

Senator Luz Escamilla proposes the following substitute bill:

MEDICAL CANNABIS AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Luz Escamilla

House Sponsor: Raymond P. Ward

LONG TITLE

General Description:

This bill modifies provisions related to medical cannabis.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ allows the delivery of medical cannabis to more address types;
- ▶ allows a medical cannabis pharmacy to engage in additional targeted marketing;
- ▶ allows a medical cannabis processor to engage in targeted marketing subject to administrative rule;
- ▶ allows a medical clinic to engage in targeted marketing;
- ▶ prohibits anticompetitive behavior;
- ▶ modifies provisions related to cannabis production facility applications;
- ▶ modifies the duties and membership of the Medical Cannabis Production and Pharmacy Licensing Board (licensing board);
- ▶ prohibits the use of certain terms on medical cannabis products;
- ▶ modifies reporting requirements;
- ▶ changes requirements related to felonies and obtaining certain cannabis business licenses;



- 26 ▶ requires pharmacy licenses to be renewed and awarded under the licensing board;
- 27 ▶ allows additional medical providers to provide recommendations to the
- 28 Compassionate Use Board;
- 29 ▶ allows a public employee to file a complaint with the Labor Commission regarding
- 30 discriminatory practices related to medical cannabis use;
- 31 ▶ creates a penalty for a health care provider who provides medical cannabis
- 32 recommendations for an entity that is violating advertisement restrictions; and
- 33 ▶ extends the repeal date of the Medical Cannabis Governance Structure Working
- 34 Group.

35 Money Appropriated in this Bill:

36 None

37 Other Special Clauses:

38 This bill provides a coordination clause.

39 Utah Code Sections Affected:

40 AMENDS:

- 41 **4-41a-102**, as last amended by Laws of Utah 2023, Chapters 273, 313 and 327
- 42 **4-41a-201**, as last amended by Laws of Utah 2023, Chapters 273, 313 and 327 and last
- 43 amended by Coordination Clause, Laws of Utah 2023, Chapter 327
- 44 **4-41a-201.1**, as enacted by Laws of Utah 2021, Chapter 350
- 45 **4-41a-202**, as renumbered and amended by Laws of Utah 2018, Third Special Session,
- 46 Chapter 1
- 47 **4-41a-301**, as last amended by Laws of Utah 2023, Chapter 313
- 48 **4-41a-401**, as renumbered and amended by Laws of Utah 2018, Third Special Session,
- 49 Chapter 1
- 50 **4-41a-602**, as last amended by Laws of Utah 2023, Chapter 313
- 51 **4-41a-802**, as last amended by Laws of Utah 2023, Chapter 273
- 52 **4-41a-1001**, as last amended by Laws of Utah 2023, Chapter 317 and renumbered and
- 53 amended by Laws of Utah 2023, Chapters 273, 307 and last amended by
- 54 Coordination Clause, Laws of Utah 2023, Chapter 307
- 55 **4-41a-1005**, as renumbered and amended by Laws of Utah 2023, Chapters 273, 307 and
- 56 last amended by Coordination Clause, Laws of Utah 2023, Chapter 307

57 **4-41a-1101**, as last amended by Laws of Utah 2023, Chapter 317 and renumbered and
58 amended by Laws of Utah 2023, Chapters 273, 307 and last amended by
59 Coordination Clause, Laws of Utah 2023, Chapter 307

60 **4-41a-1102**, as last amended by Laws of Utah 2023, Chapter 317 and renumbered and
61 amended by Laws of Utah 2023, Chapters 273, 307 and last amended by
62 Coordination Clause, Laws of Utah 2023, Chapter 307

63 **4-41a-1106**, as last amended by Laws of Utah 2023, Chapter 317 and renumbered and
64 amended by Laws of Utah 2023, Chapters 273, 307 and last amended by
65 Coordination Clause, Laws of Utah 2023, Chapter 307

66 **4-41a-1202**, as last amended by Laws of Utah 2023, Chapter 317 and renumbered and
67 amended by Laws of Utah 2023, Chapters 273, 307 and last amended by
68 Coordination Clause, Laws of Utah 2023, Chapter 307

69 **26B-1-421**, as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered
70 and amended by Laws of Utah 2023, Chapter 305

71 **26B-4-201**, as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered
72 and amended by Laws of Utah 2023, Chapter 307

73 **26B-4-202**, as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered
74 and amended by Laws of Utah 2023, Chapter 307 and last amended by
75 Coordination Clause, Laws of Utah 2023, Chapter 307

76 **26B-4-204**, as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered
77 and amended by Laws of Utah 2023, Chapter 307 and last amended by
78 Coordination Clause, Laws of Utah 2023, Chapter 307

79 **26B-4-207**, as renumbered and amended by Laws of Utah 2023, Chapter 307

80 **26B-4-213**, as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered
81 and amended by Laws of Utah 2023, Chapter 307 and last amended by
82 Coordination Clause, Laws of Utah 2023, Chapter 307

83 **26B-4-245**, as enacted by Laws of Utah 2023, Chapter 273

84 **63I-2-236**, as last amended by Laws of Utah 2023, Chapters 87, 101 and 273

85 ENACTS:

86 **4-41a-604**, Utah Code Annotated 1953

87 **34A-5-114**, Utah Code Annotated 1953

88 **Utah Code Sections Affected By Coordination Clause:**

89 **4-41a-102**, as last amended by Laws of Utah 2023, Chapters 273, 313 and 327

90 **26B-4-201**, as last amended by Laws of Utah 2023, Chapters 273, 317 and renumbered
91 and amended by Laws of Utah 2023, Chapter 307



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

94 *The following section is affected by a coordination clause at the end of this bill.*

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

96 **4-41a-102. Definitions.**

97 As used in this chapter:

98 (1) "Adulterant" means any poisonous or deleterious substance in a quantity that may
99 be injurious to health, including:

- 100 (a) pesticides;
- 101 (b) heavy metals;
- 102 (c) solvents;
- 103 (d) microbial life;
- 104 (e) artificially derived cannabinoid;
- 105 (f) toxins; or
- 106 (g) foreign matter.

107 (2) "Advisory board" means the Medical Cannabis Policy Advisory Board created in
108 Section **26B-1-435**.

109 (3) (a) "Anticompetitive business practice" means any practice that reduces the amount
110 of competition in the medical cannabis market that would be considered ~~H~~→ :

110a **(i)** ~~←H~~ an attempt to

111 monopolize, as defined in Section **76-10-3103** ~~H~~→ [;] ; or

111a **(ii) an illegal anticompetitive activity under Section 76-10-3104.** ~~←H~~

112 (b) "Anticompetitive business practice" may include:

113 (i) agreements that may be considered unreasonable when competitors interact to the
114 extent that they are:

- 115 (A) no longer acting independently; or
- 116 (B) when collaborating are able to wield market power together;

117 (ii) monopolizing or attempting to monopolize trade by:

- 118 (A) acting to maintain or acquire a dominant position in the market; or

119 (B) preventing new entry into the market; or

120 (iii) other conduct outlined in rule.

121 ~~[(3)]~~ (4) (a) "Artificially derived cannabinoid" means a chemical substance that is
122 created by a chemical reaction that changes the molecular structure of any chemical substance
123 derived from the cannabis plant.

124 (b) "Artificially derived cannabinoid" does not include:

125 (i) a naturally occurring chemical substance that is separated from the cannabis plant
126 by a chemical or mechanical extraction process; or

127 (ii) a cannabinoid that is produced by decarboxylation from a naturally occurring
128 cannabinoid acid without the use of a chemical catalyst.

129 ~~[(4)]~~ (5) "Cannabis Research Review Board" means the Cannabis Research Review
130 Board created in Section [26B-1-420](#).

131 ~~[(5)]~~ (6) "Cannabis" means the same as that term is defined in Section [26B-4-201](#).

132 ~~[(6)]~~ (7) "Cannabis concentrate" means:

133 (a) the product of any chemical or physical process applied to naturally occurring
134 biomass that concentrates or isolates the cannabinoids contained in the biomass; and

135 (b) any amount of a natural cannabinoid or artificially derived cannabinoid in an
136 artificially derived cannabinoid's purified state.

137 ~~[(7)]~~ (8) "Cannabis cultivation byproduct" means any portion of a cannabis plant that is
138 not intended to be sold as a cannabis plant product.

139 ~~[(8)]~~ (9) "Cannabis cultivation facility" means a person that:

140 (a) possesses cannabis;

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

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

144 ~~[(9)]~~ (10) "Cannabis cultivation facility agent" means an individual who~~[:]~~ holds a
145 valid cannabis production establishment agent registration card with a cannabis cultivation
146 facility designation.

147 ~~[(10)]~~ (11) "Cannabis derivative product" means a product made using cannabis
148 concentrate.

149 ~~[(11)]~~ (12) "Cannabis plant product" means any portion of a cannabis plant intended to

150 be sold in a form that is recognizable as a portion of a cannabis plant.

151 ~~[(12)]~~ (13) "Cannabis processing facility" means a person that:

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

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

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

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

158 ~~[(13)]~~ (14) "Cannabis processing facility agent" means an individual who~~[-]~~ holds a
159 valid cannabis production establishment agent registration card with a cannabis processing
160 facility designation.

161 ~~[(14)]~~ (15) "Cannabis product" means the same as that term is defined in Section
162 [26B-4-201](#).

163 ~~[(15)]~~ (16) "Cannabis production establishment" means a cannabis cultivation facility,
164 a cannabis processing facility, or an independent cannabis testing laboratory.

165 ~~[(16)]~~ (17) "Cannabis production establishment agent" means a cannabis cultivation
166 facility agent, a cannabis processing facility agent, or an independent cannabis testing
167 laboratory agent.

168 ~~[(17)]~~ (18) "Cannabis production establishment agent registration card" means a
169 registration card that the department issues that:

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

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

173 ~~[(18)]~~ (19) "Community location" means a public or private elementary or secondary
174 school, a church, a public library, a public playground, or a public park.

175 ~~[(19)]~~ (20) "Cultivation space" means, quantified in square feet, the horizontal area in
176 which a cannabis cultivation facility cultivates cannabis, including each level of horizontal area
177 if the cannabis cultivation facility hangs, suspends, stacks, or otherwise positions plants above
178 other plants in multiple levels.

179 ~~[(20)]~~ (21) "Delivery address" means:

180 (a) for a medical cannabis cardholder who is not a facility~~[-]~~:

181 (i) the medical cannabis cardholder's home address; or
182 (ii) an address designated by the medical cannabis cardholder that:
183 (A) is the medical cannabis cardholder's workplace; and
184 (B) is not a community location; or
185 (b) for a medical cannabis cardholder that is a facility, the facility's address.

186 ~~[(21)]~~ (22) "Department" means the Department of Agriculture and Food.
187 ~~[(22)]~~ (23) "Family member" means a parent, step-parent, spouse, child, sibling,
188 step-sibling, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law,
189 brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, or grandchild.

190 (24) "Government issued photo identification" means the same as that term is defined
191 in Section [26B-4-201](#), including expired identification in accordance with Section [26B-4-244](#).

192 ~~[(23)]~~ (25) "Home delivery medical cannabis pharmacy" means a medical cannabis
193 pharmacy that the department authorizes, as part of the pharmacy's license, to deliver medical
194 cannabis shipments to a delivery address to fulfill electronic orders that the state central patient
195 portal facilitates.

196 ~~[(24)]~~ (26) (a) "Independent cannabis testing laboratory" means a person that:
197 (i) conducts a chemical or other analysis of cannabis or a cannabis product; or
198 (ii) acquires, possesses, and transports cannabis or a cannabis product with the intent to
199 conduct a chemical or other analysis of the cannabis or cannabis product.

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

202 ~~[(25)]~~ (27) "Independent cannabis testing laboratory agent" means an individual who[:]
203 holds a valid cannabis production establishment agent registration card with an independent
204 cannabis testing laboratory designation.

205 ~~[(26)]~~ (28) "Inventory control system" means a system described in Section [4-41a-103](#).

206 ~~[(27)]~~ (29) "Licensing board" or "board" means the Cannabis Production Establishment
207 and Pharmacy Licensing Advisory Board created in Section [4-41a-201.1](#).

208 ~~[(28)]~~ (30) "Medical cannabis" means the same as that term is defined in Section
209 [26B-4-201](#).

210 ~~[(29)]~~ (31) "Medical cannabis card" means the same as that term is defined in Section
211 [26B-4-201](#).

212 [~~(30)~~] (32) "Medical cannabis courier" means a courier that:

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

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

216 [~~(31)~~] (33) "Medical cannabis courier agent" means an individual who:

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

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

219 [~~(32)~~] (34) "Medical cannabis pharmacy" means the same as that term is defined in
220 Section 26B-4-201.

221 [~~(33)~~] (35) "Medical cannabis pharmacy agent" means the same as that term is defined
222 in Section 26B-4-201.

223 [~~(34)~~] (36) "Medical cannabis research license" means a license that the department
224 issues to a research university for the purpose of obtaining and possessing medical cannabis for
225 academic research.

226 [~~(35)~~] (37) "Medical cannabis research licensee" means a research university that the
227 department licenses to obtain and possess medical cannabis for academic research, in
228 accordance with Section 4-41a-901.

229 [~~(36)~~] (38) "Medical cannabis shipment" means a shipment of medical cannabis [~~or a~~
230 ~~medical cannabis product~~] that a home delivery medical cannabis pharmacy or a medical
231 cannabis courier delivers to a delivery address to fulfill an electronic medical cannabis order
232 that the state central patient portal facilitates.

233 [~~(37)~~] (39) "Medical cannabis treatment" means the same as that term is defined in
234 Section 26B-4-201.

235 [~~(38)~~] (40) "Medicinal dosage form" means the same as that term is defined in Section
236 26B-4-201.

237 [~~(39)~~] (41) "Pharmacy medical provider" means the same as that term is defined in
238 Section 26B-4-201.

239 [~~(40)~~] (42) "Qualified medical provider" means the same as that term is defined in
240 Section 26B-4-201.

241 [~~(41)~~] (43) "Qualified Production Enterprise Fund" means the fund created in Section
242 4-41a-104.

243 [~~(42)~~] (44) "Recommending medical provider" means the same as that term is defined
244 in Section 26B-4-201.

245 [~~(43)~~] (45) "Research university" means the same as that term is defined in Section
246 53B-7-702 and a private, nonprofit college or university in the state that:

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

251 [~~(44)~~] (46) "State electronic verification system" means the system described in Section
252 26B-4-202.

253 (47) "Targeted marketing" means the promotion of a cannabis product, medical
254 cannabis brand, or a medical cannabis device using any of the following methods:

- 255 (a) electronic communication to an individual who is at least 21 years old and has
256 requested to receive promotional information;
- 257 (b) an in-person marketing event that is:
 - 258 (i) held inside a medical cannabis pharmacy; and
 - 259 (ii) in an area where only a medical cannabis cardholder may access the event;
- 260 (c) other marketing material that is physically available or digitally displayed in a
261 medical cannabis pharmacy; or
- 262 (d) a leaflet a medical cannabis pharmacy places in the opaque package or box that is
263 provided to an individual when obtaining medical cannabis:
 - 264 (i) in the medical cannabis pharmacy;
 - 265 (ii) at the medical cannabis pharmacy's drive-through pick up window; or
 - 266 (iii) in a medical cannabis shipment.

267 [~~(45)~~] (48) "Tetrahydrocannabinol" or "THC" means the same as that term is defined in
268 Section 4-41-102.

269 [~~(46)~~] (49) "THC analog" means the same as that term is defined in Section 4-41-102.

270 [~~(47)~~] (50) "Total composite tetrahydrocannabinol" means all detectable forms of
271 tetrahydrocannabinol.

272 [~~(48)~~] (51) "Total tetrahydrocannabinol" or "total THC" means the same as that term is
273 defined in Section 4-41-102.

274 Section 2. Section 4-41a-201 is amended to read:

275 **4-41a-201. Cannabis production establishment -- License.**

276 (1) Except as provided in Subsection (14), a person may not operate a cannabis
277 production establishment without a license that the department issues under this chapter.

278 (2) (a) (i) Subject to Subsections (6), (7), (8), and (13) and to Section 4-41a-205, for a
279 licensing process that the department initiates after March 17, 2021, the department, through
280 the licensing board, shall issue licenses in accordance with Section 4-41a-201.1.

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

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

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

285 (C) timely and objectively evaluate applications;

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

287 (E) select applicants to receive a license.

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

290 (b) An applicant is eligible for a license under this section if the applicant submits to
291 the licensing board:

292 (i) subject to Subsection (2)(c), a proposed name and address or, for a cannabis
293 cultivation facility, addresses of no more than two facility locations, located in a zone described
294 in Subsection 4-41a-406(2)(a) or (b), where the applicant will operate the cannabis production
295 establishment;

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

297 (A) for a publicly traded company, a financial or voting interest of [~~2%~~] 10% or greater
298 in the proposed cannabis production establishment;

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

301 (C) the power to direct or cause the management or control of a proposed cannabis
302 production establishment;

303 (iii) an operating plan that:

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

305 (B) includes operating procedures that comply with this chapter and any law the
306 municipality or county in which the person is located adopts that is consistent with Section
307 4-41a-406; and

308 (C) the department or licensing board approves;

309 (iv) a statement that the applicant will obtain and maintain a liquid cash account with a
310 financial institution or a performance bond that a surety authorized to transact surety business
311 in the state issues in an amount of at least:

312 (A) \$100,000 for each cannabis cultivation facility for which the applicant applies; or

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

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

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

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

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

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

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

329 (iii) The licensing board may grant a waiver to reduce the proximity requirements in
330 Subsection (2)(c)(i) by up to 20% if the licensing board determines that it is not reasonably
331 feasible for the applicant to site the proposed cannabis production establishment without the
332 waiver.

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

335 (3) If the licensing board approves an application for a license under this section and

336 Section 4-41a-201.1:

337 (a) the applicant shall pay the department~~[-(i)]~~ an initial license fee in an amount that,
338 subject to Subsection 4-41a-104(5), the department sets in accordance with Section 63J-1-504~~[-~~
339 ~~or]; and~~

340 ~~[(ii) a fee for a 120-day limited license to operate as a cannabis processing facility~~
341 ~~described in Subsection (3)(b) that is equal to 33% of the initial license fee described in~~
342 ~~Subsection (3)(a)(i); and]~~

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

345 (4) (a) Except as provided in Subsection (4)(b), a cannabis production establishment
346 shall obtain a separate license for each type of cannabis production establishment and each
347 location of a cannabis production establishment.

348 (b) The licensing board may issue a cannabis cultivation facility license and a cannabis
349 processing facility license to a person to operate at the same physical location or at separate
350 physical locations.

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

354 (6) The licensing board may not issue a license to operate an independent cannabis
355 testing laboratory to a person who:

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

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

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

364 (7) The licensing board may not issue a license to operate a cannabis production
365 establishment to an applicant if any individual described in Subsection (2)(b)(ii):

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

- 367 (i) a felony in the preceding 10 years; or
- 368 (ii) after December 3, 2018, a misdemeanor for drug distribution;
- 369 (b) is younger than 21 years old; or
- 370 (c) after September 23, 2019, until January 1, 2023, is actively serving as a legislator.

371 (8) (a) If an applicant for a cannabis production establishment license under this
372 section holds a license under Title 4, Chapter 41, Hemp and Cannabinoid Act, the licensing
373 board may not give preference to the applicant based on the applicant's status as a holder of the
374 license.

375 (b) If an applicant for a license to operate a cannabis cultivation facility under this
376 section holds a license to operate a medical cannabis pharmacy under this title, the licensing
377 board may give consideration to the applicant based on the applicant's status as a holder of a
378 medical cannabis pharmacy license if:

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

381 (ii) the licensing board finds multiple other factors, in addition to the existing license,
382 that support granting the new license.

383 (9) The licensing board may revoke a license under this part:

384 (a) if the cannabis production establishment does not begin cannabis production
385 operations within one year after the day on which the licensing board issues the initial license;

386 (b) after the third of the same violation of this chapter in any of the licensee's licensed
387 cannabis production establishments or medical cannabis pharmacies;

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

390 (i) a felony; or

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

392 (d) if the licensee fails to provide the information described in Subsection (2)(b)(vi) at
393 the time of application, or fails to supplement the information described in Subsection
394 (2)(b)(vi) with any investigation or adverse action that occurs after the submission of the
395 application within 14 calendar days after the licensee receives notice of the investigation or
396 adverse action;

397 (e) if the cannabis production establishment demonstrates a willful or reckless

398 disregard for the requirements of this chapter or the rules the department makes in accordance
399 with this chapter;

400 (f) if, after a change of ownership described in Subsection (15)(b), the board
401 determines that the cannabis production establishment no longer meets the minimum standards
402 for licensure and operation of the cannabis production establishment described in this chapter;
403 [or]

404 (g) for an independent cannabis testing laboratory, if the independent cannabis testing
405 laboratory fails to substantially meet the performance standards described in Subsection
406 (14)(b)[-]; or

407 (h) if, following an investigation conducted pursuant to Subsection [4-41a-201.1\(11\)](#),
408 the board identifies that the licensee has participated in anticompetitive business practices.

409 (10) (a) A person who receives a cannabis production establishment license under this
410 chapter, if the municipality or county where the licensed cannabis production establishment
411 will be located requires a local land use permit, shall submit to the licensing board a copy of
412 the licensee's approved application for the land use permit within 120 days after the day on
413 which the licensing board issues the license.

414 (b) If a licensee fails to submit to the licensing board a copy of the licensee's approved
415 land use permit application in accordance with Subsection (10)(a), the licensing board may
416 revoke the licensee's license.

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

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

421 (13) (a) The department's authority, and consequently the licensing board's authority, to
422 issue a license under this section is plenary and is not subject to review.

423 (b) Notwithstanding Subsection (2)(a)(ii)(A), the decision of the department to award a
424 license to an applicant is not subject to:

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

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

427 (14) (a) Notwithstanding this section, the department:

428 (i) may operate or partner with a research university to operate an independent

429 cannabis testing laboratory;

430 (ii) if the department operates or partners with a research university to operate an
431 independent cannabis testing laboratory, may not cease operating or partnering with a research
432 university to operate the independent cannabis testing laboratory unless:

433 (A) the department issues at least two licenses to independent cannabis testing
434 laboratories; and

435 (B) the department has ensured that the licensed independent cannabis testing
436 laboratories have sufficient capacity to provide the testing necessary to support the state's
437 medical cannabis market; and

438 (iii) after ceasing department or research university operations under Subsection
439 (14)(a)(ii) shall resume independent cannabis testing laboratory operations at any time if:

440 (A) fewer than two licensed independent cannabis testing laboratories are operating; or

441 (B) the licensed independent cannabis testing laboratories become, in the department's
442 determination, unable to fully meet the market demand for testing.

443 (b) (i) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
444 Administrative Rulemaking Act, to establish performance standards for the operation of an
445 independent cannabis testing laboratory, including deadlines for testing completion.

446 (ii) A license that the department issues to an independent cannabis testing laboratory
447 is contingent upon substantial satisfaction of the performance standards described in
448 Subsection (14)(b)(i), as determined by the board.

449 (15) (a) A cannabis production establishment license is not transferrable or assignable.

450 (b) If the ownership of a cannabis production establishment changes by 50% or more:

451 (i) the cannabis production establishment shall submit a new application described in
452 Subsection (2)(b), subject to Subsection (2)(c);

453 (ii) within 30 days of the submission of the application, the board shall:

454 (A) conduct the application review described in Section [4-41a-201.1](#); and

455 (B) award a license to the cannabis production establishment for the remainder of the
456 term of the cannabis production establishment's license before the ownership change if the
457 cannabis production establishment meets the minimum standards for licensure and operation of
458 the cannabis production establishment described in this chapter; and

459 (iii) if the board approves the license application, notwithstanding Subsection (3), the

460 cannabis production establishment shall pay a license fee that the department sets in
461 accordance with Section 63J-1-504 in an amount that covers the board's cost of conducting the
462 application review.

463 Section 3. Section **4-41a-201.1** is amended to read:

464 **4-41a-201.1. Cannabis Production Establishment and Pharmacy Licensing**
465 **Advisory Board -- Composition -- Duties.**

466 (1) There is created within the department the Cannabis Production Establishment and
467 Pharmacy Licensing Advisory Board.

468 (2) The commissioner shall:

469 (a) appoint the members of the board;

470 (b) submit the name of each individual that the commissioner appoints under
471 Subsection (2)(a) to the governor for confirmation or rejection; and

472 (c) if the governor rejects an appointee that the commissioner submits under
473 Subsection (2)(b), appoint another individual in accordance with this Subsection (2).

474 (3) (a) Except as provided in Subsection (3)(c), the board shall consist of the following
475 [~~six~~] eight members:

476 (i) the following [~~five~~] seven voting members whom the commissioner appoints:

477 (A) one member of the public;

478 (B) one member with knowledge and experience in the pharmaceutical or nutraceutical
479 manufacturing industry;

480 (C) one member representing law enforcement;

481 (D) one member whom an organization representing medical cannabis patients
482 recommends; [~~and~~]

483 (E) a chemist who has experience with cannabis and who is associated with a research
484 university; [~~and~~]

485 (F) a pharmacist who is not associated with the medical cannabis industry; and

486 (G) an accountant; and

487 (ii) the commissioner or the commissioner's designee as a non-voting member, except
488 to cast a deciding vote in the event of a tie.

489 (b) The commissioner may appoint a [~~seventh~~] ninth member to the board who has a
490 background in the cannabis cultivation and processing industry.

491 (c) The commissioner or the commissioner's designee shall serve as the chair of the
492 board.

493 (d) An individual is not eligible for appointment to be a member of the board if the
494 individual:

495 (i) has any commercial or ownership interest in a cannabis production establishment,
496 medical cannabis pharmacy, or medical cannabis courier;

497 (ii) has an owner, officer, director, or employee whose family member holds a license
498 or has an ownership interest in a cannabis production establishment, medical cannabis
499 pharmacy, or medical cannabis courier; or

500 (iii) is employed or contracted to lobby on behalf of any cannabis production
501 establishment, medical cannabis pharmacy, or medical cannabis courier.

502 (4) (a) Except as provided in Subsection (4)(b), a voting board member shall serve a
503 term of four years, beginning July 1 and ending June 30.

504 (b) Notwithstanding Subsection (4)(a), for the initial appointments to the board, the
505 commissioner shall stagger the length of the terms of board members to ensure that the
506 commissioner appoints two or three board members every two years.

507 (c) As a board member's term expires:

508 (i) the board member is eligible for reappointment; and

509 (ii) the commissioner shall make an appointment, in accordance with Subsection (2),
510 for the new term before the end of the member's term.

511 (d) When a vacancy occurs on the board for any reason other than the expiration of a
512 board member's term, the commissioner shall appoint a replacement to the vacant position, in
513 accordance with Subsection (2), for the unexpired term.

514 (e) In making appointments, the commissioner shall ensure that no two members of the
515 board are employed by or represent the same company or nonprofit organization.

516 (f) The commissioner may remove a board member for cause, neglect of duty,
517 inefficiency, or malfeasance.

518 (5) (a) (i) [~~Four~~] Five members of the board constitute a quorum of the board.

519 (ii) An action of the majority of the board members when a quorum is present
520 constitutes an action of the board.

521 (b) The department shall provide staff support to the board.

522 (c) A member of the board may not receive compensation or benefits for the member's
523 service, but may receive per diem and travel expenses in accordance with:

524 (i) Section 63A-3-106;

525 (ii) Section 63A-3-107; and

526 (iii) rules made by the Division of Finance in accordance with Sections 63A-3-106 and
527 63A-3-107.

528 (6) The board shall:

529 (a) meet as called by the chair to review cannabis production establishment and
530 pharmacy license applications;

531 (b) review each license application for compliance with:

532 (i) this chapter; and

533 (ii) department rules;

534 (c) conduct a public hearing to consider the license application;

535 (d) approve the department's license application forms and checklists; and

536 (e) make a determination on each license application.

537 (7) The board shall hold a public hearing to review a cannabis production
538 establishment's or pharmacy's license if the establishment:

539 (a) changes ownership by an interest of 20% or more;

540 (b) changes or adds a location;

541 (c) upgrades to a different licensing tier under department rule;

542 (d) changes extraction or formulation standard operating procedures;

543 (e) adds an industrial hemp processing or cultivation license to the same location as the
544 cannabis production establishment's processing facility; or

545 (f) as necessary based on the recommendation of the department.

546 (8) In a public hearing held under Subsection (7), the board may consider the following
547 in determining whether to approve a request to change pharmacy locations:

548 (a) medical cannabis availability, quality, and variety;

549 (b) whether geographic dispersal among licensees is sufficient to reasonably maximize
550 access to the largest number of medical cannabis cardholders;

551 (c) the extent to which the pharmacy can increase efficiency and reduce the cost to
552 patients of medical cannabis; and

553 (d) the factors listed in Subsection 4-41a-1004(7).

554 (9) In a public hearing held pursuant to Subsection (7), the board may not approve a
555 request to change a medical cannabis pharmacy location outside of the pharmacy's current
556 region established under Subsection 4-41a-1005(1)(c)(ii)(A).

557 ~~[(8)]~~ (10) (a) The board shall meet annually in December to consider cannabis
558 production establishment and pharmacy license renewal applications.

559 (b) During the meeting described in Subsection ~~[(8)(a)]~~ (10)(a):

560 (i) a representative from each applicant for renewal shall:

561 (A) attend in person or electronically; or

562 (B) submit information before the meeting, as the board may require, for the board's
563 consideration; ~~[and]~~

564 (ii) the board shall consider, for each cannabis cultivation facility seeking renewal,
565 information including:

566 (A) the amount of biomass the licensee produced during the current calendar year;

567 (B) the amount of biomass the licensee projects to produce during the following year;

568 (C) the amount of hemp waste the licensee currently holds;

569 (D) the current square footage or acres of growing area the licensee uses; and

570 (E) the square footage or acres of growing area the licensee projects to use in the
571 following year; ~~[and]~~

572 (iii) the board shall consider, for each cannabis processing facility seeking renewal,
573 information including:

574 (A) methods and procedures for extraction;

575 (B) standard operating procedures; and

576 (C) a complete listing of the medical dosage forms that the licensee produces~~[-]~~; and

577 (iv) the board shall consider, for each cannabis pharmacy seeking renewal, information
578 including:

579 (A) product availability, quality, and variety;

580 (B) the pharmacy's operating procedures and practices; and

581 (C) the factors listed in Subsection 4-41a-1003(1).

582 (c) Following consideration of the information provided under Subsection (10)(b), the
583 board may elect to approve, deny, or issue conditional approval of a cannabis production

584 establishment or pharmacy license renewal application.

585 [~~(c)~~] (d) The information a licensee or license applicant provides to the board for a
586 license determination constitutes a protected record under Subsection 63G-2-305(1) or (2) if
587 the applicant or licensee provides the board with the information regarding business
588 confidentiality required in Section 63G-2-309.

589 (11) In cooperation with the attorney general, the board may investigate information
590 received by the department indicating that a licensee is potentially engaging in anticompetitive
591 business practices.

592 Section 4. Section 4-41a-202 is amended to read:

593 **4-41a-202. Cannabis production establishment owners and directors -- Criminal**
594 **background checks.**

595 (1) Each applicant for a license as a cannabis production establishment shall submit to
596 the department, at the time of application, from each individual who has a financial or voting
597 interest of [~~2%~~] 10% or greater in the applicant or who has the power to direct or cause the
598 management or control of the applicant:

- 599 (a) a fingerprint card in a form acceptable to the Department of Public Safety;
- 600 (b) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the
601 registration of the individual's fingerprints in the Federal Bureau of Investigation Next
602 Generation Identification System's Rap Back Service; and
- 603 (c) consent to a fingerprint background check by:
 - 604 (i) the Utah Bureau of Criminal Identification; and
 - 605 (ii) the Federal Bureau of Investigation.

606 (2) The Bureau of Criminal Identification shall:

- 607 (a) check the fingerprints the applicant submits under Subsection (1) against the
608 applicable state, regional, and national criminal records databases, including the Federal
609 Bureau of Investigation Next Generation Identification System;
- 610 (b) report the results of the background check to the department;
- 611 (c) maintain a separate file of fingerprints that applicants submit under Subsection (1)
612 for search by future submissions to the local and regional criminal records databases, including
613 latent prints;
- 614 (d) request that the fingerprints be retained in the Federal Bureau of Investigation Next

615 Generation Identification System's Rap Back Service for search by future submissions to
616 national criminal records databases, including the Next Generation Identification System and
617 latent prints; and

618 (e) establish a privacy risk mitigation strategy to ensure that the department only
619 receives notifications for an individual with whom the department maintains an authorizing
620 relationship.

621 (3) The department shall:

622 (a) assess an individual who submits fingerprints under Subsection (1) a fee in an
623 amount that the department sets in accordance with Section 63J-1-504 for the services that the
624 Bureau of Criminal Identification or another authorized agency provides under this section; and

625 (b) remit the fee described in Subsection (3)(a) to the Bureau of Criminal
626 Identification.

627 Section 5. Section 4-41a-301 is amended to read:

628 **4-41a-301. Cannabis production establishment agent -- Registration.**

629 (1) An individual may not act as a cannabis production establishment agent unless the
630 department registers the individual as a cannabis production establishment agent, regardless of
631 whether the individual is a seasonal, temporary, or permanent employee.

632 (2) The following individuals, regardless of the individual's status as a qualified
633 medical provider, may not serve as a cannabis production establishment agent, have a financial
634 or voting interest of 2% or greater in a cannabis production establishment, or have the power to
635 direct or cause the management or control of a cannabis production establishment:

636 (a) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;

637 (b) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse
638 Practice Act;

639 (c) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title
640 58, Chapter 68, Utah Osteopathic Medical Practice Act; or

641 (d) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant
642 Act.

643 (3) An independent cannabis testing laboratory agent may not act as an agent for a
644 medical cannabis pharmacy, a medical cannabis courier, a cannabis processing facility, or a
645 cannabis cultivation facility.

646 (4) (a) The department shall, within 15 business days after the day on which the
647 department receives a complete application from a prospective cannabis production
648 establishment agent, register and issue a cannabis production establishment agent registration
649 card to the prospective agent if the prospective agent:

650 (i) provides to the department:

651 (A) the prospective agent's name and address;

652 (B) which cannabis production establishment agent designations the applicant desires;

653 and

654 (C) the submission required under Subsection (4)(b); and

655 (ii) pays a fee to the department in an amount that, subject to Subsection 4-41a-104(5),

656 the department sets in accordance with Section 63J-1-504.

657 (b) Each prospective agent described in Subsection (4)(a) shall:

658 (i) submit to the department:

659 (A) a fingerprint card in a form acceptable to the Department of Public Safety; and

660 (B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the

661 registration of the prospective agent's fingerprints in the Federal Bureau of Investigation Next

662 Generation Identification System's Rap Back Service; and

663 (ii) consent to a fingerprint background check by:

664 (A) the Bureau of Criminal Identification; and

665 (B) the Federal Bureau of Investigation.

666 (c) The Bureau of Criminal Identification shall:

667 (i) check the fingerprints the prospective agent submits under Subsection (4)(b) against

668 the applicable state, regional, and national criminal records databases, including the Federal

669 Bureau of Investigation Next Generation Identification System;

670 (ii) report the results of the background check to the department;

671 (iii) maintain a separate file of fingerprints that prospective agents submit under

672 Subsection (4)(b) for search by future submissions to the local and regional criminal records

673 databases, including latent prints;

674 (iv) request that the fingerprints be retained in the Federal Bureau of Investigation Next

675 Generation Identification System's Rap Back Service for search by future submissions to

676 national criminal records databases, including the Next Generation Identification System and

677 latent prints; and

678 (v) establish a privacy risk mitigation strategy to ensure that the department only
679 receives notifications for an individual with whom the department maintains an authorizing
680 relationship.

681 (d) The department shall:

682 (i) assess an individual who submits fingerprints under Subsection (4)(b) a fee in an
683 amount that the department sets in accordance with Section 63J-1-504 for the services that the
684 Bureau of Criminal Identification or another authorized agency provides under this section; and

685 (ii) remit the fee described in Subsection (4)(d)(i) to the Bureau of Criminal
686 Identification.

687 (5) (a) The department shall designate, on an individual's cannabis production
688 establishment agent registration card

689 the type of cannabis production establishment for which the individual is authorized to
690 act as an agent.

691 (b) When issuing a card under Subsection (5)(a) the department:

692 (i) may issue a cannabis production establishment agent registration card that contains
693 both a cannabis processing facility designation and a cannabis cultivator facility designation;
694 and

695 (ii) if the cannabis production establishment agent registration card will contain an
696 independent cannabis testing laboratory designation, may not include any other designations.

697 (6) A cannabis production establishment agent shall comply with:

698 (a) a certification standard that the department develops; or

699 (b) a certification standard that the department has reviewed and approved.

700 (7) (a) The department shall ensure that the certification standard described in
701 Subsection (6) includes training:

702 (i) in Utah medical cannabis law;

703 (ii) for a cannabis cultivation facility agent, in cannabis cultivation best practices;

704 (iii) for a cannabis processing facility agent, in cannabis processing, manufacturing
705 safety procedures for items for human consumption, and sanitation best practices; and

706 (iv) for an independent cannabis testing laboratory agent, in cannabis testing best
707 practices.

708 (b) The department shall review the training described in Subsection (7)(a) annually or
709 as often as necessary to ensure compliance with this section.

710 (8) For an individual who holds or applies for a cannabis production establishment
711 agent registration card:

712 (a) the department may revoke or refuse to issue the card if the individual violates the
713 requirements of this chapter; and

714 (b) the department shall revoke or refuse to issue the card if the individual is convicted
715 under state or federal law of:

716 (i) a felony in the preceding 10 years; or

717 (ii) after December 3, 2018, a misdemeanor for drug distribution.

718 (9) (a) A cannabis production establishment agent registration card expires two years
719 after the day on which the department issues the card.

720 (b) A cannabis production establishment agent may renew the agent's registration card
721 if the agent:

722 (i) is eligible for a cannabis production establishment registration card under this
723 section;

724 (ii) certifies to the department in a renewal application that the information in
725 Subsection (4)(a) is accurate or updates the information; and

726 (iii) pays to the department a renewal fee in an amount that:

727 (A) subject to Subsection 4-41a-104(5), the department sets in accordance with Section
728 63J-1-504; and

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

731 (10) A cannabis production establishment shall:

732 (a) maintain a list of each employee that holds a cannabis production establishment
733 agent registration card; and

734 (b) provide the list to the department upon request.

735 Section 6. Section 4-41a-401 is amended to read:

736 **4-41a-401. Cannabis production establishment -- General operating**
737 **requirements.**

738 (1) (a) A cannabis production establishment shall operate in accordance with the

739 operating plan described in Sections [4-41a-201](#) and [4-41a-204](#).

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

742 (c) (i) If a cannabis production establishment changes the cannabis production
743 establishment's operating plan, the establishment shall ensure that the new operating plan
744 complies with this chapter.

745 (ii) The department shall establish by rule, in accordance with Title 63G, Chapter 3,
746 Utah Administrative Rulemaking Act, a process to:

747 (A) review a change notification described in Subsection (1)(b);

748 (B) identify for the cannabis production establishment each point of noncompliance
749 between the new operating plan and this chapter;

750 (C) provide an opportunity for the cannabis production establishment to address each
751 identified point of noncompliance; and

752 (D) suspend or revoke a license if the cannabis production establishment fails to cure
753 the noncompliance.

754 (2) A cannabis production establishment shall operate:

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

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

759 (3) A cannabis production establishment may not employ an individual who is younger
760 than 21 years old.

761 (4) A cannabis production establishment may not employ an individual who has been
762 convicted, under state or federal law, of:

763 (a) a felony in the preceding 10 years; or

764 (b) after December 3, 2018, a misdemeanor for drug distribution.

765 (5) A cannabis production establishment may authorize an individual who is at least 18
766 years old and is not a cannabis production establishment agent to access the cannabis
767 production establishment if the cannabis production establishment:

768 (a) tracks and monitors the individual at all times while the individual is at the
769 cannabis production establishment; and

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

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

772 (a) a single, secure public entrance;

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

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

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

777 (c) a lock or equivalent restrictive security feature on any area where the cannabis
778 production establishment stores cannabis or a cannabis product.

779 Section 7. Section **4-41a-602** is amended to read:

780 **4-41a-602. Cannabis product -- Labeling and child-resistant packaging.**

781 (1) For any cannabis product that a cannabis processing facility processes or produces
782 and for any raw cannabis that the facility packages, the facility shall:

783 (a) label the cannabis or cannabis product with a label that:

784 (i) clearly and unambiguously states that the cannabis product or package contains
785 cannabis;

786 (ii) clearly displays the amount of total composite tetrahydrocannabinol, cannabidiol,
787 and any known cannabinoid that is greater than 1% of the total cannabinoids contained in the
788 cannabis or cannabis product as determined under Subsection [4-41a-701\(4\)](#);

789 (iii) has a unique identification number that:

790 (A) is connected to the inventory control system; and

791 (B) identifies the unique cannabis product manufacturing process the cannabis
792 processing facility used to manufacture the cannabis product;

793 (iv) identifies the cannabinoid extraction process that the cannabis processing facility
794 used to create the cannabis product;

795 (v) does not display an image, word, or phrase that the facility knows or should know
796 appeals to children; and

797 (vi) discloses each active or potentially active ingredient, in order of prominence, and
798 possible allergen; and

799 (b) package the raw cannabis or cannabis product in a medicinal dosage form in a
800 container that:

801 (i) is tamper evident and tamper resistant;

802 (ii) does not appeal to children;

803 (iii) does not mimic a candy container;

804 (iv) complies with child-resistant effectiveness standards that the United States

805 Consumer Product Safety Commission establishes;

806 (v) includes a warning label that states:

807 (A) for a container labeled before July 1, 2021, "WARNING: Cannabis has

808 intoxicating effects and may be addictive. Do not operate a vehicle or machinery under its

809 influence. KEEP OUT OF REACH OF CHILDREN. This product is for medical use only. Use

810 only as directed by a qualified medical provider.";

811 (B) for a container labeled on or after July 1, 2021, "WARNING: Cannabis has

812 intoxicating effects and may be addictive. Do not operate a vehicle or machinery under its

813 influence. KEEP OUT OF REACH OF CHILDREN. This product is for medical use only. Use

814 only as directed by a recommending medical provider."; or

815 (C) for a container labeled on or after January 1, 2024, "WARNING: Cannabis has

816 intoxicating effects, may be addictive, and may increase risk of mental illness. Do not operate a

817 vehicle or machinery under its influence. KEEP OUT OF REACH OF CHILDREN. This

818 product is for medical use only. Use only as directed by a recommending medical provider.";

819 and

820 (vi) for raw cannabis or a cannabis product sold in a vaporizer cartridge labeled on or

821 after May 3, 2023, includes a warning label that states:

822 (A) "WARNING: Vaping of cannabis-derived products has been associated with lung

823 injury."; and

824 (B) "WARNING: Inhalation of cannabis smoke has been associated with lung injury.".

825 (2) To ensure that a cannabis product that a cannabis processing facility processes or

826 produces has a medical rather than recreational disposition, the facility may not produce or

827 process a product whose logo, product name, or brand name includes terms related to

828 recreational marijuana, including "weed," "pot," "reefer," "grass," "hash," "ganja," "Mary Jane,"

829 "high," "haze," "stoned," "joint," "bud," "smoke," "euphoria," "dank," "doobie," "kush," "frost,"

830 "cookies," "rec," "bake," "blunt," "combust," "bong," "budtender," "dab," "blaze," "toke," or

831 "420."

832 ~~[(2)]~~ (3) For any cannabis or cannabis product that the cannabis processing facility
833 processes into a gelatinous cube, gelatinous rectangular cuboid, or lozenge in a cube or
834 rectangular cuboid shape, the facility shall:

835 (a) ensure that the label described in Subsection (1)(a) does not contain a photograph or
836 other image of the content of the container; and

837 (b) include on the label described in Subsection (1)(a) a warning about the risks of
838 over-consumption.

839 ~~[(3)]~~ (4) For any cannabis product that contains an artificially derived cannabinoid, the
840 cannabis processing facility shall ensure that the label clearly:

841 (a) identifies each artificially derived cannabinoid; and

842 (b) identifies that each artificially derived cannabinoid is an artificially derived
843 cannabinoid.

844 ~~[(4)]~~ (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
845 Act, the department:

846 (a) shall make rules to establish:

847 (i) a standard labeling format that:

848 (A) complies with the requirements of this section; and

849 (B) ensures inclusion of a pharmacy label; and

850 (ii) additional requirements on packaging for cannabis and cannabis products to ensure
851 safety and product quality; and

852 (b) may make rules to further define standards regarding images, words, phrases, or
853 containers that may appeal to children under Subsection (1)(a)(v) or (1)(b)(ii).

854 Section 8. Section **4-41a-604** is enacted to read:

855 **4-41a-604. Advertising.**

856 In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
857 department may make rules establishing conditions under which a cannabis processing facility
858 may engage in targeted marketing.

859 Section 9. Section **4-41a-802** is amended to read:

860 **4-41a-802. Report.**

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

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

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

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

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

869 (e) the number of licenses the department revokes under this chapter;

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

871 Section [4-41a-201](#), including:

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

873 (ii) the results of the tests the department performed; ~~and~~

874 (g) the expenses incurred and revenues generated under this chapter~~[-]~~; and

875 (h) an analysis of product availability in medical cannabis pharmacies in consultation
876 with the Department of Health and Human Services.

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

879 (3) The department shall report to the working group described in Section [36-12-8.2](#) as
880 requested by the working group.

881 Section 10. Section **4-41a-1001** is amended to read:

882 **4-41a-1001. Medical cannabis pharmacy -- License -- Eligibility.**

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

885 (2) (a) (i) Subject to Subsections (4) and (5) and to Section [4-41a-1005](#), the department
886 shall issue a license to operate a medical cannabis pharmacy ~~[in accordance with Title 63G,~~
887 ~~Chapter 6a, Utah Procurement Code]~~ through the licensing board created under Section
888 [4-41a-201.1](#).

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

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

893 (i) subject to Subsection (2)(c), a proposed name and address where the applicant will

894 operate the medical cannabis pharmacy;

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

896 (A) for a publicly traded company, has a financial or voting interest of 10% or greater
897 in the proposed medical cannabis pharmacy;

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

900 (C) has the power to direct or cause the management or control of a proposed medical
901 cannabis pharmacy;

902 (iii) for each application that the applicant submits to the department, a statement from
903 the applicant that the applicant will obtain and maintain:

904 (A) a performance bond in the amount of \$100,000 issued by a surety authorized to
905 transact surety business in the state; or

906 (B) a liquid cash account in the amount of \$100,000 with a financial institution;

907 (iv) an operating plan that:

908 (A) complies with Section 4-41a-1004;

909 (B) includes operating procedures to comply with the operating requirements for a
910 medical cannabis pharmacy described in this part and with a relevant municipal or county law
911 that is consistent with Section 4-41a-1106; and

912 (C) the department approves;

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

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

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

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

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

923 (ii) The proximity requirements described in Subsection (2)(c)(i) shall be measured
924 from the nearest entrance to the medical cannabis pharmacy establishment by following the

925 shortest route of ordinary pedestrian travel to the property boundary of the community location
926 or residential area.

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

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

932 (d) The department may not issue a license to an eligible applicant that the department
933 has selected to receive a license until the selected eligible applicant complies with the bond or
934 liquid cash requirement described in Subsection (2)(b)(iii).

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

938 (f) In considering the issuance of a medical cannabis pharmacy license under this
939 section, the department may consider the extent to which the pharmacy can increase efficiency
940 and reduce the cost to patients of medical cannabis.

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

943 (a) charge the applicant an initial license fee in an amount that, subject to Subsection
944 4-41a-104(5), the department sets in accordance with Section 63J-1-504;

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

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

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

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

953 (i) a felony in the preceding 10 years; or

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

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

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

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

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

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

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

967 (6) ~~(a)~~ The ~~department~~ licensing board may revoke a license under this part:

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

971 ~~(ii)~~ (b) after the third the same violation of this chapter in any of the licensee's
972 licensed cannabis production establishments or medical cannabis pharmacies;

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

975 ~~(A)~~ (i) a felony; or

976 ~~(B)~~ (ii) after December 3, 2018, a misdemeanor for drug distribution;

977 ~~(iv)~~ (d) if the licensee fails to provide the information described in Subsection
978 (2)(b)(vi) at the time of application, or fails to supplement the information described in
979 Subsection (2)(b)(vi) with any investigation or adverse action that occurs after the submission
980 of the application within 14 calendar days after the licensee receives notice of the investigation
981 or adverse action;

982 ~~(v)~~ (e) if the medical cannabis pharmacy demonstrates a willful or reckless disregard
983 for the requirements of this chapter or the rules the department makes in accordance with this
984 chapter; ~~[or]~~

985 ~~(vi)~~ (f) if, after a change of ownership described in Subsection (11)(c), the
986 department determines that the medical cannabis pharmacy no longer meets the minimum

987 standards for licensure and operation of the medical cannabis pharmacy described in this
988 chapter[-]; or

989 (g) if through an investigation conducted under Subsection 4-41a-201.1(11) and in
990 accordance with Title 63G, Chapter 4, Administrative Procedures Act, the board finds that the
991 licensee has participated in anticompetitive business practices.

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

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

1000 (b) If a licensee fails to submit to the department a copy the licensee's approved land
1001 use permit application in accordance with Subsection (7)(a), the department may revoke the
1002 licensee's license.

1003 (8) The department shall deposit the proceeds of a fee imposed by this section into the
1004 Qualified Production Enterprise Fund.

1005 (9) The department shall begin accepting applications under this part on or before
1006 March 1, 2020.

1007 (10) (a) The department's authority to issue a license under this section is plenary and is
1008 not subject to review.

1009 (b) Notwithstanding Subsection (2), the decision of the department to award a license
1010 to an applicant is not subject to:

1011 (i) Title 63G, Chapter 6a, Part 16, Protests; or

1012 (ii) Title 63G, Chapter 6a, Part 17, Procurement Appeals Board.

1013 (11) (a) A medical cannabis pharmacy license is not transferrable or assignable.

1014 (b) A medical cannabis pharmacy shall report in writing to the department no later than
1015 10 business days before the date of any change of ownership of the medical cannabis
1016 pharmacy.

1017 (c) If the ownership of a medical cannabis pharmacy changes by 50% or more:

1018 (i) concurrent with the report described in Subsection (11)(b), the medical cannabis
1019 pharmacy shall submit a new application described in Subsection (2)(b), subject to Subsection
1020 (2)(c);

1021 (ii) within 30 days of the submission of the application, the department shall:

1022 (A) conduct an application review; and

1023 (B) award a license to the medical cannabis pharmacy for the remainder of the term of
1024 the medical cannabis pharmacy's license before the ownership change if the medical cannabis
1025 pharmacy meets the minimum standards for licensure and operation of the medical cannabis
1026 pharmacy described in this chapter; and

1027 (iii) if the department approves the license application, notwithstanding Subsection (3),
1028 the medical cannabis pharmacy shall pay a license fee that the department sets in accordance
1029 with Section 63J-1-504 in an amount that covers the ~~[board's]~~ department's cost of conducting
1030 the application review.

1031 Section 11. Section 4-41a-1005 is amended to read:

1032 **4-41a-1005. Maximum number of licenses.**

1033 (1) (a) Except as provided in ~~[Subsections]~~ Subsection (1)(b) or (d), if a sufficient
1034 number of applicants apply, the department shall issue up to 15 medical cannabis pharmacy
1035 licenses in accordance with this section.

1036 (b) If an insufficient number of qualified applicants apply for the available number of
1037 medical cannabis pharmacy licenses, the department shall issue a medical cannabis pharmacy
1038 license to each qualified applicant.

1039 (c) The department may issue the licenses described in Subsection (1)(a) in accordance
1040 with this Subsection (1)(c).

1041 (i) Using one procurement process, the department may issue eight licenses to an initial
1042 group of medical cannabis pharmacies and six licenses to a second group of medical cannabis
1043 pharmacies.

1044 ~~(ii) [If the department issues licenses in two phases in accordance with Subsection~~
1045 ~~(1)(c)(i), the]~~ The department shall:

1046 (A) divide the state into no less than four geographic regions, set by the department in
1047 rule;

1048 (B) issue at least one license in each geographic region during each phase of issuing

1049 licenses; and

1050 (C) complete the process of issuing medical cannabis pharmacy licenses no later than
1051 July 1, 2020.

1052 (iii) In issuing a 15th license under Subsection (1), the department shall ensure that the
1053 license recipient will locate the medical cannabis pharmacy within Dagget, Duchesne, Uintah,
1054 Carbon, Sevier, Emery, Grand, or San Juan County.

1055 (d) (i) The department may issue licenses to operate a medical cannabis pharmacy in
1056 addition to the licenses described in Subsection (1)(a) if the department determines, in
1057 consultation with the Department of Health and Human Services and after an annual or more
1058 frequent analysis of the current and anticipated market for medical cannabis, that each
1059 additional license is necessary to provide an adequate supply, quality, or variety of medical
1060 cannabis to medical cannabis cardholders.

1061 (ii) The department shall:

1062 (A) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1063 make rules to establish criteria and processes for the consultation, analysis, and application for
1064 a license described in Subsection (1)(d)(i); and

1065 (B) report to the Executive Appropriations Committee of the Legislature before each
1066 time the department issues an additional license under Subsection (1)(d)(i) regarding the results
1067 of the consultation and analysis described in Subsection (1)(d)(i) and the application of the
1068 criteria described in Subsection (1)(d)(ii)(A).

1069 (2) (a) If there are more qualified applicants than there are available licenses for
1070 medical cannabis pharmacies, the department shall:

1071 (i) evaluate each applicant and award the license to the applicant that best
1072 demonstrates:

1073 (A) experience with establishing and successfully operating a business that involves
1074 complying with a regulatory environment, tracking inventory, and training, evaluating, and
1075 monitoring employees;

1076 (B) an operating plan that will best ensure the safety and security of patrons and the
1077 community;

1078 (C) positive connections to the local community;

1079 (D) the suitability of the proposed location and the location's accessibility for

1080 qualifying patients;

1081 (E) the extent to which the applicant can increase efficiency and reduce the cost of
1082 medical cannabis for patients; and

1083 (F) a strategic plan described in Subsection 4-41a-1004(7) that has a comparatively
1084 high likelihood of success; and

1085 (ii) ensure a geographic dispersal among licensees that is sufficient to reasonably
1086 maximize access to the largest number of medical cannabis cardholders.

1087 (b) In making the evaluation described in Subsection (2)(a), the department may give
1088 increased consideration to applicants who indicate a willingness to:

1089 (i) operate as a home delivery medical cannabis pharmacy that accepts electronic
1090 medical cannabis orders that the state central patient portal facilitates; and

1091 (ii) accept payments through:

1092 (A) a payment provider that the Division of Finance approves, in consultation with the
1093 state treasurer, in accordance with Section 4-41a-108; or

1094 (B) a financial institution in accordance with Subsection 4-41a-108(4).

1095 (3) The department may conduct a face-to-face interview with an applicant for a
1096 license that the department evaluates under Subsection (2).

1097 Section 12. Section 4-41a-1101 is amended to read:

1098 **4-41a-1101. Operating requirements -- General.**

1099 (1) (a) A medical cannabis pharmacy shall operate:

1100 (i) at the physical address provided to the department under Section 4-41a-1001; and

1101 (ii) in accordance with the operating plan provided to the department under Section
1102 4-41a-1001 and, if applicable, Section 4-41a-1004.

1103 (b) A medical cannabis pharmacy shall notify the department before a change in the
1104 medical cannabis pharmacy's physical address or operating plan.

1105 (2) An individual may not enter a medical cannabis pharmacy unless the individual:

1106 (a) is at least 18 years old or is an emancipated minor under Section 80-7-105; and

1107 (b) except as provided in Subsection (4):

1108 (i) possesses a valid:

1109 (A) medical cannabis pharmacy agent registration card;

1110 (B) pharmacy medical provider registration card; or

- 1111 (C) medical cannabis card;
- 1112 (ii) is an employee of the department performing an inspection under Section
- 1113 4-41a-1103; or
- 1114 (iii) is another individual as the department provides.
- 1115 (3) A medical cannabis pharmacy may not employ an individual who is younger than
- 1116 21 years old.
- 1117 (4) Notwithstanding Subsection (2)(a), a medical cannabis pharmacy may authorize an
- 1118 individual who is not a medical cannabis pharmacy agent or pharmacy medical provider to
- 1119 access the medical cannabis pharmacy if the medical cannabis pharmacy tracks and monitors
- 1120 the individual at all times while the individual is at the medical cannabis pharmacy and
- 1121 maintains a record of the individual's access.
- 1122 (5) A medical cannabis pharmacy shall operate in a facility that has:
- 1123 (a) a single, secure public entrance;
- 1124 (b) a security system with a backup power source that:
- 1125 (i) detects and records entry into the medical cannabis pharmacy; and
- 1126 (ii) provides notice of an unauthorized entry to law enforcement when the medical
- 1127 cannabis pharmacy is closed; and
- 1128 (c) a lock on each area where the medical cannabis pharmacy stores cannabis or a
- 1129 cannabis product.
- 1130 (6) A medical cannabis pharmacy shall post, both clearly and conspicuously in the
- 1131 medical cannabis pharmacy, the limit on the purchase of cannabis described in Subsection
- 1132 4-41a-1102(2).
- 1133 (7) Except for an emergency situation described in Subsection 26B-4-213(3)(c), a
- 1134 medical cannabis pharmacy may not allow any individual to consume cannabis on the property
- 1135 or premises of the medical cannabis pharmacy.
- 1136 (8) A medical cannabis pharmacy may not sell cannabis or a cannabis product without
- 1137 first indicating on the cannabis or cannabis product label the name of the medical cannabis
- 1138 pharmacy.
- 1139 (9) (a) Each medical cannabis pharmacy shall retain in the pharmacy's records the
- 1140 following information regarding each recommendation underlying a transaction:
- 1141 (i) the recommending medical provider's name, address, and telephone number;

- 1142 (ii) the patient's name and address;
- 1143 (iii) the date of issuance;
- 1144 (iv) directions of use and dosing guidelines or an indication that the recommending
- 1145 medical provider did not recommend specific directions of use or dosing guidelines; and
- 1146 (v) if the patient did not complete the transaction, the name of the medical cannabis
- 1147 cardholder who completed the transaction.
- 1148 (b) (i) Except as provided in Subsection (9)(b)(iii), a medical cannabis pharmacy may
- 1149 not sell medical cannabis unless the medical cannabis has a label securely affixed to the
- 1150 container indicating the following minimum information:
 - 1151 (A) the name, address, and telephone number of the medical cannabis pharmacy;
 - 1152 (B) the unique identification number that the medical cannabis pharmacy assigns;
 - 1153 (C) the date of the sale;
 - 1154 (D) the name of the patient;
 - 1155 (E) the name of the recommending medical provider who recommended the medical
 - 1156 cannabis treatment;
 - 1157 (F) directions for use and cautionary statements, if any;
 - 1158 (G) the amount dispensed and the cannabinoid content;
 - 1159 (H) the suggested use date;
 - 1160 (I) for unprocessed cannabis flower, the legal use termination date; and
 - 1161 (J) any other requirements that the department determines, in consultation with the
 - 1162 Division of Professional Licensing and the Board of Pharmacy.
- 1163 (ii) A medical cannabis pharmacy is exempt from the requirement to provide the
- 1164 following information under Subsection (9)(b)(i) if the information is already provided on the
- 1165 product label that a cannabis production establishment affixes:
 - 1166 (A) a unique identification number;
 - 1167 (B) directions for use and cautionary statements;
 - 1168 (C) amount and cannabinoid content; and
 - 1169 (D) a suggested use date.
- 1170 (iii) If the size of a medical cannabis container does not allow sufficient space to
- 1171 include the labeling requirements described in Subsection (9)(b)(i), the medical cannabis
- 1172 pharmacy may provide the following information described in Subsection (9)(b)(i) on a

1173 supplemental label attached to the container or an informational enclosure that accompanies the
1174 container:

1175 (A) the cannabinoid content;

1176 (B) the suggested use date; and

1177 (C) any other requirements that the department determines.

1178 (iv) A medical cannabis pharmacy may sell medical cannabis to another medical
1179 cannabis pharmacy without a label described in Subsection (9)(b)(i).

1180 (10) A pharmacy medical provider or medical cannabis pharmacy agent shall:

1181 (a) upon receipt of an order from a limited medical provider in accordance with
1182 Subsections 26B-4-204(1)(b) through (d):

1183 (i) for a written order or an electronic order under circumstances that the department
1184 determines, contact the limited medical provider or the limited medical provider's office to
1185 verify the validity of the recommendation; and

1186 (ii) for an order that the pharmacy medical provider or medical cannabis pharmacy
1187 agent verifies under Subsection (10)(a)(i) or an electronic order that is not subject to
1188 verification under Subsection (10)(a)(i), enter the limited medical provider's recommendation
1189 or renewal, including any associated directions of use, dosing guidelines, or caregiver
1190 indication, in the state electronic verification system;

1191 (b) in processing an order for a holder of a conditional medical cannabis card described
1192 in Subsection 26B-4-213(1)(b) that appears irregular or suspicious in the judgment of the
1193 pharmacy medical provider or medical cannabis pharmacy agent, contact the recommending
1194 medical provider or the recommending medical provider's office to verify the validity of the
1195 recommendation before processing the cardholder's order;

1196 (c) unless the medical cannabis cardholder has had a consultation under Subsection
1197 26B-4-231(5), verbally offer to a medical cannabis cardholder at the time of a purchase of
1198 cannabis, a cannabis product, or a medical cannabis device, personal counseling with the
1199 pharmacy medical provider; and

1200 (d) provide a telephone number or website by which the cardholder may contact a
1201 pharmacy medical provider for counseling.

1202 (11) (a) A medical cannabis pharmacy may create a medical cannabis disposal program
1203 that allows an individual to deposit unused or excess medical cannabis[.] or cannabis residue

1204 from a medical cannabis device~~[, or medical cannabis product]~~ in a locked box or other secure
1205 receptacle within the medical cannabis pharmacy.

1206 (b) A medical cannabis pharmacy with a disposal program described in Subsection
1207 (11)(a) shall ensure that only a medical cannabis pharmacy agent or pharmacy medical provider
1208 can access deposited medical cannabis ~~[or medical cannabis products]~~.

1209 (c) A medical cannabis pharmacy shall dispose of any deposited medical cannabis ~~[or~~
1210 ~~medical cannabis products]~~ by:

1211 (i) rendering the deposited medical cannabis ~~[or medical cannabis products]~~ unusable
1212 and unrecognizable before transporting deposited medical cannabis ~~[or medical cannabis~~
1213 ~~products]~~ from the medical cannabis pharmacy; and

1214 (ii) disposing of the deposited medical cannabis ~~[or medical cannabis products]~~ in
1215 accordance with:

1216 (A) federal and state law, rules, and regulations related to hazardous waste;

1217 (B) the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 et seq.;

1218 (C) Title 19, Chapter 6, Part 5, Solid Waste Management Act; and

1219 (D) other regulations that the department makes in accordance with Title 63G, Chapter
1220 3, Utah Administrative Rulemaking Act.

1221 (12) A medical cannabis pharmacy:

1222 (a) shall employ a pharmacist who is licensed under Title 58, Chapter 17b, Pharmacy
1223 Practice Act, as a pharmacy medical provider;

1224 (b) may employ a physician who has the authority to write a prescription and is
1225 licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah
1226 Osteopathic Medical Practice Act, as a pharmacy medical provider;

1227 (c) shall ensure that a pharmacy medical provider described in Subsection (12)(a)
1228 works onsite during all business hours;

1229 (d) shall designate one pharmacy medical provider described in Subsection (12)(a) as
1230 the pharmacists-in-charge to oversee the operation of and generally supervise the medical
1231 cannabis pharmacy; and

1232 (e) shall allow the pharmacist-in-charge to determine which cannabis and cannabis
1233 products the medical cannabis pharmacy maintains in the medical cannabis pharmacy's
1234 inventory.

1235 [~~(12)~~] (13) The department shall establish by rule, in accordance with Title 63G,
1236 Chapter 3, Utah Administrative Rulemaking Act, protocols for a recall of cannabis and
1237 cannabis products by a medical cannabis pharmacy.

1238 Section 13. Section **4-41a-1102** is amended to read:

1239 **4-41a-1102. Dispensing -- Amount a medical cannabis pharmacy may dispense --**
1240 **Reporting -- Form of cannabis or cannabis product.**

1241 (1) (a) A medical cannabis pharmacy may not sell a product other than:

1242 (i) cannabis in a medicinal dosage form that the medical cannabis pharmacy acquired
1243 from another medical cannabis pharmacy or a cannabis processing facility that is licensed
1244 under Section [4-41a-201](#);

1245 (ii) a cannabis product in a medicinal dosage form that the medical cannabis pharmacy
1246 acquired from another medical cannabis pharmacy or a cannabis processing facility that is
1247 licensed under Section [4-41a-201](#);

1248 (iii) a medical cannabis device; or

1249 (iv) educational material related to the medical use of cannabis.

1250 (b) A medical cannabis pharmacy may only sell an item listed in Subsection (1)(a) to
1251 an individual with:

1252 (i) (A) a medical cannabis card; or

1253 (B) a Department of Health and Human Services registration described in Subsection
1254 [26B-4-213](#)(10); and

1255 (ii) a corresponding government issued photo identification.

1256 (c) Notwithstanding Subsection (1)(a), a medical cannabis pharmacy may not sell a
1257 cannabis-based drug that the United States Food and Drug Administration has approved.

1258 (d) Notwithstanding Subsection (1)(b), a medical cannabis pharmacy may not sell a
1259 medical cannabis device or medical cannabis [~~product~~] to an individual described in
1260 Subsection [26B-4-213](#)(2)(a)(i)(B) or to a minor described in Subsection [26B-4-213](#)(2)(c)
1261 unless the individual or minor has the approval of the Compassionate Use Board in accordance
1262 with Subsection [26B-1-421](#)(5).

1263 (2) A medical cannabis pharmacy:

1264 (a) may dispense to a medical cannabis cardholder, in any one 28-day period, up to the
1265 legal dosage limit of:

- 1266 (i) unprocessed cannabis that:
- 1267 (A) is in a medicinal dosage form; and
- 1268 (B) carries a label clearly displaying the amount of tetrahydrocannabinol and
- 1269 cannabidiol in the cannabis; and
- 1270 (ii) a cannabis product that is in a medicinal dosage form; and
- 1271 (b) may not dispense:
- 1272 (i) except for a medical cannabis cardholder approved under Subsection 26B-4-245(2),
- 1273 more medical cannabis than described in Subsection (2)(a); or
- 1274 (ii) to an individual whose recommending medical provider did not recommend
- 1275 directions of use and dosing guidelines, until the individual consults with the pharmacy
- 1276 medical provider in accordance with Subsection 26B-4-231(5) any medical cannabis.
- 1277 (3) (a) A medical cannabis pharmacy shall:
- 1278 (i) (A) access the state electronic verification system before dispensing cannabis or a
- 1279 cannabis product to a medical cannabis cardholder in order to determine if the cardholder or,
- 1280 where applicable, the associated patient has met the maximum amount of medical cannabis
- 1281 described in Subsection (2); and
- 1282 (B) if the verification in Subsection (3)(a)(i)(A) indicates that the individual has met
- 1283 the maximum amount described in Subsection (2), decline the sale, and notify the
- 1284 recommending medical provider who made the underlying recommendation;
- 1285 (ii) submit a record to the state electronic verification system each time the medical
- 1286 cannabis pharmacy dispenses medical cannabis to a medical cannabis cardholder;
- 1287 (iii) ensure that the pharmacy medical provider who is a licensed pharmacist reviews
- 1288 each medical cannabis transaction before dispensing the medical cannabis to the cardholder in
- 1289 accordance with pharmacy practice standards;
- 1290 (iv) package any medical cannabis that is in a container that:
- 1291 (A) complies with Subsection 4-41a-602(1)(b) or, if applicable, provisions related to a
- 1292 container for unprocessed cannabis flower in the definition of "medicinal dosage form" in
- 1293 Section 26B-4-201;
- 1294 (B) is tamper-resistant and tamper-evident; and
- 1295 (C) provides an opaque bag or box for the medical cannabis cardholder's use in
- 1296 transporting the container in public;

1297 (v) for a product that is a cube that is designed for ingestion through chewing or
1298 holding in the mouth for slow dissolution, include a separate, off-label warning about the risks
1299 of over-consumption; and

1300 (vi) beginning January 1, 2024, for a cannabis product that is cannabis flower,
1301 vaporizer cartridges, or concentrate, provide the product's terpene profiles collected under
1302 Subsection [~~4-41a-602(4)~~] 4-41a-701(4) at or before the point of sale.

1303 (b) A medical cannabis cardholder transporting or possessing the container described
1304 in Subsection (3)(a)(iv) in public shall keep the container within the opaque bag or box that the
1305 medical cannabis pharmacist provides.

1306 (4) (a) Except as provided in Subsection (4)(b), a medical cannabis pharmacy may not
1307 sell medical cannabis in the form of a cigarette or a medical cannabis device that is
1308 intentionally designed or constructed to resemble a cigarette.

1309 (b) A medical cannabis pharmacy may sell a medical cannabis device that warms
1310 cannabis material into a vapor without the use of a flame and that delivers cannabis to an
1311 individual's respiratory system.

1312 (5) (a) A medical cannabis pharmacy may not give, at no cost, a product that the
1313 medical cannabis pharmacy is allowed to sell under Subsection (1)(a)(i), (ii), or (iii).

1314 (b) A medical cannabis pharmacy may give, at no cost, educational material related to
1315 the medical use of cannabis.

1316 (6) A medical cannabis pharmacy may purchase and store medical cannabis devices
1317 regardless of whether the seller has a cannabis-related license under this chapter or Title 26B,
1318 Utah Health and Human Services Code.

1319 Section 14. Section ~~4-41a-1106~~ is amended to read:

1320 **4-41a-1106. Medical cannabis pharmacy agent -- Registration.**

1321 (1) An individual may not serve as a medical cannabis pharmacy agent of a medical
1322 cannabis pharmacy unless the department registers the individual as a medical cannabis
1323 pharmacy agent.

1324 (2) A recommending medical provider may not act as a medical cannabis pharmacy
1325 agent, have a financial or voting interest of 2% or greater in a medical cannabis pharmacy, or
1326 have the power to direct or cause the management or control of a medical cannabis pharmacy.

1327 (3) (a) The department shall, within 15 days after the day on which the department

1328 receives a complete application from a medical cannabis pharmacy on behalf of a prospective
1329 medical cannabis pharmacy agent, register and issue a medical cannabis pharmacy agent
1330 registration card to the prospective agent if the medical cannabis pharmacy:

1331 (i) provides to the department:

1332 (A) the prospective agent's name and address;

1333 (B) the name and location of the licensed medical cannabis pharmacy where the
1334 prospective agent seeks to act as the medical cannabis pharmacy agent; and

1335 (C) the submission required under Subsection (3)(b); and

1336 (ii) pays a fee to the department in an amount that, subject to Subsection 4-41a-104(5),
1337 the department sets in accordance with Section 63J-1-504.

1338 (b) Each prospective agent described in Subsection (3)(a) shall:

1339 (i) submit to the department:

1340 (A) a fingerprint card in a form acceptable to the Department of Public Safety; and

1341 (B) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the
1342 registration of the prospective agent's fingerprints in the Federal Bureau of Investigation Next
1343 Generation Identification System's Rap Back Service; and

1344 (ii) consent to a fingerprint background check by:

1345 (A) the Bureau of Criminal Identification; and

1346 (B) the Federal Bureau of Investigation.

1347 (c) The Bureau of Criminal Identification shall:

1348 (i) check the fingerprints the prospective agent submits under Subsection (3)(b) against
1349 the applicable state, regional, and national criminal records databases, including the Federal
1350 Bureau of Investigation Next Generation Identification System;

1351 (ii) report the results of the background check to the department;

1352 (iii) maintain a separate file of fingerprints that prospective agents submit under
1353 Subsection (3)(b) for search by future submissions to the local and regional criminal records
1354 databases, including latent prints;

1355 (iv) request that the fingerprints be retained in the Federal Bureau of Investigation Next
1356 Generation Identification System's Rap Back Service for search by future submissions to
1357 national criminal records databases, including the Next Generation Identification System and
1358 latent prints; and

1359 (v) establish a privacy risk mitigation strategy to ensure that the department only
1360 receives notifications for an individual with whom the department maintains an authorizing
1361 relationship.

1362 (d) The department shall:

1363 (i) assess an individual who submits fingerprints under Subsection (3)(b) a fee in an
1364 amount that the department sets in accordance with Section 63J-1-504 for the services that the
1365 Bureau of Criminal Identification or another authorized agency provides under this section; and

1366 (ii) remit the fee described in Subsection (3)(d)(i) to the Bureau of Criminal
1367 Identification.

1368 (4) The department shall designate, on an individual's medical cannabis pharmacy
1369 agent registration card the name of the medical cannabis pharmacy where the individual is
1370 registered as an agent.

1371 (5) A medical cannabis pharmacy agent shall comply with a certification standard that
1372 the department develops in collaboration with the Division of Professional Licensing and the
1373 Board of Pharmacy, or a third-party certification standard that the department designates by
1374 rule, in collaboration with the Division of Professional Licensing and the Board of Pharmacy
1375 and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

1376 (6) The department shall ensure that the certification standard described in Subsection
1377 (5) includes training in:

1378 (a) Utah medical cannabis law; and

1379 (b) medical cannabis pharmacy best practices.

1380 (7) The department may revoke the medical cannabis pharmacy agent registration card
1381 of, or refuse to issue a medical cannabis pharmacy agent registration card to, an individual
1382 who:

1383 (a) violates the requirements of this chapter; or

1384 (b) is convicted under state or federal law of:

1385 (i) a felony within the preceding 10 years; or

1386 (ii) after December 3, 2018, a misdemeanor for drug distribution.

1387 (8) (a) A medical cannabis pharmacy agent registration card expires two years after the
1388 day on which the department issues or renews the card.

1389 (b) A medical cannabis pharmacy agent may renew the agent's registration card if the

1390 agent:

1391 (i) is eligible for a medical cannabis pharmacy agent registration card under this
1392 section;

1393 (ii) certifies to the department in a renewal application that the information in
1394 Subsection (3)(a) is accurate or updates the information; and

1395 (iii) pays to the department a renewal fee in an amount that:

1396 (A) subject to Subsection 4-41a-104(5), the department sets in accordance with Section
1397 63J-1-504; and

1398 (B) may not exceed the cost of the relatively lower administrative burden of renewal in
1399 comparison to the original application process.

1400 (9) (a) As a condition precedent to registration and renewal of a medical cannabis
1401 pharmacy agent registration card, a medical cannabis pharmacy agent shall:

1402 (i) complete at least one hour of continuing education regarding patient privacy and
1403 federal health information privacy laws that is offered by the department under Subsection
1404 (9)(b) or an accredited or approved continuing education provider that the department
1405 recognizes as offering continuing education appropriate for the medical cannabis pharmacy
1406 practice; and

1407 (ii) make a continuing education report to the department in accordance with a process
1408 that the department establishes by rule, in accordance with Title 63G, Chapter 3, Utah
1409 Administrative Rulemaking Act, and in collaboration with the Division of Professional
1410 Licensing and the Board of Pharmacy.

1411 (b) The department may, in consultation with the Division of Professional Licensing,
1412 develop the continuing education described in this Subsection (9).

1413 (c) The pharmacist-in-charge described in Section 26B-4-219 shall ensure that each
1414 medical cannabis pharmacy agent working in the medical cannabis pharmacy who has access to
1415 the state electronic verification system is in compliance with this Subsection (9).

1416 (d) A medical cannabis pharmacy agent may not access the electronic verification
1417 system following the termination of of the medical cannabis pharmacy agent's employment.

1418 (10) A medical cannabis pharmacy shall:

1419 (a) maintain a list of employees that have a medical cannabis pharmacy agent
1420 registration card; and

1421 (b) provide the list to the department upon request.

1422 Section 15. Section **4-41a-1202** is amended to read:

1423 **4-41a-1202. Home delivery of medical cannabis shipments -- Medical cannabis**
1424 **couriers -- License.**

1425 (1) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
1426 Administrative Rulemaking Act, to ensure the safety, security, and efficiency of a home
1427 delivery medical cannabis pharmacy's fulfillment of electronic medical cannabis orders that the
1428 state central patient portal facilitates, including rules regarding the safe and controlled delivery
1429 of medical cannabis shipments.

1430 (2) A person may not operate as a medical cannabis courier without a license that the
1431 department issues under this section.

1432 (3) (a) Subject to Subsections (5) and (6), the department shall issue a license to
1433 operate as a medical cannabis courier to an applicant who is eligible for a license under this
1434 section.

1435 (b) An applicant is eligible for a license under this section if the applicant submits to
1436 the department:

1437 (i) the name and address of an individual who:

1438 (A) has a financial or voting interest of 10% or greater in the proposed medical
1439 cannabis courier; or

1440 (B) has the power to direct or cause the management or control of a proposed cannabis
1441 production establishment;

1442 (ii) an operating plan that includes operating procedures to comply with the operating
1443 requirements for a medical cannabis courier described in this chapter; and

1444 (iii) an application fee in an amount that, subject to Subsection **4-41a-104(5)**, the
1445 department sets in accordance with Section **63J-1-504**.

1446 (4) If the department determines that an applicant is eligible for a license under this
1447 section, the department shall:

1448 (a) charge the applicant an initial license fee in an amount that, subject to Subsection
1449 **4-41a-104(5)**, the department sets in accordance with Section **63J-1-504**; and

1450 (b) notify the Department of Public Safety of the license approval and the names of
1451 each individual described in Subsection (3)(b)(i).

1452 (5) The department may not issue a license to operate as a medical cannabis courier to
1453 an applicant if an individual described in Subsection (3)(b)(i):

1454 (a) has been convicted under state or federal law of:

1455 (i) a felony in the preceding 10 years; or

1456 (ii) after September 23, 2019, a misdemeanor for drug distribution; or

1457 (b) is younger than 21 years old.

1458 (6) The department may revoke a license under this part if:

1459 (a) the medical cannabis courier does not begin operations within one year after the day
1460 on which the department issues the initial license;

1461 (b) the medical cannabis courier makes the same violation of this chapter three times;

1462 (c) an individual described in Subsection (3)(b)(i) is convicted, while the license is
1463 active, under state or federal law of:

1464 (i) a felony; or

1465 (ii) after September 23, 2019, a misdemeanor for drug distribution; or

1466 (d) after a change of ownership described in Subsection (15)(c), the department
1467 determines that the medical cannabis courier no longer meets the minimum standards for
1468 licensure and operation of the medical cannabis courier described in this chapter.

1469 (7) The department shall deposit the proceeds of a fee imposed by this section in the
1470 Qualified Production Enterprise Fund.

1471 (8) The department shall begin accepting applications under this section on or before
1472 July 1, 2020.

1473 (9) The department's authority to issue a license under this section is plenary and is not
1474 subject to review.

1475 (10) Each applicant for a license as a medical cannabis courier shall submit, at the time
1476 of application, from each individual who has a financial or voting interest of 10% or greater in
1477 the applicant or who has the power to direct or cause the management or control of the
1478 applicant:

1479 (a) a fingerprint card in a form acceptable to the Department of Public Safety;

1480 (b) a signed waiver in accordance with Subsection 53-10-108(4) acknowledging the
1481 registration of the individual's fingerprints in the Federal Bureau of Investigation Next
1482 Generation Identification System's Rap Back Service; and

- 1483 (c) consent to a fingerprint background check by:
- 1484 (i) the Bureau of Criminal Identification; and
- 1485 (ii) the Federal Bureau of Investigation.
- 1486 (11) The Bureau of Criminal Identification shall:
- 1487 (a) check the fingerprints the applicant submits under Subsection (10) against the
- 1488 applicable state, regional, and national criminal records databases, including the Federal
- 1489 Bureau of Investigation Next Generation Identification System;
- 1490 (b) report the results of the background check to the department;
- 1491 (c) maintain a separate file of fingerprints that applicants submit under Subsection (10)
- 1492 for search by future submissions to the local and regional criminal records databases, including
- 1493 latent prints;
- 1494 (d) request that the fingerprints be retained in the Federal Bureau of Investigation Next
- 1495 Generation Identification System's Rap Back Service for search by future submissions to
- 1496 national criminal records databases, including the Next Generation Identification System and
- 1497 latent prints; and
- 1498 (e) establish a privacy risk mitigation strategy to ensure that the department only
- 1499 receives notifications for an individual with whom the department maintains an authorizing
- 1500 relationship.
- 1501 (12) The department shall:
- 1502 (a) assess an individual who submits fingerprints under Subsection (10) a fee in an
- 1503 amount that the department sets in accordance with Section [63J-1-504](#) for the services that the
- 1504 Bureau of Criminal Identification or another authorized agency provides under this section; and
- 1505 (b) remit the fee described in Subsection (12)(a) to the Bureau of Criminal
- 1506 Identification.
- 1507 (13) The department shall renew a license under this section every year if, at the time
- 1508 of renewal:
- 1509 (a) the licensee meets the requirements of this section; and
- 1510 (b) the licensee pays the department a license renewal fee in an amount that, subject to
- 1511 Subsection [4-41a-104\(5\)](#), the department sets in accordance with Section [63J-1-504](#).
- 1512 (14) A person applying for a medical cannabis courier license shall submit to the
- 1513 department a proposed operating plan that complies with this section and that includes:

1514 (a) a description of the physical characteristics of any proposed facilities, including a
1515 floor plan and an architectural elevation, and delivery vehicles;

1516 (b) a description of the credentials and experience of each officer, director, or owner of
1517 the proposed medical cannabis courier;

1518 (c) the medical cannabis courier's employee training standards;

1519 (d) a security plan; and

1520 (e) storage and delivery protocols, both short and long term, to ensure that medical
1521 cannabis shipments are stored and delivered in a manner that is sanitary and preserves the
1522 integrity of the cannabis.

1523 (15) (a) A medical cannabis courier license is not transferrable or assignable.

1524 (b) A medical cannabis courier shall report in writing to the department no later than
1525 10 business days before the date of any change of ownership of the medical cannabis courier.

1526 (c) If the ownership of a medical cannabis courier changes by 50% or more:

1527 (i) concurrent with the report described in Subsection (15)(b), the medical cannabis
1528 courier shall submit a new application described in Subsection (3)(b);

1529 (ii) within 30 days of the submission of the application, the department shall:

1530 (A) conduct an application review; and

1531 (B) award a license to the medical cannabis courier for the remainder of the term of the
1532 medical cannabis courier's license before the ownership change if the medical cannabis courier
1533 meets the minimum standards for licensure and operation of the medical cannabis courier
1534 described in this chapter; and

1535 (iii) if the department approves the license application, notwithstanding Subsection (4),
1536 the medical cannabis courier shall pay a license fee that the department sets in accordance with
1537 Section [63J-1-504](#) in an amount that covers the board's cost of conducting the application
1538 review.

1539 (16) (a) Except as provided in Subsection(16)(b), a person may not advertise regarding
1540 the transportation of medical cannabis.

1541 (b) Notwithstanding Subsection (15)(a) and subject to Section [4-41a-109](#), a licensed
1542 home delivery medical cannabis pharmacy or a licensed medical cannabis courier may
1543 advertise:

1544 (i) a green cross;

- 1545 (ii) the pharmacy's or courier's name and logo; and
- 1546 (iii) that the pharmacy or courier is licensed to transport medical cannabis shipments.

1547 Section 16. Section **26B-1-421** is amended to read:

1548 **26B-1-421. Compassionate Use Board.**

1549 (1) The definitions in Section [26B-4-201](#) apply to this section.

1550 (2) (a) The department shall establish a Compassionate Use Board consisting of:

1551 (i) seven qualified medical providers that the executive director appoints [~~and the~~
1552 ~~Senate confirms~~] with the advice and consent of the Senate:

1553 (A) who are knowledgeable about the medicinal use of cannabis;

1554 (B) who are physicians licensed under Title 58, Chapter 67, Utah Medical Practice Act,
1555 or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; and

1556 (C) who are board certified by the American Board of Medical Specialties or an
1557 American Osteopathic Association Specialty Certifying Board in the specialty of neurology,
1558 pain medicine and pain management, medical oncology, psychiatry, infectious disease, internal
1559 medicine, pediatrics, family medicine, or gastroenterology; and

1560 (ii) as a nonvoting member and the chair of the Compassionate Use Board, the
1561 executive director or the director's designee.

1562 (b) In appointing the seven qualified medical providers described in Subsection (2)(a),
1563 the executive director shall ensure that at least two have a board certification in pediatrics.

1564 (3) (a) Of the members of the Compassionate Use Board that the executive director
1565 first appoints:

1566 (i) three shall serve an initial term of two years; and

1567 (ii) the remaining members shall serve an initial term of four years.

1568 (b) After an initial term described in Subsection (3)(a) expires:

1569 (i) each term is four years; and

1570 (ii) each board member is eligible for reappointment.

1571 (c) A member of the Compassionate Use Board may serve until a successor is
1572 appointed.

1573 (d) Four members constitute a quorum of the Compassionate Use Board.

1574 (4) A member of the Compassionate Use Board may receive:

1575 (a) notwithstanding Section [63A-3-106](#), compensation or benefits for the member's

1576 service; and

1577 (b) travel expenses in accordance with Section 63A-3-107 and rules made by the
1578 Division of Finance in accordance with Section 63A-3-107.

1579 (5) The Compassionate Use Board shall:

1580 (a) review and recommend for department approval a petition to the board regarding an
1581 individual described in Subsection 26B-4-213(2)(a), a minor described in Subsection
1582 26B-4-213(2)(c), or an individual who is not otherwise qualified to receive a medical cannabis
1583 card to obtain a medical cannabis card for compassionate use, for the standard or a reduced
1584 period of validity, if:

1585 (i) for an individual who is not otherwise qualified to receive a medical cannabis card,
1586 the individual's ~~[qualified]~~ recommending medical provider is actively treating the individual
1587 for an intractable condition that:

1588 (A) substantially impairs the individual's quality of life; and

1589 (B) has not, in the ~~[qualified]~~ recommending medical provider's professional opinion,
1590 adequately responded to conventional treatments;

1591 (ii) the ~~[qualified]~~ recommending medical provider:

1592 (A) recommends that the individual or minor be allowed to use medical cannabis; and

1593 (B) provides a letter, relevant treatment history, and notes or copies of progress notes
1594 describing relevant treatment history including rationale for considering the use of medical
1595 cannabis; and

1596 (iii) the Compassionate Use Board determines that:

1597 (A) the recommendation of the individual's ~~[qualified]~~ recommending medical
1598 provider is justified; and

1599 (B) based on available information, it may be in the best interests of the individual to
1600 allow the use of medical cannabis;

1601 (b) when a ~~[qualified]~~ recommending medical provider recommends that an individual
1602 described in Subsection 26B-4-213(2)(a)(i)(B) or a minor described in Subsection

1603 26B-4-213(2)(c) be allowed to use a medical cannabis device or ~~[medical cannabis product]~~

1604 medical cannabis to vaporize a medical cannabis treatment, review and approve or deny the use
1605 of the medical cannabis device or ~~[medical cannabis product]~~ medical cannabis;

1606 (c) unless no petitions are pending:

- 1607 (i) meet to receive or review compassionate use petitions at least quarterly; and
1608 (ii) if there are more petitions than the board can receive or review during the board's
1609 regular schedule, as often as necessary;
- 1610 (d) except as provided in Subsection (6), complete a review of each petition and
1611 recommend to the department approval or denial of the applicant for qualification for a medical
1612 cannabis card within 90 days after the day on which the board received the petition;
- 1613 (e) consult with the department regarding the criteria described in Subsection (6); and
1614 (f) report, before November 1 of each year, to the Health and Human Services Interim
1615 Committee and the Medical Cannabis Governance Structure Working Group:
- 1616 (i) the number of compassionate use recommendations the board issued during the past
1617 year; [~~and~~]
1618 (ii) the types of conditions for which the board recommended compassionate use[-];
1619 and
1620 (iii) the number of applications that are not completed.
- 1621 (6) The department shall make rules, in consultation with the Compassionate Use
1622 Board and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to
1623 establish a process and criteria for a petition to the board to automatically qualify for expedited
1624 final review and approval or denial by the department in cases where, in the determination of
1625 the department and the board:
- 1626 (a) time is of the essence;
1627 (b) engaging the full review process would be unreasonable in light of the petitioner's
1628 physical condition; and
1629 (c) sufficient factors are present regarding the petitioner's safety.
- 1630 (7) (a) (i) The department shall review:
1631 (A) any compassionate use for which the Compassionate Use Board recommends
1632 approval under Subsection (5)(d) to determine whether the board properly exercised the board's
1633 discretion under this section; and
1634 (B) any expedited petitions the department receives under the process described in
1635 Subsection (6).
1636 (ii) If the department determines that the Compassionate Use Board properly exercised
1637 the board's discretion in recommending approval under Subsection (5)(d) or that the expedited

1638 petition merits approval based on the criteria established in accordance with Subsection (6), the
1639 department shall:

1640 (A) issue the relevant medical cannabis card; and

1641 (B) provide for the renewal of the medical cannabis card in accordance with the
1642 recommendation of the [~~qualified~~] recommending medical provider described in Subsection
1643 (5)(a).

1644 (b) (i) If the Compassionate Use Board recommends denial under Subsection (5)(d),
1645 the individual seeking to obtain a medical cannabis card may petition the department to review
1646 the board's decision.

1647 (ii) If the department determines that the Compassionate Use Board's recommendation
1648 for denial under Subsection (5)(d) was arbitrary or capricious:

1649 (A) the department shall notify the Compassionate Use Board of the department's
1650 determination; and

1651 (B) the board shall reconsider the Compassionate Use Board's refusal to recommend
1652 approval under this section.

1653 (c) In reviewing the Compassionate Use Board's recommendation for approval or
1654 denial under Subsection (5)(d) in accordance with this Subsection (7), the department shall
1655 presume the board properly exercised the board's discretion unless the department determines
1656 that the board's recommendation was arbitrary or capricious.

1657 (8) Any individually identifiable health information contained in a petition that the
1658 Compassionate Use Board or department receives under this section is a protected record in
1659 accordance with Title 63G, Chapter 2, Government Records Access and Management Act.

1660 (9) The Compassionate Use Board shall annually report the board's activity to the
1661 Cannabis Research Review Board and the advisory board.

1662 *The following section is affected by a coordination clause at the end of this bill.*

1663 Section 17. Section **26B-4-201** is amended to read:

1664 **26B-4-201. Definitions.**

1665 As used in this part:

1666 (1) "Active tetrahydrocannabinol" means THC, any THC analog, and
1667 tetrahydrocannabinolic acid.

1668 (2) "Administration of criminal justice" means the performance of detection,

1669 apprehension, detention, pretrial release, post-trial release, prosecution, and adjudication.

1670 [~~(2)~~] (3) "Advertise" or "advertising" means information provided by a medical
1671 cannabis pharmacy in any medium:

1672 (a) to the public; and

1673 (b) that is not age restricted to an individual who is at least 21 years old.

1674 [~~(3)~~] (4) "Advisory board" means the Medical Cannabis Policy Advisory Board created
1675 in Section [26B-1-435](#).

1676 [~~(4)~~] (5) "Cannabis Research Review Board" means the Cannabis Research Review
1677 Board created in Section [26B-1-420](#).

1678 [~~(5)~~] (6) "Cannabis" means marijuana.

1679 [~~(6)~~] (7) "Cannabis cultivation facility" means the same as that term is defined in
1680 Section [4-41a-102](#).

1681 [~~(7)~~] (8) "Cannabis processing facility" means the same as that term is defined in
1682 Section [4-41a-102](#).

1683 [~~(8)~~] (9) "Cannabis product" means a product that:

1684 (a) is intended for human use; and

1685 (b) contains cannabis or any tetrahydrocannabinol or THC analog in a total
1686 concentration of 0.3% or greater on a dry weight basis.

1687 [~~(9)~~] (10) "Cannabis production establishment" means the same as that term is defined
1688 in Section [4-41a-102](#).

1689 [~~(10)~~] (11) "Cannabis production establishment agent" means the same as that term is
1690 defined in Section [4-41a-102](#).

1691 [~~(11)~~] (12) "Cannabis production establishment agent registration card" means the
1692 same as that term is defined in Section [4-41a-102](#).

1693 [~~(12)~~] (13) "Community location" means a public or private elementary or secondary
1694 school, a church, a public library, a public playground, or a public park.

1695 [~~(13)~~] (14) "Conditional medical cannabis card" means an electronic medical cannabis
1696 card that the department issues in accordance with Subsection [26B-4-213](#)(1)(b) to allow an
1697 applicant for a medical cannabis card to access medical cannabis during the department's
1698 review of the application.

1699 [~~(14)~~] (15) "Controlled substance database" means the controlled substance database

1700 created in Section [58-37f-201](#).

1701 ~~[(15)]~~ (16) "Delivery address" means~~[-]~~ the same as that term is defined in Section
1702 [4-41a-102](#).

1703 ~~[(a) for a medical cannabis cardholder who is not a facility, the medical cannabis~~
1704 ~~cardholder's home address; or]~~

1705 ~~[(b) for a medical cannabis cardholder that is a facility, the facility's address.]~~

1706 ~~[(16)]~~ (17) "Department" means the Department of Health and Human Services.

1707 ~~[(17)]~~ (18) "Designated caregiver" means:

1708 (a) an individual:

1709 (i) whom an individual with a medical cannabis patient card or a medical cannabis
1710 guardian card designates as the patient's caregiver; and

1711 (ii) who registers with the department under Section [26B-4-214](#); or

1712 (b) (i) a facility that an individual designates as a designated caregiver in accordance
1713 with Subsection [26B-4-214\(1\)\(b\)](#); or

1714 (ii) an assigned employee of the facility described in Subsection [26B-4-214\(1\)\(b\)\(ii\)](#).

1715 ~~[(18)]~~ (19) "Directions of use" means recommended routes of administration for a
1716 medical cannabis treatment and suggested usage guidelines.

1717 ~~[(19)]~~ (20) "Dosing guidelines" means a quantity range and frequency of administration
1718 for a recommended treatment of medical cannabis.

1719 ~~[(20)]~~ (21) "Financial institution" means a bank, trust company, savings institution, or
1720 credit union, chartered and supervised under state or federal law.

1721 ~~[(21)]~~ (22) "Government issued photo identification" means any of the following forms
1722 of identification:

1723 (a) a valid state-issued driver license or identification card;

1724 (b) a valid United States federal-issued photo identification, including:

1725 (i) a United States passport;

1726 (ii) a United States passport card;

1727 (iii) a United States military identification card; or

1728 (iv) a permanent resident card or alien registration receipt card; or

1729 (c) a foreign passport.

1730 ~~[(22)]~~ (23) "Home delivery medical cannabis pharmacy" means a medical cannabis

1731 pharmacy that the department authorizes, as part of the pharmacy's license, to deliver medical
1732 cannabis shipments to a delivery address to fulfill electronic orders that the state central patient
1733 portal facilitates.

1734 ~~[(23)]~~ (24) "Inventory control system" means the system described in Section
1735 4-41a-103.

1736 ~~[(24)]~~ (25) "Legal dosage limit" means an amount that:

1737 (a) is sufficient to provide 30 days of treatment based on the dosing guidelines that the
1738 relevant recommending medical provider or the state central patient portal or pharmacy
1739 medical provider, in accordance with Subsection 26B-4-230(5), recommends; and

1740 (b) may not exceed:

1741 (i) for unprocessed cannabis in a medicinal dosage form, 113 grams by weight; and

1742 (ii) for a cannabis product in a medicinal dosage form, a quantity that contains, in total,
1743 greater than 20 grams of active tetrahydrocannabinol.

1744 ~~[(25)]~~ (26) "Legal use termination date" means a date on the label of a container of
1745 unprocessed cannabis flower:

1746 (a) that is 60 days after the date of purchase of the cannabis; and

1747 (b) after which, the cannabis is no longer in a medicinal dosage form outside of the
1748 primary residence of the relevant medical cannabis patient cardholder.

1749 ~~[(26)]~~ (27) "Limited medical provider" means an individual who:

1750 (a) meets the recommending qualifications; and

1751 (b) has no more than 15 patients with a valid medical cannabis patient card or
1752 provisional patient card as a result of the individual's recommendation, in accordance with
1753 Subsection 26B-4-204(1)(b).

1754 ~~[(27)]~~ (28) "Marijuana" means the same as that term is defined in Section 58-37-2.

1755 ~~[(28)]~~ (29) "Medical cannabis" means cannabis in a medicinal dosage form or a
1756 cannabis product in a medicinal dosage form.

1757 ~~[(29)]~~ (30) "Medical cannabis card" means a medical cannabis patient card, a medical
1758 cannabis guardian card, a medical cannabis caregiver card, or a conditional medical cannabis
1759 card.

1760 ~~[(30)]~~ (31) "Medical cannabis cardholder" means:

1761 (a) a holder of a medical cannabis card; or

1762 (b) a facility or assigned employee, described in [~~Subsection(17)(b)~~] Subsection
1763 (18)(b), only:

1764 (i) within the scope of the facility's or assigned employee's performance of the role of a
1765 medical cannabis patient cardholder's caregiver designation under Subsection 26B-4-214(1)(b);
1766 and

1767 (ii) while in possession of documentation that establishes:

1768 (A) a caregiver designation described in Subsection 26B-4-214(1)(b);

1769 (B) the identity of the individual presenting the documentation; and

1770 (C) the relation of the individual presenting the documentation to the caregiver
1771 designation.

1772 [~~(31)~~] (32) "Medical cannabis caregiver card" means an electronic document that a
1773 cardholder may print or store on an electronic device or a physical card or document that:

1774 (a) the department issues to an individual whom a medical cannabis patient cardholder
1775 or a medical cannabis guardian cardholder designates as a designated caregiver; and

1776 (b) is connected to the electronic verification system.

1777 [~~(32)~~] (33) "Medical cannabis courier" means the same as that term is defined in
1778 Section 4-41a-102.

1779 [~~(33)~~] (34) "Medical cannabis courier agent" means the same as that term is defined in
1780 Section 4-41a-102.

1781 [~~(34)~~] (35) (a) "Medical cannabis device" means a device that an individual uses to
1782 ingest or inhale cannabis in a medicinal dosage form or a cannabis product in a medicinal
1783 dosage form.

1784 (b) "Medical cannabis device" does not include a device that:

1785 (i) facilitates cannabis combustion; or

1786 (ii) an individual uses to ingest substances other than cannabis.

1787 [~~(35)~~] (36) "Medical cannabis guardian card" means an electronic document that a
1788 cardholder may print or store on an electronic device or a physical card or document that:

1789 (a) the department issues to the parent or legal guardian of a minor with a qualifying
1790 condition; and

1791 (b) is connected to the electronic verification system.

1792 [~~(36)~~] (37) "Medical cannabis patient card" means an electronic document that a

1793 cardholder may print or store on an electronic device or a physical card or document that:

1794 (a) the department issues to an individual with a qualifying condition; and

1795 (b) is connected to the electronic verification system.

1796 [~~(37)~~] (38) "Medical cannabis pharmacy" means a person that:

1797 (a) (i) acquires or intends to acquire medical cannabis or a cannabis product in a
1798 medicinal dosage form from a cannabis processing facility or another medical cannabis
1799 pharmacy or a medical cannabis device; or

1800 (ii) possesses medical cannabis or a medical cannabis device; and

1801 (b) sells or intends to sell medical cannabis or a medical cannabis device to a medical
1802 cannabis cardholder.

1803 [~~(38)~~] (39) "Medical cannabis pharmacy agent" means an individual who holds a valid
1804 medical cannabis pharmacy agent registration card issued by the department.

1805 [~~(39)~~] (40) "Medical cannabis pharmacy agent registration card" means a registration
1806 card issued by the department that authorizes an individual to act as a medical cannabis
1807 pharmacy agent.

1808 [~~(40)~~] (41) "Medical cannabis shipment" means the same as that term is defined in
1809 Section [4-41a-102](#).

1810 [~~(41)~~] (42) "Medical cannabis treatment" means cannabis in a medicinal dosage form, a
1811 cannabis product in a medicinal dosage form, or a medical cannabis device.

1812 [~~(42)~~] (43) (a) "Medicinal dosage form" means:

1813 (i) for processed medical cannabis [~~or a medical cannabis product~~], the following with
1814 a specific and consistent cannabinoid content:

1815 (A) a tablet;

1816 (B) a capsule;

1817 (C) a concentrated liquid or viscous oil;

1818 (D) a liquid suspension that, after December 1, 2022, does not exceed 30 ml;

1819 (E) a topical preparation;

1820 (F) a transdermal preparation;

1821 (G) a sublingual preparation;

1822 (H) a gelatinous cube, gelatinous rectangular cuboid, or lozenge in a cube or
1823 rectangular cuboid shape;

- 1824 (I) a resin or wax; [or]
- 1825 (J) an aerosol; [or]
- 1826 (K) a suppository preparation; or
- 1827 (L) a soft or hard confection that is a uniform rectangular cuboid or uniform spherical
- 1828 shape, is homogeneous in color and texture, and each piece is a single serving; or
- 1829 (ii) for unprocessed cannabis flower, a container described in Section 4-41a-602 that:
- 1830 (A) contains cannabis flowers in a quantity that varies by no more than 10% from the
- 1831 stated weight at the time of packaging;
- 1832 (B) at any time the medical cannabis cardholder transports or possesses the container in
- 1833 public, is contained within an opaque bag or box that the medical cannabis pharmacy provides;
- 1834 and
- 1835 (C) is labeled with the container's content and weight, the date of purchase, the legal
- 1836 use termination date, and after December 31, 2020, a barcode that provides information
- 1837 connected to an inventory control system.
- 1838 (b) "Medicinal dosage form" includes a portion of unprocessed cannabis flower that:
- 1839 (i) the medical cannabis cardholder has recently removed from the container described
- 1840 in Subsection [~~(42)(a)(ii)~~] (43)(a)(ii) for use; and
- 1841 (ii) does not exceed the quantity described in Subsection [~~(42)(a)(ii)~~] (43)(a)(ii).
- 1842 (c) "Medicinal dosage form" does not include:
- 1843 (i) any unprocessed cannabis flower outside of the container described in Subsection
- 1844 [~~(42)(a)(ii)~~] (43)(a)(ii), except as provided in Subsection [~~(42)(b)~~] (43)(b);
- 1845 (ii) any unprocessed cannabis flower in a container described in Subsection
- 1846 [~~(42)(a)(ii)~~] (43)(a)(ii) after the legal use termination date;
- 1847 (iii) a process of vaporizing and inhaling concentrated cannabis by placing the cannabis
- 1848 on a nail or other metal object that is heated by a flame, including a blowtorch;
- 1849 (iv) a liquid suspension that is branded as a beverage ; [or]
- 1850 (v) a substance described in Subsection [~~(42)(a)(i)~~] (43)(a)(i) or (ii) if the substance is
- 1851 not measured in grams, milligrams, or milliliters[-]; or
- 1852 (vi) a substance that contains or is covered to any degree with chocolate.
- 1853 [~~(43)~~] (44) "Nonresident patient" means an individual who:
- 1854 (a) is not a resident of Utah or has been a resident of Utah for less than 45 days;

1855 (b) has a currently valid medical cannabis card or the equivalent of a medical cannabis
1856 card under the laws of another state, district, territory, commonwealth, or insular possession of
1857 the United States; and

1858 (c) has been diagnosed with a qualifying condition as described in Section 26B-4-203.

1859 ~~[(44)]~~ (45) "Payment provider" means an entity that contracts with a cannabis
1860 production establishment or medical cannabis pharmacy to facilitate transfers of funds between
1861 the establishment or pharmacy and other businesses or individuals.

1862 ~~[(45)]~~ (46) "Pharmacy medical provider" means the medical provider required to be on
1863 site at a medical cannabis pharmacy under Section 26B-4-219.

1864 ~~[(46)]~~ (47) "Provisional patient card" means a card that:

1865 (a) the department issues to a minor with a qualifying condition for whom:

1866 (i) a recommending medical provider has recommended a medical cannabis treatment;

1867 and

1868 (ii) the department issues a medical cannabis guardian card to the minor's parent or
1869 legal guardian; and

1870 (b) is connected to the electronic verification system.

1871 ~~[(47)]~~ (48) "Qualified medical provider" means an individual:

1872 (a) who meets the recommending qualifications; and

1873 (b) whom the department registers to recommend treatment with cannabis in a
1874 medicinal dosage form under Section 26B-4-204.

1875 ~~[(48)]~~ (49) "Qualified Patient Enterprise Fund" means the enterprise fund created in
1876 Section 26B-1-310.

1877 ~~[(49)]~~ (50) "Qualifying condition" means a condition described in Section 26B-4-203.

1878 ~~[(50)]~~ (51) "Recommend" or "recommendation" means, for a recommending medical
1879 provider, the act of suggesting the use of medical cannabis treatment, which:

1880 (a) certifies the patient's eligibility for a medical cannabis card; and

1881 (b) may include, at the recommending medical provider's discretion, directions of use,
1882 with or without dosing guidelines.

1883 ~~[(51)]~~ (52) "Recommending medical provider" means a qualified medical provider or a
1884 limited medical provider.

1885 ~~[(52)]~~ (53) "Recommending qualifications" means that an individual:

1886 (a) (i) has the authority to write a prescription;
1887 (ii) is licensed to prescribe a controlled substance under Title 58, Chapter 37, Utah
1888 Controlled Substances Act; and
1889 (iii) possesses the authority, in accordance with the individual's scope of practice, to
1890 prescribe a Schedule II controlled substance; and
1891 (b) is licensed as:
1892 (i) a podiatrist under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
1893 (ii) an advanced practice registered nurse under Title 58, Chapter 31b, Nurse Practice
1894 Act;
1895 (iii) a physician under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58,
1896 Chapter 68, Utah Osteopathic Medical Practice Act; or
1897 (iv) a physician assistant under Title 58, Chapter 70a, Utah Physician Assistant Act.
1898 [(53)] (54) "State central patient portal" means the website the department creates, in
1899 accordance with Section 26B-4-236, to facilitate patient safety, education, and an electronic
1900 medical cannabis order.
1901 [(54)] (55) "State electronic verification system" means the system described in Section
1902 26B-4-202.
1903 [(55)] (56) "Targeted marketing" means ~~[the promotion by a medical cannabis~~
1904 ~~pharmacy of a medical cannabis product, medical cannabis brand, or a medical cannabis device~~
1905 ~~using any of the following methods: (a) electronic communication to an individual who is at~~
1906 ~~least 21 years old and has requested to receive promotional information from the medical~~
1907 ~~cannabis pharmacy; (b) an in-person marketing event that is: (i) held inside a medical cannabis~~
1908 ~~pharmacy; and (ii) in an area where only a medical cannabis cardholder may access the event;~~
1909 ~~or (c) other marketing material that is physically available or digitally displayed in: (i) a~~
1910 ~~medical cannabis pharmacy; and (ii) an area where only a medical cannabis cardholder has~~
1911 ~~access]~~ the promotion by a qualified medical provider, medical clinic, or medical office that
1912 employs a qualified medical provider of a medical cannabis recommendation service using any
1913 of the following methods:
1914 (a) electronic communication to an individual who is at least 21 years old and has
1915 requested to receive promotional information;
1916 (b) an in-person marketing event that is held in an area where only an individual who is

1917 at least 21 years old may access the event;

1918 (c) other marketing material that is ~~is~~ → **physically or** ← ~~is~~ digitally displayed in the office
 1918a of the medical

1919 clinic or office that employs a qualified medical provider; or

1920 (d) a leaflet that a qualified medical provider, medical clinic, or medical office that
 1921 employs a qualified medical provider shares with an individual who is at least 21 years old.

1922 ~~[(56)]~~ (57) "Tetrahydrocannabinol" or "THC" means a substance derived from
 1923 cannabis or a synthetic equivalent as described in Subsection 58-37-4(2)(a)(iii)(AA).

1924 ~~[(57)]~~ (58) "THC analog" means the same as that term is defined in Section 4-41-102.

1925 Section 18. Section **26B-4-202** is amended to read:

1926 **26B-4-202. Electronic verification system.**

1927 (1) The Department of Agriculture and Food, the department, the Department of Public
 1928 Safety, and the Division of Technology Services shall:

1929 (a) enter into a memorandum of understanding in order to determine the function and
 1930 operation of the state electronic verification system in accordance with Subsection (2);

1931 (b) coordinate with the Division of Purchasing, under Title 63G, Chapter 6a, Utah
 1932 Procurement Code, to develop a request for proposals for a third-party provider to develop and
 1933 maintain the state electronic verification system in coordination with the Division of
 1934 Technology Services; and

1935 (c) select a third-party provider who:

1936 (i) meets the requirements contained in the request for proposals issued under
 1937 Subsection (1)(b); and

1938 (ii) may not have any commercial or ownership interest in a cannabis production
 1939 establishment or a medical cannabis pharmacy.

1940 (2) The Department of Agriculture and Food, the department, the Department of Public
 1941 Safety, and the Division of Technology Services shall ensure that the state electronic
 1942 verification system described in Subsection (1):

1943 (a) allows an individual to apply for a medical cannabis patient card or, if applicable, a
 1944 medical cannabis guardian card, provided that the card may not become active until:

1945 (i) the relevant qualified medical provider completes the associated medical cannabis
 1946 recommendation; or

1947 (ii) for a medical cannabis card related to a limited medical provider's

1948 recommendation, the medical cannabis pharmacy completes the recording described in
1949 Subsection (2)(d);

1950 (b) allows an individual to apply to renew a medical cannabis patient card or a medical
1951 cannabis guardian card in accordance with Section [26B-4-213](#);

1952 (c) allows a qualified medical provider, or an employee described in Subsection (3)
1953 acting on behalf of the qualified medical provider, to:

1954 (i) access dispensing and card status information regarding a patient:

1955 (A) with whom the qualified medical provider has a provider-patient relationship; and
1956 (B) for whom the qualified medical provider has recommended or is considering
1957 recommending a medical cannabis card;

1958 (ii) electronically recommend treatment with cannabis in a medicinal dosage form or a
1959 cannabis product in a medicinal dosage form and optionally recommend dosing guidelines;

1960 (iii) electronically renew a recommendation to a medical cannabis patient cardholder or
1961 medical cannabis guardian cardholder:

1962 (A) using telehealth services, for the qualified medical provider who originally
1963 recommended a medical cannabis treatment during a face-to-face visit with the patient; or
1964 (B) during a face-to-face visit with the patient, for a qualified medical provider who
1965 did not originally recommend the medical cannabis treatment during a face-to-face visit; and

1966 (iv) submit an initial application, renewal application, or application payment on behalf
1967 of an individual applying for any of the following:

1968 (A) a medical cannabis patient card;
1969 (B) a medical cannabis guardian card; or
1970 (C) a medical cannabis caregiver card;

1971 (d) allows a medical cannabis pharmacy medical provider or medical cannabis
1972 pharmacy agent, in accordance with Subsection [4-41a-1101](#)(10)(a), to:

1973 (i) access the electronic verification system to review the history within the system of a
1974 patient with whom the provider or agent is interacting, limited to read-only access for medical
1975 cannabis pharmacy agents unless the medical cannabis pharmacy's pharmacist in charge
1976 authorizes add and edit access;

1977 (ii) record a patient's recommendation from a limited medical provider, including any
1978 directions of use, dosing guidelines, or caregiver indications from the limited medical provider;

- 1979 (iii) record a limited medical provider's renewal of the provider's previous
1980 recommendation; and
- 1981 (iv) submit an initial application, renewal application, or application payment on behalf
1982 of an individual applying for any of the following:
- 1983 (A) a medical cannabis patient card;
- 1984 (B) a medical cannabis guardian card; or
- 1985 (C) a medical cannabis caregiver card;
- 1986 (e) connects with:
- 1987 (i) an inventory control system that a medical cannabis pharmacy uses to track in real
1988 time and archive purchases of any cannabis in a medicinal dosage form, cannabis product in a
1989 medicinal dosage form, or a medical cannabis device, including:
- 1990 (A) the time and date of each purchase;
- 1991 (B) the quantity and type of cannabis, cannabis product, or medical cannabis device
1992 purchased;
- 1993 (C) any cannabis production establishment, any medical cannabis pharmacy, or any
1994 medical cannabis courier associated with the cannabis, cannabis product, or medical cannabis
1995 device; and
- 1996 (D) the personally identifiable information of the medical cannabis cardholder who
1997 made the purchase; and
- 1998 (ii) any commercially available inventory control system that a cannabis production
1999 establishment utilizes in accordance with Section [4-41a-103](#) to use data that the Department of
2000 Agriculture and Food requires by rule, in accordance with Title 63G, Chapter 3, Utah
2001 Administrative Rulemaking Act, from the inventory tracking system that a licensee uses to
2002 track and confirm compliance;
- 2003 (f) provides access to:
- 2004 (i) the department to the extent necessary to carry out the department's functions and
2005 responsibilities under this part;
- 2006 (ii) the Department of Agriculture and Food to the extent necessary to carry out the
2007 functions and responsibilities of the Department of Agriculture and Food under Title 4, Chapter
2008 41a, Cannabis Production Establishments and Pharmacies; and
- 2009 (iii) the Division of Professional Licensing to the extent necessary to carry out the

2010 functions and responsibilities related to the participation of the following in the
2011 recommendation and dispensing of medical cannabis:

- 2012 (A) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
- 2013 (B) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
- 2014 (C) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse
2015 Practice Act;
- 2016 (D) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
2017 Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or
- 2018 (E) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant
2019 Act;
- 2020 (g) provides access to and interaction with the state central patient portal;
- 2021 (h) communicates dispensing information from a record that a medical cannabis
2022 pharmacy submits to the state electronic verification system under Subsection
2023 4-41a-1102(3)(a)(ii) to the controlled substance database;
- 2024 (i) provides access to state or local law enforcement~~[-]~~ only to verify the validity of an
2025 individual's medical cannabis card for the administration of criminal justice and through a
2026 database used by law enforcement; and
2027 ~~[(i) during a law enforcement encounter, without a warrant, using the individual's~~
2028 ~~driver license or state ID, only for the purpose of determining if the individual subject to the~~
2029 ~~law enforcement encounter has a valid medical cannabis card; or]~~
2030 ~~[(ii) after obtaining a warrant; and]~~
- 2031 (j) creates a record each time a person accesses the system that identifies the person
2032 who accesses the system and the individual whose records the person accesses.

2033 (3) (a) An employee of a qualified medical provider may access the electronic
2034 verification system for a purpose described in Subsection (2)(c) on behalf of the qualified
2035 medical provider if:

- 2036 (i) the qualified medical provider has designated the employee as an individual
2037 authorized to access the electronic verification system on behalf of the qualified medical
2038 provider;
- 2039 (ii) the qualified medical provider provides written notice to the department of the
2040 employee's identity and the designation described in Subsection (3)(a)(i); and

2041 (iii) the department grants to the employee access to the electronic verification system.

2042 (b) An employee of a business that employs a qualified medical provider may access
2043 the electronic verification system for a purpose described in Subsection (2)(c) on behalf of the
2044 qualified medical provider if:

2045 (i) the qualified medical provider has designated the employee as an individual
2046 authorized to access the electronic verification system on behalf of the qualified medical
2047 provider;

2048 (ii) the qualified medical provider and the employing business jointly provide written
2049 notice to the department of the employee's identity and the designation described in Subsection
2050 (3)(b)(i); and

2051 (iii) the department grants to the employee access to the electronic verification system.

2052 (4) (a) As used in this Subsection (4), "prescribing provider" means:

2053 (i) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

2054 (ii) an advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse
2055 Practice Act;

2056 (iii) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act, or
2057 Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; or

2058 (iv) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
2059 Assistant Act.

2060 (b) A prescribing provider may access information in the electronic verification system
2061 regarding a patient the prescribing provider treats.

2062 (5) The department may release limited data that the system collects for the purpose of:

2063 (a) conducting medical and other department approved research;

2064 (b) providing the report required by Section [26B-4-222](#); and

2065 (c) other official department purposes.

2066 (6) The department shall make rules, in accordance with Title 63G, Chapter 3, Utah
2067 Administrative Rulemaking Act, to establish:

2068 (a) the limitations on access to the data in the state electronic verification system as
2069 described in this section; and

2070 (b) standards and procedures to ensure accurate identification of an individual
2071 requesting information or receiving information in this section.

2072 ~~[(7) (a) Any person who knowingly and intentionally releases any information in the~~
2073 ~~state electronic verification system in violation of this section is guilty of a third degree felony.]~~

2074 ~~[(b)]~~ (7) Any person who negligently or recklessly releases any information in the state
2075 electronic verification system in violation of this section is guilty of a class C misdemeanor.

2076 (8) ~~[(a)]~~ Any person who obtains or attempts to obtain information from the state
2077 electronic verification system by misrepresentation or fraud is guilty of a third degree felony.

2078 ~~[(b) Any person who obtains or attempts to obtain information from the state electronic~~
2079 ~~verification system for a purpose other than a purpose this part authorizes is guilty of a third~~
2080 ~~degree felony.]~~

2081 (9) (a) Except as provided in ~~[Subsection]~~ Subsections (9)(c) and (9)(e), a person may
2082 not knowingly and intentionally use, release, publish, or otherwise make available to any other
2083 person information obtained from the state electronic verification system for any purpose other
2084 than a purpose specified in this section.

2085 (b) Each separate violation of this Subsection (9) is:

2086 (i) a third degree felony; and

2087 (ii) subject to a civil penalty not to exceed \$5,000.

2088 (c) A law enforcement officer who uses the database used by law enforcement to
2089 access information in the electronic verification system for a reason that is not the
2090 administration of criminal justice is guilty of a class B misdemeanor.

2091 ~~[(e)]~~ (d) The department shall determine a civil violation of this Subsection (9) in
2092 accordance with Title 63G, Chapter 4, Administrative Procedures Act.

2093 ~~[(f)]~~ (e) Civil penalties assessed under this Subsection (9) shall be deposited into the
2094 General Fund.

2095 ~~[(e)]~~ (f) This Subsection (9) does not prohibit a person who obtains information from
2096 the state electronic verification system under Subsection (2)(a), (c), or (f) from:

2097 (i) including the information in the person's medical chart or file for access by a person
2098 authorized to review the medical chart or file;

2099 (ii) providing the information to a person in accordance with the requirements of the
2100 Health Insurance Portability and Accountability Act of 1996; or

2101 (iii) discussing or sharing that information about the patient with the patient.

2102 Section 19. Section ~~26B-4-204~~ is amended to read:

2103 **26B-4-204. Qualified medical provider registration -- Continuing education --**
2104 **Treatment recommendation -- Limited medical provider.**

2105 (1) (a) (i) Except as provided in Subsection (1)(b), an individual may not recommend a
2106 medical cannabis treatment unless the department registers the individual as a qualified
2107 medical provider in accordance with this section.

2108 (ii) Notwithstanding Subsection (1)(a)(i), a qualified medical provider who is podiatrist
2109 licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act, may not recommend a
2110 medical cannabis treatment except within the course and scope of a practice of podiatry, as that
2111 term is defined in Section [58-5a-102](#).

2112 (b) An individual who meets the recommending qualifications may recommend a
2113 medical cannabis treatment as a limited medical provider without registering under Subsection
2114 (1)(a) if:

2115 (i) the individual recommends the use of medical cannabis to the patient through an
2116 order described in Subsection (1)(c) after:

2117 (A) a face-to-face visit for an initial recommendation or the renewal of a
2118 recommendation for a patient for whom the limited medical provider did not make the patient's
2119 original recommendation; or

2120 (B) a visit using telehealth services for a renewal of a recommendation for a patient for
2121 whom the limited medical provider made the patient's original recommendation; and

2122 (ii) the individual's recommendation or renewal would not cause the total number of
2123 the individual's patients who have a valid medical cannabis patient card or provisional patient
2124 card resulting from the individual's recommendation to exceed 15.

2125 (c) The individual described in Subsection (1)(b) shall communicate the individual's
2126 recommendation through an order for the medical cannabis pharmacy to record the individual's
2127 recommendation or renewal in the state electronic verification system under the individual's
2128 recommendation that:

2129 (i) (A) the individual or the individual's employee sends electronically to a medical
2130 cannabis pharmacy; or

2131 (B) the individual gives to the patient in writing for the patient to deliver to a medical
2132 cannabis pharmacy; and

2133 (ii) may include:

2134 (A) directions of use or dosing guidelines; and

2135 (B) an indication of a need for a caregiver in accordance with Subsection

2136 [26B-4-213\(3\)\(c\)](#).

2137 (d) If the limited medical provider gives the patient a written recommendation to
2138 deliver to a medical cannabis pharmacy under Subsection (1)(c)(i)(B), the limited medical
2139 provider shall ensure that the document includes all of the information that is included on a
2140 prescription the provider would issue for a controlled substance, including:

2141 (i) the date of issuance;

2142 (ii) the provider's name, address and contact information, controlled substance license
2143 information, and signature; and

2144 (iii) the patient's name, address and contact information, age, and diagnosed qualifying
2145 condition.

2146 (e) In considering making a recommendation as a limited medical provider, an
2147 individual may consult information that the department makes available on the department's
2148 website for recommending providers.

2149 (2) (a) The department shall, within 15 days after the day on which the department
2150 receives an application from an individual, register and issue a qualified medical provider
2151 registration card to the individual if the individual:

2152 (i) provides to the department the individual's name and address;

2153 (ii) provides to the department an acknowledgment that the individual has completed
2154 four hours of continuing education related to medical cannabis;

2155 (iii) provides to the department evidence that the individual meets the recommending
2156 qualifications;

2157 (iv) for an applicant on or after November 1, 2021, provides to the department the
2158 information described in Subsection (10)(a); and

2159 (v) pays the department a fee in an amount that:

2160 (A) the department sets, in accordance with Section [63J-1-504](#); and

2161 (B) does not exceed \$300 for an initial registration.

2162 (b) The department may not register an individual as a qualified medical provider if the
2163 individual is:

2164 (i) a pharmacy medical provider; or

2165 (ii) an owner, officer, director, board member, employee, or agent of a cannabis
2166 production establishment, a medical cannabis pharmacy, or a medical cannabis courier.

2167 (3) (a) An individual shall complete the continuing education related to medical
2168 cannabis in the following amounts:

2169 (i) for an individual as a condition precedent to registration, four hours; and

2170 (ii) for a qualified medical provider as a condition precedent to renewal, four hours
2171 every two years.

2172 (b) The department may, in consultation with the Division of Professional Licensing,
2173 develop continuing education related to medical cannabis.

2174 (c) The continuing education described in this Subsection (3) may discuss:

2175 (i) the provisions of this part;

2176 (ii) general information about medical cannabis under federal and state law;

2177 (iii) the latest scientific research on the endocannabinoid system and medical cannabis,
2178 including risks and benefits;

2179 (iv) recommendations for medical cannabis as it relates to the continuing care of a
2180 patient in pain management, risk management, potential addiction, or palliative care; and

2181 (v) best practices for recommending the form and dosage of [~~medical cannabis~~
2182 ~~products~~] medical cannabis based on the qualifying condition underlying a medical cannabis
2183 recommendation.

2184 (4) (a) Except as provided in Subsection (4)(b), a qualified medical provider may not
2185 recommend a medical cannabis treatment to more than 1.5% of the total amount of medical
2186 cannabis patient cardholders.

2187 (b) If a qualified medical provider receives payment from an insurance plan for
2188 services provided under this chapter, then the patient whose insurance plan was billed does not
2189 count toward the 1.5% patient cap described in Subsection (4)(a).

2190 (5) A recommending medical provider may recommend medical cannabis to an
2191 individual under this part only in the course of a provider-patient relationship after the
2192 recommending medical provider has completed and documented in the patient's medical record
2193 a thorough assessment of the patient's condition and medical history based on the appropriate
2194 standard of care for the patient's condition.

2195 (6) (a) Except as provided in [~~Subsection~~] Subsections (6)(b) and (c), a person may not

2196 advertise that the person or the person's employee recommends a medical cannabis treatment.

2197 (b) Notwithstanding Subsection (6)(a) and Section 4-41a-109, a qualified medical
2198 provider [~~or clinic or~~], medical clinic, or medical office that employs a qualified medical
2199 provider may advertise only the following:

2200 (i) a green cross;

2201 (ii) the provider's or clinic's name and logo;

2202 (iii) a qualifying condition that the individual treats;

2203 (iv) that the individual is registered as a qualified medical provider and recommends

2204 medical cannabis; [~~or~~]

2205 (v) a scientific study regarding medical cannabis use[~~;~~]; or

2206 (vi) contact information.

2207 (c) Notwithstanding Subsection (6)(a) and Section 4-41a-109, qualified medical

2208 provider, medical clinic, or medical office that employs a qualified medical provider may

2209 engage in targeted marketing, as determined by the department through rule, for advertising

2210 medical cannabis recommendation services.

2211 (7) (a) A qualified medical provider registration card expires two years after the day on
2212 which the department issues the card.

2213 (b) The department shall renew a qualified medical provider's registration card if the
2214 provider:

2215 (i) applies for renewal;

2216 (ii) is eligible for a qualified medical provider registration card under this section,
2217 including maintaining an unrestricted license under the recommending qualifications;

2218 (iii) certifies to the department in a renewal application that the information in
2219 Subsection (2)(a) is accurate or updates the information;

2220 (iv) submits a report detailing the completion of the continuing education requirement
2221 described in Subsection (3); and

2222 (v) pays the department a fee in an amount that:

2223 (A) the department sets, in accordance with Section 63J-1-504; and

2224 (B) does not exceed \$50 for a registration renewal.

2225 (8) The department may revoke the registration of a qualified medical provider who
2226 fails to maintain compliance with the requirements of this section.

- 2227 (9) A recommending medical provider may not:
- 2228 (a) receive any compensation or benefit for the qualified medical provider's medical
- 2229 cannabis treatment recommendation from:
- 2230 ~~[(a)]~~ (i) a cannabis production establishment or an owner, officer, director, board
- 2231 member, employee, or agent of a cannabis production establishment;
- 2232 ~~[(b)]~~ (ii) a medical cannabis pharmacy or an owner, officer, director, board member,
- 2233 employee, or agent of a medical cannabis pharmacy; or
- 2234 ~~[(c)]~~ (iii) a recommending medical provider or pharmacy medical provider[-]; or
- 2235 (iv) provide a medical cannabis recommendation at a medical clinic or medical office
- 2236 that is violating the advertising limitations described in Subsection (6).
- 2237 (10) (a) ~~[On or before November 1, 2021,]~~ Each quarter, a qualified medical provider
- 2238 shall report to the department, in a manner designated by the department:
- 2239 (i) if applicable, that the qualified medical provider or the entity that employs the
- 2240 qualified medical provider represents online or on printed material that the qualified medical
- 2241 provider is a qualified medical provider or offers medical cannabis recommendations to
- 2242 patients; and
- 2243 (ii) (A) for cash payment without insurance, the fee amount that the qualified medical
- 2244 provider or the entity that employs the qualified medical provider charges a patient for a
- 2245 medical cannabis recommendation~~[- either]~~ as an actual cash rate ~~[or, if the provider or entity~~
- 2246 ~~bills insurance, an average cash rate.]; and~~
- 2247 (B) whether the qualified medical provider or the entity that employs the qualified
- 2248 medical provider bills insurance.
- 2249 (b) The department shall:
- 2250 (i) ensure that the following information related to qualified medical providers and
- 2251 entities described in Subsection (10)(a)(i) is available on the department's website or on the
- 2252 health care price transparency tool under Subsection (10)(b)(ii):
- 2253 (A) the name of the qualified medical provider and, if applicable, the name of the
- 2254 entity that employs the qualified medical provider;
- 2255 (B) the address of the qualified medical provider's office or, if applicable, the entity
- 2256 that employs the qualified medical provider; and
- 2257 (C) the fee amount described in Subsection (10)(a)(ii)(A); and

2258 (ii) share data collected under this Subsection (10) with the state auditor for use in the
2259 health care price transparency tool described in Section [67-3-11](#).

2260 Section 20. Section **26B-4-207** is amended to read:

2261 **26B-4-207. Nondiscrimination for medical care or government employment --**
2262 **Notice to prospective and current public employees -- No effect on private employers.**

2263 (1) For purposes of medical care, including an organ or tissue transplant, a patient's
2264 use, in accordance with this part, of cannabis in a medicinal dosage form or a cannabis product
2265 in a medicinal dosage form:

2266 (a) is considered the equivalent of the authorized use of any other medication used at
2267 the discretion of a physician; and


2268 (b) does not constitute the use of an illicit substance or otherwise disqualify an
2269 individual from needed medical care.

2270 (2) ~~Ŝ→~~ [For a violation of Section [34A-5-114](#), the Legislature may withhold future state
2271 appropriations from a state agency or political subdivision] Before taking an adverse employment
2271a1 action as defined in Section [34A-5-114](#) against an employee ~~Ĥ→~~ [who is known to be a] solely
2271a2 because the employee is a ~~←Ĥ~~ medical
2271b1 cannabis cardholder ~~Ĥ→~~ or holds a prescription for another controlled substance ~~←Ĥ~~ , a
2271b2 state employer or a political subdivision employer shall:
2271c (a) consult with legal counsel, if one is employed or contracted with to provide services to the
2271d state employer or political subdivision; and
2271e (b) obtain approval from:
2271f1 (i) for a political subdivision, the mayor ~~Ĥ→~~ [and the city manager or chief administrative officer]
2271f2 or county executive ~~←Ĥ~~ ;
2271g or
2271h (ii) for a state employer, the state employer's ~~Ĥ→~~ [executive director] agency head or the
2271i agency head's designee ~~←Ĥ~~ ~~←Ŝ~~ .

2272 [~~(2)(a) Notwithstanding any other provision of law and except as provided in~~
2273 ~~Subsection (2)(b), the state or any political subdivision shall treat:]~~

2274 [~~(i) an employee's use of medical cannabis in accordance with this part or Section~~
2275 ~~[58-37-3.7](#) in the same way the state or political subdivision treats employee use of any~~
2276 ~~prescribed controlled substance; and]~~

2277 [~~(ii) an employee's status as a medical cannabis cardholder or an employee's medical~~
2278 ~~cannabis recommendation from a qualified medical provider or limited provider in the same~~
2279 ~~way the state or political subdivision treats an employee's prescriptions for any prescribed~~
2280 ~~controlled substance.]~~

2281 [~~(b) A state or political subdivision employee who has a valid medical cannabis card is~~
2282 ~~not subject to retaliatory action, as that term is defined in Section [67-19a-101](#), for failing a drug~~ 

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2283 ~~test due to marijuana or tetrahydrocannabinol without evidence that the employee was impaired~~

2284 ~~or otherwise adversely affected in the employee's job performance due to the use of medical~~
2285 ~~cannabis.]~~

2286 ~~[(c) Subsections (2)(a) and (b) do not apply:]~~

2287 ~~[(i) where the application of Subsection (2)(a) or (b) would jeopardize federal funding;~~
2288 ~~a federal security clearance, or any other federal background determination required for the~~

2289 employee's position;]

2290 [(ii) if the employee's position is dependent on a license or peace officer certification
2291 that is subject to federal regulations, including 18 U.S.C. Sec. 922(g)(3); or]

2292 [(iii) if an employee described in Subsections ~~34A-2-102(1)(h)(ii)~~ through (vi) uses
2293 medical cannabis during the 12 hours immediately preceding the employee's shift or during the
2294 employee's shift.]

2295 (3) (a) (i) A state employer or a political subdivision employer shall take the action
2296 described in Subsection (3)(a)(ii) before:

2297 (A) giving to a current employee an assignment or duty that arises from or directly
2298 relates to an obligation under this part; or

2299 (B) hiring a prospective employee whose assignments or duties would include an
2300 assignment or duty that arises from or directly relates to an obligation under this part.

2301 (ii) The employer described in Subsection (3)(a)(i) shall give the employee or
2302 prospective employee described in Subsection (3)(a)(i) a written notice that notifies the
2303 employee or prospective employee:

2304 (A) that the employee's or prospective employee's job duties may require the employee
2305 or prospective employee to engage in conduct which is in violation of the criminal laws of the
2306 United States; and

2307 (B) that in accepting a job or undertaking a duty described in Subsection (3)(a)(i),
2308 although the employee or prospective employee is entitled to the protections of Title 67,
2309 Chapter 21, Utah Protection of Public Employees Act, the employee may not object or refuse to
2310 carry out an assignment or duty that may be a violation of the criminal laws of the United
2311 States with respect to the manufacture, sale, or distribution of cannabis.

2312 (b) The Division of Human Resource Management shall create, revise, and publish the
2313 form of the notice described in Subsection (3)(a).

2314 (c) Notwithstanding Subsection ~~67-21-3(3)~~, an employee who has signed the notice
2315 described in Subsection (3)(a) may not:

2316 (i) claim in good faith that the employee's actions violate or potentially violate the laws
2317 of the United States with respect to the manufacture, sale, or distribution of cannabis; or

2318 (ii) refuse to carry out a directive that the employee reasonably believes violates the
2319 criminal laws of the United States with respect to the manufacture, sale, or distribution of

2320 cannabis.

2321 (d) An employer may not take retaliatory action as defined in Section 67-19a-101
2322 against a current employee who refuses to sign the notice described in Subsection (3)(a).

2323 (4) Nothing in this section requires a private employer to accommodate the use of
2324 medical cannabis or affects the ability of a private employer to have policies restricting the use
2325 of medical cannabis by applicants or employees.

2326 Section 21. Section 26B-4-213 is amended to read:

2327 **26B-4-213. Medical cannabis patient card -- Medical cannabis guardian card --**
2328 **Conditional medical cannabis card -- Application -- Fees -- Studies.**

2329 (1) (a) Subject to Section 26B-4-246, within 15 days after the day on which an
2330 individual who satisfies the eligibility criteria in this section or Section 26B-4-214 submits an
2331 application in accordance with this section or Section 26B-4-214, the department shall:

2332 (i) issue a medical cannabis patient card to an individual described in Subsection
2333 (2)(a);

2334 (ii) issue a medical cannabis guardian card to an individual described in Subsection
2335 (2)(b);

2336 (iii) issue a provisional patient card to a minor described in Subsection (2)(c); and

2337 (iv) issue a medical cannabis caregiver card to an individual described in Subsection
2338 26B-4-214(4).

2339 (b) (i) Upon the entry of a recommending medical provider's medical cannabis
2340 recommendation for a patient in the state electronic verification system, either by the provider
2341 or the provider's employee or by a medical cannabis pharmacy medical provider or medical
2342 cannabis pharmacy in accordance with Subsection 4-41a-1101(10)(a), the department shall
2343 issue to the patient an electronic conditional medical cannabis card, in accordance with this
2344 Subsection (1)(b).

2345 (ii) A conditional medical cannabis card is valid for the lesser of:

2346 (A) 60 days; or

2347 (B) the day on which the department completes the department's review and issues a
2348 medical cannabis card under Subsection (1)(a), denies the patient's medical cannabis card
2349 application, or revokes the conditional medical cannabis card under Subsection (8).

2350 (iii) The department may issue a conditional medical cannabis card to an individual

2351 applying for a medical cannabis patient card for which approval of the Compassionate Use
2352 Board is not required.

2353 (iv) An individual described in Subsection (1)(b)(iii) has the rights, restrictions, and
2354 obligations under law applicable to a holder of the medical cannabis card for which the
2355 individual applies and for which the department issues the conditional medical cannabis card.

2356 (2) (a) An individual is eligible for a medical cannabis patient card if:

2357 (i) (A) the individual is at least 21 years old; or

2358 (B) the individual is 18, 19, or 20 years old, the individual petitions the Compassionate
2359 Use Board under Section 26B-1-421, and the Compassionate Use Board recommends
2360 department approval of the petition;

2361 (ii) the individual is a Utah resident;

2362 (iii) the individual's recommending medical provider recommends treatment with
2363 medical cannabis in accordance with Subsection (4);

2364 (iv) the individual signs an acknowledgment stating that the individual received the
2365 information described in Subsection (9); and

2366 (v) the individual pays to the department a fee in an amount that, subject to Subsection
2367 26B-1-310(5), the department sets in accordance with Section 63J-1-504.

2368 (b) (i) An individual is eligible for a medical cannabis guardian card if the individual:

2369 (A) is at least 18 years old;

2370 (B) is a Utah resident;

2371 (C) is the parent or legal guardian of a minor for whom the minor's [~~qualified~~]
2372 recommending medical provider recommends a medical cannabis treatment, the individual
2373 petitions the Compassionate Use Board under Section 26B-1-421, and the Compassionate Use
2374 Board recommends department approval of the petition;

2375 (D) the individual signs an acknowledgment stating that the individual received the
2376 information described in Subsection (9); and

2377 (E) pays to the department a fee in an amount that, subject to Subsection 26B-1-310(5),
2378 the department sets in accordance with Section 63J-1-504, plus the cost of the criminal
2379 background check described in Section 26B-4-215.

2380 (ii) The department shall notify the Department of Public Safety of each individual that
2381 the department registers for a medical cannabis guardian card.

- 2382 (c) (i) A minor is eligible for a provisional patient card if:
- 2383 (A) the minor has a qualifying condition;
- 2384 (B) the minor's ~~qualified~~ recommending medical provider recommends a medical
- 2385 cannabis treatment to address the minor's qualifying condition;
- 2386 (C) one of the minor's parents or legal guardians petitions the Compassionate Use
- 2387 Board under Section [26B-1-421](#), and the Compassionate Use Board recommends department
- 2388 approval of the petition; and
- 2389 (D) the minor's parent or legal guardian is eligible for a medical cannabis guardian card
- 2390 under Subsection (2)(b) or designates a caregiver under Subsection (2)(d) who is eligible for a
- 2391 medical cannabis caregiver card under Section [26B-4-214](#).
- 2392 (ii) The department shall automatically issue a provisional patient card to the minor
- 2393 described in Subsection (2)(c)(i) at the same time the department issues a medical cannabis
- 2394 guardian card to the minor's parent or legal guardian.
- 2395 (d) If the parent or legal guardian of a minor described in Subsections (2)(c)(i)(A)
- 2396 through (C) does not qualify for a medical cannabis guardian card under Subsection (2)(b), the
- 2397 parent or legal guardian may designate up to two caregivers in accordance with Subsection
- 2398 [26B-4-214](#)(1)(c) to ensure that the minor has adequate and safe access to the recommended
- 2399 medical cannabis treatment.
- 2400 (3) (a) An individual who is eligible for a medical cannabis card described in
- 2401 Subsection (2)(a) or (b) shall submit an application for a medical cannabis card to the
- 2402 department:
- 2403 (i) through an electronic application connected to the state electronic verification
- 2404 system;
- 2405 (ii) with the recommending medical provider; and
- 2406 (iii) with information including:
- 2407 (A) the applicant's name, gender, age, and address;
- 2408 (B) the number of the applicant's government issued photo identification;
- 2409 (C) for a medical cannabis guardian card, the name, gender, and age of the minor
- 2410 receiving a medical cannabis treatment under the cardholder's medical cannabis guardian card;
- 2411 and
- 2412 (D) for a provisional patient card, the name of the minor's parent or legal guardian who

2413 holds the associated medical cannabis guardian card.

2414 (b) The department shall ensure that a medical cannabis card the department issues
2415 under this section contains the information described in Subsection (3)(a)(iii).

2416 (c) (i) If a recommending medical provider determines that, because of age, illness, or
2417 disability, a medical cannabis patient cardholder requires assistance in administering the
2418 medical cannabis treatment that the recommending medical provider recommends, the
2419 recommending medical provider may indicate the cardholder's need in the state electronic
2420 verification system, either directly or, for a limited medical provider, through the order
2421 described in Subsections 26B-4-204(1)(c) and (d).

2422 (ii) If a recommending medical provider makes the indication described in Subsection
2423 (3)(c)(i):

2424 (A) the department shall add a label to the relevant medical cannabis patient card
2425 indicating the cardholder's need for assistance;

2426 (B) any adult who is 18 years old or older and who is physically present with the
2427 cardholder at the time the cardholder needs to use the recommended medical cannabis
2428 treatment may handle the medical cannabis treatment and any associated medical cannabis
2429 device as needed to assist the cardholder in administering the recommended medical cannabis
2430 treatment; and

2431 (C) an individual of any age who is physically present with the cardholder in the event
2432 of an emergency medical condition, as that term is defined in Section 31A-1-301, may handle
2433 the medical cannabis treatment and any associated medical cannabis device as needed to assist
2434 the cardholder in administering the recommended medical cannabis treatment.

2435 (iii) A non-cardholding individual acting under Subsection (3)(c)(ii)(B) or (C) may not:

2436 (A) ingest or inhale medical cannabis;

2437 (B) possess, transport, or handle medical cannabis or a medical cannabis device outside
2438 of the immediate area where the cardholder is present or with an intent other than to provide
2439 assistance to the cardholder; or

2440 (C) possess, transport, or handle medical cannabis or a medical cannabis device when
2441 the cardholder is not in the process of being dosed with medical cannabis.

2442 (4) To recommend a medical cannabis treatment to a patient or to renew a
2443 recommendation, a recommending medical provider shall:

2444 (a) visit with the patient face-to-face for an initial recommendation unless the patient:

2445 (i) prefers a virtual visit; and

2446 (ii) (A) is on hospice or has a terminal illness according to the patient's medical

2447 provider; or

2448 (B) is a resident of an assisted living facility, as defined in Section 26B-2-201, or a

2449 nursing care facility, as defined in Section 26B-2-201;

2450 (b) before recommending or renewing a recommendation for medical cannabis in a
2451 medicinal dosage form or a cannabis product in a medicinal dosage form:

2452 (i) verify the patient's and, for a minor patient, the minor patient's parent or legal
2453 guardian's government issued photo identification described in Subsection (3)(a);

2454 (ii) review any record related to the patient and, for a minor patient, the patient's parent
2455 or legal guardian in:

2456 (A) for a qualified medical provider, the state electronic verification system; and

2457 (B) the controlled substance database created in Section 58-37f-201; and

2458 (iii) consider the recommendation in light of the patient's qualifying condition, history

2459 of substance use or opioid use disorder, and history of medical cannabis and controlled

2460 substance use during a visit with the patient; and

2461 (c) state in the recommending medical provider's recommendation that the patient:

2462 (i) suffers from a qualifying condition, including the type of qualifying condition; and

2463 (ii) may benefit from treatment with cannabis in a medicinal dosage form or a cannabis
2464 product in a medicinal dosage form.

2465 (5) (a) Except as provided in Subsection (5)(b) or (c), a medical cannabis card that the
2466 department issues under this section is valid for the lesser of:

2467 (i) an amount of time that the recommending medical provider determines; or

2468 (ii) one year from the day the card is issued.

2469 (b) (i) A medical cannabis card that the department issues in relation to a terminal

2470 illness described in Section 26B-4-203 expires after one year.

2471 (ii) The recommending medical provider may revoke a recommendation that the
2472 provider made in relation to a terminal illness described in Section 26B-4-203 if the medical

2473 cannabis cardholder no longer has the terminal illness.

2474 (c) A medical cannabis card that the department issues in relation to acute pain as

2475 described in Section 26B-4-203 expires 30 days after the day on which the department first
2476 issues a conditional or full medical cannabis card.

2477 (6) (a) A medical cannabis patient card or a medical cannabis guardian card is
2478 renewable if:

2479 (i) at the time of renewal, the cardholder meets the requirements of Subsection (2)(a) or
2480 (b); or

2481 (ii) the cardholder received the medical cannabis card through the recommendation of
2482 the Compassionate Use Board under Section 26B-1-421.

2483 (b) The recommending medical provider who made the underlying recommendation
2484 for the card of a cardholder described in Subsection (6)(a) may renew the cardholder's card
2485 through phone or video conference with the cardholder, at the recommending medical
2486 provider's discretion.

2487 (c) Before having access to a renewed card, a cardholder under Subsection (2)(a) or (b)
2488 shall pay to the department a renewal fee in an amount that:

2489 (i) subject to Subsection 26B-1-310(5), the department sets in accordance with Section
2490 63J-1-504; and

2491 (ii) may not exceed the cost of the relatively lower administrative burden of renewal in
2492 comparison to the original application process.

2493 (d) If a minor meets the requirements of Subsection (2)(c), the minor's provisional
2494 patient card renews automatically at the time the minor's parent or legal guardian renews the
2495 parent or legal guardian's associated medical cannabis guardian card.

2496 (7) (a) A cardholder under this section shall carry the cardholder's valid medical
2497 cannabis card with the patient's name.

2498 (b) (i) A medical cannabis patient cardholder or a provisional patient cardholder may
2499 purchase, in accordance with this part and the recommendation underlying the card, cannabis in
2500 a medicinal dosage form, a cannabis product in a medicinal dosage form, or a medical cannabis
2501 device.

2502 (ii) A cardholder under this section may possess or transport, in accordance with this
2503 part and the recommendation underlying the card, cannabis in a medicinal dosage form, a
2504 cannabis product in a medicinal dosage form, or a medical cannabis device.

2505 (iii) To address the qualifying condition underlying the medical cannabis treatment

2506 recommendation:

2507 (A) a medical cannabis patient cardholder or a provisional patient cardholder may use
2508 [~~cannabis in a medicinal dosage form, a medical cannabis product in a medicinal dosage form,~~
2509 ~~or~~] medical cannabis or a medical cannabis device; and

2510 (B) a medical cannabis guardian cardholder may assist the associated provisional
2511 patient cardholder with the use of [~~cannabis in a medicinal dosage form, a medical cannabis~~
2512 ~~product in a medicinal dosage form;~~] medical cannabis or a medical cannabis device.

2513 (8) (a) The department may revoke a medical cannabis card that the department issues
2514 under this section if:

2515 (i) the recommending medical provider withdraws the medical provider's
2516 recommendation for medical cannabis; or

2517 (ii) the cardholder:

2518 (A) violates this part; or

2519 (B) is convicted under state or federal law of, after March 17, 2021, a drug distribution
2520 offense.

2521 (b) The department may not refuse to issue a medical cannabis card to a patient solely
2522 based on a prior revocation under Subsection (8)(a)(i).

2523 (9) The department shall establish by rule, in accordance with Title 63G, Chapter 3,
2524 Utah Administrative Rulemaking Act, a process to provide information regarding the following
2525 to an individual receiving a medical cannabis card:

2526 (a) risks associated with medical cannabis treatment;

2527 (b) the fact that a condition's listing as a qualifying condition does not suggest that
2528 medical cannabis treatment is an effective treatment or cure for that condition, as described in
2529 Subsection [26B-4-203\(1\)](#); and

2530 (c) other relevant warnings and safety information that the department determines.

2531 (10) The department may establish procedures by rule, in accordance with Title 63G,
2532 Chapter 3, Utah Administrative Rulemaking Act, to implement the application and issuance
2533 provisions of this section.

2534 (11) (a) On or before September 1, 2021, the department shall establish by rule, in
2535 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, a process to allow
2536 an individual from another state to register with the department in order to purchase medical

2537 cannabis or a medical cannabis device from a medical cannabis pharmacy while the individual
2538 is visiting the state.

2539 (b) The department may only provide the registration process described in Subsection
2540 (11)(a):

2541 (i) to a nonresident patient; and

2542 (ii) for no more than two visitation periods per calendar year of up to 21 calendar days
2543 per visitation period.

2544 (12) (a) A person may submit to the department a request to conduct a research study
2545 using medical cannabis cardholder data that the state electronic verification system contains.

2546 (b) The department shall review a request described in Subsection (12)(a) to determine
2547 whether an institutional review board, as that term is defined in Section 26B-4-201, could
2548 approve the research study.

2549 (c) At the time an individual applies for a medical cannabis card, the department shall
2550 notify the individual:

2551 (i) of how the individual's information will be used as a cardholder;

2552 (ii) that by applying for a medical cannabis card, unless the individual withdraws
2553 consent under Subsection (12)(d), the individual consents to the use of the individual's
2554 information for external research; and

2555 (iii) that the individual may withdraw consent for the use of the individual's
2556 information for external research at any time, including at the time of application.

2557 (d) An applicant may, through the medical cannabis card application, and a medical
2558 cannabis cardholder may, through the state central patient portal, withdraw the applicant's or
2559 cardholder's consent to participate in external research at any time.

2560 (e) The department may release, for the purposes of a study described in this
2561 Subsection (12), information about a cardholder under this section who consents to participate
2562 under Subsection (12)(c).

2563 (f) If an individual withdraws consent under Subsection (12)(d), the withdrawal of
2564 consent:

2565 (i) applies to external research that is initiated after the withdrawal of consent; and

2566 (ii) does not apply to research that was initiated before the withdrawal of consent.

2567 (g) The department may establish standards for a medical research study's validity, by

2568 rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

2569 (13) The department shall record the issuance or revocation of a medical cannabis card
2570 under this section in the controlled substance database.

2571 Section 22. Section **26B-4-245** is amended to read:

2572 **26B-4-245. Purchasing and use limitations -- Exception.**

2573 (1) An individual with a medical cannabis card:

2574 [(+)] (a) may purchase, in any one 28-day period, up to the legal dosage limit of:

2575 [(a)] (i) unprocessed cannabis in a medicinal dosage form; and

2576 [(b)] (ii) a cannabis product in a medicinal dosage form;

2577 [(2)] (b) may not purchase:

2578 [(a)] (i) except as provided in Subsection (2), more medical cannabis than described in
2579 Subsection (1)(a); or

2580 [(b)] (ii) if the relevant recommending medical provider did not recommend directions
2581 of use and dosing guidelines, until the individual consults with the pharmacy medical provider
2582 in accordance with Subsection 26B-4-231(4), any medical cannabis; and

2583 [(3)] (c) may not use a route of administration that the relevant recommending medical
2584 provider or the pharmacy medical provider, in accordance with Subsection 26B-4-231(4), has
2585 not recommended.

2586 (2) (a) A qualified medical provider may petition the department to waive the 28-day
2587 period limit described in Subsection (1)(a) for a medical cannabis cardholder if the medical
2588 cannabis cardholder:

2589 (i) has been diagnosed with a terminal illness;

2590 (ii) has a life expectancy of six months or less; and

2591 (iii) needs the waiver for palliative purposes.

2592 (b) The department shall:

2593 (i) consult with the Compassionate Use Board to determine whether the waiver should
2594 be granted;

2595 (ii) issue a response to the petition within 10 days from the day on which the petition is
2596 received.

2597 (c) The department may waive the 28-day period limit for no more than 180 days.

2598 (d) A petition described in this Subsection (2) may be combined with the petition

2599 described in Subsection [26B-1-421\(6\)](#).

2600 Section 23. Section **34A-5-114** is enacted to read:

2601 **34A-5-114. Nondiscrimination for medical cannabis use while employed by the**
2602 **government.**

2603 (1) As used in this section:

2604 (a) "Adverse employment action" means any of the following in regards to an
2605 employee:

2606 (i) dismissal from employment;

2607 (ii) suspension from employment;

2608 (iii) reduction in compensation;

2609 (iv) failing to increase compensation by an amount that the employee is otherwise
2610 entitled to or was promised;

2611 (v) failure to promote an employee if the employee would have otherwise been
2612 promoted; or

2613 (vi) threaten to take an action described in Subsections (1)(a)(i) through (v).

2614 (b) "Medical cannabis" means the same as that term is defined in Section [26B-4-201](#).

2615 (c) "Medical cannabis cardholder" means the same as that term is defined in Section
2616 [26B-4-201](#).

2617 (2) Notwithstanding any other provision of law and except as provided in Subsection
2618 (4), the state or any political subdivision shall treat:

2619 (a) an employee's use of medical cannabis in accordance with Title 26B, Chapter 4,
2620 Part 2, Cannabinoid Research and Medical Cannabis, or Section [58-37-3.7](#) in the same way the
2621 state or political subdivision treats employee use of any prescribed controlled substance; and

2622 (b) an employee's status as a medical cannabis cardholder or an employee's medical
2623 cannabis recommendation in the same manner the state or political subdivision treats an
2624 employee's prescriptions for any prescribed controlled substance.

2625 (3) A state or political subdivision employee who has a valid medical cannabis card is
2626 not subject to an adverse employment action for failing a drug test due to marijuana or
2627 tetrahydrocannabinol without evidence that the employee was impaired or otherwise adversely
2628 affected in the employee's job performance due to the use of medical cannabis.

2629 (4) Subsections (2) and (3) do not apply:

2630 (a) where the application of Subsection (2) or (3) would jeopardize federal funding, a
2631 federal security clearance, or any other federal background determination required for the
2632 employee's position;

2633 (b) if the employee's position is dependent on a license or peace officer certification
2634 that is subject to federal regulations, including 18 U.S.C. Sec. 922(g)(3); or

2635 (c) if an employee described in Subsections [34A-2-102](#)(1)(h)(ii) through (vi) uses
2636 medical cannabis during the 12 hours immediately preceding the employee's shift or during the
2637 employee's shift.

2638 (5) An employee described in this section:

2639 (a) may file a complaint in accordance with Section [34A-5-107](#) with the commission;
2640 and

2641 (b) is entitled to any remedies under this chapter for an employer's violation of
2642 Subsection (2) or (3).

2643 (6) Nothing in this section requires a private employer to accommodate the use of
2644 medical cannabis or affects the ability of a private employer to have policies restricting the use
2645 of medical cannabis by applicants or employees.

2646 Section 24. Section **63I-2-236** is amended to read:

2647 **63I-2-236. Repeal dates: Title 36.**

2648 (1) Section [36-12-8.2](#) is repealed July 1, [~~2024~~] 2025.

2649 (2) Section [36-29-107.5](#) is repealed on November 30, 2024.

2650 (3) Section [36-29-109](#) is repealed on November 30, 2027.

2651 (4) Section [36-29-110](#) is repealed on November 30, 2024.

2652 (5) Section [36-29-111](#) is repealed July 1, 2025.

2653 (6) The following sections regarding the State Flag Task Force are repealed on January
2654 1, 2024:

2655 (a) Section [36-29-201](#);

2656 (b) Section [36-29-202](#); and

2657 (c) Section [36-29-203](#).

2658 (7) Title 36, Chapter 29, Part 3, Mental Illness Psychotherapy Drug Task Force, is
2659 repealed December 31, 2023.

2660 Section 25. **Effective date.**

2661 This bill takes effect on May 1, 2024.

2662 Section 26. **Coordinating S.B. 233 with S.B. 46.**

2663 If S.B. 233, Medical Cannabis Amendments, and S.B. 46, Health and Human Services

2664 Amendments, both pass and become law, the Legislature intends that, on May 1, 2024:

2665 (1) Subsection [4-41a-102](#)(46) in S.B. 46 does not take take effect; and

2666 (2) the amendments to Subsection [26B-4-201](#)(56) in S.B. 233 supersede the repeal of

2667 Subsection [26B-4-201](#)(55), related to targeted marketing, in S.B. 46.