

Representative Jennifer Dailey-Provost proposes the following substitute bill:

MEDICAL CANNABIS MODIFICATIONS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jennifer Dailey-Provost

Senate Sponsor: Evan J. Vickers

LONG TITLE

General Description:

This bill amends provisions regarding medical cannabis.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ broadens the definition of a "research university" for purposes of academic medical cannabis research;
- ▶ amends a provision regarding disclosure of ownership interest for cannabis production establishments and medical cannabis pharmacies;
- ▶ amends provisions regarding licensing agencies giving consideration to existing license holders when granting additional licenses in certain circumstances;
- ▶ removes a provision limiting the size of signage for cannabis production establishments and medical cannabis pharmacies;
- ▶ identifies the material cannabis cultivation facilities may acquire from industrial hemp cultivators and processors;
- ▶ amends agency reporting requirements to include information regarding testing of cannabis and cannabis products;
- ▶ provides certain immunity from liability for employees and agents of healthcare



- 26 facilities in certain circumstances;
- 27 ▶ lengthens the validity of an initial medical cannabis card;
- 28 ▶ allows a patient to renew a medical cannabis card for a longer period in certain
- 29 circumstances;
- 30 ▶ allows an individual physically present with a medical cannabis patient cardholder
- 31 in an emergency medical condition to handle medical cannabis to assist the patient
- 32 in the administration of the medical cannabis;
- 33 ▶ allows an individual with a certain letter from a medical professional to purchase
- 34 medical cannabis from a medical cannabis pharmacy during the 2020 calendar year;
- 35 and
- 36 ▶ makes technical and conforming changes.

37 **Money Appropriated in this Bill:**

38 None

39 **Other Special Clauses:**

40 This bill provides a special effective date.

41 This bill provides a coordination clause.

42 **Utah Code Sections Affected:**

43 AMENDS:

44 **4-41a-102**, as last amended by Laws of Utah 2019, First Special Session, Chapter 5

45 **4-41a-201**, as last amended by Laws of Utah 2019, First Special Session, Chapter 5

46 **4-41a-403**, as last amended by Laws of Utah 2019, First Special Session, Chapter 5

47 **4-41a-501**, as last amended by Laws of Utah 2019, First Special Session, Chapter 5

48 **4-41a-802**, as renumbered and amended by Laws of Utah 2018, Third Special Session,

49 Chapter 1

50 **26-61a-102**, as last amended by Laws of Utah 2019, First Special Session, Chapter 5

51 **26-61a-107**, as last amended by Laws of Utah 2019, First Special Session, Chapter 5

52 **26-61a-201**, as last amended by Laws of Utah 2019, First Special Session, Chapter 5

53 **26-61a-301**, as last amended by Laws of Utah 2019, First Special Session, Chapter 5

54 **26-61a-502**, as last amended by Laws of Utah 2019, First Special Session, Chapter 5

55 **26-61a-505**, as last amended by Laws of Utah 2019, First Special Session, Chapter 5

56 **Utah Code Sections Affected by Coordination Clause:**

57 [4-41a-102](#), as last amended by Laws of Utah 2019, First Special Session, Chapter 5

58

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

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

61 **4-41a-102. Definitions.**

62 As used in this chapter:

63 (1) "Active tetrahydrocannabinol" means delta-9-tetrahydrocannabinol and
64 tetrahydrocannabinolic acid.

65 [~~(1)~~] (2) "Cannabis" means the same as that term is defined in Section [26-61a-102](#).

66 [~~(2)~~] (3) "Cannabis cultivation facility" means a person that:

67 (a) possesses cannabis;

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

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

71 [~~(3)~~] (4) "Cannabis cultivation facility agent" means an individual who:

72 (a) is an employee of a cannabis cultivation facility; and

73 (b) holds a valid cannabis production establishment agent registration card.

74 [~~(4)~~] (5) "Cannabis processing facility" means a person that:

75 (a) acquires or intends to acquire cannabis from a cannabis production establishment or
76 a holder of an industrial hemp processor license under Title 4, Chapter 41, Hemp and
77 Cannabinoid Act;

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

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

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

83 [~~(5)~~] (6) "Cannabis processing facility agent" means an individual who:

84 (a) is an employee of a cannabis processing facility; and

85 (b) holds a valid cannabis production establishment agent registration card.

86 [~~(6)~~] (7) "Cannabis product" means the same as that term is defined in Section
87 [26-61a-102](#).

88 ~~[(7)]~~ (8) "Cannabis production establishment" means a cannabis cultivation facility, a
89 cannabis processing facility, or an independent cannabis testing laboratory.

90 ~~[(8)]~~ (9) "Cannabis production establishment agent" means a cannabis cultivation
91 facility agent, a cannabis processing facility agent, or an independent cannabis testing
92 laboratory agent.

93 ~~[(9)]~~ (10) "Cannabis production establishment agent registration card" means a
94 registration card that the department issues that:

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

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

98 ~~[(10)]~~ (11) "Community location" means a public or private school, a licensed
99 child-care facility or preschool, a church, a public library, a public playground, or a public park.

100 ~~[(11)]~~ (12) "Department" means the Department of Agriculture and Food.

101 ~~[(12)]~~ (13) "Family member" means a parent, step-parent, spouse, child, sibling,
102 step-sibling, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law,
103 brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild.

104 ~~[(13)]~~ (14) "Independent cannabis testing laboratory" means a person that:

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

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

108 ~~[(14)]~~ (15) "Independent cannabis testing laboratory agent" means an individual who:

109 (a) is an employee of an independent cannabis testing laboratory; and

110 (b) holds a valid cannabis production establishment agent registration card.

111 ~~[(15)]~~ (16) "Inventory control system" means a system described in Section [4-41a-103](#).

112 ~~[(16)]~~ (17) "Medical cannabis" means the same as that term is defined in Section
113 [26-61a-102](#).

114 ~~[(17)]~~ (18) "Medical cannabis card" means the same as that term is defined in Section
115 [26-61a-102](#).

116 ~~[(18)]~~ (19) "Medical cannabis pharmacy" means the same as that term is defined in
117 Section [26-61a-102](#).

118 ~~[(19)]~~ (20) "Medical cannabis pharmacy agent" means the same as that term is defined

119 in Section [26-61a-102](#).

120 ~~[(20)]~~ (21) "Medical cannabis research license" means a license that the department
121 issues to a research university for the purpose of obtaining and possessing medical cannabis for
122 academic research.

123 ~~[(21)]~~ (22) "Medical cannabis research licensee" means a research university that the
124 department licenses to obtain and possess medical cannabis for academic research, in
125 accordance with Section [4-41a-901](#).

126 ~~[(22)]~~ (23) "Medical cannabis treatment" means the same as that term is defined in
127 Section [26-61a-102](#).

128 ~~[(23)]~~ (24) "Medicinal dosage form" means the same as that term is defined in Section
129 [26-61a-102](#).

130 ~~[(24)]~~ (25) "Qualified medical provider" means the same as that term is defined in
131 Section [26-61a-102](#).

132 ~~[(25)]~~ (26) "Qualified Production Enterprise Fund" means the fund created in Section
133 [4-41a-104](#).

134 ~~[(26)]~~ (27) "Research university" means the same as that term is defined in Section
135 [53B-7-702](#) and a private, nonprofit college or university in the state that:

- 136 (a) is accredited by the Northwest Commission on Colleges and Universities;
- 137 (b) grants doctoral degrees; and
- 138 (c) has a laboratory containing or a program researching a schedule I controlled
139 substance described in Section [58-37-4](#).

140 ~~[(27)]~~ (28) "State electronic verification system" means the system described in Section
141 [26-61a-103](#).

142 ~~[(28)]~~ (29) "Tetrahydrocannabinol" means a substance derived from cannabis or a
143 synthetic equivalent as described in Subsection [58-37-4\(2\)\(a\)\(iii\)\(AA\)](#).

144 ~~[(29)]~~ (30) "Total composite tetrahydrocannabinol" means
145 ~~[delta-9-tetrahydrocannabinol and tetrahydrocannabinolic acid]~~ all detectable forms of
146 tetrahydrocannabinol.

147 Section 2. Section [4-41a-201](#) is amended to read:

148 **4-41a-201. Cannabis production establishment -- License.**

149 (1) A person may not operate a cannabis production establishment without a license

150 that the department issues under this chapter.

151 (2) (a) (i) Subject to Subsections (6), (7), (8), and (13) and to Section 4-41a-205:

152 (A) for a licensing process that the department initiated before September 23, 2019, the
153 department shall use the procedures in Title 63G, Chapter 6a, Utah Procurement Code, to
154 review and rank applications for a cannabis production establishment license; and

155 (B) for a licensing process that the department initiates after September 23, 2019, the
156 department shall issue a license to operate a cannabis production establishment in accordance
157 with the procedures described in Subsection (2)(a)(iii).

158 (ii) The department may not issue a license to operate a cannabis production
159 establishment to an applicant who is not eligible for a license under this section.

160 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
161 the department shall make rules to specify a transparent and efficient process to:

162 (A) solicit applications for a license under this section;

163 (B) allow for comments and questions in the development of applications;

164 (C) timely and objectively evaluate applications;

165 (D) hold public hearings that the department deems appropriate; and

166 (E) select applicants to receive a license.

167 (b) An applicant is eligible for a license under this section if the applicant submits to
168 the department:

169 (i) subject to Subsection (2)(c), a proposed name and address, located in a zone
170 described in Subsection 4-41a-406(2)(a) or (b), where the applicant will operate the cannabis
171 production establishment;

172 (ii) the name and address of any individual who has:

173 (A) for a publicly traded company, a financial or voting interest of 2% or greater in the
174 proposed cannabis production establishment; ~~or~~

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

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

179 (iii) an operating plan that:

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

181 (B) includes operating procedures that comply with this chapter and any law the
182 municipality or county in which the person is located adopts that is consistent with Section
183 4-41a-406; and

184 (C) the department approves;

185 (iv) a statement that the applicant will obtain and maintain a performance bond that a
186 surety authorized to transact surety business in the state issues in an amount of at least:

187 (A) \$250,000 for each cannabis cultivation facility for which the applicant applies; or

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

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

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

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

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

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

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

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

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

209 (3) If the department approves an application for a license under this section:

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

212 and

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

215 (4) (a) Except as provided in Subsection (4)(b), the department shall require a separate
216 license for each type of cannabis production establishment and each location of a cannabis
217 production establishment.

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

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

224 (6) The department may not issue a license to operate an independent cannabis testing
225 laboratory to a person who:

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

228 (b) has an owner, officer, director, or employee whose family member holds a license
229 or has an ownership interest in a medical cannabis pharmacy, a cannabis processing facility, or
230 a cannabis cultivation facility; or

231 (c) proposes to operate the independent cannabis testing laboratory at the same physical
232 location as a medical cannabis pharmacy, a cannabis processing facility, or a cannabis
233 cultivation facility.

234 (7) The department may not issue a license to operate a cannabis production
235 establishment to an applicant if any individual described in Subsection (2)(b)(ii):

236 (a) has been convicted under state or federal law of:

237 (i) a felony; or

238 (ii) after December 3, 2018, a misdemeanor for drug distribution;

239 (b) is younger than 21 years old; or

240 (c) after September 23, 2019 until January 1, 2023, is actively serving as a legislator.

241 (8) (a) If an applicant for a cannabis production establishment license under this
242 section holds a license under Title 4, Chapter 41, Hemp and Cannabinoid Act, [~~or~~] the

243 department may not give preference to the applicant based on the applicant's status as a holder
244 of the license.

245 (b) If an applicant for a license to operate a cannabis cultivation facility under this
246 section holds a license to operate a medical cannabis pharmacy under Title 26, Chapter 61a,
247 Utah Medical Cannabis Act, the department:

248 ~~[(a)] (i)~~ shall consult with the Department of Health regarding the applicant ~~[if the~~
249 ~~license the applicant holds is a license under Title 26, Chapter 61a, Utah Medical Cannabis~~
250 ~~Act]; and~~

251 ~~[(b)] (ii)~~ may ~~[not]~~ give ~~[preference]~~ consideration to the applicant based on the
252 applicant's status as a holder of a medical cannabis pharmacy license ~~[described in this~~
253 ~~Subsection (8)].~~ if:

254 (A) the applicant demonstrates that a decrease in costs to patients is more likely to
255 result from the applicant's vertical integration than from a more competitive marketplace; and

256 (B) the department finds multiple other factors, in addition to the existing license, that
257 support granting the new license.

258 (9) The department may revoke a license under this part:

259 (a) if the cannabis production establishment does not begin cannabis production
260 operations within one year after the day on which the department issues the initial license;

261 (b) after the cannabis production establishment makes the same violation of this
262 chapter three times;

263 (c) if any individual described in Subsection (2)(b) is convicted, while the license is
264 active, under state or federal law of:

265 (i) a felony; or

266 (ii) after December 3, 2018, a misdemeanor for drug distribution; or

267 (d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at
268 the time of application, or fails to supplement the information described in Subsection
269 (2)(b)(vi) with any investigation or adverse action that occurs after the submission of the
270 application.

271 (10) (a) A person who receives a cannabis production establishment license under this
272 chapter, if the municipality or county where the licensed cannabis production establishment
273 will be located requires a local land use permit, shall submit to the department a copy of the

274 licensee's approved application for the land use permit within 120 days after the day on which
275 the department issues the license.

276 (b) If a licensee fails to submit to the department a copy of the licensee's approved land
277 use permit application in accordance with Subsection (10)(a), the department may revoke the
278 licensee's license.

279 (11) The department shall deposit the proceeds of a fee that the department imposes
280 under this section into the Qualified Production Enterprise Fund.

281 (12) The department shall begin accepting applications under this part on or before
282 January 1, 2020.

283 (13) (a) The department's authority to issue a license under this section is plenary and is
284 not subject to review.

285 (b) Notwithstanding Subsection (2)(a)(i)(A), the decision of the department to award a
286 license to an applicant is not subject to:

287 (i) Title 63G, Chapter 6a, Part 16, Protests; or

288 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.

289 Section 3. Section ~~4-41a-403~~ is amended to read:

290 **4-41a-403. Advertising.**

291 (1) Except as provided in Subsection (2), (3), or (4), a cannabis production
292 establishment may not advertise to the general public in any medium.

293 (2) A cannabis production establishment may advertise an employment opportunity at
294 the cannabis production establishment.

295 (3) A cannabis production establishment may maintain a website that:

296 (a) contains information about the establishment and employees; and

297 (b) does not advertise any medical cannabis, cannabis products, or medical cannabis
298 devices.

299 (4) Notwithstanding any municipal or county ordinance prohibiting signage, a cannabis
300 production establishment may use signage on the outside of the cannabis production
301 establishment that:

302 (a) includes only:

303 (i) the cannabis production establishment's name and hours of operation; and

304 (ii) a green cross; and

305 ~~[(b) does not exceed four feet by five feet in size; and]~~

306 ~~[(e)]~~ (b) complies with local ordinances regulating signage.

307 Section 4. Section **4-41a-501** is amended to read:

308 **4-41a-501. Cannabis cultivation facility -- Operating requirements.**

309 (1) A cannabis cultivation facility shall ensure that any cannabis growing at the
310 cannabis cultivation facility is not visible from the ground level of the cannabis cultivation
311 facility perimeter.

312 (2) A cannabis cultivation facility shall use a unique identifier that is connected to the
313 cannabis cultivation facility's inventory control system to identify:

314 (a) beginning at the time a cannabis plant is eight inches tall and has a root ball, each
315 cannabis plant;

316 (b) each unique harvest of cannabis plants;

317 (c) each batch of cannabis the facility transfers to a medical cannabis pharmacy, a
318 cannabis processing facility, or an independent cannabis testing laboratory; and

319 (d) any excess, contaminated, or deteriorated cannabis of which the cannabis
320 cultivation facility disposes.

321 (3) In a cannabis cultivation facility's acquisition of material related to cannabis
322 cultivation, a cannabis cultivation facility may acquire industrial hemp, an industrial hemp
323 product, or industrial hemp waste from an industrial hemp cultivator or processor.

324 Section 5. Section **4-41a-802** is amended to read:

325 **4-41a-802. Report.**

326 (1) At or before the November interim meeting each year, the department shall report to
327 the Health and Human Services Interim Committee on:

328 (a) the number of applications and renewal applications that the department receives
329 under this chapter;

330 (b) the number of each type of cannabis production facility that the department licenses
331 in each county;

332 (c) the amount of cannabis that licensees grow;

333 (d) the amount of cannabis that licensees manufacture into cannabis products;

334 (e) the number of licenses the department revokes under this chapter; ~~[and]~~

335 (f) the department's operation of an independent cannabis testing laboratory under

336 Section 4-41a-201, including:

337 (i) the cannabis and cannabis products the department tested; and

338 (ii) the results of the tests the department performed; and

339 ~~(f)~~ (g) the expenses incurred and revenues generated under this chapter.

340 (2) The department may not include personally identifying information in the report
341 described in this section.

342 Section 6. Section **26-61a-102** is amended to read:

343 **26-61a-102. Definitions.**

344 As used in this chapter:

345 (1) "Blister" means a plastic cavity or pocket used to contain no more than a single
346 dose of cannabis or a cannabis product in a blister pack.

347 (2) "Blister pack" means a plastic, paper, or foil package with multiple blisters each
348 containing no more than a single dose of cannabis or a cannabis product.

349 (3) "Cannabis" means marijuana.

350 (4) "Cannabis cultivation facility" means the same as that term is defined in Section
351 4-41a-102.

352 (5) "Cannabis processing facility" means the same as that term is defined in Section
353 4-41a-102.

354 (6) "Cannabis product" means a product that:

355 (a) is intended for human use; and

356 (b) contains cannabis or tetrahydrocannabinol.

357 (7) "Cannabis production establishment" means the same as that term is defined in
358 Section 4-41a-102.

359 (8) "Cannabis production establishment agent" means the same as that term is defined
360 in Section 4-41a-102.

361 (9) "Cannabis production establishment agent registration card" means the same as that
362 term is defined in Section 4-41a-102.

363 (10) "Community location" means a public or private school, a licensed child-care
364 facility or preschool, a church, a public library, a public playground, or a public park.

365 (11) "Department" means the Department of Health.

366 (12) "Designated caregiver" means an individual:

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

369 (b) who registers with the department under Section 26-61a-202.

370 (13) "Dosing [~~parameters~~] guidelines" means a quantity[~~, routes,~~] range and frequency
371 of administration for a recommended treatment of medical cannabis [~~in a medicinal dosage~~
372 ~~form or a cannabis product in a medicinal dosage form~~].

373 (14) "Financial institution" means a bank, trust company, savings institution, or credit
374 union, chartered and supervised under state or federal law.

375 (15) "Home delivery medical cannabis pharmacy" means a medical cannabis pharmacy
376 that the department authorizes, as part of the pharmacy's license, to deliver medical cannabis
377 shipments to a medical cannabis cardholder's home address to fulfill electronic orders that the
378 state central patient portal facilitates.

379 (16) "Independent cannabis testing laboratory" means the same as that term is defined
380 in Section 4-41a-102.

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

382 (18) "Legal dosage limit" means an amount that:

383 (a) is sufficient to provide 30 days of treatment based on the dosing guidelines that the
384 relevant qualified medical provider or the pharmacy medical provider, in accordance with

385 Subsection 26-61a-201(4) or (5), recommends; and

386 (b) may not exceed:

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

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

390 [~~18~~] (19) "Marijuana" means the same as that term is defined in Section 58-37-2.

391 [~~19~~] (20) "Medical cannabis" means cannabis in a medicinal dosage form or a
392 cannabis product in a medicinal dosage form.

393 [~~20~~] (21) "Medical cannabis card" means a medical cannabis patient card, a medical
394 cannabis guardian card, or a medical cannabis caregiver card.

395 [~~21~~] (22) "Medical cannabis cardholder" means a holder of a medical cannabis card.

396 [~~22~~] (23) "Medical cannabis caregiver card" means an electronic document that a
397 cardholder may print or store on an electronic device or a physical card or document that:

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

400 (b) is connected to the electronic verification system.

401 [~~(23)~~] (24) "Medical cannabis courier" means a courier that:

402 (a) the department licenses in accordance with Section 26-61a-604; and

403 (b) contracts with a home delivery medical cannabis pharmacy to deliver medical
404 cannabis shipments to fulfill electronic orders that the state central patient portal facilitates.

405 [~~(24)~~] (25) (a) "Medical cannabis device" means a device that an individual uses to
406 ingest or inhale cannabis in a medicinal dosage form or a cannabis product in a medicinal
407 dosage form.

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

409 (i) facilitates cannabis combustion; or

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

411 [~~(25)~~] (26) "Medical cannabis guardian card" means an electronic document that a
412 cardholder may print or store on an electronic device or a physical card or document that:

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

415 (b) is connected to the electronic verification system.

416 [~~(26)~~] (27) "Medical cannabis patient card" means an electronic document that a
417 cardholder may print or store on an electronic device or a physical card or document that:

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

419 (b) is connected to the electronic verification system.

420 [~~(27)~~] (28) "Medical cannabis pharmacy" means a person that:

421 (a) (i) acquires or intends to acquire:

422 (A) cannabis in a medicinal dosage form or a cannabis product in a medicinal dosage
423 form from a cannabis processing facility; or

424 (B) a medical cannabis device; or

425 (ii) possesses cannabis in a medicinal dosage form, a cannabis product in a medicinal
426 dosage form, or a medical cannabis device; and

427 (b) sells or intends to sell cannabis in a medicinal dosage form, a cannabis product in a
428 medicinal dosage form, or a medical cannabis device to a medical cannabis cardholder.

429 [~~(28)~~] (29) "Medical cannabis pharmacy agent" means an individual who:

430 (a) is an employee of a medical cannabis pharmacy; and

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

432 [~~(29)~~] (30) "Medical cannabis pharmacy agent registration card" means a registration
433 card issued by the department that authorizes an individual to act as a medical cannabis
434 pharmacy agent.

435 [~~(30)~~] (31) "Medical cannabis shipment" means a shipment of medical cannabis or a
436 medical cannabis product that a home delivery medical cannabis pharmacy or a medical
437 cannabis courier delivers to a medical cannabis cardholder's home address to fulfill an
438 electronic medical cannabis order that the state central patient portal facilitates.

439 [~~(31)~~] (32) "Medical cannabis treatment" means cannabis in a medicinal dosage form, a
440 cannabis product in a medicinal dosage form, or a medical cannabis device.

441 [~~(32)~~] (33) (a) "Medicinal dosage form" means:

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

444 (A) a tablet;

445 (B) a capsule;

446 (C) a concentrated oil;

447 (D) a liquid suspension;

448 (E) a topical preparation;

449 (F) a transdermal preparation;

450 (G) a sublingual preparation;

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

453 (I) for use only after the individual's qualifying condition has failed to substantially
454 respond to at least two other forms described in this Subsection (32)(a)(i), a resin or wax;

455 (ii) for unprocessed cannabis flower, a blister pack, with each individual blister:

456 (A) containing a specific and consistent weight that does not exceed one gram and that
457 varies by no more than 10% from the stated weight; and

458 (B) after December 31, 2020, labeled with a barcode that provides information
459 connected to an inventory control system and the individual blister's content and weight; and

- 460 (iii) a form measured in grams, milligrams, or milliliters.
- 461 (b) "Medicinal dosage form" includes a portion of unprocessed cannabis flower that:
- 462 (i) the medical cannabis cardholder has recently removed from the blister pack
- 463 described in Subsection (32)(a)(ii) for use; and
- 464 (ii) does not exceed the quantity described in Subsection (32)(a)(ii).
- 465 (c) "Medicinal dosage form" does not include:
- 466 (i) any unprocessed cannabis flower outside of the blister pack, except as provided in
- 467 Subsection (32)(b); or
- 468 (ii) a process of vaporizing and inhaling concentrated cannabis by placing the cannabis
- 469 on a nail or other metal object that is heated by a flame, including a blowtorch.
- 470 ~~[(33)]~~ (34) "Payment provider" means an entity that contracts with a cannabis
- 471 production establishment or medical cannabis pharmacy to facilitate transfers of funds between
- 472 the establishment or pharmacy and other businesses or individuals.
- 473 ~~[(34)]~~ (35) "Pharmacy medical provider" means the medical provider required to be on
- 474 site at a medical cannabis pharmacy under Section [26-61a-403](#).
- 475 ~~[(35)]~~ (36) "Provisional patient card" means a card that:
- 476 (a) the department issues to a minor with a qualifying condition for whom:
- 477 (i) a qualified medical provider has recommended a medical cannabis treatment; and
- 478 (ii) the department issues a medical cannabis guardian card to the minor's parent or
- 479 legal guardian; and
- 480 (b) is connected to the electronic verification system.
- 481 ~~[(36)]~~ (37) "Qualified medical provider" means an individual who is qualified to
- 482 recommend treatment with cannabis in a medicinal dosage form under Section [26-61a-106](#).
- 483 ~~[(37)]~~ (38) "Qualified Patient Enterprise Fund" means the enterprise fund created in
- 484 Section [26-61a-109](#).
- 485 ~~[(38)]~~ (39) "Qualifying condition" means a condition described in Section [26-61a-104](#).
- 486 ~~[(39)]~~ (40) "State central patient portal" means the website the department creates, in
- 487 accordance with Section [26-61a-601](#), to facilitate patient safety, education, and an electronic
- 488 medical cannabis order.
- 489 ~~[(40)]~~ (41) "State central patient portal medical provider" means a physician or
- 490 pharmacist that the department employs in relation to the state central patient portal to consult

491 with medical cannabis cardholders in accordance with Section 26-61a-602.

492 [~~(41)~~] (42) "State electronic verification system" means the system described in Section
493 26-61a-103.

494 [~~(42)~~] (43) "Valid form of photo identification" means a valid United States federal- or
495 state-issued photo identification, including:

- 496 (a) a driver license;
- 497 (b) a United States passport;
- 498 (c) a United States passport card; or
- 499 (d) a United States military identification card.

500 Section 7. Section 26-61a-107 is amended to read:

501 **26-61a-107. Standard of care -- Physicians and pharmacists not liable -- No**
502 **private right of action.**

503 (1) An individual described in Subsection (2) is not subject to the following solely for
504 violating a federal law or regulation that would otherwise prohibit recommending, prescribing,
505 or dispensing medical cannabis, a medical cannabis product, or a cannabis-based drug that the
506 United States Food and Drug Administration has not approved:

- 507 (a) civil or criminal liability; or
- 508 (b) licensure sanctions under Title 58, Chapter 17b, Pharmacy Practice Act, Title 58,
509 Chapter 31b, Nurse Practice Act, Title 58, Chapter 67, Utah Medical Practice Act, Title 58,
510 Chapter 68, Utah Osteopathic Medical Practice Act, or Title 58, Chapter 70a, Utah Physician
511 Assistant Act.

512 (2) The limitations of liability described in Subsection (1) apply to:

- 513 (a) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse
514 Practice Act, a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
515 Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, or a physician assistant licensed
516 under Title 58, Chapter 70a, Utah Physician Assistant Act:

- 517 (i) (A) whom the department has registered as a qualified medical provider; and
- 518 (B) who recommends treatment with cannabis in a medicinal dosage form or a
519 cannabis product in a medicinal dosage form to a patient in accordance with this chapter; or
- 520 (ii) before January 1, 2021, who:

- 521 (A) has the authority to write a prescription; and

522 (B) recommends a medical cannabis treatment to a patient who has a qualifying
523 condition; and

524 (b) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act:

525 (i) whom the department has registered as a pharmacy medical provider; and

526 (ii) who dispenses, in a medical cannabis pharmacy, treatment with cannabis in a
527 medicinal dosage form or a cannabis product in a medicinal dosage form to a medical cannabis
528 cardholder in accordance with this chapter.

529 (3) Nothing in this section or chapter reduces or in any way negates the duty of an
530 individual described in Subsection (2) to use reasonable and ordinary care in the treatment of a
531 patient:

532 (a) who may have a qualifying condition; and

533 (b) (i) for whom the individual described in Subsection (2)(a)(i) or (ii) has
534 recommended or might consider recommending a treatment with cannabis or a cannabis
535 product; or

536 (ii) with whom the pharmacist described in Subsection (2)(b) has interacted in the
537 dosing or dispensing of cannabis or a cannabis product.

538 (4) (a) As used in this Subsection (4), "healthcare facility" means the same as that term
539 is defined in Section 26-21-2.

540 (b) A healthcare facility may adopt restrictions on the possession, use, and storage of
541 medical cannabis on the premises of the healthcare facility by a medical cannabis cardholder
542 who resides at or is actively receiving treatment or care at the healthcare facility.

543 (c) An employee or agent of a healthcare facility described in this Subsection (4) is not
544 subject to civil or criminal liability for carrying out employment duties, including:

545 (i) providing or supervising care to a medical cannabis cardholder; or

546 (ii) in accordance with a caregiver designation under Section 26-61a-201 for a medical
547 cannabis cardholder residing at the healthcare facility, purchasing, transporting, or possessing
548 medical cannabis for the relevant patient and in accordance with the designation.

549 (d) Nothing in this section requires a healthcare facility to adopt a restriction under
550 Subsection (4)(b).

551 Section 8. Section 26-61a-201 is amended to read:

552 **26-61a-201. Medical cannabis patient card -- Medical cannabis guardian card**

553 **application -- Fees -- Studies.**

554 (1) On or before March 1, 2020, the department shall, within 15 days after the day on
555 which an individual who satisfies the eligibility criteria in this section or Section 26-61a-202
556 submits an application in accordance with this section or Section 26-61a-202:

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

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

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

562 (d) issue a medical cannabis caregiver card to an individual described in Subsection
563 26-61a-202(4).

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

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

566 (B) the individual is 18, 19, or 20 years old, the individual petitions the compassionate
567 use board under Section 26-61a-105, and the compassionate use board recommends department
568 approval of the petition;

569 (ii) the individual is a Utah resident;

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

572 (iv) the individual signs an acknowledgment stating that the individual received the
573 information described in Subsection (8); and

574 (v) the individual pays to the department a fee in an amount that, subject to Subsection
575 26-61a-109(5), the department sets in accordance with Section 63J-1-504.

576 (b) (i) An individual is eligible for a medical cannabis guardian card if the individual:

577 (A) is at least 18 years old;

578 (B) is a Utah resident;

579 (C) is the parent or legal guardian of a minor for whom the minor's qualified medical
580 provider recommends a medical cannabis treatment, the individual petitions the compassionate
581 use board under Section 26-61a-105, and the compassionate use board recommends department
582 approval of the petition;

583 (D) the individual signs an acknowledgment stating that the individual received the

584 information described in Subsection (8);

585 (E) pays to the department a fee in an amount that, subject to Subsection
586 26-61a-109(5), the department sets in accordance with Section 63J-1-504, plus the cost of the
587 criminal background check described in Section 26-61a-203; and

588 (F) the individual has not been convicted of a misdemeanor or felony drug distribution
589 offense under either state or federal law, unless the individual completed any imposed sentence
590 six months or more before the day on which the individual applies for a medical cannabis
591 guardian card.

592 (ii) The department shall notify the Department of Public Safety of each individual that
593 the department registers for a medical cannabis guardian card.

594 (c) (i) A minor is eligible for a provisional patient card if:

595 (A) the minor has a qualifying condition;

596 (B) the minor's qualified medical provider recommends a medical cannabis treatment
597 to address the minor's qualifying condition;

598 (C) the minor's parent or legal guardian petitions the compassionate use board under
599 Section 26-61a-105, and the compassionate use board recommends department approval of the
600 petition; and

601 (D) the minor's parent or legal guardian is eligible for a medical cannabis guardian card
602 under Subsection (2)(b).

603 (ii) The department shall automatically issue a provisional patient card to the minor
604 described in Subsection (2)(c)(i) at the same time the department issues a medical cannabis
605 guardian card to the minor's parent or legal guardian.

606 (3) (a) An individual who is eligible for a medical cannabis card described in
607 Subsection (2)(a) or (b) shall submit an application for a medical cannabis card to the
608 department:

609 (i) through an electronic application connected to the state electronic verification
610 system;

611 (ii) with the recommending qualified medical provider while in the recommending
612 qualified medical provider's office; and

613 (iii) with information including:

614 (A) the applicant's name, gender, age, and address;

615 (B) the number of the applicant's valid form of photo identification;

616 (C) for a medical cannabis guardian card, the name, gender, and age of the minor
617 receiving a medical cannabis treatment under the cardholder's medical cannabis guardian card;
618 and

619 (D) for a provisional patient card, the name of the minor's parent or legal guardian who
620 holds the associated medical cannabis guardian card.

621 (b) The department shall ensure that a medical cannabis card the department issues
622 under this section contains the information described in Subsection (3)(a)(iii).

623 (c) (i) If a qualified medical provider determines that, because of age, illness, or
624 disability, a medical cannabis patient cardholder requires assistance in administering the
625 medical cannabis treatment that the qualified medical provider recommends, the qualified
626 medical provider may indicate the cardholder's need in the state electronic verification system.

627 (ii) If a qualified medical provider makes the indication described in Subsection
628 (3)(c)(i):

629 (A) the department shall add a label to the relevant medical cannabis patient card
630 indicating the cardholder's need for assistance; and

631 (B) any adult who is 21 years old or older and who is physically present with the
632 cardholder at the time the cardholder needs to use the recommended medical cannabis
633 treatment may handle the medical cannabis treatment and any associated medical cannabis
634 device as needed to assist the cardholder in administering the recommended medical cannabis
635 treatment~~[-, including in the event of an emergency medical condition under Subsection~~
636 ~~26-61a-204(2)-]; and~~

637 (C) an individual of any age who is physically present with the cardholder in the event
638 of an emergency medical condition, as that term is defined in Section 31A-22-627, may handle
639 the medical cannabis treatment and any associated medical cannabis device as needed to assist
640 the cardholder in administering the recommended medical cannabis treatment.

641 (iii) A non-cardholding individual acting under Subsection (3)(c)(ii)(B) or (C) may not:

642 (A) ingest or inhale medical cannabis;

643 (B) possess, transport, or handle medical cannabis or a medical cannabis device outside
644 of the immediate area where the cardholder is present or with an intent other than to provide
645 assistance to the cardholder; or

646 (C) possess, transport, or handle medical cannabis or a medical cannabis device when
647 the cardholder is not in the process of being dosed with medical cannabis.

648 (4) To recommend a medical cannabis treatment to a patient or to renew a
649 recommendation, a qualified medical provider shall:

650 (a) before recommending cannabis in a medicinal dosage form or a cannabis product in
651 a medicinal dosage form:

652 (i) verify the patient's and, for a minor patient, the minor patient's parent or legal
653 guardian's valid form of identification described in Subsection (3)(a);

654 (ii) review any record related to the patient and, for a minor patient, the patient's parent
655 or legal guardian in:

656 (A) the state electronic verification system; and

657 (B) the controlled substance database created in Section 58-37f-201; and

658 (iii) consider the recommendation in light of the patient's qualifying condition and
659 history of medical cannabis and controlled substance use; and

660 (b) state in the qualified medical provider's recommendation that the patient:

661 (i) suffers from a qualifying condition, including the type of qualifying condition; and

662 (ii) may benefit from treatment with cannabis in a medicinal dosage form or a cannabis
663 product in a medicinal dosage form.

664 (5) (a) Except as provided in Subsection (5)(b), a medical cannabis card that the
665 department issues under this section is valid for the lesser of:

666 (i) an amount of time that the qualified medical provider determines; or

667 (ii) (A) for the first issuance, ~~[30]~~ 90 days; ~~[or]~~

668 (B) except as provided in Subsection (5)(a)(ii)(C), for a renewal, six months[-]; or

669 (C) for a renewal, one year if, after at least one year following the issuance of the
670 original medical cannabis card, the qualified medical provider determines that the patient has
671 been stabilized on the medical cannabis treatment and a one-year renewal period is justified.

672 (b) (i) A medical cannabis card that the department issues in relation to a terminal
673 illness described in Section 26-61a-104 does not expire.

674 (ii) The recommending qualified medical provider may revoke a recommendation that
675 the provider made in relation to a terminal illness described in Section 26-61a-104 if the
676 medical cannabis cardholder no longer has the terminal illness.

677 (6) (a) A medical cannabis patient card or a medical cannabis guardian card is
678 renewable if:

679 (i) at the time of renewal, the cardholder meets the requirements of Subsection (2)(a) or
680 (b); or

681 (ii) the cardholder received the medical cannabis card through the recommendation of
682 the compassionate use board under Section 26-61a-105.

683 (b) A cardholder described in Subsection (6)(a) may renew the cardholder's card:

684 (i) using the application process described in Subsection (3); or

685 (ii) through phone or video conference with the qualified medical provider who made
686 the recommendation underlying the card, at the qualifying medical provider's discretion.

687 (c) A cardholder under Subsection (2)(a) or (b) who renews the cardholder's card shall
688 pay to the department a renewal fee in an amount that:

689 (i) subject to Subsection 26-61a-109(5), the department sets in accordance with Section
690 63J-1-504; and

691 (ii) may not exceed the cost of the relatively lower administrative burden of renewal in
692 comparison to the original application process.

693 (d) If a minor meets the requirements of Subsection (2)(c), the minor's provisional
694 patient card renews automatically at the time the minor's parent or legal guardian renews the
695 parent or legal guardian's associated medical cannabis guardian card.

696 (e) The department may revoke a medical cannabis guardian card if the cardholder
697 under Subsection (2)(b) is convicted of a misdemeanor or felony drug distribution offense
698 under either state or federal law.

699 (7) (a) A cardholder under this section shall carry the cardholder's valid medical
700 cannabis card with the patient's name.

701 (b) (i) A medical cannabis patient cardholder or a provisional patient cardholder may
702 purchase, in accordance with this chapter and the recommendation underlying the card,
703 cannabis in a medicinal dosage form, a cannabis product in a medicinal dosage form, or a
704 medical cannabis device.

705 (ii) A cardholder under this section may possess or transport, in accordance with this
706 chapter and the recommendation underlying the card, cannabis in a medicinal dosage form, a
707 cannabis product in a medicinal dosage form, or a medical cannabis device.

708 (iii) To address the qualifying condition underlying the medical cannabis treatment
709 recommendation:

710 (A) a medical cannabis patient cardholder or a provisional patient cardholder may use
711 cannabis in a medicinal dosage form, a medical cannabis product in a medicinal dosage form,
712 or a medical cannabis device; and

713 (B) a medical cannabis guardian cardholder may assist the associated provisional
714 patient cardholder with the use of cannabis in a medicinal dosage form, a medical cannabis
715 product in a medicinal dosage form, or a medical cannabis device.

716 (c) If a licensed medical cannabis pharmacy is not operating within the state after
717 January 1, 2021, a cardholder under this section is not subject to prosecution for the possession
718 of:

719 (i) no more than 113 grams of marijuana in a medicinal dosage form;

720 (ii) an amount of cannabis product in a medicinal dosage form that contains no more
721 than 20 grams of tetrahydrocannabinol; or

722 (iii) marijuana drug paraphernalia.

723 (8) The department shall establish by rule, in accordance with Title 63G, Chapter 3,
724 Utah Administrative Rulemaking Act, a process to provide information regarding the following
725 to an individual receiving a medical cannabis card:

726 (a) risks associated with medical cannabis treatment;

727 (b) the fact that a condition's listing as a qualifying condition does not suggest that
728 medical cannabis treatment is an effective treatment or cure for that condition, as described in
729 Subsection [26-61a-104\(1\)](#); and

730 (c) other relevant warnings and safety information that the department determines.

731 (9) The department may establish procedures by rule, in accordance with Title 63G,
732 Chapter 3, Utah Administrative Rulemaking Act, to implement the application and issuance
733 provisions of this section.

734 (10) (a) A person may submit to the department a request to conduct a research study
735 using medical cannabis cardholder data that the state electronic verification system contains.

736 (b) The department shall review a request described in Subsection (10)(a) to determine
737 whether an institutional review board, as that term is defined in Section [26-61-102](#), could
738 approve the research study.

739 (c) At the time an individual applies for a medical cannabis card, the department shall
740 notify the individual:

741 (i) of how the individual's information will be used as a cardholder;

742 (ii) that by applying for a medical cannabis card, unless the individual withdraws
743 consent under Subsection (10)(d), the individual consents to the use of the individual's
744 information for external research; and

745 (iii) that the individual may withdraw consent for the use of the individual's
746 information for external research at any time, including at the time of application.

747 (d) An applicant may, through the medical cannabis card application, and a medical
748 cannabis cardholder may, through the state central patient portal, withdraw the applicant's or
749 cardholder's consent to participate in external research at any time.

750 (e) The department may release, for the purposes of a study described in this
751 Subsection (10), information about a cardholder under this section who consents to participate
752 under Subsection (10)(c).

753 (f) If an individual withdraws consent under Subsection (10)(d), the withdrawal of
754 consent:

755 (i) applies to external research that is initiated after the withdrawal of consent; and

756 (ii) does not apply to research that was initiated before the withdrawal of consent.

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

759 Section 9. Section **26-61a-301** is amended to read:

760 **26-61a-301. Medical cannabis pharmacy -- License -- Eligibility.**

761 (1) A person may not operate as a medical cannabis pharmacy without a license that
762 the department issues under this part.

763 (2) (a) (i) Subject to Subsections (4) and (5) and to Section **26-61a-305**, the department
764 shall issue a license to operate a medical cannabis pharmacy in accordance with Title 63G,
765 Chapter 6a, Utah Procurement Code.

766 (ii) The department may not issue a license to operate a medical cannabis pharmacy to
767 an applicant who is not eligible for a license under this section.

768 (b) An applicant is eligible for a license under this section if the applicant submits to
769 the department:

770 (i) subject to Subsection (2)(c), a proposed name and address where the applicant will
771 operate the medical cannabis pharmacy;

772 (ii) the name and address of an individual who:

773 (A) for a publicly traded company, has a financial or voting interest of 2% or greater in
774 the proposed medical cannabis pharmacy; ~~[or]~~

775 (B) for a privately held company, a financial or voting interest in the proposed medical
776 cannabis pharmacy; or

777 (C) has the power to direct or cause the management or control of a proposed medical
778 cannabis [~~production establishment~~] pharmacy;

779 (iii) a statement that the applicant will obtain and maintain a performance bond that a
780 surety authorized to transact surety business in the state issues in an amount of at least
781 \$125,000 for each application that the applicant submits to the department;

782 (iv) an operating plan that:

783 (A) complies with Section 26-61a-304;

784 (B) includes operating procedures to comply with the operating requirements for a
785 medical cannabis pharmacy described in this chapter and with a relevant municipal or county
786 law that is consistent with Section 26-61a-507; and

787 (C) the department approves;

788 (v) an application fee in an amount that, subject to Subsection 26-61a-109(5), the
789 department sets in accordance with Section 63J-1-504; and

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

794 (c) (i) A person may not locate a medical cannabis pharmacy:

795 (A) within 200 feet of a community location; or

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

798 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
799 from the nearest entrance to the medical cannabis pharmacy establishment by following the
800 shortest route of ordinary pedestrian travel to the property boundary of the community location

801 or residential area.

802 (iii) The department may grant a waiver to reduce the proximity requirements in
803 Subsection (2)(c)(i) by up to 20% if the department determines that it is not reasonably feasible
804 for the applicant to site the proposed medical cannabis pharmacy without the waiver.

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

807 (d) The department may not issue a license to an eligible applicant that the department
808 has selected to receive a license until the selected eligible applicant obtains the performance
809 bond described in Subsection (2)(b)(iii).

810 (e) If the department receives more than one application for a medical cannabis
811 pharmacy within the same city or town, the department shall consult with the local land use
812 authority before approving any of the applications pertaining to that city or town.

813 (3) If the department selects an applicant for a medical cannabis pharmacy license
814 under this section, the department shall:

815 (a) charge the applicant an initial license fee in an amount that, subject to Subsection
816 [26-61a-109\(5\)](#), the department sets in accordance with Section [63J-1-504](#); and

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

819 (4) The department may not issue a license to operate a medical cannabis pharmacy to
820 an applicant if an individual described in Subsection (2)(b)(ii):

821 (a) has been convicted under state or federal law of:

822 (i) a felony; or

823 (ii) after December 3, 2018, a misdemeanor for drug distribution;

824 (b) is younger than 21 years old; or

825 (c) after the effective date of this bill until January 1, 2023, is actively serving as a
826 legislator.

827 (5) (a) If an applicant for a medical cannabis pharmacy license under this section holds
828 a license under Title 4, Chapter 41, Hemp and Cannabinoid Act, ~~[or]~~ the department may not
829 give preference to the applicant based on the applicant's status as a holder of the license.

830 (b) If an applicant for a medical cannabis pharmacy license under this section holds a
831 license to operate a cannabis cultivation facility under Title 4, Chapter 41a, Cannabis

832 Production Establishments, the department:

833 ~~[(a)]~~ (i) shall consult with the Department of Agriculture and Food regarding the
834 applicant; and

835 ~~[(b)]~~ (ii) may ~~[not]~~ give ~~[preference]~~ consideration to the applicant based on the
836 applicant's status as a holder of a license ~~[described in this Subsection (5).]~~ to operate a
837 cannabis cultivation facility if:

838 (A) the applicant demonstrates that a decrease in costs to patients is more likely to
839 result from the applicant's vertical integration than from a more competitive marketplace; and

840 (B) the department finds multiple other factors, in addition to the existing license, that
841 support granting the new license.

842 (6) The department may revoke a license under this part if:

843 (a) the medical cannabis pharmacy does not begin operations within one year after the
844 day on which the department issues the initial license;

845 (b) the medical cannabis pharmacy makes the same violation of this chapter three
846 times;

847 (c) an individual described in Subsection (2)(b)(ii) is convicted, while the license is
848 active, under state or federal law of:

849 (i) a felony; or

850 (ii) after December 3, 2018, a misdemeanor for drug distribution; or

851 (d) the licensee fails to provide the information described in Subsection (2)(b)(vi) at
852 the time of application, or fails to supplement the information described in Subsection
853 (2)(b)(vi) with any investigation or adverse action that occurs after the submission of the
854 application.

855 (7) (a) A person who receives a medical cannabis pharmacy license under this chapter,
856 if the municipality or county where the licensed medical cannabis pharmacy will be located
857 requires a local land use permit, shall submit to the department a copy of the licensee's
858 approved application for the land use permit within 120 days after the day on which the
859 department issues the license.

860 (b) If a licensee fails to submit to the department a copy the licensee's approved land
861 use permit application in accordance with Subsection (7)(a), the department may revoke the
862 licensee's license.

863 (8) The department shall deposit the proceeds of a fee imposed by this section in the
864 Qualified Patient Enterprise Fund.

865 (9) The department shall begin accepting applications under this part on or before
866 March 1, 2020.

867 (10) (a) The department's authority to issue a license under this section is plenary and is
868 not subject to review.

869 (b) Notwithstanding Subsection (2), the decision of the department to award a license
870 to an applicant is not subject to:

871 (i) Title 63G, Chapter 6a, Part 16, Protests; or

872 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.

873 Section 10. Section **26-61a-502** is amended to read:

874 **26-61a-502. Dispensing -- Amount a medical cannabis pharmacy may dispense --**
875 **Reporting -- Form of cannabis or cannabis product.**

876 (1) (a) A medical cannabis pharmacy may not sell a product other than, subject to this
877 chapter:

878 (i) cannabis in a medicinal dosage form that the medical cannabis pharmacy acquired
879 from a cannabis processing facility that is licensed under Section [4-41a-201](#);

880 (ii) a cannabis product in a medicinal dosage form that the medical cannabis pharmacy
881 acquired from a cannabis processing facility that is licensed under Section [4-41a-201](#);

882 (iii) a medical cannabis device; or

883 (iv) educational material related to the medical use of cannabis.

884 (b) A medical cannabis pharmacy may only sell an item listed in Subsection (1)(a) to
885 an individual with:

886 (i) (A) a medical cannabis card; ~~and~~ or

887 (B) until December 31, 2020, a letter from a medical provider in accordance with
888 Subsection (10); and

889 (ii) a corresponding valid form of photo identification.

890 (c) Notwithstanding Subsection (1)(a), a medical cannabis pharmacy may not sell a
891 cannabis-based drug that the United States Food and Drug Administration has approved.

892 (2) A medical cannabis pharmacy may not dispense:

893 (a) to a medical cannabis cardholder or to an individual described in Subsection (10)(b)

894 in any one 28-day period, more than the lesser of:

895 (i) an amount sufficient to provide 30 days of treatment based on the dosing parameters
896 that the relevant qualified medical provider recommends; or

897 (ii) (A) 113 grams by weight of unprocessed cannabis that is in a medicinal dosage
898 form and that carries a label clearly displaying the amount of tetrahydrocannabinol and
899 cannabidiol in the cannabis; or

900 (B) an amount of cannabis products that is in a medicinal dosage form and that
901 contains, in total, greater than 20 grams of total composite tetrahydrocannabinol; or

902 (b) to an individual whose qualified medical provider, or for an individual described in
903 Subsection (10)(a), the medical professional described in Subsection (10)(a)(i), did not
904 recommend dosing parameters, until the individual consults with the pharmacy medical
905 provider in accordance with Subsection (4), any medical cannabis [~~or cannabis products~~].

906 (3) An individual with a medical cannabis card or an individual described in
907 Subsection (10)(a) may not purchase:

908 (a) more cannabis or cannabis products than the amounts designated in Subsection (2)
909 in any one 28-day period; or

910 (b) if the relevant qualified medical provider did not recommend dosing parameters,
911 until the individual consults with the pharmacy medical provider in accordance with
912 Subsection (4), any medical cannabis [~~or cannabis products~~].

913 (4) If a qualified medical provider recommends treatment with medical cannabis [~~or a~~
914 ~~cannabis product~~] but does not provide dosing parameters:

915 (a) the qualified medical provider shall document in the recommendation:

- 916 (i) an evaluation of the qualifying condition underlying the recommendation;
- 917 (ii) prior treatment attempts with medical cannabis [~~and cannabis products~~]; and
- 918 (iii) the patient's current medication list; and

919 (b) before the relevant medical cannabis cardholder may obtain medical cannabis [~~in a~~
920 ~~medicinal dosage form or a cannabis product in a medicinal dosage form~~], the pharmacy
921 medical provider shall:

922 (i) review pertinent medical records, including the qualified medical provider
923 documentation described in Subsection (4)(a); and

924 (ii) unless the pertinent medical records show dosing parameters from a state central

925 patient portal medical provider in accordance with Subsection (5), after completing the review
926 described in Subsection (4)(b)(i) and consulting with the recommending qualified medical
927 provider as needed, determine the best course of treatment through consultation with the
928 cardholder regarding:

929 (A) the patient's qualifying condition underlying the recommendation from the
930 qualified medical provider;

931 (B) indications for available treatments;

932 (C) dosing parameters; and

933 (D) potential adverse reactions.

934 (5) (a) A state central patient portal medical provider may provide the consultation and
935 make the determination described in Subsection (4)(b) for a medical cannabis patient
936 cardholder regarding an electronic order that the state central patient portal facilitates.

937 (b) The state central patient portal medical provider described in Subsection (5)(a)
938 shall document the dosing parameters determined under Subsection (5)(a) in the pertinent
939 medical records.

940 (6) A medical cannabis pharmacy shall:

941 (a) (i) access the state electronic verification system before dispensing cannabis or a
942 cannabis product to a medical cannabis cardholder in order to determine if the cardholder or,
943 where applicable, the associated patient has met the maximum amount of medical cannabis [~~or~~
944 ~~cannabis products~~] described in Subsection (2); and

945 (ii) if the verification in Subsection (6)(a)(i) indicates that the individual has met the
946 maximum amount described in Subsection (2):

947 (A) decline the sale; and

948 (B) notify the qualified medical provider who made the underlying recommendation;

949 (b) submit a record to the state electronic verification system each time the medical
950 cannabis pharmacy dispenses medical cannabis [~~or a cannabis product~~] to a medical cannabis
951 cardholder;

952 (c) package any medical cannabis [~~or cannabis product~~] that is in a blister pack in a
953 container that:

954 (i) complies with Subsection 4-41a-602(2);

955 (ii) is tamper-resistant and tamper-evident; and

956 (iii) opaque; and

957 (d) for a product that is a cube that is designed for ingestion through chewing or
958 holding in the mouth for slow dissolution, include a separate, off-label warning about the risks
959 of over-consumption.

960 (7) (a) Except as provided in Subsection (7)(b), a medical cannabis pharmacy may not
961 sell medical cannabis in the form of a cigarette or a medical cannabis device that is
962 intentionally designed or constructed to resemble a cigarette.

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

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

968 (9) The department may impose a uniform fee on each medical cannabis ~~[cardholder]~~
969 transaction in a medical cannabis pharmacy in an amount that, subject to Subsection
970 [26-61a-109\(5\)](#), the department sets in accordance with Section [63J-1-504](#).

971 (10) (a) Except as provided in Subsection (10)(b), until December 31, 2020, an
972 individual may purchase up to the legal dosage limit of an item listed in Subsection (1)(a) from
973 a licensed medical cannabis pharmacy if:

974 (i) the individual presents to the medical cannabis pharmacy a letter from the medical
975 professional described in Subsection [58-37-3.7\(2\)\(a\)\(i\)\(B\)](#) that indicates the medical
976 professional's medical cannabis recommendation for the individual;

977 (ii) the medical cannabis pharmacy receives independent confirmation from the
978 medical professional described in Subsection (10)(a)(i) or an employee of the medical
979 professional that the letter is valid;

980 (iii) the medical cannabis pharmacy:

981 (A) scans or photocopies the individual's letter and the individual's valid form of photo
982 identification;

983 (B) creates a record of the transaction, including the documents described in
984 Subsection (10)(a)(iii)(A), the date of purchase, and the type and quantity of medical cannabis
985 the individual purchased; and

986 (C) provides information to the individual about obtaining a medical cannabis card;

987 and

988 (iv) unless the medical professional recommends specific directions of using and
989 dosing guidelines in the letter, the pharmacy medical provider determines the best course of
990 treatment through consultation with the individual regarding:

991 (A) the individual's qualifying condition underlying the recommendation from the
992 medical professional;

993 (B) indications for available treatments;

994 (C) directions of use and dosing guidelines; and

995 (D) potential adverse reactions.

996 (b) (i) An individual who purchases medical cannabis from a medical cannabis
997 pharmacy under Subsection (10)(a) may not purchase medical cannabis from a different
998 medical cannabis pharmacy under Subsection (10)(a).

999 (ii) If the department notifies a medical cannabis pharmacy, in accordance with
1000 Subsection (10)(c), of an individual purchasing medical cannabis under Subsection (10)(a)
1001 from more than one medical cannabis pharmacy, a medical cannabis pharmacy may not sell an
1002 item listed in Subsection (1)(a) to the individual under Subsection (10)(a).

1003 (iii) An individual may not purchase medical cannabis under Subsection (10)(a) if the
1004 individual is a medical cannabis cardholder.

1005 (c) (i) Until December 31, 2020, on or before the first day of each month, each medical
1006 cannabis pharmacy shall provide to the department, in a secure manner, information identifying
1007 each individual who has purchased medical cannabis from the medical cannabis pharmacy
1008 under Subsection (10)(a).

1009 (ii) The department shall review information the department receives under Subsection
1010 (10)(c)(i) to identify any individuals who:

1011 (A) have purchased medical cannabis under Subsection (10)(a) from more than one
1012 pharmacy; or

1013 (B) hold a medical cannabis card.

1014 (iii) If the department identifies an individual described in Subsection (10)(c)(ii), the
1015 department shall notify each medical cannabis pharmacy regarding:

1016 (A) the identification of the individual; and

1017 (B) the individual's ineligibility to purchase medical cannabis for a reason described in

1018 Subsection (10)(b).

1019 Section 11. Section **26-61a-505** is amended to read:

1020 **26-61a-505. Advertising.**

1021 (1) Except as provided in Subsections (2) and (3), a medical cannabis pharmacy may
1022 not advertise in any medium.

1023 (2) Notwithstanding any municipal or county ordinance prohibiting signage, a medical
1024 cannabis pharmacy may use signage on the outside of the medical cannabis pharmacy that:

1025 (a) includes only:

1026 (i) the medical cannabis pharmacy's name and hours of operation; and

1027 (ii) a green cross; and

1028 [~~(b) does not exceed four feet by five feet in size; and~~]

1029 [~~(c)~~] (b) complies with local ordinances regulating signage.

1030 (3) A medical cannabis pharmacy may maintain a website that includes information
1031 about:

1032 (a) the location and hours of operation of the medical cannabis pharmacy;

1033 (b) a product or service available at the medical cannabis pharmacy;

1034 (c) personnel affiliated with the medical cannabis pharmacy;

1035 (d) best practices that the medical cannabis pharmacy upholds; and

1036 (e) educational material related to the medical use of cannabis.

1037 Section 12. **Effective date.**

1038 If approved by two-thirds of all the members elected to each house, this bill takes effect
1039 upon approval by the governor, or the day following the constitutional time limit of Utah
1040 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,
1041 the date of veto override.

1042 Section 13. **Coordinating H.B. 425 with S.B. 121 -- Substantive and technical**
1043 **amendments.**

1044 If this H.B. 425 and S.B. 121, Medical Cannabis Amendments, both pass and become
1045 law, it is the intent of the Legislature that the Office of Legislative Research and General
1046 Counsel shall prepare the Utah Code database for publication as follows:

1047 (1) the amendments to Section 4-41a-102 regarding the definition of "cannabis
1048 cultivation facility" in this bill supersede the amendments to Section 4-41a-102 regarding the

1049 definition of "cannabis cultivation facility" in S.B. 121;
1050 (2) the amendments to Subsection 4-41a-201(8) in this bill supersede the amendments
1051 to Subsection 4-41a-201(8) in S.B. 121;
1052 (3) the amendments to Section 26-61a-102 regarding the definition of "legal dosage
1053 limit" in this bill supersede the amendments to Section 26-61a-102 regarding the definition of
1054 "legal dosage limit" in S.B. 121;
1055 (4) the amendments to Section 26-61a-107 in this bill supersede the amendments to
1056 Section 26-61a-107 in S.B. 121;
1057 (5) the amendments to Subsection 26-61a-301(5) in this bill supersede the amendments
1058 to Subsection 26-61a-301(5) in S.B. 121; and
1059 (6) Subsection 26-61a-502(1)(b) is amended to read:
1060 "(b) A medical cannabis pharmacy may only sell an item listed in Subsection (1)(a) to
1061 an individual with:
1062 (i) (A) a medical cannabis card; [~~and~~]
1063 (B) a department registration described in Subsection 26-61a-202(10); or
1064 (C) until December 31, 2020, a letter from a medical provider in accordance with
1065 Subsection (10); and".