

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This bill addresses provisions that Proposition 2 technically repealed by implication.

Highlighted Provisions:

This bill:

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- ▶ reenacts provisions that Proposition 2 repealed by implication through use of outdated code; and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

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

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

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

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



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- 33 [78A-6-508 \(Superseded 07/01/19\)](#), as last amended by Laws of Utah 2014, Chapter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

36 ENACTS:

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

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

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

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

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

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

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

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

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

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

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

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

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

168 REPEALS:

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



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

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

175 **Part 1. General Provisions**

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

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

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

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

181 As used in this chapter:

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

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

184 (a) possesses cannabis;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

212 a public playground, or a public park.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

245 (b) is tamper proof; and

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

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

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

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

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

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

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

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

262 **Part 2. Cannabis Production Establishment**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

342 and

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

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

345 (d) a security plan;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

420 (a) in Utah medical cannabis law;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

460 cannabis product, or medical cannabis device legally; and

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

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

465 (a) guilty of an infraction; and

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

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

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

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

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

476 (2) A cannabis production establishment shall operate:

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

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

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

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

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

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

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

494 (a) a single, secure public entrance;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

522 (b) a registered cannabis dispensary agent.

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

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

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

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

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

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

538 (a) guilty of an infraction; and

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

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

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

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

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

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

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

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

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

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

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

561 (b) each unique harvest of cannabis plants;

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

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

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

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

568 (1) Cannabis shall have a label that:

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

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

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

573 (a) is tamper evident;

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

575 (c) is opaque; and

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

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

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

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

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

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

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

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

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

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

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

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

595 (c) has a unique identification number that:

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

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

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

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

602 and

603 (f) discloses ingredients and possible allergens.

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

605 (a) is tamper evident;

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

607 (c) is opaque; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

685 (i) issue the person a written citation;

686 (ii) attempt to negotiate a stipulated settlement;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

750 **Part 1. General Provisions**

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

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

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

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

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

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

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

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

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

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

766 As used in this chapter:

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

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

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

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

777 (5) "Hospital":

778 (a) means a privately owned:

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

780 (ii) specialty hospital operating in the state, which shall include a privately owned
781 hospital whose inpatient admissions are predominantly:

782 (A) rehabilitation;

783 (B) psychiatric;

784 (C) chemical dependency; or

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

786 (b) does not include:

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

788 (ii) a hospital owned by the federal government, including the Veterans Administration
789 Hospital; or

790 (iii) a hospital that is owned by the state government, a state agency, or a political
791 subdivision of the state, including:

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

793 (B) the Utah State Hospital.

794 (6) "Medicare cost report" means CMS-2552-96 or CMS-2552-10, the cost report for
795 electronic filing of hospitals.

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

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

798 **Part 2. Application of Chapter**

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

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

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

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

804 (b) other applicable federal law;

805 (c) any state law;

806 (d) any ad valorem property taxes;

807 (e) any sales or use taxes; or

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

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

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

814 (a) license a hospital for revenue;

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

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

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

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

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

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

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

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

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

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

829 (ii) audit records of a facility:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

894 rates.

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

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

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

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

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

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

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

910 and

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

913 (A) any unpaid quarterly assessment; and

914 (B) any unpaid penalty assessment.

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

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

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

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

921 (2) The fund shall consist of:

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

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

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

925 sources.

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

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

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

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

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

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

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

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

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

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

946 (c) the effective date of:

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

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

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

954 (A) aggregate hospital inpatient payments;

955 (B) adjustment payment rates; or

956 (C) any cost settlement protocol; or
 957 (iv) a division change in rules that reduces the aggregate outpatient payments below
 958 July 1, 2011 payments; and
 959 (d) the sunset of this chapter in accordance with Section [63I-1-226](#).
 960 (2) If the assessment is repealed under Subsection (1), money in the fund that was
 961 derived from assessments imposed by this chapter, before the determination made under
 962 Subsection (1), shall be disbursed under Section [26-36d-205](#) to the extent federal matching is
 963 not reduced due to the impermissibility of the assessments. Any funds remaining in the special
 964 revenue fund shall be refunded to the hospitals in proportion to the amount paid by each
 965 hospital.

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

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

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

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

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

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

974 As used in this chapter:

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

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

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

- 979 (a) acquires or intends to acquire cannabis or a cannabis product from a cannabis
 980 production establishment and acquires or intends to acquire a medical cannabis device;
 981 (b) possesses cannabis, a cannabis product, or a medical cannabis device; and
 982 (c) sells or intends to sell cannabis, a cannabis product, or a medical cannabis device.

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

985 (5) "Cannabis dispensary agent registration card" means a registration card issued by
 986 the department that authorizes an individual to act as a cannabis dispensary agent.

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

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

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

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

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

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

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

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

1000 (12) "Independent cannabis testing laboratory" means the same as that term is defined
1001 in Section [~~4-41b-102~~] [4-41a-102](#).

1002 (13) "Inventory control system" means the system described in Section [~~4-41b-103~~]
1003 [4-41a-103](#).

1004 (14) "Medical cannabis card" means an official card issued by the department to an
1005 individual with a qualifying illness, or the individual's designated caregiver under this chapter,
1006 that is connected to the electronic verification system.

1007 (15) "Medical cannabis device" means the same as that term is defined in Section
1008 [58-37-3.9](#).

1009 (16) "Medical Cannabis Restricted Account" means the account created in Section
1010 [~~26-60b-109~~] [26-61a-109](#).

1011 (17) "Physician" means an individual who is qualified to recommend cannabis under
1012 Section [~~26-60b-107~~] [26-61a-107](#).

1013 (18) "Qualifying illness" means a condition described in Section [~~26-60b-105~~]
1014 [26-61a-105](#).

1015 (19) "State electronic verification system" means the system described in Section
1016 [~~26-60b-103~~] [26-61a-103](#).

1017 Section 41. Section **26-61a-103**, which is renumbered from Section 26-60b-103 is

1018 renumbered and amended to read:

1019 ~~[26-60b-103]~~. 26-61a-103. Electronic verification system.

1020 (1) The Department of Agriculture and Food, the Department of Health, the
1021 Department of Public Safety, and the Department of Technology Services shall:

1022 (a) enter into a memorandum of understanding in order to determine the function and
1023 operation of an electronic verification system;

1024 (b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah
1025 Procurement Code, to develop a request for proposals for a third-party provider to develop and
1026 maintain an electronic verification system in coordination with the Department of Technology
1027 Services; and

1028 (c) select a third-party provider described in Subsection (1)(b).

1029 (2) The electronic verification system described in Subsection (1) shall:

1030 (a) allow an individual, with the individual's physician in the physician's office, to
1031 apply for a medical cannabis card;

1032 (b) allow a physician to electronically recommend, during a visit with a patient,
1033 treatment with cannabis or a cannabis product;

1034 (c) connect with an inventory control system used by a cannabis dispensary to track, in
1035 real time, and to archive for no more than 60 days, purchase history of cannabis or a cannabis
1036 product by a medical cannabis card holder, including the time and date of the purchase, the
1037 quantity and type of cannabis or cannabis product purchased, and any cannabis production
1038 establishment and cannabis dispensary associated with the cannabis or cannabis product;

1039 (d) provide access to the Department of Health and the Department of Agriculture and
1040 Food to the extent necessary to carry out the Department of Health's and the Department of
1041 Agriculture and Food's functions and responsibilities under this chapter and under Title 4,
1042 Chapter ~~[41b]~~ 41a, Cannabis Production ~~[Establishment]~~ Establishments;

1043 (e) provide access to state or local law enforcement during a traffic stop for the purpose
1044 of determining if the individual subject to the traffic stop is complying with state medical
1045 cannabis law, or after obtaining a warrant;

1046 (f) create a record each time a person accesses the database that identifies the person
1047 who accessed the database and the individual whose records are accessed; and

1048 (g) ~~[(9)]~~ be operational no later than March 1, 2020.

1049 (3) The Department of Health may release de-identified data collected by the system
1050 for the purpose of conducting medical research and for providing the report required by Section
1051 ~~[26-60b-602]~~ 26-61a-602.

1052 Section 42. Section **26-61a-104**, which is renumbered from Section 26-60b-104 is
1053 renumbered and amended to read:

1054 ~~[26-60b-104]~~. **26-61a-104. Preemption.**

1055 This chapter preempts any ordinance or rule enacted by a political subdivision of the
1056 state regarding a cannabis dispensary or a medical cannabis card.

1057 Section 43. Section **26-61a-105**, which is renumbered from Section 26-60b-105 is
1058 renumbered and amended to read:

1059 ~~[26-60b-105]~~. **26-61a-105. Qualifying illness.**

1060 (1) For the purposes of this chapter, the following conditions are considered a
1061 qualifying illness:

1062 (a) HIV, acquired immune deficiency syndrome or an autoimmune disorder;

1063 (b) Alzheimer's disease;

1064 (c) amyotrophic lateral sclerosis;

1065 (d) cancer, cachexia, or a condition manifest by physical wasting, nausea, or
1066 malnutrition associated with chronic disease;

1067 (e) Crohn's disease, ulcerative colitis, or a similar gastrointestinal disorder;

1068 (f) epilepsy or a similar condition that causes debilitating seizures;

1069 (g) multiple sclerosis or a similar condition that causes persistent and debilitating
1070 muscle spasms;

1071 (h) post-traumatic stress disorder;

1072 (i) autism;

1073 (j) a rare condition or disease that affects less than 200,000 persons in the United
1074 States, as defined in Section 526 of the Federal Food, Drug, and Cosmetic Act; and

1075 (k) chronic or debilitating pain in an individual, if:

1076 (i) a physician determines that the individual is at risk of becoming chemically
1077 dependent on, or overdosing on, opiate-based pain medication; or

1078 (ii) a physician determines that the individual is allergic to opiates or is otherwise
1079 medically unable to use opiates.

1080 (2) In addition to the conditions described in Subsection (1), a condition approved
1081 under Section [~~26-60b-106~~] [26-61a-106](#), in an individual, on a case-by-case basis, is considered
1082 a qualifying illness for the purposes of this chapter.

1083 Section 44. Section **26-61a-106**, which is renumbered from Section 26-60b-106 is
1084 renumbered and amended to read:

1085 ~~[26-60b-106]~~. **26-61a-106. Compassionate Use Board.**

1086 (1) The department shall establish a Compassionate Use Board consisting of:

1087 (a) five physicians who are knowledgeable about the medicinal use of cannabis and
1088 certified by the appropriate board in one of the following specialties: neurology, pain medicine
1089 and pain management, medical oncology, psychiatry, infectious disease, internal medicine,
1090 pediatrics, and gastroenterology; and

1091 (b) the director of the Department of Health or the director's designee as a non-voting
1092 member.

1093 (2) (a) Two of the members of the board first appointed shall serve for a term of three
1094 years and two of the members of the board first appointed shall serve for a term of four years.

1095 (b) After the first members' terms expire, members of the board shall serve for a term
1096 of four years and shall be eligible for reappointment.

1097 (c) Any member of the board may serve until a successor is appointed.

1098 (d) The director of the Department of Health or the director's designee shall serve as
1099 the chair of the board.

1100 (3) A quorum of the Compassionate Use Board shall consist of three members.

1101 (4) A member of the board may not receive compensation or benefits for the member's
1102 service, but may receive per diem and travel expenses in accordance with Section [63A-3-106](#),
1103 Section [63A-3-107](#), and rules made by the Division of Finance pursuant to Sections [63A-3-106](#)
1104 and [63A-3-107](#).

1105 (5) The Compassionate Use Board shall:

1106 (a) review and recommend to the department approval for an individual who is not
1107 otherwise qualified to receive a medical cannabis card to obtain a medical cannabis card for
1108 compassionate use if:

1109 (i) the individual offers, in the board's discretion, satisfactory evidence that the
1110 individual suffers from a condition that substantially impairs the individual's quality of life and

1111 is intractable; and

1112 (ii) the board determines it is in the best interest of the patient to allow the
1113 compassionate use of medical cannabis;

1114 (b) meet to receive or review compassionate use petitions quarterly, unless no petitions
1115 are pending, or as often as necessary if there are more petitions than the board can receive or
1116 review during the board's regular schedule;

1117 (c) complete a review of each petition and recommend approval or denial of the
1118 applicant for qualification for a medical cannabis card within 90 days of receipt; and

1119 (d) report, before November 1 of each year, to the Health and Human Services Interim
1120 Committee, the number of compassionate use approvals the board issued during the past year
1121 and the types of conditions for which the board approved compassionate use.

1122 (6) The department shall review any compassionate use approved by the board under
1123 this section to determine if the board properly exercised the board's discretion under this
1124 section.

1125 (7) If the department determines the board properly approved an individual for
1126 compassionate use under this section, the department shall issue a medical cannabis card.

1127 (8) Any individually identifiable health information contained in a petition received
1128 under this section shall be a protected record in accordance with Title 63G, Chapter 2,
1129 Government Records Access and Management Act.

1130 (9) The Compassionate Use Board may recommend to the Health and Human Services
1131 Interim Committee:

1132 (a) a condition to designate as a qualifying illness under Section ~~[26-60b-105]~~

1133 [26-61a-105](#); or

1134 (b) a condition to remove as a qualifying illness under Section ~~[26-60b-105]~~

1135 [26-61a-105](#).

1136 Section 45. Section ~~26-61a-107~~, which is renumbered from Section 26-60b-107 is
1137 renumbered and amended to read:

1138 ~~[26-60b-107]~~. **26-61a-107. Physician qualification.**

1139 (1) For the purposes of this chapter, a physician means an individual, other than a
1140 veterinarian, who is licensed to prescribe a controlled substance under Title 58, Chapter 37,
1141 Utah Controlled Substances Act, and who possesses the authority, in accordance with the

1142 individual's scope of practice, to prescribe Schedule II controlled substances.

1143 (2) A physician may recommend cannabis if the physician recommends cannabis to no
1144 more than 20% of the physician's patients at any given time.

1145 (3) A physician may recommend cannabis to greater than 20% of the physician's
1146 patients if the physician is certified, by the appropriate American medical board, in one of the
1147 following specialties: anesthesiology, gastroenterology, neurology, oncology, pain and
1148 palliative care, physiatry, or psychiatry.

1149 (4) A physician may recommend cannabis to an individual under this chapter only in
1150 the course of a physician-patient relationship after the physician has completed a full
1151 assessment of the patient's condition and medical history.

1152 (5) (a) Except as provided in Subsection (5)(b), a physician eligible to recommend
1153 cannabis or a cannabis product under this section may not advertise that the physician
1154 recommends cannabis or a cannabis product.

1155 (b) A physician may advertise via a website that displays only:

1156 (i) a green cross;

1157 (ii) the location and hours of operation of the physician's office;

1158 (iii) a qualifying illness that the physician treats; and

1159 (iv) a scientific study regarding cannabis use.

1160 Section 46. Section **26-61a-108**, which is renumbered from Section 26-60b-108 is
1161 renumbered and amended to read:

1162 ~~[26-60b-108]~~. **26-61a-108. Standard of care -- Medical practitioners not**
1163 **liable -- No private right of action.**

1164 A physician who recommends treatment with cannabis or a cannabis product to an
1165 individual in accordance with this chapter may not, based on the recommendation, be subject to
1166 civil liability, criminal liability, or licensure sanctions under Title 58, Chapter 67, Utah Medical
1167 Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act.

1168 Section 47. Section **26-61a-109**, which is renumbered from Section 26-60b-109 is
1169 renumbered and amended to read:

1170 ~~[26-60b-109]~~. **26-61a-109. Medical Cannabis Restricted Account --**
1171 **Creation.**

1172 (1) There is created in the General Fund a restricted account known as the "Medical

1173 Cannabis Restricted Account."

1174 (2) The account created in this section is funded from:

1175 (a) money deposited into the account by the Department of Agriculture and Food under
1176 Title 4, Chapter [~~41b~~] 41a, Cannabis Production Establishments;

1177 (b) money deposited into the account by the department under this chapter;

1178 (c) appropriations made to the account by the Legislature; and

1179 (d) the interest described in Subsection (3).

1180 (3) Interest earned on the account is deposited in the account.

1181 (4) Money in the account may only be used to fund the state medical cannabis program,
1182 including Title 26, Chapter [~~60b~~] 61a, Medical Cannabis Act and Title 4, Chapter [~~41b~~] 41a,
1183 Cannabis Production Establishments.

1184 Section 48. Section **26-61a-110**, which is renumbered from Section 26-60b-110 is
1185 renumbered and amended to read:

1186 [~~26-60b-110~~]. **26-61a-110. Nondiscrimination for use of cannabis, a**
1187 **cannabis product, or a medical cannabis device.**

1188 (1) For purposes of medical care, including organ and tissue transplants, the use of
1189 cannabis by a patient who holds a medical cannabis card in accordance with this chapter is
1190 considered the equivalent of the authorized use of any other medication used at the discretion
1191 of a physician and does not constitute the use of an illicit substance or otherwise disqualify an
1192 individual from needed medical care.

1193 (2) No landlord may refuse to lease to and may not otherwise penalize a person solely
1194 for the person's status as a medical cannabis card holder, unless failing to do so would cause
1195 the landlord to lose a monetary or licensing-related benefit under federal law.

1196 Section 49. Section **26-61a-201**, which is renumbered from Section 26-60b-201 is
1197 renumbered and amended to read:

1198 **Part 2. Medical Cannabis Card Registration**

1199 [~~26-60b-201~~]. **26-61a-201. Medical cannabis card -- Application -- Fees --**
1200 **Database.**

1201 (1) The Department of Health shall, no later than March 1, 2020, and within 15 days
1202 after an individual submits an application in compliance with this section, issue a medical
1203 cannabis card to an individual who complies with this section.

1204 (2) An individual is eligible for a medical cannabis card if:

1205 (a) the individual is at least 18 years old, the individual is a Utah resident, and
1206 treatment with medical cannabis has been recommended by the individual's physician under
1207 Subsection (4); or

1208 (b) the individual is the parent or legal guardian of a minor, the individual is at least 18
1209 years old, the individual is a Utah resident, and treatment with medical cannabis has been
1210 recommended by the minor's physician under Subsection (4).

1211 (3) An individual who is eligible for a medical cannabis card under Subsection (2)
1212 shall submit an application for a medical cannabis card to the department via an electronic
1213 application connected to the electronic verification system, with the recommending physician
1214 while in the recommending physician's office, and that includes the individual's name, gender,
1215 age, and address.

1216 (4) A physician who recommends treatment with medical cannabis to an individual or
1217 minor shall:

1218 (a) state in the physician's recommendation that the individual suffers from a qualifying
1219 illness, including the type of qualifying illness, and that the individual may benefit from
1220 treatment with cannabis or a cannabis product; and

1221 (b) before recommending cannabis or a cannabis product, look up the individual in the
1222 controlled substance database created in Section [58-37f-201](#).

1223 (5) A medical cannabis card issued by the department under this section is valid for the
1224 lesser of an amount of time determined by the physician or six months.

1225 (6) An individual who has been issued a medical cannabis card under this section may:

1226 (a) carry a valid medical cannabis card with the patient's name;

1227 (b) purchase, possess, and transport, in accordance with this chapter, cannabis, a
1228 cannabis product, or a medical cannabis device;

1229 (c) use or assist with the use of medical cannabis or medical cannabis products to treat
1230 the qualifying illness or symptoms associated with the qualifying illness of the person for
1231 whom medical cannabis has been recommended; and

1232 (d) after January 1, 2021, if a licensed cannabis dispensary is not operating within 100
1233 miles of the medical cannabis card holder's primary residence, grow up to six cannabis plants
1234 for personal medical use within an enclosed and locked space and not within view from a

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

1239 (7) The department may establish procedures, by rule in accordance with Title 63G,
1240 Chapter 3, Utah Administrative Rulemaking Act, to implement the medical cannabis card
1241 application and issuance provisions of this section.

1242 (8) (a) A person may submit, to the department, a request to conduct a medical research
1243 study using medical cannabis cardholder data contained in the electronic verification system.

1244 (b) The department shall review a request submitted under Subsection (8)(a) to
1245 determine if the medical research study is valid.

1246 (c) If the department determines that the medical research study is valid under
1247 Subsection (8)(b), the department shall notify a relevant medical cannabis cardholder asking
1248 for the medical cannabis cardholder's participation in the study.

1249 (d) The department may release, for the purposes of a study, information about a
1250 medical cannabis cardholder who consents to participation under Subsection (8)(c).

1251 (e) The department may establish standards for a medical research study's validity, by
1252 rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

1253 Section 50. Section **26-61a-202**, which is renumbered from Section 26-60b-202 is
1254 renumbered and amended to read:

1255 ~~[26-60b-202]~~. **26-61a-202. Medical cannabis card --- Designated caregiver**
1256 **-- Registration -- Renewal -- Revocation.**

1257 (1) An individual may designate up to two individuals to serve as designated caregivers
1258 for the individual if:

1259 (a) the individual has a valid medical cannabis card under Section ~~[26-60b-201]~~
1260 26-61a-201; and

1261 (b) a physician determines that, due to physical difficulty or undue hardship, the
1262 individual needs assistance to obtain cannabis or a cannabis product from a cannabis
1263 dispensary.

1264 (2) An individual registered as a designated caregiver under this section may:

1265 (a) carry a valid medical cannabis card with the designating patient's name and the

1266 designated caregiver's name;

1267 (b) purchase, possess, and transport, in accordance with this chapter, cannabis, a
1268 cannabis product, or a medical cannabis device on behalf of the designating patient;

1269 (c) accept reimbursement from the designating patient for direct costs incurred by the
1270 designated caregiver for assisting with the designating patient's medicinal use of cannabis; and

1271 (d) after January 1, 2021, if a licensed cannabis dispensary is not operating within 100
1272 miles of the designating patient's primary residence, assist the designating patient with growing
1273 up to six cannabis plants for personal medicinal use within an enclosed and locked space and
1274 not within view from a public place and that is not within 600 feet of a community location or
1275 within 300 feet of an area zoned exclusively for residential use, as measured from the nearest
1276 entrance to the space and following the shortest route or ordinary pedestrian travel to the
1277 property boundary of the community location or residential area.

1278 (3) The department shall, within 30 days after an individual submits an application in
1279 compliance with this section, issue a medical cannabis card to an individual designated as a
1280 caregiver under Subsection (1) and who complies with this section.

1281 (4) An individual is eligible for a medical cannabis card as a designated caregiver if the
1282 individual:

1283 (a) is at least 18 years old;

1284 (b) is a Utah resident;

1285 (c) pays, to the department, a fee established by the department in accordance with
1286 Section [63J-1-504](#), plus the cost of a criminal background check required by Section
1287 ~~[26-60b-203]~~ [26-61a-203](#); and

1288 (d) has not been convicted of an offense that is a felony under either state or federal
1289 law, unless any sentence imposed was completed seven or more years earlier.

1290 (5) An individual who is eligible for a medical cannabis card as a designated caregiver
1291 shall submit an application for a medical cannabis card to the department via an electronic
1292 application connected to the electronic verification system and shall include the individual's
1293 name, gender, age, and address and the name of the patient that designated the individual under
1294 Subsection (1).

1295 (6) A medical cannabis card issued by the department under this section is valid for the
1296 lesser of an amount of time determined by the physician, by the patient, or 6 months.

1297 (7) A medical cannabis card is renewable for a designated caregiver if, at the time of
1298 renewal:

1299 (a) the individual with a medical cannabis card described in Subsection (1) renews the
1300 caregiver's designation; and

1301 (b) the designated caregiver meets the requirements of Subsection (4).

1302 (8) A designated caregiver may not charge an individual a fee to act as the individual's
1303 designated caregiver or for services provided.

1304 (9) The Department of Health may revoke a designated caregiver's medical cannabis
1305 card if the individual:

1306 (a) violates this chapter; or

1307 (b) is convicted of an offense that is a felony under either state or federal law.

1308 Section 51. Section **26-61a-203**, which is renumbered from Section 26-60b-203 is
1309 renumbered and amended to read:

1310 ~~[26-60b-203]~~. **26-61a-203. Designated caregiver -- Criminal background**
1311 **check.**

1312 (1) An individual registered as a designated caregiver under Section ~~[26-60b-202]~~
1313 26-61a-202 shall submit to a criminal background check in accordance with Subsection (2).

1314 (2) Each designated caregiver shall:

1315 (a) submit, to the department, a fingerprint card in a form acceptable to the department
1316 and the Department of Public Safety; and

1317 (b) consent to a fingerprint background check by:

1318 (i) the Utah Bureau of Criminal Identification; and

1319 (ii) the Federal Bureau of Investigation.

1320 (3) The Department of Public Safety shall complete a Federal Bureau of Investigation
1321 Criminal Background Check for each designated caregiver under Subsection (2) and report the
1322 results of the background check to the department.

1323 Section 52. Section **26-61a-204**, which is renumbered from Section 26-60b-204 is
1324 renumbered and amended to read:

1325 ~~[26-60b-204]~~. **26-61a-204. Medical cannabis card -- Patient and designated**
1326 **caregiver requirements -- Rebuttable presumption.**

1327 (1) An individual who has a medical cannabis card and who possesses cannabis or a

1328 cannabis product outside of the individual's residence shall:

1329 (a) carry, with the individual at all times, the individual's medical cannabis card;

1330 (b) carry, with the cannabis or cannabis product, a label that identifies that the cannabis
1331 or cannabis product was originally sold from a licensed cannabis dispensary and includes an
1332 identification number that links the cannabis or cannabis product to the inventory control
1333 system; and

1334 (c) possess not more than four ounces of unprocessed cannabis or an amount of
1335 cannabis product that contains 20 or fewer grams of tetrahydrocannabinol or cannabidiol.

1336 (2) (a) Except as described in Subsection (2)(b), an individual who has a medical
1337 cannabis card may not use cannabis or a cannabis product in public view.

1338 (b) An individual may use cannabis or a cannabis product in public view in the event of
1339 a medical emergency.

1340 (3) If an individual possesses cannabis or a cannabis product in compliance with
1341 Subsection (1), or a medical cannabis device that corresponds with the cannabis or cannabis
1342 product:

1343 (a) there is a rebuttable presumption that the individual possesses the cannabis,
1344 cannabis product, or medical cannabis device legally; and

1345 (b) a law enforcement officer does not have probable cause, based solely on the
1346 individual's possession of the cannabis, cannabis product, or medical cannabis device, to
1347 believe that the individual is engaging in illegal activity.

1348 (4) (a) If a law enforcement officer stops an individual who possesses cannabis, a
1349 cannabis product, or a medical cannabis device, and the individual represents to the law
1350 enforcement officer that the individual holds a valid medical cannabis card, but the individual
1351 does not have the medical cannabis card in the individual's possession at the time of the stop by
1352 the law enforcement officer, the law enforcement officer shall attempt to access the electronic
1353 verification system to determine whether the individual holds a valid medical cannabis card.

1354 (b) If the law enforcement officer is able to verify that the individual described in
1355 Subsection (4)(a) holds a valid medical cannabis card, the law enforcement officer:

1356 (i) may not arrest or take the individual into custody for the sole reason that the
1357 individual is in possession of cannabis, a cannabis product, or a medical cannabis device; and

1358 (ii) may not seize the cannabis, cannabis product, or medical cannabis device.

1359 (5) An individual who possesses cannabis, a cannabis product, or a medical cannabis
1360 device in violation of Subsection (1)(a) or Subsection 1(b) is guilty of an infraction and subject
1361 to a \$100 fine.

1362 Section 53. Section **26-61a-301**, which is renumbered from Section 26-60b-301 is
1363 renumbered and amended to read:

1364 **Part 3. Cannabis Dispensary License**

1365 ~~[26-60b-301]~~. **26-61a-301. Cannabis dispensary -- License -- Eligibility.**

1366 (1) A person may not operate as a cannabis dispensary without a license issued by the
1367 department issued under this part.

1368 (2) Subject to ~~[Subsections]~~ Subsection (5) and to Section ~~[26-60b-304]~~ 26-61a-304,
1369 the department shall, within 90 business days after receiving a complete application, issue a
1370 license to operate a cannabis dispensary to a person who submits to the department:

1371 (a) a proposed name and address where the person will operate the cannabis dispensary
1372 that is not within 600 feet of a community location or within 300 feet of an area zoned
1373 exclusively for residential use, as measured from the nearest entrance to the cannabis
1374 production establishment by following the shortest route of ordinary pedestrian travel to the
1375 property boundary of the community location or residential area;

1376 (b) the name and address of any individual who has a financial or voting interest of two
1377 percent or greater in the proposed cannabis dispensary or who has the power to direct or cause
1378 the management or control of a proposed cannabis production establishment;

1379 (c) financial statements demonstrating that the person possesses a minimum of
1380 \$250,000 in liquid assets available for each application submitted to the department;

1381 (d) an operating plan that complies with Section ~~[26-60b-303]~~ 26-61a-303 and that
1382 includes operating procedures to comply with the operating requirements for a cannabis
1383 dispensary described in this chapter and with any laws adopted by the municipality or county
1384 that are consistent with Section ~~[26-60b-506]~~ 26-61a-506;

1385 (e) if the municipality or county where the proposed cannabis production establishment
1386 would be located has enacted zoning restrictions, a sworn statement certifying that the
1387 proposed cannabis dispensary is in compliance with the restrictions;

1388 (f) if the municipality or county where the proposed cannabis dispensary would be
1389 located requires a local permit or license, a copy of the application for the local permit or

1390 license; and

1391 (g) an application fee established by the department in accordance with Section

1392 [63J-1-504](#) that is necessary to cover the department's cost to implement this part[;].

1393 ~~[(4)]~~ (3) If the department determines that a cannabis dispensary is eligible for a license
1394 under this section, the department shall charge the cannabis dispensary an initial license fee in
1395 an amount determined by the department in accordance with Section [63J-1-504](#).

1396 ~~[(5)]~~ (4) The department may not issue a license to operate a cannabis dispensary to an
1397 applicant if any individual who has a financial or voter interest of two percent or greater in the
1398 cannabis dispensary applicant or who has power to direct or cause the management or control
1399 of the applicant:

1400 (a) has been convicted of an offense that is a felony under either state or federal law; or

1401 (b) is less than 21 years of age.

1402 ~~[(6)]~~ (5) The department may revoke a license under this part if the cannabis
1403 dispensary is not operating within one year of the issuance of the initial license.

1404 ~~[(7)]~~ (6) The department shall deposit the proceeds of a fee imposed by this section in
1405 the Medical Cannabis Restricted Account.

1406 ~~[(8)]~~ (7) The department shall begin accepting applications under this part no later than
1407 March 1, 2020.

1408 Section 54. Section **26-61a-302**, which is renumbered from Section 26-60b-302 is
1409 renumbered and amended to read:

1410 ~~**[26-60b-302].**~~ **26-61a-302. Renewal.**

1411 (1) Except as provided in Subsection (3), the department shall renew a person's license
1412 under this part every two years if, at the time of renewal:

1413 (a) the person meets the requirements of Section ~~[26-60b-301]~~ [26-61a-301](#); and

1414 (b) the person pays the department a license renewal fee in an amount determined by
1415 the department in accordance with Section [63J-1-504](#).

1416 (2) (a) If a licensed cannabis dispensary abandons the cannabis dispensary's license, the
1417 department shall publish notice of an available license in a newspaper of general circulation for
1418 the geographic area in which the cannabis dispensary license is available or on the Utah Public
1419 Notice Website established in Section [63F-1-701](#).

1420 (b) The department may establish criteria, in accordance with Title 63G, Chapter 3,

1421 Utah Administrative Rulemaking Act, for what actions by a cannabis dispensary constitute
1422 abandonment of a cannabis dispensary license.

1423 Section 55. Section **26-61a-303**, which is renumbered from Section 26-60b-303 is
1424 renumbered and amended to read:

1425 ~~[26-60b-303]~~. **26-61a-303. Operating plan.**

1426 [(†)] A person applying for a cannabis dispensary license shall submit to the
1427 department a proposed operation plan for the cannabis dispensary that complies with this
1428 section and that includes:

1429 [(a)] (1) a description of the physical characteristics of the proposed facility, including
1430 a floor plan and an architectural elevation;

1431 [(b)] (2) a description of the credentials and experience of:

1432 [(i)] (a) each officer, director, or owner of the proposed cannabis dispensary; and

1433 [(ii)] (b) any highly skilled or experienced prospective employee;

1434 [(c)] (3) the cannabis dispensary's employee training standards;

1435 [(d)] (4) a security plan; and

1436 [(e)] (5) a description of the cannabis dispensary's inventory control system, including
1437 a plan to make the inventory control system compatible with the electronic verification system.

1438 Section 56. Section **26-61a-304**, which is renumbered from Section 26-60b-304 is
1439 renumbered and amended to read:

1440 ~~[26-60b-304]~~. **26-61a-304. Maximum number of licenses.**

1441 (1) The department may not issue more than the greater of, in each county in the state:

1442 (a) one cannabis dispensary license; or

1443 (b) an amount of cannabis dispensary licenses equal to the number of residents in the
1444 county divided by 150,000, rounded up to the nearest greater whole number.

1445 (2) If there are more qualified applicants than there are available licenses for cannabis
1446 dispensaries, the department shall evaluate the applicants and award the license to the applicant
1447 that best demonstrates:

1448 (a) experience with establishing and successfully operating a business that involves
1449 complying with a regulatory environment, tracking inventory, and training, evaluating, and
1450 monitoring employees;

1451 (b) an operating plan that will best ensure the safety and security of patrons and the

1452 community;

1453 (c) positive connections to the local community;

1454 (d) the suitability of the proposed location and its accessibility for qualifying patients;

1455 and

1456 (e) the extent to which the applicant can reduce the cost of cannabis or cannabis
1457 products for patients.

1458 (3) The department may conduct a face-to-face interview with an applicant for a
1459 license that the department evaluates under Subsection (2).

1460 Section 57. Section **26-61a-401**, which is renumbered from Section 26-60b-401 is
1461 renumbered and amended to read:

1462 **Part 4. Cannabis Dispensary Agents**

1463 ~~[26-60b-401]~~. **26-61a-401. Cannabis dispensary agent -- Registration.**

1464 (1) An individual may not serve as a cannabis dispensary agent of a cannabis
1465 dispensary unless the individual is registered by the department as a cannabis dispensary agent.

1466 (2) A physician may not act as a cannabis dispensary agent.

1467 (3) The department shall, within 15 days after receiving a complete application from a
1468 cannabis dispensary on behalf of a prospective cannabis dispensary agent, register and issue a
1469 cannabis dispensary agent registration card to an individual who:

1470 (a) provides to the department the individual's name and address and the name and
1471 location of the licensed cannabis dispensary where the individual seeks to act as the cannabis
1472 dispensary agent; and

1473 (b) pays a fee to the department, in an amount determined by the department in
1474 accordance with Section [63J-1-504](#), that is necessary to cover the department's cost to
1475 implement this part.

1476 (4) The department shall designate, on an individual's cannabis dispensary agent
1477 registration card, the name of the cannabis dispensary where the individual is registered as an
1478 agent.

1479 (5) A cannabis dispensary agent shall comply with a certification standard developed
1480 by the department, or a third party certification standard designated by the department, by rule
1481 made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

1482 (6) The certification standard described in Subsection (5) shall include training in:

1483 (a) Utah medical cannabis law; and
1484 (b) cannabis dispensary best practices.
1485 (7) The department may revoke or refuse to issue the cannabis dispensary agent
1486 registration card of an individual who:

1487 (a) violates the requirements of this chapter; or
1488 (b) is convicted of an offense that is a felony under state or federal law.

1489 Section 58. Section **26-61a-402**, which is renumbered from Section 26-60b-402 is
1490 renumbered and amended to read:

1491 ~~[26-60b-402]~~. **26-61a-402**. **Cannabis dispensary agents -- Criminal**
1492 **background checks.**

1493 (1) Each applicant shall submit, at the time of application, from each individual who
1494 has a financial or voting interest of two percent or greater in the applicant or who has the power
1495 to direct or cause the management or control of the applicant:

1496 (a) a fingerprint card in a form acceptable to the department; and
1497 (b) consent to a fingerprint background check by the Utah Bureau of Criminal
1498 Identification and the Federal Bureau of Investigation.

1499 (2) The department shall request that the Department of Public Safety complete a
1500 Federal Bureau of Investigation criminal background check for each individual described in
1501 Subsection (1).

1502 Section 59. Section **26-61a-403**, which is renumbered from Section 26-60b-403 is
1503 renumbered and amended to read:

1504 ~~[26-60b-403]~~. **26-61a-403**. **Cannabis dispensary agent registration card --**
1505 **Rebuttable presumption.**

1506 (1) A cannabis dispensary agent who is registered with the department under ~~[section]~~
1507 ~~[26-60b-401]~~ Section 26-61a-401 shall carry the individual's cannabis dispensary agent
1508 registration card with the individual at all times when:

1509 (a) the individual is on the premises of a cannabis dispensary; and
1510 (b) the individual is transporting cannabis, a cannabis product, or a medical cannabis
1511 device between two cannabis production establishments or between a cannabis production
1512 establishment and a cannabis dispensary.

1513 (2) If an individual handling cannabis, a cannabis product, or a medical cannabis

1514 device at a cannabis dispensary, or transporting cannabis, a cannabis product, or a medical
1515 cannabis device, possesses the cannabis, cannabis product, or medical cannabis device in
1516 compliance with Subsection (1):

1517 (a) there is a rebuttable presumption that the individual possesses the cannabis,
1518 cannabis product, or medical cannabis device legally; and

1519 (b) a law enforcement officer does not have probable cause, based solely on the
1520 individual's possession of the cannabis, cannabis product, or medical cannabis device in
1521 compliance with Subsection (1), to believe that the individual is engaging in illegal activity.

1522 (3) An individual who violates Subsection (1) is:

1523 (a) guilty of an infraction; and

1524 (b) is subject to a \$100 fine.

1525 Section 60. Section **26-61a-501**, which is renumbered from Section 26-60b-501 is
1526 renumbered and amended to read:

1527 **Part 5. Cannabis Dispensary Operation**

1528 ~~[26-60b-501]~~. **26-61a-501. Operating requirements -- General.**

1529 (1) (a) A cannabis dispensary shall operate in accordance with the operating plan
1530 provided to the department under Section ~~[26-60b-303]~~ 26-61a-303.

1531 (b) A cannabis dispensary shall notify the department before a change in the cannabis
1532 dispensary's operating plan.

1533 (2) A cannabis dispensary shall operate:

1534 (a) except as provided in Subsection (5), in a facility that is accessible only by an
1535 individual with a valid cannabis dispensary agent registration card or a medical cannabis card;
1536 and

1537 (b) at the physical address provided to the department under Section ~~[26-60b-301]~~
1538 26-61a-301.

1539 (3) A cannabis dispensary may not employ any person who is younger than 21 years of
1540 age.

1541 (4) A cannabis dispensary shall conduct a background check into the criminal history
1542 of every person who will become an agent of the cannabis dispensary and may not employ any
1543 person who has been convicted of an offense that is a felony under either state or federal law.

1544 (5) A cannabis dispensary may authorize an individual who is not a cannabis

1545 dispensary agent to access the cannabis dispensary if the cannabis dispensary tracks and
1546 monitors the individual at all times while the individual is at the cannabis dispensary and
1547 maintains a record of the individual's access.

1548 (6) A cannabis dispensary shall operate in a facility that has:

1549 (a) a single, secure public entrance;

1550 (b) a security system with a backup power source that:

1551 (i) detects and records entry into the cannabis dispensary; and

1552 (ii) provides notice of an unauthorized entry to law enforcement when the cannabis
1553 dispensary is closed; and

1554 (c) a lock on any area where the cannabis dispensary stores cannabis or a cannabis
1555 product.

1556 (7) A cannabis dispensary shall post, clearly and conspicuously in the cannabis
1557 dispensary, the limit on the purchase of cannabis described in Subsection [~~26-60b-502(3)~~
1558 [26-61a-502\(3\)](#)].

1559 (8) A cannabis dispensary may not allow any individual to consume cannabis on the
1560 property or premises of the cannabis dispensary.

1561 (9) A cannabis dispensary may not sell cannabis or a cannabis product without first
1562 indicating on the cannabis or cannabis product label the name of the cannabis dispensary.

1563 Section 61. Section **26-61a-502**, which is renumbered from Section 26-60b-502 is
1564 renumbered and amended to read:

1565 [~~26-60b-502~~]. **26-61a-502. Dispensing -- Amount a cannabis dispensary**
1566 **may dispense -- Reporting -- Form of cannabis or cannabis product.**

1567 (1) A cannabis dispensary may only sell, subject to this chapter:

1568 (a) cannabis;

1569 (b) a cannabis product;

1570 (c) a medical cannabis device; or

1571 (d) educational materials related to the medical use of cannabis.

1572 (2) A cannabis dispensary may only sell the items listed in Subsection (1) to an
1573 individual with a medical cannabis card issued by the department.

1574 (3) A cannabis dispensary may not dispense on behalf of any one individual with a
1575 medical cannabis card, in any one 14-day period:

1576 (a) an amount of unprocessed cannabis that exceeds two ounces by weight; or
1577 (b) an amount of cannabis products that contains, in total, greater than 10 grams of
1578 tetrahydrocannabinol or cannabidiol.

1579 (4) An individual with a medical cannabis card may not purchase more cannabis or
1580 cannabis products than the amounts designated in Subsection (3) in any one 14-day period.

1581 (5) A cannabis dispensary shall:

1582 (a) access the electronic verification system before dispensing cannabis or a cannabis
1583 product to an individual with a medical cannabis card in order to determine if the individual
1584 has met the maximum amount of cannabis or cannabis products described in Subsection (3);
1585 and

1586 (b) submit a record to the electronic verification system each time the cannabis
1587 dispensary dispenses cannabis or a cannabis product to an individual with a medical cannabis
1588 card.

1589 (6) (a) Except as provided in Subsection (6)(b), a cannabis dispensary may not sell
1590 medical cannabis in the form of a cigarette or a medical cannabis device that is intentionally
1591 designed or constructed to resemble a cigarette.

1592 (b) A cannabis dispensary may sell a medical cannabis device that warms cannabis
1593 material into a vapor without the use of a flame and that delivers cannabis to an individual's
1594 respiratory system.

1595 (7) A cannabis dispensary may give to an individual with a medical cannabis card, at
1596 no cost, a product that the cannabis dispensary is allowed to sell under Subsection (1).

1597 Section 62. Section **26-61a-503**, which is renumbered from Section 26-60b-503 is
1598 renumbered and amended to read:

1599 ~~[26-60b-503]~~. **26-61a-503. Inspections.**

1600 The department may inspect the records and facility of a cannabis dispensary at any
1601 time in order to determine if the cannabis dispensary complies with the licensing requirements
1602 of this part.

1603 Section 63. Section **26-61a-504**, which is renumbered from Section 26-60b-504 is
1604 renumbered and amended to read:

1605 ~~[26-60b-504]~~. **26-61a-504. Advertising.**

1606 (1) Except as provided in Subsections (2) and (3), a cannabis dispensary may not

1607 advertise in any medium.

1608 (2) A cannabis dispensary may use signage on the outside of the cannabis dispensary
1609 that includes only:

1610 (a) the cannabis dispensary's name and hours of operation; and

1611 (b) a green cross.

1612 (3) A cannabis dispensary may maintain a website that includes information about:

1613 (a) the location and hours of operation of the cannabis dispensary;

1614 (b) the products and services available at the cannabis dispensary;

1615 (c) personnel affiliated with the cannabis dispensary;

1616 (d) best practices that the cannabis dispensary upholds; and

1617 (e) educational materials related to the medical use of cannabis.

1618 Section 64. Section **26-61a-505**, which is renumbered from Section 26-60b-505 is
1619 renumbered and amended to read:

1620 ~~[26-60b-505]~~. **26-61a-505. Cannabis, cannabis product, or medical**

1621 **cannabis device transportation.**

1622 (1) Except for an individual with a valid medical cannabis card, an individual may not
1623 transport cannabis, a cannabis product, or a medical cannabis device unless the individual is:

1624 (a) a registered cannabis production establishment agent; or

1625 (b) a registered cannabis dispensary agent.

1626 (2) Except for an individual with a valid medical cannabis card, an individual
1627 transporting cannabis, a cannabis product, or a medical cannabis device shall possess a
1628 transportation manifest that:

1629 (a) includes a unique identifier that links the cannabis, cannabis product, or medical
1630 cannabis device to a relevant inventory control system;

1631 (b) includes origin and destination information for any cannabis, cannabis product, or
1632 medical cannabis device the individual is transporting; and

1633 (c) indicates the departure and arrival times and locations of the individual transporting
1634 the cannabis, cannabis product, or medical cannabis device.

1635 (3) In addition to the requirements in Subsections (1) and (2), the department may
1636 establish, by rule made in accordance with Title 63G, Chapter 3, Utah Administrative
1637 Rulemaking Act, requirements for transporting cannabis, a cannabis product, or a medical

1638 cannabis device that are related to safety for human cannabis or cannabis product consumption.

1639 (4) An individual who transports cannabis, a cannabis product, or a medical cannabis
1640 device with a manifest that does not meet the requirements of Subsection (2) is:

1641 (a) guilty of an infraction; and

1642 (b) subject to a \$100 fine.

1643 Section 65. Section ~~26-61a-506~~, which is renumbered from Section 26-60b-506 is
1644 renumbered and amended to read:

1645 ~~[26-60b-506]~~. 26-61a-506. Local control.

1646 (1) A municipality or county may not enact a zoning ordinance that prohibits a
1647 cannabis dispensary from operating in a location within the municipality's or county's
1648 jurisdiction on the sole basis that the cannabis dispensary is a cannabis dispensary.

1649 (2) A municipality or county may not deny or revoke a permit or license to operate a
1650 cannabis dispensary on the sole basis that the applicant or cannabis dispensary violates a law of
1651 the United States.

1652 (3) A municipality or county may enact ordinances not in conflict with this chapter
1653 governing the time, place, and manner of cannabis dispensary operations in the municipality or
1654 county.

1655 Section 66. Section ~~26-61a-601~~, which is renumbered from Section 26-60b-601 is
1656 renumbered and amended to read:

1657 **Part 6. Enforcement**

1658 ~~[26-60b-601]~~. 26-61a-601. Enforcement -- Fine -- Citation.

1659 (1) The department may, for a violation of this chapter by a person who is a cannabis
1660 dispensary or cannabis dispensary agent:

1661 (a) revoke the person's license or cannabis dispensary agent registration card;

1662 (b) refuse to renew the person's license or cannabis dispensary agent registration card;

1663 or

1664 (c) assess the person an administrative penalty.

1665 (2) The department shall deposit an administrative penalty imposed under this section
1666 ~~[in the general fund]~~ into the General Fund.

1667 (3) The department may, for a person subject to an uncontested citation, a stipulated
1668 settlement, or a finding of a violation in an adjudicative proceeding under this section:

1669 (a) assess the person a fine, established in accordance with Section 63J-1-504, of up to
1670 \$5,000 per violation, in accordance with a fine schedule established by rule made in accordance
1671 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; or

1672 (b) order the person to cease and desist from the action that creates a violation.

1673 (4) The department may not revoke a cannabis dispensary's license without first
1674 directing the cannabis dispensary to appear before an adjudicative proceeding conducted under
1675 Title 63G, Chapter 4, Administrative Procedures Act.

1676 (5) If, within 20 calendar days after the day on which the department issues a citation
1677 for a violation of this chapter, the person that is the subject of the citation fails to request a
1678 hearing to contest the citation, the citation becomes the department's final order.

1679 (6) The department may, for a person who fails to comply with a citation under this
1680 section:

1681 (a) refuse to issue or renew the person's license or cannabis dispensary agent
1682 registration card; or

1683 (b) suspend, revoke, or place on probation the person's license or cannabis dispensary
1684 agent registration card.

1685 (7) If the department makes a final determination under this section that an individual
1686 violated a provision of this chapter, the individual is guilty of an infraction.

1687 Section 67. Section **26-61a-602**, which is renumbered from Section 26-60b-602 is
1688 renumbered and amended to read:

1689 ~~[26-60b-602]~~. **26-61a-602. Report.**

1690 (1) The department shall report annually to the Health and Human Services Interim
1691 Committee on the number of applications and renewal applications filed for medical cannabis
1692 cards, the number of qualifying patients and designated caregivers, the nature of the debilitating
1693 medical conditions of the qualifying patients, the age and county of residence of cardholders,
1694 the number of medical cannabis cards revoked, the number of practitioners providing
1695 recommendations for qualifying patients, the number of license applications and renewal
1696 license applications received, the number of licenses issued in each county, the number of
1697 licenses revoked, and the expenses incurred and revenues generated from the medical cannabis
1698 program.

1699 (2) The department may not include personally identifying information in the report.

1700 Section 68. Section **30-3-10** is amended to read:

1701 **30-3-10. Custody of children in case of separation or divorce -- Custody**
1702 **consideration.**

1703 (1) If a [~~husband and wife~~] married couple having [~~minor~~] one or more children are
1704 separated, or their marriage is declared void or dissolved, the court shall make an order for the
1705 future care and custody of the minor children as it considers appropriate.

1706 (a) In determining any form of custody, including a change in custody, the court shall
1707 consider the best interests of the child without preference for either [~~the mother or father~~]
1708 parent solely because of the biological sex of the parent and, among other factors the court
1709 finds relevant, the following:

1710 (i) the past conduct and demonstrated moral standards of each of the parties;

1711 (ii) which parent is most likely to act in the best interest of the child, including
1712 allowing the child frequent and continuing contact with the noncustodial parent;

1713 (iii) the extent of bonding between the parent and child, meaning the depth, quality,
1714 and nature of the relationship between a parent and child;

1715 (iv) whether the parent has intentionally exposed the child to pornography or material
1716 harmful to a minor, as defined in Section [76-10-1201](#); and

1717 (v) those factors outlined in Section [30-3-10.2](#).

1718 (b) There shall be a rebuttable presumption that joint legal custody, as defined in
1719 Section [30-3-10.1](#), is in the best interest of the child, except in cases where there is:

1720 (i) domestic violence in the home or in the presence of the child;

1721 (ii) special physical or mental needs of a parent or child, making joint legal custody
1722 unreasonable;

1723 (iii) physical distance between the residences of the parents, making joint decision
1724 making impractical in certain circumstances; or

1725 (iv) any other factor the court considers relevant including those listed in this section
1726 and Section [30-3-10.2](#).

1727 (c) The person who desires joint legal custody shall file a proposed parenting plan in
1728 accordance with Sections [30-3-10.8](#) and [30-3-10.9](#). A presumption for joint legal custody may
1729 be rebutted by a showing by a preponderance of the evidence that it is not in the best interest of
1730 the child.

1731 (d) [~~The children~~] A child may not be required by either party to testify unless the trier
1732 of fact determines that extenuating circumstances exist that would necessitate the testimony of
1733 the [~~children~~] child be heard and there is no other reasonable method to present [~~their~~] the
1734 child's testimony.

1735 (e) The court may inquire of [~~the children~~] a child and take into consideration the
1736 [~~children's~~] child's desires regarding future custody or parent-time schedules, but the expressed
1737 desires are not controlling and the court may determine the [~~children's~~] child's custody or
1738 parent-time otherwise. The desires of a child 14 years of age or older shall be given added
1739 weight, but is not the single controlling factor.

1740 (f) If [~~interviews~~] an interview with [~~the children are~~] a child is conducted by the court
1741 pursuant to Subsection (1)(e), [~~they~~] the interview shall be conducted by the judge in camera.
1742 The prior consent of the parties may be obtained but is not necessary if the court finds that an
1743 interview with [~~the children~~] a child is the only method to ascertain the child's desires regarding
1744 custody.

1745 (2) In awarding custody, the court shall consider, among other factors the court finds
1746 relevant, which parent is most likely to act in the best interests of the child, including allowing
1747 the child frequent and continuing contact with the noncustodial parent as the court finds
1748 appropriate.

1749 (3) If the court finds that one parent does not desire custody of the child, the court shall
1750 take that evidence into consideration in determining whether to award custody to the other
1751 parent.

1752 (4) (a) Except as provided in Subsection (4)(b), a court may not discriminate against a
1753 parent due to a disability, as defined in Section 57-21-2, in awarding custody or determining
1754 whether a substantial change has occurred for the purpose of modifying an award of custody.

1755 (b) [~~If a~~] The court [~~takes a parent's~~] may not consider the disability [~~into account~~] of a
1756 parent as a factor in awarding custody or [~~determining whether~~] modifying an award of custody
1757 based on a determination of a substantial change [~~has occurred for the purpose of modifying an~~
1758 award of custody, the parent with a disability may rebut any evidence, presumption, or
1759 inference arising from the disability by showing] in circumstances, unless the court makes
1760 specific findings that:

1761 (i) the disability [~~does not~~] significantly or substantially [~~inhibit~~] inhibits the parent's

1762 ability to provide for the physical and emotional needs of the child at issue; and

1763 (ii) the parent with a disability [~~has~~] lacks sufficient human, monetary, or other
1764 resources available to supplement the parent's ability to provide for the physical and emotional
1765 needs of the child at issue.

1766 (c) Nothing in this section may be construed to apply to adoption proceedings under
1767 Title 78B, Chapter 6, Part 1, Utah Adoption Act.

1768 (5) This section establishes neither a preference nor a presumption for or against joint
1769 physical custody or sole physical custody, but allows the court and the family the widest
1770 discretion to choose a parenting plan that is in the best interest of the child.

1771 (6) When an issue before the court involves custodial responsibility in the event of a
1772 deployment of one or both parents who are servicemembers, and the servicemember has not yet
1773 been notified of deployment, the court shall resolve the issue based on the standards in Sections
1774 78B-20-306 through 78B-20-309.

1775 [~~(6)~~] (7) In considering the past conduct and demonstrated moral standards of each of
1776 the parties as described under Subsection (1)(a)(i), a court may not discriminate against a
1777 parent because of the parent's possession or consumption of cannabis, a cannabis product, or a
1778 medical cannabis device, in accordance with Title 26, Chapter [~~60b~~] 61a, Medical Cannabis
1779 Act, or because of the parent's status as a cannabis production establishment agent in
1780 accordance with Title 4, Chapter [~~41b~~] 41a, Cannabis Production Establishments, a cannabis
1781 dispensary agent in accordance with Title 26, Chapter [~~60b~~] 61a, Medical Cannabis Act, or a
1782 medical cannabis card holder in accordance with Title 26, Chapter [~~60b~~] 61a, Medical
1783 Cannabis Act.

1784 Section 69. Section **58-20b-101** is enacted to read:

1785 **CHAPTER 20b. ENVIRONMENTAL HEALTH SCIENTIST ACT**

1786 **Part 1. General Provisions**

1787 **58-20b-101. Title.**

1788 This chapter is known as the "Environmental Health Scientist Act."

1789 Section 70. Section **58-20b-102** is enacted to read:

1790 **58-20b-102. Definitions.**

1791 In addition to the definitions in Section [58-1-102](#), as used in this chapter:

1792 (1) "Accredited program" means a degree-offering program from:

- 1793 (a) an institution, college, or university that is accredited by the Department of
1794 Education or the Council for Higher Education Accreditation; or
1795 (b) a non-accredited institution, college, or university that offers education equivalent
1796 to Department of Education-accredited programs, as determined by a third party selected by the
1797 board.
- 1798 (2) "Board" means the Environmental Health Scientist Board created in Section
1799 58-20b-201.
- 1800 (3) "General supervision" means the supervising environmental health scientist is
1801 available for immediate voice communication with the person he or she is supervising.
- 1802 (4) "Practice of environmental health science" means:
- 1803 (a) the enforcement of, the issuance of permits required by, or the inspection for the
1804 purpose of enforcing state and local public health laws in the following areas:
- 1805 (i) air quality;
1806 (ii) food quality;
1807 (iii) solid, hazardous, and toxic substances disposal;
1808 (iv) consumer product safety;
1809 (v) housing;
1810 (vi) noise control;
1811 (vii) radiation protection;
1812 (viii) water quality;
1813 (ix) vector control;
1814 (x) drinking water quality;
1815 (xi) milk sanitation;
1816 (xii) rabies control;
1817 (xiii) public health nuisances;
1818 (xiv) indoor clean air regulations;
1819 (xv) institutional and residential sanitation; or
1820 (xvi) recreational facilities sanitation; or
- 1821 (b) representing oneself in any manner as, or using the titles "environmental health
1822 scientist," "environmental health scientist-in-training," or "registered sanitarian."
- 1823 (5) "Unlawful conduct" means the same as that term is defined in Section 58-1-501.

1824 (6) "Unprofessional conduct" means the same as that term is defined in Sections
1825 58-1-501 and 58-20b-501 and as may be further defined by division rule.

1826 Section 71. Section **58-20b-201** is enacted to read:

1827 **Part 2. Board**

1828 **58-20b-201. Board.**

1829 (1) There is created the Environmental Health Scientist Board consisting of four
1830 environmental health scientists in good standing and one member of the general public.

1831 (2) The board shall be appointed and serve in accordance with Section 58-1-201.

1832 (3) The duties and responsibilities of the board shall be in accordance with Sections
1833 58-1-202 and 58-1-203. In addition, the board shall designate one of its members on a
1834 permanent or rotating basis to:

1835 (a) assist the division in reviewing complaints concerning the unlawful or
1836 unprofessional conduct of a licensee; and

1837 (b) advise the division in its investigation of these complaints.

1838 (4) A board member who has, under Subsection (3), reviewed a complaint or advised
1839 in the investigation of the complaint is disqualified from participating with the board when the
1840 board serves as a presiding officer in an adjudicative proceeding concerning the complaint.

1841 Section 72. Section **58-20b-301** is enacted to read:

1842 **Part 3. Licensing**

1843 **58-20b-301. Licensure required -- License classifications.**

1844 (1) A person shall hold a license under this chapter in order to engage in the practice of
1845 environmental health science while employed by any of the following, except as specifically
1846 exempted in Section 58-20b-305 or 58-1-307:

1847 (a) a local health department;

1848 (b) the state Department of Health;

1849 (c) the state Department of Human Services;

1850 (d) the Department of Agriculture and Food as a food and dairy compliance officer; or

1851 (e) a local health department as its director of environmental health services.

1852 (2) Any other individual not subject to Subsection (1) may also be licensed under this
1853 chapter upon compliance with all requirements.

1854 (3) The division shall issue to persons who qualify under this chapter a license in the

1855 classification:

1856 (a) environmental health scientist; or

1857 (b) environmental health scientist-in-training.

1858 Section 73. Section **58-20b-302** is enacted to read:

1859 **58-20b-302. Qualifications for licensure.**

1860 (1) Except as provided in Subsection (2), an applicant for licensure as an
1861 environmental health scientist shall:

1862 (a) submit an application in a form prescribed by the division;

1863 (b) pay a fee determined by the department under Section [63J-1-504](#);

1864 (c) be of good moral character;

1865 (d) hold, at a minimum, a bachelor's degree from an accredited program in a university
1866 or college, which degree includes completion of specific course work as defined by rule;

1867 (e) pass an examination as determined by division rule in collaboration with the board;

1868 and

1869 (f) pass the Utah Law and Rules Examination for Environmental Health Scientists
1870 administered by the division.

1871 (2) An applicant for licensure as an environmental health scientist-in-training shall:

1872 (a) submit an application in a form prescribed by the division;

1873 (b) pay a fee determined by the department under Section [63J-1-504](#);

1874 (c) be of good moral character;

1875 (d) hold, at a minimum, a bachelor's degree from an accredited program in a university
1876 or college, which degree includes completion of specific course work as defined by rule;

1877 (e) pass the Utah Law and Rules Examination for Environmental Health Scientists
1878 administered by the division; and

1879 (f) present evidence acceptable to the division and the board that the applicant, when
1880 licensed, will practice as an environmental health scientist-in-training only under the general
1881 supervision of a supervising environmental health scientist licensed under this chapter.

1882 Section 74. Section **58-20b-303** is enacted to read:

1883 **58-20b-303. Term of license -- Expiration -- Renewal.**

1884 (1) (a) The division shall issue each license for an environmental health scientist in
1885 accordance with a two-year renewal cycle established by rule.

1886 (b) The division may by rule extend or shorten a renewal period by as much as one year
1887 to stagger the renewal cycles it administers.

1888 (2) Each license for an environmental health scientist-in-training shall be issued for a
1889 term of two years and may not be renewed.

1890 (3) Each license issued under this chapter automatically expires on the expiration date
1891 shown on the license unless the licensee renews it in accordance with Section [58-1-308](#).

1892 Section 75. Section **58-20b-304** is enacted to read:

1893 **58-20b-304. Continuing education.**

1894 Each person holding a license under this chapter as an environmental health scientist or
1895 an environmental health scientist-in-training shall complete in each two-year period of
1896 licensure not fewer than 30 hours of professional continuing education in accordance with
1897 standards defined by division rule.

1898 Section 76. Section **58-20b-305** is enacted to read:

1899 **58-20b-305. Exemptions from licensure.**

1900 In addition to the exemptions from licensure in Section [58-1-307](#), a person is exempt
1901 from the licensure requirements of this chapter if:

1902 (1) the person's practice of environmental health science is limited to inspecting in
1903 order to enforce compliance with an inspection and maintenance program established pursuant
1904 to Section [41-6a-1642](#) or to issuing permits under that program;

1905 (2) the person is a laboratory staff person employed by the Department of Agriculture
1906 and Food or the Department of Health, and in the person's employment inspects, permits,
1907 certifies, or otherwise enforces laboratory standards in laboratories regulated by state or local
1908 public health laws; or

1909 (3) the person is the local health officer of a local public health department, which
1910 employs a director of environmental health services licensed under this chapter.

1911 Section 77. Section **58-20b-401** is enacted to read:

1912 **Part 4. License Denial and Discipline**

1913 **58-20b-401. Grounds for denial of license -- Disciplinary proceedings.**

1914 Grounds for refusing to issue a license to an applicant, for refusing to renew the license
1915 of a licensee, for revoking, suspending, restricting, or placing on probation the license of a
1916 licensee, for issuing a public or private reprimand to a licensee, and for issuing a cease and

1917 desist order shall be in accordance with Section 58-1-401.

1918 Section 78. Section **58-20b-501** is enacted to read:

1919 **Part 5. Unprofessional Conduct**

1920 **58-20b-501. Unprofessional conduct.**

1921 "Unprofessional conduct" includes:

1922 (1) acting dishonestly or fraudulently in the performance of professional duties as an
1923 environmental health scientist or environmental health scientist-in-training;

1924 (2) intentionally filing a false report or record in the performance of professional duties
1925 as an environmental health scientist or environmental health scientist-in-training; and

1926 (3) willfully impeding or obstructing another person from filing a report in the
1927 performance of professional duties as an environmental health scientist or environmental health
1928 scientist-in-training.

1929 Section 79. Section **58-37-3.7** is amended to read:

1930 **58-37-3.7. Affirmative defense.**

1931 (1) Before July 1, 2020, it is an affirmative defense to criminal charges against an
1932 individual for the use, possession, or manufacture of marijuana, tetrahydrocannabinol, or
1933 marijuana drug paraphernalia under this chapter that the individual would be eligible for a
1934 medical cannabis card, and that the individuals conduct would have been lawful, after July 1,
1935 2020.

1936 (2) It is an affirmative defense to criminal charges against an individual for the use or
1937 possession of marijuana, tetrahydrocannabinol, or marijuana drug paraphernalia under this
1938 chapter if:

1939 (a) the individual is a not a resident of Utah or has been a resident of Utah for less than
1940 45 days and was issued a currently valid medical cannabis identification card or its equivalent
1941 under the laws of another state, district, territory, commonwealth, or insular possession of the
1942 United States; and

1943 (b) the individual has been diagnosed with a qualifying illness as described in Section
1944 [~~26-60b-105~~] 26-61a-105.

1945 (3) A court shall, for charges that the court dismisses under Subsection (1) or
1946 [~~Subsection~~] (2), dismiss the charges without prejudice.

1947 Section 80. Section **58-37-3.9** is amended to read:

- 1948 **58-37-3.9. Exemption for possession or use of cannabis to treat a qualifying**
1949 **illness.**
- 1950 (1) As used in this section:
- 1951 (a) "Cannabis" means marijuana.
- 1952 (b) "Cannabis dispensary" means the same as that term is defined in Section
1953 ~~[26-60b-102]~~ [26-61a-102](#).
- 1954 (c) "Cannabis product" means a product that:
- 1955 (i) is intended for human ingestion; and
- 1956 (ii) contains cannabis or tetrahydrocannabinol.
- 1957 (d) "Designated caregiver" means the same as that term is defined in Section
1958 ~~[26-60b-102]~~ [26-61a-102](#).
- 1959 (e) "Drug paraphernalia" means the same as that term is defined in Section [58-37a-3](#).
- 1960 (f) "Marijuana" means the same as that term is defined in Section [58-37-2](#).
- 1961 (g) "Medical cannabis card" means the same as that term is defined in Section
1962 ~~[26-60b-102]~~ [26-61a-102](#).
- 1963 (h) (i) "Medical cannabis device" means a device that an individual uses to ingest
1964 cannabis or a cannabis product.
- 1965 (ii) "Medical cannabis device" does not include a device that facilitates cannabis
1966 combustion at a temperature of greater than 750 degrees Fahrenheit.
- 1967 (i) "Qualifying illness" means the same as that term is defined in Section [26-60b-102](#).
- 1968 (j) "Tetrahydrocannabinol" means a substance derived from cannabis that meets the
1969 description in Subsection [58-37-4\(2\)\(a\)\(iii\)\(AA\)](#).
- 1970 (2) Notwithstanding any other provision of law, except as otherwise provided in this
1971 section:
- 1972 (a) an individual who possesses, produces, manufactures, dispenses, distributes, sells,
1973 or offers to sell cannabis or a cannabis product or who possesses with intent to produce,
1974 manufacture, dispense, distribute, sell, or offer to sell cannabis or a cannabis product is not
1975 subject to the penalties described in this title for the conduct to the extent that the individual's
1976 conduct complies with:
- 1977 (i) Title 4, Chapter ~~[41b]~~ [41a](#), Cannabis Production ~~[Establishment]~~ [Establishments](#);
1978 and

1979 (ii) Title 26, Chapter [~~60b~~] 61a, Medical Cannabis Act; and
1980 (b) an individual who possesses, manufactures, distributes, sells, or offers to sell a
1981 medical cannabis device or who possesses with intent to manufacture, distribute, sell, or offer
1982 to sell a medical cannabis device is authorized and is not subject to the penalties described in
1983 this title for the possession, manufacture, distribution, sale, or offer for sale of drug
1984 paraphernalia to the extent that the individual's conduct complies with:

1985 (i) Title 4, Chapter [~~41b~~] 41a, Cannabis Production [~~Establishment~~] Establishments;
1986 and

1987 (ii) Title 26, Chapter [~~60b~~] 61a, Medical Cannabis Act.

1988 (3) For purposes of state law, except as otherwise provided in this section, activities
1989 related to cannabis shall be considered lawful and any cannabis consumed shall be considered
1990 legally ingested, as long as the conduct is in accordance with:

1991 (a) Title 4, Chapter [~~41b~~] 41a, Cannabis Production Establishment; and

1992 (b) Title 26, Chapter [~~60b~~] 61a, Medical Cannabis Act.

1993 (4) It is not lawful for a medical cannabis card holder to smoke cannabis or to use a
1994 device to facilitate the smoking of cannabis. An individual convicted of violating this section is
1995 guilty of an infraction. For purposes of this section, smoking does not include a means of
1996 administration that involves cannabis combustion at a temperature that is not greater than 750
1997 degrees Fahrenheit and that does not involve using a flame.

1998 (5) An individual is not exempt from the penalties described in this title for ingesting
1999 cannabis or a cannabis product while operating a motor vehicle.

2000 (6) An individual who is assessed a penalty or convicted of an infraction under Title 4,
2001 Chapter [~~41b~~] 41a, Cannabis Production [~~Establishment~~] Establishments, or Title 26, Chapter
2002 [~~60b~~] 61a, Medical Cannabis Act, is not subject to the penalties described in this chapter for:

2003 (a) the possession, manufacture, sale, or offer for sale of cannabis or a cannabis
2004 product; or

2005 (b) the possession, manufacture, sale, or offer for sale of drug paraphernalia.

2006 Section 81. Section **59-12-104.10** is enacted to read:

2007 **59-12-104.10. Exemption from sales tax for medical cannabis.**

2008 (1) As used in this section:

2009 (a) "Cannabis" means the same as that term is defined in Section 58-37-3.8.

- 2010 (b) "Cannabis dispensary" means the same as that term is defined in Section
2011 [26-61a-102](#).
2012 (c) "Cannabis product" means the same as that term is defined in Section [58-37-3.8](#).
2013 (d) "Medical cannabis device" means the same as that term is defined in Section
2014 [58-37-3.8](#).
2015 (2) In addition to the exemptions described in Section 59-12-104, the sale, by a
2016 licensed cannabis dispensary, of cannabis, a cannabis product, or a medical cannabis device, is
2017 not subject to the taxes imposed by this chapter.

2018 Section 82. Section **62A-4a-202.1** is amended to read:

2019 **62A-4a-202.1. Entering home of a child -- Taking a child into protective custody**
2020 **-- Caseworker accompanied by peace officer -- Preventive services -- Shelter facility or**
2021 **emergency placement.**

2022 (1) A peace officer or child welfare worker may not:

2023 (a) enter the home of a child who is not under the jurisdiction of the court, remove a
2024 child from the child's home or school, or take a child into protective custody unless authorized
2025 under Subsection [78A-6-106\(2\)](#); or

2026 (b) remove a child from the child's home or take a child into custody under this section
2027 solely on the basis of:

2028 (i) educational neglect, truancy, or failure to comply with a court order to attend
2029 school; or

2030 (ii) the possession or use of cannabis, a cannabis product, or a medical cannabis device
2031 in the home, if the use and possession of the cannabis, cannabis product, or medical cannabis
2032 device is in compliance with Title 26, Chapter ~~[60b]~~ [61a](#), Medical Cannabis Act.

2033 (2) A child welfare worker within the division may take action under Subsection ~~[(10)]~~
2034 (1) accompanied by a peace officer, or without a peace officer when a peace officer is not
2035 reasonably available.

2036 (3) (a) If possible, consistent with the child's safety and welfare, before taking a child
2037 into protective custody, the child welfare worker shall also determine whether there are
2038 services available that, if provided to a parent or guardian of the child, would eliminate the
2039 need to remove the child from the custody of the child's parent or guardian.

2040 (b) If the services described in Subsection (3)(a) are reasonably available, they shall be

2041 utilized.

2042 (c) In determining whether the services described in Subsection (3)(a) are reasonably
2043 available, and in making reasonable efforts to provide those services, the child's health, safety,
2044 and welfare shall be the child welfare worker's paramount concern.

2045 (4) (a) A child removed or taken into custody under this section may not be placed or
2046 kept in a secure detention facility pending court proceedings unless the child is detainable
2047 based on guidelines promulgated by the Division of Juvenile Justice Services.

2048 (b) A child removed from the custody of the child's parent or guardian but who does
2049 not require physical restriction shall be given temporary care in:

2050 (i) a shelter facility; or

2051 (ii) an emergency placement in accordance with Section [62A-4a-209](#).

2052 (c) When making a placement under Subsection (4)(b), the Division of Child and
2053 Family Services shall give priority to a placement with a noncustodial parent, relative, or
2054 friend, in accordance with Section [62A-4a-209](#).

2055 ~~(a)~~ (d) If the child is not placed with a noncustodial parent, a relative, or a designated
2056 friend, the caseworker assigned to the child shall file a report with the caseworker's supervisor
2057 explaining why a different placement was in the child's best interest.

2058 (5) When a child is removed from the child's home or school or taken into protective
2059 custody, the caseworker shall give a parent of the child a pamphlet or flier explaining:

2060 (a) the parent's rights under this part, including the right to be present and participate in
2061 any court proceeding relating to the child's case;

2062 (b) that it may be in the parent's best interest to contact an attorney and that, if the
2063 parent cannot afford an attorney, the court will appoint one;

2064 (c) the name and contact information of a division employee the parent may contact
2065 with questions;

2066 (d) resources that are available to the parent, including:

2067 (i) mental health resources;

2068 (ii) substance abuse resources; and

2069 (iii) parenting classes; and

2070 (e) any other information considered relevant by the division.

2071 (6) The pamphlet or flier described in Subsection (5) shall be:

2072 (a) evaluated periodically for its effectiveness at conveying necessary information and
2073 revised accordingly;

2074 (b) written in simple, easy-to-understand language; and

2075 (c) available in English and other languages as the division determines to be
2076 appropriate and necessary.

2077 Section 83. Section **63I-1-226** is amended to read:

2078 **63I-1-226. Repeal dates, Title 26.**

2079 (1) Section 26-1-40 is repealed July 1, 2019.

2080 ~~[(1)]~~ (2) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed
2081 July 1, 2025.

2082 ~~[(2)]~~ (3) Section 26-10-11 is repealed July 1, 2020.

2083 ~~[(3)]~~ Section 26-21-23, Licensing of non-Medicaid nursing facility beds, is repealed
2084 July 1, 2018.]

2085 (4) Subsection 26-18-417(3) is repealed July 1, 2020.

2086 ~~[(4)]~~ (5) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1,
2087 2024.

2088 ~~[(5)]~~ (6) Title 26, Chapter [36a] 36d, Hospital Provider Assessment Act, is repealed
2089 July 1, [2016] 2019.

2090 (7) Title 26, Chapter 36b, Inpatient Hospital Assessment Act, is repealed July 1, 2024.

2091 (8) Title 26, Chapter 36c, Medicaid Expansion Hospital Assessment Act, is repealed
2092 July 1, 2024.

2093 ~~[(6)]~~ Section 26-38-2.5 is repealed July 1, 2017.]

2094 ~~[(7)]~~ Section 26-38-2.6 is repealed July 1, 2017.]

2095 ~~[(8)]~~ (9) Title 26, Chapter 56, Hemp Extract Registration Act, is repealed January 1,
2096 2019.

2097 (10) Title 26, Chapter 63, Nurse Home Visiting Pay-for-Success Program, is repealed
2098 July 1, 2026.

2099 Section 84. Section **63I-1-258** is amended to read:

2100 **63I-1-258. Repeal dates, Title 58.**

2101 (1) Title 58, Chapter 13, Health Care Providers Immunity from Liability Act, is
2102 repealed July 1, 2026.

- 2103 (2) Title 58, Chapter 15, Health Facility Administrator Act, is repealed July 1, 2025.
- 2104 (3) Title 58, Chapter ~~[20a]~~ 20b, Environmental Health Scientist Act, is repealed July 1,
- 2105 ~~[2018]~~ 2028.
- 2106 (4) Section 58-37-4.3 is repealed January 1, 2020.
- 2107 (5) Subsection 58-37-6(7)(f)(iii) is repealed July 1, 2022, and the Office of Legislative
- 2108 Research and General Counsel is authorized to renumber the remaining subsections
- 2109 accordingly.
- 2110 ~~[(5)]~~ (6) Title 58, Chapter 40, Recreational Therapy Practice Act, is repealed July 1,
- 2111 2023.
- 2112 ~~[(6)]~~ (7) Title 58, Chapter 41, Speech-Language Pathology and Audiology Licensing
- 2113 Act, is repealed July 1, 2019.
- 2114 ~~[(7)]~~ (8) Title 58, Chapter 42a, Occupational Therapy Practice Act, is repealed July 1,
- 2115 2025.
- 2116 ~~[(8)]~~ (9) Title 58, Chapter 46a, Hearing Instrument Specialist Licensing Act, is
- 2117 repealed July 1, 2023.
- 2118 ~~[(9)]~~ (10) Title 58, Chapter 47b, Massage Therapy Practice Act, is repealed July 1,
- 2119 2024.
- 2120 ~~[(10)]~~ (11) Title 58, Chapter 61, Part 7, Behavior Analyst Licensing Act, is repealed
- 2121 July 1, 2026.
- 2122 ~~[(11)]~~ (12) Title 58, Chapter 72, Acupuncture Licensing Act, is repealed July 1, 2027.
- 2123 (13) Title 58, Chapter 86, State Certification of Commercial Interior Designers Act, is
- 2124 repealed July 1, 2021.
- 2125 (14) The following sections are repealed on July 1, 2019:
- 2126 (a) Section 58-5a-502;
- 2127 (b) Section 58-31b-502.5;
- 2128 (c) Section 58-67-502.5;
- 2129 (d) Section 58-68-502.5; and
- 2130 (e) Section 58-69-502.5.
- 2131 Section 85. Section **78A-6-508 (Superseded 07/01/19)** is amended to read:
- 2132 **78A-6-508 (Superseded 07/01/19). Evidence of grounds for termination.**
- 2133 (1) In determining whether a parent or parents have abandoned a child, it is prima facie

2134 evidence of abandonment that the parent or parents:

2135 (a) although having legal custody of the child, have surrendered physical custody of the
2136 child, and for a period of six months following the surrender have not manifested to the child
2137 or to the person having the physical custody of the child a firm intention to resume physical
2138 custody or to make arrangements for the care of the child;

2139 (b) have failed to communicate with the child by mail, telephone, or otherwise for six
2140 months;

2141 (c) failed to have shown the normal interest of a natural parent, without just cause; or

2142 (d) have abandoned an infant, as described in Subsection 78A-6-316(1).

2143 (2) In determining whether a parent or parents are unfit or have neglected a child the
2144 court shall consider, but is not limited to, the following circumstances, conduct, or conditions:

2145 (a) emotional illness, mental illness, or mental deficiency of the parent that renders the
2146 parent unable to care for the immediate and continuing physical or emotional needs of the child
2147 for extended periods of time;

2148 (b) conduct toward a child of a physically, emotionally, or sexually cruel or abusive
2149 nature;

2150 (c) habitual or excessive use of intoxicating liquors, controlled substances, or
2151 dangerous drugs that render the parent unable to care for the child;

2152 (d) repeated or continuous failure to provide the child with adequate food, clothing,
2153 shelter, education, or other care necessary for the child's physical, mental, and emotional health
2154 and development by a parent or parents who are capable of providing that care;

2155 (e) whether the parent is incarcerated as a result of conviction of a felony, and the
2156 sentence is of such length that the child will be deprived of a normal home for more than one
2157 year;

2158 (f) a history of violent behavior; or

2159 (g) whether the parent has intentionally exposed the child to pornography or material
2160 harmful to a minor, as defined in Section 76-10-1201.

2161 (3) Notwithstanding Subsection (2)(c), the court may not discriminate against a parent
2162 because of the parent's possession or consumption of cannabis, a cannabis product, or a
2163 medical cannabis device, in accordance with Title 26, Chapter ~~60b~~ 61a, Medical Cannabis
2164 Act.

2165 (4) A parent who, legitimately practicing the parent's religious beliefs, does not provide
2166 specified medical treatment for a child is not, for that reason alone, a negligent or unfit parent.

2167 (5) (a) Notwithstanding Subsection (2), a parent may not be considered neglectful or
2168 unfit because of a health care decision made for a child by the child's parent unless the state or
2169 other party to the proceeding shows, by clear and convincing evidence, that the health care
2170 decision is not reasonable and informed.

2171 (b) Nothing in Subsection (5)(a) may prohibit a parent from exercising the right to
2172 obtain a second health care opinion.

2173 (6) If a child has been placed in the custody of the division and the parent or parents
2174 fail to comply substantially with the terms and conditions of a plan within six months after the
2175 date on which the child was placed or the plan was commenced, whichever occurs later, that
2176 failure to comply is evidence of failure of parental adjustment.

2177 (7) The following circumstances constitute prima facie evidence of unfitness:

2178 (a) sexual abuse, sexual exploitation, injury, or death of a sibling of the child, or of any
2179 child, due to known or substantiated abuse or neglect by the parent or parents;

2180 (b) conviction of a crime, if the facts surrounding the crime are of such a nature as to
2181 indicate the unfitness of the parent to provide adequate care to the extent necessary for the
2182 child's physical, mental, or emotional health and development;

2183 (c) a single incident of life-threatening or gravely disabling injury to or disfigurement
2184 of the child;

2185 (d) the parent has committed, aided, abetted, attempted, conspired, or solicited to
2186 commit murder or manslaughter of a child or child abuse homicide; or

2187 (e) the parent intentionally, knowingly, or recklessly causes the death of another parent
2188 of the child, without legal justification.

2189 Section 86. Section **78A-6-508 (Effective 07/01/19)** is amended to read:

2190 **78A-6-508 (Effective 07/01/19). Evidence of grounds for termination.**

2191 (1) In determining whether a parent or parents have abandoned a child, it is prima facie
2192 evidence of abandonment that the parent or parents:

2193 (a) although having legal custody of the child, have surrendered physical custody of the
2194 child, and for a period of six months following the surrender have not manifested to the child
2195 or to the person having the physical custody of the child a firm intention to resume physical

2196 custody or to make arrangements for the care of the child;

2197 (b) have failed to communicate with the child by mail, telephone, or otherwise for six
2198 months;

2199 (c) failed to have shown the normal interest of a natural parent, without just cause; or

2200 (d) have abandoned an infant, as described in Subsection 78A-6-316(1).

2201 (2) In determining whether a parent or parents are unfit or have neglected a child the
2202 court shall consider, but is not limited to, the following circumstances, conduct, or conditions:

2203 (a) emotional illness, mental illness, or mental deficiency of the parent that renders the
2204 parent unable to care for the immediate and continuing physical or emotional needs of the child
2205 for extended periods of time;

2206 (b) conduct toward a child of a physically, emotionally, or sexually cruel or abusive
2207 nature;

2208 (c) habitual or excessive use of intoxicating liquors, controlled substances, or
2209 dangerous drugs that render the parent unable to care for the child;

2210 (d) repeated or continuous failure to provide the child with adequate food, clothing,
2211 shelter, education, or other care necessary for the child's physical, mental, and emotional health
2212 and development by a parent or parents who are capable of providing that care;

2213 (e) whether the parent is incarcerated as a result of conviction of a felony, and the
2214 sentence is of such length that the child will be deprived of a normal home for more than one
2215 year;

2216 (f) a history of violent behavior; or

2217 (g) whether the parent has intentionally exposed the child to pornography or material
2218 harmful to a minor, as defined in Section 76-10-1201.

2219 (3) Notwithstanding Subsection (2)(c), the court may not discriminate against a parent
2220 because of the parent's possession or consumption of cannabis, a cannabis product, or a
2221 medical cannabis device, in accordance with Title 26, Chapter ~~60b~~ 61a, Medical Cannabis
2222 Act.

2223 (4) A parent who, legitimately practicing the parent's religious beliefs, does not provide
2224 specified medical treatment for a child is not, for that reason alone, a negligent or unfit parent.

2225 (5) (a) Notwithstanding Subsection (2), a parent may not be considered neglectful or
2226 unfit because of a health care decision made for a child by the child's parent unless the state or

2227 other party to the proceeding shows, by clear and convincing evidence, that the health care
2228 decision is not reasonable and informed.

2229 (b) Nothing in Subsection (5)(a) may prohibit a parent from exercising the right to
2230 obtain a second health care opinion.

2231 (6) If a child has been placed in the custody of the division and the parent or parents
2232 fail to comply substantially with the terms and conditions of a plan within six months after the
2233 date on which the child was placed or the plan was commenced, whichever occurs later, that
2234 failure to comply is evidence of failure of parental adjustment.

2235 (7) The following circumstances constitute prima facie evidence of unfitness:

2236 (a) sexual abuse, sexual exploitation, injury, or death of a sibling of the child, or of any
2237 child, due to known or substantiated abuse or neglect by the parent or parents;

2238 (b) conviction of a crime, if the facts surrounding the crime are of such a nature as to
2239 indicate the unfitness of the parent to provide adequate care to the extent necessary for the
2240 child's physical, mental, or emotional health and development;

2241 (c) a single incident of life-threatening or gravely disabling injury to or disfigurement
2242 of the child;

2243 (d) the parent has committed, aided, abetted, attempted, conspired, or solicited to
2244 commit murder or manslaughter of a child or child abuse homicide; or

2245 (e) the parent intentionally, knowingly, or recklessly causes the death of another parent
2246 of the child, without legal justification.

2247 **Section 87. Repealer.**

2248 This bill repeals:

2249 Section **59-12-104.7 (Repealed 01/01/19), Reporting by purchaser of certain sales**
2250 **and use tax exempt purchases.**

2251 **Section 88. Effective date.**

2252 If approved by two-thirds of all the members elected to each house, this bill takes effect
2253 upon approval by the governor, or the day following the constitutional time limit of Utah
2254 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,
2255 the date of veto override.