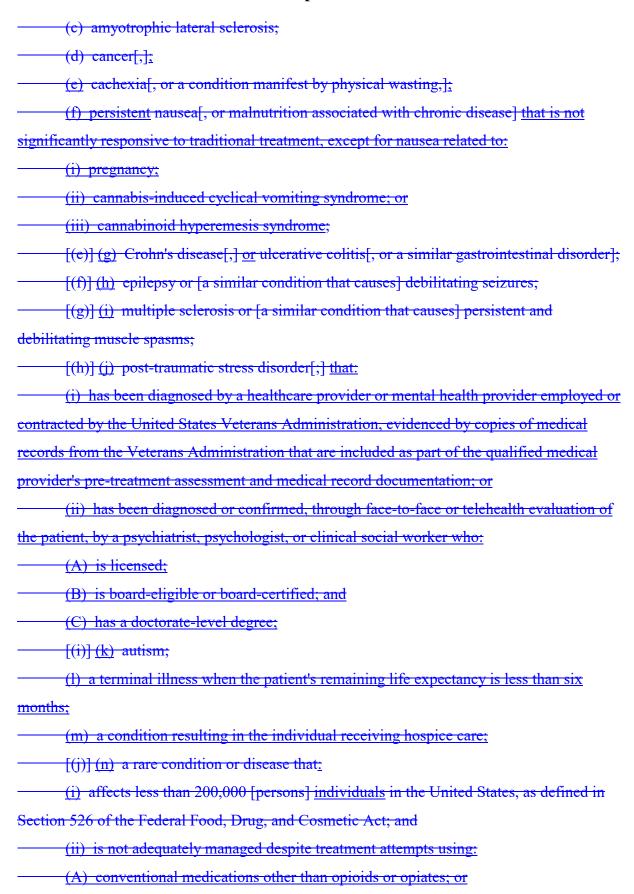
[(17)] (31) ["Physician"] "Qualified medical provider" means an individual who is qualified to recommend treatment with cannabis in a medicinal dosage form under Section [26-60b-107] 26-61a-106. (32) "Qualified Distribution Enterprise Account" means the enterprise account created in Section 26-61a-110. (33) "Qualified Patient Enterprise Account" means the enterprise account created in Section 26-61a-109. [(18)] (34) "Qualifying [illness] condition" means a condition described in Section [26-60b-105] 26-61a-104. (35) "State central fill agent" means an employee of the state central fill medical cannabis pharmacy that the department registers in accordance with Section 26-61a-602. (36) "State central fill medical cannabis pharmacy" means the central fill pharmacy that the department creates in accordance with Section 26-61a-601. (37) "State central fill medical provider" means a physician or pharmacist that the state central fill medical cannabis pharmacy employs to consult with medical cannabis cardholders in accordance with Section 26-61a-601. (38) "State central fill shipment" means a shipment of cannabis in a medicinal dosage form, cannabis product in a medicinal dosage form, or a medical cannabis device that the state central fill medical cannabis pharmacy prepares and ships for distribution to a medical cannabis cardholder in a local health department. [(19)] (39) "State electronic verification system" means the system described in Section [26-60b-103] <u>26-61a-103</u>. Section 47. Section 26-61a-103, which is renumbered from Section 26-60b-103 is renumbered and amended to read: [26-60b-103]. <u>26-61a-103.</u> Electronic verification system. (1) The Department of Agriculture and Food, the [Department of Health] department, the Department of Public Safety, and the Department of Technology Services shall: (a) enter into a memorandum of understanding in order to determine the function and operation of [an] the state electronic verification system in accordance with Subsection (2); (b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah Procurement Code, to develop a request for proposals for a third-party provider to develop and

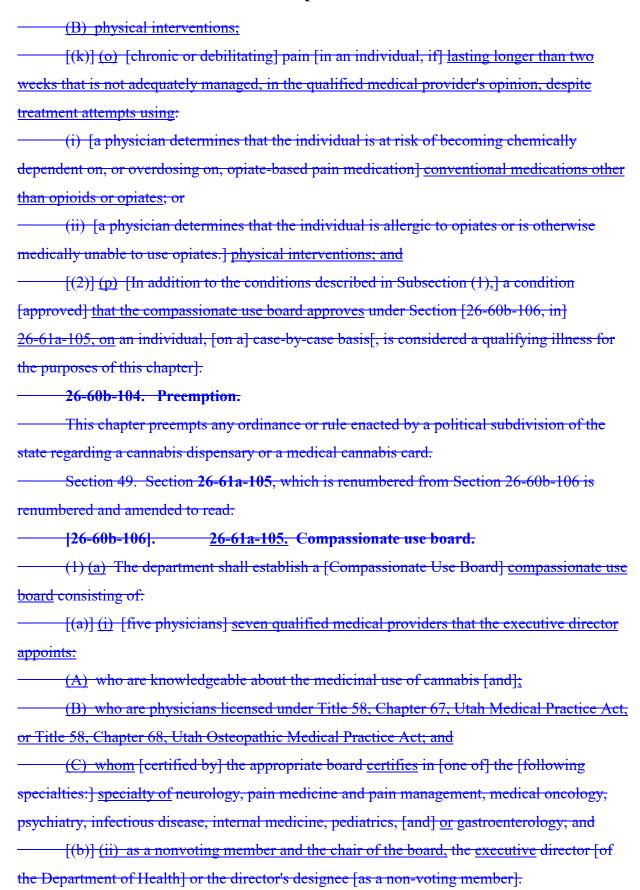
maintain [an] the state electronic verification system in coordination with the Department of Technology Services; and (c) select a third-party provider [described in] who meets the requirements contained in the request for proposals issued under Subsection (1)(b). (2) The Department of Agriculture and Food, the department, the Department of Public Safety, and the Department of Technology Services shall ensure that, on or before March 1, 2020, the state electronic verification system described in Subsection (1) [shall]: (a) [allow] allows an individual, with the individual's [physician] qualified medical provider in the [physician's] qualified medical provider's office, to apply for a medical cannabis patient card or, if applicable, a medical cannabis guardian card; (b) allows an individual to apply to renew a medical cannabis patient card or a medical cannabis guardian card in accordance with Section 26-61a-201; (c) allows a qualified medical provider to: (i) access dispensing and card status information regarding a patient: (A) with whom the qualified medical provider has a provider-patient relationship; and (B) for whom the qualified medical provider has recommended or is considering recommending a medical cannabis card; [(b)] (ii) [allow a physician to] electronically recommend, during a visit with a patient, treatment with cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form and optionally recommend dosing parameters; (iii) electronically renew a recommendation to a medical cannabis patient cardholder or medical cannabis guardian cardholder: (A) for the qualified medical provider who originally recommended a medical cannabis treatment, as that term is defined in Section 26-61a-102, using telehealth services; or (B) for a qualified medical provider who did not originally recommend the medical cannabis treatment, during a face-to-face visit with a patient; and (iv) at the request of a medical cannabis cardholder, initiate a state central fill shipment in accordance with Section 26-61a-603; [(c)] (d) [connect] connects with: (i) an inventory control system [used by a cannabis dispensary] that a medical cannabis pharmacy and the state central fill medical cannabis pharmacy use to track[,] in real time[,] and

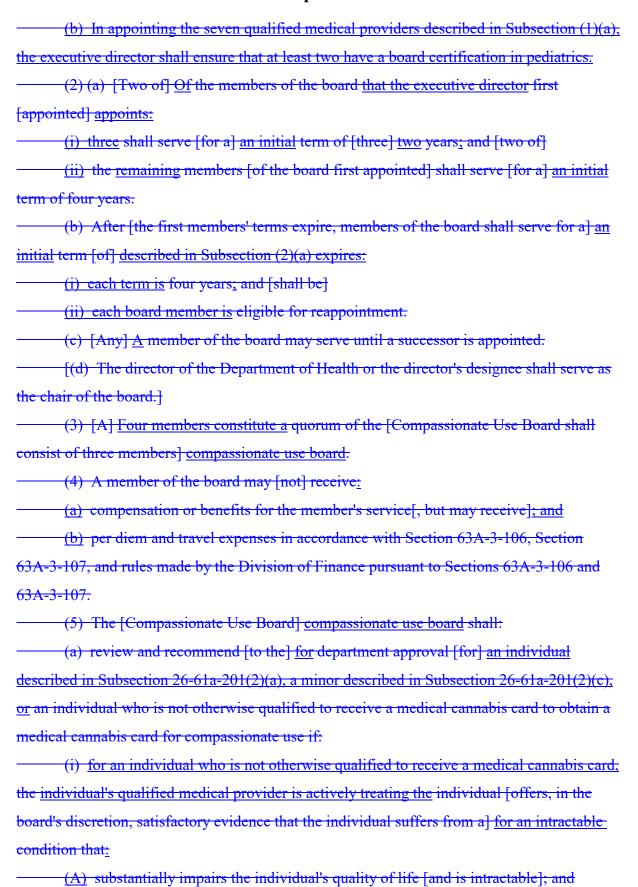
[to] archive [for no more than 60 days, purchase history] purchases of any cannabis [or a] in a medicinal dosage form, cannabis product [by a] in a medicinal dosage form, or medical cannabis [card holder] device, including: (A) the time and date of [the] each purchase[,]; (B) the quantity and type of cannabis [or], cannabis product, or medical cannabis device purchased[, and]; (C) any cannabis production establishment [and cannabis dispensary], any medical cannabis pharmacy, or the state central fill medical cannabis pharmacy associated with the cannabis [or], cannabis product[;], or medical cannabis device; and (D) the personally identifiable information of the medical cannabis cardholder who made the purchase; and (ii) any commercially available inventory control system that a cannabis production establishment utilizes in accordance with Section 4-41a-103 to use data that the Department of Agriculture and Food requires by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, from the inventory tracking system that a licensee uses to track and confirm compliance; [(d)] (e) [provide] provides access to: (i) the [Department of Health and the Department of Agriculture and Food] department to the extent necessary to carry out the [Department of Health's and the Department of Agriculture and Food's | department's functions and responsibilities under this chapter [and]; (ii) the Department of Agriculture and Food to the extent necessary to carry out the functions and responsibilities of the Department of Agriculture and Food under Title 4, Chapter [41b] 41a, Cannabis Production [Establishment;] Establishments; and (iii) the Division of Occupational and Professional Licensing to the extent necessary to carry functions and responsibilities related to the participation of the following in the recommendation and dispensing of medical cannabis: (A) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act; (B) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act; (C) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or

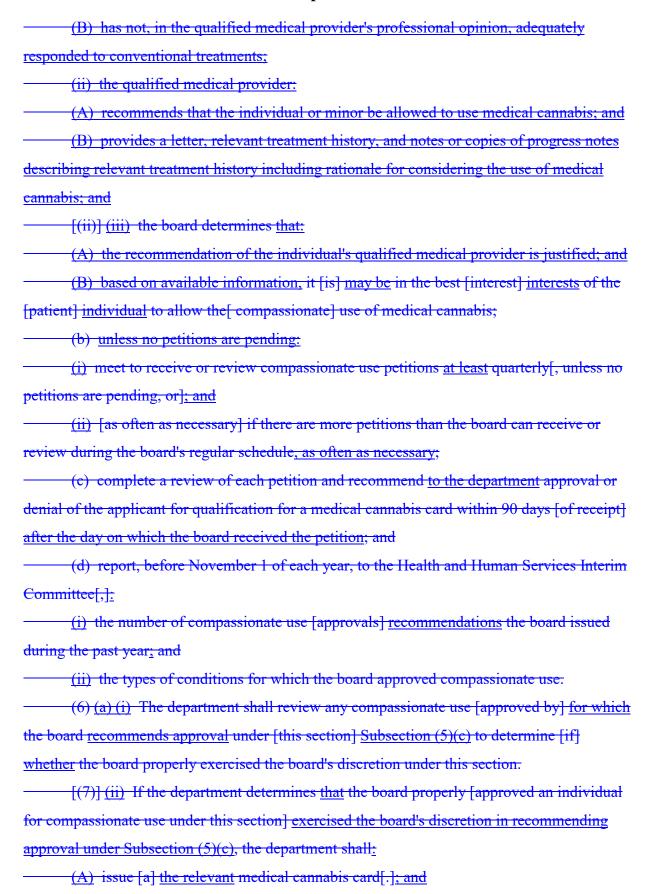
(D) a physician assistant licensed under Title 58, Chapter 70a, Physician Assistant Act; (f) provides access to and interaction with the state central fill medical cannabis pharmacy, state central fill agents, and local health department distribution agents, to facilitate the state central fill shipment process; -[(e)] (g) [provide] provides access to state or local law enforcement: (i) during a traffic stop for the purpose of determining if the individual subject to the traffic stop is [complying] in compliance with state medical cannabis law[,]; or (ii) after obtaining a warrant; and [(f)] (h) [create] creates a record each time a person accesses the database that identifies the person who [accessed] accesses the database and the individual whose records [are accessed; and] the person accesses. [(g) (9) be operational no later than March 1, 2020.] (3) The [Department of Health] department may release de-identified data [collected by] that the system collects for the purpose of: (a) conducting medical research; and [for] (b) providing the report required by Section [26-60b-602] 26-61a-703. (4) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish: (a) the limitations on access to the data in the state electronic verification system as described in this section; and (b) standards and procedures to ensure accurate identification of an individual requesting information or receiving information in this section. (5) (a) Any person who knowingly and intentionally releases any information in the state electronic verification system in violation of this section is guilty of a third degree felony. (b) Any person who negligently or recklessly releases any information in the state electronic verification system in violation of this section is guilty of a class C misdemeanor. (6) (a) Any person who obtains or attempts to obtain information from the state electronic verification system by misrepresentation or fraud is guilty of a third degree felony. (b) Any person who obtains or attempts to obtain information from the state electronic verification system for a purpose other than a purpose this chapter authorizes is guilty of a third degree felony.

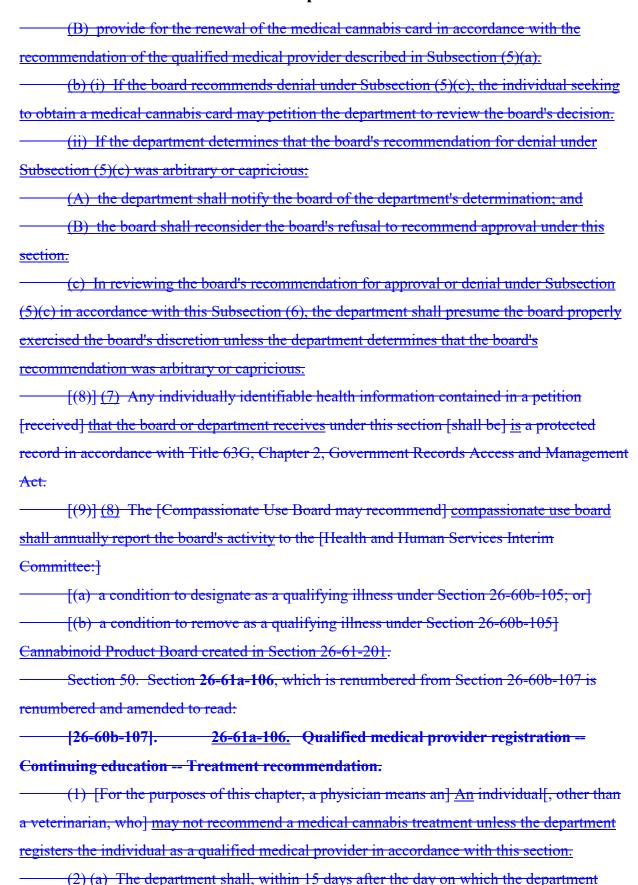




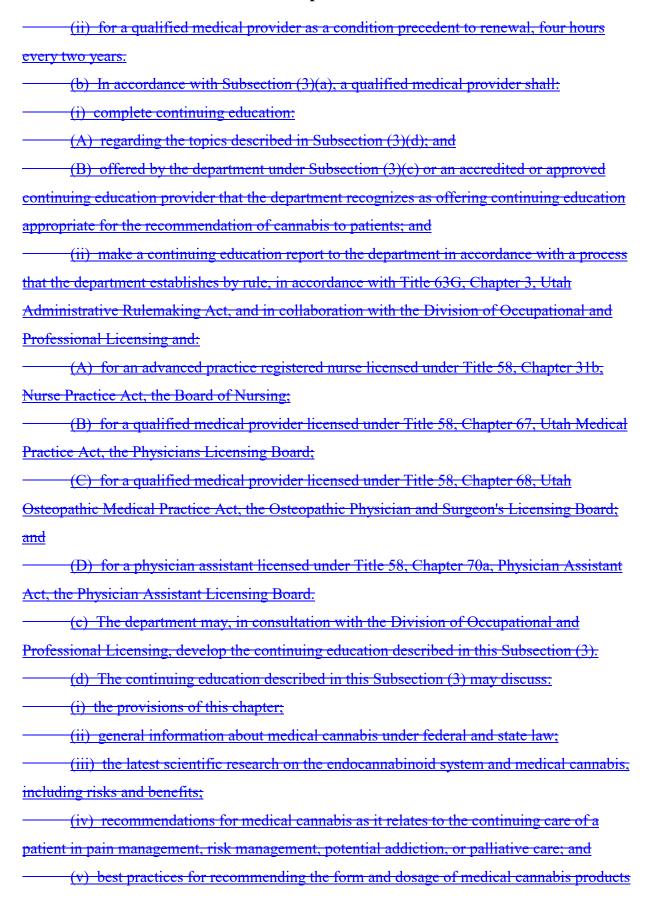






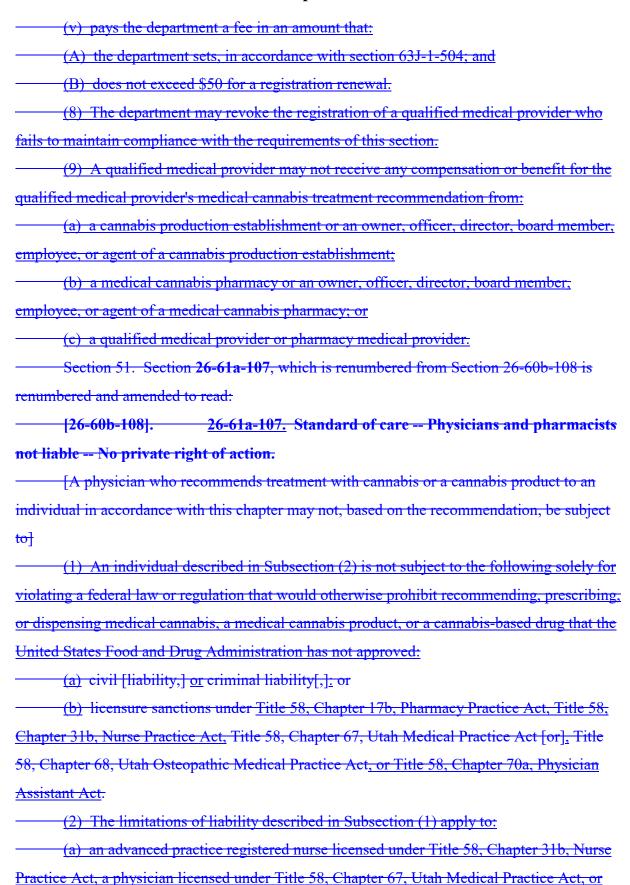


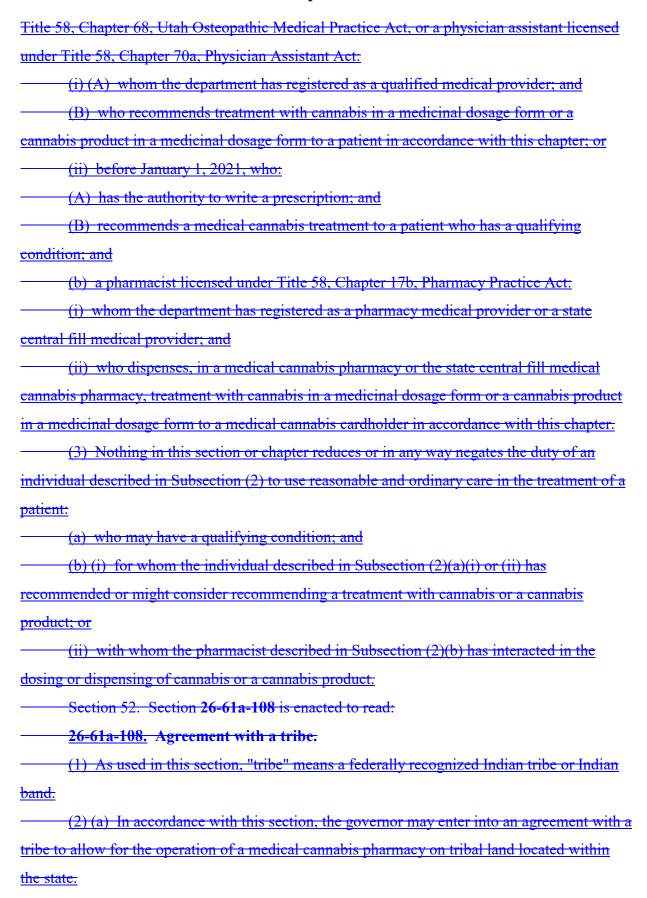
receives an application from an individual, register and issue a qualified medical provider registration card to the individual if the individual: (i) provides to the department the individual's name and address; (ii) provides to the department a report detailing the individual's completion of the applicable continuing education requirement described in Subsection (3); (iii) provides to the department evidence that the individual: (A) has the authority to write a prescription; (B) is licensed to prescribe a controlled substance under Title 58, Chapter 37, Utah Controlled Substances Act; and [who] (C) possesses the authority, in accordance with the individual's scope of practice, to prescribe a Schedule II controlled [substances.] substance; (iv) provides to the department evidence that the individual is: (A) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act: (B) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or (C) a physician assistant licensed under Title 58, Chapter 70a, Physician Assistant Act, whose declaration of services agreement, as that term is defined in Section 58-70a-102, includes the recommending of medical cannabis, and whose supervising physician is a qualified medical provider; and (v) pays the department a fee in an amount that: (A) the department sets, in accordance with section 63J-1-504; and (B) does not exceed \$300 for an initial registration. (b) The department may not register an individual as a qualified medical provider if the individual is: (i) a pharmacy medical provider or a state central fill medical provider; or (ii) an owner, officer, director, board member, employee, or agent of a cannabis cultivation facility or a medical cannabis pharmacy. (3) (a) An individual shall complete the continuing education described in this Subsection (3) in the following amounts: (i) for an individual as a condition precedent to registration, four hours; and

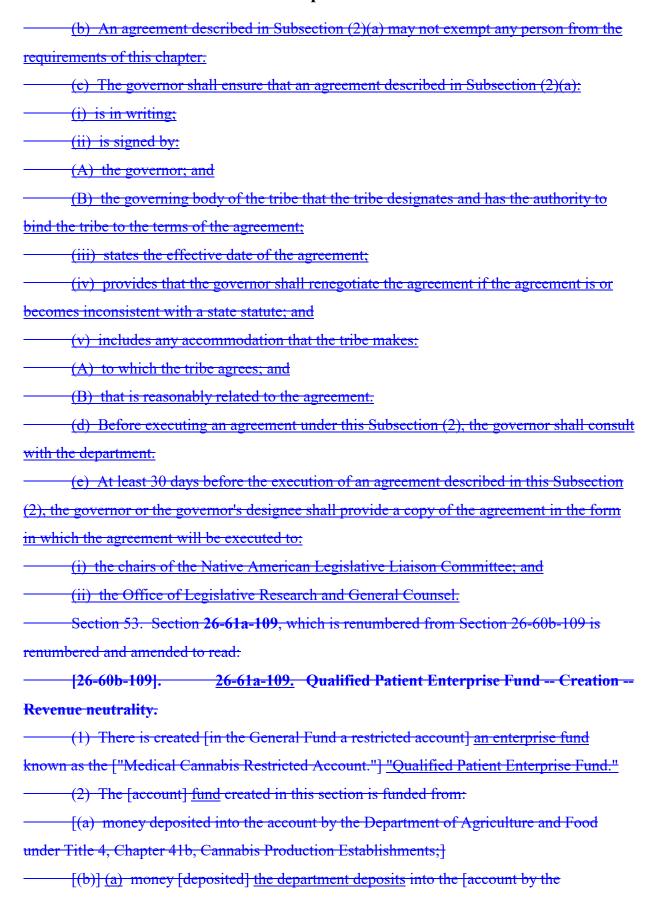


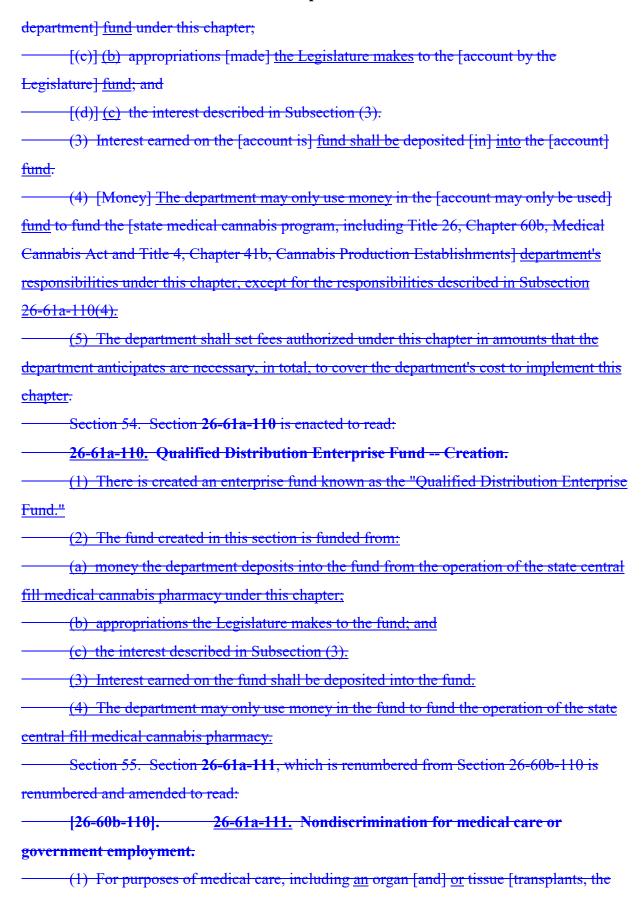
based on the qualifying condition underlying a medical cannabis recommendation. f(2) A physician may recommend cannabis if the physician recommends cannabis to no more than 20% of the physician's patients at any given time.] (4) (a) Except as provided in Subsection (4)(b) or (c), a qualified medical provider may not recommend a medical cannabis treatment to more than 175 of the qualified medical provider's patients at the same time, as determined by the number of medical cannabis cards under the qualified medical provider's name in the state electronic verification system. [(3)] (b) Except as provided in Subsection (4)(c), [A physician] a qualified medical provider may recommend a medical cannabis treatment to [greater than 20% of the physician's patients] up to 300 of the qualified medical provider's patients at any given time, as determined by the number of medical cannabis cards under the qualified medical provider's name in the state electronic verification system, if: (i) the [physician is certified, by the] appropriate American medical board[, in one of the following specialties: has certified the qualified medical provider in the specialty of anesthesiology, gastroenterology, neurology, oncology, pain, hospice and palliative [care, physiatry | medicine, physical medicine and rehabilitation, rheumatology, or psychiatry [.]; or (ii) a licensed business employs or contracts the qualified medical provider for the specific purpose of providing hospice and palliative care. (c) (i) Notwithstanding Subsection (4)(b), a qualified medical provider described in Subsection (4)(b) may petition the Division of Occupational and Professional Licensing for authorization to exceed the limit described in Subsection (4)(b) by graduating increments of 100 patients per authorization, not to exceed three authorizations. (ii) The Division of Occupational and Professional Licensing shall grant the authorization described in Subsection (4)(c)(i) if: (A) the petitioning qualified medical provider pays a \$100 fee; (B) the division performs a review that includes the qualified medical provider's medical cannabis recommendation activity in the state electronic verification system, relevant information related to patient demand, and any patient medical records that the division determines would assist in the division's review; and (C) after the review described in this Subsection (4)(c)(ii), the division determines that granting the authorization would not adversely affect public safety, adversely concentrate the

overall patient population among too few qualified medical providers, or adversely concentrate the use of medical cannabis among the provider's patients. [(4)] (5) A [physician] qualified medical provider may recommend medical cannabis to an individual under this chapter only in the course of a [physician-patient] qualified medical provider-patient relationship after the [physician] qualifying medical provider has completed and documented in the patient's medical record a [full] thorough assessment of the patient's condition and medical history based on the appropriate standard of care for the patient's condition. [(5)] (6) (a) Except as provided in Subsection [(5)(b)] (6)(b), a [physician eligible to recommend cannabis or a cannabis product under this section] qualified medical provider may not advertise that the [physician] qualified medical provider recommends medical cannabis [or a cannabis product | treatment. (b) [A physician may advertise via] For purposes of Subsection (6)(a), the communication of the following, through a website [that displays only] does not constitute advertising: (i) a green cross; [(ii) the location and hours of operation of the physician's office;] [(iii)] (ii) a qualifying [illness] condition that the [physician] qualified medical provider treats; [and] or [(iv)] (iii) a scientific study [regarding] medical cannabis use. (7) (a) A qualified medical provider registration card expires two years after the day on which the department issues the card. (b) The department shall renew a qualified medical provider's registration card if the provider: (i) applies for renewal; (ii) is eligible for a qualified medical provider registration card under this section, including maintaining an unrestricted license as described in Subsection (2)(a)(iii); (iii) certifies to the department in a renewal application that the information in Subsection (2)(a) is accurate or updates the information; (iv) submits a report detailing the completion of the continuing education requirement described in Subsection (3); and

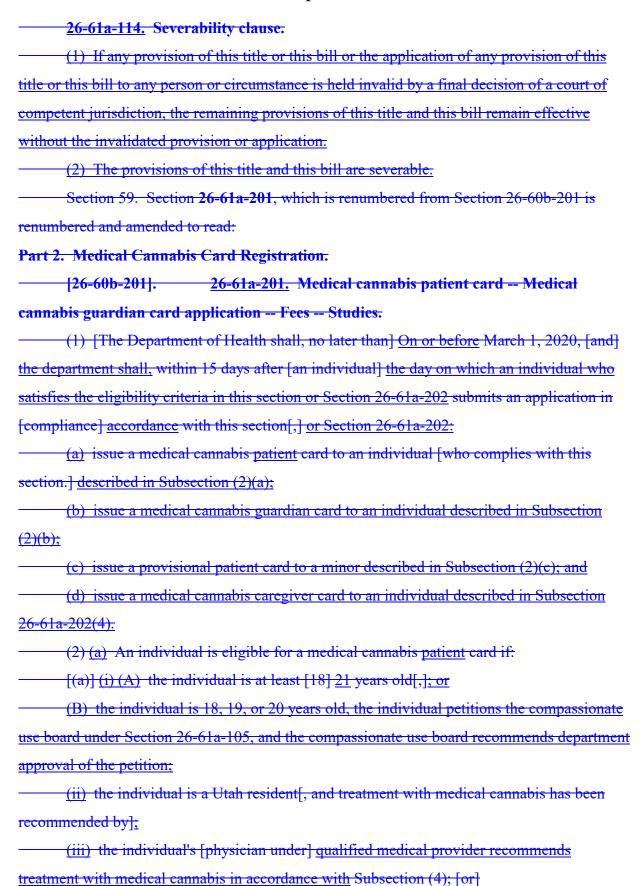


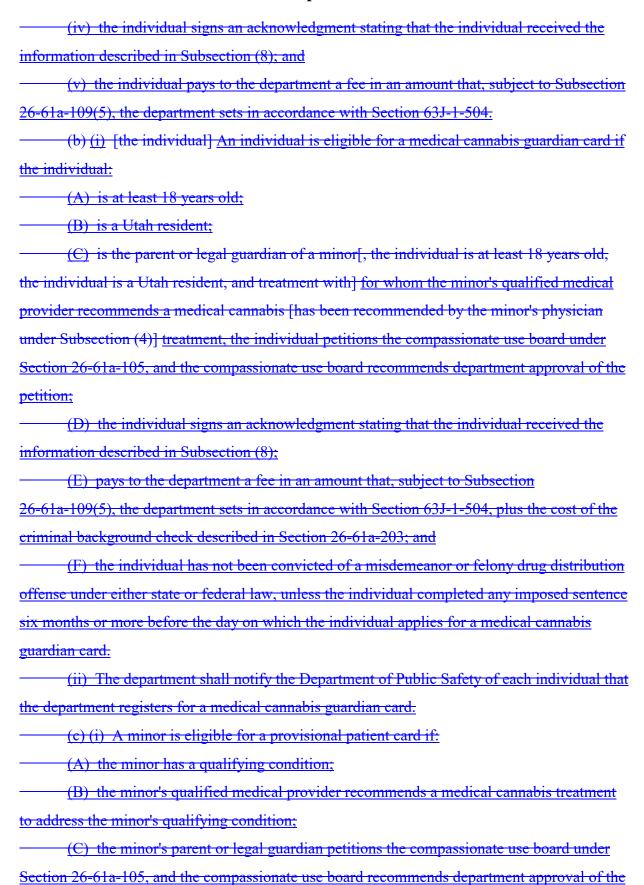






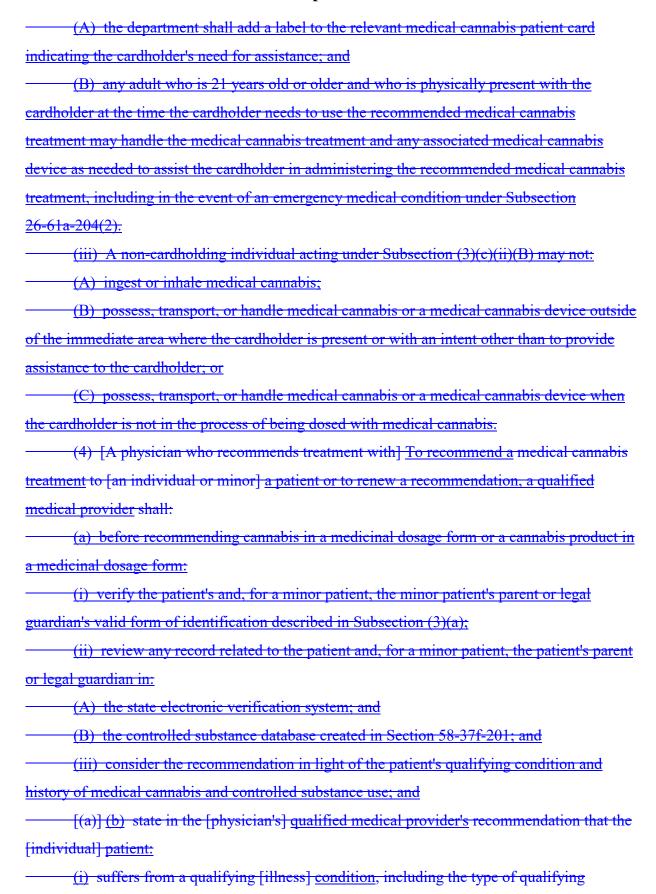
use of cannabis by a patient who holds transplant, a [medical cannabis card] patient's use, in accordance with this chapter, of cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form: (a) is considered the equivalent of the authorized use of any other medication used at the discretion of a physician; and (b) does not constitute the use of an illicit substance or otherwise disqualify an individual from needed medical care. (2) No landlord may refuse to lease to and may not otherwise penalize a person solely for the person's status as a medical cannabis card holder, unless failing to do so would cause the landlord to lose a monetary or licensing-related benefit under federal law.] (2) (a) Notwithstanding any other provision of law and except as provided in Subsection (2)(b), the state or any political subdivision shall treat an employee's use of medical cannabis in accordance with this chapter or Section 58-37-3.7 in the same way the state or political subdivision treats employee use of opioids and opiates. (b) Subsection (2)(a) does not apply where application would jeopardize federal funding for the employee's position. Section 56. Section 26-61a-112 is enacted to read: 26-61a-112. No insurance requirement. Nothing in this chapter requires an insurer, a third-party administrator, or an employer to pay or reimburse for cannabis, a cannabis product, or a medical cannabis device. Section 57. Section 26-61a-113 is enacted to read: 26-61a-113. No effect on use of hemp extract -- Cannabidiol -- Approved drugs. (1) Nothing in this chapter prohibits an individual: (a) with a valid hemp extract registration card that the department issues under Section 26-56-103 from possessing, administering, or using hemp extract in accordance with Section 58-37-4.3; or (b) from purchasing, selling, possessing, or using a cannabidiol product in accordance with Section 4-41-402. (2) Nothing in this chapter restricts or otherwise affects the prescription, distribution, or dispensing of a product that the United States Food and Drug Administration has approved. Section 58. Section 26-61a-114 is enacted to read:





petition; and (D) the minor's parent or legal guardian is eligible for a medical cannabis guardian card under Subsection (2)(b). (ii) The department shall automatically issue a provisional patient card to the minor described in Subsection (2)(c)(i) at the same time the department issues a medical cannabis guardian card to the minor's parent or legal guardian. (3) (a) An individual who is eligible for a medical cannabis card [under] described in Subsection [(2)] (2)(a) or (b) shall submit an application for a medical cannabis card to the department [via]: (i) through an electronic application connected to the state electronic verification system[,]; (ii) with the recommending [physician] qualified medical provider while in the recommending [physician's] qualified medical provider's office[,]; and [that includes] (iii) with information including: (A) the [individual's] applicant's name, gender, age, and address[.]; (B) the number of the applicant's valid form of identification that is a valid United States federal- or state-issued photo identification, including a driver license, a United States passport, a United States passport card, or a United States military identification card; (C) for a medical cannabis guardian card, the name, gender, and age of the minor receiving a medical cannabis treatment under the cardholder's medical cannabis guardian card; and (D) for a provisional patient card, the name of the minor's parent or legal guardian who holds the associated medical cannabis guardian card. (b) The department shall ensure that a medical cannabis card the department issues under this section contains the information described in Subsection (3)(a)(iii). (c) (i) If a qualified medical provider determines that, because of age, illness, or

- disability, a medical cannabis patient cardholder requires assistance in administering the medical cannabis treatment that the qualified medical provider recommends, the qualified medical provider may indicate the cardholder's need in the state electronic verification system.
- (ii) If a qualified medical provider makes the indication described in Subsection $\frac{(3)(c)(i)}{(i)}$



[illness,] condition; and [that the individual]
(ii) may benefit from treatment with cannabis in a medicinal dosage form or a cannabis
product in a medicinal dosage form.[; and]
[(b) before recommending cannabis or a cannabis product, look up the individual in the
controlled substance database created in Section 58-37f-201.]
(5) (a) [A] Except as provided in Subsection (5)(b), a medical cannabis card [issued
by] that the department issues under this section is valid for the lesser of:
(i) an amount of time [determined by] that the [physician] qualified medical provider
determines; or
(ii) (A) for the first issuance, 30 days; or
(B) for a renewal, six months.
(b) (i) A medical cannabis card that the department issues in relation to a terminal
illness described in Section 26-61a-104 does not expire.
(ii) The recommending qualified medical provider may revoke a recommendation that
the provider made in relation to a terminal illness described in Section 26-61a-104 if the
medical cannabis cardholder no longer has the terminal illness.
(6) (a) A medical cannabis patient card or a medical cannabis guardian card is
renewable if:
(i) at the time of renewal, the cardholder meets the requirements of Subsection (2)(a) or
(b); or
(ii) the cardholder received the medical cannabis card through the recommendation of
the compassionate use board under Section 26-61a-105.
(b) A cardholder described in Subsection (6)(a) may renew the cardholder's card:
(i) using the application process described in Subsection (3); or
(ii) through phone or video conference with the qualified medical provider who made
the recommendation underlying the card, at the qualifying medical provider's discretion.
(c) A cardholder under Subsection (2)(a) or (b) who renews the cardholder's card shall
pay to the department a renewal fee in an amount that:
(i) subject to Subsection 26-61a-109(5), the department sets in accordance with Section
63J-1-504; and
(ii) may not exceed the cost of the relatively lower administrative burden of renewal in

comparison to the original application process.

- (d) If a minor meets the requirements of Subsection (2)(c), the minor's provisional patient card renews automatically at the time the minor's parent or legal guardian renews the parent or legal guardian's associated medical cannabis guardian card.
- (e) The department may revoke a medical cannabis guardian card if the cardholder under Subsection (2)(b) is convicted of a misdemeanor or felony drug distribution offense under either state or federal law.
- [(6)] (7) (a) [An individual who has been issued a medical cannabis card] A cardholder under this section [may: (a)] shall carry [a] the cardholder's valid medical cannabis card with the patient's name[;].
- (b) (i) A medical cannabis patient cardholder or a provisional patient cardholder may purchase, in accordance with this chapter and the recommendation underlying the card, cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device.
- (ii) A cardholder under this section may possess[, and] or transport, in accordance with this chapter and the recommendation underlying the card, cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device[;].
- [(c)] (iii) [use or assist with the use of medical cannabis or medical cannabis products to treat] To address the qualifying [illness or symptoms associated with the qualifying illness of the person for whom medical cannabis has been recommended] condition underlying the medical cannabis treatment recommendation:
- (A) a medical cannabis patient cardholder or a provisional patient cardholder may use cannabis in a medicinal dosage form, a medical cannabis product in a medicinal dosage form, or a medical cannabis device; and
- (B) a medical cannabis guardian cardholder may assist the associated provisional patient cardholder with the use of cannabis in a medicinal dosage form, a medical cannabis product in a medicinal dosage form, or a medical cannabis device.
- [(d)] (c) If neither a licensed medical cannabis pharmacy nor the state central fill medical cannabis pharmacy is operating within the state after January 1, 2021[, if a licensed cannabis dispensary is not operating within 100 miles of the medical cannabis card holder's primary residence, grow up to six cannabis plants for personal medical use within an enclosed

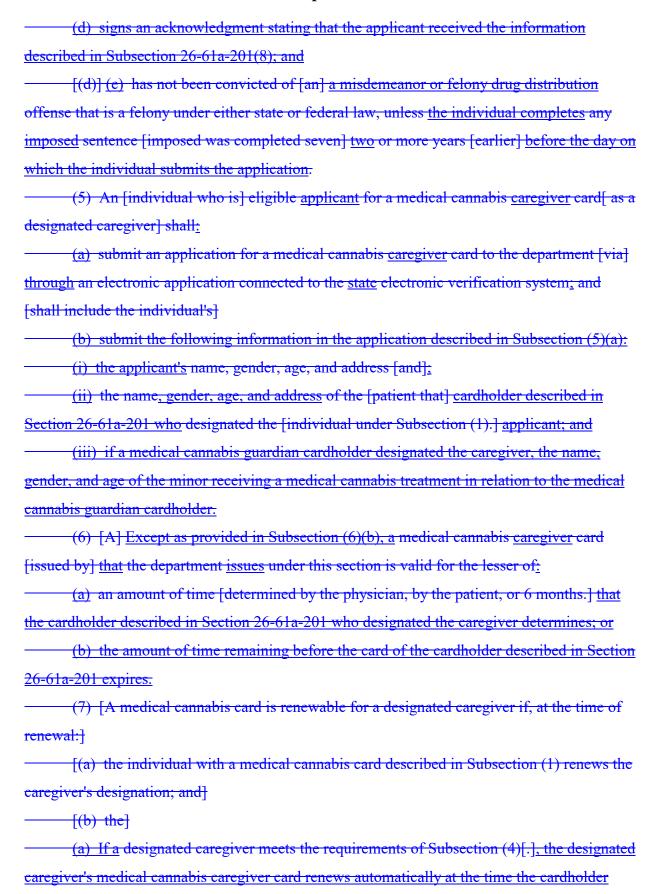
and locked space and not within view from a public place and that is not within 600 feet of a community location or within 300 feet of an area zoned exclusively for residential use, as measured from the nearest entrance to the space and following the shortest route or ordinary pedestrian travel to the property boundary of the community location or residential area.] a cardholder under this section is not subject to prosecution for the possession of: (i) no more than 113 grams of marijuana in a medicinal dosage form; (ii) an amount of cannabis product in a medicinal dosage form that contains no more than 20 grams of tetrahydrocannabinol; or (iii) marijuana drug paraphernalia. (8) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, a process to provide information regarding the following to an individual receiving a medical cannabis card: (a) risks associated with medical cannabis treatment; (b) the fact that a condition's listing as a qualifying condition does not suggest that medical cannabis treatment is an effective treatment or cure for that condition, as described in Subsection 26-61a-104(1); and (c) other relevant warnings and safety information that the department determines. [(7)] (9) The department may establish procedures[,] by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to implement the [medical cannabis card] application and issuance provisions of this section. [(8)] (10) (a) A person may submit, to the department[,] a request to conduct a medical research study using medical cannabis cardholder data [contained in] that the state electronic verification system contains. (b) The department shall review a request [submitted under] described in Subsection [(8)(a)] (10)(a) to determine [if] whether the medical research study is valid. (c) If the department [determines] makes a determination under Subsection (10)(b) that the medical research study is valid [under Subsection (8)(b)], the department shall notify [a] each relevant [medical cannabis] cardholder asking for the [medical cannabis] cardholder's [participation] consent to participate in the study. (d) The department may release, for the purposes of a study described in this Subsection (10), information about a [medical cannabis] cardholder under this section who

consents to [participation] participate under Subsection [(8)(c)] (10)(c). (e) The department may establish standards for a medical research study's validity, by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act. Section 60. Section 26-61a-202, which is renumbered from Section 26-60b-202 is renumbered and amended to read: [26-60b-202]. <u>26-61a-202.</u> Medical cannabis caregiver card -- Registration -- Renewal -- Revocation. (1) [An individual] A cardholder described in Section 26-61a-201 may designate up to two individuals to serve as a designated [caregivers] caregiver for the [individual] cardholder iff: [(a) the individual has a valid medical cannabis card under Section 26-60b-201; and] [(b) a physician] a qualified medical provider determines that, due to physical difficulty or undue hardship, the [individual] cardholder needs assistance to obtain the medical cannabis for a cannabis product from a cannabis dispensary treatment that the qualified medical provider recommends. (2) An individual [registered] that the department registers as a designated caregiver under this section: (a) may[: (a)] carry a valid medical cannabis <u>caregiver</u> card [with the designating patient's name and the designated caregiver's name]; (b) [purchase, possess, and transport,] in accordance with this chapter, may purchase, possess, transport, or assist the patient in the use of cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device on behalf of the designating [patient] medical cannabis cardholder; (c) may not charge a fee to an individual to act as the individual's designated caregiver or for a service that the designated caregiver provides in relation to the role as a designated caregiver; [(c)] (d) may accept reimbursement from the designating [patient] medical cannabis eardholder for direct costs [incurred by] the designated caregiver incurs for assisting with the designating [patient's] cardholder's medicinal use of cannabis; and [(d)] (e) [after January 1, 2021,] if neither a licensed medical cannabis [dispensary] pharmacy nor the state central fill medical cannabis pharmacy is [not] operating within [100]

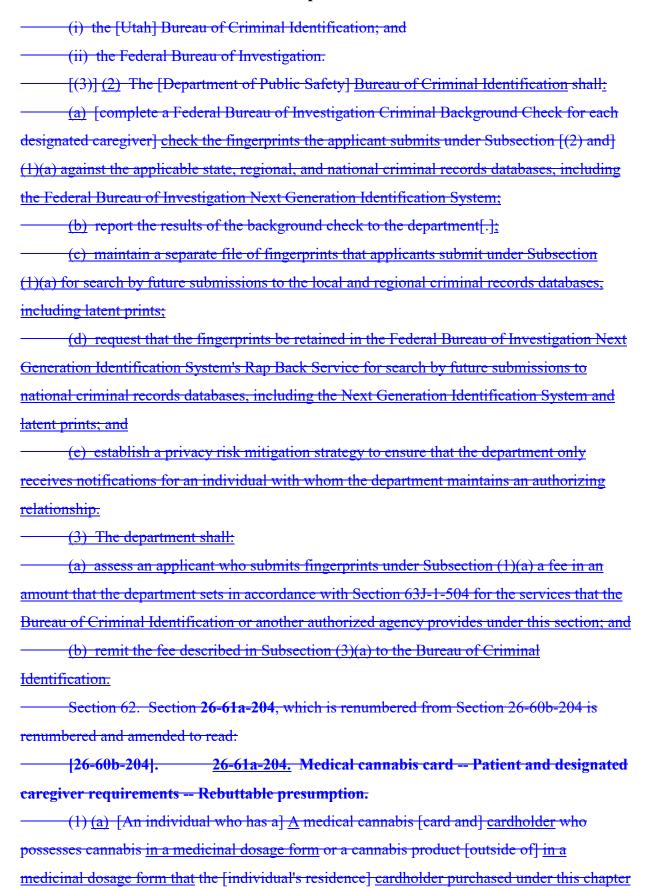
miles of the designating patient's primary residence, assist the designating patient with growing up to six cannabis plants for personal medicinal use within an enclosed and locked space and not within view from a public place and that is not within 600 feet of a community location or within 300 feet of an area zoned exclusively for residential use, as measured from the nearest entrance to the space and following the shortest route or ordinary pedestrian travel to the property boundary of the community location or residential area.] the state after January 1, 2021, is not subject to prosecution for the possession of: (i) no more than 113 grams of marijuana in a medicinal dosage form; (ii) an amount of cannabis product in a medicinal dosage form that contains no more than 20 grams of tetrahydrocannabinol; or (iii) marijuana drug paraphernalia. (3) (a) The department shall[,]: (i) within [30] 15 days after the day on which an individual submits an application in compliance with this section, issue a medical cannabis card to [an individual designated as a caregiver under Subsection (1) and who complies with this section.] the applicant if the applicant: (A) is designated as a caregiver under Subsection (1); (B) is eligible for a medical cannabis caregiver card under Subsection (4); and (C) complies with this section; and (ii) notify the Department of Public Safety of each individual that the department registers as a designated caregiver. (b) The department shall ensure that a medical cannabis caregiver card contains the information described in Subsection (5)(b). (4) An individual is eligible for a medical cannabis [card as a designated] caregiver card if the individual: (a) is at least [18] 21 years old; (b) is a Utah resident; (c) pays[,] to the department[,] a fee [established by] in an amount that, subject to Subsection 26-61a-109(5), the department sets in accordance with Section 63J-1-504, plus the

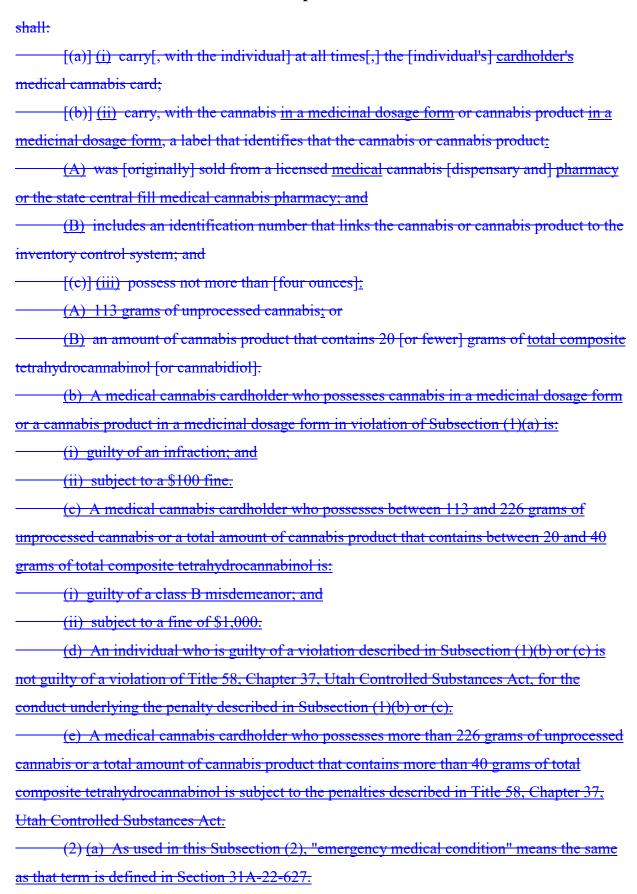
cost of [a] the criminal background check [required by] described in Section [26-60b-203; and]

26-61a-203;

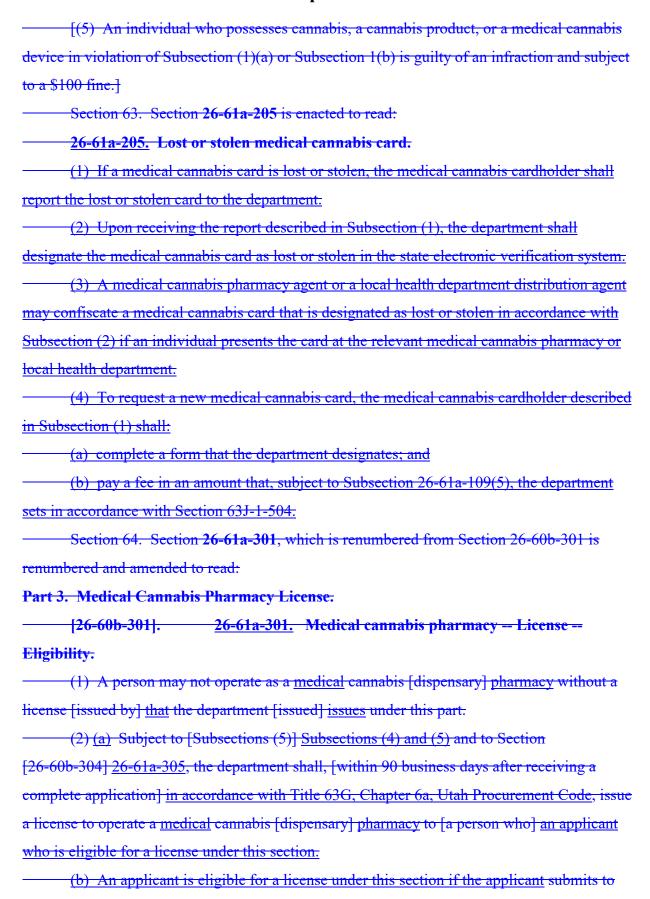


described in Section 26-61a-201 who designated the caregiver:
(i) renews the cardholder's card; and
(ii) renews the caregiver's designation, in accordance with Subsection (7)(b).
(b) The department shall provide a method in the card renewal process to allow a
cardholder described in Section 26-61a-201 who has designated a caregiver to:
(i) signify that the cardholder renews the caregiver's designation;
(ii) remove a caregiver's designation; or
(iii) designate a new caregiver.
[(8) A designated caregiver may not charge an individual a fee to act as the individual
designated caregiver or for services provided.]
[(9)] (8) The [Department of Health] department may revoke a [designated caregiver's]
medical cannabis caregiver card if the [individual] designated caregiver:
(a) violates this chapter; or
(b) is convicted [of an offense that is a felony] under [either] state or federal law of:
(i) a felony; or
(ii) after the effective date of this bill, a misdemeanor for drug distribution.
Section 61. Section 26-61a-203, which is renumbered from Section 26-60b-203 is
renumbered and amended to read:
[26-60b-203]. <u>26-61a-203.</u> Designated caregiver Guardian Criminal
background check.
(1) [An individual registered as a designated caregiver] Each applicant for a medical
cannabis guardian card under Section [26-60b-202] 26-61a-201 or a medical cannabis
caregiver card under Section 26-61a-202 shall:
(a) submit [to a criminal background check in accordance with Subsection (2).(2) Eac
designated caregiver shall] to the department, at the time of application:
[(a)] (i) [submit, to the department,] a fingerprint card in a form acceptable to the
[department and the] Department of Public Safety; and
(ii) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the
registration of the applicant's fingerprints in the Federal Bureau of Investigation Next
Generation Identification System's Rap Back Service; and
(b) consent to a fingerprint background check by:





[(a)] (b) Except as described in Subsection [(2)(b), an individual who has] (2)(c), a medical cannabis [card] patient cardholder or a provisional patient cardholder may not use, in public view, cannabis or a cannabis product [in public view]. [(b)] (c) [An] In the event of an emergency medical condition, an individual described in Subsection (2)(b) may use [cannabis or a cannabis product], and the holder of a medical cannabis guardian card or a medical cannabis caregiver card may administer to the cardholder's charge, in public view [in the event of a medical emergency], cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form. (3) If [an individual] a medical cannabis cardholder carrying the cardholder's card possesses cannabis in a medicinal dosage form or a cannabis product in compliance with Subsection (1), or a medical cannabis device that corresponds with the cannabis or cannabis product: (a) there is a rebuttable presumption that the [individual] cardholder possesses the cannabis, cannabis product, or medical cannabis device legally; and (b) [a law enforcement officer does not have] there is no probable cause, based solely on the [individual's] cardholder's possession of the cannabis, cannabis product, or medical cannabis device, to believe that the [individual] cardholder is engaging in illegal activity. (4) (a) If a law enforcement officer stops an individual who possesses cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device, and the individual represents to the law enforcement officer that the individual holds a valid medical cannabis card, but the individual does not have the medical cannabis card in the individual's possession at the time of the stop by the law enforcement officer, the law enforcement officer shall attempt to access the state electronic verification system to determine whether the individual holds a valid medical cannabis card. (b) If the law enforcement officer is able to verify that the individual described in Subsection (4)(a) [holds] is a valid medical cannabis [card] cardholder, the law enforcement officer: (i) may not arrest or take the individual into custody for the sole reason that the individual is in possession of cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device; and (ii) may not seize the cannabis, cannabis product, or medical cannabis device.

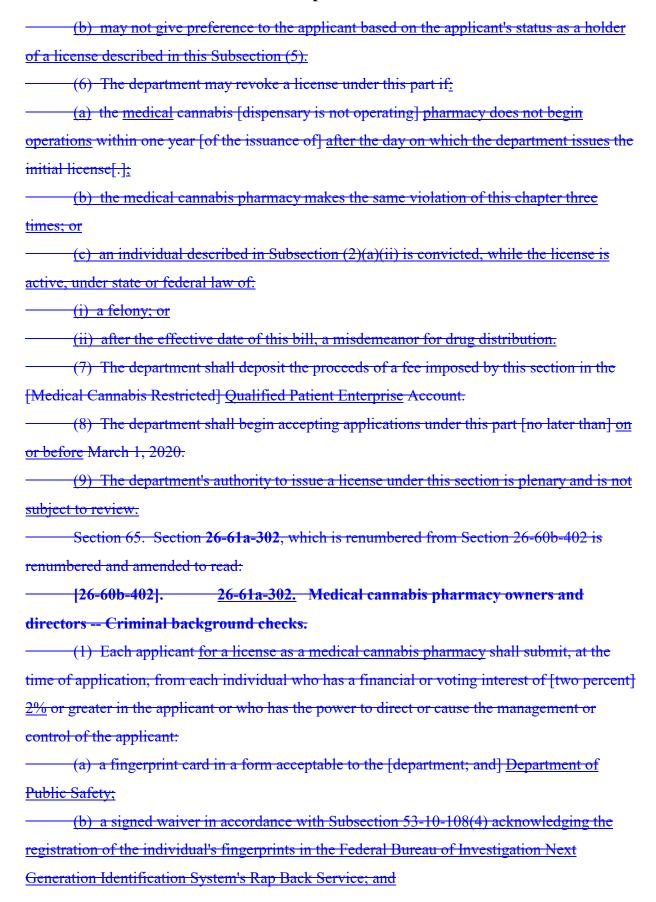


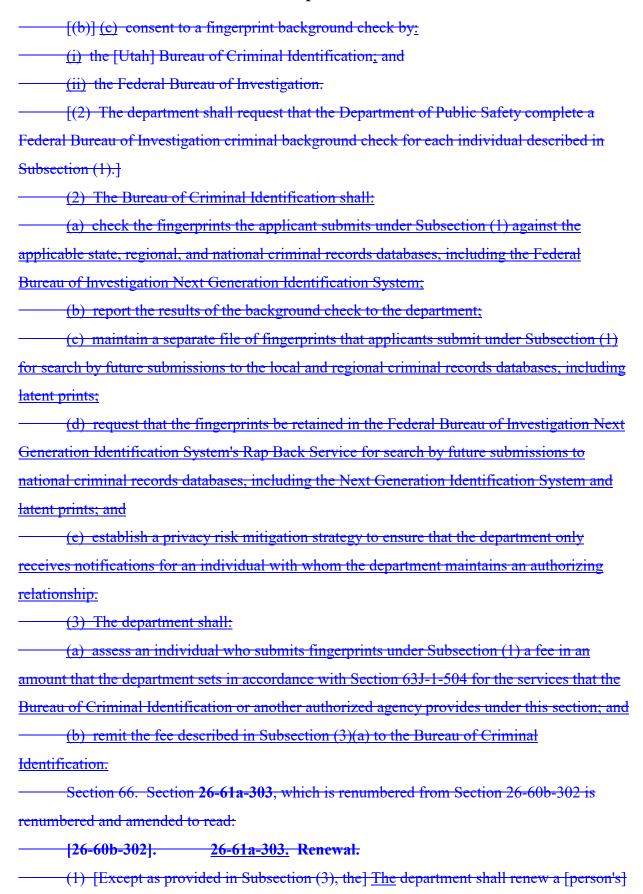
the department:

[(a)] (i) subject to Subsection (2)(c), a proposed name and address where the [person]
applicant will operate the medical cannabis [dispensary] pharmacy [that is not within 600 feet
of a community location or within 300 feet of an area zoned exclusively for residential use, as
measured from the nearest entrance to the cannabis production establishment by following the
shortest route of ordinary pedestrian travel to the property boundary of the community location
or residential area];
[(b)] (ii) the name and address of [any] an individual who:
(A) has a financial or voting interest of [two percent] 2% or greater in the proposed
medical cannabis [dispensary] pharmacy; or [who]
(B) has the power to direct or cause the management or control of a proposed cannabis
production establishment;
[(c)] (iii) [financial statements demonstrating that the person possesses a minimum of
\$250,000 in liquid assets available] evidence that the applicant has obtained and maintains a
performance bond that a surety authorized to transact surety business in the state issues in an
amount of at least \$125,000 for each application [submitted] that the applicant submits to the
department;
[(d)] (iv) an operating plan that:
(A) complies with Section [26-60b-303] 26-61a-304; and [that]
(B) includes operating procedures to comply with the operating requirements for a
medical cannabis [dispensary] pharmacy described in this chapter and with[any laws adopted
by the municipality] a relevant municipal or county law that [are] is consistent with Section
[26-60b-506] 26-61a-507 ;
[(e) if the municipality or county where the proposed cannabis production
establishment would be located has enacted zoning restrictions, a sworn statement certifying
that the proposed cannabis dispensary is in compliance with the restrictions;]
[(f)] (v) if the municipality or county where the proposed medical cannabis
[dispensary] pharmacy would be located requires a local land use permit [or license], a copy of
the person's approved application for the local land use permit [or license]; and
[(g)] (vi) an application fee [established by] in an amount that, subject to Subsection
26-61a-109(5), the department sets in accordance with Section 63J-1-504 [that is necessary to

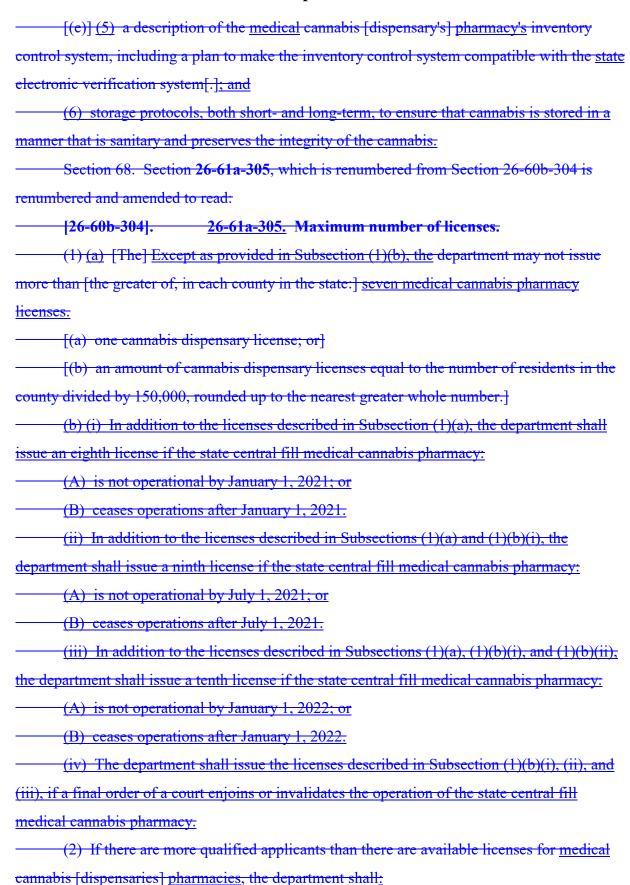
cover the department's cost to implement this part;]. (c) (i) A person may not locate a medical cannabis pharmacy in or within 600 feet of an area that the relevant municipality or county has zoned as primarily residential. (ii) An applicant for a license under this section shall provide evidence of compliance with the proximity requirement described in Subsection (2)(c)(i). (d) Except as provided in Subsection (2)(c), a medical cannabis pharmacy is a permitted use in all zoning districts within a municipality or county. (e) If the department receives more than one application for a medical cannabis pharmacy within the same city or town, the department shall consult with the local land use authority before approving any of the applications pertaining to that city or town. -[(4)] (3) If the department determines that [a cannabis dispensary] an applicant is eligible for a license under this section, the department shall: (a) charge the [cannabis dispensary] applicant an initial license fee in an amount [determined by] that, subject to Subsection 26-61a-109(5), the department sets in accordance with Section 63J-1-504[.]; and (b) notify the Department of Public Safety of the license approval and the names of each individual described in Subsection (2)(b)(ii). [(5)] (4) The department may not issue a license to operate a medical cannabis [dispensary] pharmacy to an applicant if [any] an individual [who has a financial or voter interest of two percent or greater in the cannabis dispensary applicant or who has power to direct or cause the management or control of the applicant] described in Subsection (2)(b)(ii): (a) has been convicted [of an offense that is a felony] under [either] state or federal law[; or] of: (i) a felony; or (ii) after the effective date of this bill, a misdemeanor for drug distribution; or (b) is [less] younger than 21 years [of age] old. (5) If an applicant for a medical cannabis pharmacy license under this section holds a license under Title 4, Chapter 41, Hemp and Cannabidiol Act, or Title 4, Chapter 41a, Cannabis Production Establishments, the department: (a) shall consult with the Department of Agriculture and Food regarding the applicant;

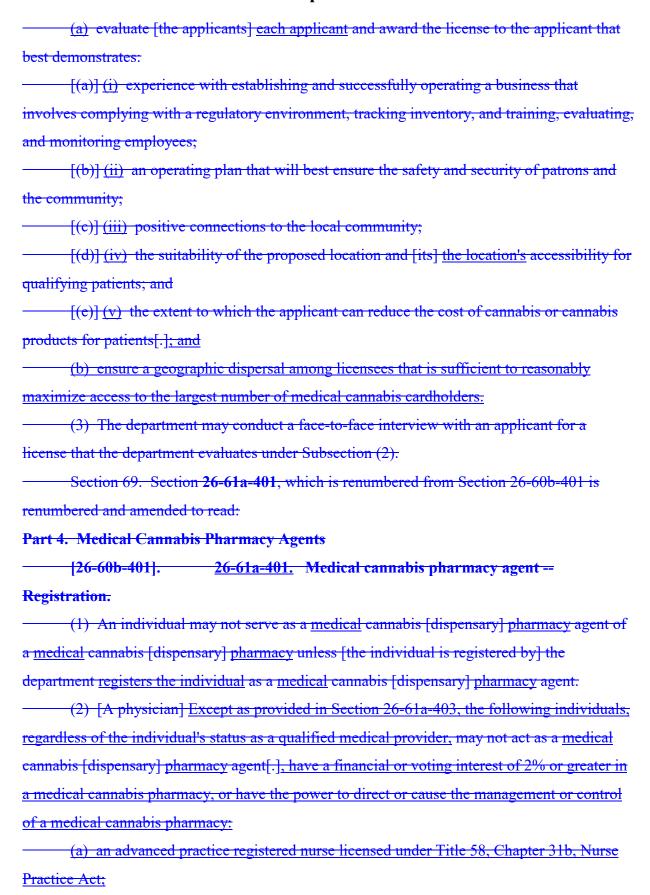
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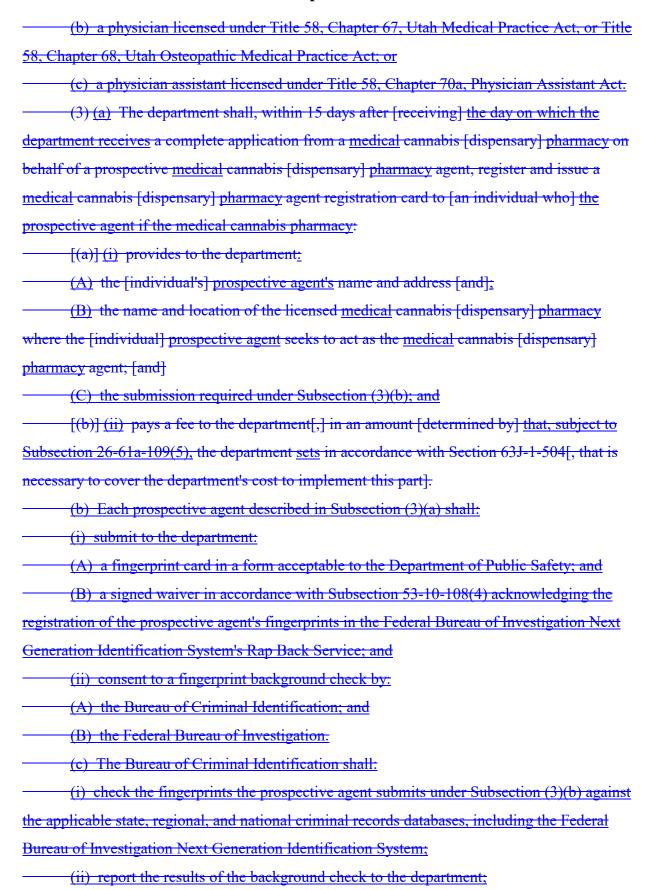




license under this part every [two years] year if, at the time of renewal: (a) the [person] <u>licensee</u> meets the requirements of Section [26-60b-301] <u>26-61a-301</u>; and (b) the [person] licensee pays the department a license renewal fee in an amount [determined by] that, subject to Subsection 26-61a-109(5), the department sets in accordance with Section 63J-1-504. (2) (a) If a licensed medical cannabis [dispensary] pharmacy abandons the medical cannabis [dispensary's] pharmacy's license, the department shall publish notice of an available license: (i) in a newspaper of general circulation for the geographic area in which the medical cannabis [dispensary] pharmacy license is available; or (ii) on the Utah Public Notice Website established in Section 63F-1-701. (b) The department may establish criteria, in collaboration with the Division of Occupational and Professional Licensing and the Board of Pharmacy and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, [for what actions by a] to identify the medical cannabis [dispensary] pharmacy actions that constitute abandonment of a medical cannabis [dispensary] pharmacy license. Section 67. Section 26-61a-304, which is renumbered from Section 26-60b-303 is renumbered and amended to read: [26-60b-303]. <u>26-61a-304.</u> Operating plan. [(1)] A person applying for a medical cannabis [dispensary] pharmacy license shall submit to the department a proposed operation plan for the medical cannabis [dispensary] pharmacy that complies with this section and that includes: [(a)] (1) a description of the physical characteristics of the proposed facility, including a floor plan and an architectural elevation; [(b)] (2) a description of the credentials and experience of: [(i)] (a) each officer, director, or owner of the proposed medical cannabis [dispensary] pharmacy; and [(ii)] (b) any highly skilled or experienced prospective employee; [(c)] (3) the medical cannabis [dispensary's] pharmacy's employee training standards; [(d)] (4) a security plan; [and]







(iii) maintain a separate file of fingerprints that prospective agents submit under
Subsection (3)(b) for search by future submissions to the local and regional criminal records
databases, including latent prints;
(iv) request that the fingerprints be retained in the Federal Bureau of Investigation Next
Generation Identification System's Rap Back Service for search by future submissions to
national criminal records databases, including the Next Generation Identification System and
latent prints; and
(v) establish a privacy risk mitigation strategy to ensure that the department only
receives notifications for an individual with whom the department maintains an authorizing
relationship.
(d) The department shall:
(i) assess an individual who submits fingerprints under Subsection (3)(b) a fee in an
amount that the department sets in accordance with Section 63J-1-504 for the services that the
Bureau of Criminal Identification or another authorized agency provides under this section; and
(ii) remit the fee described in Subsection (3)(d) to the Bureau of Criminal
<u>Identification.</u>
(4) The department shall designate, on an individual's medical cannabis [dispensary]
pharmacy agent registration card[,] the name of the medical cannabis [dispensary] pharmacy
where the individual is registered as an agent.
(5) A medical cannabis [dispensary] pharmacy agent shall comply with a certification
standard [developed by the department] that the department develops in collaboration with the
Division of Occupational and Professional Licensing and the Board of Pharmacy, or a [third
party] third-party certification standard [designated by] that the department[,] designates by
rule [made], in collaboration with the Division of Occupational and Professional Licensing and
the Board of Pharmacy and in accordance with Title 63G, Chapter 3, Utah Administrative
Rulemaking Act.
(6) The <u>department shall ensure that the</u> certification standard described in Subsection
(5) [shall include] includes training in:
(a) Utah medical cannabis law; and
(b) medical cannabis [dispensary] pharmacy best practices.
(7) The department may revoke [or refuse to issue] the medical cannabis [dispensary]

pharmacy agent registration card of or refuse to issue a medical cannabis pharmacy agent registration card to an individual who: (a) violates the requirements of this chapter; or (b) is convicted [of an offense that is a felony] under state or federal law[.] of: (i) a felony; or (ii) after the effective date of this bill, a misdemeanor for drug distribution. (8) (a) A medical cannabis pharmacy agent registration card expires two years after the day on which the department issues or renews the card. (b) A medical cannabis pharmacy agent may renew the agent's registration card if the agent: (i) is eligible for a medical cannabis pharmacy agent registration card under this section; (ii) certifies to the department in a renewal application that the information in Subsection (3)(a) is accurate or updates the information; and (iii) pays to the department a renewal fee in an amount that: (A) subject to Subsection 26-61a-109(5), the department sets in accordance with Section 63J-1-504; and (B) may not exceed the cost of the relatively lower administrative burden of renewal in comparison to the original application process. Section 70. Section 26-61a-402, which is renumbered from Section 26-60b-403 is renumbered and amended to read: | 126-60b-403|. 26-61a-402. Medical cannabis pharmacy agent registration card -- Rebuttable presumption. (1) A medical cannabis [dispensary] pharmacy agent [who is registered with the department under section 426-60b-401] shall carry the individual's medical cannabis [dispensary] pharmacy agent registration card with the individual at all times when: (a) the individual is on the premises of a medical cannabis [dispensary] pharmacy; and (b) the individual is transporting cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device between [two cannabis production establishments or between] a cannabis production establishment and a medical cannabis [dispensary] pharmacy.

(2) If an individual handling, at a medical cannabis pharmacy, cannabis in a medicinal
dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis device [at a
cannabis dispensary,] or transporting cannabis in a medicinal dosage form, a cannabis product
in a medicinal dosage form, or a medical cannabis device, possesses the cannabis, cannabis
product, or medical cannabis device in compliance with Subsection (1):
(a) there is a rebuttable presumption that the individual possesses the cannabis,
cannabis product, or medical cannabis device legally; and
(b) [a law enforcement officer does not have] there is no probable cause, based solely
on the individual's possession of the cannabis, cannabis product, or medical cannabis device in
compliance with Subsection (1), [to believe] that the individual is engaging in illegal activity.
(3) (a) [An individual who violates] A medical cannabis pharmacy agent who fails to
carry the agent's medical cannabis pharmacy agent registration card in accordance with
Subsection (1) is:
(i) for a first or second offense in a two-year period:
[(a)] (A) guilty of an infraction; and
[(b)] (B) is subject to a \$100 fine[.]; or
(ii) for a third or subsequent offense in a two-year period:
(A) guilty of a class C misdemeanor; and
(B) subject to a \$750 fine.
(b) (i) The prosecuting entity shall notify the department and the relevant medical
cannabis pharmacy of each conviction under Subsection (3)(a).
(ii) For each violation described in Subsection (3)(a)(ii), the department may assess the
relevant medical cannabis pharmacy a fine of up to \$5,000, in accordance with a fine schedule
that the department establishes by rule in accordance with Title 63G, Chapter 3, Utah
Administrative Rulemaking Act.
(c) An individual who is guilty of a violation described in Subsection (3)(a) is not
guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct
underlying the violation described in Subsection (3)(a).
Section 71. Section 26-61a-403 is enacted to read:
<u>26-61a-403.</u> Pharmacy medical providers Registration Continuing education.
(1) (a) A medical cannabis pharmacy:

(i) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, as a pharmacy medical provider; (ii) may employ a physician who has the authority to write a prescription and is licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, as a pharmacy medical provider; (iii) shall ensure that a pharmacy medical provider described in Subsection (1)(a)(i) works onsite during all business hours; and (iv) shall designate one pharmacy medical provider described in Subsection (1)(a)(i) as the pharmacist-in-charge to oversee the operation of and generally supervise the medical cannabis pharmacy. (b) An individual may not serve as a pharmacy medical provider unless the department registers the individual as a pharmacy medical provider in accordance with Subsection (2). (2) (a) The department shall, within 15 days after the day on which the department receives an application from a medical cannabis pharmacy on behalf of a prospective pharmacy medical provider, register and issue a pharmacy medical provider registration card to the prospective pharmacy medical provider if the medical cannabis pharmacy: (i) provides to the department: (A) the prospective pharmacy medical provider's name and address; (B) the name and location of the licensed medical cannabis pharmacy where the prospective pharmacy medical provider seeks to act as a pharmacy medical provider; (C) a report detailing the completion of the continuing education requirement described in Subsection (3); and (D) evidence that the prospective pharmacy medical provider is a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, or a physician who has the authority to write a prescription and is licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; and (ii) pays a fee to the department in an amount that, subject to Subsection 26-61a-109(5), the department sets in accordance with Section 63J-1-504. (b) The department may not register a qualified medical provider or a state central fill medical provider as a pharmacy medical provider. (3) (a) A pharmacy medical provider shall complete the continuing education described

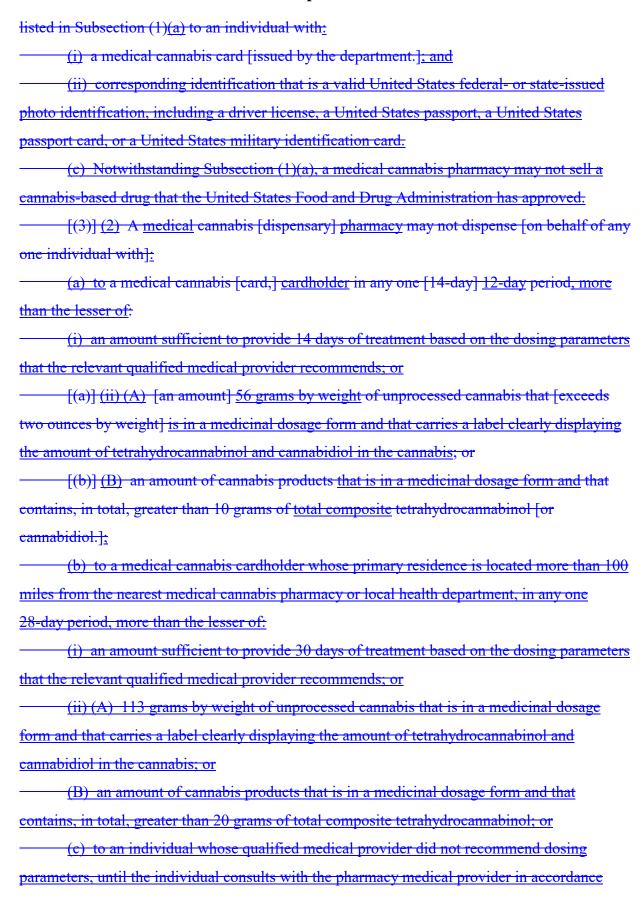
in this Subsection (3) in the following amounts:
(i) as a condition precedent to registration, four hours; and
(ii) as a condition precedent to renewal of the registration, four hours every two years.
(b) In accordance with Subsection (3)(a), the pharmacy medical provider shall:
(i) complete continuing education:
(A) regarding the topics described in Subsection (3)(d); and
(B) offered by the department under Subsection (3)(c) or an accredited or approved
continuing education provider that the department recognizes as offering continuing education
appropriate for the medical cannabis pharmacy practice; and
(ii) make a continuing education report to the department in accordance with a process
that the department establishes by rule, in accordance with Title 63G, Chapter 3, Utah
Administrative Rulemaking Act, and in collaboration with the Division of Occupational and
Professional Licensing and:
(A) for a pharmacy medical provider who is licensed under Title 58, Chapter 17b,
Pharmacy Practice Act, the Board of Pharmacy;
(B) for a pharmacy medical provider licensed under Title 58, Chapter 67, Utah Medical
Practice Act, the Physicians Licensing Board; and
(C) for a pharmacy medical provider licensed under Title 58, Chapter 68, Utah
Osteopathic Medical Practice Act, the Osteopathic Physician and Surgeon's Licensing Board.
(c) The department may, in consultation with the Division of Occupational and
Professional Licensing, develop the continuing education described in this Subsection (3).
(d) The continuing education described in this Subsection (3) may discuss:
(i) the provisions of this chapter;
(ii) general information about medical cannabis under federal and state law;
(iii) the latest scientific research on the endocannabinoid system and medical cannabis,
including risks and benefits;
(iv) recommendations for medical cannabis as it relates to the continuing care of a
patient in pain management, risk management, potential addiction, and palliative care; or
(v) best practices for recommending the form and dosage of a medical cannabis
product based on the qualifying condition underlying a medical cannabis recommendation.
(4) (a) A pharmacy medical provider registration card expires two years after the day

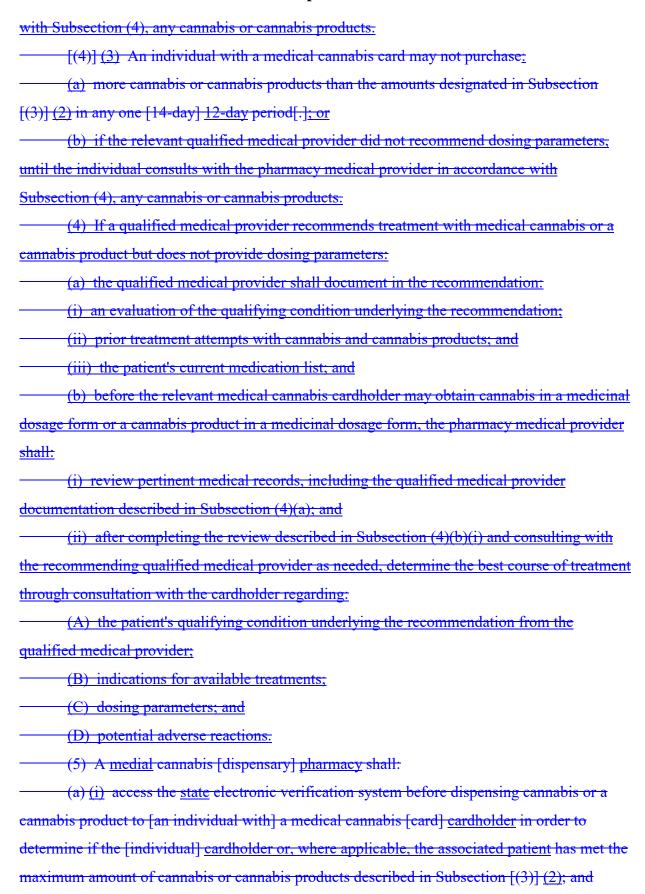
on which the department issues or renews the card. (b) A pharmacy medical provider may renew the provider's registration card if the provider: (i) is eligible for a pharmacy medical provider registration card under this section; (ii) certifies to the department in a renewal application that the information in Subsection (2)(a) is accurate or updates the information; (iii) submits a report detailing the completion of the continuing education requirement described in Subsection (3); and (iv) pays to the department a renewal fee in an amount that: (A) subject to Subsection 26-61a-109(5), the department sets in accordance with Section 63J-1-504; and (B) may not exceed the cost of the relatively lower administrative burden of renewal in comparison to the original application process. Section 72. Section 26-61a-501, which is renumbered from Section 26-60b-501 is renumbered and amended to read: Part 5. Medical Cannabis Pharmacy Operation [26-60b-501]. 26-61a-501. Operating requirements -- General. (1) (a) A medical cannabis [dispensary] pharmacy shall operate: (i) at the physical address provided to the department under Section 26-61a-301; and (ii) in accordance with the operating plan provided to the department under [Section] 26-60b-303] Section 26-61a-301 and, if applicable, 26-61a-304. (b) A medical cannabis [dispensary] pharmacy shall notify the department before a change in the medical cannabis [dispensary's] pharmacy's physical address or operating plan. (2) [A] An individual may not enter a medical cannabis [dispensary shall operate] pharmacy unless the individual: (a) is at least 18 years old; and [(a)] (b) except as provided in Subsection (5), [in a facility that is accessible only by an individual with possesses a valid: (i) medical cannabis [dispensary] pharmacy agent registration card; or [a] (ii) medical cannabis card[; and]. [(b) at the physical address provided to the department under Section 26-60b-301.]

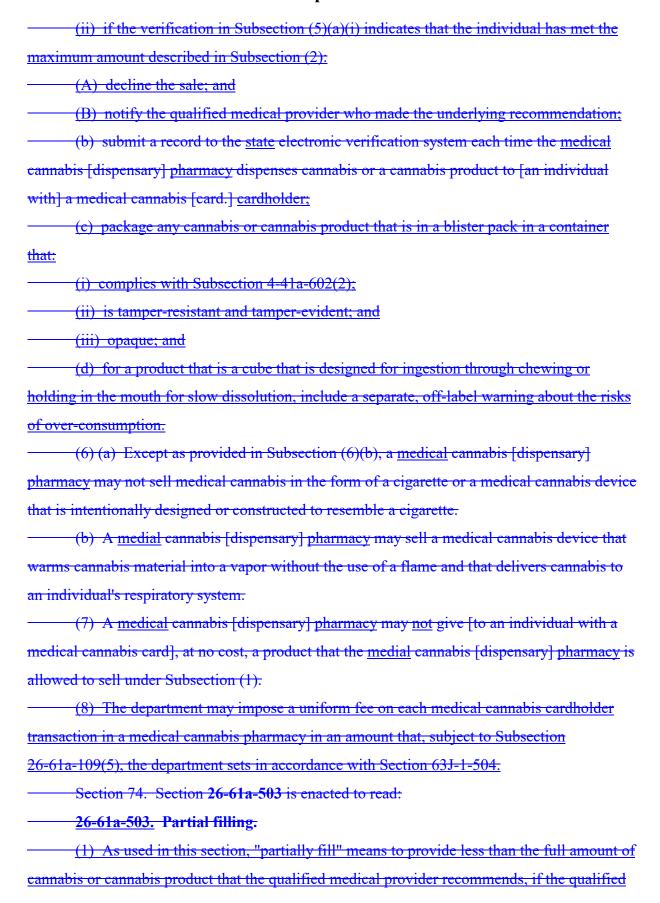
(3) A medical cannabis [dispensary] pharmacy may not employ [any person] an individual who is younger than 21 years [of age] old. (4) A medical cannabis [dispensary shall conduct a background check into the criminal history of every person who will become an agent of the cannabis dispensary and] pharmacy may not employ [any person] an individual who has been convicted of [an offense that is] a felony under [either] state or federal law. (5) [A] Notwithstanding Subsection (2), a medical cannabis [dispensary] pharmacy may authorize an individual who is not a medical cannabis [dispensary] pharmacy agent to access the medical cannabis [dispensary] pharmacy if the medical cannabis [dispensary] pharmacy tracks and monitors the individual at all times while the individual is at the medical cannabis [dispensary] pharmacy and maintains a record of the individual's access. (6) A medical cannabis [dispensary] pharmacy shall operate in a facility that has: (a) a single, secure public entrance; (b) a security system with a backup power source that: (i) detects and records entry into the medical cannabis [dispensary] pharmacy; and (ii) provides notice of an unauthorized entry to law enforcement when the medical cannabis [dispensary] pharmacy is closed; and (c) a lock on [any] each area where the medical cannabis [dispensary] pharmacy stores cannabis or a cannabis product. (7) A medical cannabis [dispensary] pharmacy shall post, both clearly and conspicuously in the medical cannabis [dispensary] pharmacy, the limit on the purchase of cannabis described in Subsection [26-60b-502(3)] 26-61a-502(2). (8) A medical cannabis [dispensary] pharmacy may not allow any individual to consume cannabis on the property or premises of the medical cannabis [dispensary] pharmacy. (9) A medical cannabis [dispensary] pharmacy may not sell cannabis or a cannabis product without first indicating on the cannabis or cannabis product label the name of the medical cannabis [dispensary] pharmacy. (10) (a) Each medical cannabis pharmacy shall retain in the pharmacy's records the following information regarding each recommendation underlying a transaction: (i) the qualified medical provider's name, address, and telephone number; (ii) the patient's name and address;

(iii) the date of issuance;
(iv) dosing parameters or an indication that the qualified medical provider did not
recommend specific dosing parameters; and
(v) if the patient did not complete the transaction, the name of the medical cannabis
cardholder who completed the transaction.
(b) The medical cannabis pharmacy may not sell cannabis or a cannabis product unless
the cannabis or cannabis product has a label securely affixed to the container indicating the
following minimum information:
(i) the name, address, and telephone number of the medical cannabis pharmacy;
(ii) the unique identification number that the medical cannabis pharmacy assigns;
(iii) the date of the sale;
(iv) the name of the patient;
(v) the name of the qualified medical provider who recommended the medical cannabis
treatment;
(vi) directions for use and cautionary statements, if any;
(vii) the amount dispensed and the cannabinoid content;
(viii) the beyond use date; and
(ix) any other requirements that the department determines, in consultation with the
Division of Occupational and Professional Licensing and the Board of Pharmacy.
(11) A pharmacy medical provider or medical cannabis pharmacy agent shall:
(a) unless the medical cannabis cardholder has had a consultation under Subsection
26-61a-502(4), verbally offer to a medical cannabis cardholder at the time of a purchase of
cannabis, a cannabis product, or a medical cannabis device, personal, face-to-face counseling
with the pharmacy medical provider who is a pharmacist; and
(b) provide a telephone number or website by which the cardholder may contact a
pharmacy medical provider for counseling.
(12) (a) A medical cannabis pharmacy may create a medical cannabis disposal program
that allows an individual to deposit unused or excess medical cannabis, cannabis residue from a
medical cannabis device, or medical cannabis product in a locked box or other secure
receptacle within the medical cannabis pharmacy.
(b) A medical cannabis pharmacy with a disposal program described in Subsection

(12)(a) shall ensure that only a medical cannabis pharmacy agent can access deposited medical
cannabis or medical cannabis products.
(c) A medical cannabis pharmacy shall dispose of any deposited medical cannabis or
medical cannabis products by:
(i) rendering the deposited medical cannabis or medical cannabis products unusable
and unrecognizable before transporting deposited medical cannabis or medical cannabis
products from the medical cannabis pharmacy; and
(ii) disposing of the deposited medical cannabis or medical cannabis products in
accordance with:
(A) federal and state law, rules, and regulations related to hazardous waste;
(B) the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 et seq.;
(C) Title 19, Chapter 6, Part 5, Solid Waste Management Act; and
(D) other regulations that the department makes in accordance with Title 63G, Chapter
3, Utah Administrative Rulemaking Act.
(13) The department shall establish by rule, in accordance with Title 63G, Chapter 3,
<u>Utah Administrative Rulemaking Act, protocols for a recall of cannabis and cannabis products</u>
by a medical cannabis pharmacy.
Section 73. Section 26-61a-502, which is renumbered from Section 26-60b-502 is
renumbered and amended to read:
[26-60b-502]. <u>26-61a-502.</u> Dispensing Amount a cannabis dispensary
may dispense Reporting Form of cannabis or cannabis product.
(1) (a) A medical cannabis [dispensary] pharmacy may [only] not sell a product other
than, subject to this chapter:
[(a)] (i) cannabis in a medicinal dosage form that the medical cannabis pharmacy
acquired from a cannabis processing facility that is licensed under Section 4-41a-201;
[(b)] (ii) a cannabis product in a medicinal dosage form that the medical cannabis
pharmacy acquired from a cannabis processing facility that is licensed under Section
4-41a-201;
[(c)] (iii) a medical cannabis device; or
[(d)] (iv) educational [materials] material related to the medical use of cannabis.
[(2)] (b) A medical cannabis [dispensary] pharmacy may only sell [the items] an item

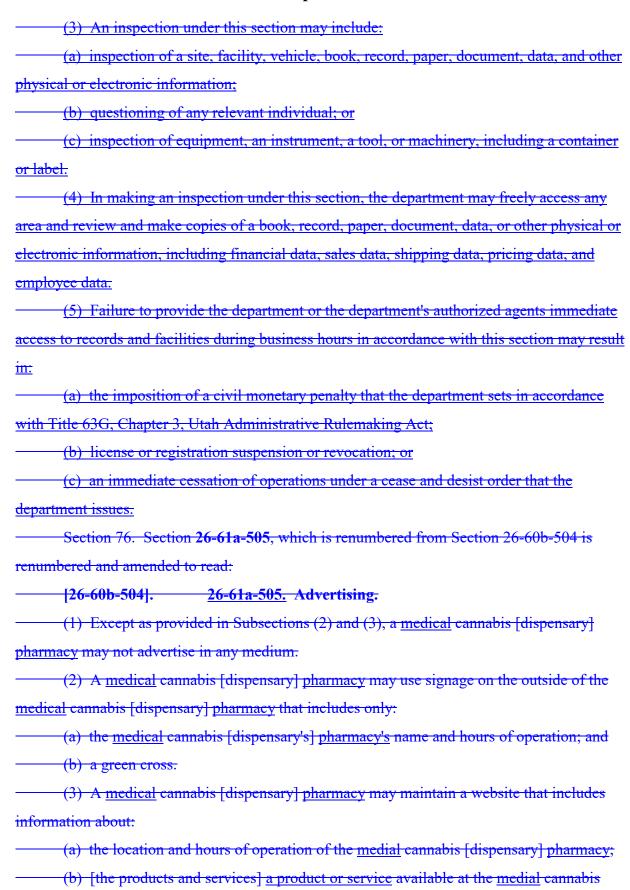


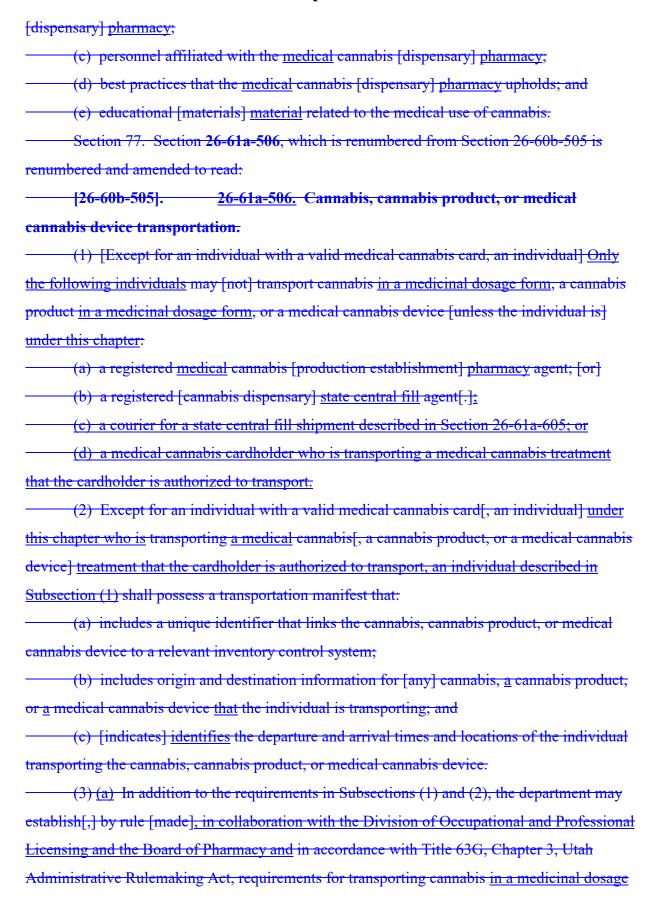




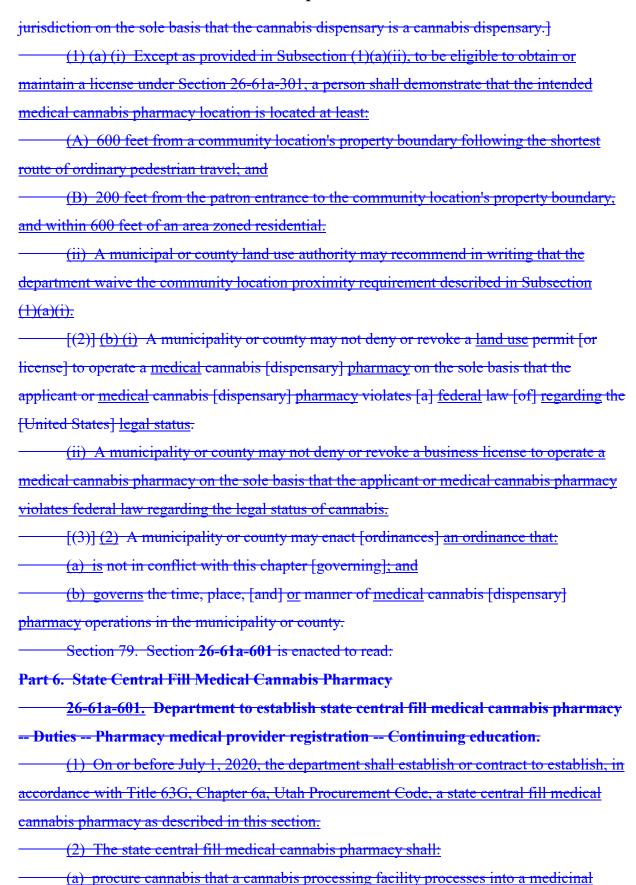
medical provider recommended specific dosing parameters.

- (2) A pharmacy medical provider may partially fill a recommendation for a medical cannabis treatment at the request of the qualified medical provider who issued the medical cannabis treatment recommendation or the medical cannabis cardholder.
- (3) The department shall make rules, in collaboration with the Division of Occupational and Professional Licensing and the Board of Pharmacy and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, specifying how to record the date, quantity supplied, and quantity remaining of a partially filled medical cannabis treatment recommendation.
- (4) A pharmacy medical provider who is a pharmacist may, upon the request of a medical cannabis cardholder, determine different dosing parameters, subject to the dosing limits in Subsection 26-61a-502(2), to fill the quantity remaining of a partially filled medical cannabis treatment recommendation if:
- (a) the pharmacy medical provider determined dosing parameters for the partial fill under Subsection 26-61a-502(4); and
 - (b) the medical cannabis cardholder reports that:
- (i) the partial fill did not substantially affect the qualifying condition underlying the medical cannabis recommendation; or
- (ii) the patient experienced an adverse reaction to the partial fill or was otherwise unable to successfully use the partial fill.
- Section 75. Section 26-61a-504, which is renumbered from Section 26-60b-503 is renumbered and amended to read:
- [26-60b-503]. <u>26-61a-504.</u> Inspections.
- (1) Each medical cannabis pharmacy shall maintain the pharmacy's medical cannabis treatment recommendation files and other records in accordance with this chapter, department rules, and the federal Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191, 110 Stat. 1936, as amended.
- (2) The department may inspect the records and facility of a medical cannabis [dispensary] pharmacy at any time during business hours in order to determine if the medical cannabis [dispensary] pharmacy complies with [the licensing requirements of this part] this chapter.





form, a cannabis product in a medicinal dosage form, or a medical cannabis device to ensure that [are related to safety for human] the cannabis [or], cannabis product, or medical cannabis device remains safe for human consumption. (b) The transportation described in Subsection (3)(a) is limited to transportation: (i) between a medical cannabis pharmacy and another medical cannabis pharmacy; and (ii) between the state central fill medical cannabis pharmacy and: (A) another state central fill medical cannabis pharmacy location; or (B) a local health department. (4) (a) [An individual who transports cannabis, a cannabis product, or a medical cannabis device] It is unlawful for a registered medical cannabis pharmacy agent, a registered state central fill agent, or a courier described in Section 26-61a-605 to make a transport described in this section with a manifest that does not meet the requirements of [Subsection (2) is: this section. (b) Except as provided in Subsection (4)(d), an agent or courier who violates Subsection (4)(a) is: [(a)] (i) guilty of an infraction; and [(b)] (ii) subject to a \$100 fine. (c) An individual who is guilty of a violation described in Subsection (4)(b) is not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct underlying the violation described in Subsection (4)(b). (d) If the individual described in Subsection (4)(a) is transporting more cannabis, cannabis product, or medical cannabis devices than the manifest identifies, except for a de minimis administrative error: (i) this chapter does not apply; and (ii) the individual is subject to penalties under Title 58, Chapter 37, Utah Controlled Substances Act. Section 78. Section 26-61a-507, which is renumbered from Section 26-60b-506 is renumbered and amended to read: [26-60b-506]. <u>26-61a-507. Local control.</u> [(1) A municipality or county may not enact a zoning ordinance that prohibits a cannabis dispensary from operating in a location within the municipality's or county's



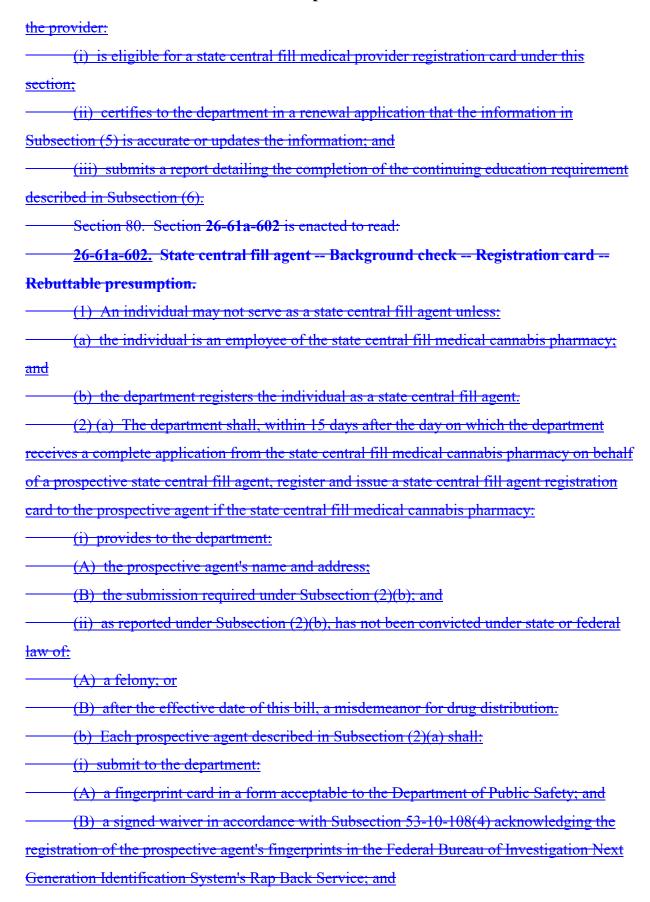
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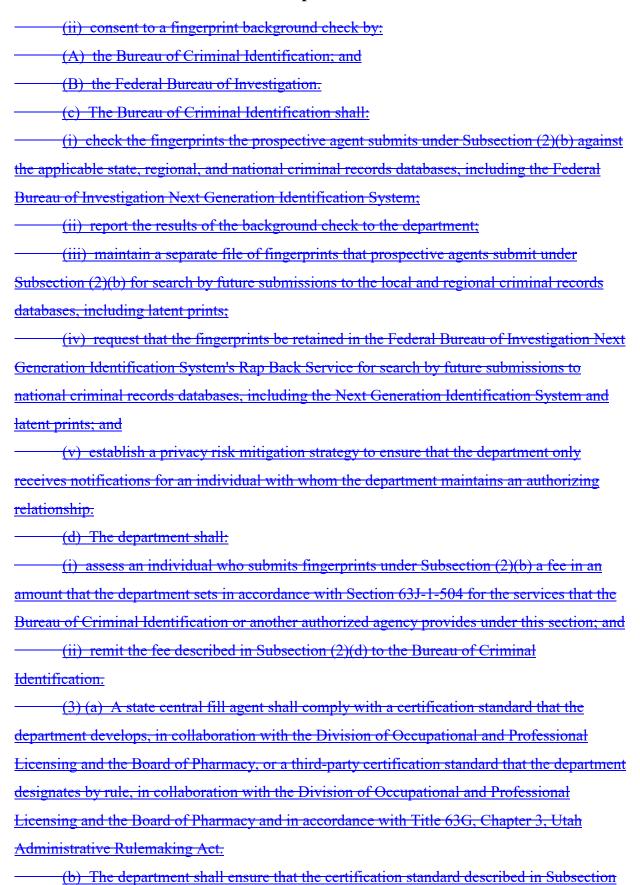
(b) prepare cannabis in medicinal dosage form, a cannabis product in medicinal dosage form, or a medical cannabis device for shipment to a medical cannabis cardholder under a qualified medical provider's recommendation to address a qualifying condition; (c) transport a state central fill shipment, in accordance with Section 26-61a-605, to the relevant local health department for distribution, in accordance with Section 26-61a-607; (d) (i) (A) if the state establishes the state central fill medical cannabis pharmacy, process and accept payment for a transaction involving a state central fill shipment; or (B) if the state establishes the state central fill medical cannabis pharmacy by contract, process prepaid requests for a state central fill shipment from the department; and (ii) deposit funds that the state central fill medical cannabis pharmacy collects under Subsection (2)(d)(i) into the Qualified Distribution Enterprise Account created in Section 26-61a-110. (3) (a) An individual may not enter a state central fill medical cannabis pharmacy location unless: (i) the individual is a state central fill agent or an employee of the state central fill medical cannabis pharmacy; (ii) the individual is an employee of the department; or (iii) a state central fill agent escorts the individual at all times. (b) An individual who violates Subsection (3)(a) is: (i) guilty of an infraction; and (ii) subject to a \$100 fine. (c) An individual who is guilty of a violation described in Subsection (3)(b) is not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct underlying the violation described in Subsection (3)(b). (4) (a) The state central fill medical cannabis pharmacy: (i) shall employ at least one pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, as a state central fill medical provider; (ii) may employ a physician who has the authority to write a prescription and is licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, as a state central fill medical provider;

(iii) shall ensure that a state central fill medical provider described in Subsection (4)(a)(i) works onsite at each location during all business hours; (iv) shall designate one state central fill medical provider described in Subsection (4)(a)(i) as the pharmacist-in-charge, as that term is defined in Section 58-17b-102, to oversee the operation of and generally supervise the state central fill medical cannabis pharmacy; and (v) may establish more than one location in which the state central fill medical cannabis pharmacy operates if the department determines, after an analysis of the current and anticipated market for cannabis in a medicinal dosage form and cannabis products in a medicinal dosage form, including costs and logistical issues in transportation of state central fill shipments, that multiple central fill locations are necessary to provide an adequate supply of state central fill shipments to local health departments for distribution to recipient medical cannabis cardholders. (b) An individual may not serve as a state central fill medical provider unless the department registers the individual as a state central fill medical provider. (5) (a) The department shall, within 15 days after the day on which the department receives an application from the state central fill medical cannabis pharmacy on behalf of a prospective state central fill medical provider, register and issue a state central fill medical provider registration card to the prospective state central fill medical provider if the state central fill medical cannabis pharmacy provides to the department: (i) the prospective state central fill medical provider's name and address; and (ii) evidence that the prospective state central fill medical provider is: (A) a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act; or (B) a physician who has the authority to write a prescription and is licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act. (b) The department may not register a qualified medical provider or a pharmacy medical provider as a state central fill medical provider. (6) (a) A state central fill medical provider shall complete the continuing education described in this Subsection (6) in the following amounts: (i) as a condition precedent to registration, four hours; and

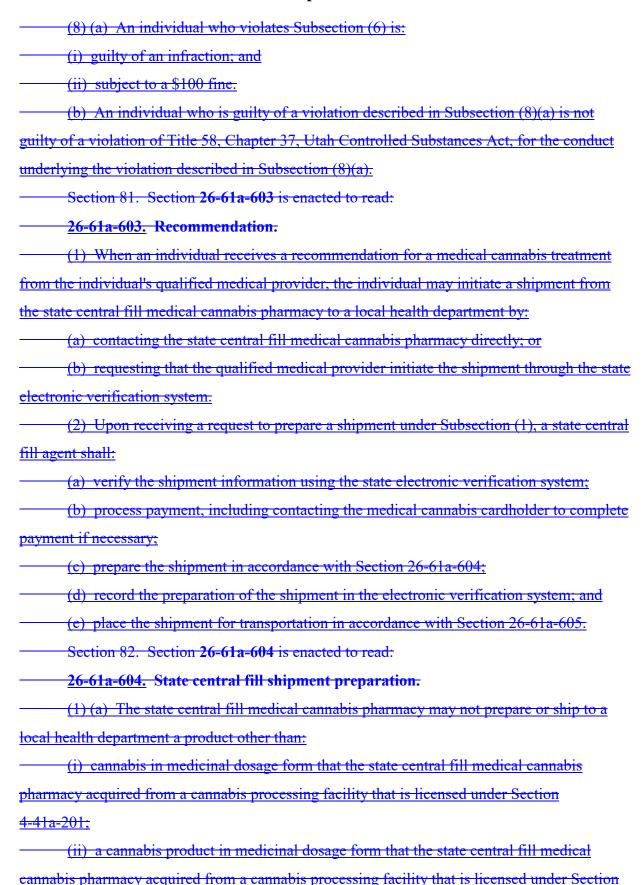
(ii) as a condition precedent to renewal, four hours every two years. (b) In accordance with Subsection (6)(a), the state central fill medical provider shall: (i) complete continuing education: (A) regarding the topics described in Subsection (6)(d); and (B) offered by the department under Subsection (6)(c) or an accredited or approved continuing education provider that the department recognizes as offering continuing education appropriate for the medical cannabis pharmacy practice; and (ii) make a continuing education report to the department in accordance with a process that the department establishes by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and in collaboration with the Division of Occupational and Professional Licensing and: (A) for a state central fill medical provider who is licensed under Title 58, Chapter 17b, Pharmacy Practice Act, the Board of Pharmacy; (B) for a state central fill medical provider licensed under Title 58, Chapter 67, Utah Medical Practice Act, the Physicians Licensing Board; and (C) for a state central fill medical provider licensed under Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, the Osteopathic Physician and Surgeon's Licensing Board. (c) The department may, in consultation with the Division of Occupational and Professional Licensing, develop the continuing education described in this Subsection (6). (d) The continuing education described in this Subsection (6) may discuss: (i) the provisions of this chapter: (ii) general information about medical cannabis under federal and state law; (iii) the latest scientific research on the endocannabinoid system and medical cannabis, including risks and benefits; (iv) recommendations for medical cannabis as it relates to the continuing care of a patient in pain management, risk management, potential addiction, and palliative care; or (v) best practices for recommending the form and dosage of medical cannabis products based on the qualifying condition underlying the medical cannabis recommendation. (7) (a) A state central fill medical provider registration card expires two years after the day on which the department issues or renews the card.

(b) A state central fill medical provider may renew the provider's registration card if

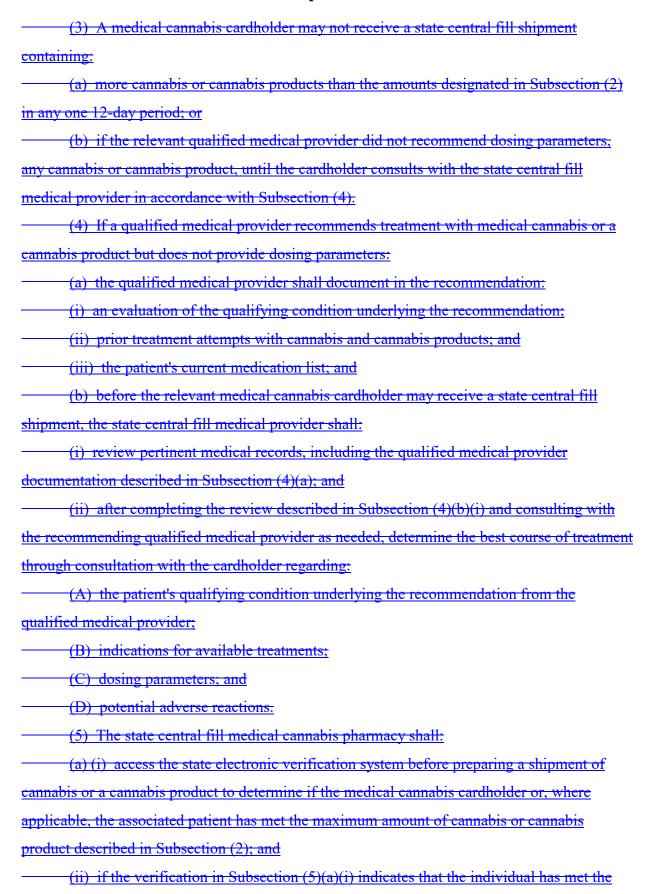


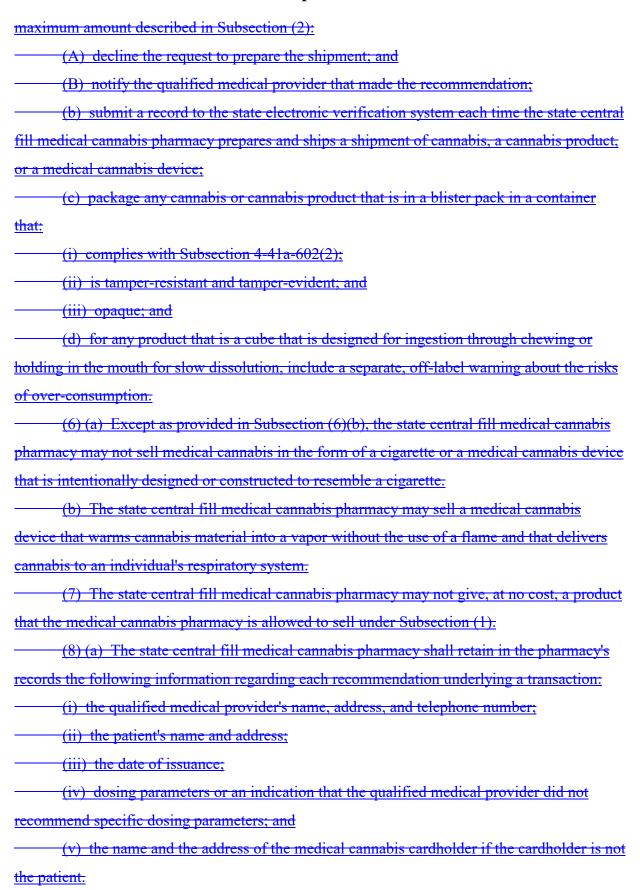


(3)(a) includes continuing education in:
(i) Utah medical cannabis law;
(ii) the state central fill medical cannabis pharmacy shipment process; and
(iii) state central fill agent best practices.
(4) The department may revoke or refuse to issue the state central fill agent registration
card of an individual who:
(a) violates the requirements of this chapter; or
(b) is convicted under state or federal law of:
(i) a felony; or
(ii) after the effective date of this bill, a misdemeanor for drug distribution.
(5) (a) A state central fill agent registration card expires two years after the day on
which the department issues or renews the card.
(b) A state central fill agent may renew the agent's registration card if the agent:
(i) is eligible for a state central fill registration card under this section; and
(ii) certifies to the department in a renewal application that the information in
Subsection (2)(a) is accurate or updates the information.
(6) A state central fill agent who the department registers under this section shall carry
the individual's state central fill agent registration card with the individual at all times when:
(a) the individual is on the premises of the state central fill medical cannabis pharmacy
and and a second
(b) the individual is transporting cannabis in a medicinal dosage form, a cannabis
product in a medicinal dosage form, or a medical cannabis device between a cannabis
production establishment and the state central fill medical cannabis pharmacy.
(7) If an individual handling cannabis, a cannabis product, or a medical cannabis
device handles the cannabis, cannabis product, or medical cannabis device in compliance with
Subsection (6):
(a) there is a rebuttable presumption that the individual possesses the cannabis,
cannabis product, or medical cannabis device legally; and
(b) there is no probable cause, based solely on the individual's handling of the
cannabis, cannabis product, or medical cannabis device, that the individual is engaging in
illegal activity.



4-41a-201; (iii) a medical cannabis device; or (iv) educational material related to the medical use of cannabis. (b) The state central fill medical cannabis pharmacy may only sell or ship an item listed in Subsection (1)(a) in response to a request for shipment described in Subsection 26-61a-603(1). (c) Notwithstanding Subsection (1)(a), the state central fill medical cannabis pharmacy may not sell a cannabis-based drug that the United States Food and Drug Administration has approved. (2) The state central fill medical cannabis pharmacy may not prepare a shipment: (a) for a medical cannabis cardholder in any one 12-day period, more than the lesser of: (i) an amount sufficient to provide 14 days of treatment based on the dosing parameters that the relevant qualified medical provider recommends; or (ii) (A) 56 grams by weight of unprocessed cannabis that is in a medicinal dosage form and that carries a label clearly displaying the amount of tetrahydrocannabinol and cannabidiol in the cannabis; or (B) an amount of cannabis products that is in a medicinal dosage form and that contains, in total, greater than 10 grams of total composite tetrahydrocannabinol; (b) to a medical cannabis cardholder whose primary residence is located more than 100 miles from the nearest medical cannabis pharmacy or local health department, in any one 28-day period, more than the lesser of: (i) an amount sufficient to provide 30 days of treatment based on the dosing parameters that the relevant qualified medical provider recommends; or (ii) (A) 113 grams by weight of unprocessed cannabis that is in a medicinal dosage form and that carries a label clearly displaying the amount of tetrahydrocannabinol and cannabidiol in the cannabis; or (B) an amount of cannabis products that is in a medicinal dosage form and that contains, in total, greater than 20 grams of total composite tetrahydrocannabinol; or (c) for an individual whose qualified medical provider did not recommend dosing parameters, any cannabis or cannabis product, until the individual consults with the state central fill medical provider in accordance with Subsection (4).



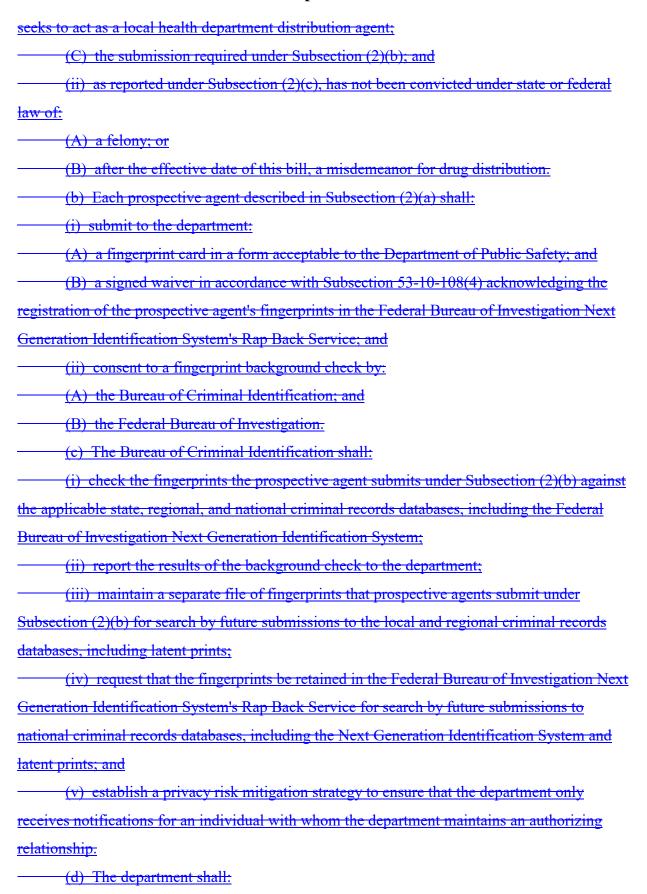


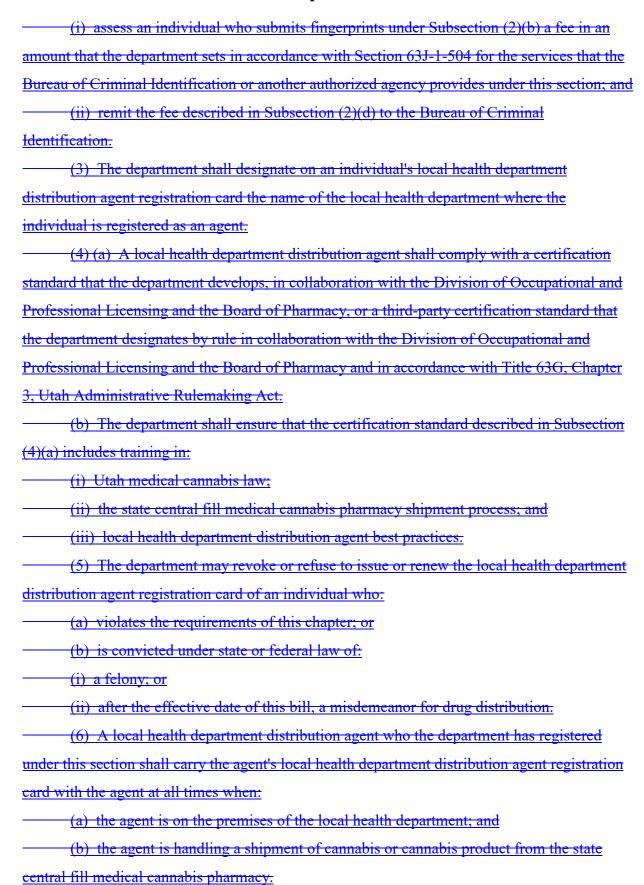
(b) The state central fill medical cannabis pharmacy may not sell cannabis or a cannabis product unless the cannabis or cannabis product has a label securely affixed to the container indicating the following minimum information: (i) the name and telephone number of the state central fill medical cannabis pharmacy; (ii) the unique identification number that the state central fill medical cannabis pharmacy assigns; (iii) the date of the sale; (iv) the name of the medical cannabis cardholder; (v) the name of the qualified medical provider who recommends the medical cannabis treatment; (vi) directions for use and cautionary statements, if any; (vii) the amount dispensed and the cannabinoid content; (viii) the beyond use date; and (ix) any other requirements that the department determines, in consultation with the Division of Occupational and Professional Licensing and the Board of Pharmacy. (9) A pharmacy medical provider at the state central fill medical cannabis pharmacy or a state central fill agent shall: (a) include in each state central fill shipment written counseling regarding the state central fill shipment; and (b) provide a telephone number or website by which a medical cannabis cardholder may contact a pharmacy medical provider for counseling. (10) The department shall establish by rule, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, protocols for a recall of cannabis and cannabis products by the state central fill medical cannabis pharmacy. (11) The department may impose a uniform fee on each medical cannabis cardholder transaction for a state central fill shipment in an amount that, subject to Subsection 26-61a-109(5), the department sets in accordance with Section 63J-1-504. Section 83. Section 26-61a-605 is enacted to read: 26-61a-605. State central fill shipment transportation. (1) The state central fill medical cannabis pharmacy shall ensure that the state central fill medical cannabis pharmacy is capable of delivering, in a secure manner, cannabis in

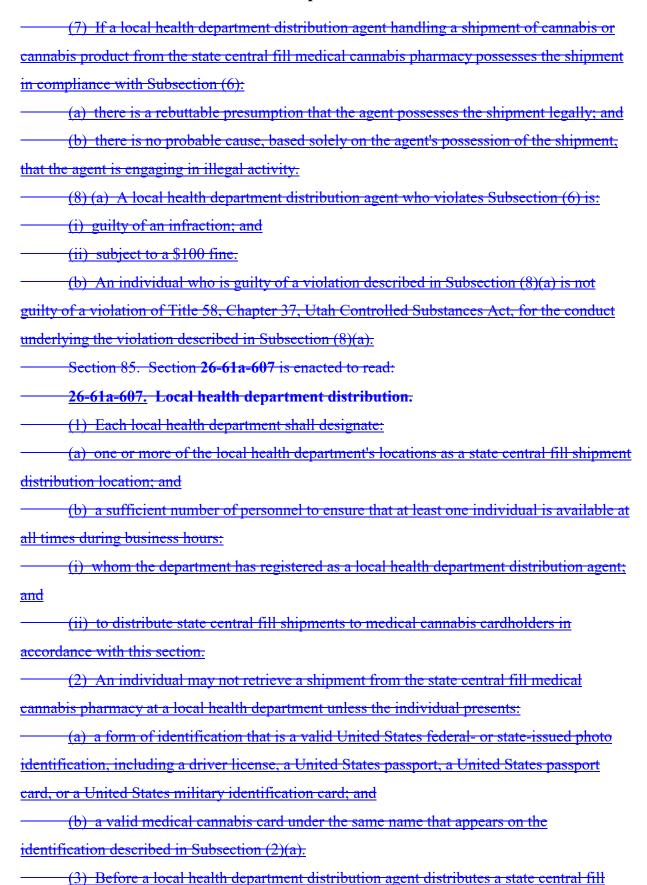
medicinal dosage form, a cannabis product in medicinal dosage form, and a medical cannabis device to each local health department in the state within two business days after the day on which the state central fill medical cannabis pharmacy receives a request for a state central fill shipment resulting from a recommendation of a qualified medical provider under Section 26-61a-603.

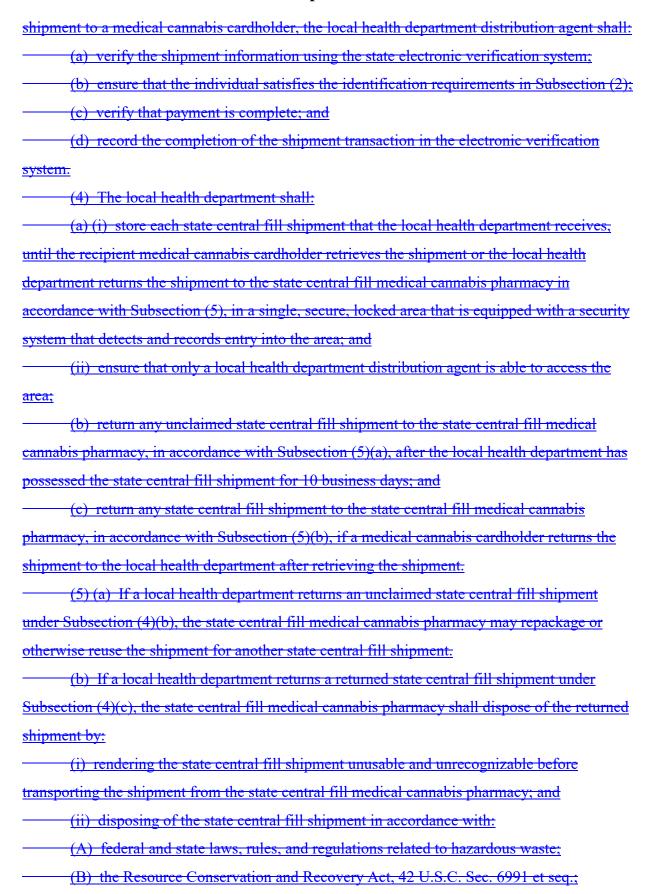
- (2) (a) The department may contract with a private entity for the entity to serve as a courier for the state central fill medical cannabis pharmacy, delivering state central fill shipments to local health departments for distribution to medical cannabis cardholders. (b) If the department enters into a contract described in Subsection (2)(a), the department shall: (i) issue the contract described in Subsection (2)(a) in accordance with Title 63G, Chapter 6a, Utah Procurement Code; (ii) impose security and personnel requirements on the contracted private entity sufficient to ensure the security and safety of state central fill shipments; and (iii) provide regular oversight of the contracted private entity. (3) Except for an individual with a valid medical cannabis card who transports a shipment the individual receives, an individual may not transport a state central fill shipment unless the individual is: (a) a registered state central fill agent; or (b) an agent of the private courier described in Subsection (2). (4) An individual transporting a state central fill shipment shall possess a transportation manifest that: (a) includes a unique identifier that links the state central fill shipment to a relevant inventory control system; (b) includes origin and destination information for a state central fill shipment the individual is transporting; and
- (c) indicates the departure and arrival times and locations of the individual transporting the state central fill shipment.
- (5) In addition to the requirements in Subsections (3) and (4), the department may establish by rule, in collaboration with the Division of Occupational and Professional Licensing and the Board of Pharmacy and in accordance with Title 63G, Chapter 3, Utah Administrative

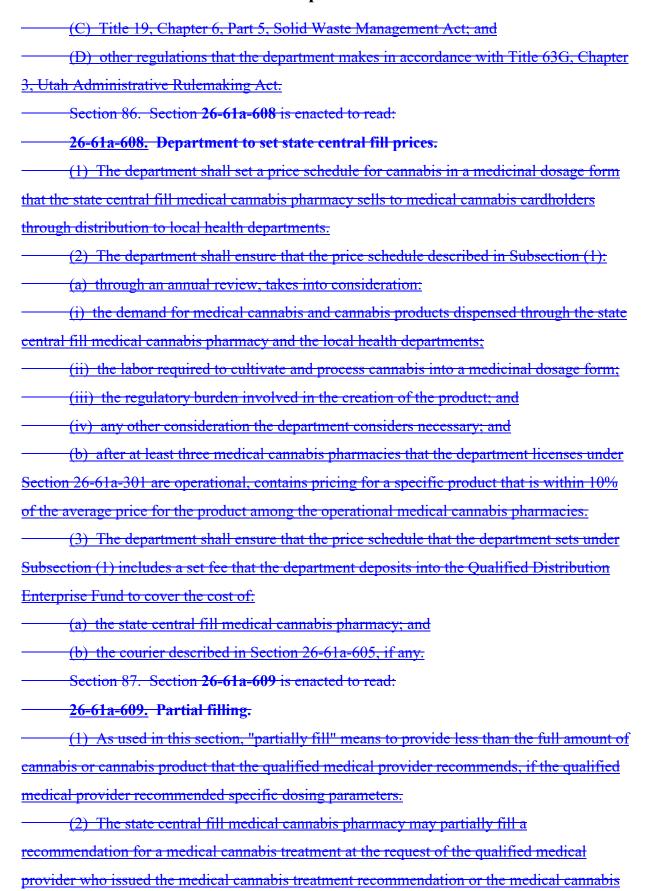
Rulemaking Act, requirements for transporting state central fill shipments that are related to safety for human consumption of cannabis or a cannabis product. (6) (a) It is unlawful for an individual to transport a state central fill shipment with a manifest that does not meet the requirements of Subsection (4). (b) Except as provided in Subsection (6)(d), an individual who violates Subsection $\frac{(6)(a)}{(a)}$ (i) is guilty of an infraction; and (ii) subject to a \$100 fine. (c) An individual who is guilty of a violation described in Subsection (6)(b) is not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct underlying the violation described in Subsection (6)(b). (d) If the individual described in Subsection (6)(a) is transporting more cannabis, cannabis product, or medical cannabis devices than the manifest identifies, except for a de minimis administrative error: (i) this chapter does not apply; and (ii) the individual is subject to penalties under Title 58, Chapter 37, Utah Controlled Substances Act. Section 84. Section 26-61a-606 is enacted to read: 26-61a-606. Local health department distribution agent -- Background check --Registration card -- Rebuttable presumption. (1) An individual may not serve as a local health department distribution agent unless: (a) the individual is an employee of a local health department; and (b) the department registers the individual as a local health department distribution agent. (2) (a) The department shall, within 15 days after the day on which the department receives a complete application from a local health department on behalf of a prospective local health department distribution agent, register and issue a local health department distribution agent registration card to the prospective agent if the local health department: (i) provides to the department: (A) the prospective agent's name and address; (B) the name and location of the local health department where the prospective agent











cardholder.

(3) The department shall make rules in collaboration with the Division of Occupationa
and Professional Licensing and the Board of Pharmacy and in accordance with Title 63G,
Chapter 3, Utah Administrative Rulemaking Act, specifying how to record the date, quantity
supplied, and quantity remaining of a partially filled medical cannabis treatment
recommendation.
(4) A state central fill medical provider who is a pharmacist may, upon the request of a
medical cannabis cardholder, determine different dosing parameters, subject to the dosing
limits in Subsection 26-61a-604(2), to fill the quantity remaining of a partially filled medical
cannabis treatment recommendation if:
(a) the state central fill medical provider determined dosing parameters for the partial
fill under Subsection 26-61a-604(4); and
(b) the medical cannabis cardholder reports that:
(i) the partial fill did not substantially affect the qualifying condition underlying the
medical cannabis recommendation; or
(ii) the patient experienced an adverse reaction to the partial fill or was otherwise
unable to successfully use the partial fill.
Section 88. Section 26-61a-610 is enacted to read:
26-61a-610. Records Inspections.
(1) The state central fill medical cannabis pharmacy shall maintain the pharmacy's
medical cannabis treatment recommendation files and other records in accordance with this
chapter, department rules, and the federal Health Insurance Portability and Accountability Act
of 1996, Pub. L. No. 104-191, 110 Stat. 1936, as amended.
(2) The department may inspect the records and facility of the state central fill medical
cannabis pharmacy or a local health department at any time during business hours in order to
determine compliance with this chapter.
(3) An inspection under this section may include:
(a) inspection of a site, facility, vehicle, book, record, paper, document, data, and other
physical or electronic information;
(b) questioning of any relevant individual; or
(c) inspection of equipment, an instrument, a tool, or machinery, including a container

or label. (4) In making an inspection under this section, the department may freely access any area and review and make copies of a book, record, paper, document, data, or other physical or electronic information, including financial data, sales data, shipping data, pricing data, and employee data. (5) Failure to provide the department or the department's authorized agents immediate access during business hours in accordance with this section may result in: (a) the imposition of a civil monetary penalty that the department sets in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; (b) license or registration suspension or revocation; or (c) an immediate cessation of operations under a cease and desist order that the department issues. Section 89. Section 26-61a-611 is enacted to read: 26-61a-611. Advertising. (1) Except as provided in Subsection (2), the state central fill medical cannabis pharmacy may not advertise in any medium. (2) The state central fill medical cannabis pharmacy may maintain a website that includes information about: (a) the contact information for the state central fill medical cannabis pharmacy; (b) a product or service available through shipment from the state central fill medical cannabis pharmacy; (c) a description of the state central fill medical cannabis pharmacy shipment process; (d) information about retrieving a state central fill shipment at a local health department; or (e) educational material related to the medical use of cannabis. Section 90. Section 26-61a-701 is enacted to read:

Part 7. Enforcement

26-61a-701. Enforcement -- Misdemeanor.

(1) Except as provided in Title 4, Chapter 41a, Cannabis Production Establishments, and Sections 26-61a-502, 26-61a-605, and 26-61a-607, it is unlawful for a medical cannabis cardholder to sell or otherwise give to another medical cannabis cardholder cannabis in a

medicinal dosage form, a cannabis product in a medicinal dosage form, a medical cannabis device, or any cannabis residue remaining in or from a medical cannabis device. (2) (a) Except as provided in Subsection (2)(b), a medical cannabis cardholder who violates Subsection (1) is: (i) guilty of a class B misdemeanor; and (ii) subject to a \$1,000 fine. (b) An individual is not guilty under Subsection (2)(a) if the individual: (i) (A) is a designated caregiver; and (B) gives the product described in Subsection (1) to the medical cannabis cardholder who designated the individual as a designated caregiver; or (ii) (A) is a medical cannabis guardian cardholder; and (B) gives the product described in Subsection (1) to the relevant provisional patient cardholder. (c) An individual who is guilty of a violation described in Subsection (2)(a) is not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct underlying the violation described in Subsection (2)(a). Section 91. Section 26-61a-702, which is renumbered from Section 26-60b-601 is renumbered and amended to read: [26-60b-601]. <u>26-61a-702.</u> Enforcement -- Fine -- Citation. (1) (a) The department may, for a medical cannabis pharmacy's violation of this chapter [by a person who is a cannabis dispensary or cannabis dispensary agent]: [(a)] (i) revoke the [person's license or] medical cannabis [dispensary agent registration card] pharmacy license; [(b)] (ii) refuse to renew the [person's license or] medical cannabis [dispensary agent registration card] pharmacy license; or [(c)] (iii) assess the [person] medical cannabis pharmacy an administrative penalty. (b) The department may, for a medical cannabis pharmacy agent's or state central fill agent's violation of this chapter: (i) revoke the medical cannabis pharmacy agent or state central fill agent registration card; (ii) refuse to renew the medical cannabis pharmacy agent or state central fill agent

registration card; or

- (iii) assess the medical cannabis pharmacy agent or state central fill agent an administrative penalty.
- (2) The department shall deposit an administrative penalty imposed under this section [in] into the [general fund] General Fund.
- (3) [} The department may, for {] For} a person subject to an uncontested citation, a stipulated settlement, or a finding of a violation in an adjudicative proceeding under this section {, the department may}:
- (a) {for a fine amount not already specified in law, } assess the person a fine {{}}, established in accordance with Section 63J-1-504, {{}} of up to \$5,000 per violation, in accordance with a fine schedule {{}} established {{}} that the department establishes} by rule {{}} made {{}} in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; or
 - (b) order the person to cease and desist from the action that creates a violation.
- (4) The department may not revoke a {medical} cannabis {{}} dispensary's{{}} pharmacy's} license without first directing the {medical} cannabis {{}} dispensary{{}} pharmacy} to appear before an adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative Procedures Act.
- (5) If, within 20 calendar days after the day on which the department issues a citation for a violation of this chapter, the person that is the subject of the citation fails to request a hearing to contest the citation, the citation becomes the department's final order.
- (6) The department may, for a person who fails to comply with a citation under this section:
- (a) refuse to issue or renew the person's license {{}} or cannabis dispensary{{}} agent registration card; or
- (b) suspend, revoke, or place on probation the person's license or \{\} cannabis dispensary\{\} agent registration card.
- (7) {(a)} { []} If the department makes a final determination under this section that {]

 Except where a criminal penalty is expressly provided for a specific violation of this chapter,

 if } an individual { [] violates } a provision of this chapter, the individual is { :

 (i) } guilty of an infraction { [.]; and
 - (ii) subject to a \$100 fine.

(b) An individual who is guilty of a violation described in Subsection (7)(a) is not guilty of a violation of Title 58, Chapter 37, Utah Controlled Substances Act, for the conduct underlying the violation described in Subsection (7)(a). Section 92}. Section 67. Section $\{26-61a-703\}$ 26-61a-602, which is renumbered from Section 26-60b-602 is renumbered and amended to read: {26-61a-703}26-61a-602. Report. [26-60b-602]. (1) {{}} The {{}} By the November interim meeting each year, the } department shall report { annually } to the Health and Human Services Interim Committee on { (a) the number of applications and renewal applications filed for medical cannabis cards { | }, { | } (b) the number of qualifying patients and designated caregivers {{},{}; $\frac{(c)}{(c)}$ the nature of the debilitating medical conditions of the qualifying patients $\{\{\}, \{\}\}\}$ $\frac{\text{(d)}}{\text{(d)}}$ the age and county of residence of cardholders $\{\{\},\{\}\}\}$ $\frac{\text{(e)}}{\text{(e)}}$ the number of medical cannabis cards revoked $\{\{\},\{\}\}$ (f) the number of practitioners providing recommendations for qualifying patients \{\frac{1}{2}} (g) the number of license applications and renewal license applications received $\{\{\},\{\}\}$ $\frac{\text{(h)}}{\text{the number of licenses}}$ the number of licenses $\frac{\text{the department has}}{\text{the number of licenses}}$ issued in each county $\frac{\{\{\},\{\}\}\}}{\text{the number of licenses}}$ (i) the number of licenses {the department has revoked[, and]; (i) the quantity and timeliness of state central fill shipments, including the amount of time between recommendation to the state central fill medical cannabis pharmacy and arrival of a state central fill shipment at a local health department; (k) the market share of state central fill shipments; (1) revoked, and the expenses incurred and revenues generated from the medical cannabis program { . . ; (m) the expenses incurred and revenues generated from the state central fill medical cannabis pharmacy, including a profit and loss statement; and (n) an analysis of product availability, including the price differential between comparable products, in medical cannabis pharmacies and the state central fill medical

cannabis pharmacy.}.

(2) The department may not include personally identifying information in the report
described in this section.
Section 93. Section 26-65-102 (Effective 07/01/19) is amended to read:
26-65-102 (Effective 07/01/19). Definitions.
(1) "Agent" means an employee or independent contractor of an entity.
[(2) "Cannabidiol laboratory" means the same as that term is defined in Section
4-43-102.]
[(3)] (2) "Cannabidiol product" means [the same as that term is defined in Section
4-41-102.] a chemical compound extracted from cannabis that:
(a) is processed into a medicinal dosage form; and
(b) contains less than 0.3% tetrahydrocannabinol by dry weight.
(3) "Cannabis" means marijuana, as that term is defined in Section 58-37-2.
[(4) "Cannabidiol-qualified pharmacy" means the same as that term is defined in
Section 4-43-102.]
[(5) "Cannabinoid Product Restricted Account" means the account created in Section
4-43-801.]
[(6)] (4) "Medicinal dosage form" means a qualifying dosage form for a cannabidiol
product under Section 26-65-103.
[(7)] (5) "Physician" means an individual who is licensed to practice:
(a) medicine, under Title 58, Chapter 67, Utah Medical Practice Act; or
(b) osteopathic medicine, under Title 58, Chapter 68, Utah Osteopathic Medical
Practice Act.
Section 94. Section 26-65-103 (Effective 07/01/19) is amended to read:
26-65-103 (Effective 07/01/19). Medicinal dosage form.
(1) For the purpose of this chapter, any of the following is a qualifying medicinal
dosage form for a cannabidiol product:
(a) a tablet;
(b) a capsule;
(c) a concentrated oil;
(d) a liquid suspension;

- (e) a transdermal preparation; and
 - (f) a sublingual preparation.
- (2) A patient may not purchase, use, or possess a cannabidiol product unless the cannabidiol product is prepared in a medicinal dosage form.
- (3) A [cannabidiol-qualified] pharmacy may not purchase, possess, or sell a cannabidiol product unless the cannabidiol product is prepared in a medicinal dosage form.
- (4) The department may recommend that the Legislature approve the use of an additional medicinal dosage form}.

Section $\frac{95}{68}$. Section 30-3-10 is amended to read:

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

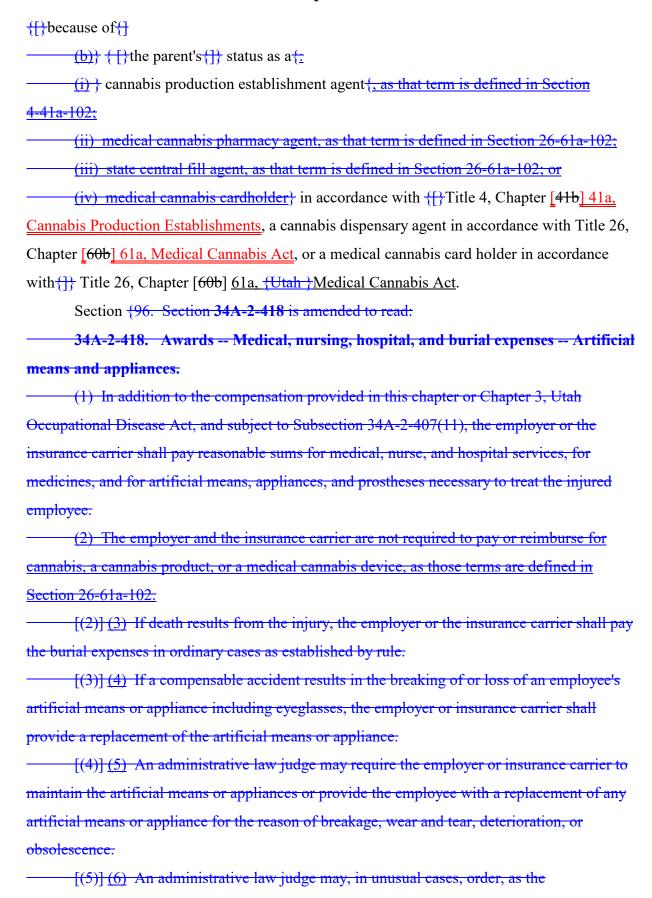
- (1) If a [husband and wife] married couple having [minor] one or more {minor} children are separated, or their marriage is declared void or dissolved, the court shall make an order for the future care and custody of the minor children as it considers appropriate.
- (a) In determining any form of custody, including a change in custody, the court shall consider the best interests of the child without preference for either [the mother or father] parent solely because of the biological sex of the parent and, among other factors the court finds relevant, the following:
- (i) {in accordance with Subsection (7), } the past conduct and demonstrated moral standards of each of the parties;
- (ii) which parent is most likely to act in the best interest of the child, including allowing the child frequent and continuing contact with the noncustodial parent;
- (iii) the extent of bonding between the parent and child, meaning the depth, quality, and nature of the relationship between a parent and child;
- (iv) whether the parent has intentionally exposed the child to pornography or material harmful to a minor, as defined in Section 76-10-1201; and
 - (v) those factors outlined in Section 30-3-10.2.
- (b) There { shall be { j is } a rebuttable presumption that joint legal custody, as defined in Section 30-3-10.1, is in the best interest of the child, except in cases where there is:
 - (i) domestic violence in the home or in the presence of the child;
 - (ii) special physical or mental needs of a parent or child, making joint legal custody

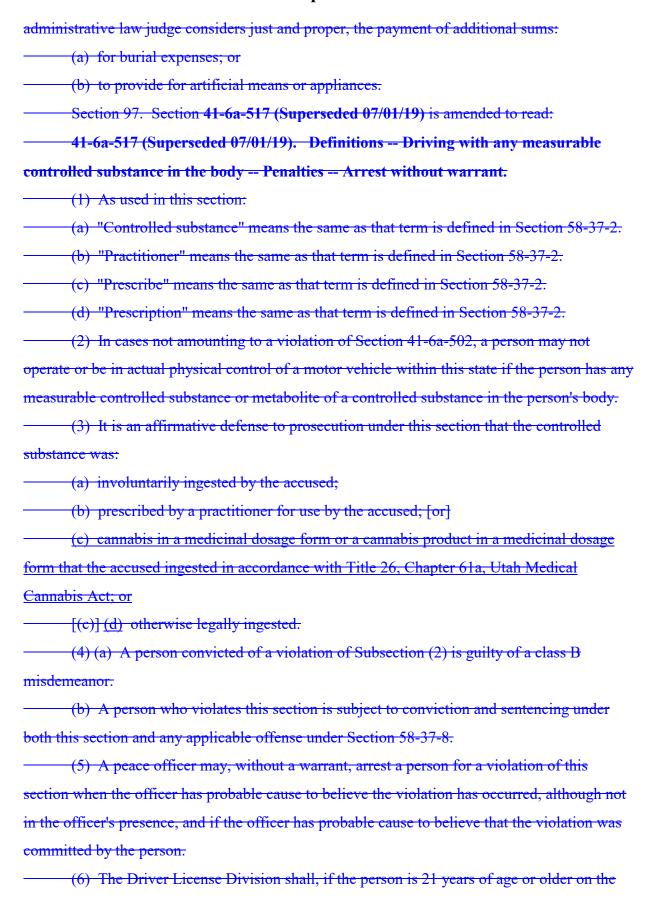
unreasonable;

- (iii) physical distance between the residences of the parents, making joint decision making impractical in certain circumstances; or
- (iv) any other factor the court considers relevant including those listed in this section and Section 30-3-10.2.
- (c) {(i)} The person who desires joint legal custody shall file a proposed parenting plan in accordance with Sections 30-3-10.8 and 30-3-10.9.
- (ii)} A presumption for joint legal custody may be rebutted by a showing by a preponderance of the evidence that it is not in the best interest of the child.
- (d) [The children] A child may not be required by either party to testify unless the trier of fact determines that extenuating circumstances exist that would necessitate the testimony of the [children] child be heard and there is no other reasonable method to present [their] the child's testimony.
- (e) {(i)} The court may inquire of [the children] {the child's} a child and take into consideration the [children's] {the child's desires regarding future custody or parent-time schedules, but the expressed desires are not controlling and the court may determine the [children's] child's custody or parent-time otherwise. {
- (ii) The desires of a child 14 years of age or older shall be given added weight, but is not the single controlling factor.
- (f) { (i)} If [interviews] an interview with [the children are] a child is conducted by the court pursuant to Subsection (1)(e), [they] the interview shall be conducted by the judge in camera. {
- (ii) The prior consent of the parties may be obtained but is not necessary if the court finds that an interview with [the children] a child is the only method to ascertain the child's desires regarding custody.
- (2) In awarding custody, the court shall consider, among other factors the court finds relevant, which parent is most likely to act in the best interests of the child, including allowing the child frequent and continuing contact with the noncustodial parent as the court finds appropriate.
- (3) If the court finds that one parent does not desire custody of the child, the court shall take that evidence into consideration in determining whether to award custody to the other

parent.

- (4) (a) Except as provided in Subsection (4)(b), a court may not discriminate against a parent due to a disability, as defined in Section 57-21-2, in awarding custody or determining whether a substantial change has occurred for the purpose of modifying an award of custody.
- (b) [If a] The court [takes a parent's] may not consider the disability [into account] of a parent as a factor in awarding custody or [determining whether] modifying an award of custody based on a determination of a substantial change [has occurred for the purpose of modifying an award of custody, the parent with a disability may rebut any evidence, presumption, or inference arising from the disability by showing] in circumstances, unless the court makes specific findings that:
- (i) the disability [does not] significantly or substantially [inhibit] inhibits the parent's ability to provide for the physical and emotional needs of the child at issue; and
- (ii) the parent with a disability [has] lacks sufficient human, monetary, or other resources available to supplement the parent's ability to provide for the physical and emotional needs of the child at issue.
- (c) Nothing in this section may be construed to apply to adoption proceedings under Title 78B, Chapter 6, Part 1, Utah Adoption Act.
- (5) This section establishes neither a preference nor a presumption for or against joint physical custody or sole physical custody, but allows the court and the family the widest discretion to choose a parenting plan that is in the best interest of the child.
- (6) When an issue before the court involves custodial responsibility in the event of a deployment of one or both parents who are servicemembers, and the servicemember has not yet been notified of deployment, the court shall resolve the issue based on the standards in Sections 78B-20-306 through 78B-20-309.
- [(6)] (7) In considering the past conduct and demonstrated moral standards of each (1) of the parties as described (1) party) under Subsection (1) (a) (i) (j), (j) or any other factor) a court (finds relevant, the court) may not discriminate against a parent because of (or otherwise consider) the parent's (:
- (a) lawful} possession or {[} consumption{] use} of cannabis { in a medicinal dosage form}, a cannabis product { in a medicinal dosage form}, or a medical cannabis device, in accordance with Title 26, Chapter [60b] 61a, {Utah} Medical Cannabis Act{[},{[}) or





date of arrest: (a) suspend, for a period of 120 days, the driver license of a person convicted under Subsection (2) of an offense committed on or after July 1, 2009; or (b) revoke, for a period of two years, the driver license of a person if: (i) the person has a prior conviction as defined under Subsection 41-6a-501(2); and (ii) the current violation under Subsection (2) is committed on or after July 1, 2009, and within a period of 10 years after the date of the prior violation. (7) The Driver License Division shall, if the person is 19 years of age or older but under 21 years of age on the date of arrest: (a) suspend, until the person is 21 years of age or for a period of one year, whichever is longer, the driver license of a person convicted under Subsection (2) of an offense committed on or after July 1, 2011; or (b) revoke, until the person is 21 years of age or for a period of two years, whichever is longer, the driver license of a person if: (i) the person has a prior conviction as defined under Subsection 41-6a-501(2); and (ii) the current violation under Subsection (2) is committed on or after July 1, 2009, and within a period of 10 years after the date of the prior violation. (8) The Driver License Division shall, if the person is under 19 years of age on the date of arrest: (a) suspend, until the person is 21 years of age, the driver license of a person convicted under Subsection (2) of an offense committed on or after July 1, 2009; or (b) revoke, until the person is 21 years of age, the driver license of a person if: (i) the person has a prior conviction as defined under Subsection 41-6a-501(2); and (ii) the current violation under Subsection (2) is committed on or after July 1, 2009, and within a period of 10 years after the date of the prior violation. (9) The Driver License Division shall subtract from any suspension or revocation period the number of days for which a license was previously suspended under Section 53-3-223 or 53-3-231, if the previous suspension was based on the same occurrence upon which the record of conviction is based. (10) The Driver License Division shall: (a) deny, suspend, or revoke a person's license for the denial and suspension periods in

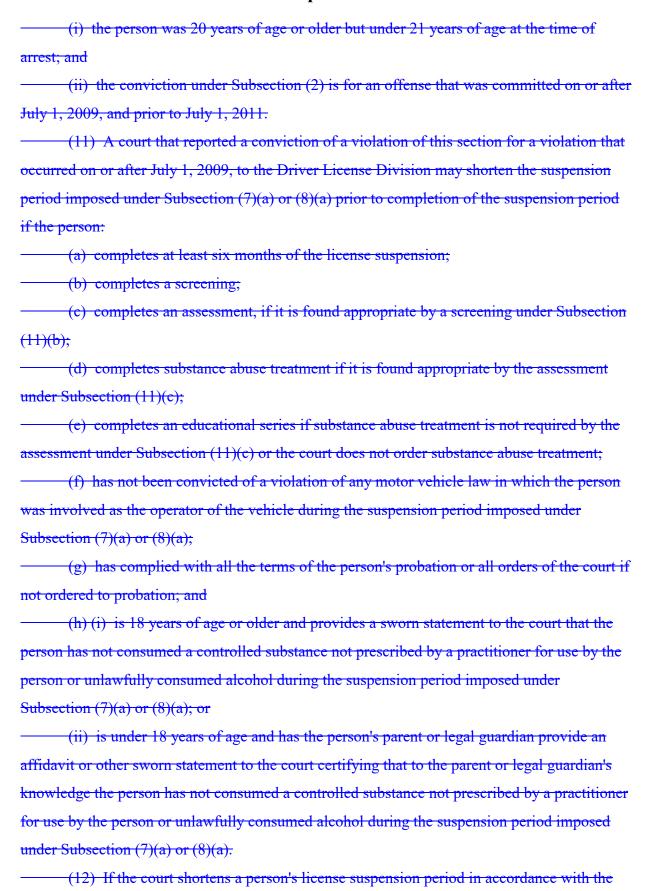
effect prior to July 1, 2009, for a conviction of a violation under Subsection (2) that was committed prior to July 1, 2009; or (b) deny, suspend, or revoke the operator's license of a person for the denial, suspension, or revocation periods in effect from July 1, 2009, through June 30, 2011, if: (i) the person was 20 years of age or older but under 21 years of age at the time of arrest; and (ii) the conviction under Subsection (2) is for an offense that was committed on or after July 1, 2009, and prior to July 1, 2011. (11) A court that reported a conviction of a violation of this section for a violation that occurred on or after July 1, 2009, to the Driver License Division may shorten the suspension period imposed under Subsection (7)(a) or (8)(a) prior to completion of the suspension period if the person: (a) completes at least six months of the license suspension; (b) completes a screening; (c) completes an assessment, if it is found appropriate by a screening under Subsection (11)(b);(d) completes substance abuse treatment if it is found appropriate by the assessment under Subsection (11)(c); (e) completes an educational series if substance abuse treatment is not required by the assessment under Subsection (11)(c) or the court does not order substance abuse treatment; (f) has not been convicted of a violation of any motor vehicle law in which the person was involved as the operator of the vehicle during the suspension period imposed under Subsection (7)(a) or (8)(a); (g) has complied with all the terms of the person's probation or all orders of the court if not ordered to probation; and (h) (i) is 18 years of age or older and provides a sworn statement to the court that the person has not consumed a controlled substance not prescribed by a practitioner for use by the person or unlawfully consumed alcohol during the suspension period imposed under Subsection (7)(a) or (8)(a); or (ii) is under 18 years of age and has the person's parent or legal guardian provide an affidavit or other sworn statement to the court certifying that to the parent or legal guardian's

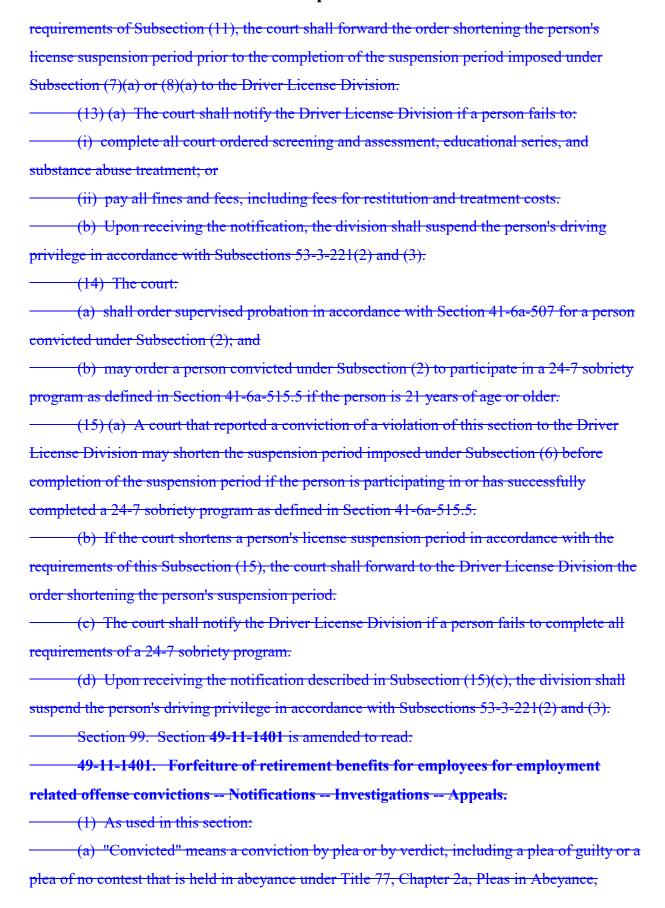
knowledge the person has not consumed a controlled substance not prescribed by a practitioner for use by the person or unlawfully consumed alcohol during the suspension period imposed under Subsection (7)(a) or (8)(a). (12) If the court shortens a person's license suspension period in accordance with the requirements of Subsection (11), the court shall forward the order shortening the person's license suspension period prior to the completion of the suspension period imposed under Subsection (7)(a) or (8)(a) to the Driver License Division. (13) (a) The court shall notify the Driver License Division if a person fails to: (i) complete all court ordered screening and assessment, educational series, and substance abuse treatment; or (ii) pay all fines and fees, including fees for restitution and treatment costs. (b) Upon receiving the notification, the division shall suspend the person's driving privilege in accordance with Subsections 53-3-221(2) and (3). (14) The court: (a) shall order supervised probation in accordance with Section 41-6a-507 for a person convicted under Subsection (2); and (b) may order a person convicted under Subsection (2) to participate in a 24-7 sobriety program as defined in Section 41-6a-515.5 if the person is 21 years of age or older. (15) (a) A court that reported a conviction of a violation of this section to the Driver License Division may shorten the suspension period imposed under Subsection (6) before completion of the suspension period if the person is participating in or has successfully completed a 24-7 sobriety program as defined in Section 41-6a-515.5. (b) If the court shortens a person's license suspension period in accordance with the requirements of this Subsection (15), the court shall forward to the Driver License Division the order shortening the person's suspension period. (c) The court shall notify the Driver License Division if a person fails to complete all requirements of a 24-7 sobriety program. (d) Upon receiving the notification described in Subsection (15)(c), the division shall suspend the person's driving privilege in accordance with Subsections 53-3-221(2) and (3). Section 98. Section 41-6a-517 (Effective 07/01/19) is amended to read: 41-6a-517 (Effective 07/01/19). Definitions -- Driving with any measurable

controlled substance in the body -- Penalties -- Arrest without warrant. (1) As used in this section: (a) "Controlled substance" means the same as that term is defined in Section 58-37-2. (b) "Practitioner" means the same as that term is defined in Section 58-37-2. (c) "Prescribe" means the same as that term is defined in Section 58-37-2. (d) "Prescription" means the same as that term is defined in Section 58-37-2. (2) In cases not amounting to a violation of Section 41-6a-502, a person may not operate or be in actual physical control of a motor vehicle within this state if the person has any measurable controlled substance or metabolite of a controlled substance in the person's body. (3) It is an affirmative defense to prosecution under this section that the controlled substance was: (a) involuntarily ingested by the accused; (b) prescribed by a practitioner for use by the accused [or recommended by a physician for use by the accused; or]; (c) cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage form that the accused ingested in accordance with Title 26, Chapter 61a, Utah Medical Cannabis Act; or (c) (d) otherwise legally ingested. (4) (a) A person convicted of a violation of Subsection (2) is guilty of a class B misdemeanor. (b) A person who violates this section is subject to conviction and sentencing under both this section and any applicable offense under Section 58-37-8. (5) A peace officer may, without a warrant, arrest a person for a violation of this section when the officer has probable cause to believe the violation has occurred, although not in the officer's presence, and if the officer has probable cause to believe that the violation was committed by the person. (6) The Driver License Division shall, if the person is 21 years of age or older on the date of arrest: (a) suspend, for a period of 120 days, the driver license of a person convicted under Subsection (2) of an offense committed on or after July 1, 2009; or (b) revoke, for a period of two years, the driver license of a person if:

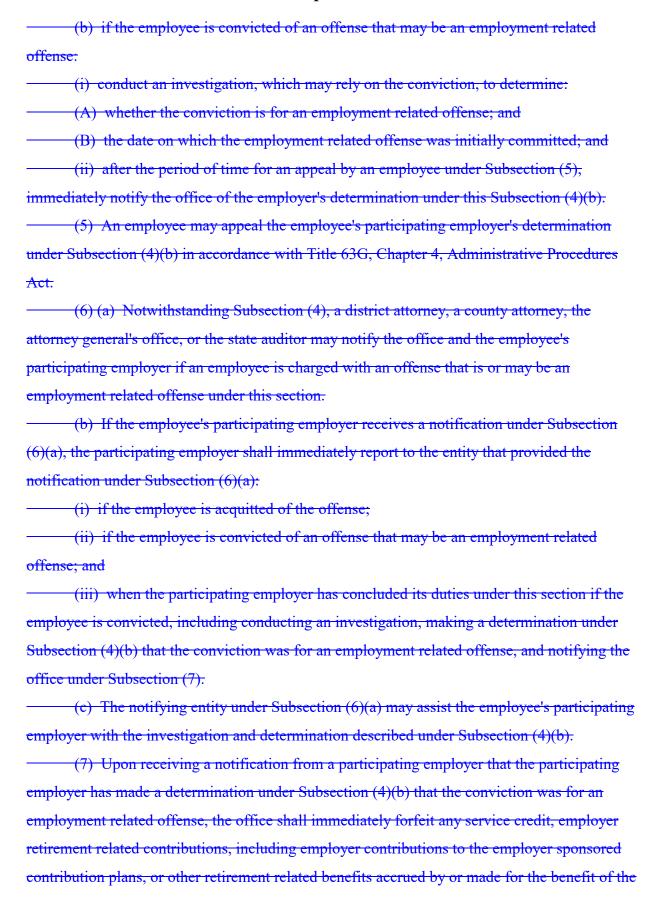
(i) the person has a prior conviction as defined under Subsection 41-6a-501(2); and (ii) the current violation under Subsection (2) is committed on or after July 1, 2009, and within a period of 10 years after the date of the prior violation. (7) The Driver License Division shall, if the person is 19 years of age or older but under 21 years of age on the date of arrest: (a) suspend, until the person is 21 years of age or for a period of one year, whichever is longer, the driver license of a person convicted under Subsection (2) of an offense committed on or after July 1, 2011; or (b) revoke, until the person is 21 years of age or for a period of two years, whichever is longer, the driver license of a person if: (i) the person has a prior conviction as defined under Subsection 41-6a-501(2); and (ii) the current violation under Subsection (2) is committed on or after July 1, 2009, and within a period of 10 years after the date of the prior violation. (8) The Driver License Division shall, if the person is under 19 years of age on the date of arrest: (a) suspend, until the person is 21 years of age, the driver license of a person convicted under Subsection (2) of an offense committed on or after July 1, 2009; or (b) revoke, until the person is 21 years of age, the driver license of a person if: (i) the person has a prior conviction as defined under Subsection 41-6a-501(2); and (ii) the current violation under Subsection (2) is committed on or after July 1, 2009, and within a period of 10 years after the date of the prior violation. (9) The Driver License Division shall subtract from any suspension or revocation period the number of days for which a license was previously suspended under Section 53-3-223 or 53-3-231, if the previous suspension was based on the same occurrence upon which the record of conviction is based. (10) The Driver License Division shall: (a) deny, suspend, or revoke a person's license for the denial and suspension periods in effect prior to July 1, 2009, for a conviction of a violation under Subsection (2) that was committed prior to July 1, 2009; or (b) deny, suspend, or revoke the operator's license of a person for the denial,

suspension, or revocation periods in effect from July 1, 2009, through June 30, 2011, if:

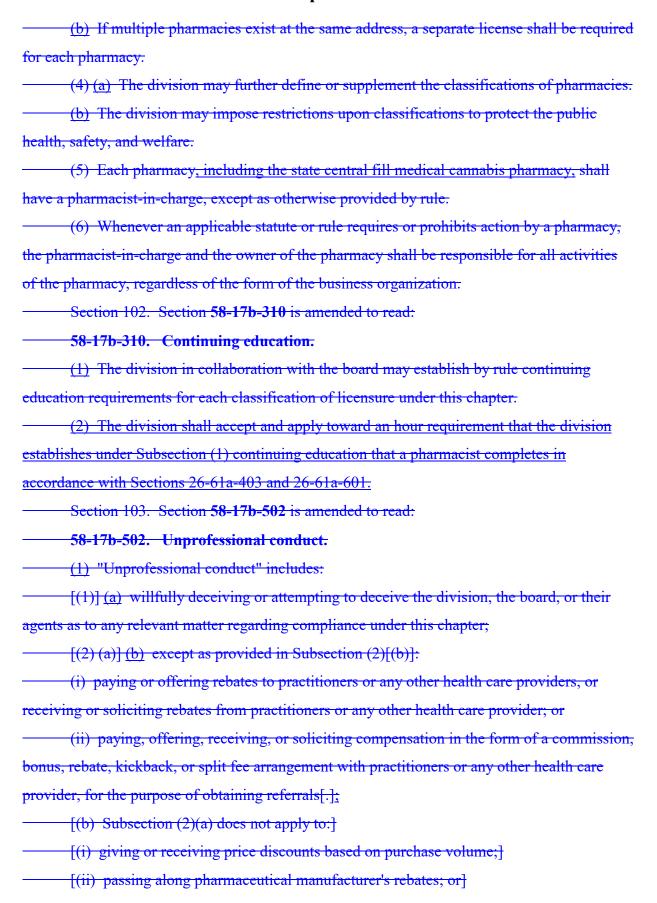


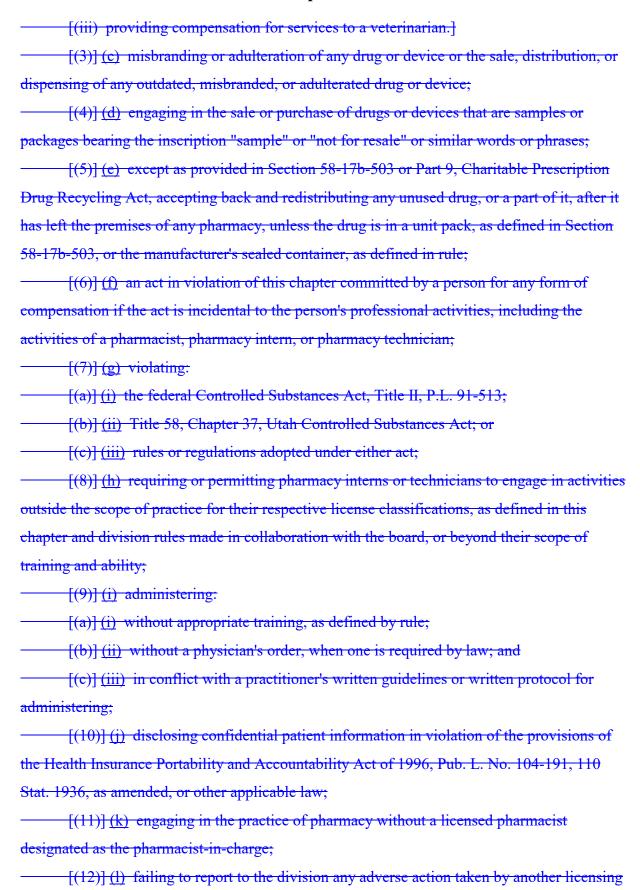


regardless of whether the charge was, or is, subsequently reduced or dismissed in accordance with the plea in abeyance agreement. (b) "Employee" means a member of a system or plan administered by the board. (c) (i) "Employment related offense" means a felony committed during employment or the term of an elected or appointed office with a participating employer that is: [(i)] (A) during the performance of the employee's duties; -[(ii)] (B) within the scope of the employee's employment; or [(iii)] (C) under color of the employee's authority. (ii) "Employment related offense" does not include any federal offense for conduct that is lawful under Title 26, Chapter 61a, Utah Medical Cannabis Act. (2) (a) Notwithstanding any other provision of this title, an employee shall forfeit accrual of service credit, employer retirement related contributions, including employer contributions to the employer sponsored defined contribution plans, or other retirement related benefits from a system or plan under this title in accordance with this section. (b) The forfeiture of retirement related benefits under Subsection (2)(a) does not include the employee's contribution to a defined contribution plan. (3) An employee shall forfeit the benefits described under Subsection (2)(a): (a) if the employee is convicted of an employment related offense; (b) beginning on the day on which the employment related offense occurred; and (c) until the employee is either: (i) re-elected or reappointed to office; or (ii) (A) terminated from the position for which the employee was found to have committed an employment related offense; and (B) rehired or hired as an employee who is eligible to be a member of a Utah state retirement system or plan. (4) The employee's participating employer shall: (a) immediately notify the office: (i) if an employee is charged with an offense that is or may be an employment related offense under this section; and (ii) if the employee described in Subsection (4)(a)(i) is acquitted of the offense that is or may be an employment related offense under this section; and



employee, beginning on the date of the initial employment related offense determined under Subsection (4)(b). (8) This section applies to an employee who is convicted on or after the effective date of this act for an employment related offense. (9) The board may make rules to implement this section. (10) If any provision of this section, or the application of any provision to any person or circumstance, is held invalid, the remainder of this section shall be given effect without the invalid provision or application. Section 100. Section 53-1-106.5 is amended to read: 53-1-106.5. Utah Medical Cannabis Act -- Department duties. In addition to the duties described in Section 53-1-106, the department shall: (1) provide standards for training peace officers and law enforcement agencies in the use of the state electronic verification system; and (2) collaborate with the Department of Health and the Department of Agriculture and Food to provide standards for training peace officers and law enforcement agencies in medical cannabis law. Section 101. Section 58-17b-302 is amended to read: 58-17b-302. License required -- License classifications for pharmacy facilities. (1) A license is required to act as a pharmacy, except: (a) as specifically exempted from licensure under Section 58-1-307[.]; and (b) for the operation of a medical cannabis pharmacy or the state central fill medical cannabis pharmacy under Title 26, Chapter 61a, Utah Medical Cannabis Act. (2) The division shall issue a pharmacy license to a facility that qualifies under this chapter in the classification of a: (a) class A pharmacy; (b) class B pharmacy; (c) class C pharmacy; (d) class D pharmacy; (e) class E pharmacy; or (f) dispensing medical practitioner clinic pharmacy. (3) (a) Each place of business shall require a separate license.





jurisdiction, government agency, law enforcement agency, or court for conduct that in substance would be considered unprofessional conduct under this section; [(13)] (m) as a pharmacist or pharmacy intern, compounding a prescription drug in a dosage form which is regularly and commonly available from a manufacturer in quantities and strengths prescribed by a practitioner; [and] [(14)] (n) failing to act in accordance with Title 26, Chapter 64, Family Planning Access Act, when dispensing a self-administered hormonal contraceptive under a standing order[.]; and (o) violating the requirements of Title 26, Chapter 61a, Utah Medical Cannabis Act. (2) Subsection (1)(b) does not apply to: (a) giving or receiving a price discount based on purchase volume; (b) passing along a pharmaceutical manufacturer's rebate; or (c) providing compensation for services to a veterinarian. (3) "Unprofessional conduct" does not include, in accordance with Title 26, Chapter 61a, Utah Medical Cannabis Act: (a) when registered as a pharmacy medical provider, as that term is defined in Section 20-61a-102, providing pharmacy medical provider services in a medical cannabis pharmacy; or (b) when registered as a state central fill medical provider, as that term is defined in Section 26-61a-102, providing state central fill medical provider services in the state central fill medical cannabis pharmacy. (4) Notwithstanding Subsection (3), the division, in consultation with the board and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, shall define unprofessional conduct for a pharmacist described in Subsections (3)(a) and (b). CHAPTER 20b. ENVIRONMENTAL HEALTH SCIENTIST ACT

Part 1. General Provisions

58-20b-101. Title.

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

Section $\{105\}$ 70. Section 58-20b-102 is enacted to read:

58-20b-102. Definitions.

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

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

- (5) "Unlawful conduct" means the same as that term is defined in Section 58-1-501.
- (6) "Unprofessional conduct" means the same as that term is defined in Sections 58-1-501 and 58-20b-501 and as may be further defined by division rule.

Section $\frac{\{106\}}{71}$. Section **58-20b-201** is enacted to read:

Part 2. Board

58-20b-201. Board.

- (1) There is created the Environmental Health Scientist Board consisting of four environmental health scientists in good standing and one member of the general public.
 - (2) The board shall be appointed and serve in accordance with Section 58-1-201.
- (3) The duties and responsibilities of the board shall be in accordance with Sections 58-1-202 and 58-1-203. In addition, the board shall designate one of its members on a permanent or rotating basis to:
- (a) assist the division in reviewing complaints concerning the unlawful or unprofessional conduct of a licensee; and
 - (b) advise the division in its investigation of these complaints.
- (4) A board member who has, under Subsection (3), reviewed a complaint or advised in the investigation of the complaint is disqualified from participating with the board when the board serves as a presiding officer in an adjudicative proceeding concerning the complaint.

Section $\frac{\{107\}}{72}$. Section **58-20b-301** is enacted to read:

Part 3. Licensing

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

- (1) A person shall hold a license under this chapter in order to engage in the practice of environmental health science while employed by any of the following, except as specifically exempted in Section 58-20b-305 or 58-1-307:
 - (a) a local health department;
 - (b) the state Department of Health;
 - (c) the state Department of Human Services;
 - (d) the Department of Agriculture and Food as a food and dairy compliance officer; or
 - (e) a local health department as its director of environmental health services.
- (2) Any other individual not subject to Subsection (1) may also be licensed under this chapter upon compliance with all requirements.

- (3) The division shall issue to persons who qualify under this chapter a license in the classification:
 - (a) environmental health scientist; or
 - (b) environmental health scientist-in-training.

Section $\frac{108}{73}$. Section **58-20b-302** is enacted to read:

58-20b-302. Qualifications for licensure.

- (1) Except as provided in Subsection (2), an applicant for licensure as an environmental health scientist shall:
 - (a) submit an application in a form prescribed by the division;
 - (b) pay a fee determined by the department under Section 63J-1-504;
 - (c) be of good moral character;
- (d) hold, at a minimum, a bachelor's degree from an accredited program in a university or college, which degree includes completion of specific course work as defined by rule;
- (e) pass an examination as determined by division rule in collaboration with the board; and
- (f) pass the Utah Law and Rules Examination for Environmental Health Scientists administered by the division.
 - (2) An applicant for licensure as an environmental health scientist-in-training shall:
 - (a) submit an application in a form prescribed by the division;
 - (b) pay a fee determined by the department under Section 63J-1-504;
 - (c) be of good moral character;
- (d) hold, at a minimum, a bachelor's degree from an accredited program in a university or college, which degree includes completion of specific course work as defined by rule;
- (e) pass the Utah Law and Rules Examination for Environmental Health Scientists administered by the division; and
- (f) present evidence acceptable to the division and the board that the applicant, when licensed, will practice as an environmental health scientist-in-training only under the general supervision of a supervising environmental health scientist licensed under this chapter.

Section $\frac{\{109\}}{74}$. Section **58-20b-303** is enacted to read:

58-20b-303. Term of license -- Expiration -- Renewal.

(1) (a) The division shall issue each license for an environmental health scientist in

accordance with a two-year renewal cycle established by rule.

- (b) The division may by rule extend or shorten a renewal period by as much as one year to stagger the renewal cycles it administers.
- (2) Each license for an environmental health scientist-in-training shall be issued for a term of two years and may not be renewed.
- (3) Each license issued under this chapter automatically expires on the expiration date shown on the license unless the licensee renews it in accordance with Section 58-1-308.

Section $\frac{\{110\}}{75}$. Section **58-20b-304** is enacted to read:

58-20b-304. Continuing education.

Each person holding a license under this chapter as an environmental health scientist or an environmental health scientist-in-training shall complete in each two-year period of licensure not fewer than 30 hours of professional continuing education in accordance with standards defined by division rule.

Section $\frac{\{111\}}{76}$. Section 58-20b-305 is enacted to read:

<u>58-20b-305.</u> Exemptions from licensure.

<u>In addition to the exemptions from licensure in Section 58-1-307, a person is exempt</u> from the licensure requirements of this chapter if:

- (1) the person's practice of environmental health science is limited to inspecting in order to enforce compliance with an inspection and maintenance program established pursuant to Section 41-6a-1642 or to issuing permits under that program;
- (2) the person is a laboratory staff person employed by the Department of Agriculture and Food or the Department of Health, and in the person's employment inspects, permits, certifies, or otherwise enforces laboratory standards in laboratories regulated by state or local public health laws; or
- (3) the person is the local health officer of a local public health department, which employs a director of environmental health services licensed under this chapter.

Section $\frac{\{112\}}{77}$. Section **58-20b-401** is enacted to read:

Part 4. License Denial and Discipline

58-20b-401. Grounds for denial of license -- Disciplinary proceedings.

Grounds for refusing to issue a license to an applicant, for refusing to renew the license of a licensee, for revoking, suspending, restricting, or placing on probation the license of a

licensee, for issuing a public or private reprimand to a licensee, and for issuing a cease and desist order shall be in accordance with Section 58-1-401.

Section $\frac{\{113\}}{78}$. Section **58-20b-501** is enacted to read:

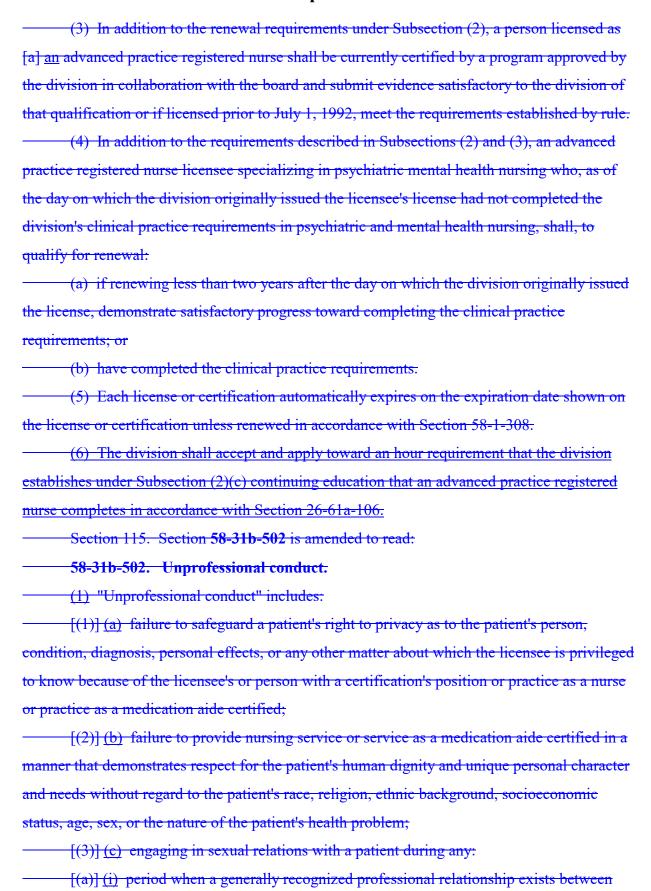
Part 5. Unprofessional Conduct

58-20b-501. Unprofessional conduct.

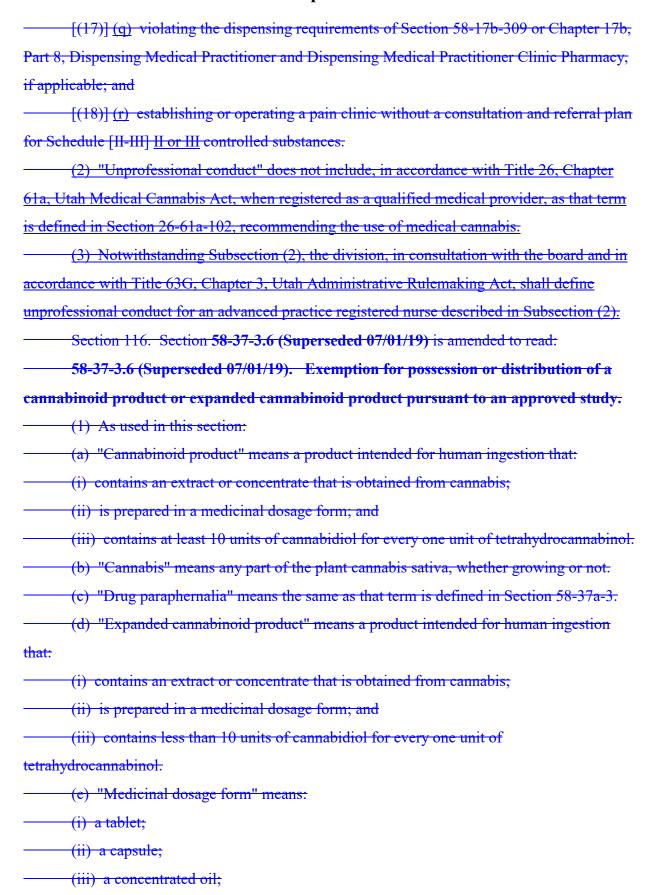
- "Unprofessional conduct" includes:
- (1) acting dishonestly or fraudulently in the performance of professional duties as an environmental health scientist or environmental health scientist-in-training;
- (2) intentionally filing a false report or record in the performance of professional duties as an environmental health scientist or environmental health scientist-in-training; and
- (3) willfully impeding or obstructing another person from filing a report in the performance of professional duties as an environmental health scientist or environmental health scientist-in-training.

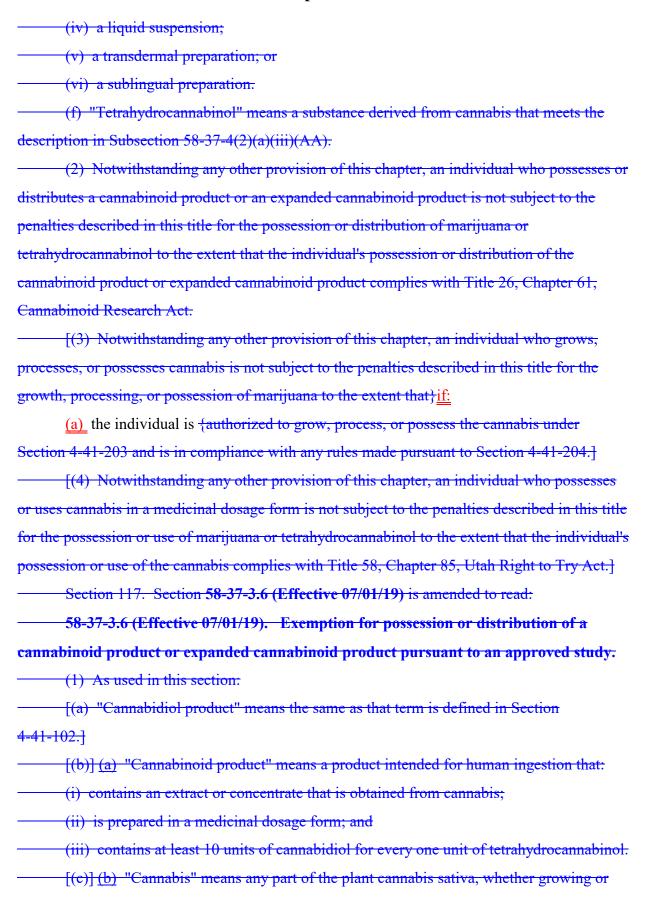
Section $\frac{\{114\}}{79}$. Section $\frac{\{58-31b-305\}}{58-37-3.7}$ is amended to read:

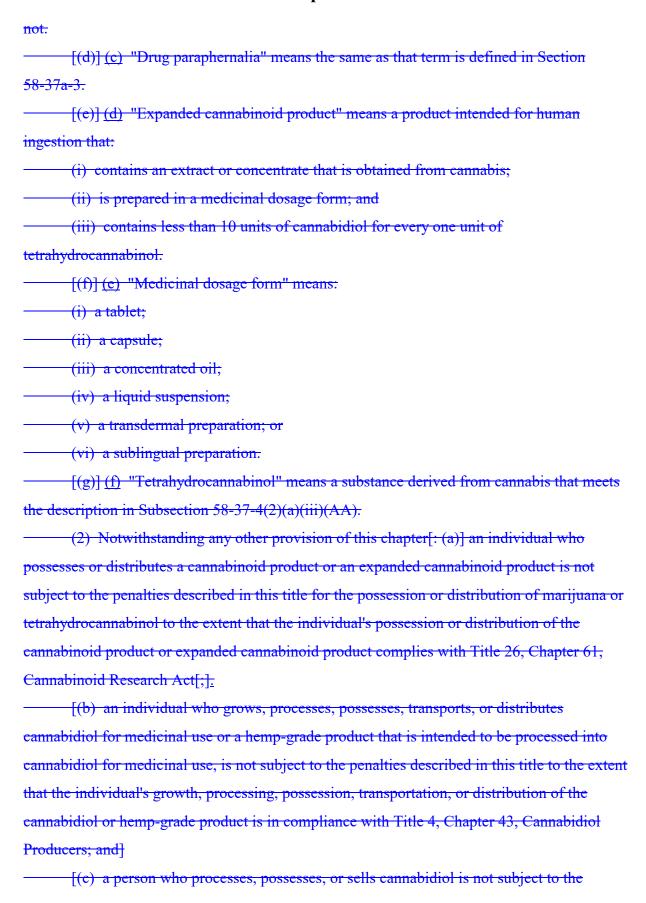
- **{58-31b-305} <u>58-37-3.7</u>**. **{Term of license -- Expiration -- Renewal.**</sub>
- (1) The division shall issue each license or certification} Affirmative defense.
- (1) Before July 1, 2020, it is an affirmative defense to criminal charges against an individual for the use, possession, or manufacture of marijuana, tetrahydrocannabinol, or marijuana drug paraphernalia under this chapter that the individual would be eligible for a medical cannabis card, and that the individuals conduct would have been lawful, after July 1, 2020.
- (2) It is an affirmative defense to criminal charges against an individual for the use or possession of marijuana, tetrahydrocannabinol, or marijuana drug paraphernalia under this chapter {in accordance with a two-year renewal cycle established by rule. The division may by rule extend or shorten a renewal period by as much as one year to stagger the renewal cycles it administers.
- (2) The division shall renew the license of a licensee who, at the time of renewal:
- (a) completes and submits an application for renewal in a form prescribed by the division;
 - (b) pays a renewal fee established by the division under Section 63J-1-504; and
- (c) meets continuing competency requirements as established by rule.

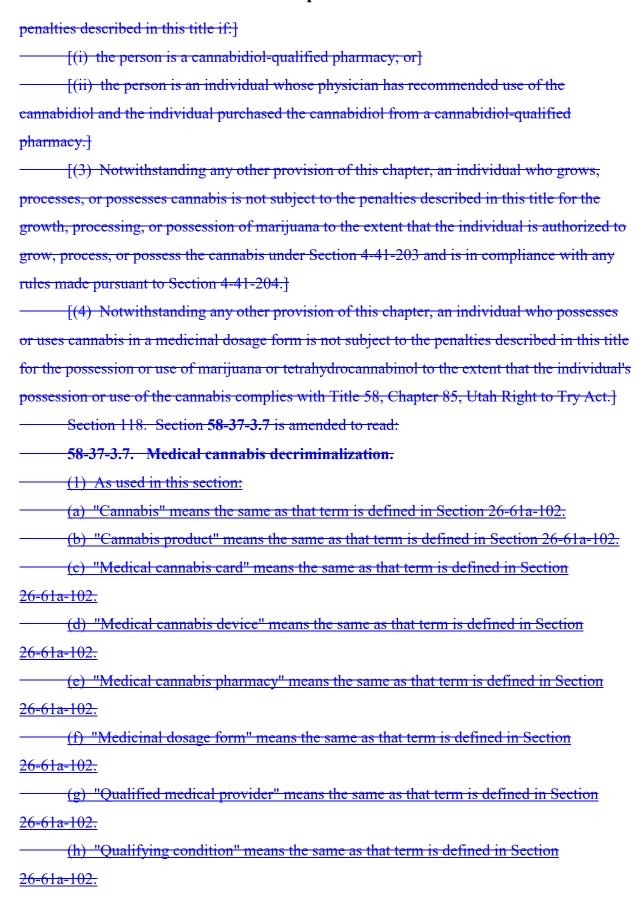


the person licensed or certified under this chapter and the patient; or [(b)] (ii) extended period when a patient has reasonable cause to believe a professional relationship exists between the person licensed or certified under the provisions of this chapter and the patient; [(4) (a)] (d) (i) as a result of any circumstance under Subsection (3), exploiting or using information about a patient or exploiting the licensee's or the person with a certification's professional relationship between the licensee or holder of a certification under this chapter and the patient; or [(b)] (ii) exploiting the patient by use of the licensee's or person with a certification's knowledge of the patient obtained while acting as a nurse or a medication aide certified; [(5)] (e) unlawfully obtaining, possessing, or using any prescription drug or illicit drug; [(6)] (f) unauthorized taking or personal use of nursing supplies from an employer; [(7)] (g) unauthorized taking or personal use of a patient's personal property; [(8)] (h) knowingly entering into any medical record any false or misleading information or altering a medical record in any way for the purpose of concealing an act, omission, or record of events, medical condition, or any other circumstance related to the patient and the medical or nursing care provided; [(9)] (i) unlawful or inappropriate delegation of nursing care; [(10)] (j) failure to exercise appropriate supervision of persons providing patient care services under supervision of the licensed nurse; [(11)] (k) employing or aiding and abetting the employment of an unqualified or unlicensed person to practice as a nurse; -[(12)] (1) failure to file or record any medical report as required by law, impeding or obstructing the filing or recording of such a report, or inducing another to fail to file or record such a report; -[(13)] (m) breach of a statutory, common law, regulatory, or ethical requirement of confidentiality with respect to a person who is a patient, unless ordered by a court; [(14)] (n) failure to pay a penalty imposed by the division; [(15)] (o) prescribing a Schedule [II-III] II or III controlled substance without complying with the requirements in Section 58-31b-803; [(16)] (p) violating Section 58-31b-801;









(i) "Tetrahydrocannabinol" means the same as that term is defined in Section 58-37-3.9. [(1)] (2) Before [July] January 1, [2020] 2021, [it is an affirmative defense to criminal charges against an individual an individual is not guilty under this chapter for the use[,] or possession[, or manufacture] of marijuana, tetrahydrocannabinol, or marijuana drug paraphernalia [under this chapter that] if: (a) at the time of the arrest, the individual [would be eligible for a medical cannabis card, and that the individuals conduct would have been lawful, after July 1, 2020.]: (i) (A) had been diagnosed with a qualifying condition; and (B) had a pre-existing provider-patient relationship with an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act, a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, a physician licensed under Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, or a physician assistant licensed under Title 58, Chapter 70a, Physician Assistant Act, who believed that the individual's illness described in Subsection (2)(a)(i)(A) could benefit from the use in question; or (ii) (A) for possession, was a medical cannabis cardholder; or (B) for use, was a medical cannabis patient cardholder or a minor with a qualifying condition under the supervision of a medical cannabis guardian cardholder; and (b) the marijuana or tetrahydrocannabinol was in a medicinal dosage form in a quantity described in Subsection 26-61a-502(2). [(2)] (3) [It is an affirmative defense to criminal charges against an individual] An individual is not guilty under this chapter for the use or possession of marijuana, tetrahydrocannabinol, or marijuana drug paraphernalia under this chapter if: (a) at the time of the arrest, the individual: (i) [is a] was a not a resident of Utah or has been a resident of Utah for less than 45 days ∰and was issued € (ii) had a currently valid medical cannabis \(\frac{11}{1}\) identification \(\frac{11}{1}\) card or \(\frac{11}{1}\) its \(\frac{1}{1}\) the equivalent { of a medical cannabis card} under the laws of another state, district, territory, commonwealth, or insular possession of the United States; and {{}\{\begin{align*}{c} \{\begin{align*}{c} \{\ $\{\}\}$ illness $\{\}$ condition $\}$ as described in Section [26-60b-105 $\{.\}$] $\{26-61a-104; and \}$

(b) the marijuana or tetrahydrocannabinol is in a medicinal dosage form in a quantity described in Subsection 26-61a-502(2). 136-61a-105. (3) A court shall, for charges that the court dismisses under Subsection (1) or [Subsection] (2), dismiss the charges without prejudice. Section 119. Section 58-37-3.8 is amended to read: **58-37-3.8. Enforcement.** (1) [No] A law enforcement officer [employed by an agency that receives state or local government funds shall], as that term is defined in Section 53-13-103, may not expend any state or local resources, including the officer's time, to: (a) effect any arrest or seizure of cannabis, as that term is defined in Section 26-61a-102, or conduct any investigation, on the sole basis of activity the officer believes to constitute a violation of federal law if the officer has reason to believe that [such] the activity is in compliance with the state medical cannabis laws[, nor shall any such officer expend any state or local resources, including the officer's time, to]; (b) enforce a law that restricts an individual's right to acquire, own, or possess a firearm based solely on the individual's possession or use of cannabis in accordance with state medical cannabis laws; or (c) provide any information or logistical support related to [such] an activity described in Subsection (1)(a) to any federal law enforcement authority or prosecuting entity. (2) [No] An agency or political subdivision of [Utah] the state may [rely on a violation of federal law as the sole basis for taking not take an adverse action against a person for providing a professional [services] service to a medical cannabis [dispensary] pharmacy, as that term is defined in Section 26-61a-102, the state central fill medical cannabis pharmacy, as that term is defined in Section 26-61a-102, or a cannabis production establishment [if the person has not violated the state medical cannabis laws, as that term is defined in Section 4-41a-102, on the sole basis that the service is a violation of federal law. Section 120} Section 80. Section 58-37-3.9 is amended to read: 58-37-3.9. Exemption for possession or use of cannabis to treat a qualifying

illness.

- (1) As used in this section:
- (a) "Cannabis" means marijuana.
- $\{(b)\}$ "Cannabis dispensary" means the same as that term is defined in Section $[26-60b-102\{.\}]$ [26-61a-102].
 - $\{(c), (b)\}\$ "Cannabis product" means $\{(b)\}\$ product that:
 - (i) is intended for human ingestion; and
- (ii) contains cannabis or tetrahydrocannabinol {] the same as that term is defined in Section 26-61a-102 }.
- $\{\{\}\}$ (d) "Designated caregiver" means the same as that term is defined in Section $[26-60b-102\{\}]$ [26-61a-102].
- {[](e){](c)} "Drug paraphernalia" means the same as that term is defined in Section 58-37a-3.
 - (f) "Marijuana" means the same as that term is defined in Section 58-37-2.
- $\{\{\}\}$ "Medical cannabis $\{\{\}\}$ card $\{\}\}$ " means the same as that term is defined in Section [26-60b-102] 26-61a-102.
- $\{\{\}\}\}$ "Medical cannabis device" means $\{\}\}$ a device that an individual uses to ingest cannabis or a cannabis product $\{\}\}$ the same as that term is defined in Section $\{\}\}$.
- {|}(ii) "Medical cannabis device" does not include a device that facilitates cannabis combustion at a temperature of greater than 750 degrees Fahrenheit.
- $\{[](i)\{](f)\}$ " $\{[]$ Qualifying illness $\{]$ Medicinal dosage form $\}$ " means the same as that term is defined in Section $\{[]$ 26-60b-102 $\{]$ 26-61a-102 $\}$.
- {[](j){](g)} "Tetrahydrocannabinol" means a substance derived from cannabis {[] that meets the description{] or a synthetic description as described} in Subsection 58-37-4(2)(a)(iii)(AA).
- (2) Notwithstanding any other provision of law, except as otherwise provided in this section:
- (a) an individual {[who] is not guilty of a violation of this title for the following conduct if the individual engages in the conduct in accordance with Title 4, Chapter 41a, Cannabis Production Establishments, or Title 26, Chapter 61a, Utah Medical Cannabis Act:
 - (i) [who possesses, produces, manufactures, dispenses, distributes, sells, or offers

possessing, ingesting, producing, manufacturing, dispensing, distributing, selling, or offering} to sell cannabis or a cannabis product{; or [who possesses]

- (ii) possessing cannabis or a cannabis product with the intent to [] or who possesses with intent to produce, manufacture, dispense, distribute, sell, or offer to sell cannabis or a cannabis product is not subject to the penalties described in this title for {] engage in} the conduct {[] to the extent that the individual's conduct complies with: {] described in Subsection (2)(a)(i); and
- [(i)] (b) an individual is guilty of a violation of this title regarding drug paraphernalia if the individual, in accordance with}
- (i) Title 4, Chapter [41b] 41a, Cannabis Production [Establishment{;}]

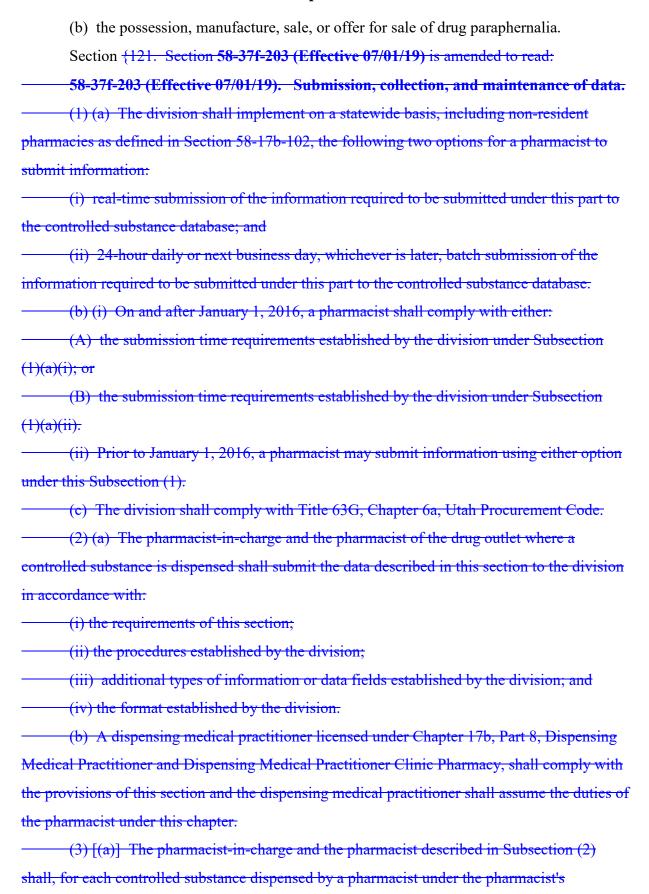
 Establishments{, and [(ii)] Title 26, Chapter [60b] 61a, Utah Medical Cannabis Act[;]:
- [(b)] (i) [an individual who] possesses, manufactures, distributes, sells, or offers to sell a medical cannabis device; or
- (ii) [who] possesses a medical cannabis device with the intent to [manufacture, distribute, sell, or offer to sell a medical cannabis device is authorized and is not subject to the penalties described in this title for the possession, manufacture, distribution, sale, or offer for sale of drug paraphernalia to the extent that the individual's] engage in any of the conduct [complies with:] described in Subsection (2)(b)(i).
- [(i) Title 4, Chapter 41b, Cannabis Production Establishment; and]
- }; and
 - (ii) Title 26, Chapter [60b] 61a, Medical Cannabis Act (.)
- [(3) For purposes of state law, except as otherwise provided in this section, activities related to cannabis shall be considered lawful and any cannabis consumed shall be considered legally ingested, as long as the conduct is in accordance with:]
- [(a); and
- (b) an individual who possesses, manufactures, distributes, sells, or offers to sell a medical cannabis device or who possesses with intent to manufacture, distribute, sell, or offer to sell a medical cannabis device is authorized and is not subject to the penalties described in this title for the possession, manufacture, distribution, sale, or offer for sale of drug paraphernalia to the extent that the individual's conduct complies with:
 - (i) Title 4, Chapter [41b] 41a, Cannabis Production [Establishment] Establishments;

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and {}}
       \{\{b\}\}ii) Title 26, Chapter [60b] 61a, Medical Cannabis Act. \{\}\}
       {[(4)] (3) (a) As used in this Subsection (3), "smoking" does not include the
vaporization or heating of medical cannabis.
       (b) [It is not lawful for] \}(3) For purposes of state law, except as otherwise provided in
this section, activities related to cannabis shall be considered lawful and any cannabis
consumed shall be considered legally ingested, as long as the conduct is in accordance with:
       (a) Title 4, Chapter [41b] 41a, Cannabis Production Establishment; and
       (b) Title 26, Chapter [60b] 61a, { Utah} Medical Cannabis Act {, does}.
       (4) It is not {authorize} lawful for a medical cannabis {{}} card holder{{}} cardholder{} to
smoke { or combust} cannabis or to use a device to facilitate the smoking {or combustion} of
cannabis. {{}} An individual convicted of violating this section is guilty of an infraction. For
purposes of this section, smoking does not include a means of administration that involves
cannabis combustion at a temperature that is not greater than 750 degrees Fahrenheit and that
does not involve using a flame.
       (c) A medical cannabis cardholder who smokes cannabis or engages in any other
conduct described in Subsection (3)(b):
       (i) does not possess the cannabis in accordance with Title 26, Chapter 61a, Utah
Medical Cannabis Act; and
       (ii) is subject to charges under this chapter for the use or possession of marijuana,
tetrahydrocannabinol, or marijuana drug paraphernalia for the conduct described in Subsection
\frac{(3)(b).}{}
       (5) An individual is not exempt from the penalties described in this title for
ingesting cannabis or a cannabis product while operating a motor vehicle.
       \{\{\}\} An individual who is assessed a penalty or convicted of \{\{\}\} an
infraction { | a crime } under Title 4, Chapter [41b] 41a, Cannabis Production [Establishment]
Establishments, or Title 26, Chapter [60b] 61a, {Utah} Medical Cannabis Act, is not , based
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(a) the possession, manufacture, sale, or offer for sale of cannabis or a cannabis product; or

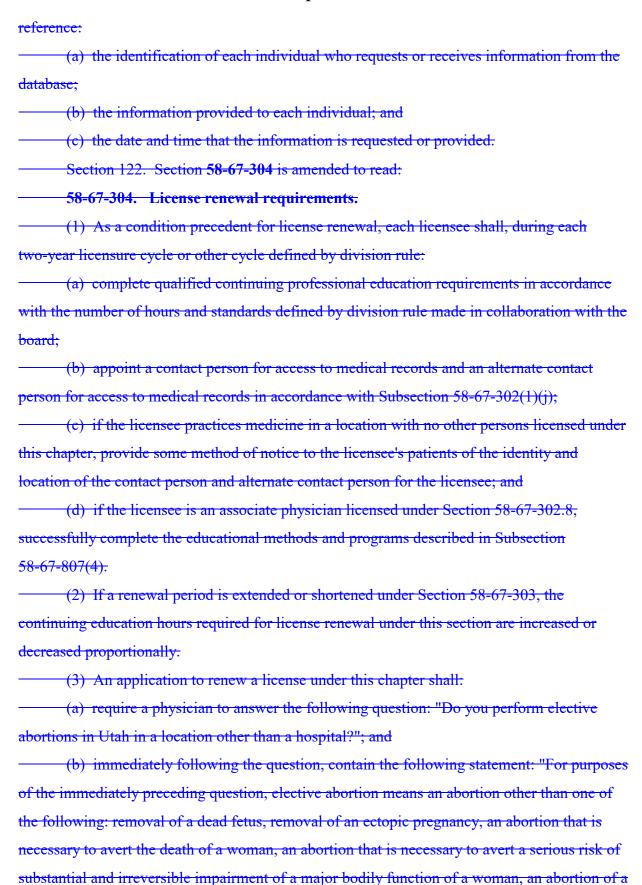
described in this chapter for:

on the conduct underlying that penalty or conviction, subject to {{}} the penalties{{}} a penalty}



supervision other than those dispensed for an inpatient at a health care facility, submit to the

division any type of information or data field established by the division by rule in accordance with Subsection (6). (b) The pharmacist described in Subsection (2) shall, in the case of a cannabidiol-qualified pharmacy dispensing a cannabidiol product, submit the following information to the division: (i) the name of the recommending physician; [(ii) the date of the recommendation;] [(iii) the date the recommendation was filled by the cannabidiol-qualified pharmacy;] [(iv) the name of the individual for whom the recommendation was written; and] [(v) any other information the division requires by rule, made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.] (4) An individual whose records are in the database may obtain those records upon submission of a written request to the division. (5) (a) A patient whose record is in the database may contact the division in writing to request correction of any of the patient's database information that is incorrect. The patient shall provide a postal address for the division's response. (b) The division shall grant or deny the request within 30 days from receipt of the request and shall advise the requesting patient of its decision by mail postmarked within 35 days of receipt of the request. (c) If the division denies a request under this Subsection (5) or does not respond within 35 days, the patient may submit an appeal to the Department of Commerce, within 60 days after the postmark date of the patient's letter making a request for a correction under this Subsection (5). (6) The division shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish submission requirements under this part, including: (a) electronic format; (b) submission procedures; and (c) required information and data fields. (7) The division shall ensure that the database system records and maintains for



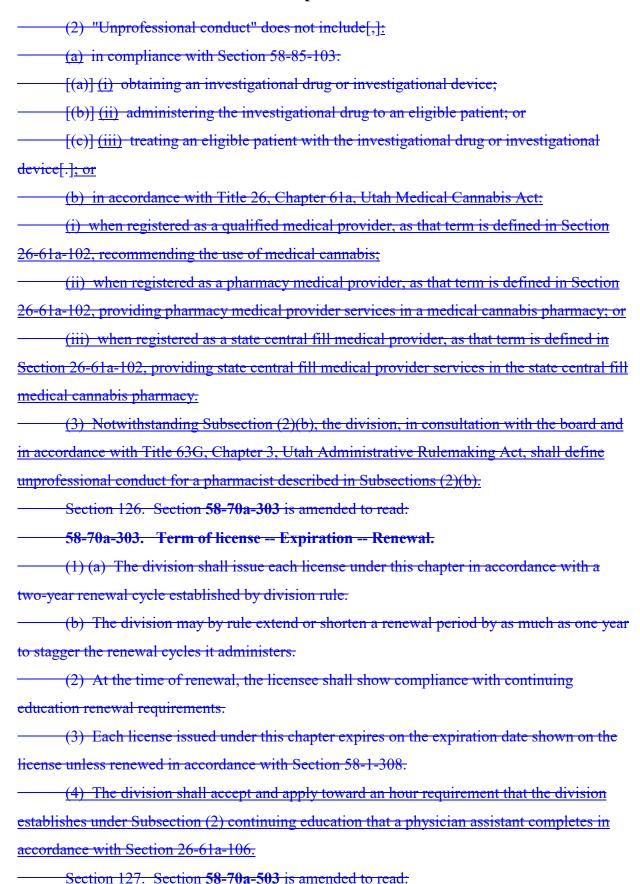
fetus that has a defect that is uniformly diagnosable and uniformly lethal, or an abortion where

the woman is pregnant as a result of rape or incest." (4) In order to assist the Department of Health in fulfilling its responsibilities relating to the licensing of an abortion clinic and the enforcement of Title 76, Chapter 7, Part 3, Abortion, if a physician responds positively to the question described in Subsection (3)(a), the division shall, within 30 days after the day on which it renews the physician's license under this chapter, inform the Department of Health in writing: (a) of the name and business address of the physician; and (b) that the physician responded positively to the question described in Subsection (3)(a). (5) The division shall accept and apply toward the hour requirement in Subsection (1)(a) and continuing education that a physician completes in accordance with Sections 26-61a-106, 26-61a-403, and 26-61a-601. Section 123. Section 58-67-502 is amended to read: 58-67-502. Unprofessional conduct. (1) "Unprofessional conduct" includes, in addition to the definition in Section 58-1-501: (a) using or employing the services of any individual to assist a licensee in any manner not in accordance with the generally recognized practices, standards, or ethics of the profession, state law, or division rule; (b) making a material misrepresentation regarding the qualifications for licensure under Section 58-67-302.7 or Section 58-67-302.8; [or] (c) violating the dispensing requirements of Chapter 17b, Part 8, Dispensing Medical Practitioner and Dispensing Medical Practitioner Clinic Pharmacy, if applicable[.]; or (d) violating the requirements of Title 26, Chapter 61a, Utah Medical Cannabis Act. (2) "Unprofessional conduct" does not include[,]: (a) in compliance with Section 58-85-103: [(a)] (i) obtaining an investigational drug or investigational device; [(b)] (ii) administering the investigational drug to an eligible patient; or [(c)] (iii) treating an eligible patient with the investigational drug or investigational device[.]; or

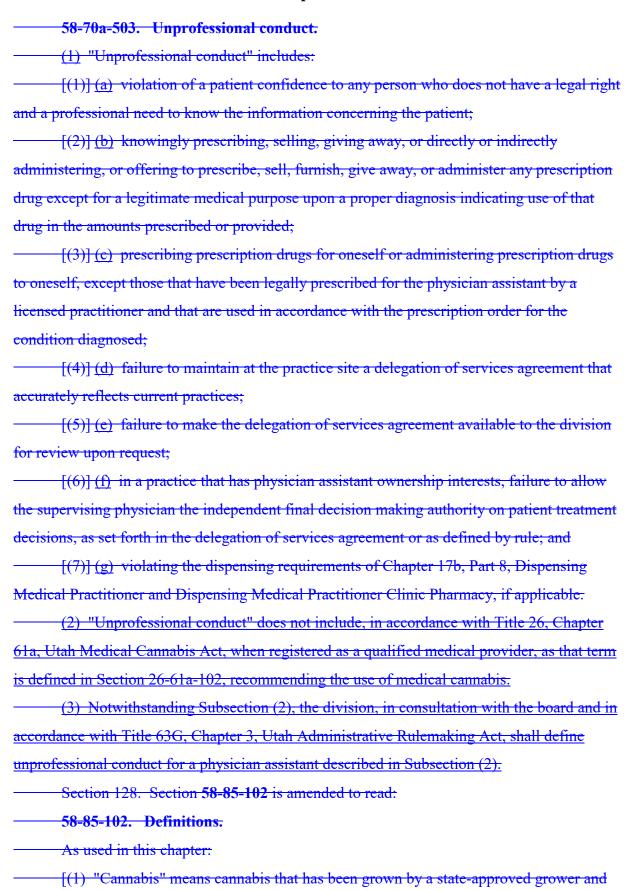
(b) in accordance with Title 26, Chapter 61a, Utah Medical Cannabis Act: (i) when registered as a qualified medical provider, as that term is defined in Section 26-61a-102, recommending the use of medical cannabis; (ii) when registered as a pharmacy medical provider, as that term is defined in Section 26-61a-102, providing pharmacy medical provider services in a medical cannabis pharmacy; or (iii) when registered as a state central fill medical provider, as that term is defined in Section 26-61a-102, providing state central fill medical provider services in the state central fill medical cannabis pharmacy. (3) Notwithstanding Subsection (2)(b), the division, in consultation with the board and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, shall define unprofessional conduct for a pharmacist described in Subsections (2)(b). Section 124. Section 58-68-304 is amended to read: 58-68-304. License renewal requirements. (1) As a condition precedent for license renewal, each licensee shall, during each two-year licensure cycle or other cycle defined by division rule: (a) complete qualified continuing professional education requirements in accordance with the number of hours and standards defined by division rule in collaboration with the board; (b) appoint a contact person for access to medical records and an alternate contact person for access to medical records in accordance with Subsection 58-68-302(1)(j); (c) if the licensee practices osteopathic medicine in a location with no other persons licensed under this chapter, provide some method of notice to the licensee's patients of the identity and location of the contact person and alternate contact person for access to medical records for the licensee in accordance with Subsection 58-68-302(1)(k); and (d) if the licensee is an associate physician licensed under Section 58-68-302.5, successfully complete the educational methods and programs described in Subsection 58-68-807(4). (2) If a renewal period is extended or shortened under Section 58-68-303, the continuing education hours required for license renewal under this section are increased or decreased proportionally.

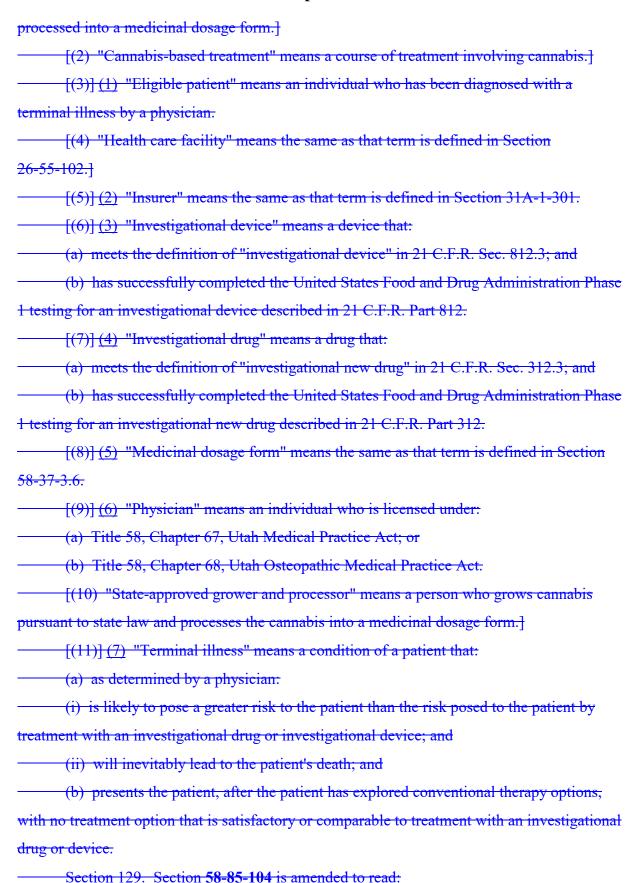
(3) An application to renew a license under this chapter shall:

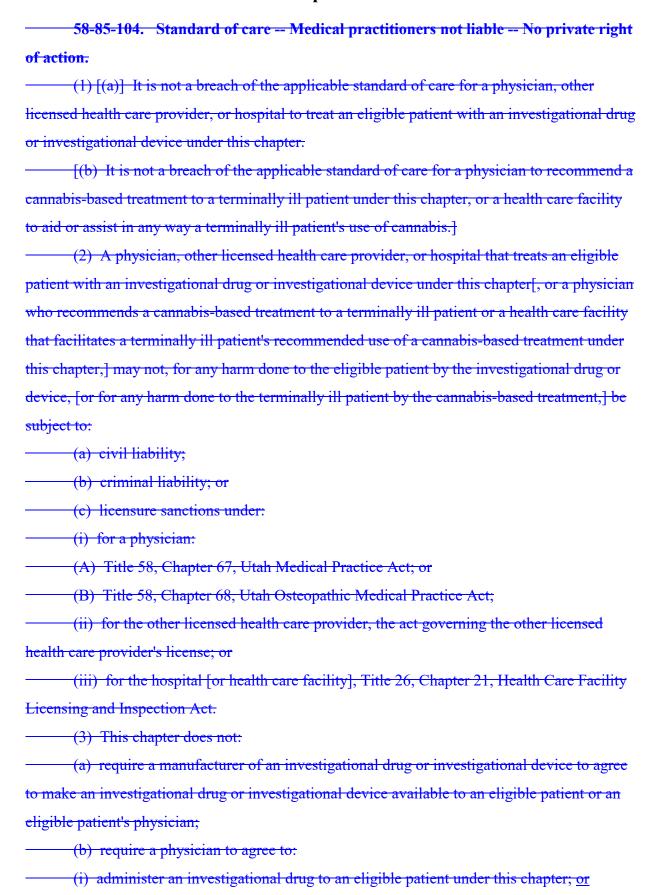
(a) require a physician to answer the following question: "Do you perform elective
abortions in Utah in a location other than a hospital?"; and
(b) immediately following the question, contain the following statement: "For purposes
of the immediately preceding question, elective abortion means an abortion other than one of
the following: removal of a dead fetus, removal of an ectopic pregnancy, an abortion that is
necessary to avert the death of a woman, an abortion that is necessary to avert a serious risk of
substantial and irreversible impairment of a major bodily function of a woman, an abortion of a
fetus that has a defect that is uniformly diagnosable and uniformly lethal, or an abortion where
the woman is pregnant as a result of rape or incest."
(4) In order to assist the Department of Health in fulfilling its responsibilities relating
to the licensing of an abortion clinic, if a physician responds positively to the question
described in Subsection (3)(a), the division shall, within 30 days after the day on which it
renews the physician's license under this chapter, inform the Department of Health in writing:
(a) of the name and business address of the physician; and
(b) that the physician responded positively to the question described in Subsection
(3)(a).
(5) The division shall accept and apply toward the hour requirement in Subsection
(1)(a) and continuing education that a physician completes in accordance with Sections
26-61a-106, 26-61a-403, and 26-61a-601.
Section 125. Section 58-68-502 is amended to read:
58-68-502. Unprofessional conduct.
(1) "Unprofessional conduct" includes, in addition to the definition in Section
58-1-501:
(a) using or employing the services of any individual to assist a licensee in any manner
not in accordance with the generally recognized practices, standards, or ethics of the
profession, state law, or division rule;
(b) violating the dispensing requirements of Chapter 17b, Part 8, Dispensing Medical
Practitioner and Dispensing Medical Practitioner Clinic Pharmacy, if applicable; [or]
(c) making a material misrepresentation regarding the qualifications for licensure under
Section 58-68-302.5[.]; or
(d) violating the requirements of Title 26, Chapter 61a, Utah Medical Cannabis Act.

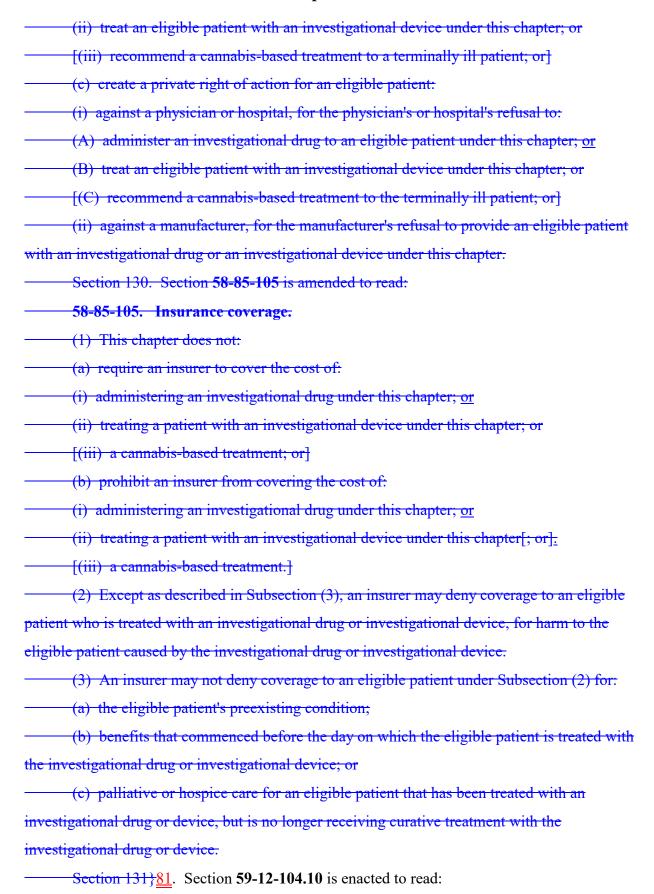


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- <u>59-12-104.10.</u> Exemption from sales tax for <u>medical</u> cannabis.
- (1) As used in this section:
- (a) "Cannabis" means the same as that term is defined in Section {26-61a-102}58-37-3.8.
- (b) "Cannabis {product} dispensary" means the same as that term is defined in Section 26-61a-102.
- (c) "{Medical cannabis device} Cannabis product" means the same as that term is defined in Section {26-61a-102}58-37-3.8.
- (d) "Medical cannabis {pharmacy}device" means the same as that term is defined in Section {26-61a-102.
- (e) "Medicinal dosage form" means the same as that term is defined in Section 26-61a-102.
- (f) "State central fill medical cannabis pharmacy" means the same as that term is defined in Section 26-61a-102.
 - (}58-37-3.8.
- (2) In addition to the exemptions described in Section 59-12-104, the sale, by a licensed {medical}cannabis dispensary, of cannabis, a cannabis {pharmacy}product, or {the state central fill}a medical cannabis {pharmacy of the following}device, is not subject to the taxes {this chapter imposes:
- (a) cannabis in a medicinal dosage form; or
 - (b) a cannabis product in a medicinal dosage form.
- (3) The sale of a medical cannabis device by a medical cannabis pharmacy or the state central fill medical cannabis pharmacy is subject to the taxes this chapter imposes.
 - Section 132. Section 62A-3-322 is enacted to read:
- 62A-3-322. Medical cannabis use by a vulnerable adult or guardian.
- A peace officer or an employee or agent of the division may not solicit or provide, and a court may not order, emergency services for a vulnerable adult based solely on:
- (1) the vulnerable adult's possession or use of cannabis in accordance with Title 26, Chapter 61a, Utah Medical Cannabis Act; or
- (2) the guardian of the vulnerable adult assisting with the use of or possessing cannabis in accordance with Title 26, Chapter 61a, Utah Medical Cannabis Act.

Section 133} imposed by this chapter.

Section 82. Section 62A-4a-202.1 is amended to read:

- 62A-4a-202.1. Entering home of a child -- Taking a child into protective custody -- Caseworker accompanied by peace officer -- Preventive services -- Shelter facility or emergency placement.
 - (1) A peace officer or child welfare worker may not:
- (a) enter the home of a child who is not under the jurisdiction of the court, remove a child from the child's home or school, or take a child into protective custody unless authorized under Subsection 78A-6-106(2); or
- (b) remove a child from the child's home or take a child into custody under this section solely on the basis of:
- (i) educational neglect, truancy, or failure to comply with a court order to attend school; or
- (ii) the possession or use {, in accordance with Title 26, Chapter 61a, Utah Medical Cannabis Act,} of cannabis { in a medicinal dosage form}, a cannabis product { in a medicinal dosage form}, or a medical cannabis device {[}} in the home, if the use and possession of the cannabis, cannabis product, or medical cannabis device is in compliance with Title 26, Chapter [60b] 61a, Medical Cannabis Act{], as those terms are defined in Section 26-61a-102}.
- (2) A child welfare worker within the division may take action under Subsection [(10)] (1) accompanied by a peace officer, or without a peace officer when a peace officer is not reasonably available.
- (3) (a) If possible, consistent with the child's safety and welfare, before taking a child into protective custody, the child welfare worker shall also determine whether there are services available that, if provided to a parent or guardian of the child, would eliminate the need to remove the child from the custody of the child's parent or guardian.
- (b) If the services described in Subsection (3)(a) are reasonably available, they shall be utilized.
- (c) In determining whether the services described in Subsection (3)(a) are reasonably available, and in making reasonable efforts to provide those services, the child's health, safety, and welfare shall be the child welfare worker's paramount concern.
 - (4) (a) A child removed or taken into custody under this section may not be placed or

kept in a secure detention facility pending court proceedings unless the child is detainable based on guidelines promulgated by the Division of Juvenile Justice Services.

- (b) A child removed from the custody of the child's parent or guardian but who does not require physical restriction shall be given temporary care in:
 - (i) a shelter facility; or
 - (ii) an emergency placement in accordance with Section 62A-4a-209.
- (c) When making a placement under Subsection (4)(b), the Division of Child and Family Services shall give priority to a placement with a noncustodial parent, relative, or friend, in accordance with Section 62A-4a-209.
- [(a)] (d) If the child is not placed with a noncustodial parent, a relative, or a designated friend, the caseworker assigned to the child shall file a report with the caseworker's supervisor explaining why a different placement was in the child's best interest.
- (5) When a child is removed from the child's home or school or taken into protective custody, the caseworker shall give a parent of the child a pamphlet or flier explaining:
- (a) the parent's rights under this part, including the right to be present and participate in any court proceeding relating to the child's case;
- (b) that it may be in the parent's best interest to contact an attorney and that, if the parent cannot afford an attorney, the court will appoint one;
- (c) the name and contact information of a division employee the parent may contact with questions;
 - (d) resources that are available to the parent, including:
 - (i) mental health resources;
 - (ii) substance abuse resources; and
 - (iii) parenting classes; and
 - (e) any other information considered relevant by the division.
 - (6) The pamphlet or flier described in Subsection (5) shall be:
- (a) evaluated periodically for its effectiveness at conveying necessary information and revised accordingly;
 - (b) written in simple, easy-to-understand language; and
- (c) available in English and other languages as the division determines to be appropriate and necessary.

Section $\frac{\{134\}}{83}$. Section 63I-1-226 is amended to read:

- 63I-1-226. Repeal dates, Title 26.
- (1) Section 26-1-40 is repealed July 1, 2019.
- [(1)] (2) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July 1, 2025.
 - [(2)] (3) Section 26-10-11 is repealed July 1, 2020.
 - {(4) Subsection 26-18-417(3) is repealed July 1, 2020.
- }[(3) Section 26-21-23, Licensing of non-Medicaid nursing facility beds, is repealed July 1, 2018.]
 - (4) Subsection 26-18-417(3) is repealed July 1, 2020.
- [(4)] <u>(5)</u> Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1, 2024.
 - {(6) Title 26, Chapter 36b, Inpatient Hospital Assessment Act, is repealed July 1, 2024.
- (7) Title 26, Chapter 36c, Medicaid Expansion Hospital Assessment Act, is repealed July 1, 2024.
- [(5)] (8) [(5)] (6) Title 26, Chapter [36a] 36d, Hospital Provider Assessment Act, is repealed July 1, [2016] 2019.
 - (7) Title 26, Chapter 36b, Inpatient Hospital Assessment Act, is repealed July 1, 2024.
- (8) Title 26, Chapter 36c, Medicaid Expansion Hospital Assessment Act, is repealed July 1, 2024.
 - (6) Section 26-38-2.5 is repealed July 1, 2017.
 - [(7) Section 26-38-2.6 is repealed July 1, 2017.]
- [(8)] <u>(9)</u> Title 26, Chapter 56, Hemp Extract Registration Act, is repealed January 1, 2019.
- (10) Title 26, Chapter 63, Nurse Home Visiting Pay-for-Success Program, is repealed July 1, 2026.

Section $\{135\}$ 84. Section 63I-1-258 is amended to read:

63I-1-258. Repeal dates, Title 58.

- (1) Title 58, Chapter 13, Health Care Providers Immunity from Liability Act, is repealed July 1, 2026.
 - (2) Title 58, Chapter 15, Health Facility Administrator Act, is repealed July 1, 2025.

- (3) Title 58, Chapter [20a] 20b, Environmental Health Scientist Act, is repealed July 1, [2018] 2028.
 - (4) Section 58-37-4.3 is repealed January 1, 2020.
- (5) Subsection 58-37-6(7)(f)(iii) is repealed July 1, 2022, and the Office of Legislative Research and General Counsel is authorized to renumber the remaining subsections accordingly.
- [(5)] (6) Title 58, Chapter 40, Recreational Therapy Practice Act, is repealed July 1, 2023.
- [(6)] <u>(7)</u> Title 58, Chapter 41, Speech-Language Pathology and Audiology Licensing Act, is repealed July 1, 2019.
- [(7)] (8) Title 58, Chapter 42a, Occupational Therapy Practice Act, is repealed July 1, 2025.
- [(8)] <u>(9)</u> Title 58, Chapter 46a, Hearing Instrument Specialist Licensing Act, is repealed July 1, 2023.
- [(9)] <u>(10)</u> Title 58, Chapter 47b, Massage Therapy Practice Act, is repealed July 1, 2024.
- [(10)] (11) Title 58, Chapter 61, Part 7, Behavior Analyst Licensing Act, is repealed July 1, 2026.
 - [(11)] (12) Title 58, Chapter 72, Acupuncture Licensing Act, is repealed July 1, 2027.
- (13) Title 58, Chapter 86, State Certification of Commercial Interior Designers Act, is repealed July 1, 2021.
 - (14) The following sections are repealed on July 1, 2019:
 - (a) Section 58-5a-502;
 - (b) Section 58-31b-502.5;
 - (c) Section 58-67-502.5;
 - (d) Section 58-68-502.5; and
 - (e) Section 58-69-502.5.
- Section 136. Section 67-19-33 is amended to read:
 - 67-19-33. Controlled substances and alcohol use prohibited.
- [An] Except as provided in Title 26, Chapter 61a, Utah Medical Cannabis Act, an employee may not:

- (1) manufacture, dispense, possess, use, distribute, or be under the influence of a controlled substance or alcohol during work hours or on state property except where legally permissible;
- (2) manufacture, dispense, possess, use, or distribute a controlled substance or alcohol if the activity prevents:
- (a) state agencies from receiving federal grants or performing under federal contracts of \$25,000 or more; or
- (b) the employee to perform his services or work for state government effectively as regulated by the rules of the executive director in accordance with Section 67-19-34; or
 - (3) refuse to submit to a drug or alcohol test under Section 67-19-36.
- Section \(\frac{\{137\}\{85}\}{25}\). Section 78A-6-508 (Superseded 07/01/19) is amended to read: 78A-6-508 (Superseded 07/01/19). Evidence of grounds for termination.
- (1) In determining whether a parent or parents have abandoned a child, it is prima facie evidence of abandonment that the parent or parents:
- (a) although having legal custody of the child, have surrendered physical custody of the child, and for a period of six months following the surrender have not manifested to the child or to the person having the physical custody of the child a firm intention to resume physical custody or to make arrangements for the care of the child;
- (b) have failed to communicate with the child by mail, telephone, or otherwise for six months;
 - (c) failed to have shown the normal interest of a natural parent, without just cause; or
 - (d) have abandoned an infant, as described in Subsection 78A-6-316(1).
- (2) In determining whether a parent or parents are unfit or have neglected a child the court shall consider, but is not limited to, the following circumstances, conduct, or conditions:
- (a) emotional illness, mental illness, or mental deficiency of the parent that renders the parent unable to care for the immediate and continuing physical or emotional needs of the child for extended periods of time;
- (b) conduct toward a child of a physically, emotionally, or sexually cruel or abusive nature;
- (c) habitual or excessive use of intoxicating liquors, controlled substances, or dangerous drugs that render the parent unable to care for the child;

- (d) repeated or continuous failure to provide the child with adequate food, clothing, shelter, education, or other care necessary for the child's physical, mental, and emotional health and development by a parent or parents who are capable of providing that care;
- (e) whether the parent is incarcerated as a result of conviction of a felony, and the sentence is of such length that the child will be deprived of a normal home for more than one year;
 - (f) a history of violent behavior; or
- (g) whether the parent has intentionally exposed the child to pornography or material harmful to a minor, as defined in Section 76-10-1201.
- (3) Notwithstanding Subsection (2)(c), the court may not discriminate against a parent {[}}because of the{] or otherwise consider a} parent's{ lawful} possession or consumption of cannabis{ in a medicinal dosage form}, a cannabis product{ in a medicinal dosage form}, or a medical cannabis device,{ as those terms are defined in Section 26-61a-102,} in accordance with Title 26, Chapter [60b] 61a,{ Utah} Medical Cannabis Act.
- (4) A parent who, legitimately practicing the parent's religious beliefs, does not provide specified medical treatment for a child is not, for that reason alone, a negligent or unfit parent.
- (5) (a) Notwithstanding Subsection (2), a parent may not be considered neglectful or unfit because of a health care decision made for a child by the child's parent unless the state or other party to the proceeding shows, by clear and convincing evidence, that the health care decision is not reasonable and informed.
- (b) Nothing in Subsection (5)(a) may prohibit a parent from exercising the right to obtain a second health care opinion.
- (6) If a child has been placed in the custody of the division and the parent or parents fail to comply substantially with the terms and conditions of a plan within six months after the date on which the child was placed or the plan was commenced, whichever occurs later, that failure to comply is evidence of failure of parental adjustment.
 - (7) The following circumstances constitute prima facie evidence of unfitness:
- (a) sexual abuse, sexual exploitation, injury, or death of a sibling of the child, or of any child, due to known or substantiated abuse or neglect by the parent or parents;
- (b) conviction of a crime, if the facts surrounding the crime are of such a nature as to indicate the unfitness of the parent to provide adequate care to the extent necessary for the

child's physical, mental, or emotional health and development;

- (c) a single incident of life-threatening or gravely disabling injury to or disfigurement of the child;
- (d) the parent has committed, aided, abetted, attempted, conspired, or solicited to commit murder or manslaughter of a child or child abuse homicide; or
- (e) the parent intentionally, knowingly, or recklessly causes the death of another parent of the child, without legal justification.

Section $\frac{\{138\}86}{8}$. Section 78A-6-508 (Effective 07/01/19) is amended to read:

78A-6-508 (Effective 07/01/19). Evidence of grounds for termination.

- (1) In determining whether a parent or parents have abandoned a child, it is prima facie evidence of abandonment that the parent or parents:
- (a) although having legal custody of the child, have surrendered physical custody of the child, and for a period of six months following the surrender have not manifested to the child or to the person having the physical custody of the child a firm intention to resume physical custody or to make arrangements for the care of the child;
- (b) have failed to communicate with the child by mail, telephone, or otherwise for six months;
 - (c) failed to have shown the normal interest of a natural parent, without just cause; or
 - (d) have abandoned an infant, as described in Subsection 78A-6-316(1).
- (2) In determining whether a parent or parents are unfit or have neglected a child the court shall consider, but is not limited to, the following circumstances, conduct, or conditions:
- (a) emotional illness, mental illness, or mental deficiency of the parent that renders the parent unable to care for the immediate and continuing physical or emotional needs of the child for extended periods of time;
- (b) conduct toward a child of a physically, emotionally, or sexually cruel or abusive nature;
- (c) habitual or excessive use of intoxicating liquors, controlled substances, or dangerous drugs that render the parent unable to care for the child;
- (d) repeated or continuous failure to provide the child with adequate food, clothing, shelter, education, or other care necessary for the child's physical, mental, and emotional health and development by a parent or parents who are capable of providing that care;

- (e) whether the parent is incarcerated as a result of conviction of a felony, and the sentence is of such length that the child will be deprived of a normal home for more than one year;
 - (f) a history of violent behavior; or
- (g) whether the parent has intentionally exposed the child to pornography or material harmful to a minor, as defined in Section 76-10-1201.
- (3) Notwithstanding Subsection (2)(c), the court may not discriminate against a parent because of {or otherwise consider} the parent's { lawful} possession or consumption of cannabis { in a medicinal dosage form}, a cannabis product, { as those terms are defined in Section 26-61a-102} or a medical cannabis device, in accordance with Title 26, Chapter [60b] 61a, { Utah} Medical Cannabis Act.
- (4) A parent who, legitimately practicing the parent's religious beliefs, does not provide specified medical treatment for a child is not, for that reason alone, a negligent or unfit parent.
- (5) (a) Notwithstanding Subsection (2), a parent may not be considered neglectful or unfit because of a health care decision made for a child by the child's parent unless the state or other party to the proceeding shows, by clear and convincing evidence, that the health care decision is not reasonable and informed.
- (b) Nothing in Subsection (5)(a) may prohibit a parent from exercising the right to obtain a second health care opinion.
- (6) If a child has been placed in the custody of the division and the parent or parents fail to comply substantially with the terms and conditions of a plan within six months after the date on which the child was placed or the plan was commenced, whichever occurs later, that failure to comply is evidence of failure of parental adjustment.
 - (7) The following circumstances constitute prima facie evidence of unfitness:
- (a) sexual abuse, sexual exploitation, injury, or death of a sibling of the child, or of any child, due to known or substantiated abuse or neglect by the parent or parents;
- (b) conviction of a crime, if the facts surrounding the crime are of such a nature as to indicate the unfitness of the parent to provide adequate care to the extent necessary for the child's physical, mental, or emotional health and development;
- (c) a single incident of life-threatening or gravely disabling injury to or disfigurement of the child;

- (d) the parent has committed, aided, abetted, attempted, conspired, or solicited to commit murder or manslaughter of a child or child abuse homicide; or
- (e) the parent intentionally, knowingly, or recklessly causes the death of another parent of the child, without legal justification.

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Section {139}87. Repealer.
       This bill repeals:
      Section 4-41-201, Title.
      Section 4-41-202, Definitions.
      Section 4-41-203, Department to cultivate cannabis.
      Section 4-41-301, Department to establish a state dispensary.
      Section 4-41-302, Labeling.
      Section 4-41-303, Department to set prices.
      Section 4-41-304, Department to make rules regarding purchasers, communication
-- Report.
      Section 4-41b-104, Preemption.
      Section 4-43-101 (Effective 07/01/19), Title.
      Section 4-43-102 (Effective 07/01/19), Definitions.
      Section 4-43-201 (Effective 07/01/19), Cannabidiol processor -- Cannabidiol
laboratory -- License -- Renewal.
      Section 4-43-202 (Effective 07/01/19), Renewal.
      Section 4-43-203 (Effective 07/01/19), Bond required for license.
      Section 4-43-301 (Effective 07/01/19), Cannabidiol processor and laboratory
agents.
      Section 4-43-401 (Effective 07/01/19), Cannabidiol processor or cannabidiol
laboratory -- General operating requirements.
      Section 4-43-402 (Effective 07/01/19), Cannabidiol processor or cannabidiol
laboratory -- Inspection by department.
      Section 4-43-501 (Effective 07/01/19), Cannabidiol processor -- Operating
requirements.
      Section 4-43-502 (Effective 07/01/19), Cannabidiol product.
      Section 4-43-503 (Effective 07/01/19), Cannabidiol medicine -- Labeling and
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packaging. Section 4-43-601 (Effective 07/01/19), Hemp and cannabidiol product testing. Section 4-43-602 (Effective 07/01/19), Reporting -- Inspections. Section 4-43-701 (Effective 07/01/19), Enforcement -- Fine -- Citation. Section 4-43-702 (Effective 07/01/19), Report to the Legislature. Section 4-43-703 (Effective 07/01/19), Fees -- Deposit into Cannabinoid Product **Restricted Account.** Section 4-43-801 (Effective 07/01/19), Cannabinoid Product Restricted Account --Creation. Section 26-60b-104, Preemption. Section 58-67-808 (Effective 07/01/19), Recommendation of cannabidiol products. Section 58-68-808 (Effective 07/01/19), Recommendation of cannabidiol products. Section 58-85-103.5, Right to request a recommendation for a cannabis-based treatment. Section 58-88-101 (Effective 07/01/19), Title. Section 58-88-102 (Effective 07/01/19), Definitions. Section 58-88-103 (Effective 07/01/19), Cannabidiol-qualified pharmacy requirements. Section 58-88-104 (Effective 07/01/19), Division to make rules -- Study. Section 59-12-104.7 (Repealed 01/01/19), Reporting by purchaser of certain sales } and use tax exempt purchases. Section \{59-12-104.9\) (Effective 07/01/19), Exemption from sales tax for cannabinoid products. Section 59-29-101 (Effective 07/01/19), Title. Section 59-29-102 (Effective 07/01/19), Definitions. Section 59-29-103 (Effective 07/01/19), Imposition of tax -- Rate -- Administration. Section 59-29-104 (Effective 07/01/19), Collection of tax. Section 59-29-105 (Effective 07/01/19), Deposit of tax revenue. Section 59-29-106 (Effective 07/01/19), Records. Section 59-29-107 (Effective 07/01/19), Rulemaking authority. Section 59-29-108 (Effective 07/01/19), Penalties and interest.

- Section 140\88. Effective date.
- ** (1) Except as provided in Subsection (2), iff If approved by two-thirds of all the members elected to each house, this bill takes effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto, the date of veto override.
- (2) The amendments to Sections 26-65-102 (Effective (07/01/19), 26-65-103 (Effective 07/01/19), 41-6a-517 (Effective 07/01/19), 58-37-3.6 (Effective 07/01/19), and 78A-6-508 (Effective 07/01/19) in this bill take effect on July 1, 2019.
- Section 141. Revisor instructions.
- The Legislature intends that the Office of Legislative Research and General Counsel, in preparing the Utah Code database for publication:
- (1) in Sections 4-41a-106 and 26-61a-114 replace the language from "this bill" with the bill's designated chapter number in the Laws of Utah; and
- (2) in Sections 4-41a-201, 4-41a-301, 4-41a-401, 26-61a-202, 26-61a-301, 26-61a-401, 26-61a-602, and 26-61a-606, replace the language from "the effective date of this bill" to the bill's actual effective date.

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