

**Representative Walt Brooks** proposes the following substitute bill:

**MEDICAL CANNABIS PHARMACY MODIFICATIONS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Walt Brooks**

Senate Sponsor: Evan J. Vickers

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**LONG TITLE**

**General Description:**

This bill amends provisions related to medical cannabis pharmacies.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ creates a pharmacy ownership limit;
- ▶ clarifies that the pharmacist-in-charge of a medical cannabis pharmacy determines which products are stocked at the medical cannabis pharmacy;
- ▶ authorizes the use of a closed-door medical cannabis pharmacy;
- ▶ limits the amount of closed-door medical cannabis pharmacies in certain areas;
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**4-41a-102**, as last amended by Laws of Utah 2023, Chapters 273, 313 and 327



26 **4-41a-406**, as last amended by Laws of Utah 2023, Chapter 327  
27 **4-41a-1001**, as last amended by Laws of Utah 2023, Chapter 317 and renumbered and  
28 amended by Laws of Utah 2023, Chapters 273, 307 and last amended by  
29 Coordination Clause, Laws of Utah 2023, Chapter 307  
30 **10-9a-528**, as last amended by Laws of Utah 2023, Chapters 273, 327 and last amended  
31 by Coordination Clause, Laws of Utah 2023, Chapter 327  
32 **17-27a-525**, as last amended by Laws of Utah 2023, Chapters 273, 327 and last  
33 amended by Coordination Clause, Laws of Utah 2023, Chapter 327  
34 **26B-1-435**, as enacted by Laws of Utah 2023, Chapter 273  
35 **26B-4-219**, as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered  
36 and amended by Laws of Utah 2023, Chapter 307 and last amended by  
37 Coordination Clause, Laws of Utah 2023, Chapter 307  
38 **26B-4-231**, as last amended by Laws of Utah 2023, Chapter 317 and renumbered and  
39 amended by Laws of Utah 2023, Chapters 273, 307 and last amended by  
40 Coordination Clause, Laws of Utah 2023, Chapter 307

41 ENACTS:

42 **4-41a-1206**, Utah Code Annotated 1953

43 REPEALS:

44 **26B-1-435.1**, as enacted by Laws of Utah 2023, Chapter 273

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

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

48 **4-41a-102. Definitions.**

49 As used in this chapter:

- 50 (1) "Adulterant" means any poisonous or deleterious substance in a quantity that may  
51 be injurious to health, including:
- 52 (a) pesticides;
  - 53 (b) heavy metals;
  - 54 (c) solvents;
  - 55 (d) microbial life;
  - 56 (e) artificially derived cannabinoid;

- 57 (f) toxins; or
- 58 (g) foreign matter.
- 59 (2) "Advisory board" means the Medical Cannabis Policy Advisory Board created in
- 60 Section [26B-1-435](#).
- 61 (3) (a) "Artificially derived cannabinoid" means a chemical substance that is created by
- 62 a chemical reaction that changes the molecular structure of any chemical substance derived
- 63 from the cannabis plant.
- 64 (b) "Artificially derived cannabinoid" does not include:
- 65 (i) a naturally occurring chemical substance that is separated from the cannabis plant
- 66 by a chemical or mechanical extraction process; or
- 67 (ii) a cannabinoid that is produced by decarboxylation from a naturally occurring
- 68 cannabinoid acid without the use of a chemical catalyst.
- 69 (4) "Cannabis Research Review Board" means the Cannabis Research Review Board
- 70 created in Section [26B-1-420](#).
- 71 (5) "Cannabis" means the same as that term is defined in Section [26B-4-201](#).
- 72 (6) "Cannabis concentrate" means:
- 73 (a) the product of any chemical or physical process applied to naturally occurring
- 74 biomass that concentrates or isolates the cannabinoids contained in the biomass; and
- 75 (b) any amount of a natural cannabinoid or artificially derived cannabinoid in an
- 76 artificially derived cannabinoid's purified state.
- 77 (7) "Cannabis cultivation byproduct" means any portion of a cannabis plant that is not
- 78 intended to be sold as a cannabis plant product.
- 79 (8) "Cannabis cultivation facility" means a person that:
- 80 (a) possesses cannabis;
- 81 (b) grows or intends to grow cannabis; and
- 82 (c) sells or intends to sell cannabis to a cannabis cultivation facility, a cannabis
- 83 processing facility, or a medical cannabis research licensee.
- 84 (9) "Cannabis cultivation facility agent" means an individual who[:]
- 85 holds a valid cannabis production establishment agent registration card with a cannabis
- 86 cultivation facility designation.
- 87 (10) "Cannabis derivative product" means a product made using cannabis concentrate.

88 (11) "Cannabis plant product" means any portion of a cannabis plant intended to be  
89 sold in a form that is recognizable as a portion of a cannabis plant.

90 (12) "Cannabis processing facility" means a person that:

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

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

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

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

97 (13) "Cannabis processing facility agent" means an individual who[:]

98 holds a valid cannabis production establishment agent registration card with a cannabis  
99 processing facility designation.

100 (14) "Cannabis product" means the same as that term is defined in Section [26B-4-201](#).

101 (15) "Cannabis production establishment" means a cannabis cultivation facility, a  
102 cannabis processing facility, or an independent cannabis testing laboratory.

103 (16) "Cannabis production establishment agent" means a cannabis cultivation facility  
104 agent, a cannabis processing facility agent, or an independent cannabis testing laboratory agent.

105 (17) "Cannabis production establishment agent registration card" means a registration  
106 card that the department issues that:

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

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

110 (18) "Closed-door medical cannabis pharmacy" means a facility operated by a home  
111 delivery medical cannabis pharmacy for delivering cannabis or a medical cannabis product.

112 [~~18~~] (19) "Community location" means a public or private elementary or secondary  
113 school, a church, a public library, a public playground, or a public park.

114 [~~19~~] (20) "Cultivation space" means, quantified in square feet, the horizontal area in  
115 which a cannabis cultivation facility cultivates cannabis, including each level of horizontal area  
116 if the cannabis cultivation facility hangs, suspends, stacks, or otherwise positions plants above  
117 other plants in multiple levels.

118 [~~20~~] (21) "Delivery address" means:

119 (a) for a medical cannabis cardholder who is not a facility, the medical cannabis  
120 cardholder's home address; or

121 (b) for a medical cannabis cardholder that is a facility, the facility's address.

122 [~~(21)~~] (22) "Department" means the Department of Agriculture and Food.

123 [~~(22)~~] (23) "Family member" means a parent, step-parent, spouse, child, sibling,  
124 step-sibling, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law,  
125 brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild.

126 [~~(23)~~] (24) "Home delivery medical cannabis pharmacy" means a medical cannabis  
127 pharmacy that the department authorizes, as part of the pharmacy's license, to deliver medical  
128 cannabis shipments to a delivery address to fulfill electronic orders that the state central patient  
129 portal facilitates.

130 [~~(24)~~] (25) (a) "Independent cannabis testing laboratory" means a person that:

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

132 (ii) acquires, possesses, and transports cannabis or a cannabis product with the intent to  
133 conduct a chemical or other analysis of the cannabis or cannabis product.

134 (b) "Independent cannabis testing laboratory" includes a laboratory that the department  
135 or a research university operates in accordance with Subsection 4-41a-201(14).

136 [~~(25)~~] (26) "Independent cannabis testing laboratory agent" means an individual who[:]  
137 holds a valid cannabis production establishment agent registration card with an  
138 independent cannabis testing laboratory designation.

139 [~~(26)~~] (27) "Inventory control system" means a system described in Section 4-41a-103.

140 [~~(27)~~] (28) "Licensing board" or "board" means the Cannabis Production Establishment  
141 Licensing Advisory Board created in Section 4-41a-201.1.

142 [~~(28)~~] (29) "Medical cannabis" means the same as that term is defined in Section  
143 26B-4-201.

144 [~~(29)~~] (30) "Medical cannabis card" means the same as that term is defined in Section  
145 26B-4-201.

146 [~~(30)~~] (31) "Medical cannabis courier" means a courier that:

147 (a) the department licenses in accordance with Section 4-41a-1201; and

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

150 [~~(31)~~] (32) "Medical cannabis courier agent" means an individual who:

151 (a) is an employee of a medical cannabis courier; and

152 (b) who holds a valid medical cannabis courier agent registration card.

153 [~~(32)~~] (33) "Medical cannabis pharmacy" means the same as that term is defined in

154 Section 26B-4-201.

155 [~~(33)~~] (34) "Medical cannabis pharmacy agent" means the same as that term is defined

156 in Section 26B-4-201.

157 [~~(34)~~] (35) "Medical cannabis research license" means a license that the department

158 issues to a research university for the purpose of obtaining and possessing medical cannabis for

159 academic research.

160 [~~(35)~~] (36) "Medical cannabis research licensee" means a research university that the

161 department licenses to obtain and possess medical cannabis for academic research, in

162 accordance with Section 4-41a-901.

163 [~~(36)~~] (37) "Medical cannabis shipment" means a shipment of medical cannabis or a

164 medical cannabis product that a home delivery medical cannabis pharmacy or a medical

165 cannabis courier delivers to a delivery address to fulfill an electronic medical cannabis order

166 that the state central patient portal facilitates.

167 [~~(37)~~] (38) "Medical cannabis treatment" means the same as that term is defined in

168 Section 26B-4-201.

169 [~~(38)~~] (39) "Medicinal dosage form" means the same as that term is defined in Section

170 26B-4-201.

171 (40) "Pharmacy ownership limit" means an amount equal to 30% of the total number of

172 medical cannabis pharmacy licenses issued by the department rounded down to the nearest

173 whole number.

174 [~~(39)~~] (41) "Pharmacy medical provider" means the same as that term is defined in

175 Section 26B-4-201.

176 [~~(40)~~] (42) "Qualified medical provider" means the same as that term is defined in

177 Section 26B-4-201.

178 [~~(41)~~] (43) "Qualified Production Enterprise Fund" means the fund created in Section

179 4-41a-104.

180 [~~(42)~~] (44) "Recommending medical provider" means the same as that term is defined

181 in Section 26B-4-201.

182 [~~(43)~~] (45) "Research university" means the same as that term is defined in Section  
183 53B-7-702 and a private, nonprofit college or university in the state that:

- 184 (a) is accredited by the Northwest Commission on Colleges and Universities;
- 185 (b) grants doctoral degrees; and
- 186 (c) has a laboratory containing or a program researching a schedule I controlled  
187 substance described in Section 58-37-4.

188 [~~(44)~~] (46) "State electronic verification system" means the system described in Section  
189 26B-4-202.

190 [~~(45)~~] (47) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in  
191 Section 4-41-102.

192 [~~(46)~~] (48) "THC analog" means the same as that term is defined in Section 4-41-102.

193 [~~(47)~~] (49) "Total composite tetrahydrocannabinol" means all detectable forms of  
194 tetrahydrocannabinol.

195 [~~(48)~~] (50) "Total tetrahydrocannabinol" or "total THC" means the same as that term is  
196 defined in Section 4-41-102.

197 Section 2. Section 4-41a-406 is amended to read:

198 **4-41a-406. Local control.**

199 (1) As used in this section:

200 (a) "Cannabis production establishment" means the same as that term is defined in  
201 Section 4-41a-102 and includes a closed-door medical cannabis pharmacy.

202 (b) "Land use decision" means the same as that term is defined in Sections 10-9a-103  
203 and 17-27a-103.

204 [~~(b)~~] (c) "Land use permit" means the same as that term is defined in Sections  
205 10-9a-103 and 17-27a-103.

206 [~~(c)~~] (d) "Land use regulation" means the same as that term is defined in Sections  
207 10-9a-103 and 17-27a-103.

208 (2) (a) If a municipality's or county's zoning ordinances provide for an industrial zone,  
209 the operation of a cannabis production establishment shall be a permitted industrial use in any  
210 industrial zone unless the municipality or county has designated by ordinance, before an  
211 individual submits a land use permit application for a cannabis production establishment, at

212 least one industrial zone in which the operation of a cannabis production establishment is a  
213 permitted use.

214 (b) If a municipality's or county's zoning ordinances provide for an agricultural zone,  
215 the operation of a cannabis production establishment shall be a permitted agricultural use in  
216 any agricultural zone unless the municipality or county has designated by ordinance, before an  
217 individual submits a land use permit application for a cannabis production establishment, at  
218 least one agricultural zone in which the operation of a cannabis production establishment is a  
219 permitted use.

220 (c) The operation of a cannabis production establishment shall be a permitted use on  
221 land that the municipality or county has not zoned.

222 (3) A municipality or county may not:

223 (a) on the sole basis that the applicant, or cannabis production establishment violates  
224 federal law regarding the legal status of cannabis, deny or revoke:

225 (i) a land use permit to operate a cannabis production facility; or

226 (ii) a business license to operate a cannabis production facility;

227 (b) require a certain distance between a cannabis production establishment and:

228 (i) another cannabis production establishment;

229 (ii) a medical cannabis pharmacy;

230 (iii) a retail tobacco specialty business, as that term is defined in Section 26B-7-501; or

231 (iv) an outlet, as that term is defined in Section 32B-1-202; or

232 (c) in accordance with Subsections 10-9a-509(1) and 17-27a-508(1), enforce a land use  
233 regulation against a cannabis production establishment that was not in effect on the day on  
234 which the cannabis production establishment submitted a complete land use application.

235 (4) An applicant for a land use permit to operate a cannabis production establishment  
236 shall comply with the land use requirements and application process described in:

237 (a) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act,  
238 including Section 10-9a-528; and

239 (b) Title 17, Chapter 27a, County Land Use, Development, and Management Act,  
240 including Section 17-27a-525.

241 Section 3. Section 4-41a-1001 is amended to read:

242 **4-41a-1001. Medical cannabis pharmacy -- License -- Eligibility.**



- 243 (1) A person may not:
- 244 (a) operate as a medical cannabis pharmacy without a license that the department issues
- 245 under this part[-];
- 246 (b) obtain a medical cannabis pharmacy license if obtaining the license would cause the
- 247 person to exceed the pharmacy ownership limit;
- 248 (c) obtain a partial ownership share of a medical cannabis pharmacy if obtaining the
- 249 partial ownership share would cause the person to exceed the pharmacy ownership limit; or
- 250 (d) enter into any contract or agreement that allows the person to directly or indirectly
- 251 control the operations of a medical cannabis pharmacy if the person's control of the medical
- 252 cannabis pharmacy would cause the person to effectively exceed the pharmacy ownership limit.
- 253 (2) (a) (i) Subject to Subsections (4) and (5) and to Section [4-41a-1005](#), the department
- 254 shall issue a license to operate a medical cannabis pharmacy in accordance with Title 63G,
- 255 Chapter 6a, Utah Procurement Code.
- 256 (ii) The department may not issue a license to operate a medical cannabis pharmacy to
- 257 an applicant who is not eligible for a license under this section.
- 258 (b) An applicant is eligible for a license under this section if the applicant submits to
- 259 the department:
- 260 (i) subject to Subsection (2)(c), a proposed name and address where the applicant will
- 261 operate the medical cannabis pharmacy;
- 262 (ii) the name and address of an individual who:
- 263 (A) for a publicly traded company, has a financial or voting interest of 10% or greater
- 264 in the proposed medical cannabis pharmacy;
- 265 (B) for a privately held company, a financial or voting interest in the proposed medical
- 266 cannabis pharmacy; or
- 267 (C) has the power to direct or cause the management or control of a proposed medical
- 268 cannabis pharmacy;
- 269 (iii) for each application that the applicant submits to the department, a statement from
- 270 the applicant that the applicant will obtain and maintain:
- 271 (A) a performance bond in the amount of \$100,000 issued by a surety authorized to
- 272 transact surety business in the state; or
- 273 (B) a liquid cash account in the amount of \$100,000 with a financial institution;

- 274 (iv) an operating plan that:
- 275 (A) complies with Section 4-41a-1004;
- 276 (B) includes operating procedures to comply with the operating requirements for a  
277 medical cannabis pharmacy described in this part and with a relevant municipal or county law  
278 that is consistent with Section 4-41a-1106; and
- 279 (C) the department approves;
- 280 (v) an application fee in an amount that, subject to Subsection 4-41a-104(5), the  
281 department sets in accordance with Section 63J-1-504; and
- 282 (vi) a description of any investigation or adverse action taken by any licensing  
283 jurisdiction, government agency, law enforcement agency, or court in any state for any  
284 violation or detrimental conduct in relation to any of the applicant's cannabis-related operations  
285 or businesses.
- 286 (c) (i) A person may not locate a medical cannabis pharmacy:
- 287 (A) within 200 feet of a community location; or
- 288 (B) in or within 600 feet of a district that the relevant municipality or county has zoned  
289 as primarily residential.
- 290 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured  
291 from the nearest entrance to the medical cannabis pharmacy establishment by following the  
292 shortest route of ordinary pedestrian travel to the property boundary of the community location  
293 or residential area.
- 294 (iii) The department may grant a waiver to reduce the proximity requirements in  
295 Subsection (2)(c)(i) by up to 20% if the department determines that it is not reasonably feasible  
296 for the applicant to site the proposed medical cannabis pharmacy without the waiver.
- 297 (iv) An applicant for a license under this section shall provide evidence of compliance  
298 with the proximity requirements described in Subsection (2)(c)(i).
- 299 (d) The department may not issue a license to an eligible applicant that the department  
300 has selected to receive a license until the selected eligible applicant complies with the bond or  
301 liquid cash requirement described in Subsection (2)(b)(iii).
- 302 (e) If the department receives more than one application for a medical cannabis  
303 pharmacy within the same city or town, the department shall consult with the local land use  
304 authority before approving any of the applications pertaining to that city or town.

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

307 (a) charge the applicant an initial license fee in an amount that, subject to Subsection  
308 4-41a-104(5), the department sets in accordance with Section 63J-1-504;

309 (b) notify the Department of Public Safety of the license approval and the names of  
310 each individual described in Subsection (2)(b)(ii); and

311 (c) charge the licensee a fee in an amount that, subject to Subsection 4-41a-104(5), the  
312 department sets in accordance with Section 63J-1-504, for any change in location, ownership,  
313 or company structure.

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

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

317 (i) a felony; or

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

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

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

321 (5) (a) If an applicant for a medical cannabis pharmacy license under this section holds  
322 another license under this chapter, the department may not give preference to the applicant  
323 based on the applicant's status as a holder of the license.

324 (b) If an applicant for a medical cannabis pharmacy license under this section holds a  
325 license to operate a cannabis cultivation facility under this section, the department may give  
326 consideration to the applicant's status as a holder of the license if:

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

329 (ii) the department finds multiple other factors, in addition to the existing license, that  
330 support granting the new license.

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

332 (i) if the medical cannabis pharmacy does not begin operations within one year after  
333 the day on which the department issues an announcement of the department's intent to award a  
334 license to the medical cannabis pharmacy;

335 (ii) after the third the same violation of this chapter in any of the licensee's licensed

336 cannabis production establishments or medical cannabis pharmacies;

337 (iii) if an individual described in Subsection (2)(b)(ii) is convicted, while the license is  
338 active, under state or federal law of:

339 (A) a felony; or

340 (B) after December 3, 2018, a misdemeanor for drug distribution;

341 (iv) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at  
342 the time of application, or fails to supplement the information described in Subsection  
343 (2)(b)(vi) with any investigation or adverse action that occurs after the submission of the  
344 application within 14 calendar days after the licensee receives notice of the investigation or  
345 adverse action;

346 (v) if the medical cannabis pharmacy demonstrates a willful or reckless disregard for  
347 the requirements of this chapter or the rules the department makes in accordance with this  
348 chapter; or

349 (vi) if, after a change of ownership described in Subsection (11)(c), the department  
350 determines that the medical cannabis pharmacy no longer meets the minimum standards for  
351 licensure and operation of the medical cannabis pharmacy described in this chapter.

352 (b) The department shall rescind a notice of an intent to issue a license under this part  
353 to an applicant or revoke a license issued under this part if the associated medical cannabis  
354 pharmacy does not begin operation on or before June 1, 2021.

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

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

363 (8) The department shall deposit the proceeds of a fee imposed by this section into the  
364 Qualified Production Enterprise Fund.

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

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

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

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

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

373 (11) (a) A medical cannabis pharmacy license is not transferrable or assignable.

374 (b) A medical cannabis pharmacy shall report in writing to the department no later than  
375 10 business days before the date of any change of ownership of the medical cannabis  
376 pharmacy.

377 (c) If the ownership of a medical cannabis pharmacy changes by 50% or more:

378 (i) concurrent with the report described in Subsection (11)(b), the medical cannabis  
379 pharmacy shall submit a new application described in Subsection (2)(b), subject to Subsection  
380 (2)(c);

381 (ii) within 30 days of the submission of the application, the department shall:

382 (A) conduct an application review; and

383 (B) award a license to the medical cannabis pharmacy for the remainder of the term of  
384 the medical cannabis pharmacy's license before the ownership change if the medical cannabis  
385 pharmacy meets the minimum standards for licensure and operation of the medical cannabis  
386 pharmacy described in this chapter; and

387 (iii) if the department approves the license application, notwithstanding Subsection (3),  
388 the medical cannabis pharmacy shall pay a license fee that the department sets in accordance  
389 with Section 63J-1-504 in an amount that covers the board's cost of conducting the application  
390 review.

391 Section 4. Section 4-41a-1206 is enacted to read:

392 **4-41a-1206. Closed-door medical cannabis pharmacy.**

393 (1) (a) Subject to Subsections (1)(b) and (c), a home delivery medical cannabis  
394 pharmacy may open a single closed-door medical cannabis pharmacy.

395 (b) A home delivery medical cannabis pharmacy may not open a closed-door medical  
396 cannabis pharmacy unless the home delivery medical cannabis pharmacy:

397 (i) has an operating plan that includes a closed-door medical cannabis pharmacy; and

398 (ii) obtains a license issued by the department for a closed-door medical cannabis  
399 pharmacy.

400 (c) An entity that owns multiple home delivery medical cannabis pharmacies may open  
401 only one closed-door medical cannabis pharmacy.

402 (d) The department may institute a fee in accordance with Section 63J-1-504 to  
403 administer this section.

404 (2) A home delivery medical cannabis pharmacy that opens a closed-door medical  
405 cannabis pharmacy under Subsection (1) shall ensure:

406 (a) that a pharmacy medical provider who is a licensed pharmacist:

407 (i) is directly supervising the packaging of an order; and

408 (ii) is present in the closed-door medical cannabis pharmacy when an order is packaged  
409 for delivery; and

410 (b) all record keeping requirements, labeling requirements, and patient counseling  
411 requirements described in this chapter and Title 26B, Chapter 4, Part 2, Cannabinoid Research  
412 and Medical Cannabis, are satisfied before sending out an order.

413 (3) An individual who prepares an order at a closed-door medical cannabis pharmacy  
414 under this section shall be registered as:

415 (a) a pharmacy medical provider; or

416 (b) a medical cannabis pharmacy agent.

417 (4) (a) A closed-door medical cannabis pharmacy shall operate:

418 (i) except as provided in Subsection (4)(b), in a facility that is accessible only by an  
419 individual who is a pharmacy medical provider or a medical cannabis pharmacy agent; and

420 (ii) at a physical address in accordance with Subsection (6).

421 (b) A closed-door medical cannabis pharmacy may authorize an individual who is at  
422 least 18 years old and is not a pharmacy medical provider or a cannabis pharmacy agent to  
423 access the closed-door medical cannabis pharmacy if the closed-door medical cannabis  
424 pharmacy:

425 (i) tracks and monitors the individual at all times while the individual is at the  
426 closed-door medical cannabis pharmacy; and

427 (ii) maintains a record of the individual's access, including arrival and departure.

428 (c) A closed-door medical cannabis pharmacy shall operate in a facility that has:

- 429 (i) a single, secure public entrance; and  
430 (ii) a security system with a backup power source that:  
431 (A) detects and records entry into the closed-door medical cannabis pharmacy;  
432 (B) provides notice of an unauthorized entry to law enforcement when the closed-door  
433 medical cannabis pharmacy is closed; and  
434 (C) a lock or equivalent restrictive security feature on any area where the closed-door  
435 medical cannabis pharmacy stores a cannabis product.  
436 (d) A closed-door medical cannabis pharmacy shall ensure that any cannabis or  
437 cannabis products in the closed-door medical cannabis pharmacy that are intended for home  
438 delivery are separated in a manner that is readily distinguishable from any other cannabis or  
439 cannabis product in the facility.  
440 (5) A closed-door medical cannabis pharmacy may only provide cannabis or a cannabis  
441 product to an individual through a delivery that complies with this part.  
442 (6) (a) A person may not locate a closed-door medical cannabis pharmacy:  
443 (i) within 1,000 feet of a community location; or  
444 (ii) in or within 600 feet of a district that the relevant municipality or county has zoned  
445 as primarily residential.  
446 (b) The proximity requirements described in Subsection (6)(a) shall be measured from  
447 the nearest entrance to the closed-door medical cannabis pharmacy by following the shortest  
448 route of ordinary pedestrian travel to the property boundary of the community location or  
449 residential area.  
450 (c) The licensing board may grant a waiver to reduce the proximity requirements in  
451 Subsection (6)(a) by up to 20% if the licensing board determines that it is not reasonably  
452 feasible for the applicant to site the proposed closed-door medical cannabis pharmacy without  
453 the waiver.  
454 (d) An applicant for a license under this section shall provide evidence of compliance  
455 with the proximity requirements described in Subsection (6)(a).  
456 (7) When determining where a closed-door medical cannabis pharmacy may open, the  
457 licensing board:  
458 (a) shall utilize geographic regions created by the department through rule;  
459 (b) shall prioritize allowing entities that do not have a medical cannabis pharmacy in a

460 region to open a closed-door medical cannabis pharmacy in the region;

461 (c) ~~§~~ **→** [if] of ~~←~~ **§** the total amount of closed-door medical cannabis pharmacies, may allow  
461a only

462 three closed-door medical cannabis pharmacies to operate in counties of the first and second  
463 class as described in Section [17-50-501](#); and

464 (d) for determining the three closed-door medical cannabis pharmacies described in  
465 Subsection (7)(c), consider the following:

466 (i) the history of compliance with state law and rules for all licenses issued under this  
467 chapter;

468 (ii) the medical cannabis pharmacy's willingness to offer a variety of brands and  
469 products;

470 (iii) the ability of the operating plan to ensure the safety and security of the community;

471 (iv) the suitability of the proposed location and the location's ability to serve the local  
472 community; and

473 (v) any other relevant information determined through rule.

474 (8) A closed-door medical cannabis pharmacy may not account for more than:

475 (a) for an entity that holds a single medical cannabis pharmacy license, the greater of:

476 (i) 35% of the medical cannabis pharmacy's total revenue; or

477 (ii) \$2,000,000 in total revenue; or

478 (b) for an entity that holds more than one medical cannabis pharmacy license, the  
479 greater of:

480 (i) 35% of the total revenue of the entity's medical cannabis pharmacy that generates  
481 the most revenue; or

482 (ii) \$2,000,000 in total revenue.

482a **§ ~~→~~ (9) Notwithstanding any other provision of this section, the department may issue only**  
482b **three closed-door medical cannabis pharmacy licenses before July 1, 2027. ~~←~~ §**

483 **§ ~~→~~ [(9)] (10) ~~←~~ §** In accordance with Title 63G, Chapter 3, Utah Administrative  
483a Rulemaking Act, the

484 department shall make rules to implement this section.

485 Section 5. Section **10-9a-528** is amended to read:

486 **10-9a-528. Cannabis production establishments, medical cannabis pharmacies,**  
487 **and industrial hemp producer licensee.**

488 (1) As used in this section:

489 (a) "Cannabis production establishment" means the same as that term is defined in  
490 Section [4-41a-102](#) and includes a closed-door medical cannabis pharmacy.



491 (b) "Closed-door medical cannabis pharmacy" means the same as that term is defined  
492 in Section 4-41a-102.

493 ~~[(b)]~~ (c) "Industrial hemp producer licensee" means the same as the term "licensee" is  
494 defined in Section 4-41-102.

495 ~~[(c)]~~ (d) "Medical cannabis pharmacy" means the same as that term is defined in  
496 Section 26B-4-201.

497 (2) (a) (i) A municipality may not regulate a cannabis production establishment or a  
498 medical cannabis pharmacy in conflict with:

499 (A) Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies, and  
500 applicable jurisprudence; and

501 (B) this chapter.

502 (ii) A municipality may not regulate an industrial hemp producer licensee in conflict  
503 with:

504 (A) Title 4, Chapter 41, Hemp and Cannabinoid Act, and applicable jurisprudence; and

505 (B) this chapter.

506 (b) The Department of Agriculture and Food has plenary authority to license programs  
507 or entities that operate a cannabis production establishment or a medical cannabis pharmacy.

508 (3) (a) Within the time period described in Subsection (3)(b), a municipality shall  
509 prepare and adopt a land use regulation, development agreement, or land use decision in  
510 accordance with this title and:

511 (i) regarding a cannabis production establishment, Section 4-41a-406; or

512 (ii) regarding a medical cannabis pharmacy, Section ~~[4-41a-110]~~ 4-41a-1105.

513 (b) A municipality shall take the action described in Subsection (3)(a):

514 (i) before January 1, 2021, within 45 days after the day on which the municipality  
515 receives a petition for the action; and

516 (ii) after January 1, 2021, in accordance with Subsection 10-9a-509.5(2).

517 Section 6. Section 17-27a-525 is amended to read:

518 **17-27a-525. Cannabis production establishments and medical cannabis**  
519 **pharmacies.**

520 (1) As used in this section:

521 (a) "Cannabis production establishment" means the same as that term is defined in

522 Section [4-41a-102](#) and includes a closed-door medical cannabis pharmacy.

523 (b) "Closed-door medical cannabis pharmacy" means the same as that term is defined  
524 in Section [4-41a-102](#).

525 ~~[(b)]~~ (c) "Industrial hemp producer licensee" means the same as the term "licensee" is  
526 defined in Section [4-41-102](#).

527 ~~[(c)]~~ (d) "Medical cannabis pharmacy" means the same as that term is defined in  
528 Section [26B-4-201](#).

529 (2) (a) (i) A county may not regulate a cannabis production establishment or a medical  
530 cannabis pharmacy in conflict with:

531 (A) Title 4, Chapter 41a, Cannabis Production Establishments and Pharmacies, and  
532 applicable jurisprudence; and

533 (B) this chapter.

534 (ii) A county may not regulate an industrial hemp producer licensee in conflict with:

535 (A) Title 4, Chapter 41, Hemp and Cannabinoid Act, and applicable jurisprudence; and

536 (B) this chapter.

537 (b) The Department of Agriculture and Food has plenary authority to license programs  
538 or entities that operate a cannabis production establishment or a medical cannabis pharmacy.

539 (3) (a) Within the time period described in Subsection (3)(b), a county shall prepare  
540 and adopt a land use regulation, development agreement, or land use decision in accordance  
541 with this title and:

542 (i) regarding a cannabis production establishment, Section [4-41a-406](#); or

543 (ii) regarding a medical cannabis pharmacy, Section ~~[[4-41a-110](#)]~~ [4-41a-1105](#).

544 (b) A county shall take the action described in Subsection (3)(a):

545 (i) before January 1, 2021, within 45 days after the day on which the county receives a  
546 petition for the action; and

547 (ii) after January 1, 2021, in accordance with Subsection [17-27a-509.5\(2\)](#).

548 Section 7. Section **26B-1-435** is amended to read:

549 **26B-1-435. Medical Cannabis Policy Advisory Board creation -- Membership --**

550 **Duties.**

551 (1) There is created within the department the Medical Cannabis Policy Advisory  
552 Board.

553 (2) (a) The advisory board shall consist of the following members:

554 (i) appointed by the executive director:

555 (A) a qualified medical provider who has recommended medical cannabis to at least  
556 100 patients [~~who have a medical cannabis patient card at the time of appointment~~] before  
557 being appointed;

558 (B) a medical research professional;

559 (C) a mental health specialist;

560 (D) an individual who represents an organization that advocates for medical cannabis  
561 patients;

562 (E) an individual who holds a medical cannabis patient card; and

563 (F) a member of the general public who does not hold a medical cannabis card; and

564 (ii) appointed by the commissioner of the Department of Agriculture and Food:

565 (A) an individual who owns or operates a licensed cannabis cultivation facility;

566 (B) an individual who owns or operates a licensed medical cannabis pharmacy; and

567 (C) a law enforcement officer.

568 (b) The commissioner of the Department of Agriculture and Food shall ensure that at  
569 least one individual appointed under Subsection (2)(a)(ii)(A) or (B) also owns or operates a  
570 licensed cannabis processing facility.

571 (3) (a) Subject to Subsection (3)(b), a member of the advisory board shall serve for a  
572 four year term.

573 (b) When appointing the initial membership of the advisory board, the executive  
574 director and the commissioner of the Department of Agriculture and Food shall coordinate to  
575 appoint four advisory board members to serve a term of two years to ensure that approximately  
576 half of the board is appointed every two years.

577 (4) (a) If an advisory board member is no longer able to serve as a member, a new  
578 member shall be appointed in the same manner as the original appointment.

579 (b) A member appointed in accordance with Subsection (4)(a) shall serve for the  
580 remainder of the unexpired term of the original appointment.

581 (5) (a) A majority of the advisory board members constitutes a quorum.

582 (b) The action of a majority of a quorum constitutes an action of the advisory board.

583 (c) [~~The~~] For a term lasting one year, the advisory board shall annually designate [~~one~~

584 ~~of the advisory board's members]~~ members of the advisory board to serve as chair [~~for a~~  
585 ~~one-year period.]~~ and vice-chair.

586 (d) When designating the chair and vice-chair, the advisory board shall ensure that at  
587 least one individual described Subsection (2)(a)(i) is appointed as chair or vice-chair.

588 (6) An advisory board member may not receive compensation or benefits for the  
589 member's service on the advisory board but may receive per diem and reimbursement for travel  
590 expenses incurred as an advisory board member in accordance with:

591 (a) Sections [63A-3-106](#) and [63A-3-107](#); and

592 (b) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and  
593 [63A-3-107](#).

594 (7) The department shall:

595 (a) provide staff support for the advisory board; and

596 (b) assist the advisory board in conducting meetings.

597 (8) The advisory board may recommend:

598 (a) to the department or the Department of Agriculture and Food changes to current or  
599 proposed medical cannabis rules or statutes;

600 (b) to the appropriate legislative committee whether the advisory board supports a  
601 change to medical cannabis statutes.

602 (9) The advisory board shall:

603 (a) review any draft rule that is authorized under this chapter or Title 4, Chapter 41a,  
604 Cannabis Production Establishments and Pharmacies;

605 (b) consult with the Department of Agriculture and Food regarding the issuance of an  
606 additional:

607 (i) cultivation facility license under Section [4-41a-205](#); or

608 (ii) pharmacy license under Section [4-41a-1005](#);

609 (c) consult with the department regarding cannabis patient education;

610 (d) consult regarding the reasonableness of any fees set by the department or the  
611 Department of Agriculture and Food that pertain to the medical cannabis program; and

612 (e) consult regarding any issue pertaining to medical cannabis when asked by the  
613 department or the Utah Department of Agriculture and Food.

614 Section 8. Section **26B-4-219** is amended to read:

615 **26B-4-219. Pharmacy medical providers -- Registration -- Continuing education.**

616 (1) (a) A medical cannabis pharmacy:

617 (i) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy  
618 Practice Act, as a pharmacy medical provider;

619 (ii) may employ a physician who has the authority to write a prescription and is  
620 licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah  
621 Osteopathic Medical Practice Act, as a pharmacy medical provider;

622 (iii) shall ensure that a pharmacy medical provider described in Subsection (1)(a)(i)  
623 works onsite during all business hours; and

624 (iv) shall designate one pharmacy medical provider described in Subsection (1)(a)(i) as  
625 the pharmacist-in-charge to oversee the operation of and generally supervise the medical  
626 cannabis pharmacy.

627 (b) The pharmacist-in-charge shall determine which cannabis and cannabis products  
628 the medical cannabis pharmacy maintains in the medical cannabis pharmacy's inventory.

629 ~~[(b)]~~ (c) An individual may not serve as a pharmacy medical provider unless the  
630 department registers the individual as a pharmacy medical provider in accordance with  
631 Subsection (2).

632 (2) (a) The department shall, within 15 days after the day on which the department  
633 receives an application from a medical cannabis pharmacy on behalf of a prospective pharmacy  
634 medical provider, register and issue a pharmacy medical provider registration card to the  
635 prospective pharmacy medical provider if the medical cannabis pharmacy:

636 (i) provides to the department:

637 (A) the prospective pharmacy medical provider's name and address;

638 (B) the name and location of the licensed medical cannabis pharmacy where the  
639 prospective pharmacy medical provider seeks to act as a pharmacy medical provider;

640 (C) a report detailing the completion of the continuing education requirement described  
641 in Subsection (3); and

642 (D) evidence that the prospective pharmacy medical provider is a pharmacist who is  
643 licensed under Title 58, Chapter 17b, Pharmacy Practice Act, or a physician who has the  
644 authority to write a prescription and is licensed under Title 58, Chapter 67, Utah Medical  
645 Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; and

646 (ii) pays a fee to the department in an amount that, subject to Subsection 26B-1-310(5),  
647 the department sets in accordance with Section 63J-1-504.

648 (b) The department may not register a recommending medical provider as a pharmacy  
649 medical provider.

650 (3) (a) A pharmacy medical provider shall complete the continuing education described  
651 in this Subsection (3) in the following amounts:

652 (i) as a condition precedent to registration, four hours; and  
653 (ii) as a condition precedent to renewal of the registration, four hours every two years.

654 (b) In accordance with Subsection (3)(a), the pharmacy medical provider shall:

655 (i) complete continuing education:

656 (A) regarding the topics described in Subsection (3)(d); and

657 (B) offered by the department under Subsection (3)(c) or an accredited or approved  
658 continuing education provider that the department recognizes as offering continuing education  
659 appropriate for the medical cannabis pharmacy practice; and

660 (ii) make a continuing education report to the department in accordance with a process  
661 that the department establishes by rule, in accordance with Title 63G, Chapter 3, Utah  
662 Administrative Rulemaking Act, and in collaboration with the Division of Professional  
663 Licensing and:

664 (A) for a pharmacy medical provider who is licensed under Title 58, Chapter 17b,  
665 Pharmacy Practice Act, the Board of Pharmacy;

666 (B) for a pharmacy medical provider licensed under Title 58, Chapter 67, Utah Medical  
667 Practice Act, the Physicians Licensing Board; and

668 (C) for a pharmacy medical provider licensed under Title 58, Chapter 68, Utah  
669 Osteopathic Medical Practice Act, the Osteopathic Physician and Surgeon's Licensing Board.

670 (c) The department may, in consultation with the Division of Professional Licensing,  
671 develop the continuing education described in this Subsection (3).

672 (d) The continuing education described in this Subsection (3) may discuss:

673 (i) the provisions of this part;

674 (ii) general information about medical cannabis under federal and state law;

675 (iii) the latest scientific research on the endocannabinoid system and medical cannabis,  
676 including risks and benefits;

677 (iv) recommendations for medical cannabis as it relates to the continuing care of a  
678 patient in pain management, risk management, potential addiction, and palliative care; or

679 (v) best practices for recommending the form and dosage of [a] medical cannabis  
680 [product] based on the qualifying condition underlying a medical cannabis recommendation.

681 (4) (a) A pharmacy medical provider registration card expires two years after the day  
682 on which the department issues or renews the card.

683 (b) A pharmacy medical provider may renew the provider's registration card if the  
684 provider:

685 (i) is eligible for a pharmacy medical provider registration card under this section;

686 (ii) certifies to the department in a renewal application that the information in  
687 Subsection (2)(a) is accurate or updates the information;

688 (iii) submits a report detailing the completion of the continuing education requirement  
689 described in Subsection (3); and

690 (iv) pays to the department a renewal fee in an amount that:

691 (A) subject to Subsection 26B-1-310(5), the department sets in accordance with  
692 Section 63J-1-504; and

693 (B) may not exceed the cost of the relatively lower administrative burden of renewal in  
694 comparison to the original application process.

695 (5) (a) Except as provided in Subsection (5)(b), a person may not advertise that the  
696 person or another person dispenses medical cannabis.

697 (b) Notwithstanding Subsection (5)(a) and Section 4-41a-109, a registered pharmacy  
698 medical provider may advertise the following:

699 (i) a green cross;

700 (ii) that the person is registered as a pharmacy medical provider and dispenses medical  
701 cannabis; or

702 (iii) a scientific study regarding medical cannabis use.

703 (6) (a) The department may revoke a pharmacy medical provider's registration for a  
704 violation of this chapter.

705 (b) The department may inspect patient records held by a medical cannabis pharmacy  
706 to ensure a pharmacy medical provider is practicing in accordance with this chapter and  
707 applicable rules.

708 Section 9. Section **26B-4-231** is amended to read:

709 **26B-4-231. Partial filling -- Pharmacy medical provider directions of use.**

710 (1) As used in this section, "partially fill" means to provide less than the full amount of  
711 cannabis or cannabis product that the recommending medical provider recommends, if the  
712 recommending medical provider recommended specific dosing guidelines.

713 (2) A pharmacy medical provider may partially fill a recommendation for a medical  
714 cannabis treatment at the request of the recommending medical provider who issued the  
715 medical cannabis treatment recommendation or the medical cannabis cardholder.

716 (3) The department shall make rules, in collaboration with the Division of Professional  
717 Licensing and the Board of Pharmacy and in accordance with Title 63G, Chapter 3, Utah  
718 Administrative Rulemaking Act, specifying how to record the date, quantity supplied, and  
719 quantity remaining of a partially filled medical cannabis treatment recommendation.

720 (4) A pharmacy medical provider who is a pharmacist may, upon the request of a  
721 medical cannabis cardholder, determine different dosing guidelines, subject to the dosing limits  
722 in Subsection [4-41a-1102\(2\)](#), to fill the quantity remaining of a partially filled medical cannabis  
723 treatment recommendation if:

724 (a) the pharmacy medical provider determined dosing guidelines for the partial fill  
725 under Subsection [4-41a-1102\(5\)](#) or (6); and

726 (b) the medical cannabis cardholder reports that:

727 (i) the partial fill did not substantially affect the qualifying condition underlying the  
728 medical cannabis recommendation; or

729 (ii) the patient experienced an adverse reaction to the partial fill or was otherwise  
730 unable to successfully use the partial fill.

731 (5) If a recommending medical provider recommends treatment with medical cannabis  
732 but wishes for the pharmacy medical provider to determine directions of use and dosing  
733 guidelines:

734 (a) the recommending medical provider shall provide to the pharmacy medical  
735 provider, either through the state electronic verification system or through a medical cannabis  
736 pharmacy's recording of a recommendation under the order of a limited medical provider, any  
737 of the following information that the recommending medical provider feels would be needed to  
738 provide appropriate directions of use and dosing guidelines:



- 739 (i) information regarding the qualifying condition underlying the recommendation;
- 740 (ii) information regarding prior treatment attempts with medical cannabis; and
- 741 (iii) portions of the patient's current medication list; and

742 (b) before the relevant medical cannabis cardholder may obtain medical cannabis, the  
743 pharmacy medical provider shall:

744 (i) review pertinent medical records, including the recommending medical provider  
745 documentation described in Subsection (5)(a); and

746 (ii) ~~[unless the pertinent medical records show directions of use and dosing guidelines~~  
747 ~~from a state central patient portal medical provider in accordance with Subsection (6),]~~ after  
748 completing the review described in Subsection (5)(b)(i) and consulting with the recommending  
749 medical provider as needed, determine the best course of treatment through consultation with  
750 the cardholder regarding:

751 (A) the patient's qualifying condition underlying the recommendation from the  
752 recommending medical provider;

753 (B) indications for available treatments;

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

755 (D) potential adverse reactions.

756 Section 10. **Repealer.**

757 This bill repeals:

758 Section [26B-1-435.1](#), **Medical Cannabis Policy Advisory Board duties.**

759 Section 11. **Effective date.**

760 This bill takes effect on May 1, 2024.